

*Wheatbelt Development
Commission*

*ANNUAL REPORT
2002 / 2003*



Government of
Western
Australia



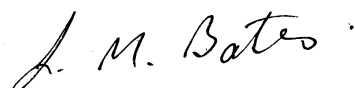
1 – STATEMENT OF COMPLIANCE

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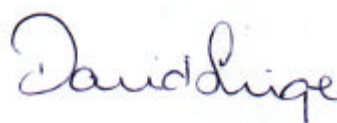
MINISTER FOR THE MID WEST, WHEATBELT AND GREAT SOUTHERN

In accordance with Section 66 of the Financial Administration and Audit Act 1985, we hereby submit for your information and presentation to Parliament, the Annual Report of the Wheatbelt Development Commission for the financial year ended 30 June 2003.

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



Cr Michael Bates
Chairman of the Board
Date: 26th August 2003



David Singe
Director and Member of the Board
Date: 26th August 2003

2 – OFFICE LOCATIONS

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4 – CHAIRMAN'S REPORT



2002 – 2003 has been another year of solid progress at the Wheatbelt Development Commission. New Board and staff members have found their feet and voices quickly and have neatly complemented the team.

The Commission undertook a strategic planning exercise this year as a critical and dispassionate analysis of our role and direction. The exercise reinforced our understanding of our role as a facilitator and a provider of information services to stakeholders within and outside the region. It also precipitated the embarkation upon a process of identification of enablers and barriers to entry for a small number of key strategic industries for the region, with a view to facilitating investment and growth in those industries.

The strategic planning exercise also sharpened our focus on the requirement to enhance facilities and service delivery in the region. The key areas of transport, planning, health and education are key areas on which the board is concentrating, and developing partnerships with regional stakeholders.

Inadequate energy and transport infrastructure continue to frustrate development opportunities in many parts of the region. The board has established an Electricity Advisory Group, and has continued to pursue opportunities to increase the priority of the of the region's resource requirements through the Transport Advisory Group.

We administered the second round of the Wheatbelt Regional Development Scheme. The Scheme forms part of the government's four-year, \$75 million Regional Investment Fund and provided \$400,000 for regional development projects. We received 49 applications to a total of \$1 million for the available \$400,000, so the demand and competition for resources remains intense. Again there were numerous worthy projects that we were unable to fund, and I encourage those applicants to continue to work with the staff to refine their projects for alternative funding sources or subsequent WRDS rounds.

We welcomed Andrew Prior to the project staff in the Central East. Patrick Scully has joined us working on whole-of-region projects in the Central Midlands office. Karin Day has resigned to pursue business and family interests, and our Finance and Corporate Services Manager Dawn Timmerman left to pursue career aspirations elsewhere.

We have gained the services of Alison Roberts to continue with implementation of the Central South Action Plan, and Pip Shields is analysing and scoping the need for additional services to regional exporters.

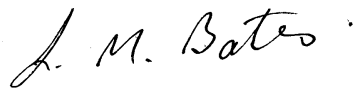
Board meetings were held in Narrogin, Southern Cross, New Norcia, Lake Grace and Cervantes. This enabled the board to interact with those communities, broadening our understanding of their requirements. This interaction is important to us - we are better able to gauge our stakeholders' perceptions of us and better tailor activities to suit regional needs.

We welcomed Helen Bennett and Tracy Meredith to the Board, and welcomed Steven Woods back. Helen is from Lake Grace and has business, education and local government expertise, and has assumed portfolio responsibility for education.

Tracy Meredith brings experience in sustainable development programs. She chairs the Health Working party that is focussing on advocacy to ensure continuance and comparative equity of the Wheatbelt's health budget, as well as provision of appropriate and effective health service delivery.

Catherine Maughan and Martin Morris have moved on from the board. We thank them for their contribution and wish them well in future endeavours.

Thanks to David Singe for managing our small band of competent and committed staff. The challenges are many and the resources are few, so the strength of our organisation relies on the ability and dedication of all of our staff and board members. Their individual and collective efforts too often go unnoticed. The continuation of the excellent results in our customer survey demonstrates that these efforts are well placed.

A handwritten signature in black ink that reads "J. M. Bates". The signature is written in a cursive style with a small dot at the end.

Cr Michael Bates

5 – REPORT ON OPERATIONS

INTRODUCTION

The Wheatbelt Development Commission took its current form through enabling legislation passed on 8th April 1994. (The Regional Development Commissions Act 1993).

The board continues to implement the Wheatbelt Regional Strategy, “Shaping the Future”.

THE OBJECTS AND FUNCTIONS OF THE WHEATBELT DEVELOPMENT COMMISSION (Regional Development Commission Act 1993)

The objects of the commission are to:

- (a) maximise job creation and improve career opportunities in the region;
- (b) develop and broaden the economic base of the region;
- (c) identify infrastructure services to promote business development within the region;
- (d) provide information and advice to promote business development within the region;
- (e) seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area; and
- (f) generally take steps to encourage, promote, facilitate and monitor the economic development of the region.

For the purpose of achieving these objectives, the commission is to:

- (a) promote the region;
- (b) facilitate co-ordination between relevant statutory bodies and state government agencies;
- (c) co-operate with representatives of industry and commerce, employer and employee organisations, education and training institutions and other sections of the community within the region;
- (d) identify opportunities for investment in the region and encourage that investment;
- (e) identify infrastructure needs of the region and encourage the provision of that infrastructure in the region; and
- (f) co-operate with departments of the Public Service of the State and the Commonwealth, and other agencies, instrumentalities and statutory bodies of the State and Commonwealth; and local government authorities,

in order to promote equitable delivery of services within the region

6 – OUTPUTS

The Wheatbelt Development Commission operates on an output based management system and has reported this fiscal year under this system.

OUTCOME

“The benefits from sustained development, consistent with the expectations of the regional community, flow to the people of the Wheatbelt”.

KEY OUTPUTS

1. Information and Promotion Services
2. Facilitation Services

Relevant to these Key Outputs the commission has 3 goals:

1. Self-Sustaining Regional Economic Development
2. Services Necessary for Regional Development
3. Effective Communication

The commission’s low level performance indicators are based around this output management structure.

MINISTERIAL RESPONSIBILITY

The Minister to whom the Wheatbelt Development Commission is responsible is the Minister for the Mid West, Wheatbelt and Great Southern, Hon Kim Chance MLC.

7 – THE WHEATBELT REGION

Western Australia's Wheatbelt region encompasses an area of 154,862 square kilometres, adjoining metropolitan Perth and extending to the north, east and south east.

The main service centres are Northam, Narrogin, Merredin and Moora, although these towns contain only some 16,000 of the region's population of about 72,000.

Educational, health, recreational and cultural services are extensive, and the region is home to the C Y O'Connor College of TAFE and Curtin University's Muresk Institute of Agriculture.

The Wheatbelt is Western Australia's largest contributor of agricultural products. Grains, pulses, wool, livestock and other products are valuable export commodities.

Gold, nickel and iron ore mining are mined in the eastern parts of the region and a range of other minerals is mined elsewhere, including mineral sands in the west.

The region has well-developed transport links, with most major highways and rail routes to Perth passing through. There is access to the Port of Fremantle and regional ports at Geraldton, Bunbury, Albany and Esperance. A range of private air charter services is available. Daily passenger rail services operate on the main east-west line and a variety of passenger road coach services exist.

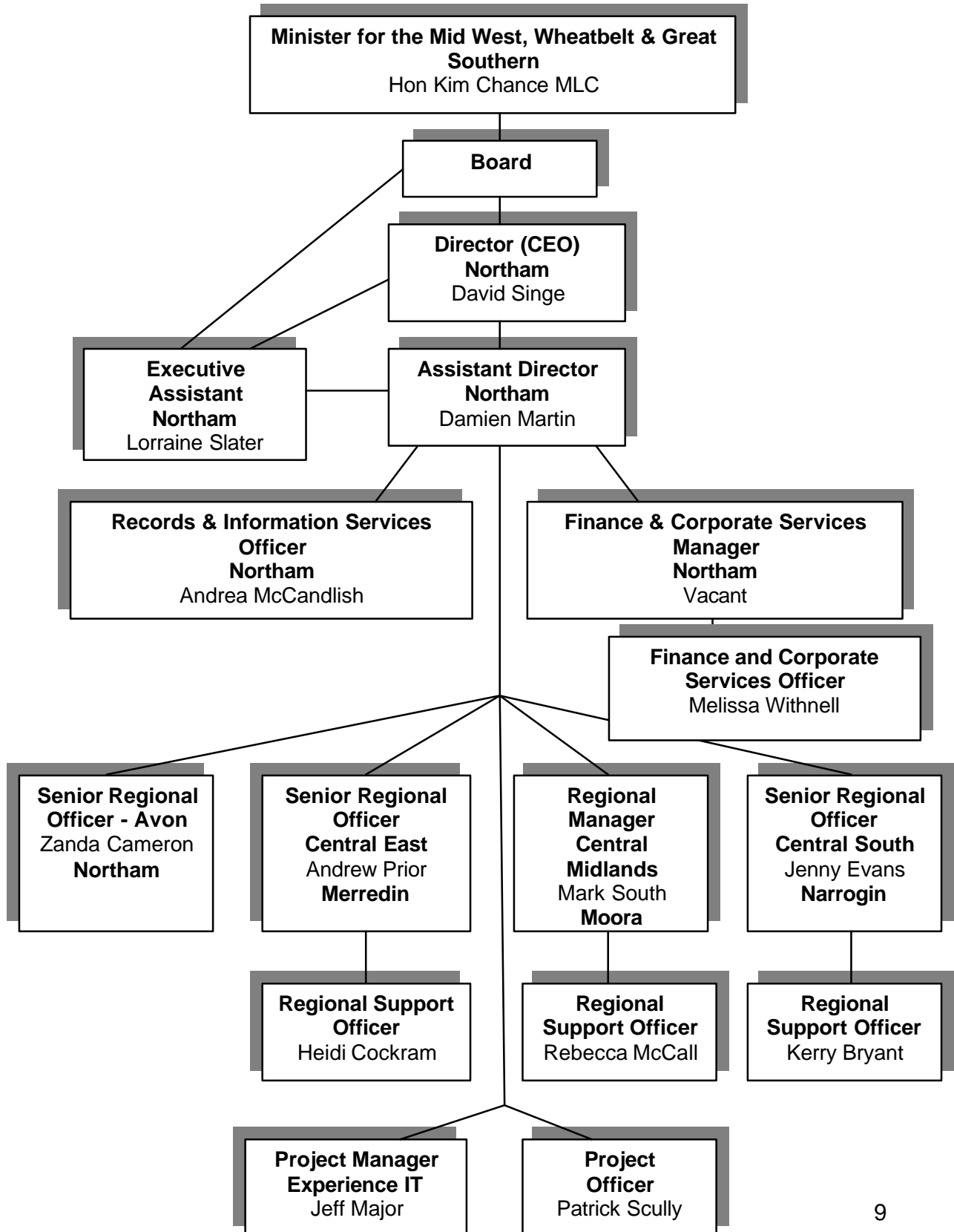
The central coast area north of Perth is home to rock lobster and wet-line fishing activities, with expanding aquaculture activities. This area also accounts for the bulk of the region's tourism development and investment.

The State Government owns the Avon Industrial Park, situated 18km east of Northam. The park is designed to accommodate a variety of food, fibre, mineral and chemical processing activities. The second processor commenced operations this year, and negotiations are continuing with others.

A range of intensive agricultural and horticultural production industries is developing in the western end of the region. The future of the Wheatbelt rests with continuing economic diversity, production of high quality, competitively priced goods and services, and continuing innovation.



8 – ORGANISATIONAL STRUCTURE OF THE WHEATBELT DEVELOPMENT COMMISSION



9 – BOARD OF THE COMMISSION



Chairman - Cr Michael Bates ... Councillor Bates has been involved in local government for 8 years, as a councillor and president of Shire of Moora. He was honoured with the Western Australian Rural Leadership Award in 1999 for his leadership throughout the 1999 floods and the ongoing flood recovery. Under his leadership, the Moora district was recognised as Australian Community of the Year for 2001. Michael brings to the Commission his interests in diversifying and revitalising regional communities.

Deputy Chairperson - Ms Wendy Newman ... With a background in education, marketing and events management, Ms Newman is a self-employed consultant to various regional and non-regional clients. Her background in marketing is being applied to marketing issues in the Wheatbelt Region.



Mr Ian Landsmeer ... Mr Landsmeer is the immediate past President of the Shire of Mount Marshall. His family moved here from South Australia in 1978. Ian has spent most of his working life in the motor industry, having owned motor repair businesses in both SA and WA. His interests are community development, model and real trains and motor racing. Ian's portfolio interests include transport and social infrastructure.

Mr Darren West ... farms 1600 ha at Jennacubbine. Darren spent 12 months in the US as an agricultural exchange student before returning to the family farm. He is married with a young family and is involved with several community groups and his interests include sport and public affairs. Darren is Chair of the Primary Industry, Emerging Industries and Business Development Portfolio Group within the Wheatbelt Development Commission.



Cr Phil Nolan ... is a mining engineer for Portman Ltd at Koolyanobbing. Phil has lived in the Yilgarn for since 1998 and has spent his entire career in the mining industry, over 20 years. Phil was elected to Yilgarn Shire Council in May 2001 representing Town Ward. He is interested in public affairs, reading and flying as recreational pursuits.

Mr Colin Adams ... Colin is a retired farmer from Milling. He now lives in Jurien Bay and is the current Acting Chairman for Central Midlands Development Foundation. Colin has in the past has held positions at the Shire of Moora as Councillor, Deputy President and President.



Cr Steven Woods ... Steven is a farmer from Victoria Plains, who graduated from Curtin University, Muresk with a Diploma in Agriculture. He is a Councillor with the Shire of Victoria Plains and his interests include St John Ambulance and he is Vice President of the Victoria Plains Sub-branch and an instructor in first aid. He is also Chairman of Victoria Plains Landcare Committee.

Tracy Meredith ... whose previous role in the blindness prevention programs of The Fred Hollows Foundation Inc. in developing countries provides experience in sustainable development programs which can be applied to the regional issues of the Wheatbelt. Tracy has a background in the public health sector that is being furthered by studying psychology at Edith Cowan University. Living in Duranillin, she is jointly operating a 3,300 Ha sheep/crop farm and associated businesses with her husband Michael. Tracy's interests within the Wheatbelt Development Commission lie within health and social equity.



Helen Bennett .. Farmer and kindergarten teacher from Lake Grace, Helen Bennet joined the Board this year. She has assumed portfolio responsibility for the education sector, and brings a wealth of business and local government experience to the Board. Having served as a Councillor on the Shire of Lake Grace for ten years, Helen represents the interests of the south eastern Wheatbelt.

Mr David Singe (ex officio)... Director of the commission, with a professional background in urban and regional planning, he has worked in the Western Australian Regional Development portfolio in the Wheatbelt since 1987. David is currently a member of the WA Aged Care Advisory Council and the Partnership Steering Group.



10 – ACTIVITY HIGHLIGHTS

EMERGING PRIMARY INDUSTRIES

Alternative Agriculture

Avon Region Landuse Solutions - The Avon Region Landuse Solutions project aims to facilitate development of profitable, productive and sustainable alternative industries for the Avon region, through providing the support to local growers. The Commission supports the group in developing their strategic direction.



Aquaculture

Inland Saline Aquaculture - The Commission believes that there is opportunity for a sustainable aquaculture industry to contribute to the regional economy.

Inland aquaculture has potential for the region however it will only be successful if industry development is guided with a realistic focus on market demands and consumer perceptions. Further research and development is required to see inland finfish farming expand and become commercially viable.

Salt Lake Biota

The Commission is partnering with the University of Western Australia to investigate the potential commercial value of naturally occurring salt lake biota. Two PhD students are undertaking research with the aim of identifying suitable species and modelling successful production systems.

The Commission has contributed towards the development of a Reference Centre at UWA. This centre will be an umbrella organisation for research in to salt lakes, and will also play a role in maintaining a gene bank of salt lake species, and controlling the quality of any industries related to cultivation of salt lake resources (such as *Parartemia spp*).

Primary Industry Processing

Narrogin Bioenergy Plant - Construction on this long awaited project began in Autumn 2002. The plant will be a demonstration of integrated wood processing. The three products produced from processing oil mallee biomass will be 1MW of electricity, eucalyptus oil (at a later stage) and activated charcoal and activated carbon. Biomass will be sourced from locally harvested oil mallee. The plant will be one-fifth the size of a scale plant. It is anticipated that trial processing will begin in December 2003. The commission has continued to facilitate Reference Group meetings with key stakeholders provided support services to the Upper Great Southern Oil Mallee Association to promote oil mallee in the Narrogin district.

BUSINESS DEVELOPMENT

Tourism

Avon Valley Tourism Association - The Commission assisted the Avon Valley Tourism Association (AVTA) to harness industry support to facilitate a strategic plan for the region. This process also investigated the need to restructure the group to broaden its representation of the local industry in order to promote the value of tourism in the Avon Valley.

The AVTA was subsequently successful in attracting funding through the Wheatbelt Regional Development Scheme to develop a strategic plan.

Avon Valley Racing Association – The Commission assisted the local racing industry to identify its major weakness - fragmentation and lack of lobbying power. A group of representatives from the various racing clubs within the Avon Valley, including the Trots, Dogs and Thoroughbreds, subsequently joined together to form a lobby group known as the Avon Valley Racing Association. The aim of the Association is to jointly promote and develop racing in the Avon Valley.



The organisation was successful in attracting funding through the Wheatbelt Regional Development Scheme to develop a strategic plan that will facilitate the preservation and growth of the racing industries in the Avon Valley.

Easter Air Show at Cunderdin - A sub committee of the Shire of Cunderdin organised the spectacularly successful 'Easter Air Show at Cunderdin'.

With assistance from the Wheatbelt Development Commission, the group was successful in receiving funding through the Wheatbelt Regional Development Scheme in addition to significant support from the Shire. The Commission assisted the group in compiling its business and marketing plans.



The event profiled aviation, clubs, sports, equipment, sales and service groups will to aim to be a driver to promote the local aviation industry and the airfield facilities at Cunderdin. The event was a huge success and attracted over 10,000 people.

Avon Valley Aviation Alliance - The Commission has been assisting aero-sport associations and operators in the Avon region towards the successful establishment of Avon Aviation Alliance. The focus of Avon Aviation Alliance is to build a strong multi-disciplinary aero-sport based association to promote the Avon region as the aero-sport capital of WA. Working with tourism and other stakeholders in the region, Avon Aviation will identify, package and market aviation based tourism products.

To complement the marketing plan that was completed by Muresk students in 2001, Muresk Students developed a business plan with a view to investigating how to move

the Alliance forward. The Alliance was also successful in receiving funding through the Wheatbelt Regional Development Scheme for a marketing strategy to assist it in maintaining focus and ascertaining the most effective use of resources.

Dryandra Woodlands Focus Group - The Commission has continued to provide facilitation service to the Group. The Group sourced funding to employ a Tourism Development Officer for Greater Dryandra in 2001/02. The Group subsequently sourced funding through the Wheatbelt Regional Development Scheme to undertake a review of tourism industry structures in the region. This was completed in January 2003 and as a result of recommendation the Commission has assisted the Focus Group work towards amalgamation with the Narrogin and Districts Tourist Bureau. The amalgamation will enable the development of a Narrogin Visitor Centre with a full time staff member to service the surrounding shires.

Strategic level tourism development in the Wheatbelt - In partnership with the WA Tourism Commission and the Wheatbelt ACC, the Commission has initiated targeted government assistance with the development of the tourism industry in the region.

The Commission is involved with a number of sub-regional tourism associations within its area, and in consultation with its partners, developed a concept to provide a region-wide strategic approach to tourism. The concept aims to coordinate the development and marketing of key drive trails in the Wheatbelt, complementing the work undertaken by individual tourism businesses, sub-regional tourism associations, the Regional Tourism Association and those organisations that support tourism industry development in the Wheatbelt.

With the changes in boundaries of the tourism regions of WA, this joint initiative over 2002-03 and 2003-04 will seek to ensure the Wheatbelt is well placed within the new tourism zone structure.

MARKETING

Marketing the Region

Marketing Skills Kit and Workshops Project - Following development of the Marketing Skills Kit, delivery of the Marketing Skills Workshops was piloted at Calingiri in March.

Workshops were subsequently staged at Wickopin and Dowerin. These workshops were well attended and received high praise from the participants, both for presentation and the content of the Kit.

The next series of workshops is planned for Merredin, Lancelin and Moora. Discussions are taking place with potential delivery partners such as the BEC network and Business Associations to stage more workshops and ensure that the benefits of the Marketing Skills Kit are extended to as many businesses as possible.

INDUSTRY INPUTS

Water

Beverley-Brookton Groundwater Study - There are significant quantities of groundwater present in areas of the Beverley and Brookton shires. The availability of water presents opportunities as well as challenges for the shires. The area is already under pressure from rural residential subdivision. Information on the sustainable yield of the resources will also enable promotion of opportunities, such as horticulture and alternative agriculture.

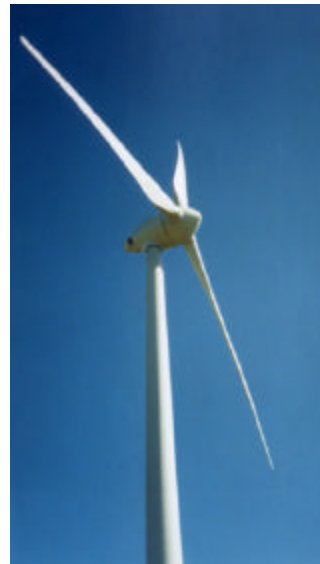
Without adequate information on the quality, quantity and location of the groundwater, it has been impossible to make any planning decisions. A consultant hydrogeologist was commissioned to undertake a desktop study to determine the location and basic data on yields. The report was released for public comment and as a result the Beverley Brookton Communities have established a Paleochannel Management Committee to liaise with the Shire to implement the recommendations of the report.

Energy

During 2002/03 many parts of the Wheatbelt region experienced significant electricity supply issues, caused by climatic conditions impacting on the region's ageing electricity infrastructure. As a result, the Commission established an Electricity Advisory Group (EAG) to provide information and advice to the Board and to Government on power quality, supply and reliability. The EAG comprises representatives from Local Government, the Office of Energy, Western Power and the Commission.

A discussion paper has been prepared by the Commission to increase awareness of energy supply and service issues in the region. This discussion paper will allow the Commission to focus on issues that need to be addressed by Government to ensure the quality of electricity supply to regional consumers.

The Commission recognises that access to quality, reliable electricity supply is a fundamental ingredient in regional development and is required to facilitate industry attraction, retention and expansion.



Labour Force

The Wheatbelt Development Commission is a "Regional Certifying Body" for the purposes of the Regional Sponsored Migration Scheme. The Scheme is designed to

enable regional employers who are experiencing difficulty in attracting skilled labour to source employees from other counties. The Scheme continues to be popular with many regional employers.

Industrial Land

Avon Industrial Park - The Park was completed and opened in 2001/2002 and the first company, Binary Chemicals to locate there completed and opened its premises in November 2001. This year saw the establishment of a second business in the Park. Bushman Tanks relocated its premises from Northam to the park this year. Hon. Kim Chance officially launched Bushman Tanks opening at the end of June.

Avon Energy - Wheatbelt Development Commission has been working with a potential supplier of energy to the Avon Industrial Park (AIP).

Avon Energy proposes to pipe natural gas from Midland to the Avon Industrial Park. The current usage levels for gas in the region would not justify the cost of the project however the proponents are seeking to use gas to generate electricity for sale to Western Power into the South West Interconnected System. The project will also see the development of a 70MW power station to feed power back into the grid. Private industry financial resources will fund the project.

If successful, the proposed project would eliminate the current energy constraints at the AIP and potentially ameliorate some of the electricity supply constraints in surrounding communities.

TRANSPORT

Transport Advisory Group - The Commission together with the Department for Planning and Infrastructure continues to facilitate the Wheatbelt Transport Advisory Group. The group has identified the Corrigin-Hyden Road upgrade as a priority project, along with some grain network roads, Indian Ocean Drive and the Agricultural Lime sand routes.

Discussions have begun with the Department of Planning and Infrastructure (DPI) to broaden the scope of the Transport Advisory Group to include a planning component, in line with the restructure of DPI.

SUSTAINABILITY

Cleaner Production

WA Sustainable Industry Group – Cleaner Production Statement – The Commission is a signatory to the Cleaner Production Statement, which requires it to undertake to promote the principles of 'Cleaner Production'. An Action Plan has been developed. Cleaner Production is identified in "Shaping the Future" – the economic development strategy for the Wheatbelt region. The Commission has been working in conjunction with Business Enterprise Centres to promote Cleaner Production in the region.

Natural Resource Management

Avon Catchment Council - The Avon Catchment Council (formerly the Avon Working Group) is the peak landcare group in the Avon River Basin. The Commission is represented on the Avon Catchment Council, which provides strategic direction in natural resource management by increasing community knowledge, encouraging action, coordinating community priorities, monitoring progress and attracting funds for the implementation of natural resource management projects within the Avon catchment.

The commission has been involved in assisting the Avon Catchment Council to develop its regional Natural Resource Management Strategy in line with Commonwealth requirements in the context of funding negotiations.

Investigation into the sustainable utilisation and economic development of saline water resources in the North Eastern Wheatbelt Regional Organisation of Councils (NEWROC) area - The Commission is assisting NEWROC with the development of options for the productive use of saline water, complementing capital works programs undertaken by Shires, primary producers and the Department of Agriculture Rural Towns Program, all interested in the better management of the saline water resource found in the Wheatbelt.

The Commission has provided financial assistance through the Wheatbelt Regional Development Scheme to an investigation and engineering analysis of desalination options for the various water qualities found in the area. NEWROC is seeking the assistance of the University of Western Australia Centre for Water Research for this investigation component.

The productive use of saline water is a substantial project within NEWROC's integrated Strategic Plan for the region and the seven shires of Westonia, Nungarin, Trayning, Mukinbudin, Mt Marshall, Koorda and Wyalkatchem.

SOCIAL INFRASTRUCTURE

Health

Health Working Party - The Commission's Board highlighted the importance of health service delivery in the region and decided to establish a Health Working Party. The role of the health working party is:

- Advocacy for small hospitals
- Promotion of usage of local health services and facilities
- Understand the service delivery model for health, ie: its programs (services) and projects (capital works)
- Refer to publications such as Regional indicators, Economic Perspective, Wheatbelt Strategy, Avon Arc Strategy, Central Coast Regional Strategy and Living in the Regions when framing responses

With the restructuring of health throughout Western Australia and the demise of the hospital boards, the Health Working Party is fostering relationships with Wheatbelt

Health and positioning itself to provide strategic information to Wheatbelt Health on health service delivery issues within the region.

Central Coast Health Advisory Group - The Commission in conjunction with the Shire of Dandaragan established the Central Coast Health Advisory Group. The primary roles of the Central Coast Health Advisory Group is to liaise and provide advice to the level of government that has responsibility for health and aged care, on health service provision along the Central Coast. More specifically, the group will:

- o Provide community advice regarding appropriate level of health services in Central Coastal communities from a community perspective
- o Quantify current and future demand for health services along the Central Coast
- o Maintain open communication and community input into the Central Coast Health Advisory Group and the Western Health Service or the provider including the health professionals practising in the community
- o Encourage community participation in health provision issues
- o Ensure appropriate resources are allocated to the Central Coast to service its growing population
- o Provide information to the Central Coast communities on health service delivery issues on which the Central Coast Health Advisory Group are working.

Education and Training

The Board of has established an Education Working Party to identify trends relating to Education in the region, and to develop strategies or policies to mitigate against potential threats.

QUALITY OF LIFE

Youth

Wheatbelt Crew - The Wheatbelt Crew is a youth sub committee of the Wheatbelt Development Commission board formed in 1999. Crew meetings have enabled



members to share issues and solutions with other young people from the region. The position of Chair has been rotated at meetings during the year, which has been a great opportunity for most members to improve this valuable skill. Crew members have also shared the responsibility of two members attending Commission board meetings to be involved in regional development decision making.

November 2002 Meeting - Back row: Danielle MacTagart (Koorda), Rob Dickie (Northam), Jenny Evans (staff support, Narrogin), Rikki Foss (Bruce Rock), Megan Beagley (Beacon). Front row: Dennis Gittos (Muresk), Marty Aldridge (Gingin).

Marketing the Wheatbelt to young professionals and trades people - Through its youth sub-committee "Wheatbelt Crew", the Commission has instigated a unique marketing project to attract young people to live and work in the region.

Using both PowerPoint presentations and cinema advertising, this project will market the qualities of employment variation and responsibility, lifestyle and the sense of belonging that only working and living in a rural environment can provide.

Crew members have represented the Wheatbelt region to a number of school and university groups and have also developed a cinema advertisement that will be seen by over 50,000 people in its first six months of screening in Perth that predominantly attracts the target age range of 22-35 year olds.

If successful, this marketing campaign will be extended to attract not only new young residents to rural areas but also those young people from the Wheatbelt that have studied or gained trade qualifications in Perth.

PLANNING

Strategic Planning

Avon Arc Sub Regional Planning Strategy – The Avon Arc Sub Regional Planning Strategy was developed in 2001 and it has become evident there are a number of issues hindering its implementation. The Wheatbelt Development Commission has received funding from the Department of Planning and Infrastructure to identify these issues and develop a monitoring and evaluation framework to drive its implementation.

Regional Planning

Central South Action Plan - The Central South Action Plan is an initiative of the Wheatbelt Development Commission in partnership with the 15 local government authorities located in the Central South region.

The objective was to develop a Plan to provide a comprehensive framework for action to progress economic, social and environmental objectives relevant to each local community, but integrated and coordinated in a sub-regional sense. The Plan to build on, integrate and extend the existing plans, projects and aspirations of all levels of government, business and industry.

A reference group of thirty key agencies including Western Power, Water Corporation, Department of Agriculture, Department of Industry and Resources, Telstra and LandCorp has met to discuss the issues from an agency perspective.



The draft Central South Action Plan was released for public comment in November 2002. The draft plan details community and local government issues and options for

delivery by relevant government agencies and corporations in partnership with local government and industry and community groups, to progress the sub region.

Indian Ocean Drive Economic and Social Impact Study - In September 2002, Pracsys completed the Indian Ocean Drive Economic and Social Impact Study.

This study was commissioned by the Wheatbelt Development Commission, the Department of Planning and Infrastructure and the Central Coast Planning Coordinating Committee to identify the likely impacts of Indian Ocean Drive being completed on the communities, businesses and government interests within the Central Coast region.

The study concluded that growth in population is expected to be driven by ongoing construction stimuli, the availability of large tracts of residential land, improved access to Perth and the choice of Central Coast lifestyle made more accessible by improved transport links.

Once Indian Ocean Drive is complete, the amount of economic "activity" is projected to triple over the next 10 to 15 years. The industry mix is projected to change heavily in favour of tourism and associated industries, although mining, fishing and agriculture will also remain as strategically important industries.

Overall, the study indicated that growth in household numbers (population) will be the engine of growth, but already this growth has been delayed by the Indian Ocean Drive remaining incomplete and sewer and water provision being inadequate.

Central Midlands' Regional Planning Strategy - The Department for Planning and Infrastructure has agreed to provide funding to develop up a proposal for a Central Midlands Regional Strategy. This is in response to a request from the Wheatbelt Development Commission and individual shires in the Central Midlands.

The primary aim of the strategy is to facilitate the development of infrastructure and services of sufficient standard in support of, and to encourage, the development of sustainable communities, and thereby allow the region to compete more effectively at all levels.

ADVOCACY

Government Advocacy

Regional Collocation Scheme - The Commission has provided information and facilitation services to a number of Wheatbelt communities during the year with the aim of improving government services in our towns. Commission staff provided assistance with planning, sourcing consultants, conducting consultation and sourcing funds for delivery of new government and private services. In 2002/03 the State Government contributed \$423,000 to projects in Beacon, Williams, Pingelly, Corrigin and Kulin.

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Regional Investment Fund - The State Government through the Regional Investment Fund provided funding to the following projects in the Wheatbelt region:

o Gravity Discovery Centre at Gingin	\$500,000
o Lancelin Sewerage Project	\$190,000
o Industrial Land Development at Dalwallinu	\$ 80,000
o Redevelopment of Northam CBD	\$350,000

Wheatbelt Regional Development Scheme – The Commission administered the second round of the Wheatbelt Regional Development Scheme, providing \$400,000 grant funding to regional development projects in the region. The Scheme attracted 49 applications seeking \$1,086,023. Successful projects were:

Shire of Moora	Industry Opportunity Audit	\$18,620
Shire of Cunderdin	Easter Air Show at Cunderdin	\$29,550
Central Midlands Riding and Pony Club	Development of Moora Equestrian Park	\$30,000
Avon Aviation Alliance Marketing Plan		\$6,000
Neergabby Community Association	Old North Road Stock Route Multipurpose Trail	\$11,620
Shire of Dalwallinu	DEIC Project Manager	\$23,275
Shire of Wandering	Industrial Area Subdivision	\$42,589
Wheatbelt Development Commission	Images of the Wheatbelt Region	\$11,200
Country Arts WA	Red Alert	\$7,500
Midlands Forestry Alliance	Feasibility Study of Midland Bushfood Industry	\$16,000
Ausdance WA Inc	Dance Residency	\$19,998
Graduate School of Management	Research into Horticulture Industry Supply Chain	\$16,000
Avon Valley Tourism Association	Strategic Plan	\$6,000
WR Hagboom	Processing Equipment for Hard seeded pasture	\$20,000
Mogumber Heritage Tours	Accommodation and Signage	\$19,090
Town of Narrogin	Feasibility Study - Regional Cultural Centre	\$15,171
Wheatbelt Development Commission	Community Events Grants for EC Declared Shires	\$22,000
Shire of Nungarin	Promoting the Wheatbelt Markets	\$18,800
Shire of Wickiepin	Harrismith Seasonal Accommodation	\$17,000
NEWROC	Use of Saline water resources	\$30,000
Avon Valley Racing Association	Growth of the Racing Industries	\$17,300
Jarrah World	Furniture Design Industry Development	\$7,684
	TOTAL	<u>\$405,397</u>

Regional Advocacy

Development of a stronger partnership with the Wheatbelt Area Consultative Committee (WACC) - The Commission is forming a stronger working relationship with the Wheatbelt ACC in order to better deliver coordinated and collaborative regional development services.

The two organisations have:

- shared strategic plans to enable better resource utilisation;
- held joint staff meetings to foster closer working relationships;
- engaged staff in project steering committees run by each organisation to ensure good State & Federal Government interaction on project delivery;
- initiated a joint newsletter "Window to the Wheatbelt"; and
- partnered as major sponsors in the delivery of the sell-out "Wheatbelt Business Conference".

Developing stronger inter-government relationships in the Wheatbelt - In partnership with the Wheatbelt ACC, the Commission has initiated discussions with a number of government organisations in the region with the view of developing stronger inter-government working relationships that result in better coordination and government resource utilisation by State, Federal and government organisations.

The Commission will continue to facilitate the development of this initiative into 2003-04.



11 – OUTLOOK FOR 2003 – 2004

Seasonal prospects for 2003 - 2004 have commenced in positive circumstances after two, and in some areas three exceptionally difficult years. Given reasonable spring rains, agricultural production is poised to return to above-average levels in most areas.

Regular and significant rain events are setting the season up nicely, with grain and fodder crops and pastures responding well to excellent seasonal conditions. Early signs of a return to average rainfall prompted significant expenditure on agricultural inputs including machinery, fertiliser and herbicides, reflecting an air of renewed confidence in the agricultural sector.

The region's world-class production sectors in agriculture, mining and fishing will continue to provide a solid and growing economic base for the region. Portman Mining has announced a major expansion of its Koolyanobbing iron ore operations, and Westonia Mines Ltd is working towards re-opening the Edna May gold resource at Westonia. The economy is becoming increasingly diversified into downstream processing, value adding, diversification and application of new technologies across a range of sectors. Increasing investment in the tourism and service sectors is providing a range of opportunities new to the region

Telecommunications remains a strong area of focus, in recognition of the critical importance of new technology for future growth and competitiveness. The provision of the necessary infrastructure and services and the application of new technologies are critical.

A demonstration plant to convert eucalyptus biomass into eucalyptus oil, activated carbon and energy will, if successful, be of strategic importance to the region. An immediate economic benefit from planting nature species will provide an incentive for landholders to improve environmental management and at the same time contribute "green" energy into the electricity grid. The possibility of small plants using locally grown biomass to produce energy for local consumption in areas constrained by lack of available energy capacity, is also being examined.

There is increasing research in to use of saline groundwater for aquaculture and other pursuits. Opportunities to reticulate non-potable water into the Chittering Valley will provide for expansion and development of the horticultural sector.

The second processing plant has commenced operations at the Avon Industrial Park. Bushman Tanks has commenced operations, and was officially opened in June. Negotiations continue with other proponents, including a proposed gas-fired power station.

A number of sub-regional economic and development strategies are being produced.

2 – INFORMATION AND COMPLIANCE STATEMENTS

2.1 Reports on Customer Outcomes

Disability Services Plan Outcomes

The activities of the Wheatbelt Development Commission are focused on the delivery of facilitation and information services to clients both from within and outside the region. The common means of delivering these services is via mail, internet, email, fax and telephone, or by personal interaction. Personal interaction is usually in the client's own community or home environment, thus minimising the inconvenience to clients with disabilities. Staff are encouraged to be aware of the needs of people with disabilities in planning their work, and ensure that these people have the same access to our services as do other members of the community. Except on rare occasions, visits by members of the public to the Wheatbelt Development Commission's offices are for formally organised meetings, where the needs of individual attendees can be catered for. Any community forums are generally held in public buildings in which facilities are usually managed in consideration of the needs of the disabled.

The Disability Services Plan is reviewed in September of each year. The five outcomes addressed by the plan are continually improved to ensure improved information flow to all members of the Wheatbelt community.

Equal Employment Opportunity Outcomes

The Wheatbelt Development Commission is committed to the principles of Equal Employment Opportunity. Our "Equal Opportunity and Diversity Policy" was developed in 1999 and provides a series of principles by which employee selection, promotion and management is free from discrimination on the grounds of gender, age, cultural or racial background, or disability.

The policy helps create an environment where the best employee is appointed to each position and the individual skills, talents and cultural perspectives of each employee are valued.

With a total staff of fifteen and only three new appointments in the 2002 - 03 year, changes in staff demographics have been minimal. The Commission has maintained excellent representation for women (60%) and youth (25%).

Cultural Diversity and Language Services Outcomes

The operational activities of the Wheatbelt Development Commission are focussed around delivery of facilitation and information services to clients from both within and outside the region.

All staff are encouraged to be aware of the needs of people who need language assistance in planning their work, to ensure that these people have the same access to our services as do other members of the community.

The Wheatbelt Development Commission is committed to the Government of Western Australia's Language Services Policy. We are aware of the cultural and linguistic diversity of the Western Australian community and our client base. We will appropriately provide interpretive, translation, sign language, or other mechanisms to ensure that clients with particular linguistic needs are treated equitably in the delivery of our services.

Youth Outcomes

ACTION A State Government Plan for Young People, 2000-2003

The Wheatbelt Development Commission has pursued a specific policy of engagement of youth in the regional development process. The commission has facilitated the ongoing development of the "Wheatbelt Crew", which is a dynamic, innovative and enthusiastic group of regional residents between the ages of eighteen and thirty-five.

The Wheatbelt Crew exists to facilitate information exchange to engage regional youth in the complexities, challenges, opportunities and directions of Wheatbelt regional development. The Crew has a standing invitation to participate on equal terms in debate at the commission's board. This facilitates youth involvement in regional development and policy-making.

The Wheatbelt Crew has researched other existing youth groups and organisations offering youth initiatives in the Wheatbelt and will continue to develop links with these parties. It is engaged in a programme to attract young professionals to live and work in the region

These activities are consistent the following priority areas in "*ACTION: A STATE GOVERNMENT PLAN FOR YOUNG PEOPLE, 2000 – 2003*":

- Citizenship and Participation
- Health and Well-being
- Education
- Employment and Training
- Justice and Legal Issues
- Culture, Recreation and Lifestyle
- Living in the Community

2.2 Reports on Other Accountability Issues

Information Statement - Freedom of Information Act 1992

One of the Wheatbelt Development Commission's key outputs is information provision. The Commission holds a number of publications and reports relating to economic, community and regional development which the public can access on request, either by contacting any office of the Commission or by ordering through the Commission's website (www.wheatbelt.wa.gov.au). The commission's Annual Report is available for download (as a PDF file) from the Publications page of the web site. There is no charge for publications that are posted on request.

The designated Freedom of Information coordinator for the commission is the Records and Information Services Officer, based at the Northam office, and initial enquiries should be directed to this officer. Any written requests for information should be directed to the Wheatbelt Development Commission, P.O. Box 250, Northam WA 6401.

Applications made under the Freedom of Information Act – NIL

State Records Act 2000

The Wheatbelt Development Commission is required to comply with the State Records Act 2000. In accordance with the requirements of the State Records Act 2000, a Record Keeping Plan is being developed consistent with the six principles defined by the State Records Commission.

Statement of Compliance with Public Sector Standards

Human Resource Management Standards

The Wheatbelt Development Commission is fully compliant with the Public Sector Standards in Human Resource Management. The Standards are applied rigorously across all specified areas of human resource management where those activities are undertaken. No instances of transfer, redeployment, discipline, termination or grievance resolution were encountered during 2002 – 2003. As a small organisation, the Wheatbelt Development Commission encounters a limited number of human resource events that require application of the Standards, and each such event is managed by the same person. This structure facilitates application of the Standards to each individual event.

Claims for breaches of the Standards – Nil.

Code of Ethics and Code of Conduct

The Wheatbelt Development Commission has developed a Code of Conduct that is consistent with the Western Australian Public Sector Code of Ethics. The Code of Conduct is supplied to all employees on engagement, and periodic reminders of the requirement to adhere to the Code are provided to employees.

The Wheatbelt Development Commission is a small employer with a flat organisational structure. It has only four reporting levels and regular meetings of staff take place. As far as is geographically possible it operates in team environments where responsibilities and dealings with fellow staff members, clients and the general public are shared. The size of the organisation and regular contact with clients, as well as the annual client satisfaction surveys are conducive to a good understanding of the extent of compliance with the Code of Ethics and the Code of Conduct. As far as can reasonably be ascertained, the Wheatbelt Development Commission is completely compliant with Western Australian Public Sector Code of Ethics and its own Code of Conduct.

Complaints lodged with the agency or with external bodies that include issues related to compliance with the Code of Ethics or the Code of Conduct – Nil.

Advertising and Sponsorship

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

The following expenditures were incurred (inclusive of GST):

Expenditure with Advertising Agencies

Photoplay Group Inc.	<u>\$ 2,250</u>
<i>Class total</i>	\$ 2,250

Expenditure with Market Research Agencies

Australian Market Intelligence	\$ 2,640
<i>Expenditure with Polling Agencies</i>	Nil

Expenditure with Direct Mail Agencies Nil

Expenditure with Media Advertising Agencies

InterSector (Department of Premier & Cabinet)	\$ 1,316
Marketforce Productions	\$14,283
Other minor publications	<u>\$ 583</u>
<i>Class Total</i>	\$ 16,182

Total Expenditure	\$21,072
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Evaluations

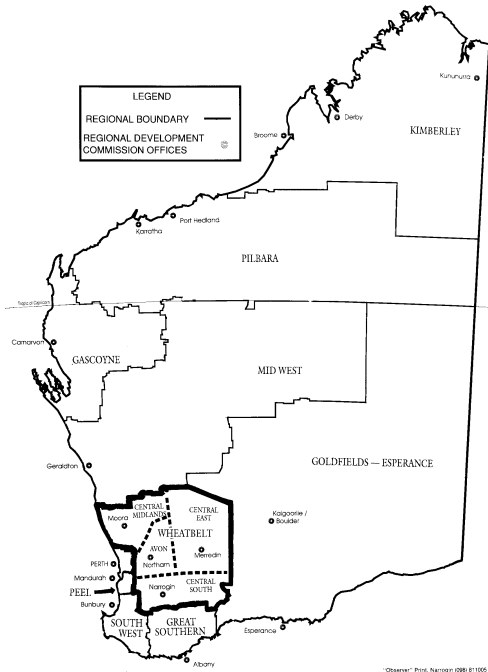
No formal program evaluations were undertaken during the financial year 2002 - 2003.

APPENDIX 1 – REGIONAL BOUNDARIES OF THE WHEATBELT DEVELOPMENT COMMISSION



Wheatbelt Region

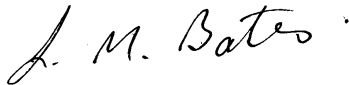
Regional Boundaries



APPENDIX 2 – STATEMENT OF PERFORMANCE INDICATORS

CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30TH JUNE 2003

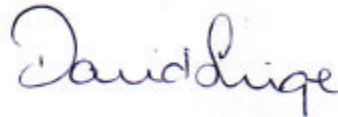
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Wheatbelt Development Commission's performance, and fairly represent the performance of the Wheatbelt Development Commission's for the financial year ended 30th June 2003.



Cr Michael Bates

Chairman of the Board

Date: 26th August 2003



David Singe

Director & Member of the Board

Date: 26th August 2003

PERFORMANCE INDICATORS

Treasury Instruction 904 requires Accountable Authorities to identify and report key performance indicators of efficiency and effectiveness. This enables users to assess the performance of the agency in meeting its objectives.

The nature of the commission's work is such that results are often general in nature, and achieved in the longer, rather than the shorter term. It is therefore more difficult to provide easily measurable performance indicators in any one year.

An output-based management and reporting system has been implemented and reported upon.

OUTCOME

The benefits from sustainable development, consistent with the expectations of the regional community, flow to the people of the Wheatbelt.

KEY OUPUTS

1. Information and Promotion Services
2. Facilitation Services.

The commission uses this framework for its decision-making, planning, service delivery and reporting processes.

The objectives of the Wheatbelt Development Commission, as reported in the Regional Development Commissions Act 1993, are as follows:

- a) maximise job creation and improve career opportunities in the region;
- b) develop and broaden the economic base of the region;
- c) identify infrastructure services to promote economic and social development within the region;
- d) provide information and advice to promote business development within the region;
- e) seek to ensure that the general standard of government services, and access to those services, in the region is comparable to that which applies in the metropolitan area; and
- f) generally take steps to encourage, promote, facilitate and monitor economic development in the region.

EFFECTIVENESS INDICATOR

The most accurate and consistent method of measuring the Commission's performance is by surveying clients.

The Wheatbelt Development Commission has been surveying clients directly for six years, using independent market research consultants asking questions directly related to the Commission's outcome. May is used as an index month, with all clients having contact with the project staff making up the representative population (459 in 2003). 150 clients were surveyed, representing a response rate of 61% and giving a sampling precision rate of +/- 5% at a 95% confidence interval.

It is assumed that May is no different to any other month in terms of client contact and Commission operations.

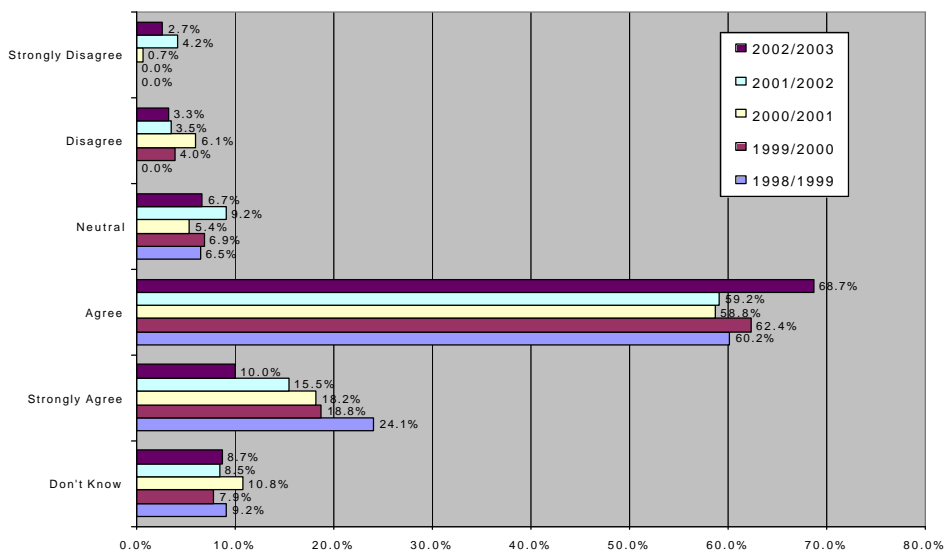
Three questions were asked which relate directly to the outcome. Each question had the same measurement scale –

Do you:

Strongly agree	1	Disagree	4
Agree	2	Strongly disagree	5
Neither agree nor disagree	3	Don't know	6

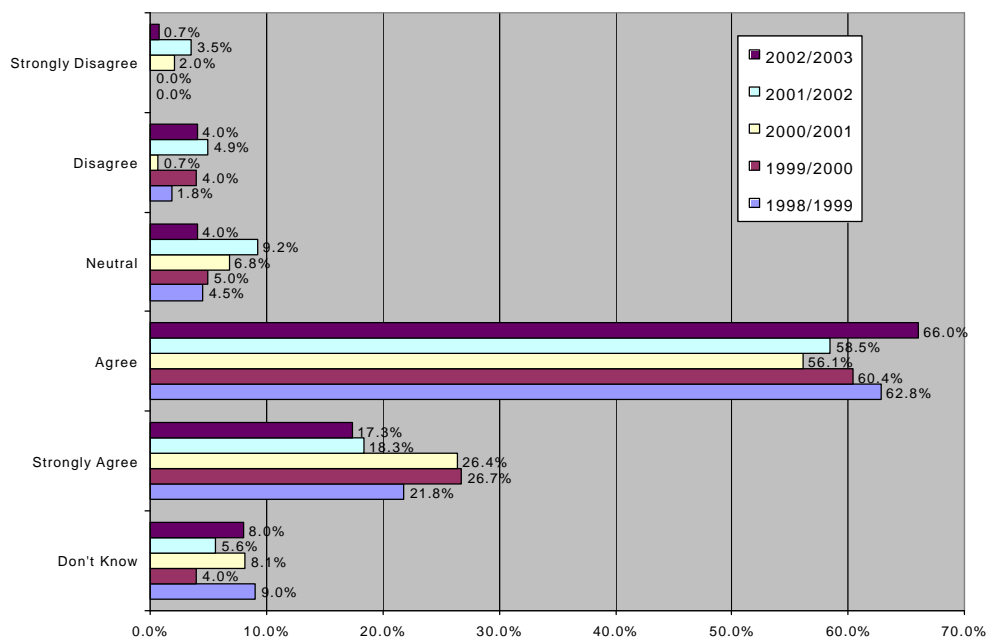
The following graphs indicate the response for each of the survey questions, with a comparison to the response from the previous two surveys.

Graph 1 – The activities of the Wheatbelt development Commission promote the development of the Wheatbelt region that is sustainable over time.



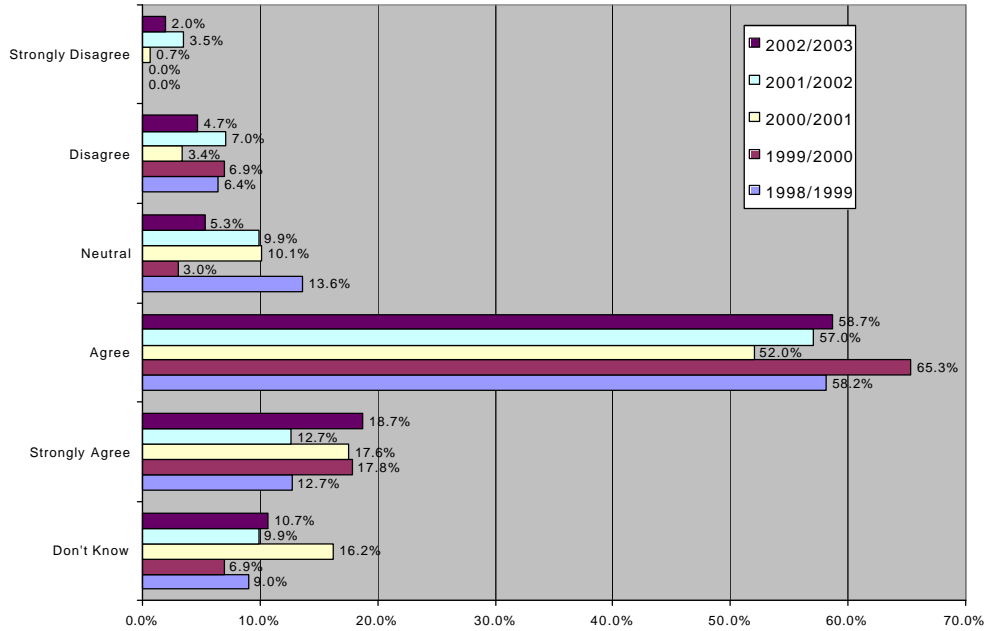
79% of respondents either agree strongly or agree with this statement, representing a minor improvement on last year's sound result of 74%. The increase in the proportion of respondents that agree is offset by a decrease in the proportion that strongly agree. Overall this outcome represents an excellent result.

Graph 2 – The activities of the Wheatbelt Development Commission lead to benefits for the people of the Wheatbelt region.



83% of respondents either agree strongly or agree with this statement, a significant improvement on last year's creditable 76%. The proportion that agree has increased, and the proportion that are neutral or strongly disagrees has fallen. This represents an excellent result of continuous improvement.

Graph 3 – The Wheatbelt Development Commission undertakes activities that are appropriate to the community’s needs.



This question also revealed strong positive results, with 77% either strongly agreeing or agreeing, up from 70% last year. Neutral and negative responses were all at a lower level than last year. This also represents solid and sustained improvement.

EFFICIENCY INDICATOR

All of the Wheatbelt Development Commission’s core activities contribute to two outputs:

1. Information and Promotion Services
2. Facilitation Services

The Wheatbelt Development Commission uses cost per hour of service as its efficiency indicator, calculated separately for each output.

	Output 1	Output 2	Total
Hours of service	10084	7868	17952
Total cost of service	\$975,506	\$732,312	\$1,707,818
Less grant funds conveyed	\$95,716	\$71,854	\$167,570
Adjusted total cost of service	\$879,790	\$660,458	\$1,540,248
Service cost per hour	\$87.25	\$83.94	\$85.80

Comparative Efficiency Indicator figures for previous year

	Output 1	Output 2	Total
Hours of service	8700	6573	15273
Total cost of service	\$754,894	\$609,326	\$1,364,220
Less grant funds conveyed	\$10,000	\$4,090	\$14,090
Adjusted total cost of service	\$744,894	\$605,236	\$1,350,130
Service cost per hour	\$85.62	\$92.70	\$88.40

The overall cost per hour has decreased by 2.94%, with a decrease in cost per hour for Facilitation services of \$8.76 per hour and a increase of \$1.63 per hour for Information Services.

APPENDIX THREE – FINANCIAL STATEMENTS

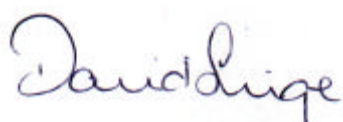
CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

The accompanying financial statements of the Wheatbelt Development Commission 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 financial year ended 30th June 2003 and the financial position as at 30th June 2003.

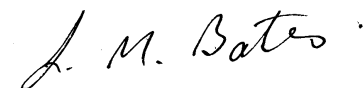
At the date of signing we are not aware of any circumstances that would render any particulars included in the financial statements misleading or inaccurate.



Norm Brierley
A/Principal Accounting Officer
Date: 26th August 2003



David Singe
Director & Member of the Board
Date: 26th August 2003



Cr Michael Bates
Chairman of the Board
Date: 26th August 2003

WHEATBELT DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2003

	Note	2003 (\$)	2002 (\$)
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	2	902,595	825,634
Supplies and Services	3	71,193	86,499
Depreciation expense	4	43,673	41,513
Administration expenses	5	371,962	298,026
Accommodation expense	6	82,189	75,759
Grants and Subsidies	7	215,206	24,090
Capital User Charge	8	21,000	12,276
Net loss on disposal of non-current assets	9	-	-
Total Cost of Services		<u>1,707,818</u>	<u>1,363,797</u>
Revenues from ordinary activities			
Grants received	10	283,518	65,703
Other revenue	11	34,740	38,454
Net profit on disposal of non-current assets	12	-	1,876
Total Revenue from Ordinary Activities		<u>318,258</u>	<u>106,033</u>
NET COST OF SERVICES		<u>1,389,560</u>	<u>1,257,764</u>
REVENUES FROM GOVERNMENT			
Output Appropriation *	13	1,328,000	1,224,000
Resources received free of charge	13	14,014	12,067
Total Revenues from Government		<u>1,342,014</u>	<u>1,236,067</u>
CHANGE IN NET ASSETS		<u>(47,546)</u>	<u>(21,697)</u>
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS		<u>(47,546)</u>	<u>(21,697)</u>

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

WHEATBELT DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL POSITION as at 30 June 2003

	Note	2003 (\$)	2002 (\$)
Current Assets			
Cash assets		181,767	370,805
Restricted cash assets	14	135,683	19,513
Receivables	15	18,075	34,843
Amounts receivable for outputs	16	48,000	41,000
Other assets	17	17,228	21,285
Total Current Assets		<u>400,753</u>	<u>487,446</u>
Non-Current Assets			
Property, equipment and vehicles	18	110,749	78,303
Prepayments	19	18,194	32,163
Amounts receivable for outputs	16	58,000	27,000
Total non-current assets		<u>186,943</u>	<u>137,466</u>
Total Assets		<u>587,696</u>	<u>624,912</u>
Current Liabilities			
Payables	20	66,049	58,928
Provisions	21	112,487	122,784
Other liabilities	22	38,654	41,444
Total current liabilities		<u>217,190</u>	<u>223,156</u>
NON-CURRENT LIABILITIES			
Provisions		<u>30,355</u>	<u>33,059</u>
Total non-current liabilities		<u>30,355</u>	<u>33,059</u>
Total Liabilities		<u>247,545</u>	<u>256,215</u>
NET ASSETS			
		<u>340,151</u>	<u>368,697</u>
Equity	23		
Contributed Equity		75,000	56,000
Accumulated Surplus		<u>265,151</u>	<u>312,697</u>
TOTAL EQUITY		<u>340,151</u>	<u>368,697</u>

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

Wheatbelt Development Commission
Statement of Cashflows 2002/03
Year to 30 June 2003

	Note	2002/2003 (\$) Inflows (Outflows)	2001/2002 (\$) Inflows (Outflows)
Cashflows from Government			
Output Appropriation		1,249,000	1,156,000
Drawdowns from holding account		41,000	56,000
Capital Contribution		19,000	-
Net cash provided by Government		<u>1,309,000</u>	<u>1,212,000</u>
CASHFLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(868,296)	(775,599)
Supplies and services		(527,625)	(407,668)
Capital user charge		(21,000)	(12,276)
Grants and subsidies		(198,498)	(24,090)
Goods and services tax		(64,034)	(46,693)
Write offs		-	(38)
Receipts			
Grants and subsidies		283,418	23,613
Other		34,740	27,845
Goods and services tax		55,546	45,629
Net cash from operating activities	24	<u>(1,305,749)</u>	<u>(1,169,277)</u>
CASHFLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current assets		(76,119)	(39,260)
Receipts from sale of non-current assets		-	2,697
Net cash from investing activities		<u>(76,119)</u>	<u>(36,563)</u>
NET INCREASE(DECREASE) IN CASH HELD		<u>(72,868)</u>	<u>6,160</u>
Cash assets at the beginning of the reporting period		390,318	384,158
Cash assets at the end of the reporting period	24	<u>317,450</u>	<u>390,318</u>

This Statement of Cashflows should be read in conjunction with the accompanying notes.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

1 Significant Accounting policies

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

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary 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 Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

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

The statements have been prepared on the accrual basis of accounting using the historical cost convention.

(a) Output Appropriations

Output Appropriations are recognised as revenues in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited into the Commission's bank account or credited to the holding account held at the Department of Treasury and Finance.

(b) Contributed Equity

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

(c) Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Commission obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt. Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

1 (d) Revenue Recognition

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

(e) Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

(f) Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits. Depreciation is calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable assets are:

Computing Equipment and software	2 to 7 Years	Office Equipment	3 to 6 Years
		Vehicles	5 years

(g) Leases

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

(h) Cash

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

(i) Receivables

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

(j) Intangible assets and expenditure carried forward - Software

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefit, which varies from three to five years.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

(k) Payables

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

(l) Employee Benefits

Annual Leave

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

Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits, and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

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 and 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. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The Pension Scheme and the pre-transfer benefit for employees who transferred to the Gold State Superannuation Scheme are unfunded and the liability for future payments are provided for at reporting date.

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

The note disclosure required by paragraph 6.10 of AASB 1028 (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 arrangements, and thus any benefits thereof would be exceeded by the cost of obtaining the information.

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses. (See notes 2 and 21)

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

(m) Accrued Salaries

Accrued salaries (Refer to note 22) 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.

(n) 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.

(o) Comparative Figures

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

(p) Rounding

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

	2003	2002
	\$	\$
2 Employee expenses		
Wages and salaries	724,312	645,670
Superannuation	66,002	62,066
Long Service Leave	6,518	13,505
Annual Leave	57,092	54,637
Other Related Expenses	48,671	49,756
	<u>902,595</u>	<u>825,634</u>
3 Supplies and Services		
Consultants	22,214	40,163
Project supplies and services	19,469	27,194
Advertising and promotion	16,847	12,973
Travel - Interstate and overseas	12,663	6,169
	<u>71,193</u>	<u>86,499</u>
4 Depreciation expense		
Office Equipment	12,174	12,973
Computer Equipment	31,499	27,667
Vehicles	-	873
	<u>43,673</u>	<u>41,513</u>

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

	2003 \$	2002 \$
5 Administration expense		
Communication	74,293	46,599
Consumables	61,880	45,913
Maintenance	15,574	10,341
Meeting Expenses	13,887	8,666
Other Staff Costs	83,142	60,107
Operating Lease - Vehicles	53,297	42,013
Other Administration Expense	69,889	84,387
	371,962	298,026
6 Accommodation expense		
Lease/rental	54,699	48,354
Repairs and maintenance	13,900	15,375
Other accommodation expense	13,590	12,030
	82,189	75,759
7 Grants and subsidies expense		
Capital Grants	-	-
Recurrent Grants		
Shire of Brookton	-	15,000
Avon Working Group	-	5,000
Shire of Chittering	-	5,000
Shire of Wickepin	-	(910)
Mogumber Heritage	19,090	-
Shire of Westonia	30,000	-
CM Riding & Pony Club	30,000	-
Shire of Nungarin	18,800	-
Town Of Narrogin	15,171	-
Shire of Dalwallinu	23,275	-
Shire of Goomalling	6,000	-
University of WA	16,000	-
Neergabby Community Assoc. Inc.	10,708	-
Shire of Narrogin	5,000	-
Top Shelf Media	2,000	-
Shire of Dumbleyung	2,000	-
Shire of Kondinin	2,000	-
Shire of Kulin	2,000	-
Shire of Nungarin	2,000	-
Dept of Industry & Technology	3,500	-
Avon Community Development Foundation	25,000	-
Avon Community Development Foundation	2,662	-
	215,206	24,090
Total Grants expense	215,206	24,090

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

	2003 \$	2002 \$
8 Capital User Charge	21,000	12,276
<p>A capital user charge rate of 8% has been set by the Government for 2002/03 and represents the opportunity cost of capital invested in the net assets of the Authority used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.</p>		
9 Net loss on disposal of non-current assets		
Items incorrectly capitalised expensed in current year	-	-
Computers and office equipment scrapped (inoperable)	-	-
	-	-
10 Grants received		
WA Planning Commission	-	13,612
Dept. Local Government and Regional Dev.- Indian Ocean Drive Study	-	20,000
Central Coast Planning Coordinating Committee - Indian Ocean Drive	-	5,000
Department of Local Government and Regional Development - WRDS	215,018	27,091
Central South Action Plan	13,500	-
Dept of Industry & Technology - Aboriginal Economic Development Officer	40,000	-
Wheatbelt Area Consultative Committee - Market Information Development Kit	15,000	-
	283,518	65,703
11 Other revenue		
GEHA rentals	18,097	13,009
Recoup of expenses	16,643	25,445
	34,740	38,454
12 Net profit on disposal of non-current assets		
Loss on sale of trailer	-	(421)
Profit on sale of sundry computer and office equipment	-	2,297
	-	1,876
13 Revenues from Government		
Appropriation revenue received during the year		
Output Appropriations (a)	1,328,000	1,224,000
	1,328,000	1,224,000
Resources received free of charge (b)		
Determined on the basis of the following estimates provided by agencies:		
Office of the Auditor General - audit services	10,000	10,000
Department of Treasury and Finance - Commercial Property Branch	4,014	2,067
	14,014	12,067

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

13 Revenues from Government (Cont.)

(a) The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) Where assets or services have been received free of charge or for nominal consideration, the authority recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

14 Restricted Cash Assets	2003	2002
	\$	\$
Regional Initiatives Fund	-	2,910
Coast Road Impact Study	9,100	16,603
Wheatbelt Crew	(5,426)	-
Central South Action Plan	30,650	-
Aboriginal Economic Development Officer	40,000	-
Avon Arc Strategy	11,000	-
Wheatbelt Regional Development Scheme	50,358	-
	<u>135,683</u>	<u>19,513</u>

These funds represent the unexpended portion of grants received which are required to be used for specific projects, and to which conditions are attached. Experience IT! funds were reclassified as unrestricted for the 2003 year.

15 Receivables

Accounts receivable	464	29,900
GST receivable	17,611	4,943
	<u>18,075</u>	<u>34,843</u>

16 Amounts receivable for outputs

Current	48,000	41,000
Non-Current	58,000	27,000
	<u>106,000</u>	<u>68,000</u>

This asset represents the non-cash component of output appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

	2003 \$	2002 \$
17 Other assets		
Prepayments - current	2,114	7,853
Prepayment -Merredin Office rent (refer non-current prepayments note)	15,114	13,432
	<u>17,228</u>	<u>21,285</u>
18 Property, equipment and vehicles		
Vehicles at cost	35,652	5,536
Accumulated depreciation	(1,806)	(1,806)
	<u>33,846</u>	<u>3,730</u>
Office Equipment at cost	94,526	87,131
Accumulated depreciation	(66,790)	(54,616)
	<u>27,736</u>	<u>32,515</u>
Computing Equipment at cost	161,891	123,282
Accumulated depreciation	(112,724)	(81,224)
	<u>49,167</u>	<u>42,058</u>
Total non-current fixed assets	<u>110,749</u>	<u>78,303</u>

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

2003	Office Equipment	Computers	Vehicles
Carrying amount at the start of the year	32,515	42,058	3,730
Additions	7,395	38,609	32,616
Disposals	-	-	(2,500)
Depreciation	(12,174)	(31,499)	-
Write-off of assets	-	-	-
Carrying amount at the end of the year	<u>27,736</u>	<u>49,167</u>	<u>33,846</u>

19 Prepayments - Non-current

Refurbishment costs paid for Merredin office, in exchange for five year rent free lease, capitalised	<u>18,194</u>	<u>32,163</u>
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20 Payables

Current - Creditors	<u>66,049</u>	<u>58,928</u>
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21 Provisions

Current		
Annual leave	42,626	57,282
Long service leave	59,960	53,314
Superannuation on-costs	9,901	12,188
	<u>112,487</u>	<u>122,784</u>

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

21 Provisions (Cont.)

Non-current		
Long service leave	26,180	26,221
Superannuation	4,175	6,838
	<u>30,355</u>	<u>33,059</u>
Total employee entitlements	<u>142,842</u>	<u>155,843</u>

The superannuation liability has been established from data supplied by the Government Employees Superannuation Board. The Commission considers the carrying amount of employee entitlements approximates the net fair value.

Long Service Leave entitlements are calculated using the present value method. The following assumptions were made in the calculations.

- The assumed rate of increase in employee entitlements due to wage rate increases was 3%, with a further 3% assumed for level increments.
- The discount rate used was 4.779%, being the pro rata average of the 3 year and 10 year government bond rates as at 30 June 2003.
- The average term to settlement for non-current long service leave is 4.23 years. The actual term to settlement for each employee was used in the present value calculation.
- The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation. The liability for such on-costs is included here. The associated expense is included under superannuation expenses (under Employee expenses) at Note 2.

22 Other Liabilities

Unearned income - Central Coast Road Impact Study	-	-
Accrued Expense - incomplete contracts not yet invoiced	12,466	11,846
Accrued salaries and allowances	18,255	17,011
Accrued superannuation	1,836	2,074
Board Members' annual and sitting fees and allowances	6,097	10,513
	<u>38,654</u>	<u>41,444</u>

Accrued salaries represents amounts owing for the 8 working days from 19 June 2003 to 30 June 2003, and allowances owing which accrued prior to 30 June.

23 Equity

Contributed Equity		
Opening Balance	56,000	-
Capital Contributions (a)	19,000	56,000
Closing Balance	<u>75,000</u>	<u>56,000</u>
Accumulated surplus		
Opening Balance	312,697	334,394
Change in net assets	(47,546)	(21,697)
Closing Balance	<u>265,151</u>	<u>312,697</u>

(a) From 1 July 2001, capital appropriations, termed Capital Contributions, have been designated as contributions by owners and are credited straight to equity in the Statement of Financial Position.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

2003 2002
\$ \$

24 Notes to the Statement of Cash Flows

a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash assets	181,767	370,805
Restricted cash assets (refer to note 14)	135,683	19,513
	<u>317,450</u>	<u>390,318</u>

b)

During the financial year, there were no assets/liabilities transferred/assumed from other government agencies that were not reflected in the Statement of Cash Flows.

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

Net cost of services	1,389,560	1,257,764
Non-cash items		
Depreciation expense	(43,673)	(41,513)
Resources received free of charge	(14,014)	(12,067)
Net profit on sale of assets	-	1,876
Net loss on disposal of assets	-	-
Increase/(Decrease) in assets:		
Current receivables	(15,761)	(3,601)
Other current assets	(4,058)	427
Other non-current assets	(13,969)	(13,431)
(Increase)/Decrease in Liabilities		
Current payables	(7,121)	(27,801)
Current provisions	10,297	(30,714)
Other current liabilities	2,791	20,980
Non-current provisions	2,704	15,275
Net GST payments	(6,754)	1,064
Change in GST in receivables/payables	5,747	1,018
Net cash used in operating activities	<u>1,305,749</u>	<u>1,169,277</u>

25 Commitments for expenditure

a) Capital expenditure commitments

Experience IT! mobile unit construction	-	<u>50,125</u>
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WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

2003 2002
\$ \$

25 Commitments for expenditure (Cont.)

b) Non-cancellable operating lease commitments

Not later than one year	38,576	37,147
Later than one and not later than five years	11,767	13,185
	50,343	50,332

This relates to the lease of eight (8) motor vehicles ranging between terms of 12 months to 36 months through Commonwealth Fleet Lease.

c) Other expenditure commitments

Within 1 year :

Community Leadership Programme	6,000	-
Community Arts Programme "Uncovered"	16,000	-
Avon Community Development Fund - Sponsorship	5,000	-
Indian Ocean Drive study	-	11,631
Experience IT! Publication and marketing support services contract	-	13,500
	27,000	25,131

The Wheatbelt Development Commission had no finance lease commitments outstanding at the end of the financial year. All funds held as restricted cash were committed for expenditure within one year.

26 Contingent Liabilities

The Wheatbelt Development Commission had no contingent liabilities at 30 June 2003

27 Events occurring after reporting date

There were no events that occurred after 30 June 2003 that materially affected the financial statements.

28 Explanatory Statement

(i) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year

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

	2003	2002	Variance	Variance
	\$	\$	\$	%
Grants and Subsidies	215,206	24,090	191,116	893%
Employee Expenses	902,595	825,634	76,961	109%
Supplies & Services	71,193	86,499	(15,306)	82%
Administration Expenses	371,962	298,026	73,936	125%
Depreciation	43,673	41,513	2,160	105%
Capital User charge	21,000	12,276	8,724	171%
Grants Received	283,518	65,703	217,815	432%

Grants and subsidies expense

The Crown Solicitor advised in April 2002 that the paying of grants was not within the statutory powers of the Development Commission's under the Regional Development Act. No further grants were issued after this date, until the statute was amended in March 2003 to enable payment of grants

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

28 Explanatory Statement (Cont.)

(i) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year

Capital User Charge

The Capital User Charge was introduced in 2001/02. No expense was recorded in 2000/01. The nominal expense calculated by the Department of Treasury and Finance for 2002/03 was \$21,000.

Grants Received

Grant funding attracted by the Commission varies significantly from year to year, depending upon the funding programs available and the projects undertaken. The variance to last year is mainly attributable to the receipt of funding for the Wheatbelt Regional Development Scheme (\$217,018) and funding received for the Aboriginal Economic Development Officer (\$40,000).

Employee Expenses

Additional staff to meet client demands and incremental increases for staff, were the reasons for the increase in employee costs when compared to the previous financial year.

Supplies & Services

Compared to the previous financial year, there was a general decrease in the use of consultants (\$17,949) as well as a general reduction in project supplies and services of (\$7,725)

Administration Expenses

The increase in expenditure from the 2001/2002 financial year occurred in the following areas; increase in computing communications (\$27,052), Stationery (\$8,906), repairs & maintenance (\$4,383), general meeting expenses (\$5,220), GEHA rental costs (\$20,061) and vehicle leasing costs (\$11,284).

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

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% or \$10,000. It should be noted that the expense line items were reclassified during the current year, with the budgeted expenditure allocated accordingly

	Budget	Actual	Variation	Variation
	\$	\$	\$	%
Supplies and Services	388,000	71,193	(316,807)	-82%
Employee Expenses	810,000	902,595	92,595	11%
Depreciation	79,000	43,673	(35,327)	-45%
Administration expenses	242,000	371,962	129,962	54%
Grants and subsidies	500,000	215,206	(284,794)	-57%
Accommodation	186,000	82,189	(103,811)	-56%
Other Revenue	131,000	34,740	(96,260)	-73%
Grants Received	655,000	283,518	(371,482)	-57%

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

(ii) Significant variations between estimates and actual results for the financial year (Cont.)

The "Experience IT" project formed a significant influence on the budget for 2002/2003.

It was formally decided not to proceed with the project in February 2003. Final year outturn figures are significantly at variance with budget figures for;

Supplies and Services	(316,807)
Depreciation	(35,327)
Grants and subsidies	(284,794)
Accommodation	(103,811)

because the project did not proceed.

Employee Expenses

Additional staff to meet client demands and incremental increases for staff, were the reasons for the increase in employee costs when compared to the previous financial year.

Administration Expenses

The reasons for increased costs compared to the 2002/2003 budget were similar to the increase in costs compared to the previous financial year. Increased costs in communications, stationery, repairs & maintenance, meeting expenses, accommodation rental and motor vehicle leasing.

Grants and subsidies

The Crown Solicitor advised in April 2002 that the paying of grants was not within the statutory powers of the Development Commission's under the Regional Development Act. No further grants were issued after this date, until the statute was amended in March 2003 to enable payment of grants

29 Financial Instruments - Interest Rate Risk Exposure

2003	Weight average effective interest rate %	Floating interest rate \$	Fixed interest rate maturities			Non - interest bearing \$	Total \$
			1 year or less \$	1 to 5 years \$	Over 5 years \$		
Assets							
Cash resources	-	-	-	-	-	181,767	181,767
Restricted cash resources	-	-	-	-	-	135,683	135,683
Receivables	-	-	-	-	-	66,075	66,075
Prepayments	-	-	-	-	-	17,228	17,228
Total financial assets	-	-	-	-	-	400,753	400,753
Liabilities							
Payables	-	-	-	-	-	66,049	66,049
Total financial liabilities	-	-	-	-	-	66,049	66,049
Net financial assets	-	-	-	-	-	334,704	334,704
2002							
Financial assets	-	-	-	-	-	514,446	514,446
Financial liabilities	-	-	-	-	-	58,928	58,928
Net financial assets	-	-	-	-	-	455,518	455,518

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

29 Financial Instruments - Interest Rate Risk Exposure (Cont.)

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 1 to the financial statements.

30 Remuneration and Retirement Benefits of Accountable Authority and Senior Officers

Remuneration of Members of the Accountable Authority

	2003	2002
	\$	\$

The number of members of the Accountable Authority whose total of fees, salaries, superannuation and other benefits for the financial year, falls within the following bands are:

0 - \$10,000	8	8
\$10,000-\$20,000	1	1

The total remuneration of the members of the Accountable Authority is:

	<u>50,760</u>	<u>45,773</u>
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The superannuation included here represents the superannuation expense incurred by the Authority in respect of members of the Accountable Authority. No members of the Accountable Authority are members of the Pension Scheme.

Remuneration of Senior Officers

The number of Senior Officers other than senior officers reported as members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands:

\$130,000-\$140,000	1	1
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The total remuneration of senior officers is :

	<u>136,061</u>	<u>134,577</u>
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The superannuation included here represents the superannuation expense incurred by the Authority in respect of Senior Officers other than senior officers reported as members of the Accountable Authority. No Senior Officers are members of the Pension Scheme.

WHEATBELT DEVELOPMENT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2003

2003 2002
\$ \$

31 Affiliated Bodies

Avon Industrial Park Advisory Board

15,754	7,940
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The Avon Industrial Park Advisory Board is a government affiliated body in that it received administrative support and all administrative funding from the Wheatbelt Development Commission. The Avon Industrial Park Advisory Board is not subject to operational control by the Wheatbelt Development Commission. The expenses of the Board have been included in the financial statements as part of the Commission's operations.

32 Output information

	Information and Promotion		Facilitation Services	
	2003	2002	2003	2002
	\$	\$	\$	\$
Employee Costs	515,560	440,695	387,036	384,939
Supplies and Services	40,665	67,170	30,527	19,329
Administration Expense	212,465	160,411	159,497	137,616
Accommodation Expense	46,946	38,970	35,243	36,790
Grants and Subsidies Expense	122,926	19,531	92,280	4,559
Depreciation	24,946	21,375	18,727	20,138
Interest and Capital User Charge	11,995	6,321	9,005	5,955
Total cost of services	975,503	754,473	732,315	609,326
Revenues				
Grants received	161,945	38,613	121,573	27,091
Other operating revenue	19,843	30,785	14,896	7,669
Net profit on disposal of non-current assets	-	762	-	1,114
Total Revenues	181,789	70,160	136,469	35,874
Net cost of services	793,714	684,313	595,846	573,452
Revenues from Government				
Output appropriations	758,554	538,000	569,446	686,000
Capital appropriations	-	-	-	-
Resources received free of charge	8,005	6,214	6,009	5,854
Total revenues from Government	766,559	544,214	575,455	691,854
Change in net assets resulting from operations	(27,155)	(140,099)	(20,391)	118,402



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WHEATBELT DEVELOPMENT COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion,

- (i) the controls exercised by the Wheatbelt Development Commission provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Commission at June 30, 2003 and its financial performance and cash flows for the year ended on that date.

Scope

The Board's Role

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

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

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON
AUDITOR GENERAL
October 31, 2003



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WHEATBELT DEVELOPMENT COMMISSION PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2003

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Wheatbelt Development Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended June 30, 2003.

Scope

The Board's Role

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

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

Summary of my Role

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

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
October 31, 2003