

ANNUAL REPORT 2003/2004



Mid West Development Commission
Government of Western Australia



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STATEMENT OF COMPLIANCE

MID WEST DEVELOPMENT COMMISSION

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 30 JUNE 2004

HON KIM CHANCE

MINISTER FOR AGRICULTURE; FORESTRY AND FISHERIES; 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 Mid West Development Commission for the financial year ended 30 June 2004.

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

L GRAHAM
CHAIRMAN



DATE 19/8/04

S DOUGLAS
ACTING CHIEF
EXECUTIVE OFFICER



DATE 19/8/04

CHAIRMAN'S REPORT

The Mid West is growing at a rate the envy of other regions in the state and indeed the nation.

Evidence of this is not just anecdotal. In May 2004, My Business Magazine, (a national magazine for small to medium business enterprises) named Geraldton among this nation's top 25 boom towns.

It shows just how far we have come from the dark days of just two or three years ago when the apparent demise of Kingstream had dooms-dayers predicting the demise of the region alongside the ill-fated steel mill.

How proud I am that in 2004 Geraldton has emerged triumphant with a number 20 ranking among Australia's fastest growing towns. How proud I am too, that the Mid West Development Commission has had such a big part to play in achieving the region's current prosperity, guided as we have been by our six key principles of creating adaptive communities, enriching lifestyles and livelihoods, generating wealth and employment, boosting infrastructure and services, managing natural resources with a view to sustainability and supporting responsive government.

As a partner of the Midwest Economic Alliance, the Commission was a major sponsor of the 2003 Mid West Economic Summit. One of our main aims will be to attract further private sector investment, to complement the significant government investment in the region over the past two years, with the aim of sustaining regional development well into the future.

The Commission has lobbied hard alongside other local organisations to help bring the Southern Transport Corridor and the Geraldton Foreshore Redevelopment projects to fruition. We worked alongside Geraldton Port Authority in support of its harbour deepening project, which is reaping big benefits for the agricultural and mining sectors.

We launched the Gascoyne Murchison Outback Pathways Project with flair in the Gascoyne and the Murchison and continue to be delighted with the intense interest in the venture from the media and tourists. Implementation of Stage 2 is imminent and will focus on strengthening the Pathways and working with local communities to ensure they can capitalise on some of the enormous potential this project offers.

Our partnership with the Murchison community and CSIRO through the Path-Maker Project, aimed at sustainable development in the drought stricken region, is secure thanks to recently announced Federal funding combined with Regional Development Scheme funding provided by the Commission.

Our Geraldton Universities Centre, a Commission 'SMART Mid West' project initiated in 2002, is on target to start building its own campus by September this year.

Our first cruise ship in many years came and went, drawing in its wake plans for more international liners to the Port of Geraldton. In other shipping news, the Commission is continuing to drive a bid to secure a heavy boat lifter to Geraldton to service the region's fishing fleet.

The Commission co-ordinated the International Square Kilometre Array (SKA) Conference and Workshop in Geraldton last year. A major event on the international astronomy calendar, it attracted more than 150 prominent international scientists. Work continues on a number of international telescope projects which could see the eyes of the astronomy world focused on the Murchison, with lucrative flow-on effects for business, education and training in the Mid West.

In the theme of successful conferences, the Indigenous Tourism Forum attracted guest speakers from across the nation to Geraldton, making it one of the most successful forums of its kind in the state.

CHAIRMAN'S REPORT

In other Indigenous issues, the Commission's Aboriginal Economic Development Officer has been seconded to the Northern Agricultural Catchments Council (NACC), ensuring Indigenous participation and input into its Regional Natural Resource Management Strategy. The Commission has been a key player in this project, with representation on its Management Committee, as well as providing information for inclusion into the Strategy.

Last year, then Commission Chairman Graeme O'Grady, said he felt an overwhelming sense of anticipation as a number of big infrastructure projects appeared on the horizon. How lucky I am to be at the helm of the Commission as these projects now come to fruition and there are more exciting projects on the horizon.

The Mid West Regional Development Scheme has provided \$1.2 million of grants to the Mid West Region over the last three years for a range of projects supporting community initiatives, (particularly those in remote areas), Indigenous groups, regional infrastructure and the promotion and marketing of the region.

More than two years hard work by the Commission's mine servicing committee, whose aim is to promote Geraldton as a viable alternative to Perth as a major mine servicing centre, is starting to reap rewards. An extremely successful expo in Mount Magnet in June 2004 recently drew strong interest across the industry in opportunities offered by Geraldton. The Mid West Chamber of Commerce and Industry will now run with the project building on the firm foundations laid by the Commission.

On a sad note, Graeme Baesjou (CEO) resigned in March 2004 to take on the role of CEO with the Bunbury-Wellington Economic Alliance. On behalf of the Commission, I sincerely thank Graeme for his dedication and commitment to the Mid West during his five years as CEO. Graeme has left us at a time when much of his hard work is coming to fruition but he has built a strong and willing team to continue the

hard work.

Also to resign from the Board, due to work relocation were, Graeme O'Grady (MWDC Board Chair), Julie Jones and Mark Pendlebury.

In particular, I acknowledge the tremendous leadership of Graeme O'Grady at a crucial time in the Mid West region's development.

On behalf of the Commission, I sincerely thank all those members for their support and commitment to the Board.

The Commission's staff and Board have been busily working behind the scenes this past year to turn opportunities into actual projects and it's exciting for us that we now see the wider community reaping the enormous benefits.

The challenge now is to keep up the pace, to continue to maximise our opportunities and explore every option to achieve our aim of making the Mid West the best place to live, work and invest.

Chairman
Laurie Graham

PREFACE

This report to the Minister is a requirement under Section 66 of the Financial Administration and Audit Act of 1985 (as amended) and covers the performance of the Mid West Development Commission and its staff in implementing its vision for 2003/04.

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

In addition, this report contains the Commission's highlights, organisational structure, audited financial statements, performance indicators and priorities for 2003/04.

The Annual Report is tabled in the Western Australian Legislative Assembly after each financial year. The Annual Report will be available electronically at the Commission's website www.mwdc.wa.gov.au

WHY WE EXIST

VISION

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

Role and Objectives

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

The objectives of the Commission are to:

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

MID WEST DEVELOPMENT COMMISSION CONTACTS

Geraldton Office:

SGIO Building
45 Cathedral Avenue
PO Box 238
Geraldton WA 6531

Ph: 08 9921 0702
Fax: 08 9921 0707

Email: info@mwdc.wa.gov.au
Web: www.mwdc.wa.gov.au

Murchison Office:

Rural Transaction Centre
Cnr Norton & Attwood St
Mount Magnet WA 6638

Ph: 08 9963 4995
Fax: 08 9963 4133
Mob: 0428 210 709

WHY WE EXIST

VALUES

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

Effective

We strive to deliver best practice regional development services;

Professional

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

Client focused

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

Communicators

We listen to understand, and respond in a straight forward way;

Ethical

We act with integrity, honesty, loyalty and courage;

Proactive

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

Partners

We work with others to achieve common goals.

LEGISLATION

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

The Commission is responsible to the Minister for Agriculture, Forestry and Fisheries; the Mid West, Wheatbelt and Great Southern and receives an annual financial allocation from the State Government.

WHY WE EXIST

SERVICES

WORKING IN THE REGION, FOR THE REGION

The Mid West Development Commission works to promote economic and social development in the Mid West region.

The people we help:

- Businesses in the region looking to expand or develop.
- People with new ideas for business or industry.
- Existing and potential exporters.
- Potential investors.
- Major project proponents.
- Local government authorities in the Mid West.
- Community organisations.
- Government agencies.
- Business organisations.

EXPANDING OR DEVELOPING BUSINESS

The Commission can help you by:

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

EXISTING AND POTENTIAL EXPORTERS

The Commission's Trade Start officer, accredited with Austrade, provides the following services:

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

POTENTIAL INVESTORS

The services we offer:

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

MAJOR PROJECT PROPONENTS

The services we offer:

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

WHY WE EXIST

LOCAL GOVERNMENT AUTHORITIES IN THE MID WEST

The services we offer:

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

COMMUNITY ORGANISATIONS

The services we offer:

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

INFORMATION RESOURCES

Information on the following areas is available from the Commission:

- Regional publications.
- Export development.
- Grants and funding opportunities.
- Directories – Business Capability and Services Directory, Mining Register.
- Updates on what's happening in the region.
- Investment opportunities in the region.

WHY WE EXIST

LINKS TO GOVERNMENT DESIRED OUTCOMES

OUTPUT 1: INFORMATION AND ADVICE

Link to Government Desired Outcomes:

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

Effectiveness of Outputs in Achieving Government Desired Outcomes:

An environment conducive to the balanced economic and social development of the Mid West region.

OUTPUT 2: INVESTMENT FACILITATION

Link to Government Desired Outcomes:

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

Effectiveness of Outputs in Achieving Government Desired Outcomes:

An environment conducive to the balanced economic and social development of the Mid West region.

OUTPUT 3: INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

Link to Government Desired Outcomes:

To assist the development of infrastructure and services to support business and to have a future direction and long term economic development strategies in place for the Mid West.

Effectiveness of Outputs in Achieving Government Desired Outcomes:

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

WHY WE EXIST

ADMINISTRATIVE STRUCTURE

In 2003/04 the Mid West Development Commission operated with up to 15 staff of which 13 were based at the Commission's Geraldton office, one in the Murchison office and Perth office.

STRATEGIC DIRECTIONS

The Commission's future direction is set out in 'Strategic Directions 2001'. It is supported by an operational plan, which articulates key projects and implementation milestones.

Performance against objectives set is regularly, monitored through this operational plan and bi-monthly reports to the Board of Management. Annual performance is reflected in the Annual Report.

A staff objective setting and performance review program is in place to ensure the Commission remains focused, efficient and effective.

OUTCOMES

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

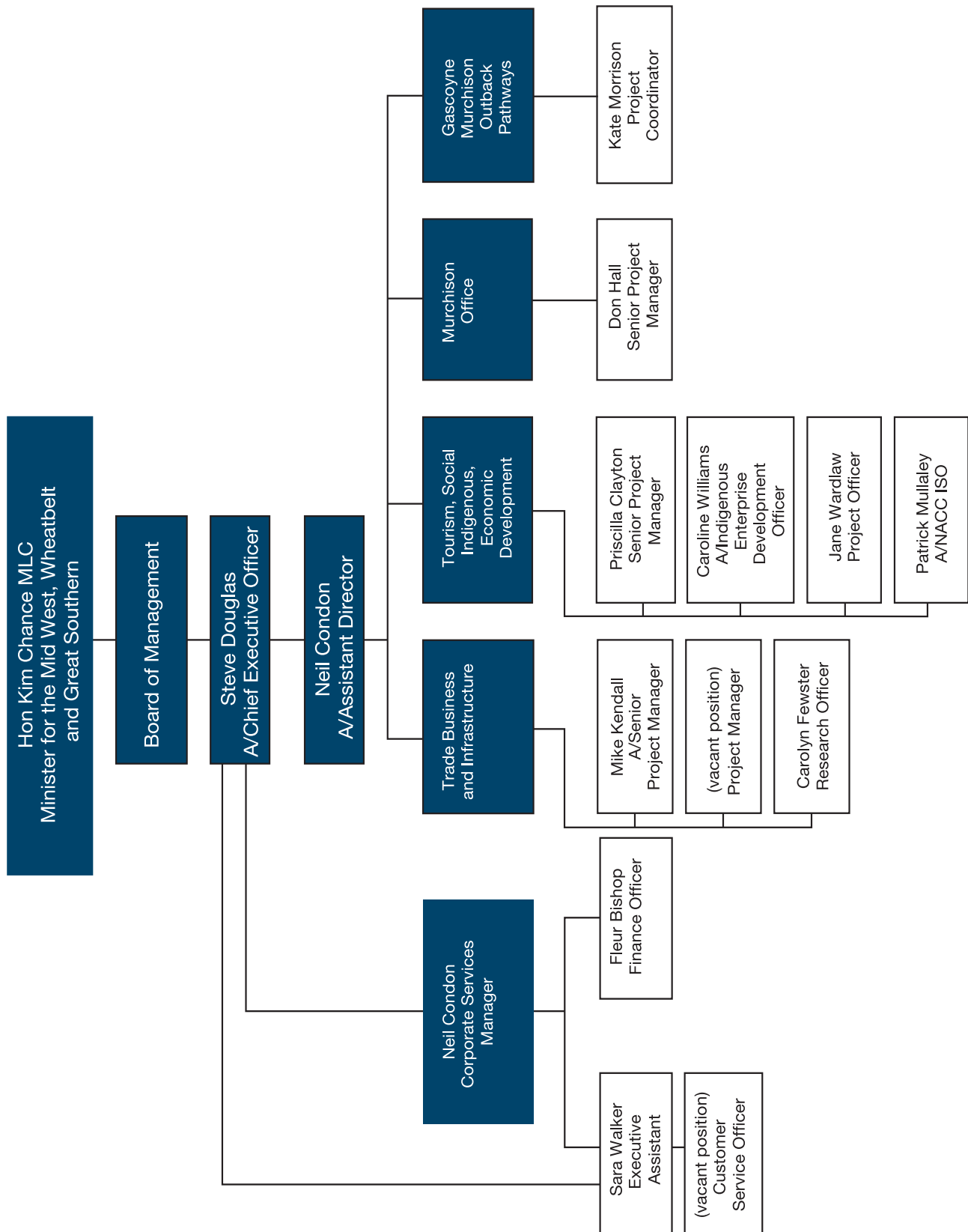
- Provision of timely advice and accurate information
- Attracting new investment
- Expansion of infrastructure and improved access to services.

KEY RESULT AREAS

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

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

ORGANISATIONAL CHART



BOARD OF MANAGEMENT

The Mid West Development Commission is managed by a Board of regional representatives comprising local government, community and ministerial appointments. Members receive fees consistent with determinations made by the Department of Premier and Cabinet. The Board officially met 6 times in 2003/04.

MR LAURIE GRAHAM, CHAIR

Laurie Graham operates a consultancy service mainly providing advice on port operations and airport landing fees. He was Manager of the Geraldton Port Authority from 1980 to 1996. Laurie is also a councillor at the Shire of Greenough and chairs its Town Planning and Airport Committees and represents Geraldton Greenough Council on the Municipal Waste Advisory Committee. He is also the Chairman of Joblink Midwest and the Mid West Mine Servicing working group. A ministerial appointment, Laurie was appointed in 2001 for a three year term. He was appointed as Board Chair in February 2004.

MR DAVID BRINDAL, DEPUTY CHAIRMAN

David Brindal is a Mingenew farmer who has been a member of the Mingenew Land Conservation District Committee for 10 years and was the inaugural chairman of both the Northern Agricultural Integrated Management Strategy and Northern Agriculture Sustainable Rural Development Program. David served on the Mingenew Shire Council for 10 years including three years as President. A community appointment, David was appointed in 1999 for a term of three years and re-appointed in 2002 for a further three years. Dave is currently Chair of the Mid West Investment Working Group.

CR SIMON BROAD

Simon's family are pastoralists at Milly Milly Station in the Murchison Shire. He has served on the Murchison Shire Council since 1987 and is currently Shire President. In recent years, Simon has been a strong influence in the Shire developing the Murchison Community Futures Plan, which led to a tripartite arrangement with the Shire, Mid West Development Commission and CSIRO to progress a diversification plan for the Shire and the greater Murchison area. Simon was also a member of the Carnarvon Regional Advisory Committee for many years and in 2002 was appointed to the new Carnarvon Zone Control Authority. A Local Government appointee, Simon was elected in 2003 for a term of three years.

TONY BROOKER

Tony was the founding headmaster of the Geraldton Grammar School, and is currently Chair of the Geraldton University Access Group. This sub committee of the Mid West Development Commission was instrumental in bringing university courses to Geraldton from the University of Western Australia, Curtin University of Technology and Edith Cowan University. Tony is also involved in the project to attract the international Square Kilometre Array (SKA) radio telescope to the Mid West. In addition, Tony is Vice Chair of the Board of the Geraldton Residential College, a committee member of the Geraldton Regional Herbarium, a trustee of the Anglican Diocese of the North West and a member of the Friends of Bluff Point Foreshore. A Ministerial appointment, Tony was appointed in 2001 for a three-year term.

BOARD OF MANAGEMENT

MR GEOFF CHEONG

Geoff is the Mine Manager for Troy Resources operations, based near Sandstone, and has developed the company into the lowest cost gold producer in Australia. In August 2002, Geoff was elected as a Councillor for the Shire of Sandstone. A Ministerial appointment, Geoff was appointed to the Board in 2003 for a term of three years.

CR ROBYN PARSONS

Robyn has been involved in Local Government since 1988 and has been President of the Irwin Shire Council for six years. She is also General Manager of Nufab Industries Pty Ltd, a Dongara based Company manufacturing agricultural and industrial equipment. Robyn is involved in various Committees in the community and is currently Chairperson of the Port Denison Retirement Village. Robyn was awarded "The Achievement Award" in the 1999 Institute of Professional Secretaries and Administrators WA Division. In 2001 Robyn was a Finalist in the Commonwealth Government Private Sector Category for the Telstra WA Business Women's Awards. A Local Government position, Robyn was elected to the Board in 2003 for a period of three years.

CR GARRY COLLINS

Garry Collins has been involved in local government since 1992 and is currently Deputy President of the Morawa Shire Council. Garry has been farming in the Morawa area for 27 years and also has interests in the Mid West Oil Mallee Association, Morawa Farm Improvement Group, Land Conservation District Committee and a local organisation called the Top Crop Group. Garry is Chair of the Mid West Transport Advisory Working Group. A Local Government appointment, Garry was appointed in 2001 for a three year term.

MR KEN PEPPER

Ken is a well known identity in the Mid West region both through business and his strong sporting background. Ken is Dealer Principal of Young Motors Geraldton, and has 46 years of experience in the motor vehicle industry. He is an active member of the Holden Country Dealer Group, an Honorary member of the Geraldton Rotary Club, Committee member on the Indian Ocean Masters Games and Chairman of the Geraldton Boatlifter Working Group. Ken was re-appointed in 2003 for a further three years.

BOARD OF MANAGEMENT

BY VIRTUE OF OFFICE:

MR STEVE DOUGLAS

Steve is currently Acting Chief Executive Officer of the Mid West Development Commission, he is a member of the Board in this capacity. Steve's substantive position is Assistant Director of the Commission.

During the year, the following Mid West Development Commission Board Members resigned:

MR GRAEME O'GRADY (CHAIRMAN)

MS JULIE JONES

MR MARK PENDLEBURY

**MR GRAEME BAESJOU
(CHIEF EXECUTIVE OFFICER), AM**

WHAT WE ACHIEVED

The Mid west Development Commission's major achievements for 2003-04 are outlined below:

- Secured \$9.98 million of funding from the State Government for the City of Geraldton's Foreshore Redevelopment and CBD Revitalisation project. The Commission will provide this funding over the life of the project with the first instalment (\$400,000) provided in 2003/04. The project, which has several stages, is expected to be completed in 2008/09.
- Administered the third round of the State Government's Mid West Regional Development Scheme and allocated grants totalling \$408,500 to 26 regional projects that will contribute to the sustainable development of the Mid West. (Refer to page 66 for details).
- The Commission, in partnership with Geraldton Universities Centre and the Geraldton Universities Access Group, received a Premier's Award for Excellence in Public Sector Management in the category of Education and Skills. The award relates to the establishment of a university in Geraldton, which was borne from an unprecedented bid by Geraldton to secure Federally funded university places, even though the city did not have a university campus.
- Launched the Gascoyne Murchison Outback Pathways Stage 1, including the preparation and installation of 43 interpretive panels and associated directional signage, and promotional material. The project aims at encouraging self-drive tourism in the outback and assisting in the economic diversification of the Gascoyne Murchison Rangelands. To date over \$200,000 has been secured for the implementation of Stage 2.
- The Commission secured \$10,000 from the Gascoyne Murchison Strategy to undertake a roadshow in the Gascoyne Murchison to raise awareness of the Outback Pathways, the tourism opportunities they present and to provide information on how individuals, businesses and communities can participate.
- With other members of the Geraldton Economic Alliance, successfully hosted the second Mid West Economic Summit to showcase the region's development and variety of investment opportunities.
- Progressed the Separation Point Marine Precinct by:
 - Partnering the Department of Fisheries to complete detailed design documentation and a business case for the Abrolhos Islands Research Institute component of the Precinct;
 - Working with the Department of Education and Training and the Central West College of TAFE to complete development approvals for the Abrolhos Islands Research Institute and Central West College of TAFE's Batavia Coast Marine Centre; and
 - Establishing a steering group to progress the Geraldton Marine Interpretive Centre component and initiating work on a feasibility study.

WHAT WE ACHIEVED

- In partnership with a number of other organisations, successfully hosted major events including:
 - An international radio astronomy workshop as part of the region's bid for the Low Frequency Array Radio Telescope (LOFAR) project;
 - The statewide launch of the Indicators of Regional Development report by the Premier;
 - The WA Coastal Conference in Geraldton.
- As part of the region's bid for the US\$1 billion international project, secured funding with the CSIRO and the Western Australian Office of Science and Innovation, to host the International Square Kilometre Array Site Selection Committee meeting and workshop in Geraldton.
- Worked with the City of Geraldton, Main Roads WA, the Geraldton Port Authority and other major groups to progress major regional infrastructure projects including the Southern Transport Corridor, Port Enhancement Project and Geraldton Foreshore Redevelopment and CBD Revitalisation project.
- Convened a working group with the Geraldton Port Authority and the fishing industry to establish a large vessel lifting facility and associated marine services precinct at the Port of Geraldton. By year-end, work was well advanced on a business plan to support its establishment.
- Supported the Geraldton University Access Group to develop a masterplan for the proposed Geraldton Education Precinct.
- The Mid West Internet portal, Ocean2Outback, won the Regional Services category of the WA Information Technology and Telecommunications Awards. The Commission led project was undertaken with funding obtained from the Federal Networking the Nation program by the Commission in partnership with the City of Geraldton. The portal, which was developed by a Mid West business – Market Creations, has recorded more than one million “hits” since its launch in February 2003.
- Assisted four local businesses to export for the first time.
- Through the Mine Servicing Group, produced “Give Me Geraldton Any Day” promotional brochures and multimedia CD highlighting the benefits of living and working in Geraldton including:
 - Lifestyle benefits;
 - Availability and access to a range of quality education, training and employment services;
 - The benefits of establishing fly in/fly out services from Geraldton; and
 - The Geraldton region's infrastructure and industrial capability.
- With support from the Mid West Chamber of Commerce and Industry coordinated the successful Mid West Business Mining Expo in Mount Magnet to showcase Mid West industry and its capability to service the mining sector.
- Reviewed and expanded the Commission's Business Capability and Services Directory database to include a mine servicing database that is accessible through the Internet.
- Prepared and released the Mid West Regional Priority Plan to focus regional effort on addressing the region's key issues and plans.

WHAT WE ACHIEVED

- Facilitated local business involvement in major regional projects by:
 - Promoting the Business Capability and Services Directory to major project proponents and contractors; and
 - Supporting the Mid West Chamber of Commerce and Industry to host business and community briefings by the successful tenderers to major construction projects including the Geraldton Regional Hospital and the Alinta Wind Farm.
- Conducted a Heads of Government Agencies Forum to facilitate information exchange and enhance coordination and service delivery amongst government agencies in the Mid West.
- Assisted community and economic development initiatives through the region including:
 - Development and launch of the draft Shire of Murchison Community Futures Plan;
 - Worked in partnership with the Department of Local Government and Regional Development to provide support and mentoring to participants of the WA Leadership program;
 - Convened four Western Wise Network meetings at Kalbarri, Mingenew, Mullewa and Chapman Valley;
 - Undertook a five-year review of the Coorow Business Retention and Expansion Visitation Program;
 - Supported the Shire of Carnamah's "Eneabba Life after the Mine" initiative; and
 - Worked with the Shire of Mount Magnet and the Mount Magnet Aboriginal Progress Association to secure funding for a Youth and Recreation Officer.
- Facilitated Indigenous economic development by:
 - Developing the first stage of the Yamaji Heritage Trail based on the area bounded by the Naaguja Native Title claim;
 - Working in partnership with Wila Gutharra Aboriginal Corporation and the Naaguja people to incubate this tourism venture in Geraldton;
 - Consolidating the Indigenous Tourism Reference Group as the peak body for Aboriginal tourism issues in the Mid West; and
 - Continuing to work with the Wiluna Community Economic Development Officer to progress Indigenous commercial opportunities in seed collection, arts, desert timber and camel ranching.
- Coordinated a highly successful two-day Indigenous Tourism Forum in Geraldton. Attended by over 60 delegates the forum included presentations from key groups and workshop sessions which enabled participants to commence preparing their own business and marketing plans.
- Worked in partnership with the Northern Agricultural Catchments Council (NACC) on natural resource management issues in the Mid West including hosting the NACC Indigenous Support Officer position within the Commission. The aim of this position is to develop strategies and protocols to increase Indigenous participation in natural resource management.
- Worked with the Shire of Murchison to secure funding from various sources to undertake the Murchison Path Maker project.

WHAT WE ACHIEVED

- Worked with the Regional Based Alternatives Sub-Committee of the Gascoyne Murchison Strategy to identify and progress diversification opportunities for pastoralists including:
 - Undertaking investigative drilling to prove water resources suitable for intensive agricultural activities;
 - Investigation into the establishment of a camel industry based on the export of meat and live camels; and
 - Identification of opportunities to establish enterprise opportunities on mine owned pastoral leases.
- Assisted seven local businesses to overcome their specific labour market shortages through the Regionally Sponsored Migration Scheme and Long Stay working visas.
- Prepared three 'industry development opportunity' documents:
 - Biodiesel in the Mid West;
 - The Potential for Value Adding to Lupins in the Mid West; and
 - An Assessment of Three Straw Pulping Techniques.
- Through the Mid West Mine Services Group, initiated a Mine Apprenticeship Scheme involving both local businesses and local mines.
- In conjunction with the Mid West Chamber of Industry, facilitated local business involvement in a number of major regional projects, including:
 - Mt Gibson's iron ore project;
 - Southern Transport Corridor;
 - Geraldton Regional Hospital;
 - Alinta (Walkaway) Wind Farm; and
 - Geraldton Port Enhancement Project.
- Continued to work with the Shire of Perenjori to facilitate the development of infrastructure to support major resource development.
- Hosted a visit to the Mid West by Task 8 - an international scientific group investigating the potential of using photovoltaic technology to produce large-scale solar power production.
- Secured \$20,000 from the Gascoyne Murchison Strategy to undertake information technology (IT) education and training in the Murchison.
- Prepared and distributed an updated brochure to communicate the role and services of the Mid West Development Commission.
- In partnership with the Botanic Gardens and Parks Authority, and the Gascoyne and Goldfields Esperance Development Commissions and the Western Australian Tourism Commission, promoted tourism and investment opportunities in regional Western Australia through participation at the international garden and horticulture expo Pacific Flora 2004 in Japan.
- Led Cruising Geraldton's successful hosting of the cruise ship Europa in Geraldton. This resulted in the Commission developing an extensive contacts database and template to support future cruise ship visits to Geraldton.
- Prepared a case to establish a component of the proposed Integrated Agricultural Research Institute in the Mid West.
- Established a steering committee for the development of MICE (Meetings, Incentives, Conventions and Exhibitions) in the Mid West.

MAJOR INITIATIVES FOR 2004-05

- Work with key stakeholders to progress the City of Geraldton's Foreshore Redevelopment and CBD Revitalisation Project.
- Continue progress of the Gascoyne Murchison Outback Pathways by:
 - Securing funding to implement Stage 2; and
 - Undertaking a "roadshow" within the Gascoyne Murchison area to highlight the challenges and opportunities of associated with the tourism industry.
- Assist the Geraldton University Access Group to construct a dedicated university facility within the Geraldton Education Precinct.
- Work with local industry sources, the Geraldton Port Authority and government to secure funding to establish a heavy boat lifting facility in Geraldton.
- Establish a regional based working group to review the region's telecommunication's issues and develop and action recommendations to address them.
- Progress development of the Separation Point Marine Precinct by undertaking a feasibility study for the proposed Geraldton Marine Interpretive Centre component.
- Work with project proponents in Geraldton, Kalbarri and Dongara to maximise community benefit and local business participation from major regional projects including resort, hotel and retirement developments.
- In partnership with the Shire of Murchison, Community Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Commission, coordinate the Path Maker Project: Strategic Investments for the Future of the Murchison. This project is a benchmark initiative that will identify scenarios and flow-on implications to benefit community, economic and the environment.
- Assess the market potential of straw pulp produced in the Mid West.
- Establish a new two-year contract with the Australian Trade Commission (Austrade) to provide expanded Tradestart program (export development) services to current and potential Mid West exporters.
- Assist with the coordination of the youth festival CROC Fest – Geraldton, which aims to provide activities and information on careers, health, education, sport and the arts in a 100 percent drug-free environment over 3-days.
- Review qualitative and quantitative information on aquifers located in the Mid West to identify potential new and intensive economic development opportunities.
- Work with all shires in the Murchison area to establish a Murchison Voluntary Region of Councils.
- Continue to work with the Shire of Wiluna and other major stakeholders to construct a new waste management facility in the town.
- Undertake a review of venture capital needs and opportunities in the Mid West.
- Review the potential to establish a horticultural precinct in the Walkaway area.
- Support the Shire of Perenjori to undertake a socio-economic impact study of proposed major resource projects within the shire.
- Assist GKM Minerals to develop their kaolin reserves at Perenjori.
- Work with the Shire of Mount Magnet to establish an industrial estate in close proximity to the Mount Magnet township.
- Continue to work with relevant groups to establish a component of the proposed Integrated Agricultural Research Institute in the Mid West.

MAJOR INITIATIVES FOR 2004-05

- Continue to implement the findings of the Geraldton Mine Servicing study.
- Support the implementation of recommendations from the “Eneabba Life after the Mine” study.
- Facilitate the affiliation of Western Wise Network with another community development group in the Mid West to ensure its long term sustainability.

Investigate the benefits of expanding the Outback Resource Atlas to include the whole Mid West.
- Support the preparation of accredited natural resource management strategies for the Gascoyne Murchison rangelands and the Northern Agricultural areas and align these strategies’ objectives with regional development objectives.
- Achieve tourism outcomes and investment opportunities for the Mid West by continuing participation in Pacific Flora 2004. An assessment of the benefits derived for the Mid West will be undertaken following its conclusion in October 2004.
- Prepare an updated Mid West People and Population to outline the region’s major demographic trends.
- Establish a Community Development (CD) Practitioners Support Group for practising CD professionals in the Murchison region.
- Engage with high need communities in the Murchison region to assist with community futures planning, capacity building and economic and cultural development.
- Complete the development and implementation of a database of government agency initiatives in the Mid West.
- Pro-actively promote the Mid West Region at the London Immigration Expo.
- Work with the Cruising Geraldton Committee to attract more cruise ships to Geraldton.
- Produce 9 postcards that depict the Year of the Built Environment, to be launched at the Perth Convention Exhibition Centre in October 2004.
- Assist business and community to establish a Mid West Community Foundation under the banner of the WA Community Foundation.
- Secure further funding to employ a MICE (Meetings, Incentives, Conventions and Exhibitions) coordinator to enhance the capacity of the region’s communities to attract and successfully host regional MICE events.

PUBLICATIONS PRODUCED BY THE MID WEST DEVELOPMENT COMMISSION

Title	Purpose	Revision Schedule
Business Capability and Services Directory	An up-to-date directory of Mid West business capability. Available at www.mwdc.wa.gov.au	Regularly
Information Brochure	An overview of the Commission and the services it provides.	Revised in March 2004
Living in the Regions	A study into the reasons why people do or do not live in the regions.	No revision scheduled
Mid West Developer	The official newsletter of the Mid West Development Commission providing updates on Commission activities.	Quarterly
Mid West Economic Perspective	An update on the economy of Western Australia's Mid West region.	Every 18 months
Mid West Geographic Perspective	A snapshot of the key geographical features of the Mid West region.	No revision scheduled
Mid West People and Population	A statistical portrait of the population and demographic characteristics of the Mid West region.	Every 2 years
Mid West Region of Western Australia: Your Call Centre Option	A leaflet promoting the Mid West as a call centre location.	No revision scheduled
Mid West Regional Priority Plan	An outline of the Mid West's priority issues and actions.	Annually
Mine Servicing / Lifestyle Brochures and CD	A suite of brochures and CD highlighting the benefits of living and working in Geraldton.	As required
Region of opportunity	A brochure explaining the competitive advantages of the region and opportunities for investment in key industry sectors.	As required
Regional Prices Index	A report examining the price of goods and services in regional areas compared with Perth prices.	Every 3 years
Towards 2010 (1996)	An economic development strategy for Western Australia's Mid West.	To be announced
Towards 2010 update (1999)	An update of achievements and future focus areas.	No revision scheduled
Strategic Directions 2001	A document articulating the Commission's strategic plan from 2001 onwards.	Revision in progress
Annual Report	A report on the Commission's operations for the previous twelve months.	Annually
Cruising Geraldton	CD promoting Geraldton as a destination for international cruise ships.	No revision scheduled

Copies of these publications can be downloaded from the Commission's website at www.mwdc.wa.gov.au or by contacting the Mid West Development Commission.

Contact details are listed on the back cover of this report.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

The accompanying financial statements of the Mid West 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 ending 30 June 2004 and the financial position as at 30 June 2004.

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

**L GRAHAM
CHAIRMAN**



DATE 19/8/04

**S DOUGLAS
ACTING CHIEF
EXECUTIVE OFFICER**



DATE 19/8/04

**N CONDON
PRINCIPAL
ACCOUNTING OFFICER**



DATE 18/8/04

FINANCIAL STATEMENTS



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**MID WEST DEVELOPMENT COMMISSION
FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004**

Audit Opinion

In my opinion,

- (i) the controls exercised by the Mid West Development Commission provide reasonable assurance that the receipt, expenditure and investment of moneys, 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, 2004 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.

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

**D D R PEARSON
AUDITOR GENERAL
October 21, 2004**

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2004

COST OF SERVICES	NOTE	2003/2004	2002/2003
EXPENSES FROM ORDINARY ACTIVITIES		\$	\$
Salaries		829,028	818,211
Other staffing costs		249,110	259,360
Communications		31,449	27,528
Services & contracts		657,237	695,103
Operating leases -vehicles		23,594	29,116
Consumables		65,887	72,775
Maintenance		11,188	12,316
Board fees		39,551	28,223
Refunds		9,777	-
Grants & subsidies	2	1,038,818	517,644
Depreciation	3	16,981	15,733
Provisions	4	31,489	54,028
Marina redevelopment	5	23,814	69,984
Capital user charge	6	1,143	-
Write-offs	7	207	287
Land revaluation decrement	8	10,000	-
TOTAL COST OF SERVICES		3,039,273	2,600,308
REVENUES FROM ORDINARY ACTIVITIES			
<i>Revenues from operating activities</i>			
Commonwealth grants & contributions	9	150,443	285,300
Other revenues	10	258,350	477,011
<i>Revenues from non-operating activities</i>			
Proceeds from disposal of non-current assets	11	-	1,200
TOTAL REVENUES FROM ORDINARY ACTIVITIES		408,793	763,511
NET COST OF SERVICES		2,630,480	1,836,797
REVENUES FROM STATE GOVERNMENT			
Output appropriation	12	1,922,000	1,316,500
Assets assumed/(transferred)	13	-	(74,584)
State Government grants & subsidies	14	585,181	773,591
Resources received free of charge	15	3,120	10,500
TOTAL REVENUES FROM STATE GOVERNMENT		2,510,301	2,026,007
CHANGE IN NET ASSETS		(120,179)	189,210
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS		(120,179)	189,210

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

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2004

	NOTE	2003/2004	2002/2003
CURRENT ASSETS		\$	\$
Cash assets	16	563,024	286,674
Restricted cash assets	17	629,728	609,742
Receivables	18	187,793	479,037
Other Assets	19	2,753	652
Amounts receivable for outputs	20	30,000	30,000
TOTAL CURRENT ASSETS		1,413,298	1,406,105
NON-CURRENT ASSETS			
Inventories	21	520,000	530,000
Amounts receivable for outputs	20	46,000	75,000
Computer hardware & software	22	15,429	26,022
Office equipment	22	13,185	17,503
Furniture & fittings	22	3,741	1,484
TOTAL NON-CURRENT ASSETS		598,355	650,009
TOTAL ASSETS		2,011,653	2,056,114
CURRENT LIABILITIES			
Payables	23	228,306	93,663
Other Liabilities	24	376,256	406,318
Provisions	25	105,516	110,881
TOTAL CURRENT LIABILITIES		710,078	610,862
NON-CURRENT LIABILITIES			
Provisions	25	72,826	163,270
Liability to Treasurer	26	960,000	960,000
Total Non-Current Liabilities		1,032,826	1,123,270
TOTAL LIABILITIES		1,742,904	1,734,132
NET ASSETS		268,749	321,982
EQUITY	27		
Contributed equity		126,946	60,000
Accumulated surplus		141,803	261,982
TOTAL EQUITY		268,749	321,982

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

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2004

	NOTE	2003/2004	2002/2003
CASH FLOWS FROM STATE GOVERNMENT		\$	\$
Output appropriations		1,876,000	1,234,500
Capital contributions		-	30,000
Holding account drawdowns		75,000	-
State Government grants & subsidies		572,608	773,591
NET CASH PROVIDED BY STATE GOVERNMENT		2,523,608	2,038,091
<i>Utilised as follows:</i>			
CASH FLOWS FROM OPERATING ACTIVITIES			
PAYMENTS			
Employee costs		(1,156,119)	(1,095,909)
Supplies and services		(802,192)	(792,569)
GST payments on purchases		(151,018)	(113,192)
GST payments to taxation authority		(44,285)	(35,816)
Refunds		(9,777)	-
Grants payments		(948,276)	(246,660)
TOTAL PAYMENTS		(3,111,667)	(2,284,146)
RECEIPTS			
Commonwealth grants		136,149	291,600
GST receipts on sales		41,581	35,768
GST receipts from taxation authority		114,310	107,166
Other receipts		604,898	75,260
TOTAL RECEIPTS		896,938	509,794
NET CASH USED IN OPERATING ACTIVITIES	31 (c)	(2,214,729)	(1,774,352)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(12,543)	(101,717)
Proceeds from sale of non-current physical assets		-	354,195
NET CASH PROVIDED BY/ (USED IN) INVESTING ACTIVITIES		(12,543)	252,478
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(352,995)
NET CASH USED IN FINANCING ACTIVITIES		-	(352,995)
Net increase/(decrease) in cash held		296,336	163,222
Cash assets at the beginning of the financial year		896,416	733,194
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	31 (a)	1,192,752	896,416

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

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

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 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, are disclosed in individual notes to these financial statements.

BASIS OF ACCOUNTING

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

(a) Establishment

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

(b) 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.

(c) 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.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

(d) 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.

(e) Revenue Recognition

Revenue from the 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 customer.

(f) Acquisitions 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.

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items, which are significant in total).

(g) Depreciation of non-current assets

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

Depreciation is calculated on a straight line basis, using rates that are reviewed annually. Rates of depreciation for each class of depreciable asset are:

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

* Office modifications undertaken during 2003/04 are being fully depreciated over the life of the remaining office lease, which expires in October 2006

(h) Revaluation of Land, Buildings and Infrastructure

The Commission has a policy of valuing land, buildings and infrastructure at fair value. The annual revaluations of the Commission's land and buildings undertaken by the Valuer General's Office are recognised in the financial statements.

(i) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

(j) Inventories

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

(k) Receivables

Receivables are recognised at the amount receivable, as they are generally 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.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

(l) Intangible assets and expenditure carried forward

(i) 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 is generally three to four years.

(ii) Web site costs

Costs in relation to web sites controlled by the Commission are charged as expenses in the period in which they are incurred unless they relate to the acquisition of an asset, in which case they are capitalised and amortised over the period of expected benefit. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing costs of maintenance during the operating phase are considered to be expenses. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits controlled by the Commission that can be reliably measured, are capitalised as an asset and amortised over the period of the expected benefits which vary from three to five years.

(m) 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. Payables are generally settled within 30 days.

(n) Employee benefits

(i) Annual leave

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

(ii) Long service leave

Leave benefits are calculated on a pro-rata basis after an officer has completed three years of service based on remuneration rates current as at the reporting date. An assessment of long service leave undertaken in 2003 determined that the liability measured using the short hand method was not materially different from the liability measured using the present value of expected future payments.

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

(iii) Superannuation

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

All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. 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 is assumed by the Treasurer. The liabilities for superannuation charges incurred under the Gold State Superannuation Scheme and the West State Superannuation Scheme are extinguished by payment of employer contributions to the GESB.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

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 GESB'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 benefit thereof would be exceeded by the cost of obtaining the information.

(iv) Employee benefit on-costs

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 note 25.

(o) Accrued Salaries

Accrued salaries (refer note 24) 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.

(p) 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.

(q) Leases

The Commission has entered into a number of operating lease arrangements for the rent of the office building and motor vehicles where the lessor effectively retains 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.

(r) Comparative Figures

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

(s) Rounding

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

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
	\$	\$
2 GRANTS & SUBSIDIES		
Regional Development Scheme - Round 1 (2002)	-	83,373
Regional Development Scheme - Round 2 (2003)	-	330,008
Regional Development Scheme - Round 3 (2004) (i)	347,500	-
Geraldton Universities Centre	280,000	77,050
Botanic Gardens and Parks Authority	-	4,258
Bundiyarra Aboriginal Community Aboriginal Corp.	-	455
Australian Women in Agriculture (WA)	318	2,500
Mingenew Irwin Group	-	20,000
City of Geraldton	400,000	-
Department of Local Government and Regional Development	6,000	-
Shire of Perenjori	5,000	-
	1,038,818	517,644

(i) Includes the reallocation to new recipients of funds granted in earlier rounds of the Regional Development Scheme (RDS) which were either not utilised at all or exceeded their actual requirements of the original recipients. These funds were returned to the RDS funding pool and allocated to new projects.

3 DEPRECIATION		
Office Equipment	5,318	5,421
Computer Hardware	10,197	9,112
Computer Software	396	555
Furniture & Fittings	1,070	645
	16,981	15,733

4 PROVISIONS		
Annual Leave	16,979	18,021
Long Service Leave	10,203	32,495
Superannuation	4,307	3,512
	31,489	54,028

Provision for superannuation expense was established from an assessment of unfunded liabilities provided by GESB dated 16 June 2004.

5 MARINA REDEVELOPMENT	\$	\$
Current year expenditure	23,814	69,984
	23,814	69,984

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

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
6 CAPITAL USER CHARGE		
Current year charge	1,143	-
	1,143	-

A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Commission excluding certain restricted grant funds and other assets and liabilities.

7 WRITE-OFFS		
Bad Debts		
Bad debts expense	207	287
TOTAL WRITE-OFFS	207	287

8 LAND REVALUATION DECREMENT		
Current year decrement	10,000	-
	10,000	-

Land held at 30 June 2004 was valued according to market values provided by the Valuer General's office.

9 COMMONWEALTH GRANTS & CONTRIBUTIONS	\$	\$
Trade Facilitation Unit	48,350	-
Gascoyne Murchison Outback Pathways project	15,000	35,000
Ocean2Outback project	-	147,000
TradeStart	68,799	58,250
Marine Research Centre	16,650	33,300
WA On Show	1,644	-
Marine Interpretive Centre	-	9,750
Information Technology Adviser	-	2,000
	150,443	285,300

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
10 OTHER REVENUES		
GEHA Rental	6,287	12,172
Sundry Income	31,694	23,758
Proceeds from sale of sub-divided land by Landcorp (i)	-	399,781
Refund of unused RDS grants/write back of excess accruals (ii)	22,604	-
NACC Indigenous Support Officer funding	62,000	-
Gascoyne Murchison Outback Pathways project	89,607	40,000
Gascoyne Murchison Tourism Roadshow	10,000	-
Murchison IT Adviser project	20,000	-
Other project income/revenues	16,158	1,300
	258,350	477,011

(i) Sales of sub-divided land at the Batavia Coast Marina by Landcorp were completed in 2002/03. Total proceeds exceeded Landcorp's cost of acquiring, holding and selling the land by almost \$400,000. The "surplus" realised by Landcorp was payable to the Commission as it incurred the cost of the Marina redevelopment.

(ii) This amount reflects:

- refunds from grant recipients of unused Regional Development Scheme (RDS) grants paid to grant recipients in earlier years; and
- the write back of amounts accrued in 2002/03 for Regional Development Scheme grant payments which are no longer required, either due to projects not proceeding or the full grant amount not being required/payable.

11 NET GAIN ON DISPOSAL OF NON-CURRENT ASSETS	\$	\$
Office equipment	-	1,200
	-	1,200

12 OUTPUT APPROPRIATION		
Appropriation revenue received during the year:		
Output appropriations	1,922,000	1,316,500
	1,922,000	1,316,500

Output appropriations are accrual amounts reflecting the full price paid for outputs purchased by the Government. 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 adjustments in leave liability during the year.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
13 ASSETS ASSUMED/(TRANSFERRED)		
The following assets have been assumed from/(transferred to) other government agencies during the financial year:		
Buildings	-	(74,584)
	-	(74,584)

The ownership of the Geraldton Regional Museum building and associated equipment was transferred to WA Museum during 2001/02 for nil consideration. A further related and final asset transfer occurred in 2002/03, also for nil consideration.

Non-reciprocal transfers of assets or liabilities cannot be treated as contributions by owners (equity) as no formal designation has been made and the other requirements specified in UIG 38(7) have not been met.

14 STATE GOVERNMENT GRANTS & SUBSIDIES	\$	\$
During the 2003/04 financial year the Mid West Development Commission received revenue from the following sources:		
Regional Development Scheme - Round 1 (2002)	-	288,591
Regional Development Scheme - Round 2 (2003)	-	400,000
Regional Development Scheme - Round 3 (2004)	400,000	
Gascoyne Development Commission	-	5,000
Department of Industry & Resources	80,000	80,000
WA Tourism Commission	43,245	-
Department of Education & Training	3,000	-
Central West College - TAFE	1,818	-
Agriculture WA	4,545	-
Department of Local Government & Regional Development	40,000	-
Department of Fisheries	12,573	-
	585,181	773,591

15 RESOURCES RECEIVED FREE OF CHARGE		
Office of the Auditor General - Audit Services	-	10,500
Crown Solicitor's Office - Legal Services	3,120	-
	3,120	10,500

Where assets or services have been received free of charge or for nominal consideration, the Commission 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 are recognised as assets or expenses, as applicable.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
16 CASH ASSETS		
Bank Accounts	562,613	286,071
Petty Cash	411	603
	563,024	286,674
17 RESTRICTED CASH ASSETS	\$	\$
Use of the following cash holdings is restricted to the purpose(s) for which the funds were provided:		
Gascoyne Murchison Outback Pathways project	-	59,604
Mid West Internet portal - Ocean2Outback	1,341	8,713
Western WISE Network project	-	1,061
Regional Development Scheme - Round 1 (2002)	135,493	219,085
Regional Development Scheme - Round 2 (2003)	106,686	279,708
Regional Development Scheme - Round 3 (2004)	319,903	-
Marine Interpretive Centre	-	9,750
Aboriginal Economic Development	20,873	-
Regional Co-operative Research	18,000	18,000
Pacific Flora 2004	-	5,000
Batavia Coast Marina - Stage II scoping study	2,220	2,220
Regional Initiative Fund	733	733
Straw Pulp Feasibility	4,545	-
NACC Indigenous Support Officer	14,066	-
Youth Forum	5,868	5,868
	629,728	609,742
18 RECEIVABLES		
WA Land Authority - Sale of sub-divided land	-	399,781
WA Land Authority - Marina funds advanced	21,290	45,104
GST Input Tax Receivable	53,207	11,933
Other Receivables for Goods and Services	113,296	22,219
	187,793	479,037

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
19 OTHER ASSETS		
MailWest	-	652
Prepaid salaries	2,753	-
	2,753	652
20 AMOUNTS RECEIVABLE FOR OUTPUTS		
	\$	\$
- Current	30,000	30,000
- Non-current	46,000	75,000
	76,000	105,000

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 liabilities.

21 INVENTORIES		
Land held for re-sale:		
- Current	-	-
- Non-current	520,000	530,000
	520,000	530,000

Land at 30 June 2004 is held for re-sale. The original cost of this land is not readily identifiable as it was part of \$5.1 million of land transferred from the Department of Marine and Harbours in 1993. A number of lots of this land have been disposed and land currently held has been subject to several revaluations during this time. The carrying value of land at 30 June 2004 is based on a market value provided by the Valuer General's Office.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
22 PLANT & EQUIPMENT		
Computer Hardware at Cost	101,914	101,914
Accumulated Depreciation	86,485	76,288
	15,429	25,626
Computer Software at Cost	37,525	37,525
Accumulated Depreciation	37,525	37,129
	-	396
SUB-TOTAL - WDV OF COMPUTER HARDWARE & SOFTWARE	15,429	26,022
Office Equipment at Cost	37,102	36,102
Accumulated Depreciation	23,917	18,599
	13,185	17,503
Furniture & Fittings at Cost	9,778	6,451
Accumulated Depreciation	6,037	4,967
	3,741	1,484
TOTAL OF PLANT AND EQUIPMENT.	32,355	45,009

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Buildings at cost \$	Computer Hardware \$	Computer Software \$	Office Equipment \$	Furniture & Fittings \$	Total \$
YEAR ENDED 30 JUNE 2004						
Carrying amount at the start of year	-	25,626	396	17,503	1,484	45,009
Additions	-	-	-	1,000	3,327	4,327
Reclassifications	-	-	-	-	-	-
Disposals (written down value)	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-
Depreciation	-	(10,197)	(396)	(5,318)	(1,070)	(16,981)
CARRYING AMOUNT AT END OF YEAR	-	15,429	-	13,185	3,741	32,355

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
	\$	\$
23 PAYABLES		
Accounts payable for Goods and Services	228,306	93,663
	228,306	93,663
24 OTHER LIABILITIES		
Accrued salaries for nil working days for June 2004 (2003 - 7 working days)	-	22,574
Salary increments	4,145	890
Provision for salary backdated salary increases	8,738	-
Board fees & expenses	7,070	-
Electricity	2,500	2,500
Fringe Benefits Tax	4,500	6,968
Telephone	800	800
Superannuation	2,854	2,186
Internal Audit	-	2,310
Corporate card expenses	5,000	5,000
Regional Development Scheme grants	332,026	255,226
Marine Research Centre	-	74,000
Biodiesel feasibility study	-	12,364
Geraldton Universities Centre Master plan	-	15,000
Motor vehicle lease costs	5,500	6,500
Department of Justice - GEHA rental subsidy	1,980	-
Capital User Charge	1,143	-
	376,256	406,318

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
	\$	\$
25 PROVISIONS		
Current		
Annual Leave	71,318	77,627
Long Service Leave	20,435	18,791
On-costs on leave liabilities (i)	13,763	14,463
	105,516	110,881
Non-current		
Long Service Leave	63,327	87,505
Superannuation (ii)	-	62,639
On-costs on leave liabilities (i)	9,499	13,126
	72,826	163,270

(i) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers' compensation insurance premiums. The liability for such on-costs is included here at a rate of 15% of leave liabilities. The associated expense is included under Other staffing costs in the Statement of Financial Performance.

(ii) The superannuation liability at 30 June 2004, which was established from data supplied by the Government Employees Superannuation Board, was assumed at that date by the Treasurer. Refer Note 27(i) for additional information.

The Commission considers the carrying amount of employee benefits approximates the net fair value.

EMPLOYEE BENEFITS

The aggregate employee benefit liability recognised and included in the financial statements is as follows:		
Provision for employee benefits:		
Current	105,516	110,881
Non-current	72,826	163,270
	178,342	274,151

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
26 LIABILITY TO TREASURER	\$	\$
Non-Current	960,000	960,000
	960,000	960,000

A liability of \$5,000,000 relating to capital works at the Geraldton Foreshore and Marina was transferred to the Geraldton Mid West Development Authority (now the Mid West Development Commission) by the Department of Marine and Harbours on 30th June 1993. Since that time repayments totalling \$4,040,000 have been made to the Consolidated Fund thereby reducing the outstanding indebtedness to \$960,000.

27 EQUITY		
Contributed equity		
Opening balance	60,000	30,000
Contributions by owners (i)	66,946	-
Capital contributions (ii)	-	30,000
CLOSING BALANCE	126,946	60,000
Accumulated surplus/(deficiency)		
Opening balance	261,982	72,772
Change in net assets	(120,179)	189,210
CLOSING BALANCE	141,803	261,982

(i) Contributions by owners reflects the Commission's superannuation liability at 30 June 2004 assumed by the Treasurer as at that date. Refer Note 25(ii) for additional information.

(ii) Capital contributions have been designated as contributions by owners and are credited directly to equity in the Statement of Financial Position.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
	\$	\$
28 COMMITMENTS FOR EXPENDITURE		
(a) Non-cancellable operating lease commitments		
Not later than one year	110,012	123,044
Later than 1 year and not later than 5 years	127,987	238,000
	237,999	361,044
(b) Other expenditure commitments		
Not later than one year	683,023	709,680
	683,023	709,680
Other expenditure commitments comprise the following:		
Gascoyne Murchison Outback Pathways project	20,000	58,352
Gascoyne Murchison Tourism Roadshow	10,000	-
Murchison IT Adviser project	20,000	-
Mid West Internet portal - Ocean2Outback	1,341	18,628
Western WISE Network project	-	1,061
Batavia Coast Marina Redevelopment	421,071	444,885
Aboriginal Economic Development	20,873	-
Regional Co-operative Research	18,000	18,000
Marine Interpretive Centre	-	9,750
Regional Development Scheme grants	144,306	149,441
Pacific Flora 2004 - Regional Initiative Fund grant	-	742
Batavia Coast Marina - Stage II scoping study	2,220	2,220
Regional Initiative Fund	733	733
Straw Pulp Feasibility	4,545	-
NACC Indigenous Support Officer	14,066	-
Youth Forum	5,868	5,868
	683,023	709,680

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
29 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS	\$	\$
The number of members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands:		
\$0 - \$10,000	10	8
\$10,001 - \$20,000	1	1
\$30,001 - \$40,000	1	-
\$140,001 - \$150,000	-	1
\$150,001 - \$160,000	1	-
THE TOTAL REMUNERATION OF THE MEMBERS OF THE ACCOUNTABLE AUTHORITY IS:	230,010	172,539

(i) 2003-04 includes termination payments for unused leave entitlements

(ii) The superannuation included here represents the superannuation expense incurred by the Commission in respect of members of the Accountable Authority.

(iii) No members of the Accountable Authority are members of the Pension Scheme.

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

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

30 REMUNERATION OF AUDITOR

The total of fees paid or due and payable to the auditors of the Commission for the 2003/04 financial year is as follows:

Fees to the Auditor General:		
- for external audit provided free of charge	-	10,500
	-	10,500

The Commission will commence paying for its audit from 2003/04 with the cost of the audit being reflected in the year that the audit is performed ie in 2004/05.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

31 NOTES TO THE STATEMENT OF CASH FLOWS

2003/2004

2002/2003

\$

\$

(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	563,024	286,674
Restricted cash assets	629,728	609,742
TOTAL CASH	1,192,752	896,416

(b) Non-cash financing and investing activities

The ownership of the Geraldton Regional Museum building and associated equipment was transferred to WA Museum during 2001/02 for nil consideration with a further related and final asset transfer which occurred in 2002/03, also for nil consideration. Refer Note 13.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

	2003/2004	2002/2003
	\$	\$
31 (c) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	(2,630,480)	(1,836,797)
NON-CASH ITEMS:		
Depreciation	16,981	15,733
Net (gain)/loss on sale of office equipment	-	(1,200)
Resources received free of charge	3,120	10,500
Land revaluation decrement	10,000	-
(INCREASE)/DECREASE IN ASSETS:		
Receivables	332,518	30,112
Exclude Receivables movements relating to:		
- Investing activities	-	(352,995)
- Cash from Government	12,573	-
Prepayments	(2,101)	47,343
INCREASE/(DECREASE) IN LIABILITIES:		
Payables	134,643	(48,555)
Payables movements related to Investing Activities	8,216	(8,216)
Accrued expenses	(30,062)	339,117
Annual leave provision	(6,309)	9,051
Long service leave provision	(22,534)	17,006
On-costs on leave liabilities	(4,327)	3,910
Provision for superannuation	4,307	3,512
Net GST receipts/(payments)	(39,412)	(6,074)
Change in GST in receivables/payables	(1,862)	3,201
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(2,214,729)	(1,774,352)

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

32 OUTPUT INFORMATION

	INFORMATION & ADVICE		INVESTMENT FACILITATION		INFRASTRUCTURE & SERVICES DEVELOPMENT IN THE MID WEST		TOTAL	
	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$
COST OF SERVICES								
EXPENSES FROM ORDINARY ACTIVITIES								
Salaries	298,978	275,337	310,353	324,473	219,697	218,401	829,028	818,211
Other staffing costs	102,804	97,062	86,268	99,794	60,038	62,504	249,110	259,360
Communications	11,104	9,586	11,830	10,165	8,515	7,777	31,449	27,528
Services & contracts	223,506	130,999	338,044	234,944	95,687	329,160	657,237	695,103
Operating leases -vehicles	10,313	7,543	9,522	14,030	3,759	7,543	23,594	29,116
Consumables	26,851	21,794	24,025	26,488	15,011	24,493	65,887	72,775
Maintenance	4,088	3,418	3,634	5,480	3,466	3,418	11,188	12,316
Board fees	39,551	27,073	-	880	-	270	39,551	28,223
Refunds	27	-	9,750	-	-	-	9,777	-
Grants & subsidies	107,106	156,579	69,606	165,355	862,106	195,710	1,038,818	517,644
Depreciation	5,661	5,244	5,660	5,244	5,660	5,245	16,981	15,733
Provisions	10,497	18,009	10,496	18,009	10,496	18,010	31,489	54,028
Marina redevelopment	-	-	-	-	23,814	69,984	23,814	69,984
Capital user charge	381	-	381	-	381	-	1,143	-
Write-offs	69	96	69	95	69	96	207	287
Land revaluation decrement	-	-	-	-	10,000	-	10,000	-
TOTAL COST OF SERVICES	840,936	752,740	879,638	904,957	1,318,699	942,611	3,039,273	2,600,308

Continued on next page

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

32 OUTPUT INFORMATION (CONTINUED)

	INFORMATION & ADVICE		INVESTMENT FACILITATION		INFRASTRUCTURE & SERVICES DEVELOPMENT IN THE MID WEST		TOTAL	
	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$
REVENUES FROM ORDINARY ACTIVITIES								
<i>Revenues from operating activities</i>								
Commonwealth grants & contributions	-	-	150,443	136,300	-	149,000	150,443	285,300
Other revenues	99,436	15,997	119,487	48,694	39,427	412,320	258,350	477,011
Revenues from non-operating activities								
Proceeds from disposal of non-current assets	-	400	-	400	-	400	-	1,200
Interest revenue	-	-	-	-	-	-	-	-
TOTAL REVENUES FROM ORDINARY ACTIVITIES	99,436	16,397	269,930	185,394	39,427	561,720	408,793	763,511
NET COST OF SERVICES	741,500	736,343	609,708	719,563	1,279,272	380,891	2,630,480	1,836,797
REVENUES FROM STATE GOVERNMENT								
Output appropriation	484,000	427,667	351,000	491,667	1,087,000	397,166	1,922,000	1,316,500
Assets assumed/(transferred)	-	-	-	-	-	(74,584)	-	(74,584)
State Government grants & subsidies	182,866	266,200	215,807	394,565	186,508	112,826	585,181	773,591
Resources received free of charge	-	3,500	605	3,500	2,515	3,500	3,120	10,500
Total revenues from Government	666,866	697,367	567,412	889,732	1,276,023	438,908	2,510,301	2,026,007
CHANGE IN NET ASSETS	(74,634)	(38,976)	(42,296)	170,169	(3,249)	58,017	(120,179)	189,210

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

33 EXPLANATORY STATEMENT

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

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

	2003/2004	2002/2003	Variance	Variance
	\$	\$	\$	%
Grants and subsidies expense	1,038,818	517,644	521,174	101%
Provisions	31,489	54,028	(22,539)	-42%
Marina redevelopment	23,814	69,984	(46,170)	-66%
Commonwealth grants & contributions	150,443	285,300	(134,857)	-47%
Other Revenues	258,350	477,011	(218,661)	-46%
Output appropriation	1,922,000	1,316,500	605,500	46%
Assets assumed/(transferred)	-	(74,584)	74,584	-100%
State Government grants and subsidies	585,181	773,591	(188,410)	-24%

GRANTS AND SUBSIDIES EXPENSE

2003/04 includes a \$400,000 grant to the City of Geraldton for its Foreshore Redevelopment and CBD Revitalisation project. This is the first instalment of grant funding that will total \$9.98 million over 6 years. 2003/04 also includes a \$280,000 grant (2002/03 \$77,050) to the Geraldton Universities Centre as part of a 4 year, \$592,000 commitment to assist with its establishment and operations. Refer Financial Statements - Note 2 for additional details.

PROVISIONS

The variance is primarily due to a decline in provisioning for long service leave. In 2002/03 4 staff members achieved 3 years service, the point at which provisioning for long service leave commences with a lump sum provision. No additional staff members reached 3 years service in 2003/04.

MARINA REDEVELOPMENT

Expenditure continued to decline in 2003/04 as the project neared finalisation.

COMMONWEALTH GRANTS & CONTRIBUTIONS

Grant funding is project based and therefore fluctuates with the number and size of funded projects. Funding declined in 2003/04 primarily due to the completion of the Ocean2Outback portal project which received \$147,000 in 2002/03. Refer Financial Statements - Note 9 for additional details.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

33 EXPLANATORY STATEMENT (CONTINUED)

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

OTHER REVENUES

2002/03 revenue included a one off receipt of \$400,000 from Landcorp, being its "surplus" on the sale of sub-divided land at the Batavia Coast Marina Redevelopment. The resulting decline in 2003/04 was partly offset by a significant increase in project revenues, including \$62,000 for an NACC Indigenous Support Officer position and almost \$90,000 of Local Government, Industry and other funding for the Gascoyne Murchison Outback Pathways project. Refer Financial Statements - Note 10 for additional details.

OUTPUT APPROPRIATION

The Commission's 2003/04 appropriation was increased by the State Government to enable it to provide a \$400,000 grant to the City of Geraldton for its Foreshore Redevelopment project (2002/03 nil) and \$280,000 to the Geraldton Universities Centre to assist with its establishment and operations (2002/03 \$77,050).

ASSETS ASSUMED/(TRANSFERRED)

The ownership of the Geraldton Regional Museum building and associated equipment was transferred to WA Museum during 2001/02 for nil consideration with a further related and final asset transfer which occurred in 2002/03, also for nil consideration.

STATE GOVERNMENT GRANTS AND SUBSIDIES

Due to the Commission's legal incapacity to provide grants, the first round of the Regional Development Scheme (RDS) was managed by the Department of Local Government and Regional Development. When legislation was passed in 2002/03 which provided the Commission with capacity to provide grants, the Commission received \$689,000 in RDS funding, comprising \$400,000 to fund round 2's grants and the unused balance from round 1. 2003/04 only includes a normal year's RDS funding, being \$400,000 for round 3. The reduction in RDS funding in 2003/04 has been partly offset by other project related grants received in 2003/04, including \$83,245 for the Gascoyne Murchison Outback Pathways project. Refer Financial Statements - Note 14 for additional details.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2004

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

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

	Estimates	Actual	Variance	Variance
	\$	\$	\$	%
Other Staffing Costs	196,000	249,110	53,110	27%
Services & contracts	261,000	657,237	396,237	152%
Grants and subsidies expense	680,000	1,038,818	358,818	53%
Provisions	7,000	31,489	24,489	350%
Marina redevelopment	-	23,814	23,814	n/a
Commonwealth grants & subsidies	74,000	150,443	76,443	103%
Other Revenues	19,000	258,350	239,350	1260%
Output appropriation	1,550,000	1,922,000	372,000	24%
Grants from State Government	480,000	585,181	105,181	22%

OTHER STAFFING COSTS

The above-budget expenditure is mainly due to travel expenditure on projects not budgeted for 2003/04. This is due to the delayed completion of some projects ie expected to have been prior to 2003/04, or new unbudgeted projects, or an existing project that attracted unbudgeted additional funding and was extended.

SERVICES & CONTRACTS

The variance comprises numerous variations with the major ones being:

- Gascoyne Murchison Outback Pathways project: additional funding obtained for the project combined with expenditure delayed from 2002/03 resulted in an unbudgeted expenditure of more than \$170,000 in 2003/04.
- Mine Servicing project: almost \$77,000 of expenditure on a new unbudgeted project which was partly externally funded
- Marine Research Centre project: additional funding obtained for the project combined with expenditure delayed from 2002/03, resulted in an unbudgeted expenditure of approximately \$32,000 in 2003/04.
- Pacific Flora 2004 project: additional funding obtained for the project combined with expenditure delayed from 2002/03, resulted in unbudgeted expenditure of more than \$24,000 in 2003/04.
- project expenditure delayed from 2002/03 for Lupin Processing (approx. \$18,000) and Bio-diesel (approx. \$4,000) projects
- Ocean2Outback Internet portal project: \$17,525 of expenditure on this externally funded project was delayed from 2002/03.
- Unbudgeted \$15,000 sponsorship of the 2003 Mid West Economic Summit
- Geraldton Boat Lifter project: \$10,230 expended from this new, unbudgeted project

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

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

GRANTS AND SUBSIDIES EXPENSE

2003/04 includes an unbudgeted \$400,000 grant to the City of Geraldton for its Foreshore Redevelopment and CBD Revitalisation project. Funding for this came from the State Government via an increase in the Commission's appropriation.

PROVISIONS

Long service leave (LSL) and annual leave provisions were budgeted to remain relatively unchanged. After allowing for leave payment on termination, they actually increased by approximately \$17,000 and \$10,000 respectively due mainly to lower than expected leave taking ie more leave accrued than was taken.

MARINA REDEVELOPMENT

The budget assumed that funds advanced to Landcorp would be expended on the Marina project prior to the commencement of 2003/04. This was not the case with approximately \$45,000 unspent at 30 June 2003. Almost \$24,000 of this was expended in 2003/04 leaving approximately \$21,000 to be carried forward for expenditure in future.

COMMONWEALTH GRANTS & SUBSIDIES

Major unbudgeted grants and contributions comprise:

- Trade Facilitation Unit - \$48,350 which was budgeted to be received in 2002/03
- Marine Research Centre - \$16,650 which was budgeted to be received in 2002/03
- Gascoyne Murchison Outback Pathways project - an additional \$15,000

OTHER REVENUES

The budget assumed only minor rental (housing and office) and sundry income. However revenue for 2003/04 was boosted by significant increase in unbudgeted project revenues, including \$62,000 for an NACC Indigenous Support Officer position and almost \$90,000 of Local Government, Industry and other funding for the Gascoyne Murchison Outback Pathways project. Refer Financial Statements - Note 10 for additional details of Other Revenues for 2003/04.

OUTPUT APPROPRIATION

The variance comprises three main components:

- a \$400,000 increase in funding to enable to Commission to provide funding to the City of Geraldton's Foreshore Redevelopment and CBD Revitalisation project.
- a \$17,000 increase in the Commission's accrual appropriation to cover a forecast increase in leave liabilities
- a \$45,000 reduction in accrual appropriation related to two significant payouts of leave entitlements on termination. Funds for this purpose have been accumulated in the Commission's Holding Account with Treasury and were therefore drawn down from there. As a consequence, funding was not required in the Commission's appropriation which was reduced accordingly.

GRANTS FROM STATE GOVERNMENT

The major sources of unbudgeted funding were:

- \$83,245 for the Gascoyne Murchison Outback Pathways project
- \$12,573 for the Marine Research Centre project
- \$4,545 for a Straw Pulp Feasibility project

Refer Financial Statements - Note 14 for additional details.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

34 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

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

	Weighted avge 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		
30 JUNE 2004	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS							
Cash assets		-	-	-	-	1,193	1,193
Receivables		-	-	-	-	264	264
TOTAL FINANCIAL							
ASSETS		-	-	-	-	1,457	1,457
LIABILITIES							
Payables		-	-	-	-	228	228
Other Liabilities		-	-	-	-	376	376
Borrowings from Dept of Treasury and Finance		-	-	-	-	960	960
Provisions		-	-	-	-	178	178
TOTAL FINANCIAL							
LIABILITIES		-	-	-	-	1,742	1,742
NET FINANCIAL							
ASSETS (LIABILITIES)		-	-	-	-	(285)	(285)
30 JUNE 2004							
ASSETS	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash assets		-	-	-	-	896	896
Receivables		-	-	-	-	584	584
TOTAL FINANCIAL							
ASSETS		-	-	-	-	1,480	1,480
LIABILITIES							
Payables		-	-	-	-	94	94
Other Liabilities		-	-	-	-	406	406
Borrowings from Dept of Treasury and Finance		-	-	-	-	960	960
Provisions		-	-	-	-	274	274
TOTAL FINANCIAL							
LIABILITIES		-	-	-	-	1,734	1,734
NET FINANCIAL							
ASSETS (LIABILITIES)		-	-	-	-	(254)	(254)

CREDIT RISK EXPOSURE

All financial assets are unsecured.

Amounts owing by other government agencies are guaranteed and therefore credit risk does not exist in respect of those amounts. In respect of other financial assets the carrying amounts represent the Commission's maximum exposure to credit risk in relation to those assets.

The following is an analysis of amounts owing by other government agencies:	\$'000
Western Australian Government agencies	100
Government agencies of other jurisdictions	92
TOTAL	192

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004

35 THE IMPACT OF ADOPTING INTERNATIONAL ACCOUNTING STANDARDS

The Mid West Development Commission is adopting international accounting standards with AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS).

AASB 1 requires an opening balance sheet as at 1 July 2004 and the restatement of the financial statements for the reporting period to 30 June 2005 on the IFRS basis. These financial statements will be presented as comparatives in the first annual financial report prepared on an IFRS basis for the period ending 30 June 2006.

AASB 1047 Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards requires financial reports for periods ending on or after 30 June 2004 to disclose:

1. HOW THE TRANSITION TO AUSTRALIAN EQUIVALENTS TO IFRS'S IS BEING MANAGED

The Commission's Principal Accounting Officer has undertaken a preliminary review and:

- identified the key differences in accounting policies, disclosures and presentation and the consequential impacts and risks to the Commission;
- assessed the changes required to financial management systems and processes;

2. KEY DIFFERENCES IN ACCOUNTING POLICIES THAT ARE EXPECTED TO ARISE FROM ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

The Commission has so far identified the following key difference:

- Accounting Standard AASB 119 Employee Benefits requires the measurement of long-term employee benefit liabilities to be at present value. This includes salaries, annual leave and sick leave payable 12 months or more after the end of the reporting period. A preliminary review indicates that a portion of annual leave entitlements may require re-statement to present value.

Quantitative information relating to the above change was not known or reliably estimable at the time these financial statements were prepared. However, the impact of the change is not expected to be material.

FINANCIAL STATEMENTS

MID WEST DEVELOPMENT COMMISSION

CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2004

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Commission's performance, and fairly represent the performance of the Commission for the financial year ended 30 June 2004.

**L GRAHAM
CHAIRMAN**



DATE 19/8/04

**S DOUGLAS
ACTING CHIEF
EXECUTIVE OFFICER**



DATE 19/8/04

FINANCIAL STATEMENTS



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

MID WEST DEVELOPMENT COMMISSION PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Mid West 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, 2004.

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 effectiveness and efficiency.

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 blue ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
October 21, 2004

PERFORMANCE INDICATORS

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

OUTCOME

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

KEY OUTPUTS

The Commission's three main outputs are:

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

The targets for these outputs are based on information published in the W.A. Government 2003/2004 Budget Statements presented to the Legislative Assembly on 8th May 2003.

1. EFFECTIVENESS INDICATORS

Client Survey

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

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

The Commission's effectiveness indicators are based on an annual survey of clients conducted by an independent market researcher, Asset Research. Questionnaires were sent to 145 clients that had contact with the Commission in the previous 12-month period. Asset research received 100 completed surveys, resulting in a response rate of 69 per cent.

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

Survey Question	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
Reduced obstacles to growth	31%	39%	32%	22%
Developed new business opportunities	43%	49%	42%	32%
More Trade Activity	18%	24%	22%	15%
Retention of staff / expansion of employment opportunities	22%	16%	22%	12%

PERFORMANCE INDICATORS

2. EFFICIENCY INDICATORS

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

2.1. OUTPUT 1 - INFORMATION AND ADVICE OUTPUT DESCRIPTION:

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

Performance Measures	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
Total cost of Output (2)	\$552,756	\$596,161	\$587,000	\$737,159
Client contacts (inquiries)	2,467	2,899	2,500	3,661
Cost per client inquiry	\$112	\$103	\$117	\$101
Client visits	202	246	220	189
Cost per client visit	\$1,368	\$1,212	\$1,334	\$1,950

Note:

1. Target and actual total costs and unit costs for 2002/2003 onwards have been adjusted to exclude Grants and Subsidies Expense
2. 50% of the Total cost of Output is allocated to each of Client Visits and Client Contacts when calculating the respective unit costs

Comments (a)

During 2003/04 the Commission received 3,661 inquiries from clients, 26% and 46% higher than the previous year and the target for 2003/04 respectively. The number of clients visited in 2003/04 decreased by 23% from the previous year and is 14% below target. Reduced staff numbers, resulting from several vacant positions combined with staff losses following completion of externally funded projects, has negatively impacted client visits for 2003/04.

Total costs have increased from 2002/03 and target mainly due to new unbudgeted projects and activities including:

- an \$81,000 Mine Servicing project, partly externally funded;
- a new Indigenous Support Officer position costing \$48,000 for part of 2003/04, fully funded by a grant from the Northern Agricultural Catchment Council;
- a \$15,000 sponsorship of the Mid West Economic Summit; and
- a number of smaller unbudgeted expenditures offset by a \$31,000 reduction in allocated salaries and other overheads

The Commission's cost per client inquiry for 2003/04 is lower than target and the previous year primarily as a consequence of higher units more than offsetting the increase in total costs. Cost per client visit (costs divided by client visits rather than the actual cost of making a client visit), increased significantly as a consequence of increased expenditure compounded by lower units (client visits).

PERFORMANCE INDICATORS

2.2. OUTPUT 2 - INVESTMENT FACILITATION

Output Description:

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

Performance Measures	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
Total cost of Output	\$495,008	\$739,602	\$440,400	\$813,367
Projects relating to investment facilitation undertaken	12	17	15	16
Average cost per project	\$41,251	\$43,506	\$29,360	\$50,835

Note:

1. Target and actual total costs and unit costs for 2002/2003 onwards have been adjusted to exclude Grants and Subsidies Expense

Comments (a)

Total costs for 2003/04 are above target with major variations resulting from:

- \$237,000 of expenditure on the unbudgeted, largely externally funded Gascoyne Murchison Outback Pathways project;
- an unbudgeted extension of the Trade Facilitation Unit project into 2003/04 - \$55,000 increase;
- \$50,000 of expenditure on the unbudgeted Regional Development Scheme (RDS) funded projects;
- delayed completion of Stage 1 of the Marine Research Centre project - \$31,000 of expenditure rolled over (unbudgeted) from 2002/03; and
- a number of smaller unbudgeted expenditures offset by a \$31,000 reduction in allocated salaries and other overheads

Total costs increased by 10% from 2002/03 with the main drivers being:

- a \$159,000 increase in expenditure on the Gascoyne Murchison Outback Pathways project - \$237,000 expended versus \$78,000 in 2002/03; and
- the refund in 2003/04 of a \$10,000 grant for a Marine Interpretive Centre project which was unable to commence within the required time; partly offset by
- a \$78,000 decrease in expenditure on Stage 1 of the Marine Research Centre project - \$32,000 expended versus \$110,000 in 2002/03; and
- a \$23,000 decrease in expenditure on the Trade Facilitation Unit project, which concluded in early 2004 - \$55,000 expended versus \$78,000 in 2002/03

(a) all amounts in comments have been rounded to the nearest \$1,000

PERFORMANCE INDICATORS

2.3. OUTPUT 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

Output Description:

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

Performance Measures	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
Total cost of Output	\$893,976	\$746,902	\$423,600	\$449,929
Projects undertaken relating to Infrastructure and Services development in the Mid West	11	17	15	17
Average cost per project	\$81,271	\$43,935	\$28,240	\$26,466

Note:

1. Target and actual total costs and unit costs for 2002/2003 onwards have been adjusted to exclude Grants and Subsidies Expense

Comments (a)

Total costs for 2003/04 are above target with major variations resulting from:

- a \$31,000 reduction in allocated salaries and other overheads more than offset by:
- \$41,000 of unbudgeted expenditure (delayed from 2002/03) on the Batavia Coast Marina (\$24,000) and the Mid West Internet Portal project (Ocean2Outback - \$17,000); and
- unbudgeted expenditure on several projects with the main ones being:
- \$8,000 of externally funded expenditure on a master plan for the Geraldton Education Precinct;
- \$9,000 expended on a new project investigating the establishment of a marine servicing precinct in Geraldton based around a new 200 tonne boat lifter; and

Total costs declined significantly from 2002/03 with the main causes being:

- A \$239,000 decrease in expenditure the Commonwealth funded Mid West Internet Portal project (Ocean2Outback) - \$17,000 expended versus \$256,000 in 2002/03
- A \$49,000 decrease in expenditure on the Batavia Coast Marina projects (stage 1 & 2) - \$24,000 expended versus \$73,000 in 2002/03

(a) all amounts in comments have been rounded to the nearest \$1,000

PERFORMANCE INDICATORS

OTHER INDICATORS (UNAUDITED)

The targets for these indicators are also published in the W.A. Government 2003/2004 Budget Statements presented to the Legislative Assembly on 8th May 2003. However these indicators are not required to be audited and as a consequence, have not been.

2.4. OUTPUT 1 - INFORMATION AND ADVICE

	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
QUALITY				
Level of overall service - by survey (rated at least good)	86%	79%	87%	81%
TIMELINESS				
Efficiency in handling initial contact - by survey (rated at least good)	87%	80%	87%	83%

2.5. OUTPUT 2 - INVESTMENT FACILITATION

	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
QUALITY				
Positive contribution to economic development By survey - % agreeing	84%	89%	87%	90%
TIMELINESS				
Related strategic objectives completed on time (refer Note below)	57%	43%	72%	58%

2.6. OUTPUT 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

	Actual 2001/2002	Actual 2002/2003	Target 2003/2004	Actual 2003/2004
QUALITY				
Positive contribution to economic development By survey - % agreeing	84%	89%	87%	90%
TIMELINESS				
Related strategic objectives completed on time (refer Note below)	55%	62%	72%	61%

- Achievement of strategic objectives for Outputs 2 and 3 was negatively impacted by below target staffing (excluding externally funded positions) and changes in project priorities.

APPENDICES

STATEMENTS OF COMPLIANCE WITH RELEVANT WRITTEN LAW

ENABLING LEGISLATION

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

LEGISLATION ADMINISTERED

Regional Development Commissions Act 1993.

LEGISLATION IMPACTING ON COMMISSION ACTIVITIES

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

Financial Administration and Audit Act 1985

Public Sector Management Act 1994

Salaries and Allowances Act 1975

Public and Bank Holidays Act 1972

Equal Opportunity Act 1984

Government Employees Superannuation Act 1987

Occupational Health, Safety and Welfare Act 1984

Workers Compensation and Assistance Act 1981

Industrial Relations Act 1979

State Supply Commission Act 1991

Government Employees Housing Act 1964

Geraldton Foreshore and Marina Development Act 1991

Freedom of Information Act 1992

Official Corruption Commission Act 1998

Disability Services Commission Act 1993

Statutory Corporations Act 1996

DISABILITIES SERVICES PLAN

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

CULTURAL DIVERSITY AND LANGUAGE SERVICES OUTCOMES

The Commission is committed to the Government's Language Services Policy and is sensitive to the cultural and linguistic diversity of the Western Australian community and our client base.

Should the need arise, the Commission will endeavour to provide appropriate interpretive, translation, sign language or other mechanisms to ensure that clients with particular needs are treated equitably in the delivery of our services.

YOUTH OUTCOMES

A STATE GOVERNMENT PLAN FOR YOUNG PEOPLE - 2000-2003

The MWDC has assisted the youth of the Mid West region through a number of projects and Committees, particularly its involvement with the:

- Aboriginal Employment, Education and Training Council (AEETC) of Central West College of TAFE.
- Mid West Joblink.
- Mid West Apprentice and Traineeship Company (ATC).
- CROC Fest 2004, Geraldton.
- Swim Across Australia.
- Local Learning and Employment Project (LLEP).

APPENDICES

REGIONAL DEVELOPMENT POLICY IMPLEMENTATION

MWDC is required to submit an annual report to the Department of Local Government and Regional Development of its activities pertaining to the implementation of the State Government's Regional Development Policy.

For the 2003/04 year the MWDC reported on the following outcomes and strategies:

OUTCOME 2 - PLANNING IN PARTNERSHIP FOR A SUSTAINABLE FUTURE

- Develop and implement regional sustainability strategies.
- Encourage stronger regional partnerships and agreements under the overarching State and local governments agreement.
- Identify and fund regional research and development, and encourage funding from the private sector, Commonwealth Government and the tertiary education sector.

OUTCOME 3 - EFFECTIVE GOVERNMENT SERVICE DELIVERY TO REGIONS

- Enhance the coordinating role of regional development commissions on economic, social and environmental projects and initiatives in their regions.
- Facilitate the collocation of Government agencies.
- Maintain and enhance whole of government initiatives to provide Indigenous communities with equitable access to essential services and facilities.

OUTCOME 4 - SKILLED COMMUNITIES

- Encourage and enhance regional community leadership training and networks.
- Encourage the provision of training and support for regional communities in building key community economic development skills including facilitation, community planning and conflict resolution.
- Support Indigenous communities in building their skills and capacity to plan and manage their own futures.
- Improve training and employment outcomes for young people in the regions through school/work transition initiatives.
- Continue to identify and deliver programs to assist regional residents and businesses to understand and embrace information and other new technologies.

OUTCOME 5 - IMPROVED REGIONAL INFRASTRUCTURE

- Consult with regional communities to determine the appropriate provision and maintenance of social infrastructure.
- Support community infrastructure and projects through the Regional Investment Fund.
- Continue to assist regional communities to access Commonwealth funding for infrastructure.

APPENDICES

OUTCOME 6 - DIVERSIFIED REGIONAL ECONOMIES

- Encourage new regional industries and exports, for example green industries, aquaculture and plantation timber crops.
- Enhanced enterprise development, employment opportunities and wealth creation for regional and remote Indigenous West Australians, particularly in areas such as arts and crafts and cultural and eco-tourism.
- Support small and medium sized regional businesses to access government initiatives and programs.

OUTCOME 7 - ENHANCED REGIONAL INVESTMENT

- Market regional investment opportunities within the regions and to Perth, other states and overseas.
- Resource and undertake regional investment tours.
- Promote investment in regional industries, including mining, agriculture, tourism, aquaculture, timber and fishing.
- Undertake research to attract investment in new and emerging regional industries.
- Develop the export readiness of companies in regional areas.
- Minimise constraints and encourage a positive climate to attracting investment in regional areas.
- Develop a coordinated regional and promotional approach to attracting potential business migrants.

OUTCOME 9 - LIFE LONG LEARNING IN THE REGIONS

- Investigate and develop ways of providing more tertiary education opportunities in the regions.

OUTCOME 12 - ENHANCED QUALITY OF REGIONAL LIFESTYLES

- Encourage and promote the health, economic and social benefits of physical activity, sport and recreation.
- Increase opportunities for regional communities to be involved in locally based arts and cultural activities

OUTCOME 14 - IMPROVED ENVIRONMENTAL MANAGEMENT

- Lobby the Commonwealth Government for appropriate long-term funding to combat salinity.

OUTCOME 15 - SUSTAINABLE NRM

- Develop better information at a regional level to support environmental and natural resource management decisions
- Integrate the work of the natural resource management strategies within broader regional planning processes
- Continue the partnership approach between regional development commissions, other Government agencies, local government, the Natural Management groups

APPENDICES

REGIONAL DEVELOPMENT SCHEME LIST OF FUNDED PROJECTS 2003/04

The Mid West Development Commission is one of nine funding schemes implemented through the State Government's WA Regional Investment Fund (RIF). The aim of RIF is to 'provide \$75 million over four years to assist with the economic and social development of regional Western Australia or improve the access by regional communities to services.'

The Commission has administered grants under this scheme to the value of \$400,000 each year over the last three years.

In September 2003, the MWDC received 51 expressions of interest from proponents of regional projects seeking \$1.6 million in funding. The following projects received funding.

APPENDICES

REGIONAL DEVELOPMENT SCHEME LIST OF FUNDED PROJECTS 2003/04

Proponent	Project Name	Amount*
Western Desert Puntukurnuparna Aboriginal Corporation	Wiluna Community Economic Development Officer	\$30,000
Yarlgu Bunna Aboriginal Corporation	Aquaculture, Yalgoo	\$25,000
Community Archival Group	Archive and Repository for the Mid West Region	\$10,000
Shire of Morawa	Desalination Plant	\$6,000
Development Institute of Geraldton Grammar	Development of a Sanctuary	\$15,000
Shire of Perenjori	Economic and Social Impact Assessment - Perenjori	\$20,000
Shire of Carnamah	Eneabba - Life After The Mine	\$10,000
Shire of Sandstone	Entry Statement for Tourism	\$10,000
Mid West Development Commission on behalf of Gascoyne Murchison Outback Pathways Implementation Steering Committee	Gascoyne Murchison Outback Pathways Project	\$30,000
City of Geraldton	Local Government Reform, Amalgamation / Boundary Adjustments	\$5,000
Shire of Meekatharra	Meeka Rangelands Discovery Trail	\$30,000
Irwin Valley Pty Ltd	Mid West Straw Pulp Project	\$25,000
Batavia Coast Miniature Railway Society Inc	Miniature Railway	\$5,000
Shire of Morawa	Morawa Townscape Enhancement	\$20,000
Shire of Morawa	Morawa Walk Trail	\$10,000
Shire of Cue	Multipurpose Community Facility - Cue	\$25,000
Shire of Mullewa	North Eastern Agricultural Region	\$25,000
Mid West Trails Group Inc	Old North Track Tourist Trail	\$10,000
Mid West Development Commission	Pacific Flora 2004	\$25,000
Shire of Murchison	Path-Maker Project	\$25,000
Mingenew-Irwin Group	Redevelopment of Historical Building to Offices	\$10,000
Galena Management Plan Steering Committee	Rehabilitation of the Galena Mining Heritage Area	\$5,000
City of Geraldton	South Tomi	\$10,000
City of Geraldton	Swim Across Australia	\$5,000
Mid West Investment Group	VLS PV Power Generation Project	\$10,000
Thoo Thoo Warninha Aboriginal Corporation	Wandarrie Tours	\$7,500

TOTAL Amount Provided

\$408,500**

* Excluding GST, where applicable.

** Includes an additional \$8,500 reallocated from unused funding from earlier rounds.

APPENDICES

EQUAL EMPLOYMENT OPPORTUNITY

The Commission is committed to the principles of equal employment opportunity and complies with the Western Australian Public Sector Standards which are free from discrimination on the basis of age, gender, religion, cultural/ racial and disability.

GOVERNMENT TWO YEAR PLAN FOR WOMEN

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

CODE OF CONDUCT

In 1999/2000 the Board of the Mid West Development Commission reviewed and adopted a Code of Conduct based on the Western Australian Public Sector Code of Ethics. This Code remained in place during 2003/2004.

OPERATION OF THE FREEDOM OF INFORMATION ACT

During 2003/2004 the Commission did not receive any requests under the Freedom of Information Act. The Commission's Information Statement was published in 1995/96 and has not been changed. Ms Sara Walker is Freedom of Information co-ordinator for the Commission. Her contact details are:

Ground floor
SGIO Building
45 Cathedral Avenue
GERALDTON WA 6530
Telephone: 08 9921 0701
Facsimilie: 08 9921 0780

RECORD KEEPING PLAN

As required by the State Records Act (2000), the Mid West Development Commission has prepared a draft Record Keeping Plan (RKP) which was forwarded to the State Records Office on 19 December 2003. The RKP was approved by the State Records Office on 29 January 2004.

In the development of the RKP, the Commission has also conducted an internal survey to consult with staff on the efficiency and effectiveness of its record keeping systems. This process will be repeated annually.

The Commission will include a periodical record keeping training program through its formal fortnightly staff meetings and the MWDC's induction program has been modified to address the roles of staff and their responsibilities in regard to their compliance with the MWDC's RKP.

The Records Team within the Commission will review the efficiency and effectiveness of its record keeping training program regularly, to ensure that key record systems objectives and record keeping practices are being met. A Commission Record Keeping Manual has been developed to assist the Records Team to formalise and structure the training program for staff.

APPENDICES

ELECTORAL ACT 1907

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

Class of expenditure	Organisation	Total expenditure 2003/2004 (Inc GST)
ADVERTISING AGENCIES	Market Creations	\$82,297*
	Marketforce Productions	\$5,245
	Norm Letcher Web Designs	\$715
MARKET RESEARCH AGENCIES	Asset Research	\$ 5,496
POLLING ORGANISATIONS	Nil	Nil
DIRECT MAILING AGENCIES	Nil	Nil
MEDIA - ADVERTISING	Geraldton Newspapers	\$3,231
	Made-To-Measure Publications	\$2,277
	Yamaji News	\$1,080
	Midwest Mail	\$750
	Mid West Times	\$736
	Intersector	\$689
	West Australian	\$627
	The National Business & Trade	\$468
	Industrial Safety Gazette	\$435

* Includes \$ 13,450 for the Mid West Internet Portal project Ocean2Outback.



Mid West Development Commission
Government of Western Australia



**Ground Floor
SGIO Building
45 Cathedral Avenue
GERALDTON WA 6530**

**PO Box 238
GERALDTON WA 6530**

**Telephone: +61 8 9921 0701
Facsimilie: +61 8 9921 0780**

**Email: info@mwdc.wa.gov.au
Website: www.mwdc.wa.gov.au**