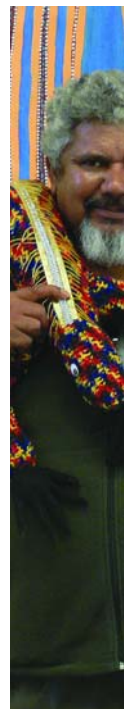
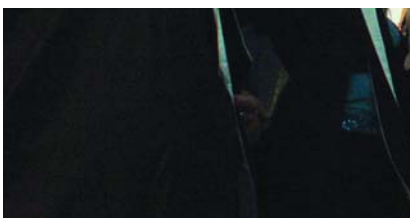




Mid West Development Commission  
Government of Western Australia



# ANNUAL REPORT 2007/2008



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# Statement of Compliance

## MID WEST DEVELOPMENT COMMISSION

### STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 30 JUNE 2008

**HON K M CHANCE**

**MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; THE MID WEST AND  
WHEATBELT; GREAT SOUTHERN**

In accordance with Section 61 of the Financial Management Act 2006, 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 2008.

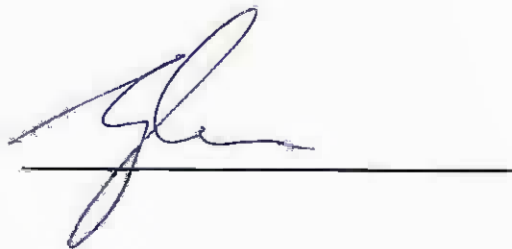
The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.

**R PARSONS  
CHAIRPERSON**



**DATE** 22/8/2008

**S DOUGLAS  
CHIEF  
EXECUTIVE OFFICER**



**DATE** 22/8/08

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# Chairperson's Report

It is with great pleasure that I took on the position of Chair of the Mid West Development Commission Board this year. The outgoing Chairperson Laurie Graham has certainly left the organisation in a very strong position. With such a large region to care for the work of the Mid West Development Commission is always diverse and this year's record of achievement is certainly no different.

As part of its desire to understand all parts of the Mid West, the Board continues to visit and hold meetings in hinterland communities and in 2007/08 these included meetings in Kalbarri and Wiluna.

Interest in the Mid West's mineral resources continues to remain high and the Commission's Mid West Strategic Infrastructure Group continues to play an invaluable role in planning for major projects, facilitating infrastructure development and capturing social benefit, especially for hinterland communities.

The Group's value was demonstrated by the success of its strong support for a new 330 kV power line from Pinjar to Moonyoonooka, just east of Geraldton. Western Power has now committed to this \$300M project which will secure the Mid West's future power needs, support the development of major proposed resources projects and encourage third party power generation within the region.

The Commission's Major Project Summary publication and its Business Capability and Services Directory continue to be effective in providing local businesses with every opportunity to win major project work right across the region.

The Commission continues to pursue its Smart Mid West policy and this is most evident with our support for the establishment of the Murchison Radio-astronomy Observatory which will house the \$100M Australian Square Kilometre Array Pathfinder project. Due to begin construction in 2009, it is hoped this project will underpin Australia's bid for the \$2BN SKA project. We also continue to work with our partners to identify how we can enhance the range of courses offered at the Geraldton Universities Centre as well as promote an appropriate level of face to face delivery for existing courses.

In partnership with the Department of Industry and Resources, the Commission secured Clever Networks funding to employ a Broadband Development Officer to support the enhancement of the region's broadband network. In addition, the Commission is

well advanced in its planning with the WA Chief Scientist to hold a Mid West Science Summit to identify a science based response to the sustainable development of the Mid West region.

The Commission is particularly pleased with its progress on Indigenous economic development. Three key initiatives are the efforts being made to secure employment opportunities for Indigenous people in the mining sector, the implementation of the Mid West Indigenous Arts Strategy and the ongoing development of Indigenous tourism opportunities.

To further address skill shortages, the Commission continues to provide skilled migration services and with Central West TAFE and others, work has commenced on the preparation of a ten year Mid West Gascoyne Workforce Development Strategy.

There has been significant advancement in many other projects including the Geraldton Foreshore project, where we are now entering the sixth and final year of development. This project is now starting to take shape and we eagerly await its completion.

The Batavia Coast Marina Stage 1 is nearing completion with high hopes for construction of the hotel to begin in the near future. With Landcorp and the City of Geraldton-Greenough, the Commission is also progressing planning for Stage 2 of the Marina.

It has been ten years since the closure of the slipway within the Geraldton Port and the Commission is proud of its role in working with industry to facilitate the Geraldton Marine Services Precinct incorporating a 200t heavy boat lifter. The benefits from this soon to be opened facility will be substantial. The Commission has also supported the development of a land backed wharf at Kalbarri to support the local fishing industry.

In 2007/08, the Commission provided almost \$600,000 in funding to Mid West projects which would deliver tangible and enduring regional benefit. A list of these is provided on page 21.

For more information on this year's achievements see pages 14-22.

# Chairperson's Report (cont)

The Commission remains committed to servicing the whole of the Mid West and will continue to support the efforts of our Murchison Manager. This includes working with the Mid West Gascoyne Human Services Regional Manager's Group to prepare Community Plans and to provide more effective support for Community Development Officers.

The north east agricultural area is facing ongoing challenges and the Commission will continue to support the Department of Agriculture, the North East Agricultural Region Committee and North East Farming Futures to identify alternative sustainable and viable futures.

The Batavia Coast is facing challenges of a different sort, namely that of coping with rapid change and population increase. It is important that communities such as Kalbarri, Dongara, Leeman and Greenhead amongst others are supported through good forward planning.

The Commission has prepared a new strategic plan for its operations for the 2008-10 period. The key theme is Capturing Opportunity - particularly in relation to the resources sector, the various radio-astronomy projects, Indigenous art and tourism amongst others. But there are also numerous challenges.

A major initiative of the Commission in 2008/09 will be to undertake the development of a Mid West Strategic Plan based on the Mid West's three sub-regions - the Batavia Coast, the North Midlands and the Murchison. This plan will provide a stronger

understanding of the region's priorities and will help guide the future sustainable development of the region in a coordinated and holistic way.

The official launch of the Mid West Community Foundation in 2009 will be an important milestone for this project which it is hoped will stimulate philanthropy in support of community projects across the region.

Further information about what is planned for the coming financial year is contained in the Commission's report on the Better Planning: Better Futures Framework on pages 14 - 22.

There have been many changes to Board and staff this year. As well as the departure of Chairperson Laurie Graham the Commission Board also bid farewell to members Tony Brooker, Ken Pepper and Marisa Gilles. Welcomed to the Board are new members Vickie Petersen, Yvonne Messina and Meredith Wills.

I believe this year's Mid West Development Commission Annual Report confirms the organisation remains a growing, dynamic and relevant group of people "working to make the Mid West a great place to live, work and invest".

**ROBYN PARSONS**  
**CHAIRPERSON**

# Executive Summary

The Mid West Development Commission is a State Government statutory authority whose operations are overseen 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.

This Annual Report, to be tabled in the Western Australian Legislative Assembly, records the activities of the organisation during 2007/08 and outlines major initiatives for the coming year. The report also includes financial reporting and key performance indicator results as well as an independent assessment of the Commission's operations conducted by the auditor general.

MWDC activities are organised in the five key goal areas.

## **Goal 1: Better Services**

The Commission is working to enhance the quality of life and wellbeing of all people throughout the Mid West by providing high quality, accessible services. A major initiative in 2007/08 was an investigation into the delivery of community development officer services in the Murchison sub-region. Another focus was to identify opportunities to provide regional access to an extended range of courses through the Geraldton Universities Centre and to enhance the delivery of existing and new courses.

For more agency activities and initiatives see pages 14-15.

## **Goal 2: Jobs and Economic Development**

The Commission is continuing efforts to create conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for the Mid West. This year the Commission has invested significantly in Indigenous economic development, initiating a 'Working in Partnership' forum to engage relevant government agencies, mining companies and Indigenous groups in the development of training and employment opportunities for Indigenous people in the region's mining industry. Significant effort was also made in planning and co-ordination required to support major project development including resource projects and the Australian Square Kilometre Array Pathfinder project.

For more agency activities and initiatives see pages 16-17.

## **Goal 3: Lifestyle and the Environment**

The Commission's work aims to protect and enhance the unique Mid West lifestyle and ensure sustainable management of the environment. MWDC has supported the establishment and operations of North East Farming Futures, a grower group which aims to identify viable and sustainable responses to a succession of dry seasons in the north-east agricultural region of the Mid West.

For more agency activities and initiatives see page 18.

## **Goal 4: Regional Development**

The Commission is enhancing a strong dynamic region through substantial development and investment, and continues to work with the City of Geraldton-Greenough to progress the key Geraldton Foreshore Redevelopment and CBD Revitalisation project. The Commission has also supported the Kalbarri Marine Advisory Committee and the Department for Planning and Infrastructure to finalise designs and secure funding to enhance the commercial fishing jetty at Kalbarri.

For more agency activities and initiatives see pages 19-21.

## **Goal 5: Governance and Public Sector Improvement**

The Commission is enhancing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest. The Commission has updated its Code of Conduct and developed a new three year strategic plan to guide and focus its efforts through to 2010.

For more agency activities and initiatives see page 22.

The financial statements beginning on page 34 together with the key performance indicators outlined from page 30 illustrate an organisation that is meeting financial and service objectives and estimates. Service costs for both Projects and Client Visits are lower than the targets budgeted for reflecting value for money in the organisation's service delivery in the 2007/08 financial year.



# Preface

This report to the Minister is a requirement under Section 66 of the Financial Management Act 2006 (s 61) and covers the performance of the Mid West Development Commission and its staff in implementing its vision for 2007/08.

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

In addition, this report contains the Commission's highlights, organisational structure, audited financial statements, performance indicators and performance indicators and major initiatives for 2008/09.

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](http://www.mwdc.wa.gov.au)

## WHY WE EXIST

The Mid West Development Commission is a State Government 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 Mid West Development Commission is responsible to the Hon Kim Chance MLC, Minister for Agriculture and Food; Forestry; the Mid West and Wheatbelt; Great Southern.

A Board of Management comprising of 10 members representing Local Government, Community and Ministerial appointees, as well as the Commission's CEO, sets the Commission's overall direction and goals. The organisation receives an annual financial allocation from the State Government.

The Mid West Development Commission is based in Geraldton.

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## THE MID WEST: FROM OCEAN TO OUTBACK

The Mid West covers over 470,000 square kilometres and has a population of more than 52,000 people.

The region consists of 18 local government authorities and extends along the west coast from Greenhead to Kalbarri and more than 800 kms inland to Wiluna and the Gibson Desert. The region covers almost a fifth of Western Australia.

The Mid West region is serviced by the Port of Geraldton, a network of major sealed roads connecting Geraldton to Perth, the North West and the hinterland and a rail network linking the agricultural region with the Port of Geraldton and Perth. There are air services between Perth and Geraldton, Kalbarri, Meekatharra, Wiluna and Mt Magnet.

The Mid West region has the infrastructure available to cater for all age groups with community telecentres, educational centres including a universities centre, TAFE, agricultural colleges, health centres and hospitals, aged care facilities and a full range of recreation and sporting facilities.

Geraldton is the region's major commercial, administrative and service centre.

## VISION OF THE MID WEST DEVELOPMENT COMMISSION

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

## MISSION

To be a focused and efficient agency delivering real outcomes for Mid West communities.

## OBJECTIVES

The objectives of the Commission are to:

- Support communities to enhance their quality of life and become self-determining;
- Support development of investment, trade, business and employment opportunities;
- Expand and improve community and economic infrastructure;
- Maintain and enhance the region's natural resource base; and
- Foster regional decision-making and encourage a whole of government approach to managing change.



# Preface

## OUR VALUES

### **Balance**

We seek to balance economic, social and environmental outcomes;

### **Client focused**

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

### **Ethical**

We act with integrity, honesty and loyalty;

### **Partnership**

We work with others to achieve common goals; and

### **Pro-active**

We are innovative, forward thinking, resourceful and creative.

## STRATEGIC DIRECTIONS

The Commission's future direction is set out in our 'Strategic Directions 2008 - 2010' document and supported by an operational plan, which articulates key projects and implementation milestones.

Performance against set objectives is regularly monitored through this operational plan and bi-monthly reports to the Board of Management. Annual performance is reflected in the Commission's Annual Report and the State's Budget Statements.

A staff objective setting and performance review program is in place to ensure the Commission remains focused, efficient and effective in delivering its regional development services to the Mid West.

## OUTCOMES

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

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

## KEY RESULT AREAS

To achieve these outcomes, the Commission has focused on five key result areas, which broadly align with the State's Regional Development Policy. These are:

- Community - cohesive, healthy and educated communities;
- Economy - a strong, resilient and diversified economy;
- Governance - strong partnerships that add value to the social and economic development of the Mid West;
- Infrastructure - timely provision of strategic infrastructure; and
- Sustainability - a balanced approach to development which recognises the importance of the environment alongside social and economic outcomes.

## 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 include:*

- 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

#### *The services and assistance we provide includes:*

- Putting clients in touch with the right people
- Providing skilled migration advice and support
- Helping to resolve issues at a government level
- Representing the interests of Mid West business and communities to government
- Promoting the region and its business capability
- Providing export development services
- Facilitating access to government assistance programs and resources
- Providing updates on what is happening in the region
- Identifying and promoting investment opportunities in the region
- Providing links and referrals to Mid West organisations and networks

- Providing local knowledge and input on issues such as land, infrastructure, services, energy and new developments
- Supporting planning and coordination to facilitate major project development
- Assisting development of regional strategies to develop and improve infrastructure and services in the Mid West
- Fostering a community's capacity to undertake economic and social development

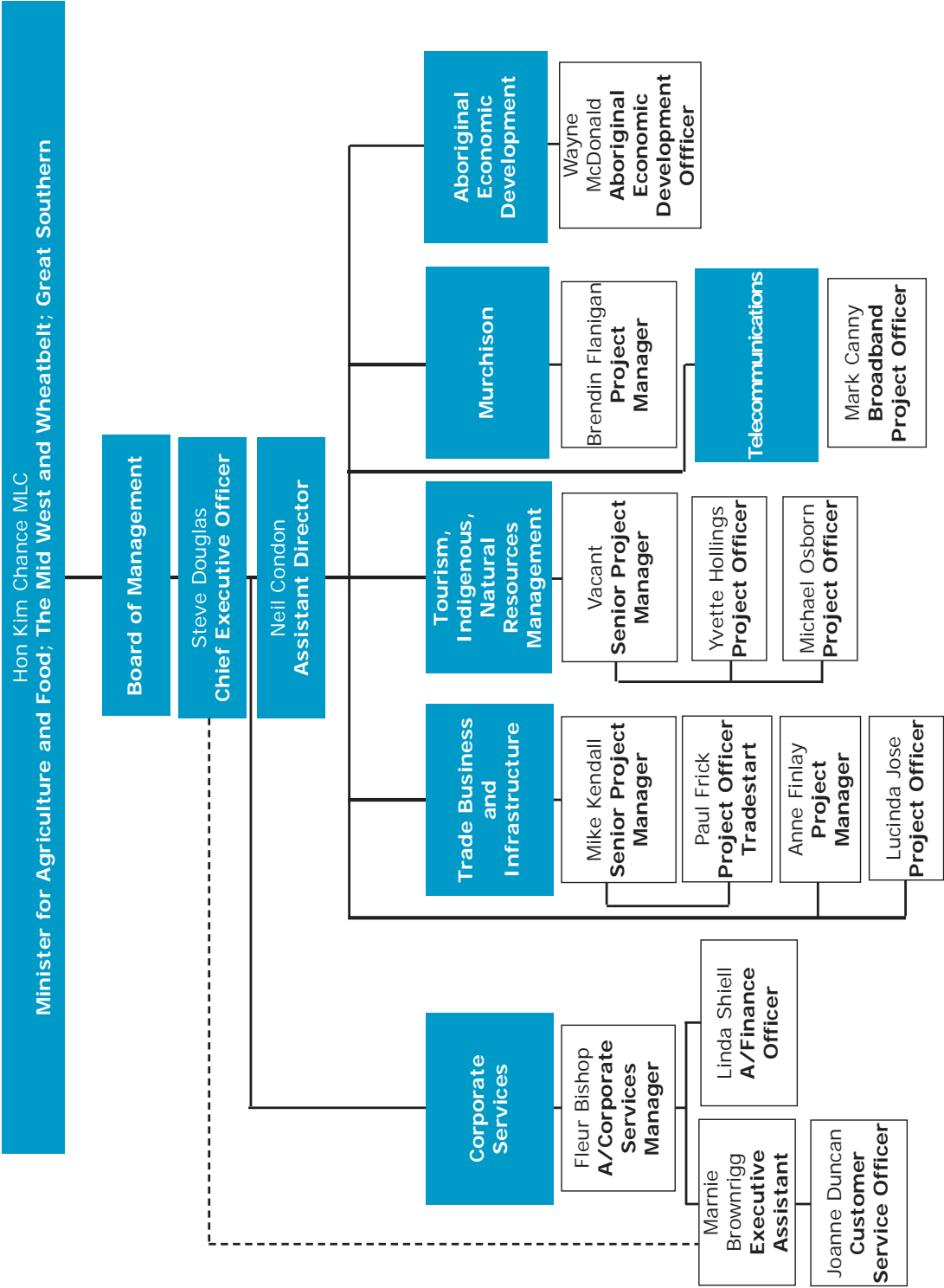
#### *Information resources*

#### *Information on the following areas is available from the Commission:*

- Regional statistics and data
- Export development
- Grants and funding opportunities
- Business Capability and Services Directory
- Updates on major regional projects
- Investment opportunities in the region

## ADMINISTRATIVE STRUCTURE

In 2007/08, the Mid West Development Commission operated with up to 16 staff all of whom were located at the Commission's Geraldton office. The Commission had operated an office in Mount Magnet between 2002 - 2004 but the inability to attract suitable staff has seen the Murchison Manager being based in Geraldton for the time being.



# Mid West Development Commission Board

## BOARD OF MANAGEMENT

The Mid West Development Commission is managed by a Board of regional representatives comprising local government, community and ministerial appointments. The CEO is an ex-officio member.

### ***Cr Robyn Parsons - Chairperson***

Robyn has been involved in Local Government since 1988 occupying the role of President of the Irwin Shire Council since 1999. Robyn is involved in various committees in the community and is currently Chairperson of the Port Denison Retirement Village Committee. 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. Robyn was appointed as a Local Government member in 2003 for a period of three years. In 2006, she was re-appointed for a further three-year term as Deputy Chairperson and in 2008 was appointed Chairperson.

### ***Mr Kam Leung - Deputy Chairperson***

Kam is the Mid West Operations Manager for Iluka Resources and has more than 20 years mining experience, including the development and operation of silver-lead-zinc mining and processing operations in the Northern Territory and Northwest Queensland. A Community appointed member, Kam was appointed in 2006 for a three-year term and appointed Deputy Chairperson in 2008.

### ***Mr Garry Collins***

Garry has recently retired from Local Government after 12 years service on the Morawa Shire Council. Garry has been farming in the Morawa area for 27 years and has interests in the Mid West Oil Mallee Association, NEFF (North Eastern Farming Futures), Morawa Farm Improvement Group, Land Conservation District Committee and various other industry and community activities. Garry was Chair of the Commission's Transport Advisory Group and is currently Chairman of the Commission's Mid West Strategic Infrastructure Group. A Ministerial appointment, Garry was re-appointed in 2004 for a three-year term but remains on the Board until a replacement is appointed.

### ***Cr Simon Broad***

Simon and his family are pastoralists from Beringarra and Milly Milly Stations in the Murchison Shire. Simon 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 supporting the establishment of a radio astronomy observatory within the Shire, with the \$2BN Square Kilometre Array (SKA) project the ultimate prize. Simon is also currently Vice President of the Murchison Zone of the WA Local Government Association (WALGA) and previously was a member of the Carnarvon Regional Advisory Committee for many years and in 2002 was appointed to the new Carnarvon Zone Control Authority. He was re-appointed as a Local Government member in 2006 for a three-year term.

### ***Cr Pauline Forrester***

Pauline is a Councillor with the Shire of Chapman Valley and is a Shire delegate on the Planning and Community Development Building Committee, Bushfire Advisory Group, Tourism and Reserve Committee and Finance and Audit Committee. Pauline is also a member of the Geraldton Cemetery Board, Creating a Better Yuna Committee, Yuna Townscape Committee, Nanson Townscape Committee, Mid West Justice of the Peace committee, Ladies President at the Northampton Bowling Club, Vice President of the Chapman Valley Ambulance Committee and is an Ambulance Officer and Justice of the Peace. Pauline has also been actively involved with the Yuna Primary School since 1976 where she has worked as an Education Assistant. Pauline was re-appointed as a Local Government member in 2007 for a three-year term.

#### *Ms Yvonne Messina*

Yvonne is the Principal of Mullewa District High School and has extensive experience in Aboriginal education, the induction of graduate teachers and mentoring. Yvonne's achievements include winning the 'Outstanding School' in Aboriginal Education award in 2003; was nominated for 'Excellence in Community Service' award 2001; and was accredited as an Educational Administrator by Australian Council for Educational Administration in 2002. Yvonne is a Justice of the Peace and committee member on the Mid West Justice Association. Yvonne was appointed as a Ministerial appointment in 2008 for a two-year term.

#### *Ms Vickie Petersen*

Vickie, a former City of Geraldton Mayor, is a consultant and small business owner in Geraldton. Vickie's previous roles included the Administration Manager / Part Owner of Boss Transport and Services from 1983 - 2006, President of the Mid West Chamber of Commerce and Industry from 2000 - 2001 and Mayor of the City of Geraldton from 2001 - 2006. Currently Vickie is a Co-Director of Garden Mart Pty Ltd, Consultant for Employment Directions Network, Project Manager - Midnight Basketball with the City of Geraldton-Greenough and Senior Youth Outreach Officer also at the City. In 2003 Vickie was a State Finalist in the Telstra Business Woman of the Year Award. Vickie was appointed in 2008 as a Ministerial member for a three-year term.

#### *Ms Meredith Wills*

Meredith is Director of the Geraldton Universities Centre. She has been involved in the university, TAFE and labour market sectors since 1974. Through an interest in the plight of youth and mature aged unemployed she gained a teaching qualification and subsequently helped develop and teach on Anglicare's labour market programs. Meredith subsequently spent 7 years with TAFE in the areas of adult education, leadership and community development. She is interested in the collaboration between schools, TAFE, university and industry to meet our regional workforce needs. Meredith was appointed in 2008 as a Community member for a three-year term.

#### *Mr Steve Douglas*

Steve is Chief Executive Officer of the Mid West Development Commission. He is a member of the Board in this capacity.

# Report on the Better Planning: Better Futures Framework

## Goal 1: Better Services

Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.

### AGENCY ACTIVITIES

- Developed and launched a new Commission website which provides increased functionality and easier use for the Commission's clients.
- Produced several updated editions of the Commission's Major Projects Summary for distribution to businesses, industry associations and government agencies in the Mid West, Western Australia, nationally and overseas.
- Supported the Mid West Gascoyne Human Services Regional Managers Group to complete a strategic plan aimed at improving the efficiency and effectiveness of service delivery to Mid West communities.
- Worked with Mid West shires on a range of economic and community development projects including an investigation into the delivery of Community Development Officer services in the Murchison sub-region in collaboration with Department of Sport and Recreation, the Mid West Gascoyne Human Services Regional Managers Group and the Combined Universities Centre for Rural Health.
- Continued to work in partnership with Country Arts Western Australia on a four year program aimed at improving arts and cultural services and program delivery to the towns of the Mid West.
- Supported the Geraldton Universities Centre (GUC) through working with the Geraldton University Access Group to identify further opportunities to broaden the range of courses offered. This included providing \$30,000 of RDS funding to enable a Diploma of Planning course to be run by Edith Cowan University through GUC.
- Worked with the Kalbarri Marine Advisory Committee and the Department for Planning and Infrastructure to finalise designs and secure funding to enhance the commercial fishing jetty at Kalbarri.
- In partnership with the Department of Industry and Resources (DoIR), secured \$100,000 from the Commonwealth's Clever Networks program to commence a project which aims to extend the reach of competitive broadband networks to regional areas north of Perth by facilitating the deployment of competitive broadband infrastructure.
- Supported Radio MAMA to promote health and education to local Indigenous communities.
- Assisted the Karalundi Community & Aboriginal Education Community Inc to secure \$20,000 from the RDS towards a strategic business review for its school-based community 60km north of Meekatharra.

### *MAJOR INITIATIVES FOR 2008-09*

- Continue to work with the Murchison Shire and the Mid West Gascoyne Human Services Regional Manager's Group to develop community priority plans.
- Work collaboratively with Murchison District Health Advisory Committee to develop more efficient and effective health services for the Murchison.
- Work with DoIR to identify existing regional broadband usage, gaps in service provision and the likely growth rates in future bandwidth utilisation resulting from proposed or planned major projects. In addition to cost-effective wholesale backhaul for residents and businesses key targets are to:
  - improve the delivery of health, education and emergency services;
  - provide competitive broadband to the Mid West iron ore industry and its supporting infrastructure; and
  - improve the likelihood of the region attracting the international €1 billion SKA radio telescope project.
- Work with Radio MAMA and Indigenous Coordination Centre to progress the establishment of Remote Indigenous Broadcasting Services in Pia Wajarri, Yalga Jinna and Karalundi.
- In partnership with Kalgoorlie Indigenous Coordination Centre initiate the preparation of a strategic business review for Karalundi's operations.



# Report on the Better Planning: Better Futures Framework

## Goal 2: Jobs and Economic Development

Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.

### AGENCY ACTIVITIES

- Partnered the Department of Education and Training, Central West TAFE and the Gascoyne Development Commission to initiate the development of a Mid West Gascoyne Workforce Development Strategy aimed at identifying and meeting the regions' workforce needs for the next ten years.
- Initiated a 'Working In Partnership' forum to engage relevant government agencies, mining companies and Indigenous groups in the development of training and employment opportunities for Indigenous people in the rapidly expanding Mid West mining industry;
- Worked with government agencies and Indigenous groups to adopt and action recommendations from the newly developed Mid West Indigenous Art Industry Strategy;
- Updated the Commission's web-based Business Capability and Services Directory to facilitate local and regional business participation in major projects.
- Worked with Mid West shires on a range of economic and community development projects including:
  - the release of light industrial land in Sandstone to facilitate business expansion and establishment;
  - assisting the Shire of Wiluna with its proposal to create a business enterprise centre and an employment and training facility, including a possible retail outlet for the successful Tjukurba Art Gallery.
- Continued to support the Murchison Radio-astronomy Observatory (MRO) and Australia's bid for the SKA project by:
  - coordinating a series of school based and community-based workshops aimed at raising awareness of radio astronomy, the MRO and the SKA project. They were also used to identify ways in which the Mid West community could support Australia's SKA bid and how the Mid West could benefit from the MRO; and
  - hosting the Commonwealth Scientific and Industrial Research Organisation's (CSIRO) establishment of a Regional Manager's position for the Australian Square Kilometre Array Pathfinder (ASKAP) project within the Commission's Geraldton office.
- Worked on a number of industry development opportunities including:
  - the export of sands for use in overseas construction industry;
  - the development of a local carob industry;
  - investigating potential sites for an ethanol plant; and
  - investigating the use of oil mallees as an alternative crop for the north east agricultural region for use in carbon sequestration and/or as a bio-fuel.
- Assisted numerous local businesses to overcome their specific labour market shortages through the Regionally Sponsored Migration Scheme and Long Stay working visas.
- Supported the development of industry at Oakajee by:
  - hosting visits by potential estate-users;
  - facilitating the timely exchange of information between agencies and resource proponents; and
  - providing information and support to agencies leading the provision of infrastructure to the Oakajee site.
- Assisted Geraldton Boat Lifters Limited (GBLL) to commence development of its \$3 million marine servicing facility and heavy boat lifter facility by:
  - payment of initial instalments of State Government funding of \$1.5 million to enable development works to proceed; and
  - working with GBLL to update the facility's business plan to reflect the impact of increased construction costs and other changes in other key assumptions.

### MAJOR INITIATIVES FOR 2008-09

- Complete the preparation, and commence the implementation of a ten year Mid West Gascoyne Workforce Development Strategy to meet the regions' future workforce needs.
- Continue to support the Working in Partnership Committee to develop and implement a framework for engaging Indigenous people in the resources and other industry sectors.
- Continue to implement the strategic development plan for the Mid West Indigenous arts industry. A major priority is the establishment of art centres to service the coastal/North Midlands and Murchison sub-regions either through existing or new organisations.
- Continue to support the Shire of Wiluna's development of a business enterprise centre and an employment and training facility, including the establishment of a new retail outlet for the Tjukurba Art Gallery.
- Progress Indigenous tourism by working with various stakeholders to develop a strategic approach to the management of significant cultural and heritage sites such as the Granites, Walga Rock and Wilgie Mia.
- Continue to support the establishment of radio-astronomy projects in the Murchison Radio-astronomy Observatory (MRO) by:
  - brokering local community and business interest and involvement in the establishment of radio astronomy projects; and
  - identifying and progressing ways in which the Mid West and the MRO can benefit each other.
- Continue to pursue value adding investment opportunities in the Mid West including carobs, lupin processing and aquaculture.
- Work with Geraldton Boat Lifters Limited to complete the development of its marine servicing and heavy boat lifter facility in Geraldton and successfully commence operations. This includes disbursement of the balance of \$1.5 million of State Government funding committed to the project via the Commission.
- Assist the Mid West Chamber of Commerce and Industry in implementing a positive Geraldton campaign aimed at attracting and retaining skilled workers to Geraldton and the Mid West.

# Report on the Better Planning: Better Futures Framework

## Goal 3: Lifestyle and the Environment

Protecting and enhancing the unique Western Australian lifestyles and ensuring sustainable management of the environment.

### *AGENCY ACTIVITIES*

- Supported the establishment and operations of North East Farming Futures, a grower group which aims to identify viable and sustainable responses to dry seasons in the north-east agricultural region.
- Partnered the Shires of Coorow and Carnamah to complete the Coorow Carnamah Coastal Management Strategy (to enable the effective management of the Coorow - Carnamah coasts).
- Worked with Central West TAFE, the Department of Fisheries and industry to promote further research and development activity to be undertaken at the Separation Point Marine Precinct.
- Continued to work in partnership with Department of Indigenous Affairs, Yamaji Land and Sea Council, Wadjari Native Title Working Group and Badimia Land Aboriginal Corporation to secure and protect significant Indigenous cultural sites.
- Worked with the National Heritage Trust to secure pastoral and farming lands for conservation and cultural purposes.

### *MAJOR INITIATIVES FOR 2008-09*

- Continue to work with the Department of Agriculture and Food and North East Farming Futures to progress sustainable and viable enterprise systems in the north east agricultural region.
- Review a range of bio-energy (and related by-product) opportunities for the Mid West.
- Review opportunities and monitor developments relating to the proposed establishment of a carbon trading scheme so that the region is well positioned to benefit.
- Support the Department of Water to complete a Mid West Regional Water Plan to quantify the region's water resources and inform future water allocation policy.

# Report on the Better Planning: Better Futures Framework

## Goal 4: Regional Development

*Ensuring that regional Western Australia is strong and vibrant.*

### AGENCY ACTIVITIES

- Administered the State Government's Regional Development Scheme (RDS) for the Mid West and allocated grants totalling almost \$600,000 to projects that will contribute to the sustainable development of the region.
- In partnership with Tourism Western Australia and other stakeholders, initiated a Geraldton-Greenough Tourism Strategy project to identify Geraldton's tourism potential and strategies required to realise it.
- Continued to work with stakeholders to expedite the development of land sold as part of stage one of the Batavia Coast Marina Redevelopment, which has directly and indirectly resulted in several lots being developed.
- Advanced stage two of the redevelopment of the Batavia Coast Marina through the completion of an 'order of magnitude' feasibility study, the outcomes of which support the stage two redevelopment.
- Supported the development of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project by:
  - working with the City of Geraldton-Greenough to secure \$3.32 million of additional funding from the State Government to assist with meeting the project's cost increases and scope changes;
  - providing further funding instalments to the City of Geraldton-Greenough as part of the State Government's overall commitment via the Commission, of \$13.3 million over six years; and
  - working with the City of Geraldton-Greenough and the Foreshore Redevelopment Advisory Committee to optimise the project's outcomes.
- Advocated for and supported the implementation of policy changes to the Buy Local Policy to enhance opportunities for local businesses to win State Government tenders and increase State Government agency purchases in the region.
- As a member of the Geraldton Economic Alliance, worked to host a successful fourth Mid West Economic Summit in November 2007.
- Through the Mid West Strategic Infrastructure Group, supported major project development by:
  - completing a report into transport infrastructure issues associated with iron ore projects proposing to use the Geraldton Port;
  - working with the Department for Planning and Infrastructure (DPI) to support the preparation and refinement of the Mid West Infrastructure Analysis to plan for the socio-economic infrastructure needs and impacts of proposed resources projects;
  - collaborating with DPI to support the development and uptake of the Oakajee Narngulu Corridor study;
  - coordinating a workshop with the Geraldton Iron Ore Alliance to identify and prioritise opportunities for resource proponents to collaborate in establishing essential infrastructure in the region;
  - preparing a report on industry water requirements and water availability in the Mid West;
  - partnering industry and the broader community to develop business cases for power infrastructure enhancements in the Mid West including the proposed establishment by Western Power of a 330 kV dual circuit line from Pinjar to Moonyoonooka (Geraldton) and the proposed construction of a 132 kV line to Oakajee and Northampton; and
  - developing a paper on the status of energy and infrastructure in the Mid West.
- Assisted the Mid West Chamber of Commerce and Industry in planning for the successful 2007 Mid West Resources Forum.
- Formally established the Mid West Community Foundation (MWCF), which operates under the umbrella of the Western Australian Community Foundation and provided the MWCF with initial seed funding of \$100,000 from the Mid West Regional Development Scheme (RDS).

### **MAJOR INITIATIVES FOR 2008-09**

- Work with key stakeholders to oversee the completion of the Geraldton-Greenough Tourism Strategy and commence the implementation of its recommendations.
- Work with Gascoyne Murchison Tourism Inc. on the continued development of the Gascoyne Murchison Outback Pathways by:
  - identifying strategic development opportunities for the Pathways and associated tourism attractions and facilities;
  - investigating funding opportunities for new developments; and
  - optimising the marketing and sale of the existing stock of Pathway's guidebooks.
- Continue to work with the City of Geraldton-Greenough and the Foreshore Redevelopment Advisory Committee on the final stage of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project. This will include the management and disbursement by the Commission of an estimated \$4.9 million of State Government funding for the project in 2008-09.
- Continue to work with stakeholders to expedite the development of land sold as part of stage one of the Batavia Coast Marina Redevelopment.
- Work with the Public Transport Authority, City of Geraldton-Greenough, Landcorp and other stakeholders to commence a full due diligence and business case exercise for stage two of the Batavia Coast Marina Redevelopment.
- Continue to facilitate planning and coordination and the timely provision of infrastructure to support major project development through bi-monthly meetings of the Mid West Strategic Infrastructure Group.
- Coordinate a science summit aimed at identifying a science-based response to the sustainable development of the Mid West region.
- Work with the Advisory Committee of the Mid West Community Foundation on the final stages of the establishment phase and on the foundations launch.
- Initiate the development of a Mid West Regional Strategic Plan based on the Mid West's three sub regions, namely the Batavia Coast, North Midlands and Murchison.

# Report on the Better Planning: Better Futures Framework

## Regional Development Scheme - List of Funded Projects 2007/08

The Mid West Development Commission administers one of nine regional grant funding schemes implemented through the State Government's WA Regional Investment Fund (RIF). Annual funding for the Mid West Regional Development Scheme was increased to enable \$500,000 of grants to be awarded from 2005/06 and the ensuing three years.

MWDC received 34 applications (23 in September 2007 and 11 in March 2008) from proponents of regional projects with the total value of funding requested being \$1,310,451. The following projects received funding.

### RDS Funded Projects for 2007/08

Project Name	Organisation	Funding
Mid West Region - Focus Strategy	Country Arts WA	\$31,000
Northampton Townsite Entry Statements	Shire of Northampton	\$22,000
Nth-Road Stock Route - Drive Trail Development Plan	City of Geraldton-Greenough	\$11,900
NOCCA Facilities Upgrade	Shire of Northampton	\$15,000
Solar Lighting and Waterwise Gardens	Shire of Yalgoo	\$30,000
Morawa Community & Enterprise Centre	Shire of Morawa	\$80,000
Mid West Regional Council - Integrated ICT Services	Mid West Regional Council	\$20,000
Greenough Pioneer Museum Display Shed Redevelopment & Interpretation	Geraldton Historical Society	\$20,000
Moresby Ranges Management Plan	Shire of Chapman Valley	\$25,500
Mullewa Town Enhancement & Trails Project Stage 2	Shire of Mullewa	\$30,000
Cement Works Shed - Stage 3 Northampton Old School Community Initiatives	Wila Gutharra Community Aboriginal Corporation	\$30,000
Drought Proofing the Nth Eastern Wheatbelt - developing a profitable, integrated farming system	Mid West Oil Mallee Association	\$30,000
Upgrade of Surf Life Saving Club Facilities	Dongara Denison Surf Life Saving Club Inc.	\$50,000
Renovation and Refurbishment of Wiluna Enterprise Development Centre	Shire of Wiluna	\$20,000
WA Visitor Servicing Conference 2008	Geraldton Visitor Centre	\$5,000
MWCCI Skilled & Unskilled Recruitment Campaign	Mid West Chamber of Commerce & Industry	\$15,000
Mulloway Research and Development project	Batavia Coast Marine Institute	\$37,000
Cruising Geraldton	Mid West Chamber of Commerce & Industry	\$7,500
GPI Relocation & Premises Upgrade	Geraldton Personnel Inc	\$20,000
Perenjori / UWA Flat Pack Housing Project - Pre Construction	Shire of Perenjori	\$10,000
Extension to Memorabilia room	Geraldton City RSL Sub Branch	\$14,500
Facilitate Upskilling of Planning	City of Geraldton-Greenough	\$30,000
Geraldton Greenough Tourism Strategy	Mid West Development Commission	\$25,000
Karalundi Strategic Business Review	Mid West Development Commission on behalf of Karalundi Aboriginal Education Centre Inc	\$20,000

**Total:**

**\$599,400\*\***

\* All projects exclude GST.

\*\* Includes an additional \$ 99,400 reallocated from unused RDS funding from earlier rounds.

# Report on the Better Planning: Better Futures Framework

## Goal 5: Governance and Public Sector Improvement

*Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.*

### AGENCY ACTIVITIES

- Completed the preparation of a new strategic plan to guide and focus the Commission's operations for the three year period 2008 to 2010.
- Implemented a revised Client Management System to ensure regular liaison with the Commission's key stakeholders and enhanced understanding of their concerns.
- Updated the Commission's Code of Conduct and communicated it to all staff and Board.

### MAJOR INITIATIVES FOR 2008-09

- Work with key players to develop and implement a Memorandum of Understanding between the Batavia Regional Organisation of Councils and the State Government.

### EVALUATIONS

The Commission conducts an annual survey of key clients to seek feedback on their perceptions of the Commission's performance.

Reporting on customer satisfaction with the services of the Mid West Development Commission is included in this Annual Report under Performance Indicators Refer to pages 30-32.

### INFORMATION STATEMENT

The Commission welcomes public input to assist in the formulation of policy and the performance of the agency's functions. Members of the public with an interest in regional development, and particularly the development of the Mid West region are invited to contact Board members or Commission staff to discuss relevant issues.

The Commission holds information from various sources in working files, studies and printed reports. Information is usually provided free of charge. However, the provision of some documents and reports may incur a fee.



## SIGNIFICANT ISSUES AND TRENDS

- As a major exporter of primary commodities, the Mid West's growth prospects are affected by world commodity prices and seasonal conditions. A continued focus on innovation and value adding across all industry sectors will assist in its economic diversification and resilience.
- Planning for the impacts of major projects, such as the proposed deepwater port and industrial estate at Oakajee linked by heavy gauge Murchison rail line and an upgraded power network in support of the resources sector, and capturing local community benefits provides both opportunity and challenges.
- The cyclical nature of the agricultural/pastoral sectors continues to have an impact on regional prosperity. There is a need to continue work to develop and implement strategies in response to climate change - particularly in the north east agricultural region.
- The Mid West region continues to realise its tourism potential on the back of major tourism related infrastructure projects including the Geraldton Foreshore Redevelopment and Kalbarri Vision. With continued strategic support and an effective marketing campaign, this sector will play an increasingly important role in the region's future development.
- Around 83 percent of the Mid West region is classified as remote. This generates a demand for community capacity building programs, supportive social infrastructure and coordinated service delivery - especially in the Murchison and other hinterland communities.
- The establishment of the Murchison Radio-astronomy Observatory will enhance Australia's bid for the Square Kilometre Array radio telescope project and offers a unique opportunity for the Mid West to upgrade its broadband capacity and promote Geraldton as a learning hub and 'smart' centre for the Mid West and the State.
- Agricultural and pastoral land in the region suffers from high levels of landscape stress. The completion and implementation of accredited natural resource management strategies will play an integral role in addressing such issues and encourage responsible land use practices, land care and eco-efficiency.
- Regional strategic planning based on the Mid West's three sub-regions (Batavia Coast, North Midlands and Murchison) will provide a means of dealing with future challenges, identify and capture opportunities in line with community values and develop an effective and timely response to climate change.

### ***PUBLICATIONS PRODUCED BY THE MID WEST DEVELOPMENT COMMISSION***

<i><b>Title</b></i>	<i><b>Purpose</b></i>	<i><b>Revision Schedule</b></i>
Business Capability and Services Directory	An up-to-date directory of Mid West business capability. Available at <a href="http://www.mwdc.wa.gov.au">www.mwdc.wa.gov.au</a>	Ongoing
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. Editions are circulated electronically and available in hard copy format on request.	Quarterly
Mid West Economic Perspective	An update on the economy of Western Australia's Mid West region.	Updated in 2006
Mid West People and Population	A statistical portrait of the population and demographic characteristics of the Mid West region.	No revision scheduled
Mid West Regional Priority Plan	An outline of the Mid West's priority issues and actions	Updated Periodically
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.	No revision scheduled
Towards 2010 (1996)	An economic development strategy for Western Australia's Mid West.	Revision scheduled 2008/09
Strategic Directions 2008 - 2010	A document articulating the Commission's strategic plan for 2008 - 2010.	Updated every 3 years - next revision due 2010/11
Annual Report	A report on the Commission's operations for the previous twelve months.	Produced Annually
Cruising Geraldton	CD promoting Geraldton as a destination for international cruise ships.	No revision scheduled
Major Projects Summary - Mid West Region of WA	Update on the status of major projects underway, planned or proposed for the Mid West.	Twice yearly

*Copies of these publications can be downloaded from the Commission's website at [www.mwdc.wa.gov.au](http://www.mwdc.wa.gov.au) or by contacting the Mid West Development Commission. Contact details are listed on the back cover of this report.*

# Other Legal Requirements

## ADVERTISING

### ELECTORAL ACT 1907

In accordance with section 175ZE of the Electoral Act 1907, the Commission incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2007/08 was \$41,643.00
2. Expenditure was incurred in the following areas:

<i>Class of expenditure</i>	<i>Organisation</i>	<i>Total expenditure 2007/2008 (inc gst)</i>
Advertising agencies	Market Creations	\$ 16,919*
	Marketforce Productions	\$ 9,370
Market research agencies	Asset Research	\$ 5,433
Polling organisations	Nil	Nil
Direct mailing agencies	Nil	Nil
Media - advertising	Geraldton Newspapers	\$ 5,936
	Yamaji News	\$ 459
	Mid West Times	\$ 3,249
	State Law Publisher (Govt Gazette)	\$ 277

*\* Includes \$1,683 for Web Hosting and other internet services; \$1,185 for MWCCI 2008 Directory; \$1,485 for Design and Production of Banner Displays; \$9,794 for redevelopment of Commission's website; \$2,772 for 2006/07 Annual Report Writing, Production and Printing.*

# Other Legal Requirements

## DISABILITY ACCESS AND INCLUSION PLAN

In 2007 the Commission, in consultation with the Disability Services Commission and the public, developed and submitted a Disability Action and Inclusion Plan (DAIP) in compliance with the 2004 amendment to the Disability Services Act 1993.

The DAIP has been implemented successfully and the following initiatives have been achieved during 2007/08 to address the six desired outcomes of the DAIP:

1. People with disabilities have the same opportunities as other people to access the services of, and any events organised by the Commission.

(i) Design and use of an Accessibility Assessment checklist when organising meetings, events etc.

(ii) Inclusion of a reference to the Commission's DAIP on all grant agreements (eg RDS) and contracts, and the contractual requirements for DAIP for service providers.

2. People with disabilities will have the same opportunities as other people to access the buildings and other facilities of the Commission.

(i) Compilation of a register of sources for alternative formats for information services, including Braille, TTY, signing (Auslan) and Commonwealth Care Link.

(ii) Increased staff awareness of issues of accessibility (see outcome 4).

3. People with disabilities receive information from the Commission in a format that will enable them to access the information as readily as other people are able to access it.

(i) Provision of all communications in clear and concise language, avoiding jargon.

(ii) Inclusion of reference to the availability of alternative formats for information services on all communications.

(iii) Updated, maintained and promoted the Commission website as an accessible source of information.

4. People with disabilities receive the same level and quality of service from the staff of the Commission as other people receive from the Commission.

(i) Obtained information from the Disability Services Commission on meeting the access needs of people with disabilities.

(ii) Commenced an annual disability awareness training program for all Commission staff, including updating the new staff induction process to address the Commission's DAIP.

5. People with disabilities have the same opportunities to make complaints to the Commission.

(i) Alternative formats provided wherever the Commission's grievance procedures are displayed.

6. People with disabilities will have the same opportunities as other people to participate in any public consultation by the Commission.

(i) All venues assessed for accessibility when arranging public consultation events.

(ii) Consideration to be made whether any target groups would benefit from public consultation to encourage participation.

## OPSSC REPORTING UNDER S31 OF THE PUBLIC SECTOR MANAGEMENT ACT 1994 2007-2008

In 2008 the Commission undertook an extensive review of its Code of Conduct for agency employees to ensure compliance with the Public Sector Standards in Human Resource Management.

To ensure that all employees are familiar with the Code of Conduct and the Public Sector Code of Ethics, staff receive information sessions at regular team

meetings as required by revisions, and the induction process for new employees has been updated to include distribution of the material. In an ongoing effort to continually assess its compliance with the Public Sector Code of Ethics and Code of Conduct, the Commission undertakes internal reviews and audits, and receives staff feedback on processes.

The Commission complies with the Public Sector Management Act for managing cases of misconduct. During 2008 the following number of breaches were reported within the Commission:

Section of Act	Number of breaches
Section Act PSM act	0
Minor breach of discipline under Section 83 (1)a of the PSM Act	0
Serious breach of discipline under Section 83 (1)b of the PSM Act	0

## ***FREEDOM OF INFORMATION ACT***

During 2007/08, the Commission did not receive any requests under the Freedom of Information Act. The Commission's Information Statement was updated and submitted to the Office of the Information Commissioner in August 2007. The Commission's Executive Assistant is the Freedom of Information Co-ordinator. The contact details are:

Ground floor  
SGIO Building  
45 Cathedral Avenue  
GERALDTON WA 6530

Telephone: 9921 0701  
Facsimile: 9921 0780

- Number of request received: NIL
- Number of request finalised: NIL

## ***PUBLIC INTEREST DISCLOSURES***

### ***Public Interest Disclosures Act 2003***

The Commission has developed internal procedures in accordance with the Public Interest Disclosures Act 2003, which are consistent with the guidelines published by the Commissioner for Public Sector Standards. These are available to the Commission's staff, contractors and members of the public on request. The Assistant Director of the Mid West Development Commission is the nominated Public Interest Disclosure Officer.

The Public Interest Disclosure Officer will provide protection from detrimental action or the threat of detrimental action for any employee of the Commission who makes an appropriate disclosure of public interest information. The Commission will not tolerate any acts of victimisation or reprisal because of a person making, or proposing to make, a public interest disclosure.

Staff are advised to report immediately any victimisation or reprisals to the Public Interest Disclosure Officer who will take immediate action to prevent the continuance of unlawful conduct. Where victimisation or reprisals are reported, a record of the report and the action taken will be placed on the file relating to the public interest disclosure.

Steps taken to prevent acts of victimisation or reprisal will be recorded in a manner such that they will be accessible for reference should legal action be taken against the Mid West Development Commission.

The Commission is committed to maintaining confidentiality, abiding by the Public Interest Disclosure Code of Conduct and Integrity and to maintaining comprehensive and secure records for each public interest disclosure made.

## ***RECORD KEEPING PLAN***

As required by the State Records Act (2000), the Mid West Development Commission has an approved Record Keeping Plan (RKP).

Periodical record keeping training programs through the Commission's formal fortnightly staff meetings, as well as an induction program for new employees, address the roles of staff and their responsibilities in regard to their compliance with MWDC's RKP.

The Records Team within the Commission 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 is in place to assist the Records Team to formalise and structure the training program for staff.

# Government Policy Requirements

## ***CORRUPTION PREVENTION***

The Commission has undertaken a review of its risk management practices and procedures with specific consideration of the risk of corruption and misconduct. It already has in place:

- Codes of conduct and ethics which require compliance by all staff and Board members;
- Appropriate internal controls to protect the Commission's financial and information resources;
- A nominated Public Interest Disclosure Officer and internal procedures for public interest disclosures; and
- Requirements for staff and Board members to disclose conflicts of interest relating to Commission activities.

## ***SUSTAINABILITY***

The Board of the Mid West Development Commission endorsed the Commission's Sustainability Action Plan in February 2005.

In 2007 the Commission prepared its "Strategic Directions 2008-2010" to guide the Agency's operations over the coming 3 years and ensure its alignment with relevant State Government policies including the Regional Development Policy and the State Sustainability Strategy.

In addition, the Commission evaluates and comments upon public policy and proposed changes to legislation. Sustainability is incorporated into all assessments. The Commission also ensures that its activities comply with all relevant Government policies.

The Commission continually promotes partnerships and consultation in all activities, to ensure appropriate and sustainable outcomes for the Mid West region.

## ***OCCUPATIONAL SAFETY AND HEALTH***

The Commission strives to ensure a safe working environment. Occupational Safety and Health (OSH) issues (risks and hazards) can be reported at any time to the Corporate Services Manager and are addressed as they are identified. OSH policies continue to be reviewed and monitored as required by the changing needs of the Commission and its working environment.

Staff are made aware of OSH policies and procedures at induction and there are continuing awareness sessions during fortnightly team meetings as necessary.

The Mid West Development Commission is compliant with the injury management requirements of the Workers' Compensation and Injury Management Act 1981.

The Commission's annual performance report for 2007/08 against the following indicators:

Number of fatalities	Target 0 Actual 0
Lost time injury/diseases (LTI/D) incidence rate	Target 0 Actual 0
Lost time injury severity rate	Target 0 Actual 0

## ENABLING LEGISLATION

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

## LEGISLATION ADMINISTERED

*Geraldton Foreshore and Marina Development Act 1990*

*Geraldton Sailors and Soldiers' Memorial Institute Act 1929*

*Geraldton Sailors and Soldiers' Memorial Institute Enabling Act 1934*

*Geraldton Sailors and Soldiers' Memorial Institute (Trust Property Disposition) Act 1938*

## LEGISLATION IMPACTING ON COMMISSION ACTIVITIES

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

*Regional Development Commissions Act 1993*

*Financial Management Act 2006*

*Public Sector Management Act 1994*

*Salaries and Allowances Act 1975*

*Equal Opportunity Act 1984*

*Occupational Safety and Health Act 1984*

*Workers Compensation and Rehabilitation Act 1981*

*Industrial Relations Act 1979*

*State Supply Commission Act 1991*

*Geraldton Foreshore and Marina Development Act 1990*

*Freedom of Information Act 1992*

*Disability Services Act 1993*

*Minimum Conditions of Employment Act 1983*

*State Records Act 2000*

*Public Interest Disclosure Act 2003*

*Electoral Act 1907*



# Performance Indicators

Treasurer's Instruction 904 requires the disclosure of performance information in the Commission's annual report. This information assists interested parties such as government, Parliament, the community and client groups to assess agency performance in achieving government desired outcomes and obtaining value for public funds from services delivered.

## **Relationship to Government Goals**

Broad, high level government goals are supported at agency level by more specific desired outcomes. The Commission delivers services to achieve its desired outcome, which ultimately contributes to meeting higher level government goals. The following table illustrates the relationship between the Commission's services and desired outcome with the most appropriate government goal.

Government Goal	Desired Outcome	Services
To ensure that regional Western Australia is strong and vibrant.	An environment conducive to the balanced economic and social development of the Mid West region.	<ol style="list-style-type: none"> <li>1. Information and Advice</li> <li>2. Investment Facilitation</li> <li>3. Infrastructure and Services Development in the Mid West</li> </ol>

*The targets for the services listed in the above table are based on information published in the W.A. Government 2007-08 Budget Statements presented to the Legislative Assembly on 10th May 2007.*

## **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 140 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 71.4 per cent. Based on population homogeneity calculations, the survey results demonstrate an overall sampling error within +/- 5% at the 95% confidence level for the overall results for clients of the Commission.

Clients were asked a number of questions relating to business development facilitated by the Commission's

Survey Question	Actual 2004/05	Actual 2005/06	Actual 2006/07	Target 2007/08	Actual 2007/08
Reduced obstacles to growth	44%	35%	39%	42%	37%
Developed new business opportunities	61%	66%	59%	56%	64%
More trade activity	22%	30%	28%	27%	29%
Retention of staff / expansion of employment opportunities	28%	35%	32%	28%	34%

# Performance Indicators

## 2. EFFICIENCY INDICATORS

The following efficiency indicators are based on the total cost for each of the Service areas after excluding Grants and Subsidies expense. The costs for each Service area comprises both direct expenditure and an allocation of general costs and overheads. The total cost of all Services is reported in the Commission's Income Statement as the Total Cost of Services.

### 2.1 SERVICE 1 - INFORMATION AND ADVICE

#### *Service 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.

<i>Performance Measures</i>	<i>Actual 2004/05</i>	<i>Actual 2005/06</i>	<i>Actual 2006/07</i>	<i>Target 2007/08</i>	<i>Actual 2007/08</i>
Total cost of Service <sup>(2)</sup>	\$607,228	\$652,310	\$685,316	\$751,825	\$653,417
Client contacts (inquiries)	3,474	5,657	5,374	3,500	4,263
Cost per client inquiry	\$87	\$58	\$64	\$107	\$77
Client visits	333	275	265	285	427
Cost per client visit	\$912	\$1,186	\$1,293	\$1,319	\$765

#### *Note:*

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

## Comments

Total costs have decreased from 2006/07 which included \$93,000 for housing a Northern Agricultural Catchment Council (NACC) position within the Commission which has been discontinued (\$93,000 reduction). This reduction has been partly offset in 2007/08 by higher salary and other staffing costs and a \$15,000 Murchison Community Development Officer study. Higher staffing costs reflect a combination of salary increases and additional resources required to cover extended leave taking (parental leave). Total costs for 2007/08 were well below target primarily due to the budgeted \$89,000 cost of housing of the NACC position not being incurred.

During 2007/08 the Commission received 4,263 inquiries from clients, a decrease of 21% from the previous year, but still 22% above target. The lower number of inquiries recorded for 2007/08 primarily reflects the Commission's reduced profile/role in the development of a radio astronomy observatory in the Murchison combined with a lower profile for the

Gascoyne Murchison Outback Pathways guidebook/project. Despite a decline from 2005/06, robust economic conditions have maintained demand for services/information e.g. planning and coordination to support major resources and infrastructure development, skilled migration services etc, at above-target levels. This combined with running the Commission's Regional Development Scheme grant program over two rounds per year has kept the number of client enquiries well above target.

The number of client visits in 2007/08 increased by 61% from the previous year and was 50% above target. The increase in client visits was largely due to two new limited term staff positions being created. One position is aimed at improving outcomes under the Commission's contract with Austrade to provide TradeStart export services while the other is aimed at encouraging and enhancing the development of broadband telecommunication services in the region. Both roles require a high level of client consultation and resulted in almost 100 client visits in the latter half of 2007/08.

# Performance Indicators

## 2.2 SERVICE 2 - INVESTMENT FACILITATION

### Service 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 2004/05	Actual 2005/06	Actual 2006/07	Target 2007/08	Actual 2007/08
Total cost of Service <sup>(1)</sup>	\$515,987	\$598,349	\$480,474	\$510,881	\$498,712
Projects relating to investment facilitation undertaken	16	16	15	15	16
Average cost per project	\$32,249	\$37,397	\$32,032	\$34,059	\$31,170

1. *Note: Target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense*

### Comments (a)

Total costs for 2007/08 have increased from the previous year due mainly to higher salary and other staffing costs partly offset by lower direct project expenditure. The latter reflects the normal fluctuation in the timing and nature of projects being undertaken in any given financial year. The nature of a project determines which service area its costs are reflected in and the mix of projects varies over time.

timing of their expenditures. The average cost per project for 2005/06 largely reflects the significant expenditure on Stage 2 of the Gascoyne Murchison Outback Pathways project. Variations in average costs per project in other years generally reflect normal fluctuations in expenditure. The average cost per project for 2007/08 is below target mainly as a consequence of the higher number of projects undertaken.

Average costs per project fluctuate with the number and size of projects being undertaken as well as the

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

## 2.3 SERVICE 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

### Service Description:

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

Performance Measures	Actual 2004/05	Actual 2005/06	Actual 2006/07	Target 2007/08	Actual 2007/08
Total cost of Service <sup>(1)</sup>	\$464,245	\$458,769	\$537,952	\$961,530	\$563,260
Projects undertaken relating to Infrastructure and Services development in the Mid West	15	14	15	15	15
Average cost per project	\$30,950	\$32,769	\$35,863	\$64,102	\$37,551

1. *Note: Target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense*

### Comments (a)

Total costs for 2007/08 were below target primarily due to a delay in commencing a feasibility study for Stage 2 of the Batavia Coast Marina Redevelopment. The budget assumed that \$425,000 would be expended on progressing Stage 2 of the project in 2007/08, whereas only \$16,000 was incurred for completion of a pre-feasibility study.

Total costs for 2007/08 increased by 4% from 2006/07 mainly due to higher salary and other staffing costs. The average cost per project for 2007/08 reflects the increase in total costs.

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

# Certificate of Key Performance Indicators

## MID WEST DEVELOPMENT COMMISSION

### CERTIFICATION OF KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

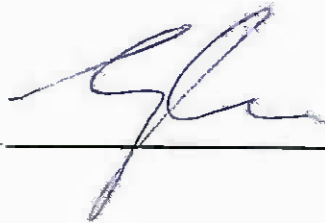
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Mid West Development Commission's performance, and fairly represent the performance of the Mid West Development Commission for the financial year ended 30 June 2008.

R PARSONS  
CHAIRPERSON



DATE 22/8/2008

S DOUGLAS  
CHIEF  
EXECUTIVE OFFICER



DATE 22/8/08

# Financial Statements

## Income Statement

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
<b>COST OF SERVICES</b>		\$	\$
<b>Expenses</b>			
Employee benefits expense	6	1,161,306	1,101,780
Supplies and services	7	381,888	420,865
Depreciation and amortisation expense	8	23,067	21,379
Accommodation expenses	9	132,292	120,982
Grants and subsidies	10	6,135,698	2,425,861
Loss on disposal of non-current assets	14	767	7
Other expenses	11	16,068	38,730
<b>Total cost of services</b>		<b>7,851,086</b>	<b>4,129,604</b>
<b>Income</b>			
<b>Revenue</b>			
Commonwealth grants and contributions	12	76,718	63,345
Other revenue	13	117,265	264,087
<b>Total revenue</b>		<b>193,983</b>	<b>327,432</b>
<b>Total income other than income from State Government</b>		<b>193,983</b>	<b>327,432</b>
<b>NET COST OF SERVICES</b>		<b>7,657,103</b>	<b>3,802,172</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	15(a)	5,452,000	3,522,000
Liabilities Assumed by the Treasurer	15(b)	-	49,381
Resources received free of charge	15(c)	10,000	8,786
State Government grants & subsidies	15(d)	535,152	570,030
<b>Total income from State Government</b>		<b>5,997,152</b>	<b>4,150,197</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>(1,659,951)</b>	<b>348,025</b>

The Income Statement should be read in conjunction with the accompanying notes.

# Financial Statements

## Balance Sheet

As At 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	28(a)	318,190	477,707
Restricted cash and cash equivalents	16,28(a)	4,681,097	6,720,100
Receivables	17	252,838	112,951
Amounts receivable for services	18	33,000	33,000
Other current assets	19	1,151	7,582
<b>Total Current Assets</b>		<b>5,286,276</b>	<b>7,351,340</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	18	103,000	98,000
Property, plant and equipment	20	2,438,541	1,329,038
Intangible assets	21	18,355	16,498
<b>Total Non-Current Assets</b>		<b>2,559,896</b>	<b>1,443,536</b>
<b>TOTAL ASSETS</b>		<b>7,846,172</b>	<b>8,794,876</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	23	52,741	792,045
Other current liabilities	24	1,134,764	860,085
Provisions	25	252,783	235,606
<b>Total Current Liabilities</b>		<b>1,440,288</b>	<b>1,887,736</b>
<b>Non-Current Liabilities</b>			
Provisions	25	78,510	37,997
Amounts due to the Treasurer	26	960,000	960,000
<b>Total Non-Current Liabilities</b>		<b>1,038,510</b>	<b>997,997</b>
<b>TOTAL LIABILITIES</b>		<b>2,478,798</b>	<b>2,885,733</b>
<b>NET ASSETS</b>		<b>5,367,374</b>	<b>5,909,143</b>
<b>EQUITY</b>			
Contributed equity	27(a)	355,946	355,946
Reserves	27(b)	1,681,852	563,670
Accumulated surplus	27(c)	3,329,576	4,989,527
<b>TOTAL EQUITY</b>		<b>5,367,374</b>	<b>5,909,143</b>

The Balance Sheet should be read in conjunction with the accompanying notes.

# Financial Statements

## Statement of Changes in Equity

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>Balance of equity at start of period</b>		<u>5,909,143</u>	<u>4,768,448</u>
<b>CONTRIBUTED EQUITY</b>			
Balance at start of period		355,946	126,946
Capital contribution		-	229,000
Balance at end of period	<b>27</b>	<u>355,946</u>	<u>355,946</u>
<b>RESERVES</b>			
<b>Asset Revaluation Reserve</b>			
Balance at start of period		563,670	-
Gains/(losses) from asset revaluation		1,118,182	563,670
Balance at end of period	<b>27</b>	<u>1,681,852</u>	<u>563,670</u>
<b>ACCUMULATED SURPLUS</b>			
Balance at start of period		4,989,527	4,641,502
Surplus/(deficit) for the period		(1,659,951)	348,025
Gains/(losses) recognised directly in equity		-	-
Balance at end of period	<b>27</b>	<u>3,329,576</u>	<u>4,989,527</u>
<b>Balance of equity at end of period</b>		<u><b>5,367,374</b></u>	<u><b>5,909,143</b></u>
Total income and expense for the period (a)		<u>(1,659,951)</u>	<u>348,025</u>

(a) The aggregate net amount attributable to each category of equity is: deficit \$1,659,952 plus gains from asset revaluation of \$1,118,182 (2007: surplus \$348,025 plus gains from asset revaluation of \$563,670).

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

# Financial Statements

## Cash Flow Statement

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		5,414,000	3,484,000
Capital contributions		-	229,000
Holding account drawdowns		33,000	62,000
State Government grants and subsidies		525,000	580,182
<b>Net Cash provided by State Government</b>		<b>5,972,000</b>	<b>4,355,182</b>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(1,093,519)	(1,082,019)
Supplies and services		(421,063)	(431,760)
Accommodation		(132,292)	(120,982)
GST payments on purchases		(688,915)	(225,502)
GST payments to taxation authority		(71,234)	(104,940)
Grants and subsidies		(6,431,982)	(1,686,971)
Other payments		(38,712)	(16,086)
<b>Receipts</b>			
Commonwealth grants and contributions		76,718	95,845
Sale of publications		5,685	14,819
GST receipts on sales		69,009	106,553
GST receipts from taxation authority		483,298	230,837
Other receipts		97,395	345,120
<b>Net cash provided by/(used in) operating activities</b>	<b>28(b)</b>	<b>(8,145,612)</b>	<b>(2,875,086)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of non-current physical assets		(10,197)	(22,707)
Purchase of non-current intangible assets		(15,216)	(2,880)
Proceeds from sale of non-current physical assets		505	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(24,908)</b>	<b>(25,587)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2,198,520)</b>	<b>1,454,509</b>
Cash and cash equivalents at the beginning of the period		7,197,807	5,743,298
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>28(a)</b>	<b>4,999,287</b>	<b>7,197,807</b>

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



# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 1. Australian equivalents to International Financial Reporting Standards General

The Commission's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Commission has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

#### Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Commission for the annual reporting period ended 30 June 2008.

### 2. Summary of significant accounting policies

#### (a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board 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 Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

#### (b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land which has been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars rounded to the nearest dollar.

The judgements that have been made in the process of applying the Commission's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at Note 4 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of asset and liabilities within the next financial year are disclosed at Note 4 'Key sources of estimation uncertainty'.

#### (c) Reporting Entity

The reporting entity comprises the Mid West Development Commission. 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.

#### (d) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) are designated as contributions by owners by TI 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfers of net assets to/from other agencies are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (e) Income

##### *Revenue Recognition*

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

##### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

##### *Rendering of services*

Revenue is recognised on delivery of the service or by reference to the stage of completion of the transaction.

##### *Interest*

Revenue is recognised as the interest accrues.

##### *Service Appropriations*

Service Appropriations are recognised as revenues at nominal value 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 to the bank account or credited to the holding account held at the Department of Treasury and Finance.

##### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the Commission obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners 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.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

##### *Gains*

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non current assets and some revaluations of non current assets.

#### (f) Property, Plant and Equipment

##### *Capitalisation/Expensing of assets*

Items of property, plant and equipment costing \$1,000 or more, with a useful life exceeding 12 months, are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$1,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

##### *Initial recognition and measurement*

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

##### *Subsequent measurement*

After recognition as an asset, the revaluation model is used for the measurement of land and the cost model for all other property, plant and equipment. Land is carried at fair value and all other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land is determined on the basis of current market buying values determined by reference to recent market transactions.

Independent valuations of land are provided annually by Landgate (Valuation Services) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e., the depreciated replacement cost.

Refer to note 20 'Property, plant and equipment' for further information on revaluations.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Derecognition*

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation reserve relating to that asset is retained in the asset revaluation reserve.

#### *Depreciation*

Land is not depreciated. All other non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Rates of depreciation for each class of depreciable asset are:

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

(a) Software that is integral to the operation of related hardware.

#### **(g) Intangible Assets**

##### *Capitalisation/Expensing of assets*

Acquisitions of intangible assets costing \$1,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the Commission have a finite useful life and zero residual value. The rates of amortisation for each class of intangible asset are:

Software (a)	30%
Web site costs	30%

(a) Software that is not integral to the operation of any related hardware.

#### *Computer Software*

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$1,000 is expensed in the year of acquisition.

#### *Web site costs*

Web site costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. 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 expensed. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

#### **(h) Impairment of Assets**

Property, plant and equipment and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised. As the Commission is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication of impairment.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Impairment of Assets (continued)

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairments at each balance sheet date.

Refer to Note 22 'Impairment of assets' for the outcome of impairment reviews and testing.

#### (i) Non current Assets (or Disposal Groups) Classified as Held for Sale

Non current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. Assets classified as held for sale are not depreciated or amortised.

#### (j) Leases

The Commission holds a number of operating leases for motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

#### (k) Financial Instruments

In addition to cash, the Commission has two categories of financial instrument:

- Loans and receivables (cash and cash equivalents, receivables, amounts receivable for services); and
- Non trading financial liabilities at amortised cost (payables and amounts due to the Treasurer).

These have been disaggregated into the following classes:

##### Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

##### Financial Liabilities

- Payables
- Amounts due to the Treasurer

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

#### (l) Cash and Cash Equivalents

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

#### (m) Accrued Salaries

Accrued salaries (see Note 24 'Other liabilities') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its net fair value.

#### (n) Amounts Receivable for Services (Holding Account)

The Commission receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement. See also Note 15 'Income from State Government' and Note 18 'Amounts receivable for services'.

#### (o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (ie, impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is generally due for settlement within 30 days. See Note 35 'Financial Instruments' and Note 17 'Receivables'.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (p) Payables

Payables are recognised at the amounts payable when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See Note 35 'Financial Instruments' and Note 23 'Payables'.

#### (q) Amounts due to the Treasurer

Initial recognition and measurement, and subsequent measurement, is at the amount repayable. The amount repayable is interest-free and does not have a fixed repayment date. The carrying amount for the amount repayable is therefore its face value. The Commission considers the carrying amount of the amounts due to the Treasurer to be equivalent to fair value. See Note 26 'Amounts due to the Treasurer'.

#### (r) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See Note 25 'Provisions'

##### (i) Provisions - Employee benefits

###### *Annual Leave and Long Service Leave*

The liability for annual and long service leave expected to be settled within 12 months after the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

A liability for long service leave is recognised on a pro-rata basis after an employee 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.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

###### *Superannuation*

The Government Employees Superannuation Board

(GESB) administers the following superannuation schemes.

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

The Commission has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Commission to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Commission makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

See also Note 2(t) 'Superannuation expense'.

##### (ii) Provisions - Other

###### *Employment on-costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of "Other expenses" and are not included as part of the Commission's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See Note 11 'Other expenses' and Note 25 'Provisions').



# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (s) Superannuation Expense

The following elements are included in calculating a superannuation expense in the Income Statement:

(a) Defined benefit plans - Change in the unfunded employer's liability (ie current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and

(b) Defined contribution plans - Employer contributions paid and payable to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS) and the GESB Super Scheme (GESBS).

Defined benefit plans - in order to reflect the true cost of services, the movements (i.e. current service cost and, actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS transfer benefits are recognised as expenses. As these liabilities are assumed by the Treasurer (refer Note 2(s)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement (See Note 15 'Income from State Government').

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

#### (t) Resources Received Free of Charge or for Nominal Cost

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

#### (u) Comparative Figures

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

### 3. Judgements made by management in applying accounting policies

No judgements have been made in the process of applying accounting policies that have a significant effect on the amounts recognised in the financial statements.

### 4. Key sources of estimation uncertainty

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date do not have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 5. Disclosure of changes in Accounting Policy and Estimates

#### Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Commission:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Commission's exposure to risks, including enhanced disclosure regarding components of the Commission's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 5. Disclosure of changes in Accounting Policy and Estimates (continued)

#### Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Commission has not applied the following Australian Accounting Standard that has been issued but is not yet effective. Where applicable, the Commission plans to apply these Standards and Interpretations from their application date:

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Commission does not expect any financial impact when the Standard is first applied.	1 January 2009
Review of AAS 27 'Financial Reporting by Local Governments', 29 'Financial Reporting by Government Departments' and 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS29 and AAS 31:	
AASB 1004 'Contributions' (December 2007).	1 July 2008
AASB 1050 'Administered Items' (December 2007).	1 July 2008
AASB 1051 'Land Under Roads' (December 2007).	1 July 2008
AASB 1052 'Disaggregated Disclosures' (December 2007).	1 July 2008

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007). 1 July 2008

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (revised) (December 2007). 1 July 2008

The existing requirements in AAS 27, AAS29 and AAS 31 have been transferred to the above new and existing topic-based Standards and Interpretation. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 only apply to government departments. The other Standards and Interpretation make some modifications to disclosures and provide additional guidance, otherwise, there will be no financial impact.

#### Changes in Accounting Estimates

There have been no changes in accounting estimates during the financial year.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>6. EMPLOYEE BENEFITS EXPENSE</b>			
Wages and Salaries	(i)	961,968	910,550
Superannuation - defined contribution plans	(ii)	89,593	82,976
Superannuation - defined benefit plans	(iii) (iv)	-	49,381
Long service leave	(v)	64,327	23,750
Annual leave	(v)	19,876	19,815
Other related expenses		25,542	15,308
		<u>1,161,306</u>	<u>1,101,780</u>

(i) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

(ii) Defined contribution plans include West State and GESB Super Scheme (contributions paid).

(iii) Defined benefit plans include Gold State (pre-transfer benefit).

(iv) An equivalent notional income is also recognised (see Note 15 'Income from State Government').

(v) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at Note 11 'Other Expenses'.

The employment on-costs liability is included at Note 25 'Provisions'.

### 7. SUPPLIES AND SUPPLIES

Communications	19,148	18,396
Consultants and contractors	107,282	133,671
Consumables	29,160	33,748
Travel	51,472	50,147
Equipment Repairs and maintenance	13,338	7,090
Operating leases - vehicles	28,888	28,363
Board fees	40,869	45,101
Other	91,731	104,349
	<u>381,888</u>	<u>420,865</u>

### 8. DEPRECIATION AND AMORTISATION EXPENSE

#### Depreciation

Plant and equipment	17,604	17,889
Total depreciation	<u>17,604</u>	<u>17,889</u>

#### Amortisation

Computer software	3,500	3,490
Website	1,963	-
Total amortisation	<u>5,463</u>	<u>3,490</u>

Total depreciation and amortisation expense	<u>23,067</u>	<u>21,379</u>
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# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>9. ACCOMMODATION EXPENSES</b>			
Lease Rentals		122,240	111,236
Electricity		9,631	9,567
Repairs and maintenance		421	179
		<u>132,292</u>	<u>120,982</u>
<b>10. GRANTS AND SUBSIDIES</b>			
<u>Recurrent</u>			
University of Western Australia Field Trip		1,000	-
Regional Development Scheme - Round 6 (2007)	(i)	-	505,515
Regional Development Scheme - Round 7 (2008)	(i)	549,300	-
Geraldton Universities Centre		34,000	
City of Geraldton-Greenough - Queen Elizabeth II Centre		225,000	-
Geraldton Boat Lifters Ltd - Marine Services Precinct		5,252	
Mid West Community Foundation		100,000	-
Mingenew Irwin Group		-	5,000
Leaning Tree Community School		-	1,000
Amwing Pearl Producers Association		-	4,000
<u>Capital</u>			
City of Geraldton-Greenough - Foreshore Redevelopment		4,092,846	1,910,346
Geraldton Boat Lifters Ltd - Marine Services Precinct		1,128,300	-
		<u>6,135,698</u>	<u>2,425,861</u>

(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 the actual requirements of the original recipients. These funds were returned to the RDS funding pool and allocated to or available for allocation to new projects.

### 11. OTHER EXPENSES

Employment on-costs	(i)	4,794	6,563
Other insurance		11,274	9,523
Refunds		-	22,644
		<u>16,068</u>	<u>38,730</u>

(i) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at Note 25 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>12. COMMONWEALTH GRANTS AND CONTRIBUTIONS</b>			
Tradestart		55,705	63,345
Dept of Broadband, Communications & the Digital Economy		21,013	-
		<u>76,718</u>	<u>63,345</u>
<b>13. OTHER REVENUE</b>			
Sundry Income		50,593	21,656
Sale of publications		4,977	15,527
Refund of unused RDS grants/write back of excess accruals (i)		1,746	46,200
Write back of excess legal fee accrual		9,120	-
NACC Indigenous Support Officer funding		-	79,829
Batavia Coast Marina - Liquidated Damages		50,829	-
Land revaluation increment	(ii)	-	100,875
		<u>117,265</u>	<u>264,087</u>
<p>(i) These amounts reflect:</p> <ul style="list-style-type: none"> <li>- refunds from grant recipients of unused Regional Development Scheme (RDS) grants paid to grant recipients in earlier years; and</li> <li>- the write back of amounts accrued in previous years 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.</li> </ul> <p>(ii) Land held at 30 June 2008 was re-valued to market values provided by Landgate (Valuation Services). As the value of this land now exceeds its original cost, revaluation increments are now reflected in the asset revaluation reserve rather than as income (Refer Notes 20 &amp; 27 for details).</p>			
<b>14. NET GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS</b>			
<u>Costs of disposal of non-current assets</u>			
Plant and equipment		(1,272)	(7)
<u>Proceeds from disposal of non-current assets</u>			
Plant and equipment		505	-
Net gain/(loss)		<u>(767)</u>	<u>(7)</u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>15. INCOME FROM STATE GOVERNMENT</b>			
Appropriation received during the year:			
- <i>Service appropriation</i>	(a)	5,452,000	3,522,000
		<u>5,452,000</u>	<u>3,522,000</u>
The following liabilities have been assumed by the Treasurer during the financial year:			
- <i>Superannuation</i>	(b)	-	49,381
Total liabilities assumed by the Treasurer		-	49,381
Resources received free of charge Determined on the basis of the following estimates provided by agencies:			
- <i>Department of Water</i>	(c)	10,000	-
- <i>Landgate</i>	(c)	-	8,786
		<u>10,000</u>	<u>8,786</u>
Grants and subsidies:			
During the 2007/08 financial year the Mid West Development Commission received revenue from the following sources:			
- <i>Regional Development Scheme - Round 6 (2007)</i>		-	500,000
- <i>Regional Development Scheme - Round 7 (2008)</i>		500,000	-
- <i>Department of Industry &amp; Resources - Aboriginal Economic Development Officer</i>		35,152	43,030
- <i>Department of Education &amp; Training - Regional Education &amp; Training</i>		-	15,000
- <i>Murchison Community Development Officer Study (grants received from eight various State Government agencies)</i>		-	12,000
	(d)	535,152	570,030
		<u>5,997,152</u>	<u>4,150,197</u>

(a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable portion (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) The assumption of the superannuation liability by the Treasurer is a notional income to match the notional superannuation expense reported in respect of current and former employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme.

(c) Where assets or services have been received free of charge or for nominal cost, 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 purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. The exception occurs where the contributions of assets or services are in the nature of contributions by owners, in which case the Commission makes the adjustment direct to equity.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>16. RESTRICTED CASH AND CASH EQUIVALENTS</b>			
Use of the following cash holdings is restricted to the purpose(s) for which the funds were provided:			
Aboriginal Economic Development		77,135	40,834
Batavia Coast Marina Redevelopment		493,789	549,890
Gascoyne Murchison Outback Pathways project		14,780	12,764
Geraldton Foreshore Redevelopment		2,049,311	2,853,044
Geraldton Universities Centre		-	34,000
Kalbarri Jetty		229,000	229,000
Marine Services Precinct		371,700	1,500,000
Murchison Community Development Officer Study		-	7,000
Murchison IT Training & Support project		20,000	20,000
Pacific Flora 2004		3,091	3,091
Queen Elizabeth II Centre upgrade		225,000	450,000
Regional Development Scheme - Round 1 (2002)		5,103	30,103
Regional Development Scheme - Round 2 (2003)		15,000	15,000
Regional Development Scheme - Round 3 (2004)		37,500	49,000
Regional Development Scheme - Round 4 (2005)		88,127	123,629
Regional Development Scheme - Round 5 (2006)		113,950	284,950
Regional Development Scheme - Round 6 (2007)		311,756	403,286
Regional Development Scheme - Round 7 (2008)		578,900	97,056
Regional Development Scheme - Round 8 (2009)		29,502	-
Regional Education & Training		11,585	11,585
Youth Forum		5,868	5,868
		<u>4,681,097</u>	<u>6,720,100</u>
<b>17. RECEIVABLES</b>			
GST Input Tax Receivable		216,553	73,294
Other Receivables for Goods and Services		36,285	39,657
		<u>252,838</u>	<u>112,951</u>
<b>18. AMOUNTS RECEIVABLE FOR SERVICES</b>			
- Current		33,000	33,000
- Non-current		103,000	98,000
		<u>136,000</u>	<u>131,000</u>
This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liabilities.			
<b>19. OTHER ASSETS</b>			
- Current		1,151	7,582
Prepayments		<u>1,151</u>	<u>7,582</u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>20. PROPERTY, PLANT &amp; EQUIPMENT</b>			
Computer Hardware at Cost		51,009	60,628
Accumulated Depreciation		(37,387)	(43,135)
		<u>13,622</u>	<u>17,493</u>
Office Equipment at Cost		51,296	48,817
Accumulated Depreciation		(29,104)	(21,854)
		<u>22,192</u>	<u>26,963</u>
Furniture & Fittings at Cost		10,005	10,005
Accumulated Depreciation		(10,005)	(9,968)
		<u>-</u>	<u>37</u>
Land at fair value		<u>2,402,727</u>	<u>1,284,545</u>
		<u>2,402,727</u>	<u>1,284,545</u>
Total of property, plant and equipment.		<u>2,438,541</u>	<u>1,329,038</u>

The original cost of land held at 30 June 2008 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 2008 is based on a market value provided by Landgate (Valuation Services) less GST (using the margin scheme).

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below:

	Computer Hardware	Office Equipment	Furniture & Fittings	Land	Total
	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2008</b>					
Carrying amount at the start of year	17,493	26,963	37	1,284,545	1,329,038
Additions	7,717	2,480	-	-	10,197
Disposals (written down value)	(1,272)	-	-	-	(1,272)
Revaluation increments	-	-	-	1,118,182	1,118,182
Depreciation	(10,316)	(7,251)	(37)	-	(17,604)
Carrying amount at end of year	<u>13,622</u>	<u>22,192</u>	<u>-</u>	<u>2,402,727</u>	<u>2,438,541</u>
	Computer Hardware	Office Equipment	Furniture & Fittings	Land	Total
	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2007</b>					
Carrying amount at the start of year	18,022	20,954	706	620,000	659,682
Additions	8,808	13,672	227	-	22,707
Disposals (written down value)	-	(7)	-	-	(7)
Revaluation increments	-	-	-	664,545	664,545
Depreciation	(9,337)	(7,656)	(896)	-	(17,889)
Carrying amount at end of year	<u>17,493</u>	<u>26,963</u>	<u>37</u>	<u>1,284,545</u>	<u>1,329,038</u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>21. INTANGIBLE ASSETS</b>			
Computer Software at Cost		36,628	36,628
Accumulated Amortisation		(34,406)	(30,906)
		<u>2,222</u>	<u>5,722</u>
Website		18,096	10,776
Accumulated Amortisation		(1,963)	-
		<u>16,133</u>	<u>10,776</u>
Total of Intangibles		<u>18,355</u>	<u>16,498</u>

Reconciliations of the carrying amounts of intangible assets at the beginning and end of the reporting period are set out below:

	Computer Software	Website	Total
	\$	\$	\$
<b>Year Ended 30 June 2008</b>			
Carrying amount at the start of year	5,722	10,776	16,498
Additions	-	7,320	7,320
Amortisation	(3,500)	(1,963)	(5,463)
Carrying amount at end of year	<u>2,222</u>	<u>16,133</u>	<u>18,355</u>
	Computer Software	Website	Total
	\$	\$	\$
<b>Year Ended 30 June 2007</b>			
Carrying amount at the start of year	9,212	-	9,212
Additions	-	10,776	10,776
Amortisation	(3,490)	-	(3,490)
Carrying amount at end of year	<u>5,722</u>	<u>10,776</u>	<u>16,498</u>

## 22. IMPAIRMENT OF ASSETS

There were no indications of impairment of property, plant and equipment and intangible assets at 30 June 2008.

The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period and at the balance sheet date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2008 have been classified as assets held for sale or written-off.

## 23. PAYABLES

Accounts payable for Goods and Services	<u>52,741</u>	<u>792,045</u>
	<u>52,741</u>	<u>792,045</u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>24. OTHER LIABILITIES</b>			
Accrued Expenses			
Board fees & expenses		7,852	4,882
Electricity		5,500	2,500
Fringe Benefits Tax		3,671	4,000
Telephone		800	800
Salaries		8,242	3,349
Superannuation		775	322
Corporate card expenses		-	1,000
Regional Development Scheme grants		1,105,233	770,113
Pacific Flora 2004		2,691	2,691
Motor vehicle lease costs		-	1,500
Customer Perception Survey		-	4,490
Landcorp		-	39,286
Water Resource Report		-	10,000
Total Accrued Expenses		<u>1,134,764</u>	<u>844,933</u>
Revenue received in advance		-	15,152
Total other current liabilities		<u>1,134,764</u>	<u>860,085</u>
<b>25. PROVISIONS</b>			
- Current			
<u>Employee benefits provision</u>			
Annual Leave	(a)	139,248	139,233
Long Service Leave	(b)	<u>87,463</u>	<u>91,091</u>
		226,711	230,324
<u>Other provisions</u>			
Employment on-costs	(c)	<u>26,072</u>	<u>5,282</u>
Total current provisions		252,783	235,606
- Non-current			
<u>Employee benefits provision</u>			
Long Service Leave	(b)	<u>70,413</u>	<u>37,145</u>
<u>Other provisions</u>			
Employment on-costs	(c)	<u>8,097</u>	<u>852</u>
Total non-current provisions		<u>78,510</u>	<u>37,997</u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$

### 25. PROVISIONS (continued)

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	100,635	79,578
More than 12 months after balance sheet date	38,613	59,655
	<u>139,248</u>	<u>139,233</u>

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	17,535	34,933
More than 12 months after balance sheet date	140,341	93,303
	<u>157,876</u>	<u>128,236</u>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employee on-costs including workers compensation insurance. The Commission considers the carrying amount of employee on-costs approximates the net fair value. The associated expense is located at Note 11 'Other expenses'.

#### Movements in Other Provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below:

#### Employment on-cost provision

Carrying amount at start of year	6,134	6,287
Additional provisions recognised	1,972	2,158
Payments/other sacrifices of economic benefits	(678)	(2,311)
Carrying amount at end of year	<u>7,428</u>	<u>6,134</u>



# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>26. AMOUNTS DUE TO THE TREASURER</b>			
- Non-Current		960,000	960,000
		<u>960,000</u>	<u>960,000</u>

A liability of \$5,000,000 relating to capital works at the Geraldton Foreshore and Marina was transferred to the Geraldton Mid West Development Authority (now the Mid West Development Commission) by the Department of Marine and Harbours on 30th June 1993. Since that time repayments totalling \$4,040,000 have been made to the Consolidated Fund thereby reducing the outstanding indebtedness to \$960,000. The loan is interest free and has no set repayment terms. Accordingly it has been carried at face value.

### 27. EQUITY

Equity represents the residual interest in the net assets of the Commission. The Government holds the equity interest in the Commission on behalf of the community. The asset revaluation reserve represents the portion of equity resulting from the revaluation of non-current assets.

#### Contributed equity

Balance at start of year		355,946	126,946
Contributions by owners - capital contribution	(i)	-	229,000
Balance at end of year		<u>355,946</u>	<u>355,946</u>

#### Reserves

##### Asset Revaluation Reserve

Balance at start of year		563,670	-
Net revaluation increments/(decrements) - land		1,118,182	563,670
Balance at end of year		<u>1,681,852</u>	<u>563,670</u>

##### Accumulated surplus/(deficit)

Balance at start of year		4,989,527	4,641,502
Result for the period		(1,659,951)	348,025
Balance at end of year		<u>3,329,576</u>	<u>4,989,527</u>

(i) Capital Contributions (appropriations) have been designated as contributions by owners in Treasurer's Instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and are credited directly to equity.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>28. NOTES TO THE CASH FLOW STATEMENT</b>			
<b>(a) Reconciliation of cash</b>			
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:			
Cash and cash equivalents		318,190	477,707
Restricted cash and cash equivalents (refer to Note 16 'Restricted cash and cash equivalents')		4,681,097	6,720,100
		<u>4,999,287</u>	<u>7,197,807</u>
<b>(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</b>			
Net cost of services		(7,657,103)	(3,802,172)
<i>Non-cash items:</i>			
Depreciation and amortisation		23,067	21,379
Net (gain)/loss on sale of plant & equipment		767	7
Resources received free of charge		-	8,786
Land revaluation decrement/(increment)		-	(100,875)
Write back of Regional Development Scheme grant accruals		(1,746)	(46,200)
Notional expense relating to superannuation liabilities assumed by the Treasurer		-	49,381
<i>(Increase)/decrease in assets:</i>			
Receivables		3,372	270,291
Exclude Receivables movements relating to:			
- Revenues from State Government		5,000	5,000
Prepayments		6,431	(6,468)
<i>Increase/(decrease) in liabilities:</i>			
Payables		(737,558)	716,817
Payables movements related to Investing Activities		7,895	(7,896)
Accrued expenses		289,831	82,014
Annual leave provision		15	11,993
Long service leave provision		29,640	(18,659)
On-costs on leave liabilities		28,035	(153)
Revenue received in advance		-	15,152
Exclude revenue received in advance movements relating to:			
- Revenues from State Government		-	(15,152)
Net GST receipts/(payments)		(207,842)	6,948
Change in GST in receivables/payables		64,583	(65,279)
<b>Net cash provided by/(used in) operating activities</b>		<u><b>(8,145,613)</b></u>	<u><b>(2,875,086)</b></u>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>29. COMMITMENTS</b>			
<b>(a) Non-cancellable operating lease commitments</b>			
Commitments for minimum lease payments are payable as follows:			
Within 1 year		18,280	22,474
Later than 1 year and not later than 5 years		11,790	17,306
Later than 5 years		-	-
		<u>30,070</u>	<u>39,780</u>
The operating lease commitment amounts represent non-cancellable motor vehicle leases with terms ranging from 26 to 30 months. Lease payments are made on a monthly basis. There are no restrictions imposed by these leasing arrangements on other financing transactions.			
<b>(b) Other expenditure commitments contracted for at the balance sheet date but not recognised as liabilities, are payable as follows:</b>			
Within 1 year		4,681,097	5,257,384
Later than 1 year and not later than 5 years		-	-
Later than 5 years		-	-
		<u>4,681,097</u>	<u>5,257,384</u>
Other expenditure commitments comprise the following:			
Geraldton Foreshore Redevelopment		2,049,311	2,220,894
Marine Services Precinct		371,700	1,500,000
Queen Elizabeth II Centre upgrade		225,000	450,000
Geraldton Universities Centre		-	34,000
Kalbarri Marine Improvements		229,000	229,000
Gascoyne Murchison Outback Pathways project		14,780	13,472
Murchison IT Adviser project		20,000	20,000
Murchison Community Development Officer Study		-	12,000
Batavia Coast Marina Redevelopment		493,789	501,836
Aboriginal Economic Development		77,135	25,418
Regional Development Scheme grants		1,179,838	232,911
Regional Education and Training		11,585	11,585
Pacific Flora 2004 - WA Regional Initiatives Scheme grant		3,091	400
Youth Forum		<u>5,868</u>	<u>5,868</u>
		<u>4,681,097</u>	<u>5,257,384</u>

These commitments are all exclusive of GST.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

	Note	2007/2008	2006/2007
		\$	\$
<b>30. REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS</b>			
<u>Remuneration on Members of the Accountable Authority</u>			
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 are:			
\$0 - \$10,000		10	9
\$10,001 - \$20,000		1	1
\$140,001 - \$150,000		-	1
\$150,001 - \$160,000		1	-
		\$	\$
The total remuneration of the members of the Accountable Authority is:		198,843	182,911

The total remuneration includes the superannuation expense incurred by the Commission in respect of members of the Accountable Authority.

No members of the Accountable Authority are members of the Pension Scheme.

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

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

### 31. REMUNERATION OF AUDITOR

Remuneration payable to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	16,500	16,100
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### 32. CONTINGENT ASSET

The Commission is currently dealing with a dispute on liquidated damages being charged in relation to development obligations at the Batavia Coast Marina. The land owner is disputing the charge and if successful may result in some or all past liquidated damages paid being refunded. Conversely, additional liquidated damages may be payable to the Commission if the land owner's claims are unfounded.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 33. SCHEDULE OF INCOME AND EXPENSES BY SERVICE

	Information & Advice		Investment Facilitation		Infrastructure & Services Development in the Mid West		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
<b>COST OF SERVICES</b>								
<b>Expenses</b>								
Employee expense benefit	426,849	455,919	349,761	322,334	384,696	323,527	1,161,306	1,101,780
Supplies and services	169,170	156,861	91,553	99,462	121,165	164,542	381,888	420,865
Depreciation and amortisation expense	7,689	7,126	7,689	7,126	7,690	7,127	23,067	21,379
Accommodation expenses	44,097	40,327	44,097	40,327	44,098	40,328	132,292	120,982
Grants and subsidies	201,333	17,000	164,833	166,950	5,769,532	2,241,911	6,135,698	2,425,861
Loss on disposal of non-current assets	256	2	256	2	255	3	767	7
Other expenses	5,356	27,991	5,356	5,347	5,356	5,392	16,068	38,730
<b>Total cost of services</b>	<b>854,750</b>	<b>705,226</b>	<b>663,545</b>	<b>641,548</b>	<b>6,332,792</b>	<b>2,782,830</b>	<b>7,851,086</b>	<b>4,129,604</b>
<b>Income</b>								
Commonwealth grants and contributions	-	-	55,705	63,345	21,013	-	76,718	63,345
Other revenue	18,801	136,273	21,753	87,844	76,711	39,970	117,265	264,087
<b>Total income other than income from State Government</b>	<b>18,801</b>	<b>136,273</b>	<b>77,458</b>	<b>151,189</b>	<b>97,724</b>	<b>39,970</b>	<b>193,983</b>	<b>327,432</b>
<b>NET COST OF SERVICES</b>	<b>835,949</b>	<b>568,953</b>	<b>586,087</b>	<b>490,359</b>	<b>6,235,068</b>	<b>2,742,860</b>	<b>7,657,103</b>	<b>3,802,172</b>
<b>INCOME FROM STATE GOVERNMENT</b>								
Service appropriation	607,000	530,000	378,000	402,000	4,467,000	2,590,000	5,452,000	3,522,000
Liabilities Assumed by the Treasurer	-	16,460	-	16,460	-	16,461	-	49,381
Resources received free of charge	-	-	10,000	8,786	-	-	10,000	8,786
State Government grants and subsidies	147,901	112,025	133,067	157,445	254,184	300,560	535,152	570,030
<b>Total income from State Government</b>	<b>754,901</b>	<b>658,485</b>	<b>521,067</b>	<b>584,691</b>	<b>4,721,184</b>	<b>2,907,021</b>	<b>5,997,152</b>	<b>4,150,197</b>
<b>SURPLUS/DEFICIT FOR THE PERIOD</b>	<b>(81,048)</b>	<b>89,532</b>	<b>(65,020)</b>	<b>94,332</b>	<b>(1,513,884)</b>	<b>164,161</b>	<b>(1,659,951)</b>	<b>348,025</b>

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 34. EXPLANATORY STATEMENT

#### (a) Significant variations between actual results for 2006/2007 and 2007/2008

Details and reasons for significant variations between actual results with corresponding items of the preceding year are shown below. Significant variations are considered to be those equal to or greater than 5% and \$20,000.

	2007/2008	2006/2007	Variance	Variance
	\$	\$	\$	%
<b>Income</b>				
Service appropriation	5,452,000	3,522,000	1,930,000	55%
Other revenue	117,265	264,087	(146,822)	-56%
Liabilities Assumed by the Treasurer	-	49,381	(49,381)	-100%
State Government grants & subsidies	535,152	570,030	(34,878)	-6%
<b>Expenses</b>				
Supplies and services	381,888	420,865	(38,977)	-9%
Grants and subsidies	6,135,698	2,425,861	3,709,837	153%
Other expenses	16,068	38,730	(22,662)	-59%

#### Service appropriation

Funding received in the Commission's 2007/08 appropriation for the Geraldton Foreshore Redevelopment project was \$1.8 million higher than that received in 2006/07.

#### Other revenue

The variance is mainly due to:

- \$101,000 for revaluation of land in 2006/07 (2007/08 nil). As the value of this land now exceeds its original cost, revaluation increments are reflected in the asset revaluation reserve (refer Notes 20 & 27 for details); and

- housing a Northern Agricultural Catchment Council position within the Commission was discontinued resulting in an \$80,000 reduction in 2007/08's income. This was partially offset by \$51,000 of income in 2007/08 from performance guarantees related to the Batavia Coast Marina Redevelopment project (2006/07 nil).

#### Liabilities Assumed by the Treasurer

This expense item relates to the Commission's current and past employees who are Gold State members of GESB. It represents the movement in the Commission's liability for their superannuation (which is held by the Treasurer). The movement is calculated by GESB and can fluctuate from each year due to multiple variables, including current salary, salary growth (which is linked to changes to the Consumer Price Index), and years of service.

#### State Government Grants and Subsidies

The \$35,000 decrease is primarily due to \$27,000 of one-off project-specific grants being received in 2006/07. Refer Note 15 for further details.

#### Supplies and Services

The variance mainly reflects normal fluctuations in expenditures on professional services. The timing and amount of such expenditures is largely driven by the specific needs of individual projects, which varies from year to year.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 34. EXPLANATORY STATEMENT (continued)

#### Grants and Subsidies

The majority of the variance relates to:

- \$4.1 million provided for the City of Geraldton-Greenough's Foreshore Redevelopment and CBD Revitalisation project (2006/07 \$1.9 million). This project's funding requirements varies from one year to the next depending on the milestones achieved and the Commission's contribution level.
- \$1.1 million paid to Geraldton Boat Lifters Limited for infrastructure required for the establishment of its heavy boat lifting facility (2006/07 nil). A further \$0.4 million is expected to be provided in 2008/09; and
- \$225,000 paid to the City of Geraldton-Greenough (CGG) for extensions to the Queen Elizabeth II centre (2006/07 nil). A further \$225,000 is expected to be provided to CGG in 2008/09.

#### Other expenses

Other expenses were higher in 2006/07 due to a \$22,644 refund to the Northern Agricultural Catchments Council of the unexpended balance of a grant.

#### **(b) Significant variances between estimated and actual results for 2007/2008**

Details and reasons for significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those equal to or greater than 5% and \$20,000.

	2007/2008 Estimates	2007/2008 Actual	Variance	Variance %
	\$	\$		%
<b>Income</b>				
Service appropriation	3,452,000	5,452,000	2,000,000	58%
State government grant and subsidies	500,000	535,152	35,152	7%
<b>Expenses</b>				
Supplies and services	876,000	381,888	(494,112)	-56%
Grants and Subsidies	2,820,000	6,135,698	3,315,698	118%
Net asset transferred out- expense	687,000	-	(687,000)	-100%

#### Service Appropriation

The Commission secured an additional \$3.3 million in its appropriation for the City of Geraldton-Greenough's Foreshore Redevelopment and CBD Revitalisation project, \$2 million of which was received in 2007/08.

#### State Government grants and subsidies

The \$35,000 variance is due to unbudgeted grant funding being secured from the Department of Industry and Resources for Aboriginal economic development initiatives.

#### Supplies and services

The reduction in expenditure largely reflects a delay in commencing a feasibility study for stage 2 of the redevelopment of the Batavia Coast Marina (\$425k) and deferral of the planned development of a Mid West Priority Plan (\$50k).

#### Grants and subsidies

The higher expense primarily reflects delayed expenditure from 2006/07 with the main variances being:

- an additional \$1.8 million to the City of Geraldton-Greenough for its Foreshore Redevelopment and CBD Revitalisation project from the project's carryover funding from 2006/07
- \$1.1 million for Geraldton Boat Lifters Limited's heavy boat lifting facility, which the budget assumed was provided in 2006/07. A further \$0.4 million is expected to be provided in 2008/09; and
- \$225,000 to the City of Geraldton-Greenough for extensions to the Queen Elizabeth II centre which the budget assumed was provided in 2006/07. A further \$225,000 is expected to be provided to CGG in 2008/09.

#### Net asset transferred out - expense

The budget assumed the Kalbarri Slipway project would be complete and the resultant asset transferred free of charge to the Department for Planning and Infrastructure. This project is yet to commence and is under review.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 35. FINANCIAL INSTRUMENTS

#### 35(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Commission are cash and cash equivalents, loans, receivables and payables. The Commission has limited exposure to financial risks. The Commission's overall risk management policy focuses on managing the risks identified below.

##### *Credit risk*

The Commission trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debtors is minimal. There are no significant concentrations of credit risk.

##### *Liquidity risk*

The Commission has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

##### *Market risk*

The Commission does not trade in foreign currency and is not materially exposed to other price risks. The Commission has no exposure to market risk for changes in interest rates as all cash and cash equivalents are non-interest bearing and it has no borrowings other than amounts due to the Treasurer which are also non-interest bearing.

#### 35(b) Categories of Financial Instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2007/2008 \$'000	2006/2007 \$'000
<b>Financial Assets</b>		
Cash and cash equivalents	318	478
Restricted cash and cash equivalents	4,681	6,720
Loans and receivables	172	171
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	2,148	2,597



# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 35. FINANCIAL INSTRUMENTS (Continued)

#### 35 (c) Financial Instrument disclosures

##### ***Credit Risk, Liquidity Risk and Interest Rate Risk Exposures***

The following table details the exposure to liquidity risk and interest rate risk as at the balance sheet date. The Commission's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to senior management of the Commission. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date. An adjustment for discounting has been made where material.

The Commission does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Commission does not hold any financial assets that had their terms renegotiated that would have otherwise resulted in them being past due or impaired.

# Financial Statements

## Notes to the Financial Statements

For Year Ended 30 June 2008

### 35. FINANCIAL INSTRUMENTS (Continued)

#### 35 (c) Financial Instrument disclosures

	Weighted average effective interest rate	Floating interest rate	Fixed interest rate maturities			Non interest bearing	Total
	%	\$'000	1 year or less	1 to 5 years	Over 5 years	\$'000	\$'000
<b>30 June 2008</b>							
<b>Assets</b>							
Cash and cash equivalents	-	-	-	-	-	318	318
Restricted cash and cash equivalents	-	-	-	-	-	4,681	4,681
Receivables	-	-	-	-	-	36	36
Amounts receivable for services	-	-	-	-	-	136	136
<b>Total financial assets</b>		-	-	-	-	5,171	5,171
<b>Liabilities</b>							
Payables	-	-	-	-	-	1,188	1,188
Amounts due to the Treasurer	-	-	-	-	-	960	960
<b>Total financial liabilities</b>		-	-	-	-	2,148	2,148
<b>Net financial assets (liabilities)</b>		-	-	-	-	3,023	3,023
<b>30 June 2007</b>							
<b>Assets</b>							
Cash and cash equivalents	-	-	-	-	-	478	478
Restricted cash and cash equivalents	-	-	-	-	-	6,720	6,720
Receivables	-	-	-	-	-	40	40
Amounts receivable for services	-	-	-	-	-	131	131
<b>Total financial assets</b>		-	-	-	-	7,369	7,369
<b>Liabilities</b>							
Payables	-	-	-	-	-	1,637	1,637
Amounts due to the Treasurer	-	-	-	-	-	960	960
<b>Total financial liabilities</b>		-	-	-	-	2,597	2,597
<b>Net financial assets (liabilities)</b>		-	-	-	-	4,772	4,772

#### **Fair Values**

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

#### **Interest rate sensitivity analysis**

Interest rate sensitivity analysis has not been performed as the Commission has no exposure to this risk.

# Statement of Compliance

## MID WEST DEVELOPMENT COMMISSION

### CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

The accompanying financial statements of the Mid West Development Commission have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

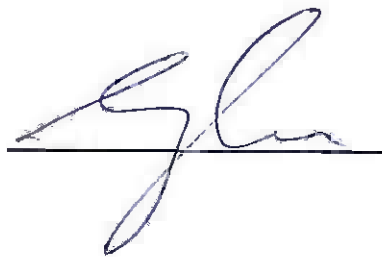
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

R PARSONS  
CHAIRPERSON



DATE 22/8/2008

S DOUGLAS  
CHIEF  
EXECUTIVE OFFICER



DATE 22/8/08

N CONDON  
CHIEF  
FINANCE OFFICER



DATE 22/8/08

# Auditor General's Opinion



## Auditor General

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### MID WEST DEVELOPMENT COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Mid West Development Commission.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

### Commission's Responsibility for the Financial Statements and Key Performance Indicators

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

### Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators 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 and key performance indicators.

# Auditor General's Opinion

## Mid West Development Commission

### Financial Statements and Key Performance Indicators for the year ended 30 June 2008

#### Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Mid West Development Commission at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Commission provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2008.



COLIN MURPHY  
AUDITOR GENERAL  
5 September 2008



Mid West Development Commission  
Government of Western Australia



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