

Great Southern Development Commission

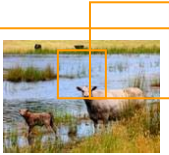
Building partnerships for regional prosperity



Annual Report

2008-2009





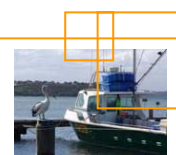
CONTACT DETAILS:

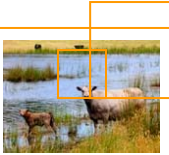
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Other Formats

This Annual Report is available in other formats on request. The GSDC encourages readers to access the Report online through the GSDC website and to use recycled paper if they print a copy. For convenience, and to minimise download times, the annual report has been presented in sections. The online Annual Report is in PDF format.





STATEMENT OF COMPLIANCE

Hon Brendon Grylls MLA

Minister for Regional Development; Lands; Minister Assisting the Minister for State Development; and Minister Assisting the Minister for Transport.

Sir

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 Great Southern Development Commission for the financial year ended 30 June 2009.

In the performance of its functions, the GSDC complies with all relevant written laws including but not limited to:

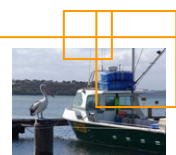
- The Regional Development Commissions Act 1993 (as amended)
- Financial Management Act 2006
- Public Service General Agreement 2008
- Public Sector Management Act 1994
- Industrial Relations Act 1979
- Minimum Conditions of Employment Act 1993
- State Supply Commission Act 1991
- State Records Act 2000
- Salaries and Allowances Act 1975
- Freedom of Information Act 1992
- Occupational Safety and Health Act 1984
- Official Corruption Commission Act 1998
- Disability Services Act 1993
- Public Disclosure Act 2003

In the financial administration of the GSDC, we have complied with the requirements of the Financial Management Act 2006 and every other relevant written law. We have exercised controls which provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

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

PETER RUNDLE
CHAIRMAN

BRUCE MANNING
CHIEF EXECUTIVE OFFICER



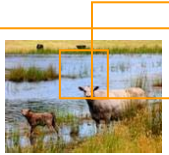
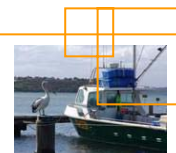
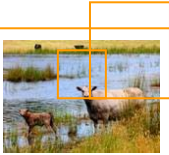


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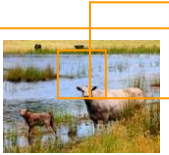
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CHAIRMAN'S FOREWORD

During 2008/09 the Great Southern Development Commission (GSDC) worked with its regional stakeholders through a period of change, challenge and emerging opportunities to further promote the economic and social development of the region.

A change of government in September 2008 brought a new Minister for Regional Development with a heightened focus on, and increased resources for, the development of regional areas. The Great Southern Regional Grant Scheme, a key component of the Royalties for Regions program, was inaugurated in early 2009. The scheme has already provided \$3.5 million for contestable grants locally, through which the Commission was able to provide support for 29 new projects across the region.

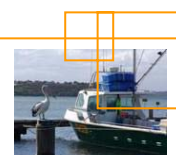
It is particularly pleasing to see the development of the Albany waterfront coming to fruition, in that the GSDC was the catalyst for the current activity by securing the first major commitment from the State Government to the project of \$12.762m in 2002/03. The marina component of the waterfront development steadily progressed during the year with the finalisation of the Stage 2 design work and tender processes. Under the management of Landcorp, the completed project will see the construction of the marina and sites developed for a hotel, short stay accommodation units and a commercial zone to the east of the jetty.

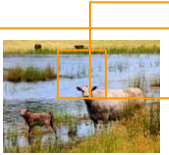
The Albany Entertainment Centre (AEC), the centrepiece of the Albany waterfront development, has moved well into the construction phase and is on track to be handed over to the City of Albany by late 2010. The GSDC played a key role in the concept planning for the AEC and administers the State's commitment of \$68.8m to the \$70m project. It is now more widely acknowledged that the AEC will be a significant piece of social and cultural infrastructure that will yield benefits for the entire Great Southern well into the future.

The GSDC was again proactive in a number of initiatives to address essential services provision in the region. This included chairing the Regional Infrastructure Group, providing resources to and driving the South East Shires Regional Power Group (SES RPG), and executive support for the South Coast Power Working Group and the Timber Industry Road Evaluation Strategy (TIRES) group.

The new government confirmed its commitment to the provision of health services in the region with the announcement of a \$135 million Albany Health Campus. Through the staged construction program, the existing hospital is scheduled to be replaced by 2013.

The GSDC is working to support industry investment in the region, which has been strong despite the economic downturn. A major milestone was the official opening of the Plantation Energy Australia (PEA) plant at the Mirambeena Timber Processing Precinct by Minister Redman in June. As the precinct's most recent start up, PEA has already signed a \$70 million supply deal for its densified biomass fuel pellets with Belgian electricity generator Electrabel. The Commission continues to work on the expansion of the Precinct which, in the long run, will encourage the establishment of other value adding facilities.





Given the region's reliance on agriculture as its main income source, the Commission welcomed the recent commitment by the Western Australian Meat Marketing Co-operative (WAMMCO) to a major investment program in its lamb processing facility at Katanning. The \$5 million capital investment in a new boning room will be completed by the end of 2009, and follows upgrades over the past few years to other parts of the plant with an estimated value of \$10 million. The Commission is also working with WAMMCO on the planning for a major water recycling project which should assist the facility in terms of its commercial and environmental sustainability. WAMMCO has estimated that the cost of implementing this substantial program will be approximately \$2.5 million.

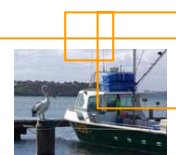
The Commission has continued to support the Shires of Katanning and Plantagenet to secure investment needed for the replacement of the region's ageing livestock saleyard facilities. An announcement on a funding model, by the State Government, is expected by the end of 2009.

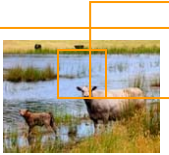
A significant investment for the region was announced in late 2008/09 with the State Government committing to a \$3 million contribution toward a new \$6m science building adjacent to the UWA Centre in Albany. This facility will assist in consolidating the presence of UWA's Rural Clinical School and the Centre of Excellence in Natural Resource Management (CENRM) in Albany. The investment includes \$1.5 million over three years through the Great Southern Regional Grants Scheme. The new facility will allow UWA to offer more Albany-based courses and will provide an additional incentive for young people to complete tertiary through to postgraduate level studies in the region.

The Commission's championing of best practice in natural resource management (NRM) continued in 2009 with the awarding of the eighth GSDC Medal for Excellence in NRM. Terry Redman MLA, the Minister for Agriculture and Food, presented this prestigious award, which comprised a sterling silver medal and \$10,000 in prize money to Susanne Dennings from the Malleefowl Preservation Group at a formal dinner.

Over the past financial year there have been many challenges faced by the timber industry in the Great Southern as a result of the global financial crisis. Two major plantation timber investment companies, TimberCorp and Great Southern Limited, have gone into receivership. The State Government has responded on a range of fronts including injecting funds into the Manjimup and Albany Small Business Centres and also establishing a working group chaired by the GSDC to monitor the local impact. The group coordinated the inclusion of an industry specific information package on the existing WA Worker Assist Helpline and the targeted distribution of relevant information to over 900 landowners across the Great Southern and South West regions. The outcome was to provide a guide to services that could assist in dealing with the effects of the changes in the plantation industry.

Tourism remains an important sector for the region's economy and it is encouraging that it has remained strong in the current economic climate. The Commission continues to work with, and assist where possible, the sector as it moves towards a sustainable future. This commitment includes providing funding for projects such as Hidden Treasures, Kodja Place marketing materials, and infrastructure improvements at both the Frankland and Denmark Caravan Parks. In addition, the Commission is developing a longer term strategy to maximise the tourism potential of the Great Southern's





maritime heritage assets. The research and investment in this strategy has been sustained through the year.

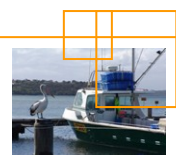
During the past twelve months, the Commission has also seen a number of changes within the agency. Mr Kim Barrow and I were appointed to replace long serving members Mrs Beverley Gilbert and Mr Raymond Baxter whose terms of office came to an end during the year. The end of the financial year also saw completion of the terms of office of the then Chairman Russell Harrison and Deputy Chairman Denis Sawers who had provided exceptional leadership to the Commission over the past six years. There have also been new staff members appointed and a restructure of staffing arrangements.

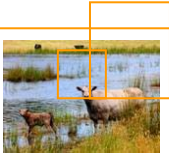
These highlights are just some of the many areas in which the GSDC has been working in 2008/09. The Annual Report provides further detail of activities undertaken. I encourage those interested in the operations of the GSDC to read this report in order to gain an understanding of the Commission and its broad reach into the region.

I would like to thank all current and former Board members, Commission staff and all regional partners for their support, enthusiasm and commitment to the careful development of our region.

I consider myself privileged to have been nominated by Minister Grylls to undertake the role of Chairman of the GSDC at this time in the region's social and economic development. I look forward to working with all regional stakeholders for the duration of my term and beyond.

**PETER RUNDLE
CHAIRMAN**





OVERVIEW OF AGENCY

EXECUTIVE SUMMARY

The Great Southern Development Commission (GSDC) operates under the *Regional Development Commissions Act 1993* and reports to the Hon Brendon Grylls MLA, Minister for Regional Development; Lands; Minister Assisting the Minister for State Development; and Minister Assisting the Minister on Transport.

The GSDC has complied with the requirements of the *Financial Management Act 2006*, the *Public Sector Management Act 1994* and all other relevant law.

The GSDC's *Strategic Directions 2006-2010* provides the road map for all of the agency's activities.

The GSDC addresses the goals and outcomes identified in the Government's *Better Planning: Better Services – A Framework for the Strategic Management of the Western Australian Public Sector* through its strategic plan as explained in *Strategic Directions 2006-2010*.

The GSDC's projects and achievements, outlined from page 14, are the activities that are guided by *Strategic Directions 2006-2010*. The relationship between selected projects and *Better Planning: Better Services* is described from page 11 of this report.

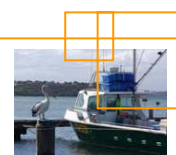
An independent survey of key performance indicators showed that 81 per cent of the GSDC's clients were very satisfied with the agency's contribution to regional development. This result is 1 per cent over the target of 80 per cent.

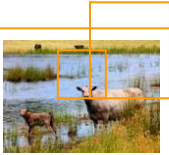
The GSDC achieved an efficiency indicator of \$37,786 per project over 42 projects.

In 2008/09, the net cost of the GSDC's services was \$329,631.

At 30 June 2009, the GSDC employed 13.6 FTE, or full-time staff equivalents (including one member of staff who was on Parental Leave), to achieve regional social and economic development outcomes for the Great Southern.

The GSDC's compliance with Government policy and law is reported in the 'Disclosures and Legal Compliance' section from page 37 of this report.





OPERATIONAL STRUCTURE

ESTABLISHMENT

The Great Southern Development Commission was established by the *Regional Development Commissions Act 1993*.

MINISTERIAL RESPONSIBILITY

The GSDC reports to the Hon Brendon Grylls MLA, Minister for Regional Development; Lands; Minister Assisting the Minister for State Development; and Minister Assisting the Minister for Transport.

PURPOSE

The purpose of the GSDC is to assist the Great Southern region in achieving its economic development potential.

ROLE

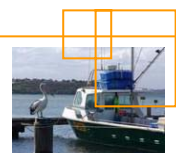
The role of the GSDC is to coordinate and promote the economic development of the Great Southern region of Western Australia.

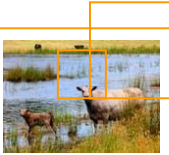
OBJECTS AND FUNCTIONS

(Based on the *Regional Development Commissions Act 1993* and amendments)

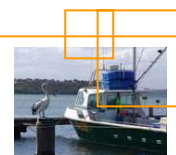
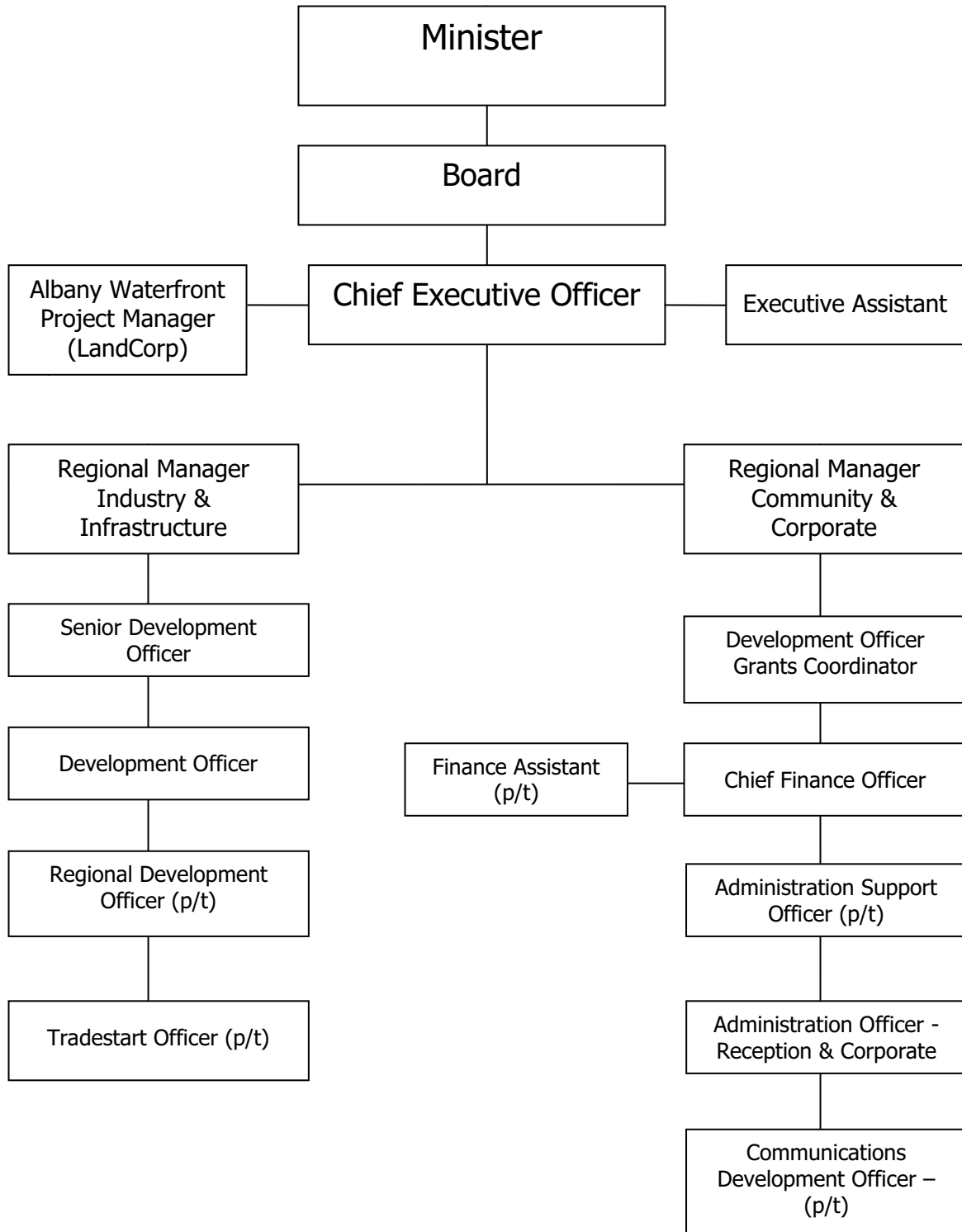
The objects and functions of the GSDC are to:

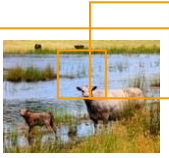
- Maximise job creation and improve career opportunities in the region;
- Develop and broaden the economic base of the region
- Identify infrastructure services to promote economic and social development within the region
- Provide information and advice to promote business development within the region
- Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area
- Generally take steps to encourage, promote, facilitate and monitor the economic development of the region.





ORGANISATION CHART As at 30 June 2009





BOARD MEMBERSHIP

At 30 June 2009, Board members by nomination categories were:

Ministerially Nominated:

Russell Harrison (Chairman)

Mr Harrison is a partner at Lincoln's Accountants, one of the largest accounting firms in regional WA. With a strong background in community service, he is currently Deputy Chair of the Board of the Albany Port Authority and acts as financial advisor to the Albany Community Hospice. Mr Harrison's Board term expired on 30 June 2009.

Denis Sawers (Deputy Chair)

Mr Sawers is the former General Manager of the Albany Plantation Export Company (APEC). Mr Sawers currently offers consultancy services as a Forestry Production Advisor. Mr Sawers' Board term also expired on 30 June 2009.

Peter Rundle

Mr Rundle is a long-term resident of the Shire of Katanning and has managed a successful farming enterprise there for 20 years. He has been a proactive leader of the Katanning Country Club, managed a major community water recycling project and sat on the Water Corporation's Customer Advisory Council. Mr Rundle's Board term expiry date is 30 June 2011.

Community Nominated:

Ian Mayo

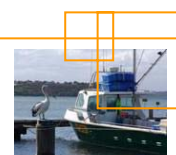
Mr Mayo is the General Manager of Plantagenet Wines. He is active in the State's wine industry and is currently a committee member of the Wine Industry Association of Australia and of the Great Southern Wine Producers' Association. Mr Mayo's Board expiry date is 30 June 2010.

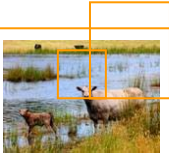
Robert Lucas

Mr Lucas manages the historic Camp Quararup recreational facility and is the proprietor of a local mussel and abalone farm. He is a member of several industry and community groups, and is the President of the Great Southern Aquaculture Association. Mr Lucas' Board term expiry date is 30 June 2010.

Kim Barrow

Mr Barrow is the current President of the Shire of Denmark and has business and farming interests in the Shire. He is also actively involved with the Denmark Chamber of Commerce and a wide range of community and volunteer organisations. Mr Barrow's Board term expiry date is 30 June 2011.





Nominated by Local Government:

Kerry Stone

Mrs Stone is Deputy President at the Shire of Gnowangerup. She has held roles on a number of Shire committees including health and building, finance, industrial relations and tourism and has a background in farm management. Mrs Stone's Board term expiry date is 30 June 2010.

Nick Burges

Mr Burges is President of the Shire of Cranbrook. He has been involved in local government, community organisations, farming and sporting activities in the Cranbrook region for many years. Mr Burges' Board term expiry date is 30 June 2011.

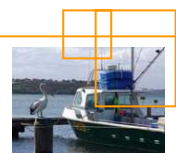
Cathy Crosby

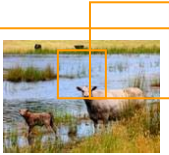
Mrs Crosby is President of the Shire of Kent. She has held roles on a number of Shire and regional committees including bushfire, roads, employment, planning, agriculture and sport. She has a background in retailing and farm management. Mrs Crosby's Board term expiry date is 30 June 2011.

By Virtue of Office:

Bruce Manning

Mr Manning is the Chief Executive Officer of the GSDC.





OPERATIONAL STAFF

At 30 June 2009, the staff members were:

Bruce Manning, Chief Executive Officer

Russell Pritchard, Regional Manager Industry & Infrastructure

Christine Grogan, Regional Manager Community & Corporate

Jon Bettink, Albany Waterfront Project Manager (Landcorp)

Rowena Carnaby, Chief Finance Officer

Duane Schouten, Senior Development Officer

Nicola Shaw*, Senior Development Officer

Alison Carpenter, Development Officer

Jessica van der Waag, Regional Development Officer

Linsey McFarlane, Development Officer

Alison Naylor, Tradestart Export Advisor

Veronica Dayman, Executive Assistant

Jennifer Dalby, Reception and Corporate Support Officer

Heidi Fischer, Administrative Support Officer

Angela Williams, Finance Assistant

** On Parental Leave at the 30 June 2009.*

During the year, resignations were accepted from the following staff:

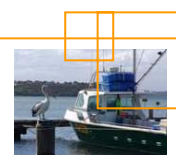
Dr Graham Townley, Manager Aboriginal Enterprise

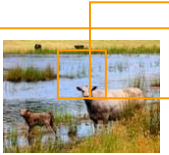
Kate McKenzie, Tradestart Export Advisor

Pene Fewson, Development Officer

Dr John Gates, Communications Development Officer

Toni Wheatcroft, Administrative Support Officer





PERFORMANCE MANAGEMENT FRAMEWORK

OUTCOME BASED MANAGEMENT FRAMEWORK

The GSDC reports its operations under one Output: Regional Development.

Vision

The sustainable development of our region's economy in harmony with our unique heritage and natural environment.

Goals

In accordance with the GSDC's *Strategic Directions 2006-2010*, the agency delivers its projects by addressing the following goals:

Regional Leadership

Support initiatives that build capacity of regional and rural communities to respond to the needs and opportunities for sustainable development

Industry Development

Support enterprise and industry development which diversifies and strengthens the regional economy

Improved Infrastructure and Essential Services

Achieve a coordinated approach to infrastructure development that facilitates business at all levels, industry and community development and improves service provision to the region

Natural Resource Management

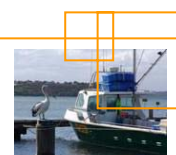
Promote and support best practice natural resource management in the region

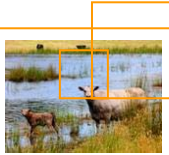
Efficient Agency Performance

Manage resources to achieve our core business of economic development with optimum efficiency

During 2008/09, the GSDC addressed its goals through the following activities:

- Supporting and developing industry projects
- Co-ordinating approaches to government on strategic issues
- Identifying and promoting investment opportunities
- Providing support for existing and potential exporters
- Accessing skilled people from overseas through the Australian Government's migration program
- Providing access to information on government programs and industry support services.





CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

There have been no changes to the outcome based management framework during 2008/09.

SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The GSDC has no shared responsibilities with other agencies but does work collaboratively with other agencies to achieve the Government's desired outcomes in the Great Southern.

REPORTING ON BETTER PLANNING: BETTER SERVICES

Better Planning: Better Services – A Framework for the Strategic Management of the Western Australian Public Sector is a concise statement of the State Government's intentions to improve the quality of life for all Western Australians.

It comprises five goal areas:

- People and Communities
- The Economy
- The Environment
- The Regions
- Governance

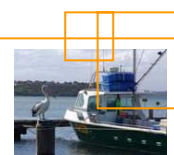
The GSDC implements the Government's *Better Planning: Better Services* policy through the agency's strategic planning document *Strategic Directions 2006-2010*. Selected GSDC activities, as they relate to this Government policy, are listed in the tables below.

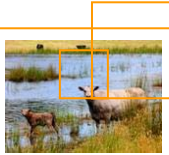
For a description of each activity and outcomes, please refer to the page of this Annual Report indicated in the second column of each table.

People and Communities

To enhance the quality of life and wellbeing of all people throughout Western Australia.

GSDC Activity	Page #
Western Australian Community Foundation	18
Southern Regions Community Leadership	18
Holiday Beach Bus	19
Migration Assistance	19
Lower Great Southern Men's Crisis Accommodation	19
UWA Perth International Arts Festival Great Southern Program 2009	22
ANZAC Peace Park	27
Brig Amity Restoration and Amity Heritage Precinct Enhancement	27





The Economy

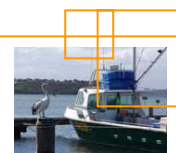
To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.

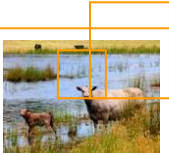
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The Environment

To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably; biological diversity is preserved and habitats protected.

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The Regions

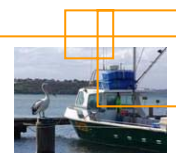
To ensure that Western Australia is strong and vibrant.

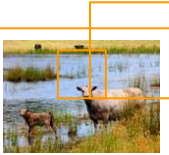
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Governance

To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.

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AGENCY PERFORMANCE

SELECTED PROJECTS BY GOAL

GOAL 1 - REGIONAL LEADERSHIP

Great Southern Regional Development Scheme

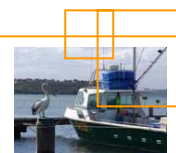
The Great Southern Regional Development Scheme (RDS) was one of five funding schemes implemented through the former State Government's Regional Investment Fund. The aim of the RDS was to provide financial assistance to a total of \$500,000 to regional projects.

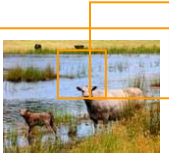
In August 2008 the GSDC received forty-six expressions of interest for proposed regional projects seeking \$1.72 million funding. Twenty-two were funded.

The primary objective of the Great Southern RDS was to improve the economic and social development of the Great Southern through projects that attract investment and increase employment.

The round eight funding allocations were:

- \$60,000 to Activ Foundation Inc towards the redevelopment of Activ's Albany Business Service;
- \$40,000 to Baptist Union of WA Inc to assist in the cost of extending the group's existing community services building;
- \$25,000 to West Coast Analytical Services to support the upgrade of its laboratory which will provide convenient access to technical services for local industry;
- \$25,000 to Perth International Arts Festival (PIAF) towards the 2009 PIAF Great Southern Program;
- \$30,000 to the Jaycees Community Foundation Inc/Whaleworld towards STARS (Southern Tourist Attraction Routes) of WA, which is a visionary marketing project embracing all tourist attractions in the five regions of WA;
- \$35,000 to Moonies Hill Energy Pty Ltd towards the erection of an 80m wind monitoring tower to validate the local wind resource at Flat Rocks in the Shire of Kojonup;
- \$20,000 to Gnowangerup Homes for the Aged Inc towards the construction costs for an additional two units;
- \$27,500 to Plantagenet Village Homes Inc to assist in stage 1 of the planning of a project to design a 20 unit, environmentally sound retirement village in Mt Barker;
- \$60,000 to the Shire of Cranbrook towards construction of a caravan park in Frankland River;
- \$20,000 to Woodgate Air Sea & Land Pty Ltd/Helivantage to assess the feasibility of expanding its Albany-based helicopter operations;





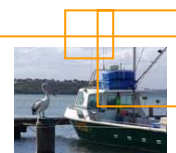
- \$30,000 to the Centre of Excellence in Natural Resource Management/UWA towards the development of new industries, products and systems based on native flora of the Great Southern;
- \$20,000 to the Princess Royal Sailing Club towards the costs of hosting the Mirror Class World Championships in 2010;
- \$8,500 to the Shire of Broomehill–Tambellup to assist in the design and business planning for the establishment of a 6 unit development for independently living seniors accommodation in Tambellup;
- \$10,000 to the Ulysses Club Inc to attract participants to the Ulysses AGM event in Albany in March 2010;
- \$10,000 to the University of Western Australia towards the development of a business plan to build on their initial success in undertaking innovative NRM research;
- \$10,000 to the Denmark Tourism Inc. & Walpole-Nornalup Tourism Association towards the development of a strategic marketing plan for the newly formed Walpole Wilderness Area;
- \$9,000 to AQ2 Limited/Aquaclear Engineering towards the further development of a water powered device to disinfect water;
- \$10,000 to Conscious Tourism towards the development of a business plan to lift the profile of the Great Southern as a tourist destination with a particular focus on 'sustainable' tourism products;
- \$15,000 to the Western Australian Agribusiness Development Centre to provide enterprise opportunities for indigenous participants;
- \$15,000 to South Coast NRM Inc towards obtaining reliable data on the role tourism plays in the region;
- \$5,000 to the Bremer Bay Community Resource & Visitors Centre to assist in the development of a strategic plan for the future of Bremer Bay;
- \$15,000 to the Pingrup Progress Association towards construction of 2 modular style units to provide itinerant workers and their families' accommodation.

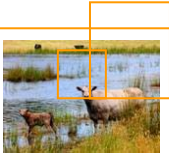
Great Southern Regional Grants Scheme

The Great Southern Regional Grants Scheme (RGS) is one component of the new State Government's Royalties for Regions initiative, through which \$3.5 million was available for contestable grants during 2008/09.

The Regional Grants Scheme objectives are to:

1. Increase capacity for local strategic planning and decision-making;
2. Retain and build the benefits of regional communities;
3. Promote relevant and accessible local services;
4. Assist communities to plan for a sustainable economic and social future;



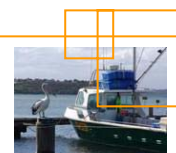


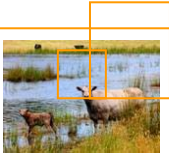
5. Enable communities to expand social and economic opportunities; and
6. Assist regional communities to prosper through increased employment opportunities, business and industry development opportunities, and improved local services.

In March 2009 the GSDC received 86 applications seeking a total of \$16.5 million in grant funding. Twenty-nine were funded.

The round one funding allocations were:

- Albany and Regional Volunteer Service, \$7,900 towards the Visiting Volunteers Program;
- Albany Heritage Reference Group Aboriginal Corporation, \$100,000 towards the development and implementation of the Oyster Harbour Fish Traps project;
- Bibbulmun Track Foundation, \$16,100, towards the Bibbulmun Track Realignment on the Nullaki Peninsula;
- Bornholm Volunteer Bush Fire Brigade, \$6,400 towards Fire Station Improvements;
- Braeside Primary School P & C Association, up to \$46,900 towards the creation of outdoor shaded areas;
- Creative Albany Inc, \$10,000 towards the Albany Music Documentary project;
- Denmark Rivermouth Caravan Park, \$107,100, towards the Denmark River Caravan Park Power Supply and Headworks;
- Denmark Shire Council, \$145,000, towards the creation of the Denmark Community Park;
- Fitzgerald Biosphere Group, \$63,600, towards the development of Point Henry Drive Trail at Bremer Bay;
- Frankland River Wine Makers & Grape Growers Assoc, \$20,000, towards the development of Frankland River Wine Trail;
- Jerramungup Sports Club Inc, \$145,000, towards improving facilities in the Jerramungup Combined Sporting Clubs Precinct;
- Katanning Regional Business Association, \$60,000, towards the installation of CCTV;
- King River Recreational Club, \$38,000, towards the creation of a King River Sensory Playground;
- Munda Biddi Trail Foundation, a total of \$1.5 million over three years (\$500,000 per year), towards the construction & promotion of the extension of the Munda Biddi Trail from Nannup to Albany;
- Princess Royal Sailing Club, \$80,000, towards the improvement of Club facilities for the 2011 Mirror World Championships;
- Shire of Cranbrook, \$250,000, towards the creation of Currie St Unit Mixed Use Accommodation Complex;
- Shire of Gnowangerup, \$120,000, towards the upgrade of the Gnowangerup Medical Centre;





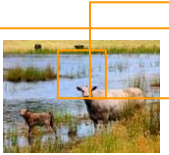
- Shire of Gnowangerup, \$11,500, towards the preparation of updated marketing materials for Hidden Treasures 2020;
- Shire of Jerramungup, \$200,000, towards the construction of Medical Practitioners' Accommodation for the Shire of Jerramungup;
- Shire of Katanning, \$50,000 towards the construction and fit out of Katanning Sports Shelter;
- Shire of Katanning, \$50,000, towards the Katanning Aged Housing Feasibility Study & Design project;
- T.A.S.T.E. Pty Ltd, \$25,000 towards the creation of new down-stream industries for French Black Truffles;
- The Baptist Union of WA Inc, \$140,000, towards the extension of the Mt Barker Community Centre;
- The Jaycees Community Foundation, \$380,000, towards the Floracopia component of the Albany Biodiversity Park;
- The School Volunteer Program Incorporated, \$50,000, towards the Mentors Making a Difference in Schools project;
- University of Western Australia, a total of \$1.5 million over three years (\$500,000 per year) towards the construction and fit out of the UWA Albany Sciences Building;
- Walpole and Districts Seniors Accommodation, \$160,000 towards the creation of the Jarrah Glen Lifestyle Village;
- Walpole Community Resource Telecentre Inc \$72,500, towards the TeleCENTRAL Building Extension; and
- Woodanilling Sport & Recreation Association, \$145,000, towards the Woodanilling Recreation Precinct Upgrade.

Great Southern Regional Marketing Association

In 2008/09 the GSDC financially supported the Great Southern Regional Marketing Association (GSRMA) in its central role of further developing a brand image for a range of regional products. These products are traditionally drawn from the region's agricultural base and involve the cross marketing of food, wine, and tourism. The activities of the group, which has received State Government funding through the Commission from 2001, have been instrumental in giving individual companies or organisations access to means of promotion that would not otherwise have been possible.

GSRMA's key activities have recently included the promotion of the *Great Southern Naturally* brand, the *Taste Great Southern* festival and the *Great Southern Food and Wine Touring Guide*. The group also co-ordinated a regional presence at a range of events and at trade and consumer shows and has organised media familiarisation visits to the region, press coverage for members and has maintained a website. *Taste Great Southern* presented 28 events in eight towns across the region and the GSRMA produced 40,000 copies of the *Great Southern Food and Wine Guide*.





In late 2008 the GSRMA and the Great Southern Wine Producers Association thoroughly explored the options for amalgamation. The two organisations were not able to progress the opportunity and the GSRMA Board subsequently made the decision to wind up the association. While this was an unfortunate development for the region, the GSDC is confident that the group's key initiatives will be progressed under a different industry driven structure in 2009/10.

Western Australian Community Foundation

In collaboration with the Western Australian Community Foundation (WACF), the GSDC has established a Challenge Grant program to initiate philanthropy in the Great Southern. The program works by challenging community groups or organisations to raise matching funds. In 2008/09 the project resulted in the distribution of \$10,000 to the South Coast Natural Resource Management (SCNRM).

The SCNRM will start a scholarship program to foster research associated with the sustainable management of the region's natural resources. Scholarships will be offered in each of four categories - Aboriginal, Young Producer, Sustainable Trades and Local Government.

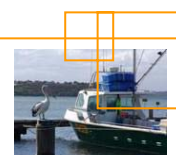
The WACF initiative plays an important role in assisting regional organisations and communities to realise their own vision for the future through long term projects. Through the GSDC's management of the program, the regional framework for philanthropic giving has been enhanced and additional capacity to attract resources to rural communities has been established.

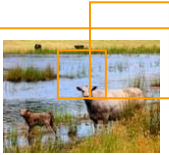
Southern Regions Community Leadership

The GSDC has continued its involvement with the Southern Regions Community Leadership Group Inc which is supported by the Great Southern, Peel and South West Development Commissions. This group undertakes a number of initiatives under the Southern Regions Community Leadership Strategy including an annual Leadership Forum and Community Leadership Awards. During 2008/09 the group initiated an additional strategy with the introduction of a Regional Leadership Training Program for community groups which was delivered by the Western Australian Council of Social Services. Through this program 19 community group training workshops were delivered, of which five were held in the Great Southern towns of Tambellup, Gnowangerup, Katanning, Nyabing and Jerramungup during 2008/09. The workshops focused on management and leadership skills, governance, sponsorship and fundraising strategy skills.

Lower Great Southern Strategy Technical Advisory Group

The Lower Great Southern Strategy was released in June 2007 to guide regional land use and infrastructure planning and development for the next 20 to 30 years. The focus is on matters of regional significance. To implement the strategy's recommendations,





the Department for Planning and Infrastructure convened the Lower Great Southern Technical Advisory Group of which GSDC was a member in 2008/09.

Holiday Beach Bus

2008/09 was the eighth successive year of the Holiday Beach Bus project, a summer service for teenagers from the inland districts of the region. The GSDC again provided core funding and managed the initiative, with a significant cash contribution from five local governments. The project operated at a rate of two trips a week during the month of January 2009 and was again consistently supported by its 128 teenage participants and by some parents.

The service was varied slightly this year, in that young people from the Wagin district were involved and the Shire of Kojonup was invited to participate. While the main destination of Middleton Beach continued to prove popular, groups were also given the option of visiting the Albany BMX track. Shire participation in planning, promotion and support is expected to expand further in future years.

Migration Assistance

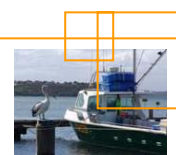
The GSDC has continued to work closely with regional employers and the Department of Immigration and Citizenship (DIAC) to facilitate the granting of visas under the skilled sponsorship program. As a Regional Certifying Body, the Commission worked with regional employers to coordinate sponsorships and nominations for the Regional Sponsored Migration Scheme, the Regional 457 temporary business entrant, and the Occupational Trainee visa subclasses.

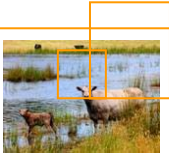
In 2008/09 the GSDC certified an average of four permanent and temporary skilled visa nominations per month, although this number is expected to decrease in following years in response to changes introduced by the DIAC to visa eligibility requirements and an expected downturn in the demand for labour.

The GSDC's management of its certifying role also includes responding to approximately thirty requests for information per month. These requests have traditionally come from regional employers, potential skilled independent migrants located overseas and those who are already in Australia on visitor, temporary or working holiday visas. The GSDC acts as a regional point of contact for the State Government's Skilled Migration Centre.

Lower Great Southern Men's Crisis Accommodation

The GSDC has worked closely with representatives from the Department of Health, the Department of Housing, the Men's Resource Centre, Young House, Regional Counselling and Mentoring Services, Southern Aboriginal Corporation and the Great Southern Community Housing Association to explore the issue of men's homelessness with a particular focus on the availability of crisis accommodation in the Lower Great Southern.





During 2008/09 the GSDC, in conjunction with the Department of Health, funded a feasibility study which demonstrated there was a level of unmet need for crisis accommodation for men in the lower areas of region.

In June 2009 the Department of Housing committed to allocating the project a 4 bedroom house and the Working Group is now seeking to engage qualified, not-for-profit organisations in the development of a preferred crisis accommodation centre model. This development will include access to other support services.

GOAL 2 - INDUSTRY DEVELOPMENT

Investment Attraction

A key GSDC activity involves marketing the Great Southern to potential investors and to those seeking to relocate to the region. During 2008/09, the GSDC provided regional information to these client groups in order to assist them in making informed investment decisions. The information is often used by the companies concerned in scoping and feasibility studies and for developing other business planning tools.

The GSDC's investment clients during the period included proponents in steel manufacturing, power generation, aquaculture and agricultural processing. The GSDC also liaised with Perth-based businesses from various industry sectors which were looking to expand operations to the Great Southern.

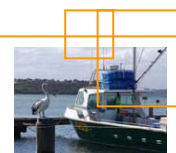
Major Projects Register

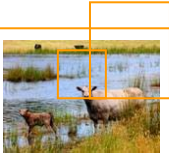
In 2008/09, the GSDC continued to maintain a major projects register in order to provide regular updates on significant industry, infrastructure and construction-related initiatives that were being undertaken in the region. The aim of the register is to inform interested parties and the community of the status of major projects and to maximise local and regional business and employment involvement.

These new developments are listed on the GSDC's website and publicised through the *GSDC Bulletin*. Highlights for the year included the opening of Albany Peace Park and the start of production at Plantation Energy's Biomass Fuel Pellet Plant. Ongoing construction ventures include the Albany Waterfront project, and the Albany Entertainment Centre; the redevelopment of the Albany Hospital, a number of important Water Corporation extensions of infrastructure and Main Roads WA's ongoing program.

Building Innovation and Sustainability Working Group

In 2008/09 the GSDC convened and chaired a working group to facilitate and demonstrate residential building innovation and affordability in the Great Southern. The Building Innovation and Sustainability Working Group (BISWG) was made up of representatives from the GSDC, the building industry, the University of Western





Australia (UWA) Architecture Department and the Great Southern Area Consultative Committee.

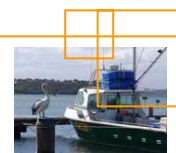
The BISWG has set the initial target of developing a demonstration house that will highlight affordability through the use of innovative design and materials. While it will be constructed in Albany, the display house has the potential to set design standards within the wider region and beyond. The Department of Housing has agreed to provide a block for the demonstration house and UWA has run a special course involving a group of fifth year architecture students in the development of a range of house designs. Construction of the display house is scheduled for 2009/10.

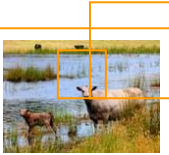
Tourism Industry Development and Promotion

In 2008/09 the GSDC continued to work in partnership with agencies, local government, individual operators and consultants to further develop the Great Southern's tourism sector. The Commission's focus was on the joint funding of marketing, product development and the research associated with future private and public sector investment in regional assets.

Some examples of regional projects and activities that have been directly supported by GSDC managed grant funding:

- Events that were held in the region included the Perth International Arts Festival Great Southern program; Frankland River Music Festival; Taste Great Southern; Great Southern Wine and Food Festival; Great Southern Adventure Race; Festival of the Sea; Bibbulmun Track 10-Year Celebration; and the Albany Classic Motor Event.
- Integrated marketing events which attracted support included the promotion of the Walpole Wilderness Area, the coordination of the Great Southern Regional Marketing Network, the STARS of WA (Southern Tourist Attraction Routes), the planning of the national Ulysses Club AGM and the Festival of the Sea which was held at the Albany Boat Shed over Easter 2009. There was also collaboration with the Great Southern Regional Marketing Association and the Great Southern Wine Producers Association in the development of regional wine and food trails and events.
- The Hidden Treasures of the Great Southern group was able to leverage a Regional Development Scheme grant to fund an integrated marketing initiative, part of which was a "Toolkit" which will assist participating rural communities to organise themed group tours on a sustainable basis. The group has also been successful, with GSDC support, in the planning and development of drive trails and signage.
- South Coast NRM and Conscious Tourism commenced a medium term project to develop sustainable tourism indicators, business planning, strategic marketing plans and a web platform that will increase the profile of the Great Southern as a sustainable tourist destination.
- The Commission has partnered the Heritage Council in the research of the region's maritime heritage assets, which will be incorporated in a strategic planning document for the South Coast from Chatham Island to Bremer Bay. The intention is





to identify and research assets for conservation purposes, community enjoyment and the building of cultural tourism products.

- The GSDC continued to provide project officer support for community organisations that were engaged in strategic business and marketing planning.

UWA Perth International Arts Festival Great Southern Program 2009

The GSDC has been the main sponsor of the Perth International Arts Festival (PIAF) Great Southern regional program since the inaugural event in 2003 and has signed a Memorandum of Understanding with PIAF to support the Great Southern festival into 2011.

The Festival gives the regional community the chance to experience a wide range of world class entertainment previously not offered in regional areas, provides professional development opportunities for local artists and performers, and encourages tourism visitation to the region over the Festival period.

The PIAF Great Southern Program 2009, held from February 10 to March 15 2009, was another outstanding success and for the second year in a row the entire program was sold out with a total audience of approximately 13,000 people. This was more than double the number who attended the first program in 2003. The program featured a diverse range of attractions including instrument making workshops, theatre, film, jazz, world music, chamber music, literature, comedy, visual arts, and culinary and community events.

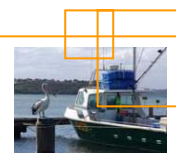
The GSDC contributed \$25,000 to the PIAF Great Southern Program through the Regional Development Scheme. Other funding partners included the City of Albany, Albany Chamber of Commerce and Industry, the Water Corporation, the Albany Western Australian Museum and the State Government.

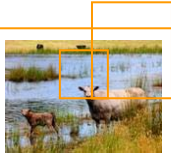
In addition to the main sponsorship the GSDC supported two regional components of the PIAF Great Southern Program, namely Café Shakespeare that was produced by Southern Edge Arts and Papparazzi produced by NewArts, both of which received \$2,500.

In 2009 the GSDC also supported the promotion of the PIAF Great Southern Program in Perth by funding a \$7,800 promotional campaign that included a feature article in the West Australian magazine and by organising a competition offering free accommodation in Albany and festival tickets for the Great Southern Program. The competition generated almost 1000 entries from Perth, Mandurah and Bunbury and in doing so raised the profile of the Great Southern Program.

TradeStart

The GSDC's TradeStart partnership with Austrade is an initiative to assist small and medium-sized businesses to develop skills and knowledge about exporting. It is part of a national network of export assistance offices, partnerships between Austrade and a





range of local private and public sector organisations. The Export Advisor employed by the GSDC is trained by Austrade to meet the needs of exporters and potential exporters and is able to provide up to date advice on matters of international trade.

In 2008/09, intensive coaching work was focused on companies that are new to exporting and on assisting established exporters to expand into new markets. These activities were supported by workshops on E-business and by the Export Market Development Grant program. Organised and hosted buyer visits to the region continue to be a key component of this exporter support. In May 2009, the TradeStart Export Advisor travelled to China to conduct meetings and attend events on behalf of Great Southern producers. The industry sectors represented included wine, food, tourism and agriculture. During this period, the Tradestart Officer was advised that in 2009/10 the task will also include the identification of inward investment opportunities.

Breaksea Island Heritage Restoration

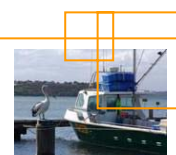
The Breaksea Island Heritage Restoration project is a component of the GSDC's maritime heritage tourism development strategy. The multi-staged project aims to fully restore the Breaksea Island lighthouse and heritage precinct and develop it as a conservation, community education and eco-tourism asset. The Albany Maritime Foundation was granted money through the Regional Development Scheme to complete emergency restoration work and to develop a heritage conservation plan. The heritage conservation plan is being finalised and will be signed off by the Department of Environment and Conservation in the near future.

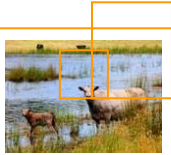
The Breaksea Island lighthouse and associated buildings are now on both the State and National Registers of Heritage Places and are considered 'rare' as a complex of structures. The project is following a staged work plan which was progressed in 2008/09 with the completion of extensive repairs to the roofing of the two lighthouse keepers' cottages which has stabilised these buildings. Stage two will involve the restoration of the heritage assets as defined by the conservation plan.

Kodja Place

In 2008/09 the focus for the Kojonup Tourism Association (KTA), the organisation that has been charged with managing the interpretive and tourism facility, was on finalising the improvement of its signage and implementing other aspects of its marketing plan. This included the development of tourism product information, including a map of the Kojonup district. The GSDC was able to support the KTA in this project through a Regional Development Scheme grant.

The Commission has been advised that in the period since the installation, the signage and banners have improved the visual aspects to the extent that there has been a marked increase in visitor numbers. The continued enhancement of this regional tourism product was a key factor in Kojonup winning the GWN Top Tourism Town Award 2008 (for populations under 2,500).





Yongergnow Malleefowl Centre

In its second full year of operation the Yongergnow Malleefowl Centre continued to develop its unique tourism product which combines the story of the malleefowl in the Western Australian landscape and a powerful conservation message to do with land use. The Centre's strategic location, in close proximity to the Stirling Range and Fitzgerald River National Parks and in a district which still contains significant numbers of malleefowl in the wild has been a factor in its steady development.

In 2008/09 the Centre received \$30,000 through the Regional Development Scheme to further develop its marketing strategy. The grant has allowed the group to complete the placement of strategic signage, promote its corporate sponsorship options and undertake a series of coordinated events to lift the profile of the Centre. The GSDC will continue to work with the organisation as it further develops its tourism product.

Western Australian Agribusiness Development Centre (WAADC) – Timbercrete Project

In 2008/09, with support from the GSDC and the Southern Aboriginal Corporation, the WAADC completed the business planning to support the Timbercrete operational model. This included an MoU between the project partners, the participant training schedules and Timbercrete block production estimates. A key outcome of the building training for the Community Development Employment Program (CDEP) team was the construction of a display area at the Tambellup agribusiness incubator.

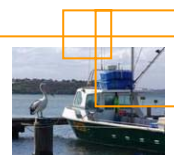
Funding support from the GSDC, through the Regional Development Scheme, has allowed the Centre to purchase capital equipment, including a forklift and two computers. This has increased production capacity at a time when the sales of blocks and pavers have increased through orders from two of the region's local governments.

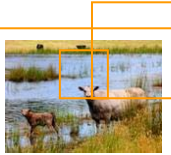
In 2009/10 the project, which has attracted core funding from State and Commonwealth programs, should offer a steady transition to independent paid employment for the CDEP team and an ongoing tenant for the WAADC.

Mungart Boodja Art Centre Inc

The Mungart Boodja Art Centre had a very positive year in 2008/09 through its continued role as a training and resource centre for Indigenous artists. While the Centre was established by the GSDC, and has received a significant level program funding and officer support, it has operated as an independent agency for several years.

In late 2008, the Centre received funding for an Indigenous Women's Art program and was able to present at the Regional Arts Australia National Conference in Alice Springs. Funding from the Australia Council also enabled Centre artists to produce a new body of work that will be displayed at the Brisbane Powerhouse in late 2009. A further grant from the Department of Culture and the Arts will allow local artist, Erica Izette, to facilitate workshops and run a professional development program during 2009/10.





A highlight of 2008/09, was the opportunity to host students from Colgate University (USA) who visited the region as part of an Indigenous art study tour. Students were introduced to the Noongar community in Katanning and had the opportunity to paint at the Centre with local artists. Noongar Boodja, an internationally acclaimed exhibit which was in the USA, was returned to Western Australia during the visit.

All of these outcomes are working towards lifting the profile of the Centre and its artists, and will give it more capacity to support Noongar artists into the future.

Indigenous Economic Development

In 2008/09 the GSDC supported Indigenous clients and community organisations across the region in the development of employment and start up business opportunities. This was achieved through project support, mentoring and by referrals to other Government and non-Government service providers. A key activity during the period was the support given to industry-driven Indigenous employment and training strategies.

Specific projects which were supported through GSDC grant funding or by cooperation with other agencies included:

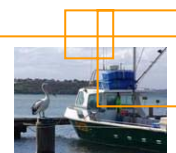
- The planning associated with the future establishment of an Indigenous Apprenticeship House for the lower Great Southern;
- Scoping work on tourism products that involve Indigenous cultural heritage. One example of this was the Oyster Harbour Fish Traps;
- Great Southern Football Academy (Clontarf Foundation) at the North Albany Senior High School and at Katanning which will commence in 2009/10;
- The business planning, with the Shire and the Gnowangerup Aboriginal Corporation, of a tree nursery to complement the recently completed Heritage Centre.
- Indigenous Labour Survey to investigate Indigenous employment and training opportunities in the region's building construction industry;
- Referral of Aboriginal small business proponents to the designated development agency.

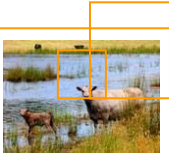
GOAL 3 - IMPROVE INFRASTRUCTURE

Infrastructure Working Groups

In 2008/09 the GSDC and the Department of Industry and Resources worked closely on the planning associated with the State Government's capital infrastructure investment in the Mirambeena Timber Processing Precinct near Albany. It is projected that this strategic investment, particularly in the area of transport infrastructure, will facilitate the establishment of more value adding projects within the precinct.

As part of the GSDC's planning for future resources industry investment, the Commission continued to chair the Southdown Magnetite Mine Working Group. This





committee will continue to provide assistance to Grange Resources as it works through the planning and approvals processes relating to the establishment of its \$1 billion magnetite mine at Wellstead, east of Albany. The development will include mine site processing and the delivery, through a slurry pipeline, of magnetite ore to the Port of Albany.

The GSDC also chaired the Regional Infrastructure Group, which comprises those agencies most closely involved in providing infrastructure services. The aim of this working group is to improve the level of communication between the key agencies, to ensure a uniform understanding of infrastructure issues and to develop a unified approach in addressing investment and planning issues.

Energy Infrastructure

During 2008/09 the GSDC continued to chair the South East Shires Regional Power Group (SESRPG) and to develop options concerning the subregion's long standing power supply issues. A focus of the stakeholder group during the period was the possibility of the power supply being improved as a result of the Southdown mining project proceeding in the medium term. The group has also worked on some scenarios where the network upgrade could proceed without a major catalyst like the Southdown mine. Such a development was seen as unlikely because of the difficulty of a making a business case for such an investment under the current policy.

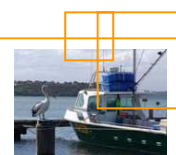
The GSDC was also represented on the South Coast Power Working Group. The group, which was convened by Western Power, will continue to work with stakeholders in the Denmark and Walpole districts on demand side management and embedded generation approaches. These are emerging as the best medium term options for extending the capacity of the local power supply network.

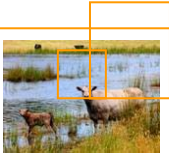
Albany Waterfront Development

The Albany Waterfront Development is a partnership between the City of Albany, the GSDC, the Department of Transport (formerly known as Department of Planning and Infrastructure) and LandCorp. LandCorp is the overall manager of the project which will include a mix of commercial buildings, tourist accommodation and a multipurpose marina.

Following the completion of Stage 1 works in the previous year the focus of activity during 2008/09 was on finalising the design of Stage 2 (including earthworks for the hotel and short stay accommodation sites, the marina and the breakwater) and on gaining the associated environmental approvals. The realignment of Princess Royal Drive was also completed during 2008/09.

By the end of the financial year LandCorp had commenced the tendering process for Stage 2 construction works and was close to awarding the contracts. The construction work is expected to be completed in late 2010, with boat pens in the marina scheduled to be available in 2011.





Albany Entertainment Centre

The Albany Entertainment Centre (AEC) is located within the Albany Waterfront project, and will include a 620 seat auditorium, rehearsal space, café, convention/corporate function space and an observation platform.

The concept and detailed design for the AEC was undertaken by the project architects Cox, Howlett & Bailey Woodland and, after extensive consultation, these drawings were accepted by the project partners. The GSDC has management responsibility for the project budget and is a member of the AEC Project Control Group, along with the City of Albany and Building Management and Works, which is the project manager.

In July 2008 the AEC construction contract was awarded to Doric Constructions and work on the project commenced immediately. By the end of 2008/09 all the ground works had been completed and work had started on forming the concrete for the fly tower. The AEC is expected to be ready to hand over to the City of Albany by the end of 2010.

ANZAC Peace Park

The Anzac Peace Park has now taken shape at the western end of the Albany Waterfront and was ready in time to host the 2009 Anzac Day service.

The City of Albany has planned the staged development to be the centrepiece of the 100 year commemoration of the 1914 departure of Australian and New Zealand troops to the Gallipoli campaign.

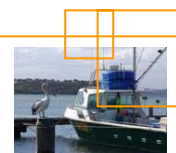
A Regional Development Scheme grant assisted the planning stage for the Peace Park, while the majority of the funding was provided by the City of Albany, Lotterywest and the State Government under a 2005 election commitment.

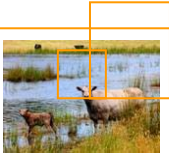
The Anzac Peace Park Concept Plan was prepared by Syrinx Environmental and has been integrated into the adjoining waterfront development being managed by Landcorp.

In the next twelve months the park will be further enhanced with the construction of a Pier of Remembrance and a Memorial Wall as well as with further landscaping, seating, lighting and signage.

Brig Amity Restoration and the Amity Heritage Precinct Enhancement

2008/09 saw the completion of the restoration and interpretation works associated with this important heritage and tourism asset. The Heritage Precinct, which is continuing to be developed, comprises the Brig Amity and the immediate surrounding area. The City of Albany has allocated significant resources to the project which was completed through a staged approach that was defined by an integrated Masterplan. The GSDC was an active funding partner in the project in which State Government funds, including a Regional Development Scheme grant, were allocated to the initiative.





The development of the Masterplan was the key element that enabled the City to secure additional funding from the Commonwealth's Australian Tourism Development Program and from Lotterywest.

Katanning Saleyard Redevelopment

The Katanning complex is the State's largest regional sheep saleyard facility and a key piece of capital infrastructure for producers and for the stock selling sector. Given the strategic importance of the saleyards, the GSDC has consistently partnered the Shire of Katanning, for over five years, in the conceptualisation and financial planning associated with the development of a new selling complex. The 2007 State Saleyard Strategy identified the redevelopment of Katanning as a key infrastructure priority for the industry and some sound progress has been made on the planning for a new saleyards complex.

While the redevelopment at Katanning would generate a range of economic benefits, the estimated cost of \$17.5 million would, under the current business model, also place a massive cost on the Shire. In order to address this structural problem, the State Government proposes to work through the Western Australian Meat Industry Authority (WAMIA) as the future owner/operator of the new facility. A decision on the preferred development model and schedule for construction is expected to be announced in 2009/10.

Timber Industry Road Evaluation Strategy

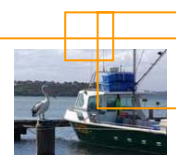
The Timber Industry Road Evaluation Strategy (TIRES) group continued its work to secure funding that will ensure the regional road system is adequate for the timber transport task. The GSDC has provided executive support to TIRES and, with Main Roads Western Australia, has also coordinated the planning process.

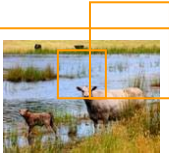
During 2008/09 GSDC provided the resources to allow TIRES to update its five year regional transport plan which will be used to prioritize timber road expenditure.

Community Resource Centres

During 2008/09 the GSDC worked with regional local governments and community groups in the planning for the establishment of two new community resource centres. The Gnowangerup facility is to be developed by the Shire and has attracted grant funding from a range of State Government programs, including the Regional Development Scheme (RDS). The Mount Barker Community Centre has been driven by the Baptist Union of WA in partnership with the Shire of Plantagenet. As with previous resource centre developments, the GSDC has allocated some funds through the RDS and has worked with the proponents in developing proposals to other State and Commonwealth programs.

The Shire of Jerramungup completed the acquittals associated with its community resource centre during the year. The project, which was developed over several years,





has been recognised as a key community asset, which collocates a range of services including the Department of Agriculture and Food.

The GSDC will continue to assist other local governments and community groups in the development of community resource centres. The Commission is also working closely with the region's Telecentres in order to expand those agencies' scope of operations and services.

Gnowangerup Heritage Centre

The Gnowangerup Aboriginal Corporation (GAC) Cultural Heritage Centre is a five year project which, upon completion, will showcase Noongar heritage and significant aspects of the town's history as part of an integrated cultural precinct. It is also planned that the Heritage Centre will include a native tree farm nursery and bush products enterprise.

During 2008/09 the focus of GSDC's activity has been on helping to secure funding for the third and final stage of the project which will upgrade the community centre's administration building, improve the training facilities and fit out the Heritage Centre.

In support of stage three, the Department of Culture and the Arts has awarded the project \$49,000 and Lotterywest has provided \$110,000.

GOAL 4 - NATURAL RESOURCE MANAGEMENT

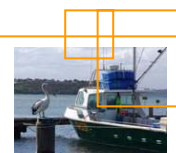
Centre of Excellence in Natural Resource Management (CENRM)

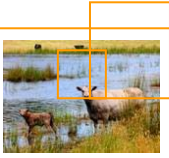
The CENRM was an initiative of the GSDC that is structured as a cooperative partnership with those agencies that have a vested interest in natural resource management and it operates under the academic umbrella of the University of Western Australia.

Since its inception, the centre has been particularly successful in attracting research funding for a wide range of regional, national and international projects. These have included the AusAID-funded Australian Water Research Facility. Funds from both the South Coast NRM and the South West Catchment Council support a range of regional projects that are addressing biophysical and social issues. Through the Regional Development Scheme CENRM has, in the recent period, secured \$30,000 for the development of new industries, products and systems based on the native flora of the Great Southern

In 2008/09 CENRM employed the equivalent of thirteen full-time and nineteen part-time teaching and administrative staff. The centre produced forty-three publications and reports that have been applied to the development and management of sustainability in the broader community.

The first students enrolled in the Bachelor of Science in Restoration Ecology graduated in 2008 and all continued with Honours in 2009. Seven students are currently enrolled in the PHD program. The centre has also taken over the coordination of the School of





Earth and Environment's post graduate courses. The CENRM has maintained a high standard of teaching and research and has the continued support of the community and the GSDC.

In late 2008/09 the University of Western Australia secured \$1.5 funding through the Great Southern Regional Grants Scheme towards the construction and fit out of a new science building. With other State and Commonwealth Government funding commitments to the project, CENRM will have a permanent presence in the Great Southern.

The GSDC Medal for Excellence in Natural Resource Management

The GSDC Medal for Excellence in Natural Resource Management celebrated its eighth year in 2009 and attracted an exceptional field of candidates for the award. The Medal gives public recognition and a financial reward for outstanding individual achievement and innovation in natural resource management by people working in the Great Southern.

In June 2009, Susanne Dennings from the Malleefowl Preservation Group was presented the sterling silver medal and the \$10,000 prize by Terry Redman MLA, the Minister for Agriculture and Food. For the first time there were three (rather than just two) runner ups all of whom were very strong contenders. Dr Geoff Woodall, Rob and Jennifer Warburton and Bill and Liz Hollingworth each received \$1,000 in prize money.

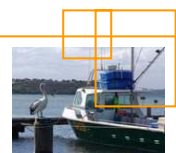
South Coast Natural Resource Management Inc.

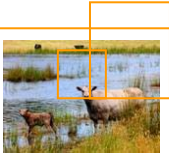
South Coast Natural Resource Management Inc (South Coast NRM) is the peak group in natural resource management for a significant part of the State's southern coastal and adjoining inland region. The organisation has a commitment to sustainable long-term management of the natural environment in an area that includes significant parts of the Great Southern, South West and Goldfields-Esperance Development Commission regions. The organisation continues to have the community, industry and government support necessary to coordinate the planning, funding and delivery of integrated natural resource management over a wide range of environments.

The GSDC is represented on the South Coast NRM Advisory Committee and the Regional Strategy Subcommittee and has worked closely with the organisation on the coordination of State and Commonwealth Government funding.

In 2008/09, South Coast NRM regional delivery organisations achieved many successful outcomes including:

- Support to implement the Phytophthora Dieback Strategy;
- Managing invasive species;
- Restoring connections between Noongar people and land in the South West;
- Marine Geographic Information Systems and Resource Compilation.





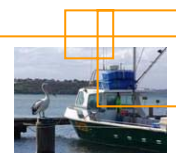
Sandalwood Investment

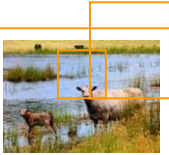
As a member of the Sandalwood Investment Steering Group, the GSDC has promoted the participation of stakeholders and investment groups in the sandalwood industry. The Steering Group is made up of CENRM, Mt Romance, Quechinup Forestry, South Coast NRM, South East Forest Foundation, and farmer representatives.

An ongoing project, to which the GSDC has contributed funding, is the scoping of an Industry Development Plan for a sandalwood (*Santalum spicatum*) plantation industry in Western Australia. This project identified the strategies and key actions required to ensure the growth of a sustainable and profitable plantation industry which will be based on this species. In partnership with industry, CENRM is proposing to conduct research and development into products and markets for sandalwood seed. A large annual sandalwood nut harvest potential is expected in future years.

The plan sets out the following strategies, each with supporting key actions:

- Secure the position of Australian sandalwood in the market place
- Develop and maintain a strong research program to underpin industry development
- Improve the mechanisms for industry cooperation
- Expand the sandalwood plantation estate
- Promote a high standard of grower performance
- Seek State Government support during the critical period to 2020 when the plantation resource will be phased in.





GOAL 5 - EFFICIENT AGENCY PERFORMANCE

Capital Purchases

The Great Southern Development Commission transitioned to Shared Services in April 2009. This transition required the asset capitalisation limit to be raised from \$1000 to \$5000. As all purchases relating to equipment fell below the \$5000 threshold there were no Capital assets purchased by the Commission during the 2008/09 year.

Complaints Management Policy

The GSDC values its working relationships and partnerships and is committed to providing its customers with high quality services.

A Complaints Management Policy (CMP) is in place to manage client criticisms. Through the CMP process any complaints received are investigated and, if necessary, improvements are made to the GSDC's operational methodology.

The CMP accords with Government policy and its provisions are accessible through the GSDC website. The contact details of the Complaints Officer are:

Chief Executive Officer
Great Southern Development Commission
PO Box 280
ALBANY WA 6331

The GSDC received no complaints during 2008/09.

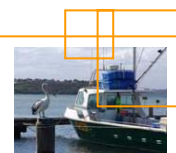
Risk Management

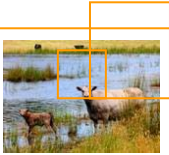
The GSDC has a Risk Management Policy and a Risk Management Plan. GSDC's Risk Management and Audit Committee (RMAC) undertakes reviews of the controls exercised by the GSDC against the risk categories identified in the Risk Management Plan and investigates emerging areas of risk for the agency.

The RMAC provides reports to the CEO and reports annually to the Board of Management on all matters of risk management. The GSDC has expanded its audit program to include all areas of risk management practice.

Freedom of Information Statement

The GSDC holds information in hard copy and electronic form. Documents held include inward and outward correspondence, contracts, agreements, reports, administrative files, personnel records, project files, financial records, internal manuals, statistical information, minutes of meetings, promotional material, pamphlets and brochures, human resource information and asset records.





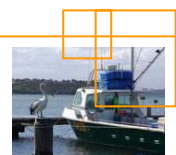
The GSDC does not charge for brochures. With the exception of requests lodged under the *Freedom of Information Act 1992*, no charge is levied on requests for information or for access to files, although the agency does reserve the right to recoup costs.

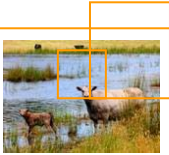
The documents of the GSDC may be inspected if application for inspection is in accordance with the *Freedom of Information Act 1992*.

The contact details of the Freedom of Information Coordinator are:

Regional Manager Community & Corporate
Great Southern Development Commission
PO Box 280
ALBANY WA 6331

The GSDC received no requests for information under the *Freedom of Information Act 1992* in 2008/09.





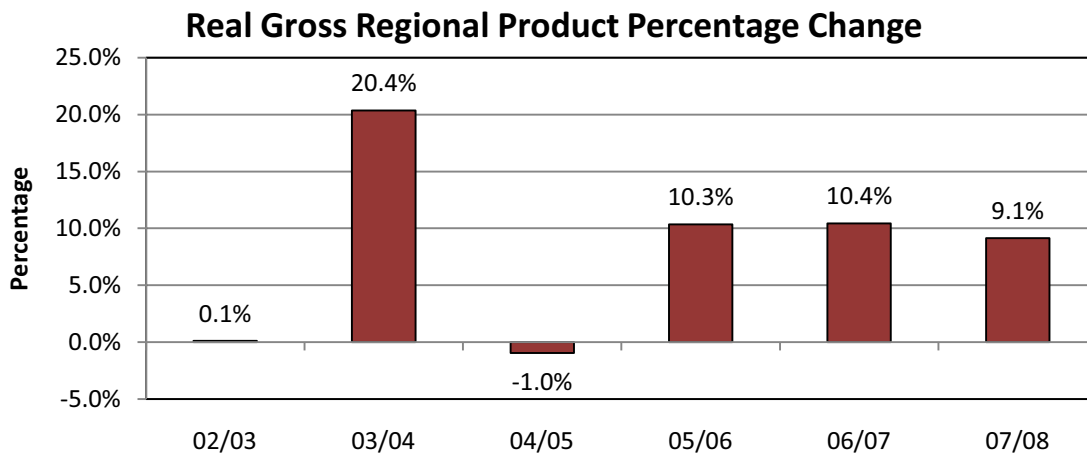
SIGNIFICANT ISSUES AND TRENDS

The following information is provided to give the reader an appreciation of the environment that the Great Southern Development Commission has operated in over the year and to report on the economic health of the region.

Gross Regional Product

The Gross Regional Product (GRP) measures the economic wealth of the region. It represents the value of production within the region at market prices.

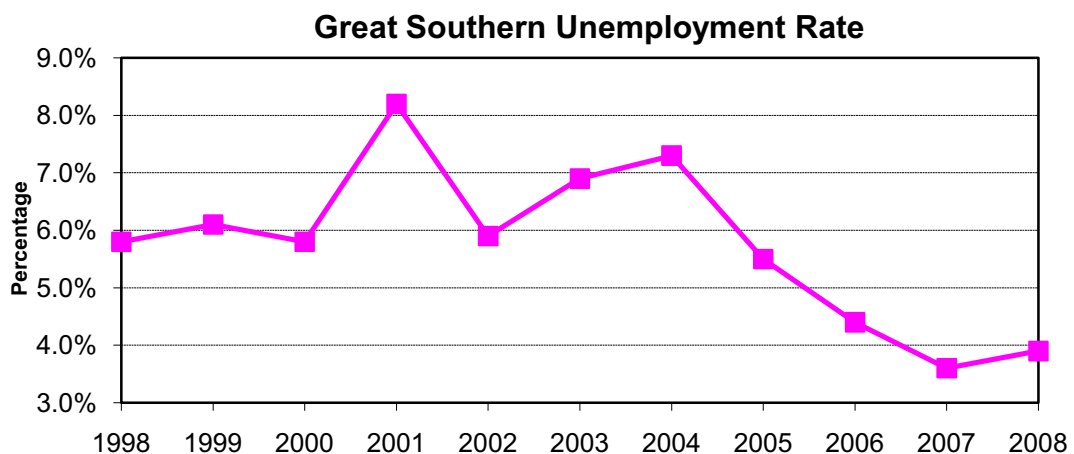
The chart below shows the annual percentage change in real GRP (adjusted for inflation) over the past six years. Real GRP increased by 9.1 per cent during the 2007/08 year.



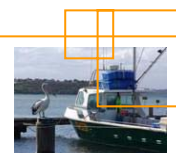
Source: Department of Regional Development and Lands using Australian Bureau of

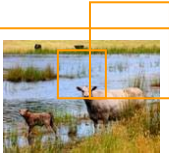
Unemployment

The unemployment rate in June 2008 was 3.9 per cent, up slightly from last year's record low of 3.6 per cent. The graph below shows the unemployment rate since 1998.



Source: Department of Education, Employment and Workplace Relations

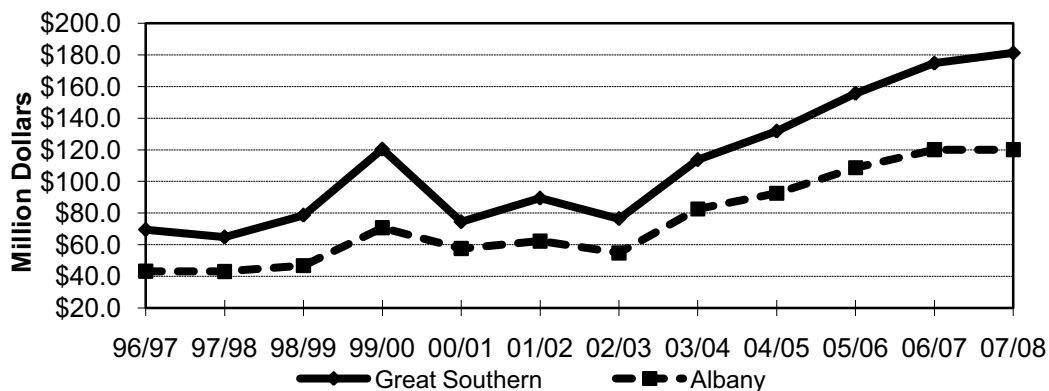




Construction and Building

The graph below shows the value of construction approvals for the Great Southern as a whole and the City of Albany. Construction approvals for the region in 2007/08 were valued at \$181.3 million, up 3.7% per cent from the previous year. Construction activity in Albany made up 66 per cent of the value of approvals in 2007/08.

Great Southern Value of Construction Approvals



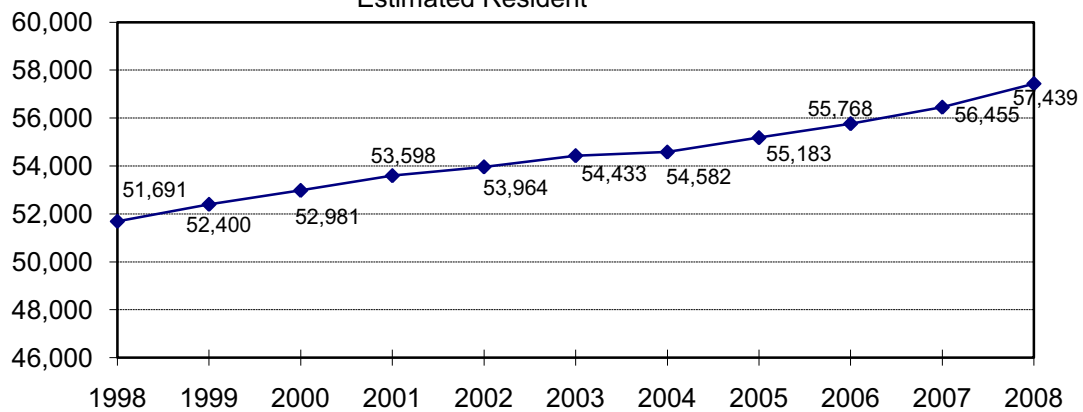
Source: Australian Bureau of Statistics

Population

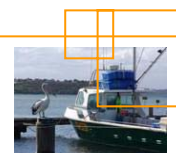
The estimated resident population of the Great Southern as of June 2008 was 57,439, an increase of 1.7 per cent from 2007. The graph below shows that the region as a whole has experienced steady growth.

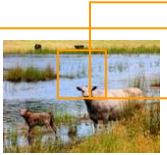
Great Southern Population

Estimated Resident



Source: Department of Regional Development and Lands using Australian Bureau of Statistics figures





The agricultural sector, the main driver of the economic activity in the Great Southern, was generally buoyant with relatively strong grain and sheep meat prices. The sector was assisted by some moderating input costs and generally lower interest rates.

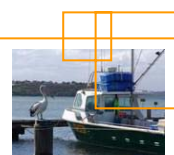
A contraction in paper demand due to the global financial crisis reduced woodchip exports from Albany. In addition, by the end of the 2008/09 stakeholders of the region's plantation timber industry became aware of the serious financial issues facing MIS companies Timbercorp and Great Southern Ltd. Overall woodchip production was projected to be down by 30 to 40 per cent with some job losses expected.

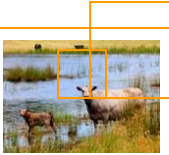
The opening of Plantation Energy's biomass pellet plant at the Mirambeena Timber Processing Precinct was a positive development in the timber industry.

The provision of power, water and transport infrastructure remains a key factor in attracting investment for new and expanding industries.

The tourism sector, a significant contributor to the regional economy, faced uncertainty in the light of the global economic climate, impacting on international and domestic tourism markets. However, the intrastate market has tended to benefit from a growth trend in locals 'holidaying at home'.

Skills shortages in key labour market sectors continue to be a medium term impediment to growth. As a regional certifying body for a range of skilled migration visas, the Commission continued to work with regional employers to assist them in the sponsorship of overseas employees.





DISCLOSURES AND LEGAL COMPLIANCE

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the GREAT SOUTHERN 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 2009 and the financial position as at 30 June 2009.

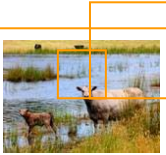
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

Rowena Carnaby
Chief Finance Officer
Date: 4 September 2009

Bruce Manning
Chief Executive Officer
Date: 4 September 2009

Peter Rundle
Chairman
Date: 4 September 2009





Our Ref: 5580



4th Floor Dumas House
2 Havelock Street
West Perth WA 6005

Tel: (08) 9222 7500
Fac: (08) 9322 5564
Email: info@audit.wa.gov.au

Chairman
Great Southern Development Commission
Pymont House
110 Serpentine Road
ALBANY WA 6331

Dear Sir

**FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS
YEAR ENDED 30 JUNE 2009**

The Office has completed the annual audit of the financial statements, controls and key performance indicators for your agency. We enclose a copy of the opinion of the Auditor General, together with a set of the audited financial statements and key performance indicators. We have forwarded the audit opinion, financial statements and key performance indicators to the Minister for Regional Development for tabling in Parliament.

The Office has also electronically mailed a copy of the Auditor General's audit opinion to Ms Rowena Carnaby for inclusion on your web site.

The result of the audit was satisfactory. Please note that the primary purpose of our audit was to obtain sufficient audit evidence to form an opinion on the financial statements, controls and key performance indicators. As a result, we may not have identified all matters that require management attention.

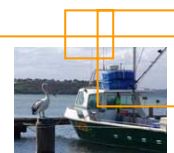
The Auditor General wrote to agencies on 29 May encouraging the timely provision of financial statements for audit and advising that the date that each agency provided these statements will be included in a report to Parliament. I advise that the report will indicate that the statements for your agency were received on 10 August 2009.

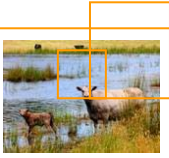
I would like to take this opportunity to thank you, the management and the staff of your agency for their cooperation with the audit team during our audit.

Other Matters

Key Performance Indicators

It has been concluded that the relevance and appropriateness of the indicators could be enhanced from a review. It is recommended that the Commission revisit its key performance indicators on a regular basis to ensure that they are still considered to be "key" performance indicators that measure the Commission's outcome and services. Furthermore the form and





presentation of the key performance indicators needs to be in the required format as per Treasurer's Instruction 904.

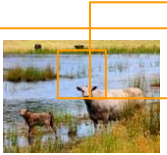
Feel free to contact me on 9222 7536 if you would like to discuss these matters further.

Yours faithfully

EFTHALIA SAMARAS
ASSISTANT DIRECTOR
ASSURANCE SERVICES
10 September 2009

Attach





INCOME STATEMENT

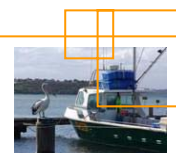
For the year ended 30 June 2009

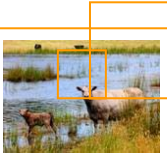
COST OF SERVICES	Note	2009	2008 Restated
Expenses			
Employee benefits expense	5	1,012,297	1,099,942
Supplies and services ^(a)	6	418,519	426,306
Depreciation expense	7	7,745	32,201
Accommodation expenses	8	105,601	72,220
Grants and subsidies	9 (a)	79,134	128,752
Other expenses	10	42,939	25,018
Total cost of services		1,666,235	1,784,439
Income			
Revenue			
User charges and fees	11	41,306	57,159
Commonwealth grants and contributions	12	86,619	84,233
Other Revenue	13	1,208,679	1,100
Total Revenue		1,336,604	142,492
Total income other than income from State Government		1,336,604	142,492
NET COST OF SERVICES		329,631	1,641,947
INCOME FROM STATE GOVERNMENT			
Service appropriation	14	1,529,000	1,574,000
Income received from State Government	14	340,023	237,288
Liabilities assumed by the Treasurer ^(b)	14	0	3,215
Royalties for Regions Fund	14	4,440,000	0
Total income from State Government		6,309,023	1,814,503
SURPLUS/(DEFICIT) FOR THE PERIOD		5,979,392	172,556

(a) Includes administrative expenses.

(b) Notional income equivalent to the notional superannuation expense included in employee benefits expense.

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



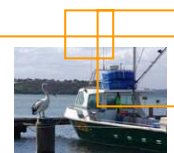


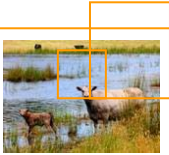
BALANCE SHEET

As at 30 June 2009

	Note	2009	2008 Restated
ASSETS			
Current Assets			
Cash and cash equivalents		502,445	610,771
Restricted cash and cash equivalents	15	5,881,966	1,405,545
Receivables	16	447,173	17,137
Amounts receivable for services	17	60,000	30,000
Prepayments		-	2,909
Total Current Assets		6,891,584	2,066,362
Non-Current Assets			
Amounts receivable for services	17	155,000	142,000
Plant and equipment	18	20,400	28,145
Building – Works in Progress	19	20,445,659	2,501,271
Total Non-Current Assets		20,621,059	2,671,416
TOTAL ASSETS		27,512,643	4,737,778
LIABILITIES			
Current Liabilities			
Payables	21	43,251	27,976
Provisions	22	198,477	188,227
Other Current liabilities	23	18,666	6,624
Total Current Liabilities		260,394	222,827
Non-Current Liabilities			
Provisions	22	139,725	146,465
Other non-current liabilities	23	1,137,927	922,280
Total Non-Current Liabilities		1,277,652	1,068,745
Total Liabilities		1,538,046	1,291,572
NET ASSETS		25,974,597	3,446,206
EQUITY			
Contributed equity	24	20,366,467	3,817,467
Accumulated surplus/(deficiency)		5,608,130	(371,261)
TOTAL EQUITY		25,974,597	3,446,206

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



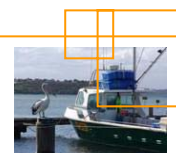


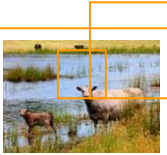
STATEMENT OF CHANGES IN EQUITY

As at 30 June 2009

	Note	2009	2008 Restated
Balance of equity at start of period		3,446,206	1,528,650
CONTRIBUTED EQUITY			
Balance at start of period	24	3,817,467	2,072,467
Capital contribution	24	16,549,000	2,565,000
Distributions to owners	24	-	(820,000)
Balance at end of period		20,366,467	3,817,467
ACCUMULATED SURPLUS			
Balance at start of period	24	(371,261)	(543,817)
Restated balance at start of period		-	(26,543)
Surplus/(deficit) for the period	24	5,979,392	199,099
Balance at end of period		5,608,130	(371,261)
Balance of equity at end of period		25,974,597	3,446,206
Total income and expense for the period		5,979,392	172,556

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





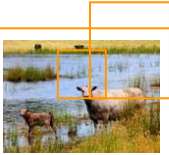
STATEMENT OF CASH FLOW

For the year ended 30 June 2009

	Note	2009	2008 Restated
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		1,486,000	1,531,000
Capital contributions		16,549,000	2,565,000
Holding account drawdown		-	45,000
Grants from State Government		223,359	242,182
Royalties for Regions Fund		4,440,000	-
Net cash provided by State Government		22,698,359	4,383,182
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,010,737)	(1,125,733)
Supplies and services		(397,338)	(431,180)
Accommodation		(105,601)	(72,220)
Grants and subsidies		136,512	(16,265)
GST payments on purchases		(1,877,941)	(311,314)
GST payments to taxation GSDC		(205,467)	(85,256)
Other payments		(42,939)	(25,018)
Receipts			
User charges and fees		41,306	57,159
Commonwealth grants and contributions			
		86,619	84,233
GST receipts on sales		217,196	82,531
GST receipts from taxation GSDC		1,563,835	320,962
Other receipts		1,208,679	1,100
Net cash provided by/(used in) operating activities	25	(385,876)	(1,521,001)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets (a)		-	13,372
Purchase of non-current physical assets		(17,944,388)	(2,328,785)
Net cash provided by/(used in) investing activities		(17,944,388)	(2,315,413)
Net increase/(decrease) in cash and cash equivalents		4,368,095	546,768
Cash and cash equivalents at the beginning of period		2,016,316	1,469,548
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	25	6,384,411	2,016,316

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





1. Australian equivalents to International Financial Reporting Standards

General

The Great Southern Development Commission (GSDC) financial statements for the year ended 30 June 2009 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 GSDC 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 GSDC 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'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the GSDC for the annual reporting period ended 30 June 2009.

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. *For example, AASB 116 requires land and buildings to be measured at cost or fair value; TI 954 mandates the fair value option.*

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.

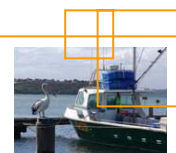
(b) Basis of Preparation

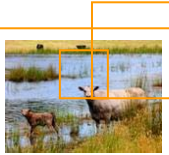
The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and infrastructure which have been measured at fair value.

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.

The judgements that have been made in the process of applying the GSDC's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies'.





(c) Reporting Entity

The reporting entity comprises the Board of Management of the Great Southern Development Commission.

(d) 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 to the client 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 GSDC gains control of the appropriated funds. The GSDC gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury. (See note 14 "Income from State Government")

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the GSDC 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.

Revenue is recognised in accordance with AASB 1004 'Contribution'. AASB 1004 requires contributions received or receivable to be recognised immediately as revenue when:

- (a) the Commission obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the Department; and
- (c) the amount of the contribution can be measured reliably.

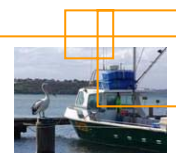
Gains

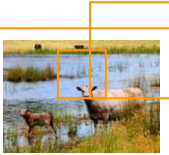
Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(e) Plant, Equipment and Buildings

Capitalisation/Expensing of assets

Items of plant, equipment and Buildings costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant, equipment and Buildings costing less than \$5,000 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 plant, equipment and Buildings are initially recognised at cost.

For items of 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 cost model is used for the measurement of plant, equipment and infrastructure. Plant, equipment and Buildings are stated at historical cost less accumulated depreciation.

Depreciation

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

Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture and Fittings	10 years
Office equipment	5 years
Computer Hardware	3 years
Software ^(a)	3 years

(f) Impairment of Assets

Plant, equipment and Buildings, 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 is written down to the recoverable amount and an impairment loss is recognised. As the GSDC 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.

(g) Leases

The GSDC holds operating leases for its Albany Office and for its 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 lease.

(h) Financial Instruments

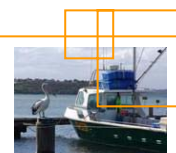
The GSDC has two categories of financial instrument:

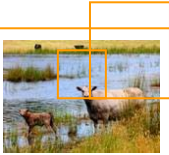
- Receivables (Cash and cash equivalents, receivables); and
- Non-trading financial liabilities (payables)

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

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.

(i) 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.

(j) Accrued Salaries

Accrued salaries (see note 22 'Payables') 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 GSDC considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(k) Amounts Receivable for Services (Holding Account)

The GSDC 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 14 'Income from State Government' and note 17 'Amounts receivable for services'.

(l) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. 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 GSDC will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(h) 'Financial Instruments' and note 17 'Receivables'.

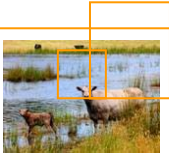
(m) Payables

Payables are recognised at the amounts payable when the GSDC 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 2(h) 'Financial Instruments' and note 21 'Payables'.

(n) 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 23 '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. Annual and long service leave expected to be settled more than 12 months after the balance sheet date is measured at the present value of 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.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the GSDC 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 GSDC 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 GSDC 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.

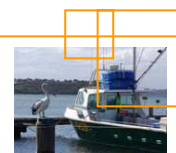
Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The GSDC 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.

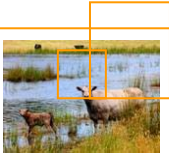
The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

(ii) Provisions - Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are included as part of the GSDC's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. See note 5 and Note 22





(o) Superannuation Expense

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

- (a) Defined benefit plans – For 2007-08, the change in the unfunded employer’s liability (i.e. 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 to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

Defined benefit plans - For 2007-08, 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(h)(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 14 ‘Income from State Government’*. Commencing in 2008-09, the reporting of annual movements in these notional liabilities has been discontinued and is no longer recognised in the Income Statement.

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.

(p) 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.

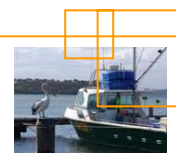
(q) Comparative Figures

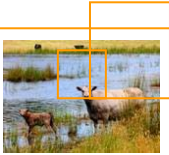
Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3. Judgements made by management in applying accounting policies

Operating Lease Commitments

The GSDC has entered into a commercial lease and has determined that the lessor retains all the significant risks and rewards of ownership of the property. Accordingly, the lease has been classified as an operating lease.





4. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

Disclose as required when initial application of an Australian Accounting Standard has an effect on the current period or any prior period, or would have such an effect, except that it is impracticable to determine the amount of the adjustment, or might have an effect on future periods.

The GSDC has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2008 that impacted on the GSDC:

Review of AAS 27 'Financial Reporting by Local Governments', AAS 29 'Financial Reporting by Government Departments' and AAS 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31:

AASB 1004 'Contributions';

AASB 1050 'Administered Items';

AASB 1051 'Land Under Roads';

AASB 1052 'Disaggregated Disclosures';

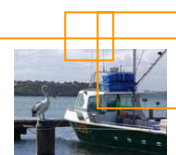
AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AAS's 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137];and

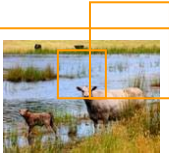
Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and revised topic-based Standards and Interpretation. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 do not apply to Statutory Authorities. The other Standards and Interpretation make some modifications to disclosures and provide additional guidance (*for example, Australian Guidance to AASB 116 'Property, Plant, Equipment and Buildings - Work in Progress' in relation to heritage and cultural assets has been introduced*), otherwise there is no financial impact.

AASB Standards and Interpretations

1048	<i>'Interpretation and Application of Standards' (issued September 2008)</i>
1049	<i>'Whole of Government and General Government Sector Financial Reporting' (revised – October 2007)</i>
2007-2	<i>'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131& AASB 139]' – paragraphs 1 to 8</i>
2008-10	<i>'Amendments to Australian Accounting Standards – Reclassification of Financial Assets [AASB 7 & AASB 139]'</i>
2008-12	<i>'Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition [AASB 7, AASB 139 & AASB 2008-10]'</i>
Interpretation 4	<i>'Determining whether an Arrangement contains a Lease' (revised – February 2007)</i>





- Interpretation 12* 'Service Concession Arrangements'
Interpretation 13 'Customer Loyalty Programmes'
Interpretation 14 'AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'
Interpretation 129 'Service Concession Arrangements: Disclosures'

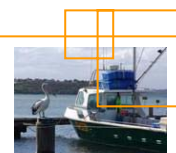
Voluntary changes in Accounting Policy

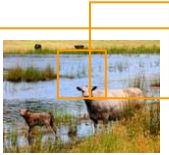
The GSDC has adopted a change in Accounting Policy relating to increasing the Capitalisation threshold for plant, equipment and Buildings - Work in Progress to \$5,000 which will have an effect on the current period.

Future impact of Australian Accounting Standards not yet operative

The GSDC 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 GSDC has not applied early the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the GSDC but are not yet effective. Where applicable, the GSDC plans to apply these Standards and Interpretations from their application date:

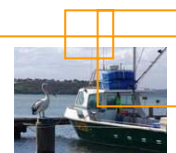
Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The GSDC does not expect any financial impact when the Standard is first applied.	1 January 2009
AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]'. This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Department where the Crown land is to be sold by the Department for Planning and Infrastructure. The Department does not expect any financial impact when the Standard is first applied prospectively.	1 July 2009

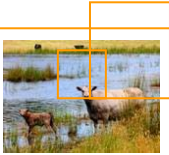


**Title****Operative for reporting periods beginning on/after**

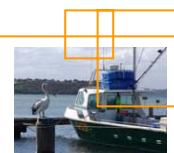
DTF considers the following Australian Accounting Standards and Interpretations as either not being applicable to the GSDC or adoption of them in future periods will have no impact on the GSDC or do not apply to not-for-profit entities. However, agencies should assess whether these Standards and Interpretations apply to their own specific circumstances. If the agency considers any of these Standards and Interpretations are clearly not applicable or will have no impact, they should not be included in the above Note disclosure.

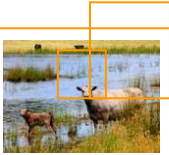
AASB 3 'Business Combinations' (March 2008)	1 July 2009
AASB 8 'Operating Segments'	1 January 2009
AASB 123 'Borrowing Costs' (June 2007). This Standard has been revised to mandate the capitalisation of all borrowing costs attributable to the acquisition, construction or production of qualifying assets. The GSDC already capitalises borrowing costs directly attributable to buildings under construction, therefore, this will be no impact on the financial statements when the Standard is first applied. Agencies presently expensing such borrowing costs will need to report the impact. The AASB has deferred the withdrawal of the option to expense borrowing costs for public sector agencies (AASB Action Alert Issue No. 121 – 19 December 2008). The AASB has approved the issue of ED 176 'Amendments to Australian Accounting Standards – Borrowing Costs of Not-for-Profit Public Sector Entities' for comment, which proposes that not-for-profit public sector entities be able to choose whether to expense or capitalise borrowing costs relating to qualifying assets by deferring the mandatory adoption of the capitalisation approach (AASB Action Alert Issue No. 122 – 9 February 2009).	1 January 2009
Agencies affected should monitor the AASB website for any pronouncements made prior to 30 June 2009.	
AASB 127 'Consolidated and Separate Financial Statements' (March 2008)	1 July 2009
AASB 1039 'Concise Financial Reports' (August 2008)	1 January 2009
AASB 2007-3 'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'	1 January 2009
AASB 2007-6 'Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]' (refer to comments above for AASB 123).	1 January 2009
AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101'	1 January 2009





Title	Operative for reporting periods beginning on/after
<i>AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101'</i>	<i>1 January 2009</i>
<i>AASB 2008-1 'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations' [AASB 2]</i>	<i>1 January 2009</i>
<i>AASB 2008-2 'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]'</i>	<i>1 January 2009</i>
<i>AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]'</i>	<i>1 July 2009</i>
<i>AASB 2008-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]'</i>	<i>1 January 2009</i>
<i>AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project AASB 1 & AASB 5]'</i>	<i>1 July 2009</i>
<i>AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136]'</i>	<i>1 January 2009</i>
<i>AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139]'</i>	<i>1 July 2009</i>
<i>AASB 2008-9 'Amendments to AASB 1049 for Consistency with AASB 101'</i>	<i>1 January 2009</i>
<i>AASB 2008-11 'Amendments to Australian Accounting Standards – Business Combinations Among Not-for-Profit Entities [AASB 3]'</i>	<i>1 July 2009</i>
<i>Interpretation 15 'Agreements for the Construction of Real Estate'</i>	<i>1 January 2009</i>
<i>Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'</i>	<i>1 October 2008</i>
<i>Interpretation 17 'Distributions of Non-cash Assets to Owners'</i>	<i>1 July 2009</i>





5. Employee benefits expense	2009	2008 Restated
Wages and salaries ^(a)	917,443	1,031,389
Superannuation – defined contribution plans ^(b)	77,565	95,166
Superannuation – defined benefit plans ^{(c), (d)}	-	3,215
Long service leave ^(e)	(18,392)	3,236
Annual Leave ^(e)	35,681	(33,064)
	1,012,297	1,099,942

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

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

(c) Defined benefit plans include Pension scheme and Gold State (pre-transfer benefit).

(d) An equivalent notional income is also recognised (see note 15 'Income from State Government'). Commencing in 2008-09, the reporting of notional superannuation expense and equivalent notional income has been discontinued.

(e) Includes a superannuation contribution component.

6. Supplies and services

Communications	33,035	30,693
Consultants and contractors	43,923	54,947
Consumables	73,015	82,856
Travel	30,551	40,616
Services and Contracts	237,995	217,194
	418,519	426,306

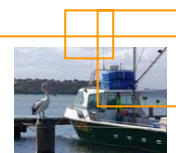
7. Depreciation expense

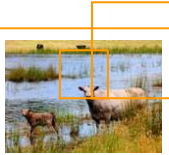
Depreciation

Furniture and Fittings	2,479	3,597
Office Equipment	2,590	8,441
Computer Hardware	2,518	15,789
Computer Software	158	4,374
Total depreciation	7,745	32,201

8. Accommodation expenses

Lease rentals	105,601	72,220
	105,601	72,220





9. (a) Grants and subsidies

2009

**2008
Restated**

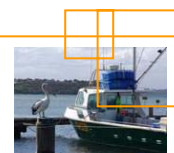
Recurrent - Grants paid via Income and Expenditure Statement

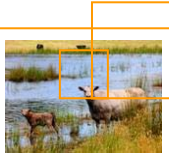
Agribusiness Development Centre	7,500	10,000
Albany Chamber of Commerce and Industry	2,500	-
Albany Gateway	1,000	-
Albany Maritime Foundation	1,500	1,000
City of Albany	22,200	56,650
Creative Albany Inc	1,500	-
Department of Agriculture	2,000	-
Department of Conservation	-	5,000
FACET	-	5,000
Great Southern Regional Marketing	-	2,500
Greenskills	974	-
Kojonup Tourism Association	4,000	-
Mount Barker Wine Producers	-	5,000
Munda Bidli	1,000	-
Rapid Ascent	500	-
Rural Industries Research and Development	3,000	-
Shire of Broomehill	-	4,000
Shire of Denmark	-	10,000
Shire of Katanning	5,000	-
Shire of Jerramungup	5,000	-
Shire of Woodanilling	-	5,000
South Coast NRM	10,000	-
Southern Edge Arts	2,500	-
The Jaycees Community Foundation	-	14,000
University of Western Australia	4,460	2,000
Single Purpose Grants (Various)	4,500	8,602
	79,134	128,752

9. (b) Grants and subsidies

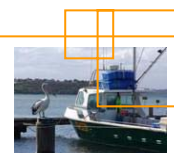
Recurrent - Grants paid via Balance Sheet

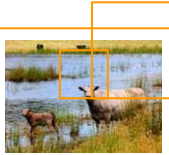
Agribusiness Development Centre	5,000	5,000
Albany Gateway	10,000	-
Albany Maritime Heritage	20,371	-
Artsouth WA	-	7,000
Bee Geoff	505	-
City of Albany	9,000	12,000
Clontarf	-	35,000
Country Arts	-	5,000
CY O'Connor Erade Village Foundation	-	20,000
Frankland River Wine Makers and Grape Growers Association Inc	1,500	-
Denmark Chamber of Commerce	5,000	-
Denmark Community Windfarm	3,334	3,636
Great Southern Wine Producers	12,500	-
Great Southern Regional Marketing Association	24,500	30,500
Jerramungup Sports Club	3,000	-
Kojonup Visitors Centre	5,000	-
LandTask Force	160	-
Harley Survey	2,000	-
Mount Barker Wine Producers	5,000	-
Mungart Boodja	1,500	-





9. (b) Grants and subsidies (continued)	2009	2008 Restated
Nathan Drew	15,000	-
Over the Moon Organics	-	10,000
Paragon Merino	10,000	-
Peaceful Bay Sea Rescue	24,000	-
Perth International Arts Festival	25,000	-
Shire of Broomehill/Tambellup	4,000	4,336
Shire of Cranbrook	4,000	-
Shire of Denmark	-	68,000
Shire of Gnowangerup	-	3,000
Shire of Jerramungup	-	22,500
Southern Renewable Fuels	10,000	-
Tangle Head Brewing Company	-	10,000
The Lily	1,000	-
The University of WA	7,500	25,000
WACF - General	484	-
WACF – Albany Lions Community	-	10,500
WACF – Denmark	-	16,000
WACF – Schizophrenia Society	-	10,000
Whaleworld – Jaycees Community	-	37,500
Yongernow	25,000	2,500
	269,354	337,472
10. Other expenses		
Other Staff Costs	34,355	16,134
Equipment repairs and maintenance	8,584	8,884
	42,939	25,018
11. User charges and fees		
Project Fees	41,306	57,159
	41,306	57,159
12. Commonwealth grants and contributions		
Austrade	86,619	84,233
	86,619	84,233
13. Other revenue		
Grants Received – Local Government	1,208,679	1,100
	1,208,679	1,100



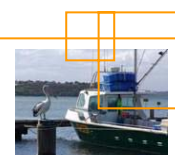


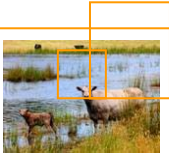
14. Income from State Government	2009	2008 Restated
Appropriation received during the year:		
Service appropriation ^(a)	1,486,000	1,531,000
Amounts receivable for outputs	13,000	13,000
Drawdown from Holding Account	30,000	30,000
	1,529,000	1,574,000
The following liabilities have been assumed by the Treasurer during the financial year:		
- Superannuation ^(b)	-	3,215
Total liabilities assumed by the Treasurer	-	3,215
The following assets have been assumed from/(transferred to) other state government agencies during the financial year:		
Department for Community	-	800
Department of Housing and Works	-	1,306
Department of Industry and Resources	-	18,182
DOLGRD – RDS Funding	15,000	28,000
DOLGRD – Other	15,000	-
Heritage Council of WA	5,000	-
Landcorp – Albany Waterfront	300,000	189,000
South West Development Commission	5,000	-
Other (Including Local Government)	23	-
Total assets assumed/(transferred)	340,023	237,288
Regional Grants Scheme		
Royalties for Regions Fund ^(c)	4,440,000	-
	4,440,000	-
	6,309,023	1,814,503

(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 (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 employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme (*The notional superannuation expense is disclosed at note 5 'Employee Benefits Expense'*). Commencing in 2008-09, the reporting of the notional superannuation expense and equivalent notional income has been discontinued. *Where the Treasurer or other entity has assumed a liability, the GSDC recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.*

(c) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.





15. Restricted cash and cash equivalents	2009	2008 Restated
Current		
Cash held to be used only in accordance with grant conditions	326,382	483,265
Regional Grants Scheme - Royalties for Regions	4,417,657	-
Legally enforceable grants relating to contracts entered into by the Commission under the Regional Development Scheme	1,137,927	922,280
	5,881,966	1,405,545

16. Receivables

Current		
Sundry Debtors	116,960	296
GST Receivable	330,213	16,841
	447,173	17,137

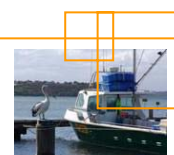
17. Amounts receivable for services

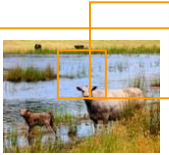
Current	60,000	30,000
Non-current	155,000	142,000
	215,000	172,000

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 liability.

18. Plant and equipment

Furniture and Fittings	25,884	25,884
Accumulated Depreciation	(13,303)	(10,713)
	12,581	15,171
Office Equipment	51,731	51,731
Accumulated Depreciation	(45,842)	(43,363)
	5,889	8,368
Computer Hardware	7,499	7,499
Accumulated depreciation	(5,569)	(3,051)
	1,930	4,448
Computer Software	41,670	41,670
Accumulated depreciation	(41,670)	(41,512)
	-	158
Total Plant and Equipment	20,400	28,145





	Furniture and Fittings	Office Equipment	Computer Hardware	Computer Software	Total
2009					
Carrying amount at start of year	15,171	8,368	4,448	158	28,145
Additions					
Other disposals					
Depreciation	(2,590)	(2,479)	(2,518)	(158)	(7,745)
Carrying amount at end of year	12,581	5,889	1,930	0	20,400

	Furniture and Fittings	Office Equipment	Computer Hardware	Computer Software	Total
2008					
Carrying amount at start of year	23,837	22,421	22,815	4,646	73,719
Additions	2,953	8,095	579	1,543	13,170
Other disposals	(59)	-	-	-	(59)
Depreciation	(3,538)	(8,441)	(15,789)	(4,374)	(32,142)
Adjustment ^(a)	(8,022)	(13,707)	(3,157)	(1,657)	(26,543)
Carrying amount at end of year	15,171	8,368	4,448	158	28,145

(a) Treasurer's Instruction 1101 requires the Commission to increase its asset capitalisation threshold from \$1,000 to \$5,000 from 1 July 2009. This change in accounting policy has been applied retrospectively by adjusting the opening balance of the accumulated surplus at 1 July 2008.

19. Building – Works in Progress

2009

**2008
Restated**

At Cost

Albany Entertainment Centre

20,445,659

2,501,271

20,445,659

2,501,271

Reconciliation

Carrying amount at start of year

2,501,271

172,486

Additions

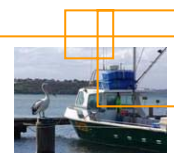
17,944,388

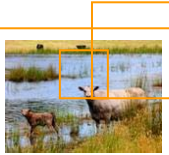
2,328,785

Carrying amount at end of year

20,445,659

2,501,271





20. Impairment of assets

2009

2008
Restated

There were no indications of impairment to plant and equipment, building – work in progress and intangible assets at 30 June 2009

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

All surplus assets at 30 June 2009 have either been classified as assets held for sale or written-off.

21. Payables

Current		
Sundry Creditors	30,553	12,280
PAYG Payable	-	15,319
GST Payable	12,698	377
Total current	43,251	27,976

22. Provisions

Current

Employee benefits provision		
Annual leave ^(a)	113,737	91,835
Long service leave ^(b)	84,740	96,392
	198,477	188,227

Non-current

Employee benefits provision		
Long service leave ^(b)	139,725	146,465
	139,725	146,465

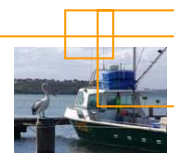
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

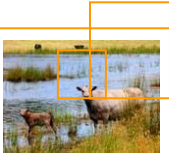
Within 12 months of balance sheet date	113,737	91,835
	113,737	91,835

(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	139,725	242,857
	139,725	242,857

(c) *The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 10 'Other expenses'.*





23. Other liabilities	2009	2008 Restated
Current		
Accrued Salaries	11,066	6,624
Other	7,600	-
Total current	18,666	6,624
Non-current		
Grant Liabilities	1,137,927	922,280
Total non-current	1,137,927	922,280

24. Equity

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

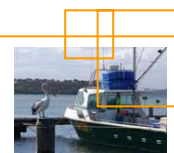
Contributed equity		
Balance at start of year	3,817,467	2,072,467
Contributions by owners		
Capital contribution ^(b)	16,549,000	2,565,000
Other contributions by owners:		
Total contributions by owners	20,366,467	4,637,467
Distributions to owners		
Transfer of net assets to other agencies ^{a) (c)}		
Day Therapy Centre	-	(820,000)
Balance at end of year	20,366,467	3,817,467

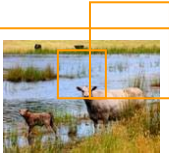
(a) Under AASB 1004 'Contributions', transfers of net assets as a result of a restructure of administrative arrangements are to be accounted for as contributions by owners and distributions to owners.

Where activities are transferred from one agency to another agency as a result of a restructure of administrative arrangements, AASB 1004 (paragraph 57) requires the transferee agency to disclose the expenses and income attributable to the transferred activities for the reporting period, showing separately those expenses and income recognised by the transferor agency during the reporting period. Furthermore, AASB 1004 (paragraph 58) requires disclosures for each material transfer of assets and liabilities in relation to a restructure of administrative arrangements, together with the name of the counterparty transferor/transferee agency. In respect of transfers that are individually immaterial, the assets and liabilities are to be disclosed on an aggregate basis.

(b) Under the Treasurer's instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' Capital Contributions (appropriations) have been designated as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

(c) Under TI 955, non-discretionary (non-reciprocal) transfers of net assets between State government agencies have been designated as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary (non-reciprocal) transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners.





	2009	2008 Restated
Accumulated surplus/(deficit)		
Balance at start of year	(371,261)	(543,817)
Result for the period	5,979,391	172,556
Balance at end of year	5,608,130	(371,261)

25. Notes to the Cash Flow Statement

Reconciliation of cash

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:

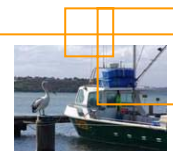
Cash and cash equivalents	502,445	610,771
Committed funds from external sources (Note 15)	326,382	483,265
Legally enforceable grants (Note 15)	1,137,927	922,280
Regional Grants Scheme – Royalties for Regions Fund	4,417,657	-
	6,384,411	2,016,316

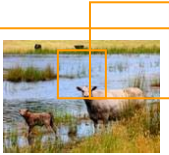
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	(329,631)	(1,641,947)
Non-cash items:		
Depreciation and amortisation expense (<i>note 7</i>)	7,745	32,201
Liability Assumed by Treasurer	-	3,215
(Increase)/decrease in assets:		
Current receivables ^(b)		
Prepayments	2,909	(591)
Net GST receipts/(payments) ^(a)	(302,377)	6,923
Increase/(decrease) in liabilities:		
Current payables ^(b)	18,273	(4,283)
Current provisions	10,250	(19,044)
Other Current Liabilities	(1,952)	822
Non-current provisions	(6,740)	(10,784)
Other non-current liabilities	215,647	112,487
Net cash provided by/(used in) operating activities	(385,876)	(1,521,001)

(a) This is the net GST paid/received

(b) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.





26. Commitments

2009**2008
Restated**

Lease commitments

Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows:

Motor Vehicles

Within 1 year	34,961	31,655
Later than 1 year and not later than 5 years	5,169	6,359
Later than 5 years	-	-
	40,130	38,014

Office Accommodation

Within 1 year	68,832	65,870
Later than 1 year and not later than 5 years	217,978	10,979
Later than 5 years	-	-
	286,810	76,849

326,940**114,863**

Representing:

Cancellable operating leases	40,130	38,014
Non-cancellable operating leases	286,810	76,849
	326,940	114,863

27. Contingent Liabilities and Contingent Assets

At reporting date, the GSDC had no contingent liabilities or contingent assets.

28. Controlled Entities

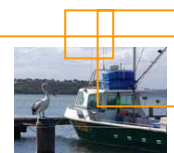
At reporting date GSDC had no controlled entities.

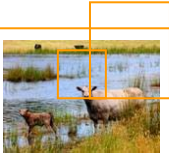
29. Events occurring after the Balance Date

No material events have occurred after 30 June 2009.

30. Explanatory Statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$50,000.



**Significant variances between estimated and actual result for 2009**

	2009 Estimated \$000	2009 Actual \$000	Variance \$000
Income			
Other Revenue	2,020	1,548	472
Expenses			
Employee Benefits	1,480	1,012	468
Supplies and Services	367	419	52
Depreciation Expense	30	8	22
Grants and Subsidies	4,794	79	4,715
Other Expenses	115	43	72

Employee Benefits

Employee benefits and expenses were lower than budgeted due to the resignation of three staff and one FTE utilising Parental Leave on half salary. GSDC rolled into Shared Services this financial year and recategorisation of some expenditure has occurred.

Supplies and Services

GSDC rolled into Shared Services this financial year and recategorisation of some expenditure has occurred.

Depreciation Expense

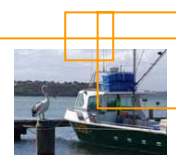
As GSDC rolled into Shared Services in 2008-2009, the capitalisation limit was raised from \$1,000 to \$5,000, resulting in a decrease in depreciable items.

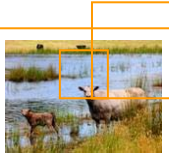
Grants and Subsidies

GSDC received Royalties for Regions funds of \$4.44million. Ministerial approval was received for successful grant recipients on 29 June 2009. This did not allow for any grant expenditure to occur prior to balance day. In addition Regional Development Scheme funding has not been fully expended as this is reliant on milestones being met by grant recipients prior to funds being expended.

Other Expenses

The GSDC received a rebate from Risk Cover in 2008-2009, resulting in premiums for insurance not being required as budgeted. In addition, anticipated computer replacement was deferred until August 2009.



**Significant variances between actual results for 2008 and 2009**

	2009 Actual \$000	2008 Actual \$000	Variance \$000
Income			
Royalties for Regions	4,440	0	4,440
Other Revenue	1,548	238	1,310
Expenses			
Depreciation Expense	8	32	(24)
Accommodation Expense	106	72	34
Grants and Subsidies	79	129	(50)

Royalties for Regions

Royalties for Regions forms part of the Regional Grants Scheme and this scheme was introduced in the 2008-2009 Financial year.

Other Revenue

GSDC received \$1,200 million contribution from the City of Albany for the Albany Entertainment Centre in 2008-2009.

Depreciation Expense

GSDC rolled into Shared Services in 2008-2009. The capitalisation limit for Assets was raised from \$1,000 to \$5,000 resulting in fewer depreciable items.

Accommodation Expense

As part of the roll in to Shared Services, reclassification of expenditure occurred.

Grants and Subsidies

GSDC pays out Regional Development Scheme grants for works completed as per contract agreed milestones. No payments can be made, unless all components of the milestone has been successfully completed.

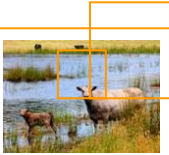
31. Financial instruments**(a) Financial Risk Management Objectives and Policies**

Financial instruments held by the GSDC are cash and cash equivalents, restricted cash and cash equivalents, borrowings, finance leases, Treasurer's advances, loans and receivables, and payables. The GSDC has limited exposure to financial risks. The GSDC's overall risk management program focuses on managing the risks identified below.

Credit risk

The GSDC trades only with recognised, creditworthy parties. To ensure its bad debt risk is minimal, the GSDC periodically monitors its exposure to bad debts. There are no significant concentrations of credit risk.





Liquidity risk

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

(b) Financial Instruments Disclosure

Interest Rate Risk Exposures

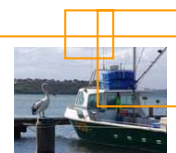
The following table details the GSDC's exposure to interest rate risk at the reporting date:

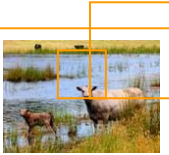
	Fixed Interest Rate Maturity						
	Weighted Average Effective Interest Rate	Variable Interest Rate	Less than 1 Year	1-5 Years	More than 5 Years	Non-interest bearing	Total
	%		\$000	\$000	\$000	\$000	\$000
Financial Assets							
2009							
Cash and cash equivalents						502	502
Restricted cash and cash equivalents						5,882	5,882
Receivables ^(a)						117	117
						6,501	6,501
Financial Liabilities							
Payables						31	31
						31	31

	Fixed Interest Rate Maturity						
	Weighted Average Effective Interest Rate	Variable Interest Rate	Less than 1 Year	1-5 Years	More than 5 Years	Non-interest bearing	Total
	%		\$000	\$000	\$000	\$000	\$000
Financial Assets							
2008							
Cash and cash equivalents						611	611
Restricted cash and cash equivalents						1,405	1,405
Receivables ^(a)							
						2,016	2,016
Financial Liabilities							
Payables						12	12
						12	12

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.





32. Remuneration of members of the accountable GSDC and senior officers

Remuneration on Members of the accountable GSDC

The number of members of the accountable GSDC, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2009	2008 Restated
\$		
Under \$3,000	6	8
\$3,000 - \$10,000	3	1
\$10,000 - \$20,000	2	1
The total remuneration of members of the accountable GSDC is:	51,845	34,871

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

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

Remuneration of Senior Officers

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

\$60,000 - \$80,000 ^(a)	1	-
\$80,000 - \$100,000	1	1
\$100,000 - \$120,000		
\$120,000 - \$130,000		
\$130,000 - \$140,000	1	1
\$140,000 - \$150,000		
\$150,000 - \$160,000		
\$160,000 - \$170,000	1	1
The total remuneration of senior officers is:	451,947	395,329

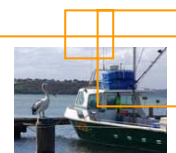
The total remuneration includes the superannuation expense incurred by the GSDC in respect of senior officers other than senior officers reported as members of the Accountable GSDC.

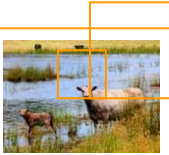
(a) 1 Senior Officer employed November 2008. Full year salary not reflected.

No senior officers are members of the Pension Scheme.

One Senior Officer is contracted on behalf of Landcorp

No senior Officers are members of the pension scheme





33. Remuneration of auditor

2009

2008
Restated

Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows:

Auditing the accounts, financial statements and performance indicators

25,000

22,000

34. Related bodies

A related body is a body that receives more than half of its funding and resources from an agency and is subject to operational control by that agency.

The GSDC has no related bodies as defined by the Treasurer's Instruction 951.

35. Affiliated bodies

An affiliated body is a body that receives more than half its funding and resources from an agency but is **not** subject to operational control by that agency.

The GSDC has no affiliated bodies.

36. Output Information

The GSDC has only one output, being Regional Development.

37. Supplementary Financial Information

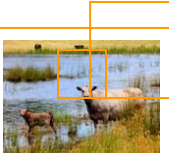
Write-offs

There was no public property written off by the Executive Council during the financial year

Gifts of Public

There were no gifts of public provided by the Commission





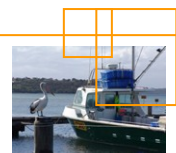
KEY PERFORMANCE INDICATORS

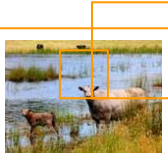
CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the GREAT SOUTHERN DEVELOPMENT COMMISSION's performance, and fairly represent the performance of the GREAT SOUTHERN DEVELOPMENT COMMISSION for the financial year ended 30 June 2009.

Peter Rundle
Chairman
Date: 4 September 2009

Bruce Manning
Chief Executive Officer
Date: 4 September 2009





Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

GREAT SOUTHERN DEVELOPMENT COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

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

The financial statements comprise the Balance Sheet as at 30 June 2009, 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.

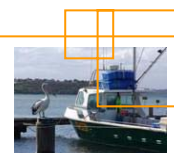
Summary of my Role

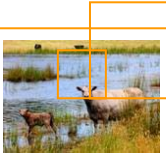
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.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.

Page 1 of 2

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664





**Great Southern Development Commission
Financial Statements and Key Performance Indicators for the year ended 30 June 2009**

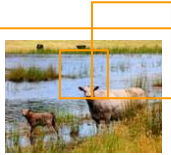
Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Great Southern Development Commission at 30 June 2009 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 2009.

COLIN MURPHY
AUDITOR GENERAL
10 September 2009





1. GOVERNMENT DESIRED OUTCOME

The Great Southern Development Commission has one output, being Regional Development and its legislative mandate is: -

“The sustainable development of our region’s natural and built environment for the well-being of all”

The Government’s Desired Outcome undertaken by the GSDC is measured below:

2. KEY PERFORMANCE INDICATORS

Like most State Government agencies, the GSDC attempts to gauge its effectiveness through responses from its clients.

During the year the GSDC engaged Asset Research to conduct a client survey. The GSDC provided Asset Research with a list of 235 clients who had significant dealings with the Commission over the year. Asset Research was able to contact 190 of these clients, and completed 151 surveys, or a response rate of 79.5% of the sample surveyed and a response rate of 64.3% of the database provided. The response rate is sufficient to ensure that the overall results are representative of the opinions of the population of key clients within a possible sampling error of +/- 5% at the 95% confidence level.

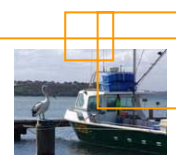
The results of the 2009 Client Survey compared to the results of previous years’ Client Surveys are shown below:-

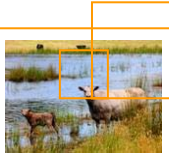
Effectiveness Indicator 1 : Regional Development

The GSDC’s clients rated the Commission’s perceived performance in coordinating and promoting economic development in the Great Southern region as follows. The overall performance ratings from clients for the respective years are reported below:

Very Effective or Effective			Extremely Effective or Very Effective			Ineffective or Very Ineffective					
2009 Actual	2009 Target	2008 Actual	2007 Actual	2006 Actual	2005 Actual	2009 Actual	2008 Actual	2007 Actual	2006 Actual	2005 Actual	2004 Actual
81%	80%	84%	85%	96%#	81%	2%	1%	1%	0%	3%	5%

Note that in the 2006 year the response options were altered upon professional advice from that year’s market research company. Possible positive responses were altered in that year from “extremely effective and very effective” to “very effective and effective”. The market research company involved held that “very effective and effective” were more appropriate as opposites to the negative measures employed of “ineffective and very ineffective”. While this change presented a possible skewed report in 2006, it is considered that the change has resulted in a more reliable measure since.



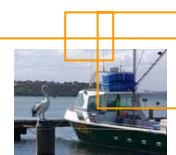


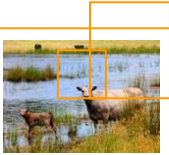
The results of the independently conducted Client Survey, achieved by the GSDC from its clients against the various items below, are reported hereunder:

This year's survey results have shown a reduction in positive scores across all activity areas, varying from marginal to medium in size. This is not surprising given the economic climate experienced during the period and the effect that this has on business expectations and perceptions.

It is expected that a key factor of this was that the conduct of the survey coincided with both Great Southern Plantations and the Timbercorp group of companies going into administration and receivership late in 2008/09. Given the scale of the companies' level of investment and operations, plus the income dependence of contractors and lessors, it resulted in a situation of considerable uncertainty for business and the wider community. There was an immediate and widespread concern over the possible flow-on effects for the regional economy.

	Effective or Very Effective						Ineffective or Very Ineffective					
	2009	2008	2007	2006	2005	2004	2009	2008	2007	2006	2005	2004
Performance lobbying to improve infrastructure development n = 102	73%	77%	79%	73%	78%	64%	4%	2%	3%	2%	6%	8%
Performance in enhancing investment opportunities n = 105	71%	73%	73%	79%	68%	61%	2%	2%	2%	5%	8%	5%
Performance in providing business information and advice n = 113	80%	81%	82%	80%	76%	77%	3%	3%	3%	3%	5%	5%
Performance in creating economically sustainable development n = 97	75%	76%	72%	74%	63%	63%	4%	3%	1%	2%	7%	8%
Performance in improving access to services n = 109	74%	75%	73%	86%	67%	71%	3%	2%	1%	3%	6%	5%
Performance in improving quality of life n = 104	66%	71%	69%	82%	70%	61%	3%	2%	2%	4%	9%	9%
Performance in developing career opportunities n = 109	67%	74%	70%	82%	55%	55%	5%	3%	3%	3%	9%	13%





KEY EFFICIENCY INDICATOR

The key performance indicator used by the GSDC to assess its performance and report its efficiency is cost per project.

This efficiency indicator, for this solitary Output is calculated by dividing the cost of services of the GSDC, as reported in the Income Statement, less the grants and subsidies processed, divided by the number of projects undertaken by the Commission in the year.

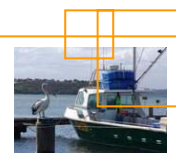
	2006/07 Actual	2007/08 Actual	2008/09 Target	2008/09 Actual
Cost	\$2,081,017	\$1,629,144	\$2,170,000	\$1,587,000 ^(a)
Projects completed	40	40	42	42
Cost per project	\$25,025	\$40,729	\$51,667	\$37,786 ^(b)

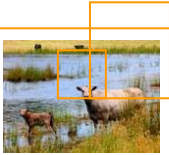
Reasons for Significant Variations from Target for 2008-2009

- (a) The 2008/09 target figure was budgeted with the expectation of a larger proportion of round eight Regional Development Scheme funding being expended prior to 30 June 2009.
- (b) This figure has been adjusted to exclude grants and subsidies paid by the GSDC of \$79,134.

MINISTERIAL DIRECTIVES [TI 903(12)]

No Ministerial directives were received during the financial year.





OTHER FINANCIAL DISCLOSURES

PRICING POLICY OF GOODS AND SERVICES PROVIDED

GSDC provides no chargeable goods and services for its core business.

CAPITAL WORKS

Capital Works Incomplete

The construction of the 620 seat Albany Entertainment Centre is due for completion in July 2010. The GSDC has carriage of the State Government's \$70 million funding contribution (as at 30 June 2009) with Building Management and Works, part of Department of Treasury & Finance, as project manager. The City of Albany, under an agreement with the State Government, will own and operate the Centre. Western Australian architects Cox Howlett and Bailey Woodland were appointed to develop the detailed design and Doric Construction was awarded the construction tender.

Capital Works Completed

No capital projects were completed during 2008/09.

EMPLOYMENT AND INDUSTRIAL RELATIONS

Staff Profile		
	2008-09	2007-08
Full-time permanent	7	7
Full-time contract	4	4
Part-time measured on a FTE basis	2.6	3
	13.6	14

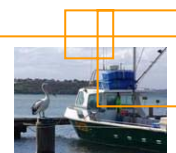
STAFF TRAINING, RECRUITMENT AND DEVELOPMENT

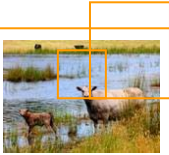
In line with its Goal 5 objective, "to develop, manage and encourage its staff to realise their full potential", the GSDC arranged for staff to attend a range of training activities during the year.

The GSDC prefers to satisfy the training needs of staff either in-house or at the local level by bringing specialised training personnel to Albany.

Staff undertook courses on a variety of subjects including:

- Risk Management training
- Accounting and Finance training
- Shared Services transition and Oracle Training
- Managing Interests Training
- Manager Corporate Services Forum
- Chief Finance Officer's Forum





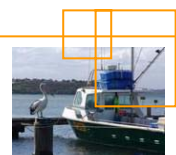
Over the year, the GSDC spent \$3361 on training activities for staff.

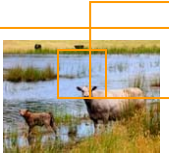
The GSDC has developed Human Resource Management Standards for the recruitment and development of staff in accordance with Government Policy guidelines. Training needs are identified by the GSDC's Staff Performance appraisal system.

Short in-house training sessions are undertaken on a regular basis throughout the year. Multi-skilling and cross training is encouraged across the Commission, particularly in key functional positions.

WORKERS COMPENSATION AND REHABILITATION ARRANGEMENT

In compliance with Treasurer's Instruction 903, the GSDC has not been required to provide payments or extend assistance for workers compensation claims or rehabilitation of staff during the 2008/09 financial year.





GOVERNMENT DISCLOSURES

CONTRACTS WITH SENIOR OFFICERS

At the date of reporting, other than normal contracts of employment of service, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests, have had any interests in existing or proposed contracts with the GSDC and Senior Officers.

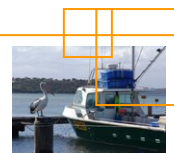
OTHER LEGAL REQUIREMENTS

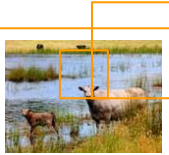
COMPLIANCE WITH PUBLIC SECTOR MANAGEMENT ACT SECTION 31(1)

1. In the administration of the Great Southern Development Commission, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct. All GSDC staff have been made aware of the necessity to comply with Western Australian Public Sector Code of Ethics and our own Code of Conduct, and new staff are carefully inducted and given a copy of our Code and other control policies, on such topics as telephone, internet and email use and travel allowances.
2. I have put in place procedures designed to ensure such compliance by all staff of the Great Southern Development Commission and conducted appropriate internal assessments to satisfy myself that the statement made in 1 is correct. These assessments have included obtaining confirmatory advice from central agencies such as the Department of Premier and Cabinet, comparison of proposed activities to relevant public sector standards and reports by our Risk Management Committee.
3. With respect to the number of applications made against breach of standards review and corresponding outcomes for the 2008/2009 year, I advise the following:

Number lodged	0
Breaches found (including multiple breaches)	0
Applications still under review	0

BRUCE MANNING
CHIEF EXECUTIVE OFFICER





ELECTORAL ACT COMPLIANCE

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

- Total expenditure for 2007/08 was \$11,260.75.
- Expenditure was incurred in the following areas:

EXPENDITURE CLASS	TOTAL (\$)	ORGANISATION	(\$)
Advertising Agencies	Nil	Nil	Nil
Market Research Agencies	3,195	Asset Research	3,195
Polling Organisations	Nil	Nil	Nil
Direct Mail Organisations	Nil	Nil	Nil
Media advertising	11,424	Albany Advertiser Radio West Denmark Bulletin Weekender Chamber of Commerce & Industry	6,731 144 1,633 1,220 1,696

ANNUAL ESTIMATES

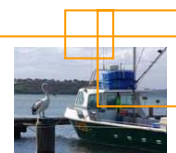
The GSDC receives an appropriation as a separate Division of the Consolidated Account Expenditure Estimates and is excluded from reporting on Annual Estimates as per Treasurer's Instruction 953 and Section 40 (1) of the *Financial Management Act 2006*.

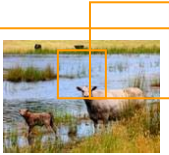
DISABILITY ACCESS AND INCLUSION PLAN

The GSDC seeks to provide its services equally to all people interested in regional economic development.

The GSDC's Disability Access and Inclusion Plan (DAIP) outlines 13 strategies under six outcomes. The six outcomes are:

- All members of the public will be provided with access to the services of, and any events organised by the GSDC
- Public access to the buildings and other facilities of the GSDC is available and easily accessible to all members of the public
- All members of the public can access information from the GSDC in a format that meets their individual needs
- The GSDC will offer non-discriminatory service of high quality to all members of the community regardless of their circumstances





- All members of the community will be provided with equal opportunity to lodge complaints to the relevant public authority
- All members of the community will be provided with equal opportunity to participate in any public consultation conducted by the GSDC.

The implementation of DAIP is ongoing, with an Action Plan to allow for continuous improvement. Staff members are encouraged to be aware of the varying needs of all people in the community in planning their work and to ensure that all people have access to our services.

Wheelchair access to Pymont House and the Katanning office is available. The GSDC has continued to work toward completion of items on its Action Plan and re-assess ongoing improvements that can be implemented to further improve the DAIP.

The GSDC is supportive of agencies and businesses which facilitate the employment of people with disabilities. The GSDC engages the services of a local agency which employs people with disabilities for tasks such as car washing and detailing, and general administrative duties.

The GSDC will continue to use the personnel from this agency to ensure that people with disabilities can access a range of employment opportunities and gain confidence in an office workplace environment.

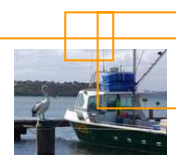
OCCUPATIONAL SAFETY AND HEALTH

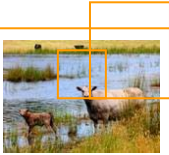
The GSDC recognises its duty to ensure the safety and health of its employees, contractors and visitors and in meeting this duty will comply with the requirements of the *Occupational Safety and Health Act 1984* and any other legislation and supporting documents that apply to its operations.

The GSDC is committed to achieving the highest standards of occupational safety and health in accordance with best practice. It is our policy:

- To establish safety as an organisational goal
- To provide and maintain a workplace and systems of work, that do not expose employees, contractors and visitors to hazards
- To ensure that all employees are provided with information, instruction, training and supervision appropriate to the scope of work being undertaken
- To consult with employees on any issues that may affect their safety and health at work
- To continuously review safety management systems in order to meet or exceed best practice.

The GSDC has a documented Injury Management System (IMS) in place which is in accordance with the *Workers' Compensation and Injury Management Act 1981*. The IMS is implemented at the time a worker reports a work-related injury or illness and continues until a full return to work is achieved or is no longer a realistic goal as determined in consultation with the employee, the GSDC, the treating medical practitioner and RiskCover. All return to work programs are developed in accordance with the Act.





2008/09 OS&H ANNUAL PERFORMANCE		
	Actual	Target
Indicator		
Number of fatalities	0	0
Lost time injury/disease (LTI/D) incidence rate	0	0
Lost time injury severity rate	0	0

RECORDKEEPING PLAN

As required by the State Records Act (2000), the GSDC developed a Recordkeeping Plan (RKP) which was approved for a period of five years by the State Records Office (SRO) in 2004.

Over the reporting period, the GSDC liaised with the SRO to build on and enhance its RKP in order to improve its internal records management controls and practices.

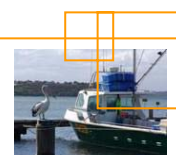
During the year, the GSDC provided further documentation to fulfil the requirements of the standards and principles of the State Records Act (2000). A full revised RKP is required by the SRO in the 2009 - 2010 financial year.

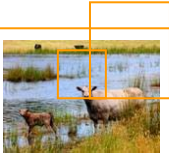
As in previous years, the GSDC provided regular ongoing in-house training on record-keeping to assist staff with clear procedures on records management functions and responsibilities.

The GSDC also evaluated its RKP by an internal survey and consulted with staff on the efficiency and effectiveness of its recordkeeping systems. This process is repeated annually.

The Chief Executive Officer ensures that all new staff members are aware of the importance that the State Government places on its public records and the need to comply with the GSDC's RKP.

The GSDC has allocated responsibilities to all staff to maintain and protect public records and a specific officer has been charged with special records management functions.





GOVERNMENT POLICY REQUIREMENTS

CORRUPTION PREVENTION

The GSDC maintains a rigorous Risk Management Program (RMP) which has been operating since 2002.

The RMP has been expanded to include the detection and management of potential corruption following the development of a Fraud Corruption and Control Plan.

SUBSTANTIVE EQUALITY

In accordance with Premier's Circular 2005/07 "Implementation of the Policy Framework for Substantive Equality" (reissued on 23/03/2009), the GSDC is committed to eliminating systemic racial discrimination in the provision of its services and is sensitive to the different needs of client groups.

The GSDC implements substantive equality by regularly reviewing structures and policies to ensure that the specific needs of Indigenous people and ethnic minorities are considered. This year the GSDC focused on grant funding promotion to Indigenous people, and undertook action to ensure adequate dissemination of information by specifically targeting Indigenous organisations.

The Guidelines for the Great Southern Regional Development Scheme include an assessable priority area of 'Support for Indigenous groups in enterprise development'.

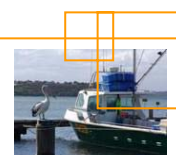
SUSTAINABILITY ACTION PLAN

In accord with the Premier's Circular 2004/14 "Sustainability Code of Practice for Government Agencies", the GSDC is committed to embracing sustainability as a fundamental driver towards a better future for the people of the Great Southern region.

This is evidenced in the GSDC's Strategic Plan where its commitment to sustainability is clearly articulated in its Vision, Guiding Principles and Goals. In particular, Goal 4, Natural Resource Management, guides the GSDC's work in sustaining the primary asset of the Great Southern region, its environment.

The GSDC continued to implement its Sustainability Action Plan and has implemented operational goals that support sustainability in relation to procurement, service delivery, waste, energy, and vehicles and travel. For example, in December 2008 the Commission underwent an extensive energy audit to ascertain the level of Greenhouse Gas Emissions for the 2007 – 2008 financial year. The energy audit identified that the Commission total emissions were 74,179 kg which is well below the 1000 tonnes threshold over which Government Departments are required to complete a SARGE report. GSDC undertakes recycling of waste paper, plastics and print cartridges.

In all the GSDC's project work, sustainability is regarded as an essential assessment criterion to ensure regional development activities will deliver benefits in an enduring manner.



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