

Mid West Development Commission **ANNUAL REPORT** **2008-2009**



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PREFACE

MID WEST DEVELOPMENT COMMISSION

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 30 JUNE 2009

HON BRENDON GRYLLES MLA
MINISTER FOR REGIONAL DEVELOPMENT; LANDS

In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Mid West Development Commission for the financial year ended 30 June 2009.

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

M CRIDDLE
CHAIR



DATE 28/8/09

S DOUGLAS
CHIEF
EXECUTIVE OFFICER



DATE 28/8/09

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OVERVIEW

Chairperson's Report

I am very pleased to have been recently appointed to the Mid West Development Commission Board and feel privileged to take on the position of Chair. The Commission's record of achievement for the past year is diverse and informative – not only does it reflect the great variety of the Mid West Region's industries, communities, issues and landscapes, it highlights the reach and commitment of a small and dynamic team of Board and staff members.

The outgoing Chair Robyn Parsons has clearly offered valuable leadership to the organisation in what has been a very busy year, and also played a key role in strengthening links between the Commission and Local Governments in the region. I would also like to thank the past Deputy Chair, Kam Leung for his contribution along with long serving Member Garry Collins, who Chaired the Commission's Mid West Strategic Infrastructure Group (MWSIG).

Joining me as new Board Members are Andrew Pitcher (Deputy Chair) and John Sewell. Yvonne Messina has been re-appointed. I look forward to working with all Board Members and the staff team as the year proceeds, but first let me highlight the year that was.

With our Strategic Directions 2008-2010 as a guide, and the advent of the Regional Grants Scheme now allowing the Commission even greater scope for facilitating projects right across the Mid West region, "Capturing Opportunity" remains at the heart of the Commission's focus. The Commission believes that significant regional benefits can, and will be gained from our current focus on the resources sector and related infrastructure; Indigenous art, tourism, employment and training opportunities; and SMART initiatives such as the ASKAP and SKA radio-astronomy projects, and the further development of both the Geraldton Universities Centre and the Separation Point Marine Precinct.

In addition to the projects referred to above, I am pleased that after ten years of involvement and effort by industry, the Commission and others, that a 200 tonne capacity heavy boat lifter and associated facility is operational. Further effort will now be focused on establishing the marine service precinct adjacent to the lifter in order to capture the significant, additional employment opportunities this facility offers.

Significant progress has also been made on two other major, long term projects, namely the Geraldton Foreshore Redevelopment and CBD Revitalisation project, and the Batavia Coast Marina. The Foreshore project will be completed by September / October 2009. The Commission is proud of the support, and the \$13M of State funding, it has provided the City of Geraldton-Greenough to bring this truly transformational project to reality. Planning for the Batavia Coast Marina Stage 2 has been steadily taking place over the past few years, and 2009/10 will see this project move forward significantly.

Through the MWSIG, the Commission continues to support regional coordination and the timely development of key infrastructure for major projects including the Oakajee port and rail development and the 330 kV power line. The Commission has also assisted numerous project proponents whose tonnages of iron ore will underpin the business case for Oakajee's development. There is still much to do, but the future looks very bright.

Recognising that the development of the Mid West iron ore industry will impact on numerous communities across the region, the Commission has been proactive in progressing planning to identify the socio-economic impacts of major projects and how local communities can benefit from them. This will continue to be a major focus for the Commission and regional communities into 2009/10.

A major challenge for the resources and other sectors will be to ensure an adequate supply of a skilled workforce. In response, the Commission has partnered with the Department of Education and Training, Central West TAFE and other key stakeholders to progress the development of a Mid West Gascoyne Workforce Development Plan. The ten year Plan is expected to be completed by the end of 2009, with implementation to follow immediately.

Aboriginal economic development opportunities remain a key priority of the Commission's work and in the past year two key activities have taken great leaps forward under the Commission's stewardship. The Midwest Mining and Aboriginal Economic Development Partnership has commenced the development of a business model to progress Aboriginal, training, employment and business development opportunities in the expanding Mid West mining industry. Meanwhile, the establishment of the Wirnda Barna Art Centre in Mount Magnet, which will service the upper Murchison area, represents a crucial achievement in implementing the Commission's Mid West Indigenous Arts Industry Strategy.

OVERVIEW

Chairperson's Report

The Commission's SMART Mid West policy continues to be pursued and realised, with a growing number of organisations and projects coming on board. By continuing to work closely with CSIRO, the City of Geraldton-Greenough and other key stakeholders, the Commission is playing a vital role in capturing benefits for the wider community from the groundbreaking Australian SKA Pathfinder project. It is expected the ASKAP project will demonstrate the virtues of the Murchison Radio-astronomy Observatory and underpin Australia's case for the \$2BN SKA project.

Establishing Geraldton as a learning and technology hub, and enhancing regional telecommunications remains a key focus. Further work will be undertaken in 2009/10 to identify and pursue further opportunities including those which will be made available from new fibre optic links proposed for the region.

The Geraldton Universities Centre (GUC) plays a vital role in the development of the Mid West. The Commission, one of GUC's 'champions,' is supporting the establishment of a new finance and governance model that will reflect local needs and aspirations, as well as enhance GUC's sustainability going forward. The Commission is also playing a key role in further developing the research and development capacity of the Separation Point Marine Precinct to support the establishment of the region's marine aquaculture industry.

The new Regional Grants Scheme, part of the State Government's Royalties for Regions Program, is a very welcome addition to the Commission's workload, increasing local decision making in the distribution of grant funds in regional Western Australia. In the first round this year, more than \$3.5 million was allocated to 39 very worthy projects across the Mid West, for initiatives ranging from getting books into homes in one of our Aboriginal communities, to progressing the development of an oil mallee industry for farmers in our north eastern agricultural area.

The Board was particularly happy to be able to approve grants to some key strategic initiatives that have been important to the Commission for some time and none more important than the Bidi Bidi project in Mount Magnet - a two year early childhood development pilot project. Working with young children and their mothers, the project leaders aim to break the cycle of disadvantage by teaching essential skills that will allow the participants to maintain healthy relationships, hold down jobs, and to transfer those skills down the family line. Success in this project could point the way forward for many communities across the region, state and even the nation.

The Commission looks forward to working with the teams developing these projects, and with all the recipients of Regional Grants Scheme funds from the first round. The chance to develop partnerships with many more organisations on a range of strategic and community projects through the Regional Grants Scheme is something the commission looks forward to playing a part in for the year ahead.

You can read more about both the previous year's achievements and the major objectives for the year to come in the sections outlined under Agency Performance which begins on page 13.

I believe this year's Mid West Development Commission Annual Report confirms the organisation remains dynamic, relevant and focused on delivering lasting outcomes for communities right across the vast Mid West.

Murray Criddle
Chair
Mid West Development Commission Board

OVERVIEW

Executive Summary

Performance Highlights

- The Commission implemented the Mid West Regional Grants Scheme (MWRGS) from funding allocated under the Royalties for Regions program. The first round, which was significantly oversubscribed, attracted 93 applications seeking more than \$14 million. The Commission subsequently allocated more than \$3.5 million to 39 of these projects, which will aid the economic and social development of the region.
- The results for 2008/09 customer survey questions relating to business development facilitated by the Commission's contact were particularly positive. The results include the highest scores received for two of the four survey questions since the current basis for the questions were adopted in 2003/04. This was especially pleasing given the increasingly challenging economic conditions that developed during 2008/09.
- The Commission made significant progress during 2008-09 on implementing its strategic development plan for the Mid West Indigenous arts industry. Much of this work has been directed at the establishment of a new Indigenous art centre in Mount Magnet to service new and developing artists in the upper Murchison. Consequently, the new Wirnda Barna art centre is set to commence operations in the second half of 2009.
- The development of a marine services precinct at the Geraldton Fishing Boat Harbour marked a major milestone when a new heavy boat lifting facility commenced operation in late 2008. The Commission worked with industry for several years to develop this project following the closure the Geraldton Port Authority's (GPA) slipway in 1998 and has provide the project with significant support. This includes \$1.5 million the Commission secured from the State Government for establishment of the facility.
- As part of a Working Group, the Commission progressed a review of the Geraldton Universities Centre, which will see the establishment of a new finance and community based governance model in place for the start of the 2010 year. The new model will ensure greater face-to-face course delivery in line with community expectations and client needs.
- Through its Mid West Strategic Infrastructure Group, the Commission facilitated a holistic approach to the development of a Mid West iron industry. Key areas of focus included the establishment of an efficient logistics chain centred on Oakajee; the provision of power and water; an expedited approvals process; and the identification of the socio-economic impacts of mining on regional communities.

OVERVIEW

Operational Structure

Enabling Legislation

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

The Mid West Development Commission is responsible to the Hon Brendon Grylls MLA, Minister for Regional Development; Lands.

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

The Mid West Development Commission is based in Geraldton.

Vision

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

Mission

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

Objectives

The objectives of the Commission are to:

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

Our Values

Balance

We seek to balance economic, social and environmental outcomes

Client focused

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

Ethical

We act with integrity, honesty and loyalty

Partnership

We work with others to achieve common goals

Pro-active

We are innovative, forward thinking, resourceful and creative

Strategic Directions

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

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

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

OVERVIEW

Operational Structure

Outcomes

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

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

Key Result Areas

To achieve these outcomes, the Commission has focused on five key result areas, namely:

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

Services

WORKING IN THE REGION, FOR THE REGION

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

The people we help include:

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

The services and assistance we provide includes:

- Putting clients in touch with the right people
- Providing skilled migration advice and support
- Helping to resolve issues at a government level
- Representing the interests of Mid West business and communities to government
- Promoting the region and its business capability
- Providing export development services
- Facilitating access to government assistance programs and resources
- Providing updates on what is happening in the region
- Identifying and promoting investment opportunities in the region
- Providing links and referrals to Mid West organisations and networks
- Providing local knowledge and input on issues such as land, infrastructure, services, energy and new developments
- Supporting planning and coordination to facilitate major project development
- Assisting development of regional strategies to develop and improve infrastructure and services in the Mid West
- Fostering a community's capacity to undertake economic and social development

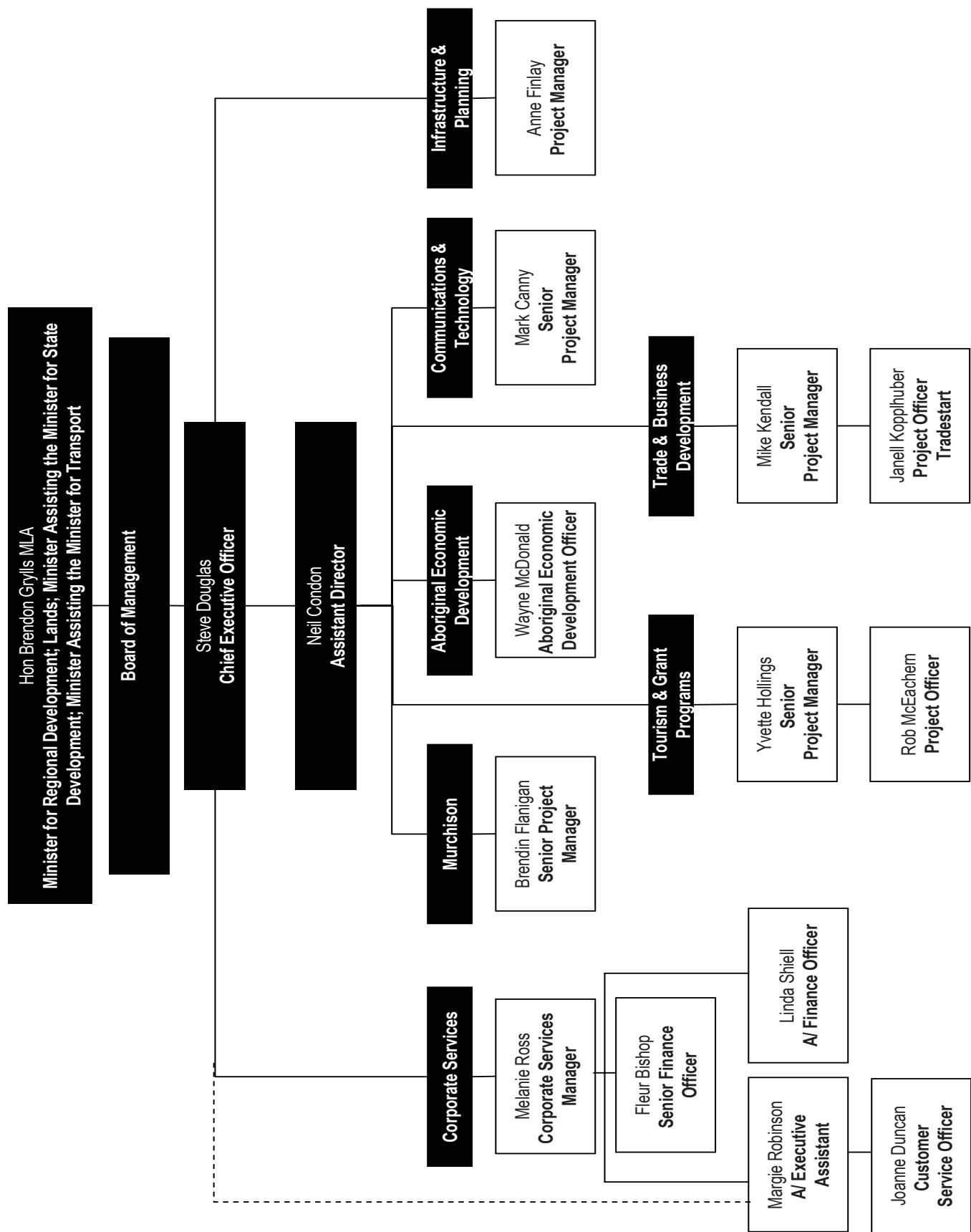
Information resources

Information on the following areas is available from the Commission:

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

OVERVIEW

Organisational Chart



OVERVIEW

Board of Management

The Mid West Development Commission is managed by a Board of regional representatives comprising local government, community and ministerial appointments. The CEO is a member of the Board by virtue of his position.

Hon Murray Criddle - Chairperson

Murray is a primary producer and a retired Member of the Western Australian Parliament. He was Member for the Agricultural Region from 1993 until his resignation in 2008 and Minister of Transport from 1998 to 2001. During his time in Parliament, Murray was a member of a number of Standing Committees including Estimates and Financial Operations, Ecology and Sustainable Development and Public Administration and Finance. He was also a member of a number of Select Committees including the Select Committee for Native Title and Select Committee for Cape Range National Park and Ningaloo Marine Park. Murray has been appointed to the Board in 2009 as a Ministerial appointment and Chairperson for a three year term.

Mr Andrew Pitcher – Deputy Chairperson

Andrew has extensive finance and management experience in the Mid West region and is currently Regional Manager, Northern WA for Rabobank. In this role he supervises an area including the entire Mid West Region, Eastern Wheatbelt and pastoral regions through to Port Headland and subsequently has an excellent understanding of issues in the Mid West and rural Western Australia. Andrew has been appointed to the Board in 2009 as a Community representative for a three year term and Deputy Chair for one year.

Cr John Sewell

John is a primary producer in the Kojarena area. He has been involved in Local Government since 1992. He was President of the Shire of Greenough Council from 2003 until its amalgamation in 2007 and is currently Deputy Mayor of City of Geraldton-Greenough. John was Chair of the Finance and Town Planning Committees at the Shire of Greenough and also chaired the Geraldton Greenough Regional Council. He is currently a representative on the City's Moresby Ranges Management Committee, Coastal Planning Committee and other occasional committees. John has been appointed to the Board in 2009 as a Local Government member for one year.

Cr Simon Broad

Simon and his family are pastoralists from Beringarra and Milly Milly Stations in the Murchison Shire. Simon has served on the Murchison Shire Council since 1987 and is currently Shire President. In recent years, Simon has been a strong influence in the Shire's support for the establishment of a radio astronomy observatory within the Shire, with the \$2BN Square Kilometre Array (SKA) project the ultimate prize. Simon is also currently Vice President of the Murchison Zone of the WA Local Government Association (WALGA) and was a member of the Carnarvon Regional Advisory Committee for many years. In 2002 he was appointed to the new Carnarvon Zone Control Authority. Simon was re-appointed to the Board in 2006 as a Local Government member for a three year term.

OVERVIEW

Board of Management

Cr Pauline Forrester

Pauline is a Councillor with the Shire of Chapman Valley and is a shire delegate on the Planning and Community Development Building Committee, Bushfire Advisory Group, Tourism and Reserve Committee, and Finance and Audit Committee. Pauline is also a member of the Geraldton Cemetery Board, Creating a Better Yuna Committee, Yuna Townscape Committee, Nanson Townscape Committee and is an Ambulance Officer and Justice of the Peace. She is also the Ladies President of the Northampton Bowling Club and Vice President of the Batavia Bowling League. Pauline has been actively involved with the Yuna Primary School since 1976 where in the past she has worked as an Education Assistant. Pauline was re-appointed to the Board in 2008 as a Local Government member for a three year term.

Ms Yvonne Messina

Yvonne recently actively retired as Principal at Mullewa District High School (MDHS). During the principalship, MDHS won 'Outstanding School' in State Education Awards for Aboriginal Education, and Yvonne was nominated for a State Government Award for Excellence in Community Service. Highlights of working at Mullewa include Aboriginal Education and appreciation for culture; mentoring of graduate teachers and local Aboriginal trainees into successful teaching careers. Yvonne was re-appointed to the Board in 2009 as a Ministerial member for one year.

Ms Vickie Petersen

Vickie, a former City of Geraldton Mayor, is currently working with high risk youth within the Education Department. Vickie's previous roles included the Administration Manager/Part Owner of Boss Transport and Services from 1983 – 2006, President of the Mid West Chamber of Commerce and Industry from 2000 – 2001, Mayor of the City of Geraldton from 2001 – 2006, Co-Director of Garden Mart Pty Ltd 2006 - 2009, Consultant for Employment Directions Network 2007 - 2008, Project Manager – Midnight Basketball and Senior Youth Outreach Officer 2009 at the City of Geraldton Greenough. In 2003 Vickie was a State Finalist in the Telstra Business Woman of the Year Award. Vickie was appointed to the Board in 2008 as a Ministerial member for a three year term.

Ms Meredith Wills

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

Mr Steve Douglas

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

OVERVIEW

Administered Legislation

Geraldton Foreshore and Marina Development Act 1990

Geraldton Sailors and Soldiers' Memorial Institute Act 1929

Geraldton Sailors and Soldiers' Memorial Institute Enabling Act 1934

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

Legislation Impacting on Commission Activities

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

Regional Development Commissions Act 1993

Disability Services Act 1993

Electoral Act 1907

Equal Opportunity Act 1984

Financial Management Act 2006

Freedom of Information Act 1992

Geraldton Foreshore and Marina Development Act 1990

Industrial Relations Act 1979

Minimum Conditions of Employment Act 1983

Occupational Safety and Health Act 1984

Public Interest Disclosure Act 2003

Public Sector Management Act 1994

Salaries and Allowances Act 1975

State Records Act 2000

State Supply Commission Act 1991

Workers Compensation and Rehabilitation Act 1981

OVERVIEW

Performance Management Framework

Broad government goals are supported at the agency level by specific outcomes and the Commission delivers services to achieve these outcomes. The following tables illustrate the relationship between the Commission's services and desired outcome, and the government goal they contribute to.

Government Goal	Desired Outcome	Services
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	An environment conducive to the balanced economic and social development of the Mid West region	1. Information and Advice 2. Investment Facilitation 3. Infrastructure and Services Development in the Mid West

Service 1: Information and Advice

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

Service 2: Investment Facilitation

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

Service 3: Infrastructure and Services Development in the Mid West

To facilitate the development of infrastructure and services based on long-term economic development strategies, to support communities and businesses in the Mid West.

AGENCY PERFORMANCE

Report on Operations

Service 1: Information and Advice

- Implemented the Mid West Regional Grants Scheme (MWRGS) from funding allocated under the Royalties for Regions program. This resulted in the allocation of more than \$3.5 million to 39 projects that will progress the sustainable development of the region. Refer to the table at the end of the *Report On Operations* section for a complete list of projects allocated funding from the 2008/09 round.
- The Commission also conducted the final contestable round of its Regional Development Scheme and allocated \$346,430 to a further 12 Mid West projects (Refer to the table at the end of the *Report On Operations* section for details).
- Launched a new strategic plan – Capturing Opportunity - to guide and focus the Commission's operations for the three-year period 2008 to 2010.
- Worked with the Murchison Executive Group to identify opportunities for local government collaboration and resource sharing in the Murchison sub-region.
- With the WA Chief Scientist, organised the inaugural Mid West Science Summit, which brought together more than 100 members of the community and relevant professionals to explore a science-based response to the sustainable development of the Mid West region.
- Established the *SMART* Mid West Internet portal to disseminate information on the region's *SMART* initiatives and provide a mechanism for secure online private discussions on *SMART* projects.
- Partnered the Department for Education and Training, Central West TAFE and the Gascoyne Development Commission to progress the development of a Mid West Gascoyne Workforce Development Plan. The plan is aimed at identifying and meeting the regions' workforce needs for the next ten years, and in particular the resources sector.
- As part of the ABS Spotlight initiative, contributed to the development of a suite of statewide core statistical indicators and commenced work on a Mid West specific statistical project.
- Supported the Mid West Gascoyne Human Services Regional Managers Group to update its strategic plan aimed at improving the efficiency and effectiveness of service delivery to Mid West communities.
- Facilitated several information and communications technology (ICT) networking opportunities including:
 - Australian Telecommunications User Group (ATUG) Roadshow Breakfast
 - iVEC Super Computing Roadshow
 - Nextgen Networks presentation on Project Boomerang
 - Ochre Services Broadband Backhaul
 - ICTWA Portal Launch
- Assisted Karalundi Aboriginal Education Community Inc. to undertake a strategic business review for its school-based community 60km north of Meekatharra.
- In partnership with the Mid West Human Services Regional Managers Group, the Department of Sport and Recreation and the Combined Universities Centre for Rural Health, established a formal network for Shire Community Development Officers (CDO) aimed at providing them with colleagueship, mentoring, and professional development opportunities. This has resulted in the Commission organising regular CDO network meetings around the region.
- Worked in partnership with Yamaji News and Midwest Corporation to secure a reprint of *Wajarri Wisdom*
 - a book on the food and medicine plants of the Mullewa/Murchison districts as used by the Wajarri people.

AGENCY PERFORMANCE

Report on Operations

- Produced several updated editions of the Commission's *Major Projects Summary* for distribution to businesses, industry associations and government agencies in the Mid West, Western Australia, nationally and overseas.
- Continued to work in partnership with Department of Indigenous Affairs, Yamatji Marlpa Aboriginal Corporation, Wadjarri Native Title Working Group and Badimia Land Aboriginal Corporation to secure and protect significant Indigenous cultural sites.
- Supported the Mid West Community Foundation's Advisory Committee to undertake the Foundation's inaugural grant distribution round, plan for the Foundation's launch event and develop promotional materials.
- Completed a four-year collaboration with Country Arts Western Australia aimed at improving arts and cultural services and program delivery to the towns of the Mid West.

Major Initiatives for 2009-10

- Work with interested parties to identify economic and social development opportunities that may result from current, planned and proposed Mid West science and technology projects.
- Complete the preparation, and commence the implementation of a ten year Mid West Gascoyne Workforce Development Strategy to meet the regions' future workforce needs.
- Work with participating health organisations to develop a web-enabled interactive schedule for health services they provide in the region. This should provide a number of benefits including better co-ordination of delivery schedules between organisations and improved public awareness of the availability of services.
- Continue to work with the Murchison Executive Group to realise opportunities for local government collaboration and resource sharing in the Murchison sub-region.
- Support the Wiluna Aboriginal Regional Partnership Agreement committee to produce positive economic and social outcomes for the Shire of Wiluna.
- Provide support to the Northern Agricultural Catchments Council (NACC) to host the 2009 Western Australian State Natural Resource Management Conference in Geraldton.
- Provide support to the Advisory Committee of the Mid West Community Foundation including assistance with the Foundation's official launch.
- In conjunction with the Wheatbelt Development Commission, develop a strategy to promote awareness of Indian Ocean Drive.

Service 2: Investment Facilitation

- Supported Australia's bid to host the international €1BN Square Kilometre Array (SKA) radio astronomy project by:
 - working with the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the city of Geraldton-Greenough, the Department of Industry and Resources and others to identify and pursue regional opportunities from the ASKAP and SKA projects;
 - demonstrating community and regional support for the SKA project by participating in the International SKA Conference in Cape Town, South Africa in February 2009; and
 - hosting CSIRO's establishment of a Regional Manager's position for the Australian Square Kilometre Array Pathfinder (ASKAP) project within the Commission's Geraldton office.

AGENCY PERFORMANCE

Report on Operations

- Progressed the establishment of an Indigenous art centre in the upper Murchison by:
 - gaining stakeholder support from communities and artists in the upper Murchison for the establishment of an Indigenous art centre;
 - securing \$110,000 of Federal funding towards establishment costs and the first year of operations;
 - securing \$30,000 of Regional Development Scheme funding to prepare a business development plan to guide the art centre's establishment; and
 - obtaining financial support for the art centre's establishment in Mount Magnet from the local shire.
- In partnership with Tourism Western Australia and other stakeholders, completed a draft Geraldton Greenough Tourism Strategy project to identify Geraldton's tourism potential and strategies required to realise it.
- Worked with stakeholders and provided support for the successful establishment of the Geraldton Farmers' Market.
- In collaboration with Central West TAFE worked with local fishers to successfully trial the farming of Mulloway, which were grown from fingerlings to a plate-sized, market-accepted product.
- Renegotiated the distribution agreement for the Commission's Gascoyne Murchison Outback Pathways Guide Book to enable the tourism body, Australia's Golden Outback, to sell and distribute Guide Books both within and outside of the WA market place. The new arrangement has synergies for both organisations and should increase sales of the guide book and increased visitation to the region.
- In association with Austrade promoted export opportunities to Mid West businesses. Three trade functions were held during the financial year and these are expected to result in two new Mid West businesses exporting for the first time.
- Worked collaboratively with the Small Business Development Corporation's Skilled Migration Unit to process a record number of working visa applications to address skilled labour shortages.
- Worked with industry to progress the establishment of a regional Procurement Officer, whose task would be to maximise local business participation in major projects.
- Facilitated meetings between a major regional property developer and agencies to resolve issues regarding responsibility for the provision of essential infrastructure.
- Worked with the Midwest Mining and Aboriginal Economic Development Partnership on Aboriginal training, employment and business development opportunities in the expanding Mid West mining industry. This includes securing funding for a feasibility study and business development plan for an Indigenous "Gateway" organisation. A "Gateway" organisation would help coordinate the training and employment of Indigenous workers for the region's mining industry.

Major Initiatives for 2009-10

- Undertake a study to identify opportunities to enhance Geraldton's standing as a learning and technology hub.
- Partner the Mid West Chamber of Commerce and Industry, and industry to support the establishment of a regional procurement officer to broker local business outcomes from major projects.
- Continue to implement the strategic development plan for the Mid West Indigenous arts industry. A major priority is the establishment of the Wirnda Barna art centre in Mount Magnet, which will service the upper Murchison sub-region.
- Progress the development of marine aquaculture in the Mid West in partnership with industry and the Batavia Coast Maritime Institute.
- With key stakeholders, work to oversee the finalisation of the Geraldton-Greenough Tourism Strategy and commence the implementation of its recommendations.

AGENCY PERFORMANCE

Report on Operations

- In conjunction with Austrade, work to make more businesses aware of opportunities in exporting their goods and services. This includes getting relevant buyers and Trade Commissioners to visit the region and its businesses.
- Investigate biomass biofuel opportunities including the development of pelletised biomass for export and/or for the production of power.
- Identify partners to work on biofuels as an adjunct to 'opportunity cropping' in marginal areas of the North East Agricultural region.
- Work with the Shire of Murchison and other stakeholders on the Murchison Engineering Employment Project. The project aims to leverage projects in the Murchison to improve the work skills of unemployed Indigenous people to produce workers equipped to construct rail and road networks.
- Undertake a strategic review of Indigenous tourism opportunities in the region and develop an action plan for their realisation.
- Continue to support the Shire of Wiluna's development of a business enterprise centre and an employment and training facility, including the establishment of a new retail outlet for the Tjukurba Art Gallery.
- Work with stakeholders on the continued development of the Gascoyne Murchison Outback Pathways by:
 - identifying strategic development opportunities for the Pathways and associated tourism attractions and facilities;
 - investigating funding opportunities for new developments; and
 - optimising the marketing and sale of the existing stock of Pathway's guidebooks.
- Continue to support the establishment of radio-astronomy projects, particularly ASKAP and SKA, in the Murchison Radio-astronomy Observatory (MRO).
- Oversee the completion of a feasibility study and business development plan for an Indigenous "Gateway" organisation and if appropriate, commence work on its establishment.

Service 3: Infrastructure and Services Development in the Mid West

- Through the Mid West Strategic Infrastructure Group, provided regional planning coordination in support of the development of an iron ore industry in the Mid West including:
 - the development of Oakajee deepwater port, industrial estate and rail link to the hinterland;
 - the timely provision of strategic infrastructure including the 330 kV power line;
 - partnering the Department for Planning and Infrastructure to prepare a Mid West infrastructure Analysis to better understand and respond to the population impacts of major resources projects;
 - supporting the Department for Planning and Infrastructure to progress the development of the Oakajee Narngulu Infrastructure and Services Corridor study; and
 - facilitating meetings between the Department for Planning and Infrastructure and hinterland Local Government Authorities to undertake further planning to capture the opportunities for economic growth arising from resource development projects.
- Through membership of the Oakajee Implementation Group, supported the Department of State Development to adopt a holistic and coordinated planning approach to the development of Oakajee and an iron ore industry in the Mid West.

AGENCY PERFORMANCE

Report on Operations

- Encouraged the development of new industries at Oakajee by:
 - hosting visits by potential estate-users;
 - facilitating the timely exchange of information between agencies and resource proponents; and
 - providing information and support to agencies leading the provision of infrastructure to the Oakajee site.
- Supported the development of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project by:
 - providing further funding instalments to the City of Geraldton-Greenough as part of the State Government's overall commitment via the Commission, of \$13.3 million over six years; and
 - working with the City of Geraldton-Greenough and the Foreshore Redevelopment Advisory Committee to optimise the project's outcomes.
- Supported Geraldton Boat Lifters Limited on the development of its \$3 million marine servicing and heavy boat lifter facility at the Geraldton Fishing Boat Harbour. This included providing the balance of the \$1.5M of State Government funding previously secured by the Commission for the project.
- Provided funding of \$229,000 towards the construction of a new land backed wharf at Kalbarri to support the local fishing and tourism industry.
- Continued to work with stakeholders to expedite the development of land sold as part of stage one of the Batavia Coast Marina Redevelopment, which has directly and indirectly resulted in several more lots being developed.
- Worked with Landcorp, the Public Transport Authority and the City of Geraldton-Greenough to determine the best means of progressing Stage 2 of the redevelopment of the Batavia Coast Marina.
- As part of a three member Working Group, identified a more sustainable finance and governance model for the Geraldton Universities Centre (GUC). In support of this, MWDC is providing \$106,925 from the MWRGS for a range of initiatives aimed at increasing the number of students enrolled and the number of courses offered. Both are critical to the long-term success of GUC.
- With funding secured from the Department of Broadband, Communications and the Digital Economy the Commission produced:
 - The Mid West Broadband Needs Analysis (MWBNA) report covering the current broadband capabilities and future needs of the Mid West region; and
 - The Mid West Broadband Options report which summarised the options for meeting the needs identified in the MWBNA report .
- Supported the establishment of a steering committee to investigate and progress the proposed establishment of a centre for regional climate change solutions - an initiative that evolved from the Mid West Science Summit.
- Worked with the Shire of Chapman Valley, City of Geraldton-Greenough and other stakeholders to progress the development of a management plan for the Moresby Range.

Major Initiatives for 2009-10

- Work with the proponents of the Bidi Bidi Early Childhood Centre pilot project to:
 - establish the facility in Mount Magnet;
 - address the Murchison's relatively poor Australian Early Development Index (AEDI) results; and
 - demonstrate the initiative's value for ongoing government funding and the model's introduction elsewhere.

AGENCY PERFORMANCE

Report on Operations

- Continue to work with the City of Geraldton-Greenough and the Foreshore Redevelopment Advisory Committee on the final stage of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project. This will include the management and disbursement by the Commission of approximately \$1.8 million of State Government funding to the project in 2009-10.
- Expedite the development of land sold as part of stage one of the Batavia Coast Marina Redevelopment.
- Work with the Landcorp, City of Geraldton-Greenough, Public Transport Authority and other stakeholders to move stage two of the redevelopment of the Batavia Coast Marina towards commencement.
- Support the implementation of proposed changes for the Geraldton Universities Centre (GUC) including:
 - adoption of new finance and governance model; and
 - establishment of a new community-based Board.
- Assist the Department of State Development to undertake holistic planning to support the development of Oakajee and a Mid West iron ore industry.
- Work with local communities, industry and government to determine the socio-economic impacts of major projects in order to address challenges and capture opportunities.
- Partner the Western Australian Planning Commission to establish a Mid West Planning Committee to identify and address priority planning issues, and to undertake regional strategic planning based on the Mid West's three sub regions, namely: the Batavia Coast, North Midlands and Murchison.
- Undertake a feasibility and directions study for a proposed centre for regional climate change solutions in Geraldton.
- Undertake a review of the effectiveness and potential future directions of broadband services in the North Midlands.
- Assist the Shire of Murchison with major components of its town site redevelopment project.
- Continue to facilitate planning and coordination, and the timely provision of infrastructure to support major project development through bi-monthly meetings of the Mid West Strategic Infrastructure Group.
- Work with stakeholders to complete the development of a management plan for the Moresby Range and then identify opportunities to progress its implementation. This may also include undertaking high level feasibility studies for potential commercial and/or tourism developments.
- Support the Department of Water to complete a Mid West Regional Water Plan to quantify and qualify the region's water resources and inform future water allocation policy.

AGENCY PERFORMANCE

Report on Operations

Regional Grants Scheme - Royalties for Regions

The Commission received 93 applications for funding from the Mid West Regional Grants Scheme in March 2009. The total value of funding requested was \$14.4 million. The following projects received funding

Regional Grants Scheme Funded Projects for 2008-09		
Project Name	Organisation	Funding
Service Development Project for Aidan's Place Inc (Autism Intervention Development and Networking)	Aidan's Place Inc	\$45,651
Marine Finfish Research & Development Centre	Central West TAFE	\$149,000
Build & Trial a Demonstration Oil Mallee Biomass Processing Plant - by replacing a diesel boiler with a solid fuel boiler	Oil Mallee Association of WA Inc	\$54,500
Alternative Employment Opportunities for Mid West Lobster Industry Workers	Central West TAFE	\$27,508
Regional Library & Administration Centre Redevelopment	City of Geraldton-Greenough	\$300,000
Greater Geraldton Themed Interpreted Walks	City of Geraldton-Greenough	\$169,250
Geraldton-Greenough Sustainable Future City	City of Geraldton-Greenough	\$90,000
Special Creche (Phase 1)	City of Geraldton-Greenough Aquarena	\$100,000
On Course Eco Toilets & Drinking Fountain	Dongara Golf Club Inc	\$25,000
Enhancing Educational Training	Dongara Telecentre Inc	\$20,000
Geraldton Farmers Market	Geraldton Greenough Farmers' Market Inc	\$20,000
Electronic Target Acquisition	Geraldton Greenough Rifle Club Inc	\$30,850
Davies Road Premises Upgrade	Geraldton Greenough State Emergency Service Unit (Inc)	\$103,500
Geraldton Universities Centre Sustainability	Geraldton Universities Centre	\$106,925
Mid West Academy of Sport Feasibility Study	Geraldton Midwest Sports Federation Inc	\$20,000
GNA Netball Courts - Stage 1 Seating & Shelters	Geraldton Netball Association Inc	\$6,500
Sea Art Cray Pot Creatures	Geraldton Licensed Fisherman's Association Inc	\$5,000
Mount Magnet Medical Service	Geraldton Regional Aboriginal Medical Service	\$145,000
OSCCA Rebuild (Out of School Hours Child Care)	Geraldton Regional Community Education Centre Inc	\$149,950

AGENCY PERFORMANCE

Report on Operations

Regional Grants Scheme Funded Projects for 2008-09		
Project Name	Organisation	Funding
Alice Nannup Youth Art Centre Tourism Feasibility Study	Geraldton Streetwork Aboriginal Corporation	\$10,000
KOPE with Life (Karlundi Outdoor Personal Enrichment Program)	Karlundi Aboriginal Education Community Inc	\$86,855
Leaning Tree School Development Project	Leaning Tree Community School Inc	\$40,000
Mid West Emergency Helicopter Feasibility	Mid West Development Commission on behalf of the Abrolhos Islands Council	\$35,000
Ngala Online	Ngala Community Services	\$25,897
Lynton Heritage Site Interpretation Centre	Northampton Historical Society Inc	\$117,000
Lions Park Grassed Areas & Garden Irrigation	Lions Club of Northampton Inc	\$10,759
Reducing tourism impacts on the coastal environment at Turtle Bay, East Wallabi Island - Stage 1	Northern Agricultural Catchments Council Inc	\$150,000
Winchester Cemetery Improvements	Shire of Carnamah	\$25,000
Morawa Community and Business Enterprise Centre	Shire of Morawa	\$340,888
Yamatji Sitting Circle	Shire of Mullewa	\$37,400
Transaction Centre / Town Development	Shire of Murchison	\$145,000
Perenjori Eco Housing	Shire of Perenjori	\$170,000
ADSL2 Exchange Update	Shire of Wiluna	\$25,000
ADSL2+ Yalgoo Exchange Update	Shire of Yalgoo	\$25,000
New Ambulance Sub-Centre Kalbarri (Stage 1)	St John Ambulance Australia (WA) Inc	\$250,000
Yalgoo Sub Centre	St John Ambulance Australia (WA) Inc	\$25,000
Books in Homes & Yulga Jinna Community School	The Alan Duff Charitable Foundation for Books in Homes Australia	\$1,164
Bidi Bidi Centre and Programs: Supporting Mothers (a 2 year early childhood development pilot study)	WA Country Health Service	\$399,488
Warradarge Community Meeting Rooms	Warradarge Bush Fire Brigade	\$34,000
Total:		\$3,522,085

AGENCY PERFORMANCE

Report on Operations

Regional Development Scheme

The Commission received 13 applications for funding from the Mid West Regional Development Scheme in September 2008. The total value of funding requested was \$436,816. The following projects received funding.

Regional Development Scheme Funded Projects for 2008-09		
Project Name	Organisation	Funding
Midwest Employment and Economic Feasibility Study	Midwest Employment and Economic Development Aboriginal Corporation	\$30,000
Hawes Heritage Experience Implementation	Monsignor Hawes Heritage Incorporated	\$11,430
Mid West Regional Strategic Plan	Mid West Development Commission	\$50,000
Refurbishment of Mingenew Autumn Centre	Shire of Mingenew	\$50,000
Wildflower Country Trails Development Plan	Shire of Morawa	\$15,000
HMAS Sydney II Memorial Fifth Element	The Rotary Club of Geraldton	\$60,000
Indigenous Gateway Feasibility Study/ Business Development Plan	Mid West Development Commission	\$30,000
Murchison Outback Indigenous Art Centre Business Development Plan	Mid West Development Commission	\$30,000
Regional Biosequestration & Renewable Energy Generation in the Mid West of WA	Murdoch University	\$25,000
Foster Park Upgrade	Shire of Mount Magnet	\$20,000
State NRM Conference 2009	Northern Agricultural Catchments Council	\$10,000
Out There Youth Arts Development Program	Country Arts WA	\$15,000
Total:		\$346,430

AGENCY PERFORMANCE

Actual Results versus budget targets

Financial Targets

	Target \$000	Actual \$000	Variance \$000
Total cost of services (expense limit) (details from Income Statement)	5,499	5,944	445
Net cost of services (details from Income Statement)	5,408	5,655	247
Total equity (details from Balance Sheet)	605	9,699	9,094
Net increase/(decrease) in cash held (details from Cash Flow Statement)	(466)	3,705	4,171
Approved full time equivalent (FTE) staff level	13	13	-

Increase in total cost of services and net cost of services is mainly due to expenditure of funding on some projects that were carried over from the 2007/08 financial year.

Increase in total equity and cash held is mainly due to restricted cash (Royalties for Regions, Geraldton Foreshore Redevelopment and CBD Revitalisation project and Regional Development Scheme) being carried over into the 2009/10 financial year.

For explanation on Income Statement variances, refer to Note 34(b) of the Financial Statements on page 51 of this report.

AGENCY PERFORMANCE

Actual Results versus budget targets

Key Performance Indicators

	Target	Actual	Variance
Outcome: An environment conducive to the balanced economic and social development of the Mid West region. <i>Key Effectiveness Indicators</i> <ul style="list-style-type: none"> • Clients agreeing that the Commission reduced obstacles to economic growth and employment • Clients agreeing that the Commission contributed to the development of a new business opportunity • Clients agreeing that the Commission contributed to more trade activity • Clients agreeing that the Commission contributed to the retention of staff and/or expansion of employment opportunities 	 42% 57% 27% 28%	 40% 68% 33% 25%	 (2%) 11% 6% (3%)
Service 1: Information & Advice <i>Key Efficiency Indicators</i> Cost per client visit Cost per client inquiry	 \$1,365 \$111	 \$809 \$92	 (\$556) (\$19)
Service 2: Investment Facilitation <i>Key Efficiency Indicator</i> Average cost per project	 \$44,133	 \$40,637	 (\$3,496)
Service 3: Infrastructure and Services Development in the Mid West <i>Key Efficiency Indicator</i> Average cost per project	 \$270,600	 \$289,095	 \$18,495

Clients agreeing that the Commission contributed to the development of a new business opportunity is assumed to have increased due to the contract extension of the additional staff member assisting with the Commission's contract with Austrade to provide TradeStart export services.

Cost per client visit in service 1 is below target due to higher than target client visits during the financial year, which is partly due to an additional staff member, as noted above.

For further explanation on variances, refer to performance information presented on page 56 of this report. It should be noted that within the audited Key Performance Indicators, target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense.

SIGNIFICANT ISSUES IMPACTING ON THE AGENCY

The social and economic development of the Mid West will experience a significant positive influence from the increased government funding provided through the Royalties for Regions initiatives.

The Mid West economy has a heavy reliance on primary commodity exports and is subsequently exposed to market fluctuations. Alternative projects which are aimed at diversifying the region's economic reliance include:

- supporting the establishment of the Murchison Radio-astronomy Observatory and its associated radio astronomy initiatives including the Australian Square Kilometre Array Pathfinder (ASKAP) and Square Kilometre Array (SKA) projects;
- developing and implementing strategies to support innovation, value adding and structural adjustment in the agricultural and rock lobster industry sectors; and
- assisting the region to realise its tourism potential by supporting the completion of the six year Geraldton Foreshore Redevelopment (GFR) and Central Business Development (CBD) Revitalisation project, finalising and implementing the Geraldton Greenough Tourism Strategy and implementing new strategies to further develop and promote the Gascoyne Murchison Outback Pathways.

Strategic regional planning will better position the Mid West and its communities to deal with future challenges and to identify and capture opportunities (e.g. from the resources sector) in line with community values.

The implementation of strategies, including the Mid West Indigenous Art Strategy, and the development of a Gateway organisation, will assist in providing Indigenous employment and business opportunities.

Approximately 83 per cent of the Mid West region is classified as remote, which presents a challenge in resource allocation to provide and maintain infrastructure and services. In response the Commission will:

- support the Murchison Executive Group to identify opportunities for collaboration and resource sharing in the Murchison sub region;
- assist the development of a Wiluna Regional Partnership Agreement; and
- work with key stakeholders to establish early childhood initiatives in the Murchison to address very low literacy levels, high unemployment and health issues.

Through the Mid West Strategic Infrastructure Group, the Commission will support the establishment of key infrastructure necessary to establish an iron industry in the Mid West, including the development of a deepwater port and industrial estate at Oakajee linked by a Murchison rail link, and an upgraded power network.

Access to tertiary education in the Mid West will be improved with the development and implementation of a new, sustainable financial and governance model for Geraldton Universities Centre.

The Mid West's telecommunications network will be enhanced through identifying synergies and capturing opportunities associated with the ASKAP and SKA radio astronomy projects.

DISCLOSURES AND LEGAL COMPLIANCE

Income Statement

FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/2009 \$	2007/2008 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	1,131,379	1,161,306
Supplies and services	7	463,516	392,085
Depreciation and amortisation expense	8	12,004	21,002
Accommodation expenses	9	142,033	132,292
Grants and subsidies	10	4,183,475	5,798,832
Loss on disposal of non-current assets	14	-	767
Other expenses	11	11,687	16,068
Total cost of services		5,944,094	7,522,352
Income			
Revenue			
Commonwealth grants and contributions	12	138,633	76,718
Other revenue	13	150,126	115,519
Total revenue		288,759	192,237
Total income other than income from State Government		288,759	192,237
NET COST OF SERVICES		5,655,335	7,330,115
INCOME FROM STATE GOVERNMENT			
Service appropriation	15(a)	4,305,000	5,452,000
Resources received free of charge	15(b)	-	10,000
Royalties for Regions Fund	15(c)	4,440,000	-
State Government grants & subsidies	15(d)	502,500	535,152
Total income from State Government		9,247,500	5,997,152
SURPLUS/(DEFICIT) FOR THE PERIOD		3,592,165	(1,332,963)

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

DISCLOSURES AND LEGAL COMPLIANCE

Balance Sheet

AS AT 30 JUNE 2009

	Note	2008/2009 \$	2007/2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	27(a)	530,610	318,190
Restricted cash and cash equivalents	16, 27(a)	8,174,012	4,681,097
Receivables	17	182,891	252,838
Amounts receivable for services	18	30,000	33,000
Other current assets	19	-	1,151
Total Current Assets		8,917,513	5,286,276
Non-Current Assets			
Amounts receivable for services	18	111,000	103,000
Property, plant and equipment	20	2,068,464	2,419,746
Intangible assets	21	10,704	16,880
Total Non-Current Assets		2,190,168	2,539,626
TOTAL ASSETS		11,107,681	7,825,902
LIABILITIES			
Current Liabilities			
Payables	23	95,287	82,272
Provisions	24	251,910	252,783
Total Current Liabilities		347,197	335,055
Non-Current Liabilities			
Provisions	24	101,436	78,510
Amounts due to the Treasurer	25	960,000	960,000
Total Non-Current Liabilities		1,061,436	1,038,510
TOTAL LIABILITIES		1,408,633	1,373,565
NET ASSETS		9,699,048	6,452,337
EQUITY			
Contributed equity	26(a)	355,946	355,946
Reserves	26(b)	1,336,398	1,681,852
Accumulated surplus	26(c)	8,006,704	4,414,539
TOTAL EQUITY		9,699,048	6,452,337

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

DISCLOSURES AND LEGAL COMPLIANCE

Statement of Changes in Equity FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/2009 \$	2007/2008 \$
Balance of equity at start of period		<u>6,452,337</u>	<u>5,909,143</u>
CONTRIBUTED EQUITY			
Balance at start of period		<u>355,946</u>	<u>355,946</u>
Balance at end of period	26(a)	<u>355,946</u>	<u>355,946</u>
RESERVES			
Asset Revaluation Reserve			
Balance at start of period		1,681,852	563,670
Gains/(losses) from asset revaluation		<u>(345,454)</u>	<u>1,118,182</u>
Balance at end of period	26(b)	<u>1,336,398</u>	<u>1,681,852</u>
ACCUMULATED SURPLUS			
Balance at start of period		4,414,539	4,989,527
Change in accounting policy		<u>-</u>	<u>757,975</u>
Restated balance at start of period		<u>4,414,539</u>	<u>5,747,502</u>
Surplus/(deficit) for the period		<u>3,592,165</u>	<u>(1,332,963)</u>
Balance at end of period	26(c)	<u>8,006,704</u>	<u>4,414,539</u>
Balance of equity at end of period		<u>9,699,048</u>	<u>6,452,337</u>
Total income and expense for the period (a)		<u>3,592,165</u>	<u>(1,332,963)</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$3,592,165 less losses from asset revaluation of \$345,454 (2008: deficit \$1,332,963 plus gains from asset revaluation of \$1,118,182).

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

DISCLOSURES AND LEGAL COMPLIANCE

Cash Flow Statement FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/2009 \$	2007/2008 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		4,267,000	5,414,000
Holding account drawdowns		33,000	33,000
Royalties for Regions Fund		4,440,000	-
State Government grants and subsidies		504,318	525,000
Net cash provided by State Government		9,244,318	5,972,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,108,368)	(1,093,519)
Supplies and services		(466,412)	(431,260)
Accommodation		(142,033)	(132,292)
GST payments on purchases		(446,733)	(688,915)
GST payments to taxation authority		(74,000)	(71,234)
Grants and subsidies		(4,168,975)	(6,431,982)
Other payments		-	(38,712)
Receipts			
Commonwealth grants and contributions		138,633	76,718
Sale of publications		4,852	5,685
GST receipts on sales		74,431	69,009
GST receipts from taxation authority		556,578	483,298
Other receipts		93,044	97,395
Net cash provided by/(used in) operating activities	27(b)	(5,538,983)	(8,155,809)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current intangible assets		-	(15,216)
Proceeds from sale of non-current physical assets		-	505
Net cash provided by/(used in) investing activities		-	(14,711)
Net increase/(decrease) in cash and cash equivalents		3,705,335	(2,198,520)
Cash and cash equivalents at the beginning of the period		4,999,287	7,197,807
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	27(a)	8,704,622	4,999,287

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

1. Australian equivalents to International Financial Reporting Standards

General

The Commission's 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 Commission has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

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

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

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

(b) Basis of Preparation

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

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

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

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(c) Reporting Entity

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

(d) Contributed Equity

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

Transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue Recognition

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

Sale of goods

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

Rendering of services

Revenue is recognised on delivery of the service 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 Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury.

Grants, donations, gifts and other non-reciprocal contributions

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

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

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

Gains

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(f) Property, Plant and Equipment

Capitalisation/Expensing of assets

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

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

Subsequent measurement

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

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

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

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

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

Derecognition

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

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 20 'Property, plant and equipment'.

Depreciation

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

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

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(g) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

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

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

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

Software ^(a)	30%
Web site costs	30%

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

Computer Software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

Web site costs

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

(h) Impairment of Assets

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

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

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

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

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

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

(j) Leases

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

(k) Financial Instruments

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

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Assets

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

Financial Liabilities

- Payables
- Amounts due to the Treasurer

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

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

(l) Cash and Cash Equivalents

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

(m) Accrued Salaries

Accrued salaries (see Note 23 '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 Commission considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(n) Amounts Receivable for Services (Holding Account)

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(o) Receivables

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

(p) Payables

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

(q) Amounts due to the Treasurer

Initial recognition and measurement, and subsequent measurement, is at the amount repayable. The amount repayable is interest-free and does not have a fixed repayment date. The carrying amount for the amount repayable is therefore its face value. The Commission considers the carrying amount of the amounts due to the Treasurer to be equivalent to fair value. See Note 25 'Amounts due to the Treasurer'.

(r) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See Note 24 'Provisions'

(i) Provisions - Employee benefits

Annual Leave and Long Service Leave

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

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

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

Superannuation

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in WA. Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(r)(i) Provisions - Employee benefits (cont)

Superannuation (cont)

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

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

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

(ii) Provisions - Other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of "Other expenses" and are not included as part of the Commission's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See Note 11 'Other expenses' and Note 24 'Provisions').

(s) Superannuation Expense

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

- (a) Defined benefit plans – For 2007-08, the change in the unfunded employer's liability (ie current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- (b) Defined contribution plans - Employer contributions paid and payable to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS) and the GESB Super Scheme (GESBS).

Defined benefit plans – 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(s)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement (See Note 15 'Income from State Government'). 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.

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

2. Summary of significant accounting policies (continued)

(u) Comparative Figures

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

3. Judgements made by management in applying accounting policies

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

4. Key sources of estimation uncertainty

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

5. Disclosure of changes in Accounting Policy and Estimates

(a) Initial application of an Australian Accounting Standard

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

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 AASs 27, 29 and 31 [AASB 3, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 and 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, otherwise there is no financial impact.

(b) Voluntary changes in Accounting Policy

The Commission has changed its capitalisation threshold from \$1,000 to \$5,000 to comply with TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. This change in accounting policy has been retrospectively applied and as a result there has been an adjustment to the Accumulated Surplus/(Deficit) of (\$12,138) in the 2007-08 financial year.

The Commission has also changed its policy in accruing for grant liabilities based on advice from Department of Treasury and Finance. This has also been retrospectively applied and resulted in an adjustment to the Accumulated Surplus/(Deficit) of \$770,113 in the 2007-08 financial year.

(c) Future impact of Australian Accounting Standards not yet operative

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

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

(c) Future impact of Australian Accounting Standards not yet operative (continued)

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Commission does not expect any financial	1 January 2009
AASB 2009-2 'Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]'. This standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. The Commission does not expect any financial impact when the Standard is first	1 January 2009

(d) Changes in Accounting Estimates

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

		2008/2009	2007/2008
6	EMPLOYEE BENEFITS EXPENSE	\$	\$
	Wages and salaries (i)	989,380	961,968
	Superannuation - defined contribution plans (ii)	92,602	89,593
	Long service leave (iii)	21,779	64,327
	Annual leave (iii)	2,631	19,876
	Other related expenses	24,987	25,542
		<u>1,131,379</u>	<u>1,161,306</u>

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

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

(iii) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at Note 11 'Other Expenses'. The employment on-costs liability is included at Note 25 'Provisions'.

7 SUPPLIES AND SERVICES

Communications	15,623	19,148
Consultants and contractors	150,018	107,282
Consumables	46,319	39,357
Travel	45,161	51,472
Equipment repairs and maintenance	12,444	13,338
Operating leases - vehicles	29,579	28,888
Board fees	51,288	40,869
Other	113,084	91,731
	<u>463,516</u>	<u>392,085</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	2008/2009	2007/2008
	\$	\$
8 DEPRECIATION AND AMORTISATION EXPENSE		
<u>Depreciation</u>		
Plant and equipment	5,828	15,539
Total depreciation	5,828	15,539
<u>Amortisation</u>		
Computer software	747	3,500
Website	5,429	1,963
Total amortisation	6,176	5,463
Total depreciation and amortisation expense	12,004	21,002
9 ACCOMMODATION EXPENSES		
Lease rentals	127,985	122,240
Electricity	12,552	9,631
Repairs and maintenance	1,496	421
	142,033	132,292
10 GRANTS & SUBSIDIES		
<u>Recurrent</u>		
University of Western Australia Field Trip	-	1,000
Regional Development Scheme (i)	313,135	212,434
The Lupin Society	2,000	-
Yamaji Art	6,000	-
Northern Agricultural Catchments Council	5,000	-
Geraldton Universities Centre	-	34,000
City of Geraldton-Greenough - Queen Elizabeth II Centre	225,000	225,000
Geraldton Boat Lifters Ltd - Marine Services Precinct	-	5,252
Mid West Community Foundation	-	100,000
<u>Capital</u>		
City of Geraldton-Greenough - Foreshore Redevelopment	3,031,640	4,092,846
Geraldton Boat Lifters Ltd - Marine Services Precinct	371,700	1,128,300
Department of Planning and Infrastructure - Kalbarri Jetty	229,000	-
	4,183,475	5,798,832
(i) Includes the reallocation to new recipients of funds granted in earlier rounds of the Regional Development Scheme (RDS) which were either not utilised at all or exceeded the actual requirements of the original recipients. These funds were returned to the RDS funding pool and allocated to or available for allocation to new projects.		
11 OTHER EXPENSES		
Employment on-costs (i)	3,271	4,794
Other insurance	8,416	11,274
	11,687	16,068
(i) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at Note 25 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	2008/2009 \$	2007/2008 \$
12 COMMONWEALTH GRANTS AND CONTRIBUTIONS		
TradeStart	55,633	55,705
Department of Broadband, Communications & Digital Economy	80,000	21,013
Commonwealth Scientific and Industrial Research Organisation	3,000	-
	<u>138,633</u>	<u>76,718</u>
13 OTHER REVENUE		
Sundry Income	57,363	50,593
Sale of publications	5,986	4,977
Refund of unused RDS grants (i)	30,750	-
Write back of excess legal fee accrual	-	9,120
Batavia Coast Marina - Liquidated Damages	56,027	50,829
	<u>150,126</u>	<u>115,519</u>
(i) These amounts reflect refunds from grant recipients of unused Regional Development Scheme (RDS) grants paid to grant recipients in earlier years.		
14 NET GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS		
<u>Costs of disposal of non-current assets</u>		
Plant and equipment	-	(1,272)
<u>Proceeds from disposal of non-current assets</u>		
Plant and equipment	-	505
Net gain/(loss)	<u>-</u>	<u>(767)</u>
15 INCOME FROM STATE GOVERNMENT		
Appropriation received during the year:		
- <i>Service appropriation</i>	4,305,000	5,452,000
(a)	<u>4,305,000</u>	<u>5,452,000</u>
Resources received free of charge		
Determined on the basis of the following estimates provided by agencies:		
- <i>Department of Water</i>	-	10,000
(b)	<u>-</u>	<u>10,000</u>
Royalties for Regions Fund		
- <i>Regional Infrastructure and Headworks Account</i>	4,440,000	-
(c)	<u>4,440,000</u>	<u>-</u>
Grants and subsidies:		
During the 2008/09 financial year the Mid West Development Commission received revenue from the following sources:		
- <i>Regional Development Scheme - Round 7 (2008)</i>	-	500,000
- <i>Regional Development Scheme - Round 8 (2009)</i>	500,000	-
- <i>Department of Fisheries - Midwest Science Forum</i>	1,500	-
- <i>Central West TAFE - Midwest Science Forum</i>	1,000	-
- <i>Department of Industry & Resources - Aboriginal Economic Development Officer</i>	-	35,152
(d)	<u>502,500</u>	<u>535,152</u>
	<u>9,247,500</u>	<u>5,997,152</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

15 INCOME FROM STATE GOVERNMENT (cont)

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

(b) Where assets or services have been received free of charge or for nominal cost, the Commission recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contributions of assets or services are in the nature of contributions by owners, the Commission makes the adjustment direct to equity.

(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.

	2008/2009 \$	2007/2008 \$
16 RESTRICTED CASH AND CASH EQUIVALENTS		
Use of the following cash holdings is restricted to the purpose(s) for which the funds were provided:		
Aboriginal Economic Development	-	77,135
Batavia Coast Marina Redevelopment	473,774	493,789
Gascoyne Murchison Outback Pathways project	16,274	14,780
Geraldton Foreshore Redevelopment	1,837,671	2,049,311
Kalbarri Jetty	-	229,000
Marine Services Precinct	-	371,700
Midwest Science Forum	1,639	-
Murchison IT Training & Support project	20,000	20,000
Pacific Flora 2004	3,091	3,091
Queen Elizabeth II Centre upgrade	-	225,000
Regional Development Scheme - Round 1 (2002)	-	5,103
Regional Development Scheme - Round 2 (2003)	15,000	15,000
Regional Development Scheme - Round 3 (2004)	13,000	37,500
Regional Development Scheme - Round 4 (2005)	57,127	88,127
Regional Development Scheme - Round 5 (2006)	19,675	113,950
Regional Development Scheme - Round 6 (2007)	243,356	311,756
Regional Development Scheme - Round 7 (2008)	334,150	578,900
Regional Development Scheme - Round 8 (2009)	322,641	29,502
Regional Development Scheme - unallocated	363,639	-
Regional Education & Training	11,585	11,585
Royalties for Regions Fund - Round 1 (2009)	4,435,522	-
Youth Forum	5,868	5,868
	<u>8,174,012</u>	<u>4,681,097</u>
17 RECEIVABLES		
GST Receivable	103,473	216,553
Other Receivables for Goods and Services	79,418	36,285
	<u>182,891</u>	<u>252,838</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	2008/2009 \$	2007/2008 \$
18 AMOUNTS RECEIVABLE FOR SERVICES		
- Current	30,000	33,000
- Non-current	111,000	103,000
	<u>141,000</u>	<u>136,000</u>

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

19 OTHER ASSETS		
- Current		
Prepayments	-	1,151
	<u>-</u>	<u>1,151</u>

20 PROPERTY, PLANT & EQUIPMENT

	2008/2009 \$	2007/2008 \$
Computer Hardware at Cost	10,961	10,961
Accumulated Depreciation	(10,585)	(8,947)
	<u>376</u>	<u>2,014</u>
Office Equipment at Cost	20,952	20,952
Accumulated Depreciation	(10,137)	(5,947)
	<u>10,815</u>	<u>15,005</u>
Furniture & Fittings at Cost	-	-
Accumulated Depreciation	-	-
	<u>-</u>	<u>-</u>
Land at fair value	2,057,273	2,402,727
	<u>2,057,273</u>	<u>2,402,727</u>
Total of property, plant and equipment.	<u>2,068,464</u>	<u>2,419,746</u>

The carrying value of land at 30 June 2009 is based on a market value provided by Western Australian Land Information Authority (Valuation Services) less GST (using the margin scheme).

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

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

20 PROPERTY, PLANT & EQUIPMENT (cont)

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

	Computer Hardware \$	Office Equipment \$	Furniture & Fittings \$	Land \$	Total \$
Year Ended 30 June 2009					
Carrying amount at the start of year	2,014	15,005	-	2,402,727	2,419,746
Revaluation increments/(decrements)	-	-	-	(345,454)	(345,454)
Depreciation	(1,638)	(4,190)	-	-	(5,828)
Carrying amount at end of year	376	10,815	-	2,057,273	2,068,464

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

	Computer Hardware \$	Office Equipment \$	Furniture & Fittings \$	Land \$	Total \$
Year Ended 30 June 2008					
Carrying amount at the start of year	17,493	26,963	37	1,284,545	1,329,038
Disposals (written down value)	(1,272)	-	-	-	(1,272)
Revaluation increments	-	-	-	1,118,182	1,118,182
Depreciation	(8,584)	(6,918)	(37)	-	(15,539)
Change in accounting policy - adjustment to opening retained earnings	(5,623)	(5,040)	-	-	(10,663)
Carrying amount at end of year	2,014	15,005	-	2,402,727	2,419,746

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

21 INTANGIBLE ASSETS

	2008/2009	2007/2008
	\$	\$
Computer Software at Cost	32,592	32,592
Accumulated Amortisation	(32,592)	(31,845)
	<u>-</u>	<u>747</u>
Website	18,096	18,096
Accumulated Amortisation	(7,392)	(1,963)
	<u>10,704</u>	<u>16,133</u>
Total of Intangibles	<u>10,704</u>	<u>16,880</u>

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

	Computer Software \$	Website \$	Total \$
Year Ended 30 June 2009			
Carrying amount at the start of year	747	16,133	16,880
Amortisation	(747)	(5,429)	(6,176)
Carrying amount at end of year	<u>-</u>	<u>10,704</u>	<u>10,704</u>

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

	Computer Software \$	Website \$	Total \$
Year Ended 30 June 2008			
Carrying amount at the start of year	5,722	10,776	16,498
Additions	-	7,320	7,320
Amortisation	(3,500)	(1,963)	(5,463)
Change in accounting policy - adjustment to opening retained earnings	(1,475)	-	(1,475)
Carrying amount at end of year	<u>747</u>	<u>16,133</u>	<u>16,880</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

22 IMPAIRMENT OF ASSETS

There were no indications of impairment of property, plant and equipment and intangible assets at 30 June 2009.

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

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

	2008/2009	2007/2008
	\$	\$
23 PAYABLES		
Accounts payable for Goods and Services	68,565	52,741
<i>Accrued Expenses:</i>		
Board fees & expenses	5,243	7,852
Electricity	-	5,500
Fringe Benefits Tax	4,475	3,671
Telephone	800	800
Salaries	12,362	8,242
Superannuation	1,151	775
Pacific Flora 2004	2,691	2,691
	<u>95,287</u>	<u>82,272</u>

	2008/2009	2007/2008
	\$	\$
24 PROVISIONS		
- Current		
<u>Employee benefits provision</u>		
Annual Leave (a)	152,048	139,248
Long Service Leave (b)	<u>94,214</u>	<u>87,463</u>
	246,262	226,711
<u>Other provisions</u>		
Employment on-costs (c)	<u>5,648</u>	<u>26,072</u>
Total current provisions	<u>251,910</u>	<u>252,783</u>
- Non-current		
<u>Employee benefits provision</u>		
Long Service Leave (b)	<u>99,162</u>	<u>70,413</u>
<u>Other provisions</u>		
Employment on-costs (c)	<u>2,274</u>	<u>8,097</u>
Total non-current provisions	<u>101,436</u>	<u>78,510</u>

(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	65,785	100,635
More than 12 months after balance sheet date	<u>86,263</u>	<u>38,613</u>
	<u>152,048</u>	<u>139,248</u>

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

Within 12 months of balance sheet date	21,623	17,535
More than 12 months after balance sheet date	<u>171,753</u>	<u>140,341</u>
	<u>193,376</u>	<u>157,876</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

24 PROVISIONS (cont)

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

Movements in Other Provisions

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

	2008/2009	2007/2008
	\$	\$
<u>Employment on-cost provision</u>		
Carrying amount at start of year	7,428	6,134
Additional provisions recognised	2,854	1,972
Payments/other sacrifices of economic benefits	(2,360)	(678)
Carrying amount at end of year	<u>7,922</u>	<u>7,428</u>

25 AMOUNTS DUE TO THE TREASURER

- Non-Current

960,000	960,000
<u>960,000</u>	<u>960,000</u>

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

26 EQUITY

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

	2008/2009	2007/2008
	\$	\$
<u>Contributed equity</u>		
Balance at start of year	355,946	355,946
Balance at end of year (a)	<u>355,946</u>	<u>355,946</u>
<u>Reserves</u>		
<u>Asset Revaluation Reserve</u>		
Balance at start of year	1,681,852	563,670
Net revaluation increments/(decrements) - land	(345,454)	1,118,182
Balance at end of year (b)	<u>1,336,398</u>	<u>1,681,852</u>
<u>Accumulated surplus/(deficit)</u>		
Balance at start of year	4,414,539	4,989,527
Change in accounting policy	-	757,975
Result for the period	3,592,165	(1,332,963)
Balance at end of year (c)	<u>8,006,704</u>	<u>4,414,539</u>

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	2008/2009 \$	2007/2008 \$
27 NOTES TO THE CASH FLOW STATEMENT		
(a) 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	530,610	318,190
Restricted cash and cash equivalents (refer to Note 16 'Restricted cash and cash equivalents')	8,174,012	4,681,097
	8,704,622	4,999,287
(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	(5,655,335)	(7,330,115)
<i>Non-cash items:</i>		
Depreciation and amortisation	12,004	21,002
Net (gain)/loss on sale of plant & equipment	-	767
<i>(Increase)/decrease in assets:</i>		
Receivables	(43,133)	3,372
Exclude Receivables movements relating to:		
- Revenues from State Government	(1,818)	5,000
Prepayments	1,151	6,431
<i>Increase/(decrease) in liabilities:</i>		
Payables	13,015	(784,593)
Payables movements related to Investing Activities	-	7,895
Annual leave provision	12,800	15
Long service leave provision	35,500	29,640
On-costs on leave liabilities	(26,247)	28,035
Net GST receipts/(payments)	110,276	(207,842)
Change in GST in receivables/payables	2,804	64,584
Net cash provided by/(used in) operating activities	(5,538,983)	(8,155,809)

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

28 COMMITMENTS	2008/2009 \$	2007/2008 \$
(a) Non-cancellable operating lease commitments		
Commitments for minimum lease payments are payable as follows:		
Within 1 year	23,077	18,280
Later than 1 year and not later than 5 years	15,161	11,790
Later than 5 years	-	-
	<u>38,238</u>	<u>30,070</u>

The operating lease commitment amounts represent non-cancellable motor vehicle leases with terms ranging from 26 to 30 months. Lease payments are made on a monthly basis. There are no restrictions imposed by these leasing arrangements on other financing transactions.

(b) Other expenditure commitments contracted for at the balance sheet date but not recognised as liabilities, are payable as follows:

Within 1 year	8,174,012	4,681,097
Later than 1 year and not later than 5 years	-	-
	<u>8,174,012</u>	<u>4,681,097</u>

Other expenditure commitments comprise the following:

Geraldton Foreshore Redevelopment	1,837,671	2,049,311
Marine Services Precinct	-	371,700
Queen Elizabeth II Centre upgrade	-	225,000
Kalbarri Marine Improvements	-	229,000
Gascoyne Murchison Outback Pathways project	16,274	14,780
Murchison IT Adviser project	20,000	20,000
Midwest Science Forum	1,639	-
Batavia Coast Marina Redevelopment	473,774	493,789
Aboriginal Economic Development	-	77,135
Regional Development Scheme grants	1,368,588	1,179,838
Royalties for Regions Fund	4,435,522	-
Regional Education and Training	11,585	11,585
Pacific Flora 2004 - WA Regional Initiatives Scheme grant	3,091	3,091
Youth Forum	5,868	5,868
	<u>8,174,012</u>	<u>4,681,097</u>

These commitments are all exclusive of GST.

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

29 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

Remuneration on Members of the Accountable Authority

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

	2008/2009	2007/2008
\$0 - \$10,000	8	10
\$10,001 - \$20,000	-	1
\$150,001 - \$160,000	-	1
\$160,001 - \$170,000	1	-
	\$	\$
The total remuneration of the members of the Accountable Authority is:	<u>211,946</u>	<u>198,843</u>

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

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

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

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

30 REMUNERATION OF AUDITOR

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	<u>16,500</u>	<u>16,500</u>
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31 CONTINGENT ASSET

Liquidated damages being charged in relation to development obligations at the Batavia Coast Marina have previously been disputed by the land owner. To date the matter has not been pursued, but if the land owner was successful it may result in some or all past liquidated damages paid being refunded. Conversely, additional liquidated damages may be payable to the Commission if the land owner's claims were proved to be unfounded.

32 EVENTS SUBSEQUENT TO BALANCE DATE

No events, matters or circumstances have arisen since the end of the balance sheet date which significantly affected or may significantly affect the operations of the Commission, the results of those operations, or the state of affairs of the Commission in future financial years.

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

33 SCHEDULE OF INCOME AND EXPENSES BY SERVICE

COST OF SERVICES

Expenses

	Information & Advice		Investment Facilitation		Infrastructure & Services Development in the Mid West		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$
Employee expense benefit	413,794	426,849	328,170	349,761	389,415	384,696	1,131,379	1,161,306
Supplies and services	201,827	172,569	109,551	94,952	152,138	124,564	463,516	392,085
Depreciation and amortisation expense	4,002	7,001	4,001	7,001	4,001	7,000	12,004	21,002
Accommodation expenses	47,344	44,097	47,344	44,097	47,345	44,098	142,033	132,292
Grants and subsidies	38,150	133,587	116,600	70,703	4,028,725	5,594,542	4,183,475	5,798,832
Loss on disposal of non-current assets	-	256	-	256	-	255	-	767
Other expenses	3,896	5,356	3,895	5,356	3,896	5,356	11,687	16,068
Total cost of services	709,013	789,715	609,561	572,126	4,625,520	6,160,511	5,944,094	7,522,352

Income

Commonwealth grants and contributions	-	-	55,633	55,705	83,000	21,013	138,633	76,718
Other revenue	40,303	17,055	20,811	21,753	89,012	76,711	150,126	115,519
Total income other than income from State Government	40,303	17,055	76,444	77,458	172,012	97,724	288,759	192,237

NET COST OF SERVICES

	668,710	772,660	533,117	494,668	4,453,508	6,062,787	5,655,335	7,330,115
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INCOME FROM STATE GOVERNMENT

Service appropriation	521,000	607,000	483,000	378,000	3,301,000	4,467,000	4,305,000	5,452,000
Resources received free of charge	-	-	-	10,000	-	-	-	10,000
Royalties for Regions Fund	519,377	-	699,472	-	3,221,151	-	4,440,000	-
State Government grants and subsidies	106,190	147,901	162,620	133,067	233,690	254,184	502,500	535,152
Total income from State Government	1,146,567	754,901	1,345,092	521,067	6,755,841	4,721,184	9,247,500	5,997,152

SURPLUS/DEFICIT FOR THE PERIOD

	477,857	(17,759)	811,975	26,399	2,302,333	(1,341,603)	3,592,165	(1,332,963)
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DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

34 EXPLANATORY STATEMENT

(a) Significant variations between actual results for 2007/2008 and 2008/2009

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

	2008/2009 \$	2007/2008 \$	Variance \$	Variance %
Income				
Service appropriation	4,305,000	5,452,000	(1,147,000)	-21%
Commonwealth grants and contributions	138,633	76,718	61,915	81%
Other revenue	150,126	115,519	34,607	30%
Royalties for Regions Fund	4,440,000	-	4,440,000	n/a
State Government grants & subsidies	502,500	535,152	(32,652)	-6%
Expenses				
Supplies and services	463,516	392,085	71,431	18%
Grants and subsidies	4,183,475	5,798,832	(1,615,357)	-28%

Service appropriation

Funding received in the Commission's 2008/09 appropriation for the Geraldton Foreshore Redevelopment project was \$1.1 million lower than that received in 2007/08. This is due the timing of funding requirements.

Commonwealth grants and contributions

Funding of \$100,000 received from the Department of Broadband, Communications & the Digital Economy for the Broadband Development project was spread unequally over two financial years.

Other revenue

The variance is mainly due to the \$207,315 (2008: \$1,746) write back of a number of Regional Development Scheme (RDS) grants either for projects no longer going ahead, or others which did not require all their allocated grant funds.

Royalties for Regions Fund

Revenue received for the Royalties for Regions Fund is a new source of revenue for the Commission.

State Government grants & subsidies

The \$32,652 decrease is mainly due to no further funding being received in 2008/09 from the Department of Industry and Resources for the Aboriginal Economic Development Officer position.

Supplies and services

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

Grants and subsidies

The majority of this decrease relates to:

- \$1.1 million decrease in grants provided for the City of Geraldton-Greenough's Foreshore Redevelopment & CBD Revitalisation project. This project's funding requirements varies from one year to the next depending on the milestones achieved and the Commission's contribution level;

- \$756,600 decrease in grants provided to Geraldton Boat Lifters Limited for infrastructure required for the establishment of its heavy boat lifting facility.

This has been partially off-set by:

- \$229,000 paid to Department of Planning and Infrastructure for its upgrade of the Kalbarri wharf facility (2007/08 nil).

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

34 EXPLANATORY STATEMENT (CONT'D)

(b) Significant variances between estimated and actual results for 2008/2009

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

	2008/2009 Estimates \$	2008/2009 Actual \$	Variance \$	Variance %
Income				
Commonwealth grants and contributions	70,000	138,633	68,633	98%
Other revenue	21,000	150,126	129,126	615%
Royalties for Regions Fund	-	4,440,000	4,440,000	n/a
State Government grants & subsidies	580,000	502,500	(77,500)	-13%
Expenses				
Supplies and services	845,000	463,516	(381,484)	-45%
Grants and subsidies	3,340,000	4,183,475	843,475	25%
Other expenses	34,000	11,687	(22,313)	-66%

Commonwealth grants and contributions

The variance is primarily due to the Commission having unbudgeted income of \$80,000 from the Department of Broadband, Communications & the Digital Economy for the Broadband project.

Other revenue

The variance is primarily due to the Commission having unbudgeted income of \$207,315 for Regional Development Scheme grant write backs and \$56,027 of unbudgeted income for liquidated damages received in relation to the Batavia Coast Marina redevelopment.

Royalties for Regions Fund

The Royalties for Regions initiative was unbudgeted.

State Government grants & subsidies

The \$77,500 variance is mainly due to the Commission not receiving budgeted revenue for Aboriginal economic development initiatives.

Supplies and services

The reduction in expenditure largely reflects a delay in commencing a feasibility study for stage 2 of the redevelopment of the Batavia Coast Marina (\$401k).

Grants and subsidies

The higher expense is primarily due to the following items:

- \$371,700 for Geraldton Boat Lifters Limited's heavy boat lifting facility, which the budget assumed was provided in 2007/08;
- \$229,000 for Department of Planning and Infrastructure's upgrade to the Kalbarri Jetty, which the budget assumed was provided in 2007/08; and
- an additional \$211,640 to the City of Geraldton-Greenough for its Foreshore Redevelopment and CBD Revitalisation project from the project's carryover funding from 2007/08.

Other expenses

The budget figure includes audit fee of \$16,000 which has been included in supplies and services for the actual figure in 2008-09.

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

35(a) Financial Risk Management Objectives and Policies

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

Credit risk

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Commission. The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 35(c) 'Financial Instrument Disclosures' and Note 17 'Receivables'.

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debtors is minimal. At balance sheet date there were no significant concentrations of credit risk.

Allowance for impairment of financial assets is calculated based on objective evidence such as observable data indicating changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 35(c) 'Financial Instruments Disclosure'.

Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due. The Commission is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or the value of its holdings of financial instruments.

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

35(b) Categories of Financial Instruments

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

	2008/2009 \$'000	2007/2008 \$'000
Financial Assets		
Cash and cash equivalents	531	318
Restricted cash and cash equivalents	8,174	4,681
Loans and receivables (a)	220	172
Financial Liabilities		
Financial liabilities measured at amortised cost	1,055	2,148

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

35(c) Financial Instrument Disclosures

Credit Risk and Interest Rate Risk Exposures

The following table disclose the Commission's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Commission's maximum exposure to credit risk at the balance sheet date is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Commission.

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

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

Interest rate exposures and ageing analysis of financial assets

Financial Assets	Weighted average effective interest rate %	Carrying Amount \$'000	Interest rate exposure		Past due but not impaired			Impaired financial assets \$'000
			Variable interest rate \$'000	Non interest bearing \$'000	Up to 3 months \$'000	3 - 12 months \$'000	More than 12 months \$'000	
2009								
Cash and cash equivalents	-	531	-	531	-	-	-	-
Restricted cash and cash equivalents	-	8,174	-	8,174	-	-	-	-
Receivables (a)	-	79	-	79	68	1	-	-
Amounts receivable for services	-	141	-	141	-	-	-	-
		8,925	-	8,925	68	1	-	-
2008								
Cash and cash equivalents	-	318	-	318	-	-	-	-
Restricted cash and cash equivalents	-	4,681	-	4,681	-	-	-	-
Receivables (a)	-	36	-	36	21	-	-	-
Amounts receivable for services	-	136	-	136	-	-	-	-
		5,171	-	5,171	21	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

DISCLOSURES AND LEGAL COMPLIANCE

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

35(c) Financial Instrument Disclosures

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the balance sheet date. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted average effective interest rate %	Carrying Amount \$'000	Interest rate exposure		Maturity dates		
			Variable interest rate \$'000	Non interest bearing \$'000	Up to 3 months \$'000	3 - 12 months \$'000	More than 12 months \$'000
Financial Liabilities							
2009							
Payables	-	95	-	95	-	-	-
Amounts due to the Treasurer	-	960	-	960	-	-	-
		1,055	-	1,055	-	-	-
2008							
Payables	-	83	-	83	-	-	-
Amounts due to the Treasurer	-	960	-	960	-	-	-
Total financial liabilities		1,043	-	1,043	-	-	-

Fair Values

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

Interest rate sensitivity analysis

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

DISCLOSURES AND LEGAL COMPLIANCE

Certification of Financial Statements

MID WEST DEVELOPMENT COMMISSION

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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

M CRIDDLE
CHAIR



DATE 28/8/09

S DOUGLAS
CHIEF
EXECUTIVE OFFICER



DATE 28/8/09

M ROSS
CHIEF
FINANCE OFFICER



DATE 28/8/09

DISCLOSURES AND LEGAL COMPLIANCE

Key Performance Indicators

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

Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	An environment conducive to the balanced economic and social development of the Mid West region.	1. Information and Advice 2. Investment Facilitation 3. Infrastructure and Services Development in the Mid West

The targets for the services listed in the above table are based on information published in the W.A. Government 2008-09 Budget Statements presented to the Legislative Assembly on 8th May 2008.

DISCLOSURES AND LEGAL COMPLIANCE

Key Performance Indicators

1. EFFECTIVENESS INDICATORS

Client Survey

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

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

The Commission's effectiveness indicators are based on an annual survey of clients conducted by an independent market researcher, Asset Research. Questionnaires were sent to 145 clients that had contact with the Commission in the previous 12-month period. Asset Research received 100 completed surveys, resulting in a response rate of 69 per cent. Based on population homogeneity calculations, the survey results demonstrate an overall sampling error within +/- 5% at the 95% confidence level for the overall results for clients of the Commission.

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

Survey Question	Actual 2005/06	Actual 2006/07	Actual 2007/08	Target 2008/09	Actual 2008/09
Reduced obstacles to growth	35%	39%	37%	42%	40%
Developed new business opportunities	66%	59%	64%	57%	68%
More trade activity	30%	28%	29%	27%	33%
Retention of staff / expansion of employment opportunities	35%	32%	34%	28%	25%

The decrease in those clients who agreed that the Commission helped with the retention of staff and expansion of employment opportunities is considered to be a reflection of the challenging economic conditions for some employers, flowing on from the global financial crisis.

2. EFFICIENCY INDICATORS

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

DISCLOSURES AND LEGAL COMPLIANCE

Key Performance Indicators

2.1 SERVICE 1 - INFORMATION AND ADVICE

Service Description:

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

Performance Measures	Actual 2005/06	Actual 2006/07	Actual 2007/08	Target 2008/09	Actual 2008/09
Total cost of Service ⁽²⁾	\$652,310	\$685,316	\$653,417	\$632,832	\$670,862
Client contacts (inquiries)	5,657	5,374	4,263	3,500	3,870
Cost per client inquiry	\$58	\$64	\$77	\$90	\$87
Client visits	275	265	427	285	438
Cost per client visit	\$1,186	\$1,293	\$765	\$1,110	\$766

Note:

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

Comments

Total costs have increased by 3% from 2007/08 mainly due to a net increase of direct project costs during 2008/09, the largest increase being \$26,000 for the grant funded development of a Geraldton-Greenough Tourism Strategy. This increase has been partly offset in 2008/09 by a 2% decrease in corporate overheads. Total costs for 2008/09 were 6% above target primarily due to costs for projects such as the grant funded Geraldton-Greenough Tourism Strategy not being budgeted.

During 2008/09 the Commission received 3,870 inquiries from clients, a decrease of 9% from the previous year, but still 11% above target. The lower number of inquiries recorded for 2008/09 is primarily due to the Commission's involvement in a number of larger projects which were either completed or nearing completion (eg Geraldton Foreshore Redevelopment and CBD Revitalisation; Marine Services Precinct). The Commission's reduced profile/role in the development of a radio astronomy observatory in the Murchison has also contributed to a decrease in customer inquiries.

Despite the challenging economic conditions, there has still been solid demand for services/information e.g. planning and coordination to support major resources and infrastructure development, skilled migration services, broadband communications etc. This combined with the Commission's Regional Development Scheme grant program (which came to an end during 2008/09) and the introduction of the Royalties for Regions, Regional Grants Scheme, has resulted in the number of client enquiries being well above target.

The number of client visits in 2008/09 increased by 3% from the previous year and was 54% above target. Extension of two contracted staff positions during 2008/09, has been a major factor in the number of client visits being well above target. One position is aimed at improving outcomes under the Commission's contract with Austrade to provide TradeStart export services while the other is aimed at encouraging and enhancing the development of broadband telecommunication services in the region. Both roles require a high level of client consultation. A renewed focus on key client management has also been a positive contributor.

DISCLOSURES AND LEGAL COMPLIANCE

Key Performance Indicators

2.2 SERVICE 2 - INVESTMENT FACILITATION

Service Description:

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

Performance Measures	Actual 2005/06	Actual 2006/07	Actual 2007/08	Target 2008/09	Actual 2008/09
Total cost of Service ⁽¹⁾	\$598,349	\$480,474	\$498,712	\$537,005	\$492,962
Projects relating to investment facilitation undertaken	16	15	16	15	15
Average cost per project	\$37,397	\$32,032	\$31,170	\$35,800	\$32,864

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

Comments (a)

Total costs for 2008/09 are lower than budget due mainly to a delay in starting a significant technology project budgeted for 2008/09.

Average costs per project fluctuate with the number and size of projects being undertaken as well as the timing of their expenditures. The average cost per project for 2005/06 largely reflects the significant expenditure on Stage 2 of the Gascoyne Murchison Outback Pathways project. Variations in average costs per project in other years generally reflect normal fluctuations in expenditure. The average cost per project for 2008/09 is below target mainly as a consequence of the budgeted technology project which has been delayed.

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

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

Service Description:

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

Performance Measures	Actual 2005/06	Actual 2006/07	Actual 2007/08	Target 2008/09	Actual 2008/09
Total cost of Service ⁽¹⁾	\$458,769	\$537,952	\$563,260	\$989,106	\$596,794
Projects undertaken relating to Infrastructure and Services development in the Mid West	14	15	15	15	16
Average cost per project	\$32,769	\$35,863	\$37,551	\$65,940	\$37,300

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

Comments (a)

Total costs for 2008/09 were below target primarily due to a deferral of expenditure on Stage 2 of the Batavia Coast Marina Redevelopment. The 2008/09 budget assumed the Commission would fund a feasibility study for Stage 2. However, an alternative model for delivery of this project is being considered, which would result in this cost being borne by a third party.

Average costs per project fluctuate with the number and size of projects being undertaken as well as the timing of their expenditure. The average cost per project is below budget mainly due to the deferral of expenditure for Stage 2 of the Batavia Coast Marina Redevelopment.

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

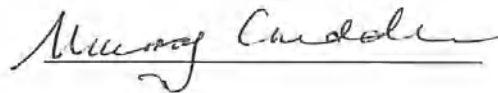
DISCLOSURES AND LEGAL COMPLIANCE

Key Performance Indicators

MID WEST DEVELOPMENT COMMISSION CERTIFICATION OF KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

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

M CRIDDLE
CHAIR

 DATE 28/8/09

S DOUGLAS
CHIEF
EXECUTIVE OFFICER

 DATE 28/8/09

DISCLOSURES AND LEGAL COMPLIANCE

Auditor's General Opinion



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

MID WEST DEVELOPMENT COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Auditor's General Opinion

Mid West 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 Mid West 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
15 September 2009

DISCLOSURES AND LEGAL COMPLIANCE

Other Financial Disclosures

Employment and Industrial Relations

In 2008/09, the Mid West Development Commission operated with up to 16 staff all of whom were located at the Commission's Geraldton office. The Commission had operated an office in Mount Magnet between 2002 – 2004 but the inability to attract suitable staff has seen the Murchison Manager being based in Geraldton for the time being.

Staff Profile

	2008-09	2007-08
Full-time permanent	7	8
Full-time contract	6	6
Part-time measured on an FTE basis	3	2
On secondment	0	0
Approved full time equivalent (FTE) staff level	16	16

Staff Development

The Mid West Development Commission has a commitment to the development of its employees. Our strategy is to build a highly skilled, professional and fair workforce.

During the financial year, all our employees received comprehensive training in first aid, professional writing and language. Other industry specific training and development in project management was undertaken, both in-house and external. As a result of our commitment to staff training and development, we are building a strong and capable team with the ability to adapt to the growth and diversity currently being experienced in the mid west.

Workers Compensation

No claims for workers compensation have been made within the Commission.

DISCLOSURES AND LEGAL COMPLIANCE

Other Legal Requirements

Compliance with Public Sector Management Act Section 31(1)

1. In the administration of the Mid West 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.
2. I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made in 1 is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:
Number lodged: Nil
Number of breaches found,
including details of multiple breaches per application: Nil
Number still under review: Nil

Steve Douglas

Chief Executive Officer

24 August 2009

Advertising

ELECTORAL ACT 1907

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

1. Total expenditure for 2008/09 was \$21,233.00
2. Expenditure was incurred in the following areas:

Class of expenditure	Organisation	Total expenditure 2008/2009 (Inc GST)
Advertising agencies	Market Creations Adcorp Australia Limited	*\$3,254 **\$5,702
Market research agencies	Asset Research	\$5,667
Polling organisations	Nil	Nil
Direct mailing agencies	Nil	Nil
Media - advertising	Geraldton Newspapers Yamaji News State Law Publisher (Govt Gazette) West Australian	\$5,330 \$150 \$48 \$1,082

* Includes \$1,441 for Web Hosting and other internet services; \$1,241 for MWCCI 2009 Directory; \$572 for printing of stationery.

** Recruitment advertising.

DISCLOSURES AND LEGAL COMPLIANCE

Other Legal Requirements

Disability Access and Inclusion Plan Outcomes

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

The DAIP was successfully implemented during 2007/08, and the following initiatives have been achieved during 2008/09 to continue to address the six desired outcomes of the DAIP:

1. People with disabilities have the same opportunities as other people to access the services of, and any events organised by the Commission.
 - (i) Assessment of all Commission events as to their accessibility by all people.
2. People with disabilities will have the same opportunities as other people to access the buildings and other facilities of the Commission.
 - (i) Increased staff awareness of issues of accessibility (see outcome 4).
3. People with disabilities receive information from the Commission in a format that will enable them to access the information as readily as other people are able to access it.
 - (i) Provision of all communications in clear and concise language, avoiding jargon.
4. People with disabilities receive the same level and quality of service from the staff of the Commission as other people receive from the Commission.
 - (i) Commenced an annual disability awareness training program for all Commission staff, including updating the new staff induction process to address the Commission's DAIP.
5. People with disabilities have the same opportunities to make complaints to the Commission.
 - (i) Alternative formats provided wherever the Commission's grievance procedures are displayed.
6. People with disabilities will have the same opportunities as other people to participate in any public consultation by the Commission
 - (i) All venues assessed for accessibility when arranging public consultation events.
 - (ii) Consideration to be made whether any target groups would benefit from public consultation to encourage participation.

Record Keeping Plan

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

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

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

DISCLOSURES AND LEGAL COMPLIANCE

Government Policy Requirements

Corruption Prevention

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

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

Occupational Safety and Health

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

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

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

The Commission's annual performance report for 2008/09 against the following indicators:

Indicator	Target 2008-09	Actual 2008-09
Number of fatalities	Zero (0)	0
Lost time injury/diseases (LTI/D) incidence rate	Zero (0)	0
Lost time injury severity rate	Zero (0)	0
Percentage of injured workers returned to work within 28 weeks	0%	0%
Percentage of managers trained in occupational safety, health and injury management responsibilities	≥50%	0%