



ANNUAL REPORT / 09/10



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STATEMENT OF COMPLIANCE

The Hon John Day MLA
Minister for Planning
Level 13 East, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister,

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 East Perth Redevelopment Authority for the year ended 30 June 2010.

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

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stuart Hicks'.

Stuart Hicks
Chairman

A handwritten signature in black ink, appearing to read 'Don Humphreys'.

Don Humphreys
Member of Accountable Authority

A handwritten signature in black ink, appearing to read 'Tony Morgan'.

Tony Morgan
Chief Executive Officer

EXECUTIVE SUMMARY

This is the 17th Annual Report for the East Perth Redevelopment Authority (EPRA).

Responsible for the redevelopment of over 220 hectares of inner city land from East Perth to Northbridge, EPRA's role as a redevelopment agency enables the revitalisation of urban spaces, by creating vibrant inner city communities that people want to be a part of.

EPRA's urban revitalisation projects deliver planning and development excellence through the creation of high quality public environments and buildings that connect people with places and ensure a successful mix of land use and activity.

Perth has one of Australia's fastest growing populations. The work to transform our city to accommodate this growth is well underway with a coordinated program building Perth's capacity, increasing intensity and activity in the city and redefining our city and how we use it.

Through the regeneration of under utilised land, EPRA is delivering revitalised urban places in Perth, meeting the challenges of our future growth head on and providing the framework for sustainable regeneration through our new Redevelopment Scheme.

EPRA's Redevelopment Scheme 2 was implemented this year replacing the original Scheme that had been in place since EPRA's inception in 1991.

Scheme 2 is about guiding the growth of our city and will ensure transparency, sustainability, innovation and high quality outcomes.

The 2009/10 financial year has seen significant milestones in EPRA's revitalisation program. These include:

- Gazettal of Redevelopment Scheme 2;
- Approval of funding for EPRA to undertake redevelopment works for the Perth City Link project;
- Finalisation of a review of a city square within Perth City Link, with a revised Master Plan launched by the Premier in November 2009;
- Completion of short-term activation works at the Perth Cultural Centre including aesthetic and functional improvements such as landscaping, way finding, entry statements, additional seating, free WiFi and better lighting and roving security guards;
- Refurbishment of 11 buildings in the William Street Heritage Precinct;
- Gazettal of Riverside Scheme Amendment 23 and the adoption of the Waterbank Design Guidelines;
- WACA precinct draft Design Guidelines released for stakeholder comment; and
- WA Police site precinct draft Design Guidelines released for stakeholder comment.



EXECUTIVE SUMMARY



EPRA's projects are recognised nationally and internationally as leading examples of urban renewal. EPRA provided project tours during the financial year, including:

- Western Australian Governor, Ken Michael;
- Major Projects Victoria;
- Engineering Heritage Panel of Engineers Australia (WA Division);
- Australian Property Institute International Property Conference delegation;
- City of Unley;
- Department of Infrastructure, Transport, Regional Development and Local Government – Nation Building Program; and
- Craig Allchin – Guest speaker to the Committee for Perth.

EPRA continued to support industry, community and stakeholder groups by sponsoring the following programs and events:

- St Jerome's Laneway Festival;
- Awesome International Arts Festival;
- Northbridge Festival;
- Perth International Arts Festival (PIAF), Jeppe Hein's water installation *Appearing Rooms*;
- SmokeFree Perth Criteriums;
- A Day In Pompeii Exhibition;
- FotoFreo Exhibition;
- Heritage Perth, Heritage Day;
- Western Australian Music Industry, WAMi Festival;
- Property Council of WA Future Directions Group;
- Property Council of WA, Innovation and Excellence Awards;
- Planning Institute of Australia (WA Division), Young Planners Program;
- Planning Institute of Australia (WA Division), 2009 State Conference;
- Planning Institute of Australia (WA Division), 2009 Awards for Planning Excellence; and
- Urban Development Institute of Australia (WA Division), Awards for Excellence.

EXECUTIVE SUMMARY

During 2009-2010 EPRA achieved \$5.454 million in sales revenue from sales within the New Northbridge project area.

2009-10

Sales Revenues	\$5.454m
Total Comprehensive Income	(\$4.315m)
Net Asset Value	\$98.831m

The Authority's comprehensive income is comprised of an operating deficit of (\$5.403m) reflecting the early stage that EPRA's key projects are currently placed; at planning and development phases, with sales revenue to come in future years; offset by an increase of \$1.088m is the asset valuation of the Authority's investment properties.

76 development applications were approved by EPRA throughout the year, attracting \$860 million of investment.

EPRA appreciates the support, professionalism and commitment of the Board members, staff and consultants who have all helped to achieve these significant milestones throughout the year.



Stuart Hicks
Chairman



Tony Morgan
Chief Executive Officer

OVERVIEW OF AGENCY

Operational Structure

EPRA was established by the *East Perth Redevelopment Act 1991* (the Act) to carry out the renewal of Claisebrook Village in East Perth, a redevelopment that is now considered one of Australia's most successful urban renewal projects. Nearly two decades later, EPRA's redevelopment boundary has been extended to incorporate a range of inner city renewal projects including the Perth City Link, Riverside, Perth Cultural Centre, East Perth Power Station and New Northbridge.

EPRA Redevelopment Area



EPRA has the ability to resume land, undertake environmental rehabilitation and to plan, implement, promote and coordinate urban renewal projects as outlined in the Act.

EPRA's functions are described in Section 18 of the Act as follows:

a) To plan, undertake, promote and coordinate the redevelopment of land in the redevelopment area; and

b) For that purpose –

- i) under Part 4, to prepare and keep under review a Redevelopment Scheme for that area; and
- ii) under Part 5, to control developments in that area.

The Minister for Planning is responsible for the *East Perth Redevelopment Act 1991*.

OVERVIEW OF AGENCY

EPRA Vision – a Vital Perth where people want to live, work and visit.

EPRA Values – Listen, Lead, Innovate, Communicate

EPRA Strategic Objectives

Quality Outcomes: Deliver urban regeneration projects of enduring quality.

Exceptional Capability: Build and sustain capable people, efficient and effective resources and systems to deliver outcomes.

Leadership and Influence: Earn trust and respect from key players and exercise beneficial influence.

EPRA Redevelopment Goals

- To build **Sense of Place**
- To promote **Economic Wellbeing**
- To promote **Urban Efficiency**
- To promote **Social Inclusion**
- To enhance **Connectivity**
- To enhance **Environmental Integrity**

Membership of the EPRA Board

The EPRA Board plays an important role in setting the strategic direction of the organisation and monitoring the organisation's performance.

The key functions of the Board can be described as:

- Business strategy
- Performance monitoring and communication
- Audit and risk management
- Policy and delegation

Appointed by the Minister for Planning, the EPRA Board consists of seven members who represent a broad spectrum of knowledge and experience in fields appropriate to the activities of the Authority.

Section 8 of the *East Perth Redevelopment Act 1991* relates to appointment of the Chairperson and Deputy Chairperson and states:

The Minister shall appoint one of the members to be Chairperson and another to be Deputy Chairperson of the Authority.

Board members are remunerated according to guidelines set by the Public Sector Commission. Board members who are public servants do not receive remuneration.

EPRA Board Members

Mr Stuart Hicks AO (Chair)	Term expires 31 December 2011
Mr Donald Humphreys (Deputy Chair)	Term expires 31 December 2010
Mr Mike Day*	Term expires 31 December 2010
Ms Fiona Kalaf	Term expires 31 December 2011
Mr Eric Lumsden	Term expires 31 December 2011
Ms Judy McEvoy**	Term expires 31 October 2011
Mr John Tognolini**	Term expires 31 October 2011

* *Mike Day resigned from the EPRA Board on 20th August 2010.*

** *Members nominated by the City of Perth.*

Members whose terms have expired remain in office under clause 1(2) of schedule 2 to the *East Perth Redevelopment Act 1991* until a successor is appointed.

OVERVIEW OF AGENCY

Sub Committees to the Board

There are two sub committees to the Board, who meet to deal with issues particular to the roles and responsibilities assigned to each committee. Each sub committee has delegated powers to make determinations on behalf of the Board or informed recommendations to the Board.

Planning Committee – Mr Mike Day (Chair), Cr Judy McEvoy, Ms Fiona Kalaf, Mr Tony Morgan (CEO) and Mr Stuart Hicks (ex-officio).

Audit Committee – Mr Don Humphreys (Chair), Mr Mike Day, Mr John Tognolini and Mr Stuart Hicks (ex-officio).

Board Members' Attendance

The Board met 11 times in the financial year with eight Planning Committee and two Audit Committee meetings also taking place.

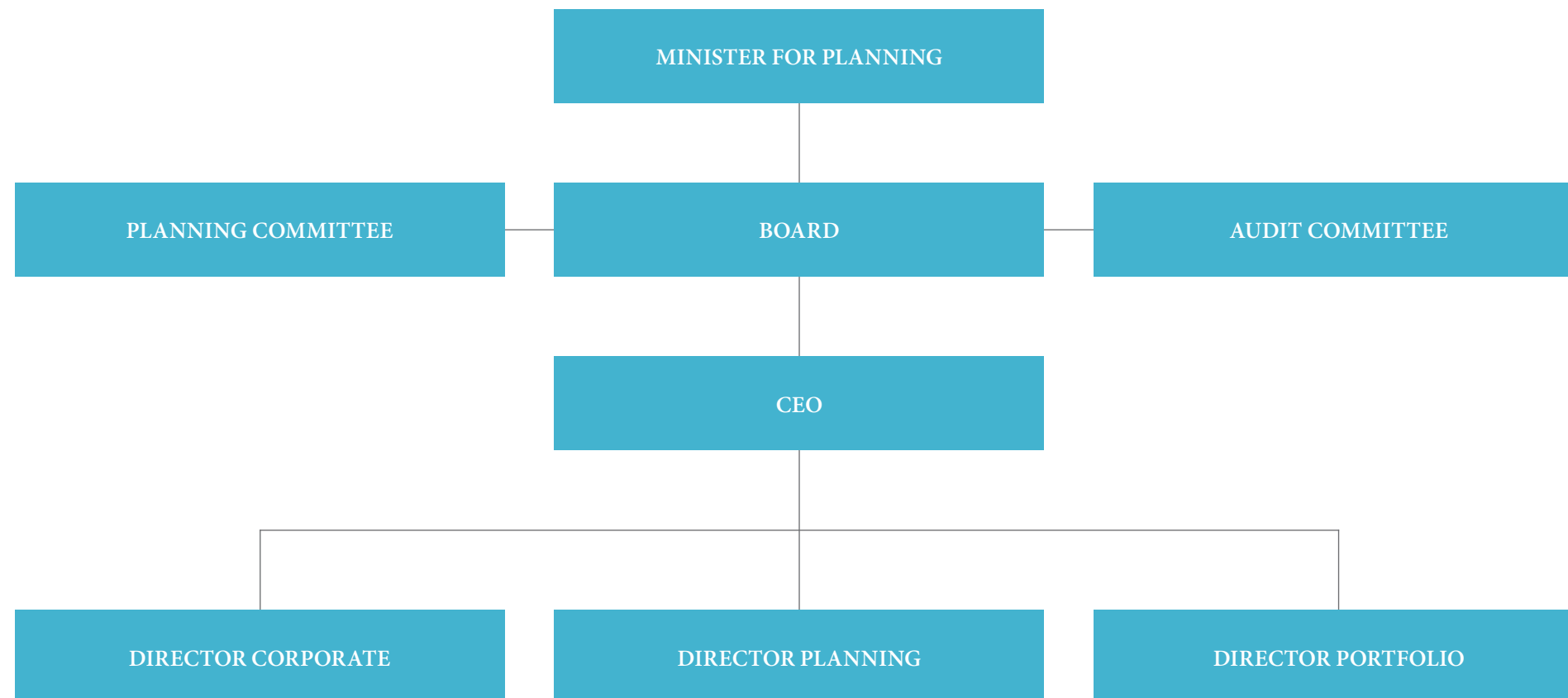
Member	Board Meetings	Planning Committee	Audit Committee
	Total = 11	Total = 8	Total = 2
Stuart Hicks	9	–	–
Donald Humphreys	10	–	2
Mike Day*	8	6	2
Fiona Kalaf	10	6	–
Eric Lumsden	8	–	–
Judy McEvoy**	10	8	–
John Tognolini**	11	–	2

* Mike Day resigned from the EPRA Board on 20th August 2010.

** Members nominated by the City of Perth.

OVERVIEW OF AGENCY

EPRA Organisation Chart and Brief



OVERVIEW OF AGENCY

Management

EPRA's senior management consists of a Chief Executive Officer and three Directors responsible for the Planning, Portfolio and Corporate Divisions.

Performance Management Framework

Treasurer's Instruction 903 requires a description of links between agency level desired outcomes and services and how they relate to the goals of the State Government. The State Government goals are:

State Building – Major Projects: Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.

Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.

Outcomes Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

Stronger Focus on Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.

Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.

How EPRA's Key Performance Indicators (KPIs) align with the Government Goals

Government Goal	EPRA KPI No	EPRA's Statement of Purpose is "to attract thousands of Western Australians back to the city to live, study, work and play" measured by the following Key Performance Indicators
State Building – Major Projects	1	Living in the area
	2	Studying in the area
	3	Working in the area
	4	Playing in the area
Financial and Economic Responsibility	1	Living in the area
	3	Working in the area
Social and Environmental Responsibility	1	Living in the area
	2	Studying in the area
	3	Working in the area
	4	Playing in the area

AGENCY PERFORMANCE

Project Areas

In the 2009/10 financial year, EPRA continued to plan, undertake and coordinate the redevelopment of its six inner city projects. These include Claisebrook Village; East Perth Power Station; Riverside; New Northbridge; Perth City Link and the Perth Cultural Centre projects. On completion, these projects will generate more than \$6 billion in private sector investment as well as contributing to the regeneration of Perth.

Perth City Link

The Perth City Link will be a dynamic new destination that embraces the city's lifestyle and character. Running east-west across the heart of the city centre, it will reconnect the city centre with Northbridge by sinking the rail line and bus station and providing improved capability and capacity to the Perth CBD.

The project is an important part in the overall revitalisation program for our city and will deliver improved connectivity and access, increased residential, retail and commercial opportunities and high quality public open space.

Vision

The Perth City Link is a significant project for the evolution of Perth. Not only will it reconnect the city centre with Northbridge for the first time in over 100 years, it will create strong linkages to the foreshore and deliver an intensity of people and activity.

Objectives

- Deliver a redevelopment project with high quality urban design and built form outcomes that provides a focus for public life, with the creation of a new and improved public realm.
- Improve pedestrian, cyclist and vehicular connections and provide residents, workers and visitors with good access to high quality transit infrastructure.
- Repopulate Perth by bringing residents, workers and students back to the city.
- Provide quality and innovative architecture of an international standard.
- Deliver positive economic, social and environmental outcomes.



Perth City Link – city square artist impression

Highlights of 2009/10

- A review of a city square was undertaken with a revised Master Plan launched by the Premier in November 2009.
- Two lots in the Perth City Link project were released for Registrations of Interest. The lots include the potential for hotel development.
- The Perth City Link Public Art Strategy was finalised.
- EPRA budgeted \$5.7 million to commence land development and detailed design work for the project near Perth Arena.
- Two development applications were determined during the 2009/10 financial year with a combined estimated construction value of \$544 million. This figure includes the Public Transport Authority development approval for realignment and undergrounding of the rail lines and bus station, valued at \$540 million that was assessed and determined in accordance with a Direction issued from the Minister for Planning (Refer to Disclosures and Legal Compliance – Ministerial Directives).

Project Expectations

Investment attraction: est. \$3 billion

Area (ha): 13.5

New dwellings: 1,650

New population: 3,060

Commercial/retail space (m²): 244,000

New workers: 13,500

AGENCY PERFORMANCE

Perth Cultural Centre Precinct

The Perth Cultural Centre is the State's central place where enjoying arts, culture and accessing knowledge come together. It is one of the most strategically placed publicly-owned landholdings in any Australian city and includes some of the State's most significant cultural and educational institutions.

The focus for this project is on place activation and drawing visitors to enjoy the developing vibrancy within the area. The Perth Cultural Centre will be a place that people of all ages and backgrounds can interact.

The completion of the William Street property refurbishment and leasing program will also create a unique creative industry, retail and food and beverage strip for Perth enhancing the place activation outcomes achieved within the Perth Cultural Centre.



Vision

At the heart of the city, the Perth Cultural Centre will be a vibrant place that Western Australians are proud of and want to visit – a diverse 'hot-spot' of activity.

Objectives

- Focus on place management objectives and introduce new activities to draw visitors to the area, creating a vibrant precinct and encouraging increased use of the facilities within the Perth Cultural Centre Precinct.
- Enhance and conserve the architecturally and historically significant buildings in the area, including some structures that date back to the Victorian and Federation eras.
- Increase safety and security in the area through urban design, which will enable the area to act as a catalyst for social and cultural interaction.
- Offer a unique and vital experience populated by creative industries.
- Introduce new residents and businesses to the area, improve accessibility and provide an important link with key city destinations and public transport.

Highlights of 2009/10

- A short-term activation plan was launched by the Minister for Planning; Culture and the Arts in October 2009 to deliver immediate outcomes to positively impact on the use and appearance of the area. Recently completed improvements to the Perth Cultural Centre include landscaping; lighting; additional seating; way finding; entry statements; free WiFi and roving security guards at night.
- EPRA supported a number of significant events in the Perth Cultural Centre including the Awesome Festival, Northbridge Festival, St Jerome's Laneway Festival and PIAF water installation *Appearing Rooms*.
- An Urban Orchard and Wetland were constructed providing areas of interaction for the public.
- Refurbishment works on EPRA's 11 properties on the William Street heritage precinct were completed, with a leasing program in place targeting a diverse mix of local and independent retail, commercial, food and beverage and creative businesses.
- Twelve development applications were approved during the year with a total value of \$350,000. Eight of these were development approvals granted for special events in the Perth Cultural Centre.

AGENCY PERFORMANCE

Riverside

Riverside will be a popular destination to live, work and visit, building upon the location's natural assets and existing sporting and educational facilities – WACA, Gloucester Park and Trinity College – to create a unique sense of place.

Residents, workers and visitors will be able to fully engage with the riverine environment through the many visual and physical connections between public spaces, private realms and the water.

The Riverside project is transforming the city's eastern gateway into a cosmopolitan waterfront community with a range of entertainment, commercial and residential opportunities.



Vision

Riverside will become a bustling, vibrant place with entertainment, commercial, retail, civic and residential uses that take advantage of the unique location.

Objectives

- A bustling and vibrant urban community that will combine some of Perth's premier sporting facilities with waterfront entertainment and commercial and residential developments to become a draw card for visitors and tourists.
- Create a high-density, sustainable residential and commercial development that is supported by mixed use land principles.
- Redevelop Perth's eastern gateway through a new waterfront entertainment precinct that will include a river inlet with jetties and boardwalks, complemented by mixed use development including cafes and restaurants.
- Attract new businesses and private sector investment to the project area.
- Incorporate buildings and places of heritage significance into the redevelopment, including the heritage listed Western Australian Police Headquarters.

Highlights of 2009/10

- Scheme Amendment 23 was gazetted and the Waterbank Design Guidelines were adopted in July 2009.
- The draft Design Guidelines for the WACA and the WAPS precincts were released for key stakeholder and community consultation in June 2010. A number of submissions were received and the documents will be finalised in the 2010/11 financial year.
- A total of four development applications were approved, with a combined value of \$73,000.
- \$22.2 million was budgeted in the 2009/10 financial year to fund land acquisitions and to commence redevelopment works at the 4 hectare riverfront flagship site. Redevelopment works will commence in February 2011 with road works adjoining the 4 hectare development site and preliminary earth works to help create the riverfront development site.

Project Expectations

Investment attraction (State Government Land):

\$900 million

Area (ha): 40

New dwellings: 3,400

New population: 5,800

Commercial/retail space: (m²): 81,310

New workers: 1,700

Government investment (\$): 113 million

AGENCY PERFORMANCE

New Northbridge

While Northbridge has long been the cultural heart of Perth, exciting developments throughout EPRA's New Northbridge project are adding to the buzz of this cosmopolitan neighbourhood.

The area's character and rich history is being enhanced through the adaptive reuse of heritage buildings, innovative mixed use development and a commitment to social and affordable housing.

The development of public open space, beautification of streetscapes, including paving, landscaping, the undergrounding of power, new street furniture, road surfaces and the installation of public artworks, has added life and dynamism at street level.

Vision

New Northbridge is providing a safe, friendly and enjoyable environment for the Northbridge community and visitors to live, work and play in. The redevelopment re-establishes linkages with the lively entertainment and business area and the surrounding residential areas, retaining and building on the unique heritage and character of Northbridge.

Objectives

- Enhance and protect the area's heritage and cultural values, while optimising returns and providing land and property redevelopment opportunities.
- Create an area that is safe, secure, friendly and enjoyable for the Northbridge community to live, work and play in.
- Promote the Transit Oriented Development benefits of New Northbridge, with particular emphasis on Perth's free CAT bus services, cycleways and pedestrian-friendly streetscaping.
- Ongoing commitment to affordable housing and diverse housing choices.
- Attract visitors and businesses to New Northbridge, highlighting the lifestyle benefits of the culturally rich area and the proximity to the CBD.



Highlights of 2009/10

- There has been a 100 per cent increase in the number of business with more than 50 staff during the past year, demonstrating the attractiveness of New Northbridge as a growing business district.
- Coles Supermarket within the Tyne Square development opened in September 2009. Tyne Square is the first of its kind in WA, combining mixed use (residential and commercial) with a major supermarket chain on the ground floor, all in the one development.
- A total of 20 development applications were approved this financial year, attracting a total investment of \$3.24 million to New Northbridge.

Project Expectations

Investment attraction: \$300 million

Area (ha): 27

New dwellings: 460

New population: 1,250

Commercial/retail space (m²): 70,000

Government investment (\$): 60 million

AGENCY PERFORMANCE

East Perth Power Station

A key destination on the Swan River, the East Perth Power Station will capitalise on the exceptional accessibility benefits presented by the site's proximity to major arterial roads, rail networks and the river.

The rejuvenated heritage listed power station building, in its magnificent foreshore setting, will combine with a variety of engaging leisure activities to create a unique place and experience for visitors and residents alike.

Forward works to clean up the site were undertaken in 2004 and stabilisation works to the power station building were undertaken in 2005. Master planning to establish a framework for future land use is now being finalised.

Vision

The redevelopment of the East Perth Power Station site will create a vibrant waterfront community with a mix of living and working opportunities that is a destination of great character and enjoyment for Perth's citizens and visitors.

Objectives

- Optimise the Transit Oriented Development benefits presented by the site's proximity to road, rail and potential future water facilities.
- Secure a suitable tenant for the Power Station building.
- Develop a Conservation Management Plan for the heritage building and interpretation strategy for the heritage machinery in the building.

Highlights of 2009/10

\$9.3 million was budgeted in the 2009/10 financial year for EPRA to continue its planning and works for the East Perth Power Station project.

EPRA is continuing to investigate options for the use of the power station building and is finalising its master planning for the 8.5 hectare site.

Project Expectations

Investment attraction: \$345 million
Area (ha): 8.5
New dwellings: 635
New population: 1,100
Commercial/retail space (m²): 19,300
New workers: 1,100



AGENCY PERFORMANCE

Claisebrook Village

Claisebrook Village is recognised as one of the State's best urban renewal projects. It has transformed 137.5 hectares of former industrial land into a successful inner city community, combining quality residential and commercial development with beautiful parkland, waterways and public art.

EPRA's work in Claisebrook Village is 85 per cent complete. Planning control of 73 per cent of the project area was returned to the City of Perth in January 2002. Normalisation of the remaining land will be normalised in two stages in the coming years.

Vision

To transform a 19th Century industrial area into a modern urban community while retaining and emphasising the site's heritage and the project's riverside location.

Objectives

- Promote the benefits of Transit Oriented Development to residents and workers in the area to increase the use of public transport, such as Claisebrook train station and extension of the Central Area Transit (CAT) bus routes.
- Conserve both the natural and built environment through the creation of a sustainable inner city community. The area's cultural heritage has also been conserved through the restoration of buildings, such as

the Boans Warehouse, and the delivery of an interpretive public art collection.

- Create vibrant and active public open spaces. The project encompasses more than 22 hectares of public open space, pathways, parklands and foreshore recreation areas.
- Attract key businesses and investment to the project area to generate employment and add to Claisebrook's vibrancy.

Highlights of 2009/10

- EPRA completed the second stage of maintenance works in Claisebrook Village in August 2009.
- A total of 11 development applications were approved this financial year, attracting an investment of \$2.53 million.

Project Expectations

Investment attraction: \$685 million

Area (ha): 137.5

New dwellings: 1,450

New population: 2,500

Commercial/retail space (m²): 130,000

Government investment: \$127 million

Significant Issues and Trends

Perth's population is growing rapidly and will increase by 550,000 to 2.04 million people by 2031¹. The Western Australian economy is also growing strongly at 4.5% in 2010/11, with an expectation to peak at 4.75% in 2011/2012 and then coming back to approximately 3% in 2013/14².

There is an opportunity to plan for the future growth of Perth by creating a unique sense of place and a distinctive Perth character. This will be achieved by carefully planned developments which complement our natural landscape and reconnect our city.

The State Government, through EPRA, is committed to regenerating Perth and will deliver new commercial and residential space for Perth's growing population; develop attractive and vibrant public spaces people want to visit; and attract investment for sustained economic growth.

EPRA's six regeneration projects are delivering approximately 7,500 new residential dwellings, and 550,000m² of commercial and retail space for approximately 13,500 new residents and 25,500 workers.

¹ Department of Planning, Directions, 2031 Spatial Framework for Perth and Peel, June 2009

² Department of Treasury and Finance, 2010/11 State Budget Papers

DISCLOSURES AND LEGAL COMPLIANCE

Ministerial Directives

EPRA's enabling legislation requires that if the Minister gives a written direction to the Authority, with respect to the performance of its functions, it shall be included in the Annual Report and tabled in Parliament.

There were three directives issued in respect to the governance and decision making process for the Perth City Link bus and rail works as proposed by the Public Transport Authority (PTA). Details of which included:

- Referral of the recommendations to the Minister for Planning for consideration and instruction on determination of the application; and
- Instructions to EPRA to delete conditions relating to enhancement of pedestrian connectivity to/from Perth Central Train Station, and reinstatement of the Principle Shared Path (PSP) and modification of the site remediation condition to restrict remediation obligations to the footprint of the PTA construction works.

Enabling Legislation

Section 19(9) of the *East Perth Redevelopment Act 1991* (the Act) requires all approvals given by the Minister under subsection 19(2)(a) of the Act to be included in the annual report.

Section 19(2)(a) requires Ministerial Approval for the Authority to acquire, manage or dispose of land with a value in excess of \$1 million.

The following settlements with a value in excess of \$1 million occurred during the 2009/10 financial year:

- Lot 403 William Street to Do Do Investments for the sum of \$1,118,118; and
- Lot 779 Newcastle street to the Department of Housing and Works for the sum of \$2,025,000.

Pricing Policies

EPRA is a land redevelopment authority, and as such does not sell its services to the public. Therefore it is not relevant to provide information about pricing policies or make reference to any public documents which contain pricing or rating information.

Major Capital Projects

This information is discussed in the relevant section in Agency Performance, as it is part of EPRA's core business to undertake major capital projects.



DISCLOSURES AND LEGAL COMPLIANCE

Disclosures Relating to Employees

As per Treasurer's Instruction 903, the table below is a summary of the number of employees by category as at 30th June 2010.

Level	2007/2008		2008/2009		2009/2010	
	Male	Female	Male	Female	Male	Female
G2	1	0	1	0	1	0
9	0	0	1	1	2	1
8	3	1	3	0	3	0
7	2	1	3	2	2	3
6	4	2	5	5	4	4
5	6	8	3	4	3	7
4	1	6	2	6	2	9
3	1	3	1	4	1	4
2	1	5	1	5	0	5
1	0	3	0	2	0	2
Total – gender	19	29	20	29	18	35
Total – workers	48		49		53	

Figures quoted in this table relate to substantive levels rather than acting positions. It does not include temporary staff, staff who are seconded out, staff on leave without pay, or staff on maternity leave.

Staff Development

EPRA values its employees and continually seeks to identify and provide opportunities for staff to develop their technical and personal competencies. Staff have attended a variety of role specific professional development courses facilitated by the Australian Institute of Management, the National Tax and Accountants Association, the Australian Human Resources Institute and the Institute of Public Administration of WA. As part of the ongoing staff development, EPRA staff were also afforded the opportunity of attending seminars by the Property Council, Place Leaders Association, RiskCover and the Urban Development Institute of Australia.

Policies to Assist Employees

EPRA has developed a number of policies to assist EPRA employees. These include the following:

- Grievance Policy;
- Work from Home Policy;
- Employee Assistance Policy;
- Education Assistance Policy; and
- Strategic HR Plan.

Industrial Relations

There were no changes to the Industrial Relations environment within EPRA.

DISCLOSURES AND LEGAL COMPLIANCE

Workers Compensation

There was one workers compensation claim this year.

The injury was minor and the individual was able to continue to work throughout the rehabilitation process.

Governance Disclosures

EPRA operates a contract administration system that requires senior officers to declare confidentiality and interest in respect to any existing or proposed contract.

EPRA maintains a standing agenda item on all Board and Committee meetings which seeks declarations of any conflict of interest to ensure compliance with Section 13(2) of the *East Perth Redevelopment Act 1991 – Particular duties of members*.

There have been no disclosures of any further conflict of interest with senior officers of the agency, relating to factors such as shares, contracts, benefits, or any other matter.

EPRA paid a total of \$15,834.56 for insurance to indemnify its directors as defined in Part 3 of the *Statutory Corporations (Liability of Directors) Act 1996* against liability incurred under sections 13 or 14 of the *Statutory Corporations (Liability of Directors) Act 1996*.

Advertising and Sponsorship

Electoral Act 1907, S175ZE

In compliance with sections 175ZE of the *Electoral Act 1907*, the following expenditure was incurred during the year:

Market Research	Amount \$ (exc GST)
– Synovate	78,523.00
Media Advertising (including multimedia)	
– AdCorp	19,052.99
– Optimum Media Decisions WA	56,692.72
Marketing and Public Relations	
– Purple Communications	1,204.00
– Linkletters	6,804.00
– Mills Wilson	79,809.85
– Rare Creative Thinking	470,497.94
– Two Dozen Marketing and Design	27,500.00
– Media Monitors	15,245.50
– Block	117,810.20

Publications

Publications by EPRA are available at its office at 12 Lindsay Street, Perth WA 6000 and online at www.epra.wa.gov.au.

The principal publications are:

- East Perth Redevelopment Scheme, Scheme Text, Planning Policies and documents
- Design Guidelines
- Annual reports for the years ending 1993-2009
- Customer Service Charter
- EPRA Corporate Brochure
- Urbano magazines
- Project communications and marketing brochures

DISCLOSURES AND LEGAL COMPLIANCE

EPRA's Disability Access and Inclusion Plan Outcomes 2007-2012

EPRA has a Disability Access and Inclusion Plan (DAIP) which is available from the EPRA website. EPRA also developed a DAIP for 2009/10.

The following points are a brief outline of EPRA's current initiatives to address each of the six DAIP outcomes:

Outcome 1: Individuals with disabilities have the same opportunities as individuals without a disability to access the services of, and events organised by, a public authority.

- All EPRA employees, consultants, agents and contractors are aware of the relevant requirements for providing access in accordance with the Australian Standard and Building Code of Australia. Accessible events checklists and Access Resource Kit checklists are utilised to ensure that public events are held in accessible venues and formats.

Outcome 2: Individuals with disabilities have the same opportunities as individuals without disability to access the buildings and other facilities of a public authority.

- Universal Access requirements for building and the public realm are being included in all new design guidelines to improve access to heritage buildings. Access and inclusion components are also incorporated into contracts, letters of engagement and links on the EPRA website to ensure consultants, agents and contractors are aware of access requirements.

Outcome 3: Individuals with disabilities receive information from a public authority in a format that will enable them to access the information as readily as individuals without disability are able to access it.

- Electronic information from the Authority meets the Web Content Accessibility Guidelines and the State Government Access Guidelines for Information, Services and Facilities.

Outcome 4: Individuals with disabilities receive the same level and quality of service from the staff of a public authority as individuals without disability receive from the staff of that public authority.

- EPRA maintains staff awareness on disability access information through the intranet portal; t consultants; this includes the Disability Services Act, the Disability Discrimination Act and the Occupational Health and Safety Act. Legislative compliance training is also provided for senior management.

Outcome 5: Individuals with disabilities have the same opportunities as individuals without disability to make complaints to a public authority.

- EPRA is prepared to provide a grievance mechanism process and outcome satisfaction survey forms in alternative formats. EPRA has a dedicated Access Disability email account and is maintained by the DAIP coordinator.

Outcome 6: Individuals with disabilities have the same opportunities as individuals without a disability to participate in any public consultation by a public authority.

- EPRA is committed to improving community awareness about consultation processes and monitoring the DAIP to ensure implementation and satisfactory outcomes.

Legislation Affecting Activities

During 2009/10, EPRA complied with the following written laws:

Aboriginal Heritage Act 1972

Contaminated Sites Act 2003

Corruption and Crime Commission Act 2003

Disabilities Services Act 1993

Disability Discrimination Act 1992

East Perth Redevelopment Act 1991

Electoral Act 1907

Environmental Protection Act 1986

Equal Opportunity Act 1984

Financial Management Act 2006

Freedom of Information Act 1992

Fringe Benefit Tax Assessment Act 1986

Heritage of Western Australia Act 1990

Income Tax Assessment Act 1997

Interpretation Act 1984

Industrial Relations Act 1979

Land Administration Act 1997

DISCLOSURES AND LEGAL COMPLIANCE

Native Title (State Provisions) Act 1999
Occupational Health and Safety Act 1984
Planning and Development Act 2005
Public Interest Disclosure Act 2003
Public Sector Management Act 1994
Salaries and Allowances Act 1975
State Administrative Tribunal Act 2004
State Records Act 2000
State Superannuation Act 2000
State Supply Commission Act 1991
Statutory Corporations (Liability of Directors) Act 1996
Strata Titles Act 1985
Swan and Canning Rivers Management Act 2006
Taxation Administration Act 2003
Taxation Practices Act 1985
Transfer of Land Act 1893
Workers Compensation and Injury Management Act 1981

Compliance with Public Sector Standards and Ethical Codes

In accordance with the requirement of section 31(1) of the *Public Sector Management Act 1994*, EPRA reports that no internal investigations were undertaken relating to disciplinary matters under section 80 of the *Public Sector Management Act 1994*.

There were no other compliance issues that arose during the financial year regarding the public sector standards, the WA Code of Ethics or EPRA's Code of Conduct.

Record Keeping Plan

The EPRA Record Keeping Policy holds all staff, contractors and organisations performing outsourcing services on behalf of EPRA responsible for their involvement with records. This policy incorporates all legislative, business, administrative, financial, evidential and historical requirements.

EPRA complies with the *State Records Act 2000*. In 2009-2010 EPRA conducted record keeping training sessions with new staff and provided continual reminders to current staff in relation to their responsibilities from a record keeping standpoint, highlighting the legislative compliance and expectations of them.

EPRA has an electronic document and records management system to ensure efficient and effective information management as well as ensuring legislative compliance. Furthermore, the system provides EPRA with information control and allows the satisfaction of audit requirements, while also enabling EPRA to promote best practice information management and ensure search ability and availability of current and accurate information.

Substantive Equality

All departments represented on the Strategic Management Council are required to set out in their annual report the progress achieved in implementing the *Policy Framework for Substantive Equality*.

While EPRA is not represented on the Strategic Management Council, it is committed to substantive equality and has developed a number of initiatives aimed at increasing social inclusion and diversity. Examples of these include the preparation of planning policies facilitating the development of affordable, diverse, universally accessible and adaptable housing.

However, as a redevelopment authority, the focus of EPRA is on land redevelopment, and therefore it does not directly provide services to the community. This therefore limits the extent of its ability to report on substantive equality.

Occupational Health and Safety

Occupational Health and Safety (OH&S) within EPRA is a shared responsibility of the whole organisation requiring commitment, consultation, communication and participation from management, employees and contractors. In the 2009/10 reporting year, EPRA had an LTI rate of 1.8.

DISCLOSURES AND LEGAL COMPLIANCE

Directors, Senior Managers and the Human Resource and Corporate Services Manager form the basis of occupational safety and health consultation within EPRA. As of June 2010 over half (53 per cent) of EPRA's managers attended a training session held by CGU Safety Services on Occupational Safety and Health. Managers were informed of their responsibilities under the *Occupational Safety and Health Act 1981* and the relevant injury management processes and legislation.

EPRA has in place a documented injury management system in accordance with the *Workers Compensation and Injury Management Act 1981*. The system is made available to staff through a dedicated OH&S Intranet Page and through formal communication systems. EPRA's return to work program was developed in accordance with the *Workers Compensation and Injury Management Act 1981*.

Indicator	2009/2010
Number of fatalities	Zero (0)
Lost time injury/disease (LTI/D) incidence rate	1.8
Lost time injury severity rate	Zero (0)
Percentage of injured workers returned to work within 28 weeks	100%
Percentage of managers trained in occupational safety, health and injury management responsibilities	53%

DETAILED KEY PERFORMANCE INDICATORS INFORMATION

Certification of Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the East Perth Redevelopment Authority's performance, and fairly represent the performance of the East Perth Redevelopment Authority for the financial year ended 30 June 2010.



Stuart Hicks
Chairman



Don Humphreys
Member of Accountable Authority



Tony Morgan
Chief Executive Officer

Date: 26 August 2010

KEY PERFORMANCE INDICATORS

Outcome Statement:

EPRA aims to attract thousands of Western Australians back into the city to live, study, work and play.

Effectiveness Indicators:

These indicators quantify how well EPRA is achieving its outcomes.

Claisebrook Village

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Living in the Area¹	1,247	1,314	1,314	1,319	1,440	2,257	2,257	2,257	2,571
Studying in the Area									
Educational Institutions	1	1	1	1	1	1	1	1	1
No of Students ²	1,763	2,289	2,742	2,873	2,984	2,931	2,926	3,500	3,500
Working in the area									
Businesses <50 staff ³	265	283	401	341	342	341	339	326	341
Businesses >50 staff ³	5	4	3	5	4	5	4	4	5
Playing in the area									
Visitors to public facilities ⁴	2,065,992	1,969,250	2,572,440	1,659,150	2,524,223	4,010,608	3,101,406	2,701,223	1,978,920

Due to changes in source databases, this data should only be read in conjunction with the accompanying explanatory notes.

Key Finding:

Claisebrook Village has experienced growth in both the number of residents living in the area and the number of businesses operating within Claisebrook Village. Due to the near completion of Claisebrook Village, the measure of attracting people to live in the area is not one that can continue to increase beyond the space available and allowable residential density.

The number of visitors to public facilities in Claisebrook Village has experienced a decrease since the peak number achieved in the 2006-07 financial year. This decrease coincides with less events being held in the project area following EPRA's completion of its place management role.

KEY PERFORMANCE INDICATORS

New Northbridge

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Living in the Area¹	1,199	1,256	1,477	1,489	1,904	2,491	2,657	2,699	3,018
Studying in the Area²									
Educational Institutions	0	0	0	0	0	0	0	0	0
No of Students ²	0	0	0	0	0	325	430	1,500	1,631
Working in the area									
Businesses <50 staff ³	115	112	116	97	97	98	228	226	180
Businesses >50 staff ³	1	1	1	3	3	2	2	4	8
Playing in the area									
Visitors to public facilities ⁴	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Calculations for visits to public facilities are not applicable for New Northbridge due to the inability of respondents to separate frequency of visiting this area from frequency of visiting the broader Northbridge area.

Key Finding:

Since the 2008/09 financial year, the number of people living in the New Northbridge project area has increased by over 10 per cent, continuing the steady growth in the residential population since the 2002 base year.

The number of business with more than 50 staff has seen a 100 per cent increase from 4 to 8 over the past year, whilst the number of business with less than 50 staff has decreased by 20 per cent. This is reflective of the broader economic conditions experienced towards the end of 2008 and commencement of 2009.

KEY PERFORMANCE INDICATORS

Riverside

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Living in the Area¹	266	266	266	266	266	749	1,021	1,119	1,320
Studying in the Area									
Educational Institutions	1	1	1	1	1	1	1	1	1
No of Students ²	1,126	1,148	1,179	1,186	1,196	1,202	1,200	1,200	1,245
Working in the area									
Businesses <50 staff ³	27	25	29	22	22	22	48	46	41
Businesses >50 staff ³	6	5	5	5	5	5	5	6	9
Playing in the area									
Visitors to public facilities ⁴	1,691,172	1,217,886	1,567,584	813,516	1,629,754	573,886	2,031,690	1,566,645	1,121,388

Key Finding:

There has been an increase in the number of residents and students within the Riverside project area. Whilst the number of businesses with less than 50 staff has decreased from 2008/09, this decrease is offset by an increase in the number of business with over 50 staff.

Stage 1 of the Riverside project is currently in progress and upon completion, these figures will be significantly increased as the project will deliver an abundance of new dwellings for new residents, as well as providing additional commercial and retail floor space that will attract new workers to the area.

Although the number of people visiting the area has decreased in the 2009/10 financial year, this figure is also expected to increase as the Riverside project is developed.

KEY PERFORMANCE INDICATORS

EPRA Methodology Notes to Accompany Effectiveness Results

Living in the Area:

- ¹ Results derived by multiplying the total number of approved residential dwellings (from EPRA data) times the average number of residents per dwelling. The average number of residents per dwelling is:

- 2.123 in East Perth Project Area+
- 1.999 in New Northbridge+
- 1.994 in Riverside+

+ (As indicated by the 2006 Australian Bureau of Statistics census data)

Average number of residents per dwelling is always calculated with the most recently available Australian Bureau of Statistics census data.

Studying in the Area:

- ² Institutions identified through 2007 Australian Business Directory Database, followed by a telephone census with educational institutions, conducted by Synovate. Includes full-time and part-time students.
- * Student numbers for New Northbridge are derived from the Central Institute of Technology.

Working in the Area:

- ³ Number of businesses identified through 2007 Australian Business Directory Database, followed by a telephone census, with organisations to determine number of employees, conducted by Synovate.

Note: The previous database used for this research from 2004 to 2007 was the 2005 Marketing Pro Database. As this database is no longer updated, the 2008/09 results onwards have been derived from the 2007 Australian Business Directory Database. As each database uses slightly different methodologies to build the database, the methodology for these results has changed slightly. Therefore, a direct comparison of results is not recommended.

Playing in the Area:

- ⁴ Synovate conducted a telephone survey of 401 adults (aged 18 years and over) in the Perth metropolitan area. ABS 2006 census data estimates a population of 1,099,399 adults (18+) living in the Perth metropolitan area in 2006. Telephone numbers were randomly generated from Australia on Disc, which generates household numbers. A sample of 400 provides results with a maximum sampling accuracy of ± 4.9 per cent at the 95 per cent confidence level. Interviewing commenced on 17 June 2010 and was completed by 22 June 2010.

EPRA New Key Effectiveness Measures

In 2009, EPRA reviewed the current Key Performance Indicators (KPIs). As a result, a new set of KPIs were formulated that align with EPRA's redevelopment goals to better encapsulate the work and vision of EPRA. It is EPRA's intention to commence measurement of these new KPIs in 2010/11. The key measures for the new KPIs are currently being tested and validated. EPRA will continue to report on the current KPIs whilst baseline data is established for the new KPIs.

The new KPIs are:

Sense of Place – To build sense of place in the redevelopment area by supporting unique and high quality design, heritage protection, public art and cultural activities that respond to Perth's environment, climate and lifestyle.

Economic Wellbeing – To promote economic wellbeing by meeting market demand projections, providing opportunities for local businesses and emerging industries and generating employment opportunities.

Urban Efficiency – To promote urban efficiency in the design and construction of the infrastructure and building and in the mix of land use and through facilitating a critical mass of population and employment in the redevelopment area.

KEY PERFORMANCE INDICATORS

Social Inclusion – To promote social inclusion for varied people in the redevelopment area by requiring diverse and affordable housing and by supporting community infrastructure activities and opportunities for visitors and residents to socialise.

Connectivity – To enhance the connectivity in the redevelopment area by providing well designed places that support walking, cycling and public transit so that residents and visiting can easily access services, activities and employment without sole reliance on private motor vehicle.

Environmental Integrity – To enhance environmental integrity by supporting ecologically sustainable design resource efficiency, recycling, renewable energy and protection of the local ecology.

EPRA Efficiency Indicators

These relate inputs to outputs to quantify how well EPRA is using its resources and show dollar of operating costs per dollar of land sales made, and capital works conducted, during the year.

Key Findings

Land Sales

In 2009-2010, for every dollar received from a land sale, it cost 88.1 cents in operating costs associated with the sales. The reason for the increase in this ratio is due to reduced sales activity in 2009-2010 due to the stage of the project life cycle.

Capital Works

The capital works indicator was consistent with the previous year reflecting a similar ratio of capital works to expenses. These levels are increased on previous years again due to the stage of the projects.

EPRA New Efficiency Indicator

EPRA also reviewed the current Efficiency Indicators in 2009. In line with EPRA's new KPIs, the new Efficiency Indicator aligns with EPRA's redevelopment goals and better encapsulates the work and vision of EPRA. EPRA intends to commence measurement of the new Efficiency Indicator in 2010/11. EPRA will continue to report on the current Efficiency Indicator whilst baseline data is being established.

The new Efficiency Indicator is:

Services and Efficiency – To measure the efficiency of the Authority's operations as a commercial entity and the proficient operation as a planning regulator in accordance with statutory assessment periods.

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	Target
\$ per \$ of:									
Land Sales	0.105	0.196	0.275	0.131	0.195	0.413	0.447	0.881	0.538
Capital Works	0.191	0.252	0.271	0.233	0.678	0.874	0.831	0.284	0.197

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The accompanying financial statements of the East Perth Redevelopment Authority 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 ended 30 June 2010.

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



Stuart Hicks
Chairman



Tony Morgan
Chief Executive Officer



Don Humphreys
Member of Accountable Authority



Mr Mark Reutens
Chief Finance Officer

Date: 26 August 2010

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$' 000	2009 \$' 000
INCOME			
Sales	4	5,454	13,003
Interest revenue	5	1,380	2,350
Rental revenue		283	368
Other revenue		1,775	1,601
Total Income		8,891	17,323
EXPENSES			
Cost of sales	4	3,672	7,941
Employee benefits expense	6	4,698	4,376
Supplies and services	7	1,232	1,763
Depreciation and amortisation expense	8	481	355
Sales and marketing expenses		968	536
Property and estate management		1,819	1,011
Communications expense		213	268
Economic and community development		35	201
Development control expense		227	670
Environmental remediation		572	1,690
Other expenses		379	526
Total expenses		14,294	19,337
SURPLUS/(DEFICIT) FOR THE PERIOD		(5,403)	(2,014)
OTHER COMPREHENSIVE INCOME			
Change in asset revaluation		1,088	(58)
Total Other Comprehensive Income		1,088	(58)
Total Comprehensive Income for the period		(4,315)	(2,072)

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	2010 \$' 000	2009 \$' 000
ASSETS			
Current Assets			
Cash and cash equivalents	9	27,848	43,191
Inventories	10	944	2,175
Receivables	11	725	340
Total Current Assets		29,517	45,706
Non-Current Assets			
Inventories	10	46,473	38,512
Property, furniture and equipment	12	3,605	4,041
Investment properties	13	25,030	19,720
Intangible assets	14	560	651
Total Non-Current Assets		75,667	62,924
TOTAL ASSETS		105,184	108,630
LIABILITIES			
Current Liabilities			
Payables	16	3,543	3,004
Income in advance	17	178	131
Provisions	18	534	473
Total Current Liabilities		4,256	3,608

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	2010 \$' 000	2009 \$' 000
Non-Current Liabilities			
Provisions	18	1313	1023
Other non-current liabilities	19	784	534
Total Non-Current Liabilities		2097	1557
TOTAL LIABILITIES		6,353	5,165
NET ASSETS		98,831	103,465
EQUITY	20		
Contributed equity		21,890	21,890
Capital reserve		10,338	10,338
Asset revaluation reserve		1,674	905
Retained earnings		64,929	70,332
TOTAL EQUITY		98,831	103,465

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Note	Contributed Equity \$'000	Reserves \$'000	Accumulated Surplus/(Deficit) \$'000	Total Equity \$'000
Balance at 1 July 2008		21,890	12,032	72,346	106,268
Changes in accounting policy or correction of prior periods errors		–	–	–	–
Restated balance at 1 July 2008		21,890	12,032	72,346	106,268
Total Comprehensive Income for the year		–	(789)	(2,014)	(2,803)
Transactions with owners in their capacity as owners:		–	–	–	–
Capital appropriations		–	–	–	–
Other Contribution by owners		–	–	–	–
Distribution to owners		–	–	–	–
Total		–	(789)	(2,014)	(2,803)
Balance as at 30th June 2009		21,890	11,243	70,332	103,465
Balance as at 1st July 2009		21,890	11,243	70,332	103,465
Total Comprehensive Income for the year		–	769	(5,403)	(4,634)
Transactions with owners in their capacity as owners:		–	–	–	–
Capital appropriations		–	–	–	–
Other Contribution by owners		–	–	–	–
Distribution to owners		–	–	–	–
Total		–	769	(5,403)	(4,634)
Balance as at 30th June 2010	20	21,890	12,012	64,929	98,831

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

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$' 000	2009 \$' 000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services		7,449	14,945
Interest received		1,317	2,515
GST receipts on sales		379	1,022
Receipts from taxation authority		1,749	1,500
Payments			
Employee benefits		(4,448)	(4,081)
Supplies and services		(1,189)	(1,763)
GST Payments on purchases		(1,820)	(1,551)
Net Payments to taxation authority		(353)	(1,021)
Other payments		(4,893)	(3,602)
Net cash provided by/(used in) operating activities	21	(1,808)	7,963
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(24)	(230)
Purchase of capital works in progress		(9,380)	(7,464)
Expenditure on Investment properties		(3,882)	(742)
Purchase of intangible assets		(249)	(532)
Net cash provided by/(used in) investing activities		(13,535)	(8,969)
Net increase/(decrease) in cash and cash equivalents		(15,343)	(1,006)
Cash and cash equivalents at the beginning of period		43,191	44,197
CASH AND CASH EQUIVALENT ASSETS AT THE END OF PERIOD	21	27,848	43,191

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

1. Australian Accounting Standards

General

The Authority's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Authority has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by *TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Authority for the annual reporting period ended 30 June 2010.

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 Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has had 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 and buildings which have been measured at fair value.

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

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgements that have been made in the process of applying the Authority's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 2(u) 'Significant Estimates and Judgements'.

(c) Reporting Entity

The reporting entity comprises the Authority. The Authority has no related bodies.

(d) Contributed Equity

AASB Interpretation 1038 *Contributions by Owners made to Wholly – Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, 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 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(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 Land**
It is the Authority's practice to recognise the sale of land held for sale only when settlement of the full purchase consideration has been received and the transfer of land has been completed.
- **Sale of goods (other than land)**
Revenue is recognised from the sale of goods and disposal of other assets when the significant risk and rewards of ownership transfer to the purchaser and can be measured reliably.
- **Provision of services**
Revenue is recognised on delivery of the services to the client or by reference to the stage of completion of the transaction.
- **Interest**
Revenue is recognised as the interest accrues.
- **Rental Revenue**
The Authority receives rental income in relation to certain buildings leased within the redevelopment area. Rental income is due on the first day of each month and all amounts are settled within seven days. Revenues are recognised for rental income when it becomes due and payable to the Authority.
- **Contribution Revenue**
Non-reciprocal contributions are recognised as revenue upon receipt by the Authority. Reciprocal contributions are recognised as revenue once the conditions limiting the contributions are discharged.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis.

These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, Plant and Equipment

Capitalisation/Expensing of assets:

Items of property, plant and equipment costing \$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 expensed directly to the Statement of Comprehensive Income (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:

Subsequent to initial recognition as an asset, the Authority uses the revaluation model for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(f) Property, Plant and Equipment (continued)

Where market evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period. Colliers International also provided valuation services during the year.

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 judgment 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 12 'Property, Plant and equipment' for further information on revaluations.

Derecognition:

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

Asset Revaluation Surplus:

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 12 'Property, Plant and Equipment'.

Depreciation:

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

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	40 Years
Office Furniture and Equipment	7-8 Years
Computer Equipment	4 Years

(g) Intangible Assets

Capitalisation/Expensing of assets:

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

All acquired intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(g) Intangible Assets (continued)

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 Authority have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software (a)	3 Years
Website	3 Years

(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 are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

As the Authority 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 the end of each reporting period 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 impairment at the end of each reporting period.

See note 15 'Impairment of assets' for the outcome of impairment reviews and testing.

(i) Leases

The Authority holds operating leases for motor vehicles where the lessor effectively retains the entire risks and benefits incidental to ownership of the motor vehicles held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Comprehensive Income over the lease term as this is representative of the pattern of benefits to be derived from the leased motor vehicles.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(j) Financial Instruments

The Authority has two categories of financial instrument:

- Loans and receivables (includes cash and cash equivalents, receivables, term deposits);
- Financial liabilities (payables)

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Receivables

Financial Liabilities

- Payables
- Income in Advance
- Employee Benefits
- Other Liabilities

Initial recognition and measurement of cash, cash equivalents and short term deposits are at fair value. The transaction cost or face value is equivalent to the fair 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.

(k) Cash and Cash Equivalents

For the purpose of the Statement of Cash flows, cash and cash equivalents assets include 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.

(l) Accrued Salaries

Accrued salaries (refer to Note 16) 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 Authority considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(m) Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventories consist of developed land, capital works and undeveloped land.

See note 10 'Inventories'

(n) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(j) 'Financial Instruments' and note 11 'Receivables'.

(o) Payables

Payables are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(j) 'Financial Instruments' and note 16 'Payables'.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(p) 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 the end of each reporting period. See note 18 'Provisions'.

(p)(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 reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the end of the reporting period. When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

PriceWaterhouseCoopers performed an actuarial assessment of long service leave for the year ended 30 June 2010.

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 to the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Authority 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 Pension Scheme and the pre-transfer benefit for employees who transferred to the GSS Scheme are defined benefit schemes. These benefits are wholly unfunded and the liabilities for future payments are provided for at the end of the reporting period. The liabilities under these schemes have been calculated separately for each scheme annually by Mercers Human Resource Consulting Actuaries using the projected unit credit method. The expected future payments are discounted to present value using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The GSS Scheme, the WSS Scheme, and the GESB Scheme, where the current service superannuation charge is paid by the Authority to the GESB, are defined contribution schemes. The liabilities for current service superannuation charges under the GSS Scheme, the WSS Scheme, and the GESBS Scheme are extinguished by the concurrent payment of employer contributions to the GESB.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

(p) Provisions (continued)

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, from an agency perspective, apart from the transfer benefits, it is a defined contribution plan under AASB 119.

See also note 2(q) 'Superannuation expense'.

(p)(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 Authority's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. See note 'Other expenses' and note 18 'Provisions'.

(q) Superannuation Expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, 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.

See also note 2(p) (i) 'Provisions – Employee Benefits' under Superannuation.

(r) Comparative Figures

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

(s) Investment Property

Investment property, principally comprising freehold land and buildings, is not occupied by the Authority and derives long-term rental yields. Investment property is carried at fair value, as mandated by TI 954, representing open-market value determined annually by external valuers. Changes in fair value are recorded in the Statement of Comprehensive Income as part of revaluation decrement.

(t) Rental Income

Rental income arising on investment properties is accounted for on a straight-line basis over the lease term and is recognised as income in the periods in which it is earned.

(u) Significant Estimates and Judgements

Estimated recovery of Inventory and Investment Properties is based on market information as at 30th June 2010. Events and circumstances could change in the future resulting in the recoverable amount being less than the cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

3. Disclosure of changes in accounting policy

The Authority has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the Authority:

- AASB 101** *Presentation of Financial Statements.* This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard.
- AASB 2007-10** *Further Amendments to Australian Accounting Standards* arising from AASB 101. This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.
- AASB 2008-13** *Amendments to Australian Accounting Standards* arising from AASB Interpretation 17 – Distributions of Non – Cash Assets to owners (AASB 5 & AASB 110). This Standard amends AASB 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Authority where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The Authority does not expect any financial impact when the Standard is first applied prospectively.
- AASB2009-2** *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. There is no financial impact resulting from the application of this Standard.

(a) Voluntary changes in Accounting Policy

There has been no voluntary changes in accounting policies.

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

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Authority has not applied early any following Australian Accounting Standards that have been issued that may impact the Authority. Where applicable, the Authority plans to apply these Australian Accounting Standards from their application date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

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

Title	Operative for reporting periods beginning on/after	
<i>AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]. The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Authority does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.</i>	1 January 2013	
	2010 \$' 000	2009 \$' 000
4. Trading profit		
Sales	5,454	13,003
Cost of Sales:		
Opening inventory	(40,687)	(41,106)
Purchases	(10,403)	(7,688)
Transfers to/(from) investment properties		166
	(51,090)	(48,628)
Closing inventory	47,418	40,687
Cost of Goods Sold	(3,672)	(7,941)
Trading Profit	1,782	5,062

See note 2(m) 'Inventories' and note 10 'Inventories'

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
5. Interest revenue		
Interest Revenue	1,380	2,350
	1,380	2,350

Interest Revenue includes interest earned on cash held at the bank, at call, short term deposit accounts and at Treasury.

6. Employee benefits expense

Wages and salaries (a)	3,919	3,536
Superannuation – defined contribution plans	348	324
Superannuation – defined benefit plans (see note 18)	140	227
Long Service Leave (b)	141	117
Annual Leave (b)	67	40
Other related expenses	83	131
	4,698	4,376

(a) Includes the fringe benefits tax component.

(b) Includes a superannuation contribution component.

7. Supplies and Services

Consultants and contractors	497	709
Building occupancy	139	122
General Office Expenses	523	541
Other Supplies and Services	72	391
	1,232	1,763

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
8. Depreciation and amortisation expense		
Depreciation		
Buildings	68	79
Office furniture and equipment	31	27
Computer Equipment	41	40
Total depreciation	141	147
Amortisation		
Intangible assets	340	208
Total amortisation	340	208
Total depreciation and amortisation	481	355
9. Cash and cash equivalents		
Bank account	2,700	1,380
Short term deposits/at call funds	25,148	41,811
	27,848	43,191

The term deposits mature on a monthly or a three monthly basis and are bearing fixed interest rates between 3.37% and 4.53% (2009: 3.21% and 7.7%) and the at call funds are bearing floating interest rates between 3.65% and 5.1% (2009: 1.85% and 4.85%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
10. Inventories		
The aggregate carrying amount of inventories recognised and included in the financial statements is as follows:		
Current	944	2,175
Non-current	46,473	38,512
	47,418	40,687
Current		
Developed Land (at cost)	944	2,175
	944	2,175
The following represents the transfers to and from developed land inventories:		
Developed Land		
Balance at 1 July (at cost)	2,175	3,384
Transferred from undeveloped land (excluding lots repurchased)	371	2,413
Transferred from capital works in progress		3,344
Transferred to cost of sales	(3,672)	(7,941)
Purchases	2,070	976
Balance at 30 June (at cost)	944	2,175
Non-Current		
Capital Works (at cost)	42,541	34,372
Undeveloped Land (at cost)	3,932	4,140
	46,473	38,512

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
10. Inventories (continued)		
The following represents capital works undertaken, offset by components transferred to developed land inventories and transfers to investment properties.		
Capital works		
Balance at 1 July	34,372	31,169
Additional works	8,332	6,744
Less transfers to developed land	(163)	(3,344)
Less transfers to investment properties		(197)
Balance at 30 June (at cost)	42,541	34,372
The following represents acquisitions of undeveloped land, offset by transfers to developed land inventories:		
Undeveloped land		
Balance at 1 July	4,140	6,553
Less transfers to developed land	(208)	(2,413)
Balance at 30 June (at cost)	3,932	4,140

Inventories are recorded at the lower of cost and net realisable value. An internal valuation of Developed Land at market value, Capital Works in Progress and Undeveloped Land at net realisable value as at 30 June 2010 amounted to \$49.32million (2009: net realisable amounted to \$55.75 million). The cost of the inventories amounted to \$47.41 million (2009: \$40.69 million). The internal valuations have been determined taking into account advice from external valuers, and both internal and external property advisors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
11. Receivables		
Trade receivables	238	193
Provision for impairment of receivables (note (a))	(9)	(18)
GST Receivable	210	–
	439	175
Other receivables (note (b))	286	165
	725	340
1 to 3 months	225	172
3 to 6 months	–	–
Over 6 months (past due not impaired)	13	21
	238	193
(a) Impaired trade receivables		
There were no impaired trade receivables for EPRA in 2010.		
Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of year	(18)	(33)
Doubtful debts expense recognised in the Statement of Comprehensive Income	(4)	–
Amounts recovered during the year	13	4
Amounts written off during the year	–	11
	(9)	(18)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

11. Receivables (continued)

(b) Other receivables

The amount includes interest accrued on the treasury investment for the last three months of the financial year.

Interest is earned on the deposit at a rate of 4.535% p.a. on the principal amount of \$17.48m.

Includes rental income not received as at 30 June 2010.

The Authority does not hold any collateral as security or other credit enhancements relating to receivables.

Refer to note 2(j) and note 25 'Financial Instruments'.

	2010 \$' 000	2009 \$' 000
12. Property, furniture and equipment		
Land		
12 Lindsay Street at fair value (a)	1,130	1,260
	1,130	1,260
Buildings		
12 Lindsay Street at fair value (a)	2,494	2,676
Accumulated depreciation	(224)	(156)
	2,270	2,520
Office furniture and equipment		
At cost	227	228
Accumulated depreciation	(113)	(86)
	115	141
Computer equipment		
At cost	255	242
Accumulated depreciation	(165)	(122)
	90	120
Total Property, Furniture and Equipment	3,605	4,041

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

12. Property, furniture and equipment (continued)

(a) Land and buildings were revalued as at 30 June 2010 by the Western Australian Land Information Authority (Valuation Services). The fair value of all land and buildings has been determined by reference to recent market transactions.

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

	Land \$' 000	Buildings \$' 000	Office Furniture and Equipment \$' 000	Computer Equipment \$' 000	Total \$' 000
For the year ended 30-June-2010					
Carrying amount at the start of the year	1,260	2,520	141	120	4,041
Additions	–	7	6	12	24
Depreciation	–	(68)	(31)	(41)	(141)
Valuation Increments/(Decrements)	(130)	(189)	–	–	(319)
Carrying amount at the end of the year	1,130	2,270	115	90	3,605

	Land \$' 000	Buildings \$' 000	Office Furniture and Equipment \$' 000	Computer Equipment \$' 000	Total \$' 000
For the year ended 30-June-2009					
Carrying amount at the start of the year	1,500	3,033	120	37	4,690
Additions	–	58	48	123	229
Depreciation	–	(79)	(27)	(40)	(147)
Valuation Increments	(240)	(491)	–	–	(731)
Carrying amount at the end of the year	1,260	2,520	141	120	4,041

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
13. Investment properties		
At Fair value		
Opening balance at 1 July	19,720	18,870
Capitalised subsequent expenditure	4,222	742
Net gain (loss) from fair value adjustment (a)	1,088	(58)
Transfer (to) from inventories	–	166
Closing balance at 30 June	25,030	19,720

Amounts recognised in profit and loss for investment properties

Revaluation Increment/(Decrement)	1,088	(58)
Rental income	189	270
Direct operating expenses from property that generated rental income	143	35

(a) Valuation basis

The basis of the valuation of investment properties is fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The 2010 revaluations were based on independent assessments made by Colliers International.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
14. Intangible assets		
Software at cost	1,235	986
Accumulated amortisation	(676)	(336)
	560	651
Reconciliation:		
Carrying amount at start of year	651	326
Additions	249	532
Amortisation expense	(340)	(208)
	560	651

15. Impairment of assets

There were no indications of impairment to property, plant & equipment and intangible assets at 30 June 2010 not recognised in the financial statements.

The Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period, and at the end of the reporting period there were no intangible assets not yet available for use.

All surplus assets at 30 June 2010 have either been classified as assets held for sale or written off.

16. Payables

Trade payables	2881	2271
GST payable to the Australian Taxation Office	–	18
Accrued Salaries	74	46
Accrued Expenses	587	668
	3,543	3,004

See also note 2(o) 'Payables' and note 25 'Financial Instruments'.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
17. Income in advance		
Corporate Service Fee	130	130
Rental Revenue	1	1
Sundry income	47	0
	178	131
18. Provisions		
Current		
Employee benefits provision:		
Annual leave (a)	358	300
Long service leave (b)	109	114
Superannuation	39	34
	506	448
Other provisions		
Employment on-costs (c)	28	25
	28	25
	534	473
Non-Current		
Employee benefits provision:		
Long service leave (b)	367	235
Superannuation	23	15
Defined benefit superannuation plans (d)	899	759
	1,290	1,009

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
18. Provisions (continued)		
Other provisions		
Employment on-costs (c)	23	14
	23	14
	1,313	1,023
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of reporting period	290	230
More than 12 months after reporting period	68	70
	358	300
(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 reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of reporting period	89	30
More than 12 months after reporting period	387	319
	476	349
(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included in 'Other expenses'.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

18. Provisions (continued)

(d) Defined benefit superannuation plans

The amounts recognised in the Statement of Comprehensive Income are as follows:

	Defined Benefit Scheme	
	2010	2009
	\$' 000	\$' 000
Current service cost	26	19
Interest cost (unwinding of the discount)	41	35
Net actuarial loss/(gain) recognised	73	173
Total included in 'Employee benefits expense' (see Note 6)	140	227
The amounts recognised in the Statement of Financial position are as follows:		
Present value of unfunded obligations	899	759
Liability in the balance sheet	899	759

The Authority has no legal liability to make up the liability other than by continuing to comply with the employer funding arrangements as detailed below.

Reconciliation of the unfunded liability recognised in the Statement of Financial position is as follows:

	Defined Benefit Scheme	
	2010	2009
	\$' 000	\$' 000
Liability at start of year	759	532
Current service cost	26	19
Interest costs (unwinding of the discount)	41	35
Net actuarial losses/(gains) recognised	73	173
Liability at the end of year	899	759

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

18. Provisions (continued)

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

	2010	2009	2008	2007
Discount rate	5.48%	5.34%	6.64%	7.50%
Future salary increases	4.50%	4.50%	4.50%	4.50%
	2010 \$' 000	2009 \$' 000	2008 \$' 000	2007 \$' 000
Historic summary				
Defined Benefit scheme:				
Present value of unfunded obligation	899	759	532	451
Deficit	899	759	532	451
Pre-transfer benefit – Gold State Superannuation Scheme:				
Present value of unfunded obligation	–	–	–	–
Deficit	–	–	–	–
Experience adjustments arising on plan liabilities:				
Defined Benefit scheme	82	53	121	78
Pre-transfer benefit – Gold State Superannuation Scheme	–	–	–	(2)
			2010 \$'000	2009 \$'000
Movement in other provisions				
Employment on – cost provision				
Carrying amount at start of year			39	35
Additional provision recognised			12	4
			51	39

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
19. Other Liabilities		
Non-current		
Public art and Parking fund contribution (a)	784	534
	784	534

(a) Parking fund represents cash in lieu of parking spaces as required under the East Perth Redevelopment Scheme. The funds are to be used to provide public facilities. The public art fund represents developer contributions to the Percent for Art scheme. This requires that all developments over \$1m contribute 1% of the construction costs to public art. The public art may be delivered as part of the development or paid to EPRA for the delivery of public art within the project area.

20. Equity

Contributed equity

Balance at the start of the year	21,890	21,890
Capital Contribution	–	–
Balance at end of year	21,890	21,890

The Authority undertook stabilisation of the East Perth Power Station building with contributions from the Government of Western Australia in 2003-04 and Western Power in 2004-05. The Government's contribution of \$3.02m was in the form of a non-repayable capital appropriation and in accordance with Treasurer's Instruction 955, has been designated as contributions by owners. During 2007-2008, The State of Western Australia acting through the Minister Planning & Infrastructure transferred to EPRA \$18.87m in land and buildings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
20. Equity (continued)		
Reserves		
Capital Reserve		
Balance at start of year	10,338	10,338
Movements during the year	–	–
Balance at end of year	10,338	10,338
Asset Revaluation Reserve		
Balance at start of year	905	1694
Net revaluation increments/(decrements):		
Investment properties	1088	(58)
Land and Buildings	(319)	(731)
Balance at end of year	1,674	905
Retained Earnings		
Balance at start of year	70,332	72,346
Result for the period	(5,403)	(2,014)
Balance at end of year	64,929	70,332

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
21. Notes to the Statement of Cashflows		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cashflows is reconciled to the related items in the Balance sheet as follows:		
Cash and cash equivalents	27,848	43,191
	27,848	43,191
Reconciliation of surplus/(deficit) to net cash flows provided by/(used in) operating activities		
Surplus/(Deficit)	(5,403)	(2,014)
Non-cash items:		
Depreciation and amortisation	481	355
(Increase)/decrease in assets:		
Receivables	(110)	65
Other current assets	(3)	–
Inventory charged to Cost of Sales	3,672	7,941
Increase/(decrease) in liabilities:		
Payables	(1,020)	1,084
Income in advance	47	72
Current provisions	62	(65)
Other non-current liabilities	250	233
Non-current provisions	290	342
Change in GST receivables/payables	(75)	(50)
Net cash provided by/(used in) operating activities	(1,808)	7,963

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

2010
\$' 000

2009
\$' 000

22. Commitments

Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Within 1 year	8,944	8,450
	8,944	8,450

Lease commitments

Commitments in relation to non-cancellable operating leases contracted for at the reporting date but not recognised in the financial statements as liabilities are payable as follows:

Within 1 year	15	29
Later than 1 year and not later than 5 years	5	20
	20	49

23. Contingent liabilities and Contingent Assets

Contingent Liabilities

In addition to the liabilities included in the financial statements, there are the following contingent liabilities:

Contamination Management

The Authority is obligated to manage the contamination of the East Perth Gas-Works site and adjacent areas of the Swan River by direction from the Minister for the Environment. There is a containment management strategy in place. EPRA undertakes regular testing of the area and there is no evidence of any adverse impact of the site on the Swan River. The test results support the satisfactory operation of the current containment strategy employed by EPRA. It is not possible to reliably estimate the potential financial effect of any claims should a contamination event occur in the future.

Contingent Assets

In addition to the assets included in the financial statement, there are no contingent assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

24. Explanatory Statement

This statement provides details of any significant variations between estimates and actual results for 2010 and between the actual results for 2009 and 2010. Significant variations are considered to be those greater than 10% and \$500,000.

Significant variances between estimate and actual results for the financial year

	2010 Actual \$' 000	2010 Estimates \$' 000	Variance \$' 000
Income			
Sales Revenue	5,454	10,188	(4,734)
Expense			
Cost of Sales	3,672	8,873	(5,201)

Income:

Sales revenue was lower than the estimate due to the deferred settlement of certain sites into the following financial year.

Expenses:

Cost of sales was lower than the estimate due to the deferral of settlement for certain sites into the following financial year.

Significant variances between actual and prior year actual – revenues and expenditures

	2010 \$' 000	2009 \$' 000	Variance \$' 000
Income			
Sales Revenue	5,454	13,003	(7,549)
Interest Revenue	1,380	2,350	(971)
Expense			
Cost of Sales	3,672	7,941	4,269
Environmental Remediation	572	1,690	1,118
Property and Estate Management	1,819	1,011	(807)
Supplies and Services	1,232	1,763	531

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

24. Explanatory Statement (continued)

Income:

Sales revenue decreased in 2009-10 as a result of a fewer number of lots sold in this financial year.

Interest revenue declined as a result of the drop in interest rates on term deposits and at call deposits.

Expenses:

Cost of sales decreased in 2009-10 as result of a fewer number of lots sold in this financial year.

Environmental remediation costs decreased as a result of the lower maintenance costs of the contamination cell at the former site of the East Perth Gas works which were completed during the financial year 2009-2010.

The property and estate management costs increased in the year 2009-2010 due to EPRA undertaking major sponsorship and place activation within the Perth Cultural Centre.

The spend on supplies and services reduced due to less spend on consultants and short term contractors.

25. Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Authority are cash and cash equivalents, at-call, short term deposits, receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority. The maximum exposure to credit risk at end of the reporting period 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 25(c) 'Financial Instruments Disclosures' and Note 11 'Receivables'.

The Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period, there were no significant concentrations of credit risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

25. Financial Instruments (continued)

(a) Financial Risk Management Objectives and Policies (continued)

Liquidity risk

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

The Authority has appropriate procedures to manage cash flows 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 Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks. The Authority is not exposed to significant interest rate risks. The Authority has no borrowings so the only exposure to interest rate risk is the variable interest rates of cash deposits and at-call accounts.

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2010 \$' 000	2009 \$' 000
Financial Assets		
Cash and cash equivalents: bank account	2,700	1,380
Cash and cash equivalents: short term deposit / at call funds	25,148	41,811
Receivables (i)	515	340
Financial Liabilities		
Payables	3,543	2,986
Income in advance	178	131
Other Liabilities	784	534

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

25. Financial Instruments (continued)

(c) Financial Instrument Disclosures

Credit Risk & Interest Rate Risk Exposures

The following table details the Authority's maximum exposure to credit risk and the exposure to liquidity risk and interest rate risk as at the end of the reporting period. The table is based on information provided to senior management of the Authority. The contractual maturity amounts in the table are representative of the undiscounted amounts at the end of the reporting period.

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

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

Interest rate exposures and ageing analysis of financial assets (a)

	Weighted Average Interest Rate	Interest rate exposure				Past due but not impaired					
		Carrying amount	Fixed Interest Rate \$' 000	Variable Interest Rate \$' 000	Non Interest Bearing \$' 000	up to 3 months \$' 000	3-12 months \$' 000	1-2 years \$' 000	2-5 years \$' 000	more than 5 years \$' 000	Impaired financial assets \$' 000
Financial assets:											
2010											
Cash and cash equivalents:	4.08%	25,148	25,148	–	–						
short term deposit/at call funds											
Cash and cash equivalents:	1.34%	2,700	–	2,700	–						
bank account											
Receivables (i)		515	–	–	515	225		13			
		28,363	25,148	2,700	515	225	0	13	0	0	0
2009											
Cash and cash equivalents:	5.29%	41,811	41,811	–	–						
short term deposit/at call funds											
Cash and cash equivalents:	2.61%	1,380	–	1,380	–						
bank account											
Receivables		340	–	–	340	172		21			
		43,531	41,811	1,380	340	172	–	21	–	–	–

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

25. Financial Instruments (continued)

(c) Financial Instrument Disclosures (continued)

Interest rate exposures and ageing analysis of financial liabilities

	Weighted Average Interest Rate	Carrying amount	Interest rate exposure			Adjustment for discounting \$' 000	Total nominal account \$' 000	Maturity date				
			Fixed Interest Rate \$' 000	Variable Interest Rate \$' 000	Non Interest Bearing \$' 000			up to 3 months \$' 000	3 – 12 months \$' 000	1 – 2 years \$' 000	2 – 5 years \$' 000	more than 5 years \$' 000
Financial liabilities:												
2010												
Payables		3,543	–	–	3,543	–	3,543	–	–	–	–	–
Income in advance		178	–	–	178	–	178	–	–	–	–	–
Other Liabilities		784	–	–	784	–	784	–	–	–	–	–
		4,505	–	–	4,505	–	4,505	–	–	–	–	–
2009												
Payables		2,986	–	–	2,986	–	2,986	–	–	–	–	–
Income in advance		131	–	–	131	–	131	–	–	–	–	–
Other Liabilities		534	–	–	534	–	534	–	–	–	–	–
		3,652	–	–	3,652	–	3,652	–	–	–	–	–

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

25. Financial Instruments (continued)

(c) Financial Instrument Disclosures (continued)

Interest Rate Sensitivity Analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 100 basis point change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

30-Jun-10	Carrying Amount \$' 000	-100 basis points		+100 basis points	
		Surplus \$' 000	Equity \$' 000	Surplus \$' 000	Equity \$' 000
Financial assets:					
Cash and cash equivalents: short term deposit/at call funds	25,148	(251)	(251)	251	251
Cash and cash equivalents: bank account	2,700	(27)	(27)	27	27
Receivables	515	–	–	–	–
Financial liabilities:					
Payables (i)	3,543	–	–	–	–
Income in advance	178	–	–	–	–
Other Liabilities	784	–	–	–	–
Total Increase/(Decrease)		(278)	(278)	278	278

(i) The amount of financial liabilities measured at amortised cost excludes GST payable to the ATO (statutory payable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

25. Financial Instruments (continued)

(c) Financial Instrument Disclosures (continued)

30-Jun-09	Carrying Amount \$' 000	-100 basis points Surplus \$' 000	Equity \$' 000	+100 basis points Surplus \$' 000	Equity \$' 000
Financial assets:					
Cash and cash equivalents: short term deposit/at call funds	41,811	(418)	(418)	418	418
Cash and cash equivalents: bank account	1,380	(14)	(14)	14	14
Receivables	340	–	–	–	–
Financial liabilities:					
Payables (i)	2,986	–	–	–	–
Income in advance	131	–	–	–	–
Other Liabilities	534	–	–	–	–
Total Increase/(Decrease)		(432)	(432)	432	432

(i) The amount of financial liabilities measured at amortised cost excludes GST payable to the ATO (statutory payable).

(d) Fair Values

All financial assets and liabilities recognised in the statement of financial position, 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

26. Remuneration of members of the Accountable Authority and senior officers

Remuneration of Members of the Accountable Authority

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

	2010 \$' 000	2009 \$' 000
\$ 0 – \$ 10,000		2
\$ 10,001 – \$ 20,000	4	5
\$ 20,001 – \$ 30,000	1	–
\$ 30,001 – \$ 40,000	1	1
Total remuneration of the members of the accountable Authority is:	114	109

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

No members of the accountable authority are members of the Pension Scheme.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

26. Remuneration of members of the Accountable Authority and senior officers (continued)

Remuneration of Senior Officers

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

	2010 \$' 000	2009 \$' 000
\$ 30,001 – \$ 40,000	0	1
\$ 40,001 – \$ 50,000	–	–
\$ 50,001 – \$ 60,000	–	–
\$ 60,001 – \$ 70,000	–	1
\$ 70,001 – \$ 80,000	–	–
\$ 80,001 – \$ 90,000	–	–
\$ 90,001 – \$ 100,000	–	–
\$ 100,001 – \$ 110,000	–	–
\$ 110,001 – \$ 120,000	–	–
\$ 120,001 – \$ 130,000	–	1
\$ 130,001 – \$ 140,000	2	2
\$ 140,001 – \$ 150,000	1	–
\$ 150,001 – \$ 160,000	–	–
\$ 160,001 – \$ 170,000	–	–
\$ 170,001 – \$ 180,000	–	–
\$ 180,001 – \$ 190,000	–	–
\$ 190,001 – \$ 200,000	–	–
\$ 200,001 – \$ 210,000	–	–
\$ 210,001 – \$ 220,000	–	–
\$ 220,001 – \$ 230,000	–	–
\$ 230,001 – \$ 240,000	–	–
\$ 240,001 – \$ 250,000	–	–
\$ 250,001 – \$ 260,000	1	1
The total remuneration of senior officers is:	670	733

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$' 000	2009 \$' 000
27. Remuneration of Auditors		
Remuneration payable to the Auditor General for the current financial year is as follows:		
Auditing the accounts, financial statements and performance indicators	28	23
	28	23
28. Events occurring after the balance sheet date		
No matters or occurrences have come to the attention of the Authority up to the present time which would materially affect the financial statements or disclosures therein or which are likely to materially affect the future results or operations of the Authority.		
29. Supplementary Information		
Write offs		
Bad debts written off during the financial year	–	11

OPINION OF THE AUDITOR GENERAL



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

EAST PERTH REDEVELOPMENT AUTHORITY FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010

I have audited the accounts, financial statements, controls and key performance indicators of the East Perth Redevelopment Authority.

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows 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.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards 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. This document is available on the OAG website under "How We Audit".

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.

East Perth Redevelopment Authority

Financial Statements and Key Performance Indicators for the year ended 30 June 2010

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the East Perth Redevelopment Authority at 30 June 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;
- (ii) the controls exercised by the Authority 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 Authority are relevant and appropriate to help users assess the Authority's performance and fairly represent the indicated performance for the year ended 30 June 2010.

COLIN MURPHY
AUDITOR GENERAL
31 August 2010

NOTES

