



Government of **Western Australia**
Pilbara Development Commission

PILBARA DEVELOPMENT COMMISSION

ANNUAL REPORT 2010-2011



www.pdc.wa.gov.au



Table of Contents

Statement of Compliance	4
Contact Details	4
Overview of Commission	5
Executive Summary	5
The Pilbara Region	6
Chairman's Report	7
Pilbara Royalties for Regions Projects	9
Pilbara Regional Grants Scheme	9
Pilbara Small Grants Scheme	10
Pilbara Cities' Grant Funding	11
Enabling Legislation	12
Responsible Minister	12
Reporting Structure	12
Commission Board	13
Board Members	14
Administered and Other Key Legislation Impacting on the Commissions	
Organisational Structure	18
Pilbara Development Commission Objectives	18
Performance Management Framework	19
Outcome Based Management Framework	19
Strategic Approach	20
Changes to Outcome Based Management Framework	20
Shared Responsibilities with Other Agencies	20
Agency Performance	20
Report on Operations	20
Actual results versus Budgeted Targets	20
Key Performance Indicators	21
Significant Issues and Trends	21
Current and Emerging Issues and Trends Including Economic and social Trends	21
Disclosure and Legal Compliance	24
Financial Statements	25
Certification of Financial Statements	25
Statement of Comprehensive Income	26
Statement of Financial Position	27
Statement of Changes in Equity	28
Statement of Cash Flows	29
Index of Notes to the Financial Statements	30
Notes to the Financial Statements	30
Key Performance Indicators	57
Key Efficiency indicators	57
Ministerial Directives	60
Other Financial Disclosures	60

Employment and Industrial Relations	60
Staff Development	60
Workers compensation	60
Governance Disclosures	60
Contracts with Senior Officers	60
Other Legal Requirements	61
Compliance with Public Sector Management Act Section 1944 31 (1)	61
The Electoral Act 1907 – Section 175ZE	62
Disability Access and Inclusion Plan Outcomes	62
Equal Employment Opportunity Outcomes	62
Record Keeping Plan	62
Government Policy Requirements	64
Corruption Prevention	64
Occupational Health and Safety	64
Publications	65

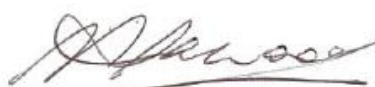
Statement of Compliance

Honourable Brendon Grylls

Minister for Regional Development; Lands; Minister Assisting Minister for State Development

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 Pilbara Development Commission for the financial year ended 30th June 2011.

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



Cr Nicole Lockwood

Chairman

Date: 12 September 2011



Mr Stephen Webster

Chief Executive Officer

Date: 12 September 2011

Contact Details

Postal

PO Box 294
Karratha WA 6714

Street

Government House
Cnr Searipple and
Welcome Roads
Karratha WA 6714

Electronic

Internet: www.pdc.wa.gov.au
Email: pdc@pdc.wa.gov.au
Telephone: 61 8 9185 0600
Facsimile: 61 8 9185 0189

Overview of the Commission

Executive Summary

The Pilbara is a dynamic and fast growing region with an abundance of natural resources. Already acknowledged as the economic powerhouse of the nation, the 2010/2011 year heralded a new era of expansion for the region. The continued and substantial growth of the resources sector together with the Liberal-National Government's \$1 billion commitment to the Pilbara is providing significant opportunities to develop and secure the long term future of the region.

Managing the development of the Pilbara during this unprecedented time demands flexibility, innovation and collaboration. To that end, the Commission has continued to work in partnership with its stakeholders to support robust social and economic outcomes that will underpin the Pilbara's progression towards a region with a diverse economic base that can attract and sustain a rapidly growing residential population.

The Commission has also worked to maximise the benefits to the Pilbara from the Liberal-National Government's Royalties for Regions program. The Agency has proactively administered its regional grants program including:

- Allocating over \$1m in funding from the Commission's Pilbara Regional Grants Scheme and Small Grants Scheme to projects totalling in excess of \$5m
- Working with previous Royalties for Regions grant recipients to monitor and support on time project delivery
- Implementing a detailed risk management plan for grants administration
- Identifying, supporting and prioritising well leveraged projects with maximum regional benefit

The year has also seen the commencement of a series of major infrastructure projects across the region as the Liberal-National Government's Pilbara Cities initiative gets underway in earnest. Funded through the Royalties for Regions program, Pilbara Cities is aimed at developing the main Pilbara centres of Karratha and Port Hedland into cities and to grow other regional towns to support the expected significant growth in the regional population.

This is an exciting time for the Pilbara and the Commission is playing an important role in partnering with the Pilbara Cities team to identify and support the delivery of substantial infrastructure projects across the region. The Commission also facilitates the application and recommendation process for community infrastructure project grants under Pilbara Cities with over \$7m being approved during this financial year for projects with a total value of approximately \$20m.

Concurrently, the Commission has continued to provide input into major development initiatives and events in the region including:

- Karratha Regional Cabinet October 2010 - hosted the Cabinet meeting providing opportunities for the community to meet and discuss local issues with the Premier and Ministers and to further Cabinet's understanding of the opportunities and challenges impacting the region
- WA Planning Commission's Draft Pilbara Planning and Infrastructure Framework – a key partner in the development of this critical regional document that defines a strategic direction for the future development of the Pilbara over the next 25 years
- Warambie Estate - Karratha Supported Workers Accommodation – partnering with key stakeholders to ensure that small business and not for profit organisations benefit from this \$30m project through affordable housing for employees
- Commencement of the Pilbara Underground Power Program – facilitating the delivery of this \$130m program in partnership with key stakeholders

The Commission's activities are guided by its 2010-2013 Strategic Plan which underpins the Agency's aim to make Australia's most important economic region a remarkable place to live, work, visit and invest. The Plan is aligned with the Liberal-National Government's vision for the Pilbara and has a strong focus on the Commission's critical role in advocating for and working in partnership with all stakeholders to achieve the long term sustainable future of the region.

The substantial knowledge and diverse experience of the Board members and Commission staff have enabled this small but progressive Agency to work effectively to facilitate and support positive outcomes for the region during the 2010/2011 year.

The Pilbara Region

The Pilbara is a vast region situated in the north west of Western Australia covering an area of approximately 500,000 square kilometres from its islands in the Indian Ocean to the Northern Territory border. The region is home to an estimated 2% of Western Australia's population of which approximately 20% is Indigenous.

Described as the engine room of the nation, the Pilbara is endowed with significant offshore and onshore natural resources which are of global importance and in high demand. Industry production in the Pilbara is valued at \$34.5 billion, almost 49% of Western Australia's mineral production. Investment in the region reached \$111 billion in 2009/2010 with current estimates for the new financial year at \$150 billion.

The Pilbara is also an ancient land, renowned for its stunning natural beauty, striking panoramas and a rich and diverse cultural heritage. Home to the fossilised remains of the earliest signs of life on earth and the world's largest collection of rock art petroglyphs, the Pilbara boasts many unique visitor attractions.

Within the region there are four local government authorities, fourteen towns and over 20 Indigenous communities, many in remote locations. The vast majority of the Pilbara's population lives in the western third of the region, within proximity to the two major regional centres of Karratha and Port Hedland. There are a number of smaller inland towns including Newman, Tom Price and Paraburdoo servicing the mining sector.

Whilst the Pilbara economy is dominated by the extraction, processing and export of minerals and hydrocarbons, other industries such as construction, manufacturing, livestock and aquaculture complement and broaden the Pilbara's economic base.

Chairman's Report

As the newly appointed Board Chairman I am delighted to introduce the Pilbara Development Commission's 2010/2011 Annual Report which details the delivery of the Agency's services during this financial year.

The Pilbara region of Western Australia is an ancient land rich in natural resources. Over the past decade the global demand for iron ore and hydrocarbons has seen the region emerge as the economic powerhouse of Australia, generating significant wealth and prosperity for the nation and the state.

In 2010/2011 the Pilbara entered a new and exciting era of accelerated growth as a result of the continued strong demand for its resources. This, together with the commencement of the Liberal-National Government's \$1 billion initiative to develop the Pilbara to support a population of over 100,000 by 2035 has given rise to boundless opportunities and even greater challenges.

The Commission's efforts in the 2010/2011 year have been guided by its vision for the Pilbara to be **the place** to live, work, visit and invest and an underpinning philosophy to add value through the investment of staff resources and financial assistance on projects that support community aspirations and benefit the region as a whole.

The Agency's activities have been focussed on the key issues that are critical to the Liberal-National Government's agenda for transformational change in the Pilbara and the Agency's vital role in working in partnership with all stakeholders towards a sustainable future for the region.

Affordable housing and land, essential economic and social infrastructure and economic diversification are, and will continue to be, the main drivers to secure the region's long term prospects. In 2010/2011 the Commission has played a crucial role in the development and delivery of strategies and initiatives to address these issues including active partnerships in major projects such as Pilbara Cities, the Pilbara Underground Power Program and the Pilbara Planning and Infrastructure Framework.

Complementing this work, the Commission has also used its capacity to provide financial contributions to other worthwhile projects through the Royalties for Regions Pilbara Regional Grants Scheme and Small Grants Scheme. The Schemes are important strategic tools that enable the Commission to support opportunities for Pilbara communities and to be involved in all levels of development across the region.

All in all, it has been an extremely busy and fruitful year for the Commission. The Agency's achievements are due to the work of a very dedicated team of staff and Board members who share a passion for the Pilbara and who have worked selflessly over the year to drive and support substantial change in this important and dynamic region of Australia.

The Board brings a variety of perspectives and views to guide the work of the Commission and to take the Pilbara forward. I would like to thank my fellow Board members for their contribution to the Commission over the past 12 months. In particular I would like to acknowledge the contribution of our previous Chairman, Tim Shanahan whose commitment to the role ensured the Commission is in the strong position it is today.

Thanks also go to Andre Bush who performed the role of Acting Chairman for six months of the year and ensured that the Commission continued to build on its strengths. I look forward to working closely with Andre as my Deputy and all Board members to ensure the Commission continues to deliver on its vision.

Similarly, the Commission's staff members have provided outstanding service during the year and are to be congratulated on the manner in which they have undertaken important work to support the development of the region, under the guidance of the Chief Executive Officer. Particular mention must be made of Stephen Webster and his commitment to delivering on the goals set by the Board.

Finally I would like to pass on our appreciation to the Minister, the Hon Brendon Grylls MLA and his staff for their support and commitment to regional Western Australia and in particular to the future of the Pilbara.

Pilbara Royalties for Regions Pilbara Regional Grant Scheme

The Pilbara Regional Grants Scheme is established under the Liberal-National Government's Royalties for Regions program and is administered by the Commission. The Scheme is especially aimed at projects that will assist in attracting investment, increase job opportunities and improve the quality of life in the region.

Pilbara Regional Grants Scheme guidelines have been designed to be consistent with the Royalties for Regions program's aims and objectives and align with the Commission's 2010-2013 Strategic Plan.

Applications undergo a rigorous assessment process by the Commission's Internal Assessment Panel which comprises three senior staff and two Board members. Projects approved by the Board are submitted to the Minister for Regional Development for approval and Cabinet endorsement.

In 2010-2011 the Commission received forty one applications to the Pilbara Regional Grant Scheme with the following broad range of projects being supported:

APPLICANT	PROJECT / ACTIVITY	FUNDING APPROVED (\$ EX GST)	PROJECT TOTAL
Greening WA	Native Plants for Pilbara Gardens and Landscape Book	\$39,867	\$90,367
IBN Corporation Pty Ltd	Planting Our Future – Indigenous Community Improvements	\$149,000	\$506,500
Karratha and Districts Tourist Association	New Commuter Bus	\$23,400	\$116,847
Len Taplin Children Services	Childcare Centre Exterior Upgrade	\$21,000	\$48,450
Martu People Ltd	Martu School Holiday Program for Remote Communities	\$100,000	\$1,992,900
Paraburdoo Motorcycle Club	Refurbishment of the Motorcycle Club	\$10,202	\$16,981
Pilbara Association of Non-Government Organisations	Pilbara Community Services Sector Leadership and Workforce Development Program	\$61,746	\$211,470
Pilbara Mesquite Management Committee	Strategic Management of Invasive Weeds in the Pilbara	\$127,800	\$480,700
The Graham (Polly) Farmer Foundation	Support Program for Indigenous Primary School Students	\$20,000	\$145,000
The Smith Family	Technology Packs for Disadvantaged Children – Computers, Training and IT Support	\$56,540	\$61,540
Tom Price BMX Club	Speedway and BMX Racing Complex Upgrade	\$90,000	\$453,433
Town of Port Hedland	Aboriginal Arts Centre Project Feasibility Study and Business Plan)	\$50,000	\$123,250
Track Care WA	Canning Stock Route - Facilities Upgrade and Restoration of Well 26	\$20,663	\$70,312
Veterans Retreats WA	Meentheena Veterans Retreat – Power, Water and Septic Infrastructure	\$84,852	\$110,134
Western Desert Lands Aboriginal Corporation	Phase Two – Martu Initiated Civil Construction On-site Training Program	\$99,930	\$490,140

APPLICANT	PROJECT / ACTIVITY	FUNDING APPROVED (\$ EX GST)	PROJECT TOTAL
Youth Involvement Council	Hedland Youth Integration and Education Program	\$45,000	\$133,500
16 PROJECTS	TOTALS	\$1,000,000	\$5,051,524

Pilbara Small Grants Scheme

The Pilbara Small Grants Scheme was established by the Commission as a component of the Pilbara Regional Grants Scheme with funding from its annual Royalties for Regions allocation. The Scheme was specifically designed to provide grants of up to \$10,000 to assist community groups and organisations to deliver small projects across the region.

The Small Grant Scheme guidelines have been designed to be consistent with the Royalties for Regions program's aims and objectives and align with the Commission's 2010-2013 Strategic Plan.

Applications undergo a rigorous assessment process by the Commission's Internal Assessment Panel which comprises three senior staff and two Board members. Projects approved by the Board are submitted to the Minister for Regional Development for approval and Cabinet endorsement.

In 2010-2011 the Commission received a total of twenty four applications to the two rounds of the Scheme with the following broad range of projects being supported:

APPLICANT	PROJECT / ACTIVITY	FUNDING APPROVED (\$ EX GST)	PROJECT TOTAL
Department of Conservation and Environment	Karijini Visitor Centre - 10 Year Anniversary Events	\$7,000	\$57,066
Friends of St. Luke's College Karratha	Performing Arts Stage Technical Equipment	\$10,000	\$25,870
Hedland Well Women's Centre Port Hedland	Activity Room Infrastructure Upgrade	\$1,190	\$7,243
Jigalong Aboriginal Community Council	Jigalong Youth Mentoring Program	\$10,000	\$44,000
Karratha and Districts Chamber of Commerce and Industry	Pilbara Pulse Development Project	\$7,500	\$20,000
Karratha and Districts Tourist Association	Karratha Visitor Centre E-Hub	\$4,000	\$8,925
MARS Society Australia	Spaceward Bound Australia 2011 Pilbara Tour	\$10,000	\$35,000
Michael Leslie Foundation	Roebourne Women's Professional Development and Leadership Tour	\$10,000	\$160,500
Pilbara Health Network	Wickham Primary Health Care Centre	\$10,000	\$155,500
Port Hedland Chamber of Commerce	Hedland Economic and Resources Forum	\$7,500	\$134,650

APPLICANT	PROJECT / ACTIVITY	FUNDING APPROVED (\$ EX GST)	PROJECT TOTAL
Port Hedland Softball Association	Revitalisation of Protective Shade	\$3,750	\$8,500
Saving Animals from Euthanasia	Computer and Network Upgrade	\$7,700	\$9,575
Tom Price Early Years Group	Theatre Sports Program	\$1,490	\$3,590
Tom Price Tee Ball Association	New Sporting Equipment	\$7,000	\$7,680
Treloar Childcare Centre.	Childcare Centre Exterior Upgrade	\$4,495	\$4,495
15 PROJECTS	TOTALS	\$101,625	\$682,594

Pilbara Cities Grant Funding

Pilbara Cities' was established by the Minister for Regional Development, Hon Brendon Grylls MLA in May 2009 as a four year program to support the development of the region with an initial allocation of \$300m. Since that time the fund has grown to \$1b to support the future growth and sustainability of the region, particularly in priority areas which include land availability and affordable housing, community amenity, Indigenous engagement and essential infrastructure.

The Pilbara Development Commission facilitates the application, assessment and recommendation process for grant funding under the Program in partnership with the Pilbara Cities Office.

The Strategic Directions Group, which has been established as a sub-committee of the Commission's Board and includes the General Manager of Pilbara Cities, identifies and recommends funding for strategic infrastructure initiatives.

Applications are subjected to a rigorous assessment process by the Strategic Directions Group with recommended projects submitted to the Royalties for Region's Director Generals Group for endorsement and to the Minister for Regional Development for approval and Cabinet endorsement.

The following applications were successful during 2010-2011:

APPLICANT	PROJECT / ACTIVITY	FUNDING APPROVED (\$ EX GST)	PROJECT TOTAL
Shire of Roebourne	Baynton West Family Centre	\$2,986,000	\$13,490,000
Town of Port Hedland	South Hedland Aquatic Centre Upgrade	\$3,600,000	\$5,400,000
Town of Port Hedland	South Hedland Library and Community Centre	\$665,000	\$665,000
3 PROJECTS	TOTALS	\$7,251,000	\$19,550,000

Enabling Legislation

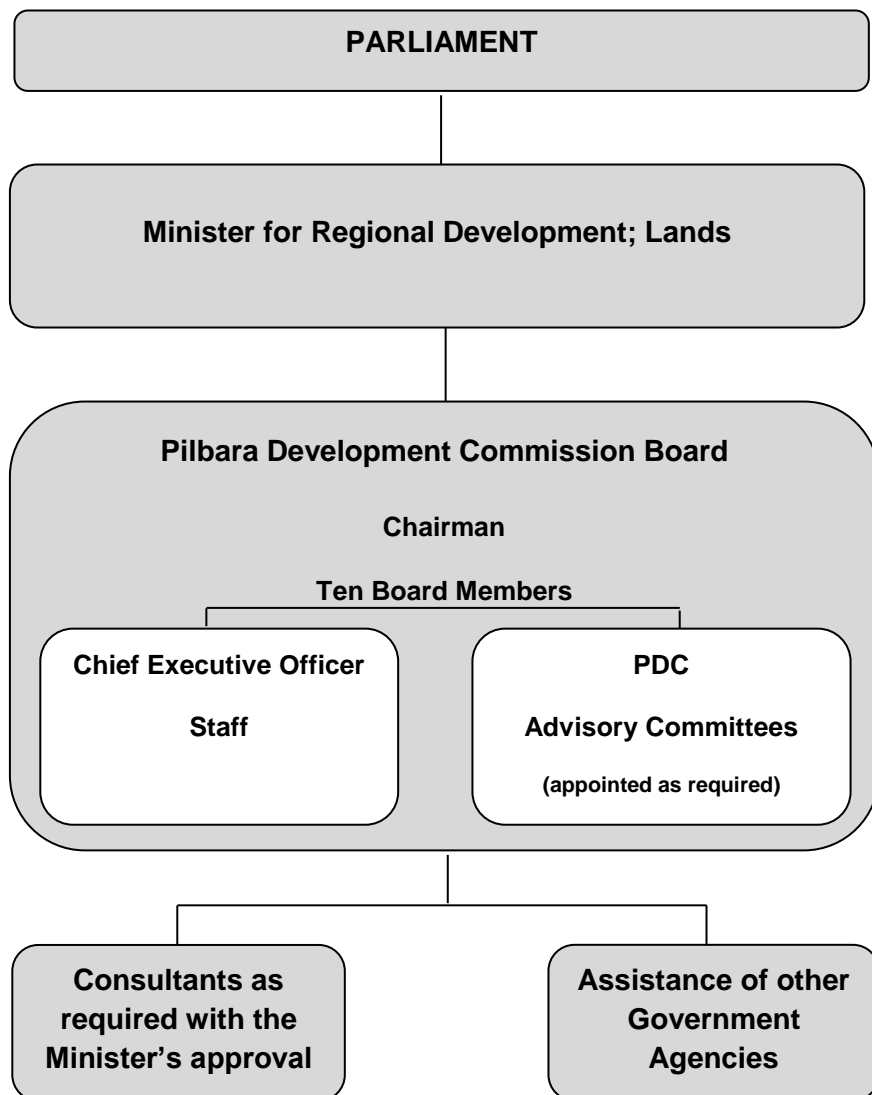
The Pilbara Development Commission was established under the Regional Development Commissions Act (1993).

Responsible Minister

Hon Brendon Grylls MLA

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

Reporting Structure



Commission Board

The Regional Development Commissions Act (1993) provides Regional Development Commissions with a Board of Management. Board members are appointed by the Minister of Regional Development and Lands.

The Commission's Board comprises a Chairman, Deputy Chairman and eight other members. Three members are chosen from community nominations, three from local government nominations, three nominated by the Minister for Regional Development and Lands. The Chief Executive Officer is a member of the Board by virtue of office.

Board Members are appointed for one, two or three year terms at the discretion of the Minister. A Board Member is eligible to serve on the Board for a maximum of six consecutive years.

Responsibilities

The Board is the governing body of the Pilbara Development Commission and is responsible to the Minister for Regional Development for the efficient operations of the Commission.

The Pilbara Development Commission Board is responsible for setting the Commission's strategic direction, main policies and priorities. As a governing board, it guides and directs the Commission, sets performance goals, ensures corporate compliance and management accountability, endorses strategic plans and approves operating budgets.

The Board's role is to ensure that the Commission has the resources necessary to achieve goals, monitor progress and report on outcomes.

Code of Conduct

The Commission's Board abides by a code of conduct that promotes good practice and due diligence for Board Members in decision making.

Remuneration to Board Members

The following remuneration is currently paid to Board Members:

- Chairman - \$770 per full day or \$500 part day to a maximum of \$19,100 in total per annum.
- Deputy Chairman - \$630 per full day or \$410 per part day to a maximum of \$14,350 per annum.
- Members - \$500 per full day or \$330 per part day to a maximum of \$9,600 per annum

The following remuneration is currently paid to Board Members for working party or Sub Committee Meeting:

- Chairman - \$370 per full day or \$250. per part day.
- Members - \$250 per full day or \$170 per part day.

Motor vehicle allowance as prescribed in Premiers Circular 2006/01 is paid to Board Members on approved Commission business.

Advisory Committees

Under the provisions of the Regional Development Commissions Act (1993), the Board may, from time to time, establish a committee for the purpose of considering a particular matter specified by the Board and prescribe the membership, constitution and procedures of the committee.

The Strategic Directions Group has been constituted as an Advisory Committee of the Board under these provisions.

Board Members for 2010-2011

Position	Name	Category	Location	Term Expiry
Chairman	Cr Nicole Lockwood	Local Government	Karratha	30/06/2012
Deputy Chairman	Mr Andre Bush	Ministerial	Perth	30/06/2012
Member	Mrs Ann Eyre	Community	Onslow	30/06/2011
Member	Mrs Veronica Rodenburg	Community	Roebourne	30/06/2011
Member	Cr Kelly Howlett	Ministerial	Port Hedland	23/05/2012
Member	Mr Larry Softley	Community	Tom Price	30/06/2012
Member	Cr Greg Musgrave	Local Government	Tom Price	30/06/2013
Member	Cr Shane Carter	Local Government	Newman	30/06/2013
Member	Cr Lynne Craigie	Ministerial	Newman	23/05/2012
Member	Mr Stephen Webster	Ex-Officio	Karratha	On-going
	Mr Tim Shanahan			Resigned

Cr Nicole Lockwood - Chairman

Cr Nicole Lockwood lives in Karratha and is the President of the Shire of Roebourne. Nicole is also a member of the Infrastructure Australia Council and the WA Planning Commission.

A lawyer and mother-of-two Nicole has previously worked with the Pilbara Community Legal Service, Office of the Director of Public Prosecutions and Corrs Chambers Westgarth Lawyers.

As Chairman of the Board, Nicole is committed to overseeing the Commission's participation in the delivery of the government's program to develop world-class cities in Karratha and Port Hedland with a vastly increased population base, a diversified economy and improved public infrastructure and social amenity.

Nicole is dedicated to creating communities in the Pilbara that people are proud to call home – from the cradle to the grave.

Mr Andre Bush - Deputy Chairman

Mr Andre Bush is an engineer by profession and has recently relocated to Perth from the Pilbara where he has established a consultancy specialising in marine strategies.

Andre has worked and travelled extensively around the world over the past 30 years and has developed wide-ranging experience from managing mine developments in South Africa through to turnkey hotel developments in Swaziland and Mauritius and crude oil and LNG terminals worldwide.

As the immediate past CEO of the Port Hedland Port Authority, Andre has a well-developed appreciation of the opportunities for the Pilbara arising from the current level of growth. Andre is keen to see the region reach its full potential as an attractive place to live and work.

Ms Ann Eyre

Ms Ann Eyre is a long-time resident of the Pilbara, having lived in the region for over 30 years. Ann currently resides in Onslow and has been a Councillor on the Shire of Ashburton.

As a previous small business owner both in Tom Price and Onslow Ann has a good understanding of the issues impacting the small business sector in the Pilbara and has a particular interest in the development of the region's tourism industry.

Ann is currently involved in community volunteering, working with many not for profit organisations in Onslow. Ann is keen to contribute her experience in planning for the future of Onslow and the Pilbara.

Mr Larry Softley

Mr Larry Softley lives in Tom Price and has been the Executive Manager of Community and Economic Services at the Shire of Ashburton since October 2007.

As a former CEO of the Gumala Aboriginal Corporation in Tom Price, Larry has acquired significant experience in projects to progress economic and social outcomes for Indigenous people including the development of the Karijini Eco Retreat in the Karijini National Park.

Larry has served on a number of committees in the Pilbara and has been the Chair of the Tom Price Youth Support Association since 2004. Larry is committed to long term sustainability in the region to support future generations.

Ms Veronica Rodenburg

Ms Veronica Rodenburg is a resident of Point Samson and since December 2006 has been the CEO of the Yaandina Family Centre, the largest provider of child, family and aged care services in the Pilbara. Veronica is also a member of Board of Regional Development Australia – Pilbara and the WA Council of Social Service.

Married and a mother of two, with a working background in high level corporate management, communications, community development, capacity building and business development skills, Veronica also has extensive experience in broadcasting and community services.

Veronica is a strong advocate for the not for profit sector, given her significant knowledge, and is committed to advancing the delivery of human services to support the long term future of the Pilbara.

Cr Kelly Howlett

Cr Kelly Howlett has lived in Port Hedland for over ten years and is the current Mayor of the Town of Port Hedland, a role which she undertakes on a full time basis.

With a Degree in Environmental Science and as the founding member and Chair of the Care for Hedland Environmental Association, Kelly works proactively to raise the profile of the Pilbara's natural and social environment.

Kelly's other interests include tourism and building sustainable and resilient communities and she is committed to a balanced approach to the development of the region.

Cr Greg Musgrave

Cr Greg Musgrave lives in Tom Price and is the current President of the Shire of Ashburton. Recently retired as a small business owner, Greg maintains a strong commitment to his community and is an active member of the Community Advisory group, the Tom Price Youth Association and is the Vice President of the Tom Price and Paraburdoo Small Business Association.

Prior to moving to Western Australia Greg had an extensive career in senior Government positions in the Northern Territory and spent 20 years working in Indigenous communities across the Territory.

Greg continues to play a strong leadership role in maintaining vital dialogue with Federal and State Ministers and the resource sector on the sustainable development of the region.

Cr Shane Carter

Cr Shane Carter has lived and worked in Newman for the past 34 years and was elected to the Shire of East Pilbara Council in 2006 where he represents the South West Ward.

Shane is an active committee member for the Newman Visitors Centre, the Newman YMCA and the East Pilbara BHP Sustainability Partnership Committee.

Shane is committed to using his extensive experience and local knowledge, particularly of the inland Pilbara, to benefit the long term future of the region.

Cr Lynne Craigie

Lynne was elected to Newman Council in May 2003 and to the position of Shire President in May 2005 and re-elected in October 2009; ending in 2011. Lynne has lived in Newman with her husband and is involved in several small businesses. Lynne is involved in many community organisations and is the President of the Pilbara Regional Council in addition to being on the State Council for the West Australian Local Government Association.

Mr Stephen Webster

Mr Stephen Webster lives in Karratha and has been the Chief Executive Officer of the Commission since 2007.

Stephen has extensive experience in regional Western Australia, particularly in the areas of tertiary education and training including involvement in the delivery of Indigenous traineeship programs for the mining industry.

As Chief Executive Officer, Stephen is committed to his role of leading the Commission in coordinating, promoting and advocating for the sustainable economic and social development of the Pilbara.

Members who retired during 2010-11:

Mr Tim Shanahan

Administered and Other Key Legislation Impacting on the Commissions Activities

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

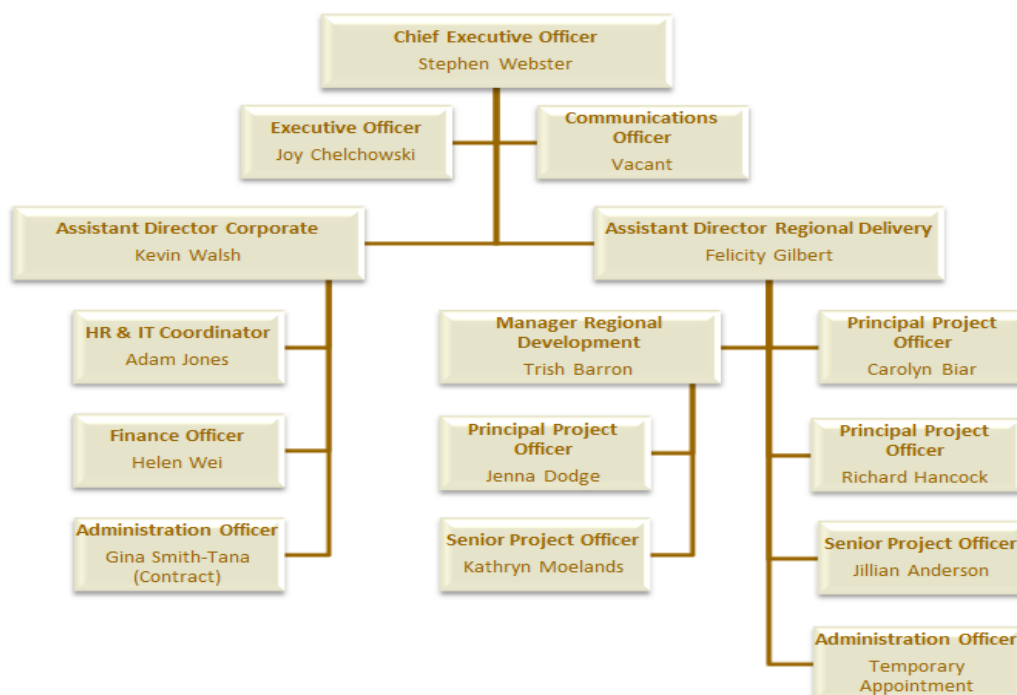
- ❖ Regional Development Commissions Act 1993.
- ❖ Auditor General Act 2006.
- ❖ Disabilities Services Act 1993.
- ❖ Equal Opportunities Act 1984.
- ❖ Financial Management Act 2006.
- ❖ Freedom of Information Act 1992.
- ❖ Industrial Relations Act 1979.
- ❖ Minimum Conditions of Employment Act 1993.
- ❖ Occupational Health, Safety and Welfare Act 1984.
- ❖ Public Sector Management Act 1994.
- ❖ Salaries and Allowances Act 1975.
- ❖ State Records Act 2000.
- ❖ State Supply Commission Act 1991.

Organisational Structure

Organisational Chart

The Commission's structure is based on three areas of operation.

1. Executive Services – Managerial arm of the Commission
2. Corporate Services – Administrative arm of the Commission.
3. Regional Development – Service delivery arm of the Commission:



Pilbara Development Commission Objectives

VISION

The Pilbara is *the place* to live, work, visit and invest

MISSION STATEMENT

Empower the Pilbara Communities to direct their own future as diversified and sustainable centres that are attractive to live, work and invest in.

VALUES

The Pilbara Development Commission strives for excellence in delivering services to the Pilbara.

- We work professionally and with integrity.
- We are passionate and committed about our work and region.
- We value and include everyone across our region.
- We plan for the future with vision and innovation.

Performance Management Framework

As a Statutory Authority, the Commission has legal responsibilities in accordance with the *Regional Development Commissions Act 1993*.

Further, the Commission has to comply with State Government Policies, hold regular Board meetings and ensure fair and transparent decision making.

The Commission is responsible for delivering a high level of governance informed by the Public Sector Management Act 1994, the Western Australian Public Sector Code of Ethics and the Public Sector Commission's *Good Governance for Western Australian Public Sector Boards and Committees*.

The Commission is responsible for developing a code of conduct which is updated regularly.

Outcome Based Management Framework

The Commission's services are aligned to the agency level government desired outcome of "Enhancement of the Pilbara region's economic and social development", and involve three areas: Business and Industry Development; Infrastructure and Service Identification and Coordination; and Regional Promotion and Information Services.

Through these services, the government's high level goal of ensuring that regional Western Australia is strong and vibrant can be achieved. In performing these services, the Commission works with Pilbara stakeholders to identify areas where services and infrastructure are deficient or non-existent and to assist with the development and implementation of mechanisms to bring about changes that foster improvement.

The Commission works to liaise and maintain communication between these groups and the State (and sometimes Commonwealth) agencies responsible for providing key government services. It is also the key organisation responsible for the distribution of grant monies to provide direct financial assistance designed to stimulate economic and social development in the region.

The three services provided by the Commission are:

1. **Business and Industry Development** - The Commission seeks to ensure that across the region, business and industry operate in an economic environment which maximises opportunities for growth and creates a climate to attract investment.
2. **Infrastructure and Service Identification and Coordination** - The Commission works with stakeholders to identify infrastructure and service requirements and to advocate for the development of infrastructure and equity of access to services.
3. **Regional Promotion and Information Services** - The Commission promotes regional opportunities with the objective of attracting new residents, investors and tourists by supporting regional activities and through the provision of accurate and accessible information.

Strategic Approach

The Commission's operations are primarily aligned to support the Liberal-National Government's Strategic Priorities.

The Pilbara Development Commission places a strong emphasis on developing a strategic and planned approach to the region's development and has undertaken its duties as set out in its Strategic Plan 2010-2013.

Changes to Outcome Based Management Framework

The Commission's Outcome Based Management Framework did not change during 2010-2011.

Shared Responsibilities with Other Agencies

The Commission did not share any responsibilities with other agencies in 2010-11.

Agency Performance Report on Operations

ACTUAL RESULTS versus BUDGETED TARGETS

Financial Targets

	Target (1) \$000	Actual \$000	Variation (2) \$000
Total cost of services (expense limit)	9,767	7,967	1,800
Net cost of services	9,467	7,564	1,903
Total Equity	1,795	975	(820)
Surplus/(deficiency) for the period	106	(2,610)	(2,716)
Approved full time equivalent (FTE) staff level	15	14	1

(1) As specified in the budget statements for the 2010-11 financial year.

(2) Grant payments were \$1,766 below the target and account for the variance in total cost of services and 93% of the net cost of services. Over 95% of the committed grants were paid. Grant approvals fell below the initial estimate resulting in this deficit. Supplies and services accounted for the remaining difference in the net cost of services due to an unbudgeted upgrade of the Commission's record management system.

KEY PERFORMANCE INDICATORS: ACTUAL PERFORMANCE COMPARED TO BUDGET TARGETS

	Target (1)	Actual	Variation (2)
Key Effectiveness Indicator Customers satisfied that the Commission is effective in meeting its service obligations of Enhancement of the Pilbara Region's economic and social development.	80%	92%	12%
Key Efficiency Indicators Business and Industry Development relevant and effective in supporting regional development	80%	90%	10%
Key Efficiency Indicators Pilbara Development Commission staff provide both professional and helpful service	80%	97%	17%

- (1) As specified in the budget statements for the 2010-11 financial year.
- (2) The Commission believes that the outstanding results reflected in the variations in the key performance indicators have been achieved through a dedicated effort by the Agency to work in partnership with its stakeholders over the year and ensure that they have a full understanding of the Commission's important role in the sustainable development of the Pilbara.

Significant Issues and Trends

CURRENT AND EMERGING ISSUES AND TRENDS INCLUDING ECONOMIC AND SOCIAL TRENDS

The Pilbara's rapid economic growth is predicted to continue over an extended period as major new resource sector projects and expansions are commissioned. In particular the iron ore and oil and gas industries will continue to develop and expand to meet the increasing demand from China and the rest of Asia. As a result, the Pilbara is expected to retain its mantle as an area of strategic significance to both the State and National economies for some time into the future.

Affordable housing and land availability remain critical factors for a sustainable Pilbara. The exceptional growth of the region has resulted in significant increases in the residential population as well as a substantial FIFO workforce, mainly in construction. This has led to a severe shortage of affordable accommodation and land with substantial increases in the cost of housing and rental properties way beyond the national average.

The Liberal-National Government has introduced a range of initiatives and committed significant funding to generate more affordable accommodation and land under the Royalties for Regions program. This includes reasonably priced housing and land for key and essential workers not directly employed in the resources sector. Given the severity and longevity of the deficit, it is likely to take some time before the availability and cost of housing and rental accommodation in the region is "normalised", particularly in the larger regional towns.

Hard and soft infrastructure to support economic and community sustainability and the diversification of the economic base are also regarded as crucial to enhancing the Pilbara lifestyle and attracting people to the region. This includes enhanced service delivery and improvements to areas such as health, education and childcare which are fundamental to the sustainable development of the region and broadening the regional economy through the attraction and development of new business in the region.

Under the Royalties for Regions “Pilbara Cities” blueprint, the Liberal-National government has committed significant funding and resources, particularly to the main regional towns of Port Hedland and Karratha, to stimulate the development of new facilities and upgrades of existing infrastructure. New hospitals, education institutes, sporting and recreation facilities and culture and the arts are some of the major social infrastructure projects in progress or planned. Funding has also been committed to investigating and supporting new business development and growth in the small business sector.

Another key factor for sustainable growth in the Pilbara is the attraction and retention of skilled workers across all sectors including the government, non-government, small business and industry sectors. The non-government or not for profit sector and small business are particularly impacted which has the potential to negatively impact on the delivery of a number of essential and other services that would be expected to support a sustainable community. Given the national shortage of skilled workers, attraction and retention will continue to be a significant issue for the resources sector as new projects and expansions come on stream.

There are considerable opportunities for the Pilbara’s Indigenous population to gain long term economic and social benefits from the expansion in the resources sector and growth in the region. Government, the resource sector and non-government agencies already work closely with Indigenous people to support business development, training and skills development, employment and social improvements for Indigenous communities.

Whilst there has been progress in this area, stakeholders will need to continue to work in a strategic, collaborative and inclusive manner to maintain improved outcomes in the socio-economic status of the Pilbara’s Indigenous population.

The ongoing expansion of the resource sector together with the government’s strong commitment to the sustainable development of the region promises a bright future for the Pilbara. To achieve this, all stakeholders will need to continue to work together to ensure that the Pilbara gains long term sustainable economic and social benefits during this unprecedented period.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PILBARA DEVELOPMENT COMMISSION

Report on the Financial Statements

I have audited the accounts and financial statements of the Pilbara Development Commission.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Commission's Responsibility for the Financial Statements

The Commission 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 for such internal control as the Commission determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Pilbara Development Commission at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Pilbara Development Commission

Report on Controls

I have audited the controls exercised by the Pilbara Development Commission. The Commission is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Commission based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the controls exercised by the Pilbara Development Commission are sufficiently adequate to 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.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Pilbara Development Commission. The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of the Pilbara Development Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2011.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.



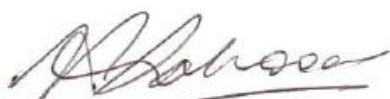
COLIN MURPHY
AUDITOR GENERAL
14 September 2011

FINANCIAL STATEMENTS

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Pilbara Development Commission have been prepared in compliance with the provisions of the *Financial Management Act (2006)* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2011 and the financial position as at 30 June 2011.

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



CR Nicole Lockwood
Chairman

DATE: 12 September 2011



Mr Stephen Webster
Chief Executive Officer

DATE: 12 September 2011



Mr Kevin Walsh
Assistant Director Corporate

DATE: 12 September 2011

Statement of Comprehensive Income

For the year ended 30 June 2011

		2011 \$000	2010 \$000
COST OF SERVICES	Notes		
Expenses			
Employee benefit expenses	6	2,262	1,686
Supplies and services	7	955	839
Depreciation and amortisation expenses	8	19	19
Accommodation expenses	9	194	152
Grants and subsidies	10	4,447	2,767
Other expenses	11	90	101
Total Cost of Services		7,967	5,564
Income			
<i>Revenue</i>			
Other revenue ^(a)	12	403	443
Total Revenue		403	443
Total income other than income from State Government		403	443
NET COST OF SERVICES		7,564	5,121
Income from State Government	13		
Service appropriation		3,046	2,401
Other state grants		145	865
Resources received free of charge		13	-
Royalties for Region Fund		1,750	1,375
Total Income from State Government		4,954	5,121
SURPLUS (DEFICIT) FOR THE PERIOD		(2,610)	(480)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD^(a)		(2,610)	(480)

The statement of Comprehensive Income should be read in conjunction with the accompanying notes:

See also note 33 'Schedule of Income and Expenses by Service'

The 2009-10 year 'Other revenue' has been adjusted downwards by \$121,000 from the original \$564,000 to \$443,000.

Statement of Financial Position

As at 30 June 2011

				As at 1 July 2009
	Notes	2011 \$000	2010 \$000	2009 \$000
ASSETS				
Current Assets				
Cash and cash equivalents	25	798	572	1
Restricted cash and cash equivalents	14;25	1,742	5,783	7,544
Receivables	15	213	453	501
Other current assets	17	-	108	4
Amounts receivable for services ^(b)	16	-	-	31
Total Current Assets		2,753	6,916	8,081
Non-Current Assets				
Amounts receivable for services ^(b)	16	48	48	48
Plant and equipment	18	27	43	27
Intangible assets	19	-	3	8
Total Non-Current Assets		75	94	83
TOTAL ASSETS		2,828	7,010	8,164
LIABILITIES				
Current Liabilities				
Payables	21	593	3,142	3,829
Provisions	22	348	209	148
Other liabilities	23	905	-	-
Total Current Liabilities		1,846	3,351	3,977
Non-Current Liabilities				
Provisions	22	7	104	157
Total Non-Current Liabilities		7	104	157
TOTAL LIABILITIES		1,853	3,455	4,134
NET ASSETS		975	3,555	4,030
EQUITY				
	24			
Contributed equity		293	263	258
Accumulated surplus (deficit) ^(a)		682	3,292	3,772
TOTAL EQUITY		975	3,555	4,030

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

^(a)The Commission overstated its revenue in 2009-10 by \$121,000, as outlined in Note 24. 'Equity'. The accumulated surplus/(deficit) for 2009-10 has been restated to correct this error.

^(b)In accordance with AASB 101.39 a third statement of financial position and related note disclosures has been presented to illustrate the restatement of Amount Receivables for Services.

Statement of Changes in Equity

For the year ended 30 June 2011

	Notes	Contributed Equity \$000	Accumulated Surplus (Deficit) \$000	Total Equity \$000
Balance at 1 July 2009	24	258	3,772	4,030
Total comprehensive income for the year ^(a)		-	(359)	(359)
Correction for prior period errors ^(a)		-	(121)	(121)
Transactions with owners in their capacity as owners:				
Capital contributions		5	-	5
Total		5	-	5
Balance at 30 June 2010		263	3,292	3,555
Balance 1 July 2010		263	3,292	3,555
Total comprehensive income for the year		-	(2,610)	(2,610)
Transactions with owners in their capacity as owners:				
Capital contributions		30	-	30
Total		30	-	30
Balance at 30 June 2011		293	682	975

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

^(a)The correction of prior period errors relates to overstatement of 'Other revenue' with respect to grants (\$90,000) and drawdown from the Amount receivables for services (\$31,000)

Statement of Cash Flow

For the year ended 30 June 2011

	Notes	2011 \$000	2010 \$000
CASH FLOW FROM STATE GOVERNMENT			
Service appropriation		3,046	2,401
Capital appropriation		30	-
Holding account drawdowns ^(a)		-	31
State grants		145	865
Royalties for Region fund		1,750	1,375
Net Cash Provided by the State Government		4,971	4,672
Utilised as Follows			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits ^(a)		(2,221)	(1,678)
Supplies and services		(976)	(1,640)
Accommodation		(194)	(152)
Grants and subsidies		(6,056)	(2,767)
GST payments on purchasing		(686)	(402)
Other expenses		(90)	(101)
Receipts			
GST receipts on sales		66	192
GST receipts from taxation authority		629	215
Other receipts		742	500
Net Cash Provided by (used in) Operating Activities	25	(8,786)	(5,833)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		-	(29)
Net Cash Provided by (used in) investing activities		-	(29)
Net increase (decrease) in cash and cash equivalents		(3,815)	(1,190)
Cash and cash equivalents at the beginning of the period		6,355	7,545
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	25	2,540	6,355

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

^(a)Holding account drawdown has been omitted in the FY 09/10 and as a result of that, the total 'Net cash provided by State Government' has been understated by \$31,000. A restatement has been done in the FY 10/11 to amend the comparative amounts as indicated by AASB 108.42 (a)

Index of Notes to the Financial Statements

Note 1 Australian Accounting Standards

Note 2 Summary of significant accounting policies

Note 3 Judgements made by management in applying accounting policies

Note 4 Key sources of estimation uncertainty

Note 5 Disclosure of changes in accounting policy and estimates

Note 6 Employee benefit expenses

Note 7 Supplies and services

Note 8 Depreciation and amortisation expenses

Note 9 Accommodation expenses

Note 10 Grants and subsidies

Note 11 Other expenses

Note 12 Other revenue

Note 13 Income from State Government

Note 14 Restricted cash & cash equivalents

Note 15 Receivables

Note 16 Amounts receivable for services

Note 17 Other assets

Note 18 Plant and equipment

Note 19 Intangible assets

Note 20 Impairment of assets

Note 21 Payables

Note 22 Provisions

Note 23 Other liabilities

Note 24 Equity

Note 25 Notes to the Statement of Cash Flows

Note 26 Commitments

Note 27 Contingent liabilities and contingent assets

Note 28 Events occurring after the end of the reporting period

Note 29 Explanatory statement

Note 30 Financial instruments

Note 31 Remuneration of members of the accountable authority and senior officers

Note 32 Remuneration of auditor

Note 33 Schedule of income and expenditure by service

Notes to the Financial Statements

For the year ended 30 June 2011

Note 1. Australian Accounting Standards

General

The Commission's financial statements for the year ended 30 June 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The Commission has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Commission 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 Commission for the annual reporting period ended 30 June 2011.

Note 2. Summary of significant accounting policies

(a) General statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB 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 AASB.

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.

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

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

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Commission's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting entity

The reporting entity comprises the Pilbara Development Commission (Commission).

(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.

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

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised for the major business activities as follows:

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Grants, donations, gifts and other non-reciprocal contributions

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

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

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Commission obtains control over the funds. The Commission obtains control of the funds at the time the funds are deposited into the Commission's bank account.

(f) Plant and equipment

Capitalisation/expensing of assets

Items of 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 plant and equipment costing less than \$5,000 are immediately expensed direct 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

Plant and equipment are initially recognised at cost.

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

Subsequent measurement

Subsequent to initial recognition as an asset, historical cost model is used by the Commission for all plant and equipment. All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

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

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

- | | |
|---------------------------|----------------|
| • Plant and equipment | 10 to 15 years |
| • Office equipment | 5 years |
| • Software ^(a) | 3 to 5 years |

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

(g) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more 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 and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

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

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

The expected useful life for each class of intangible asset is:

- | | |
|---------------------------|--------------|
| • Software ^(a) | 3 to 5 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 recognised as plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Plant and equipment is 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 Commission is a not-for-profit entity, unless an asset has been identified as

a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at 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.

(i) Leases

The Commission holds operating leases for three office buildings and vehicle fleet.

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(j) Financial instruments

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

- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - Cash and cash equivalents
 - Restricted cash and cash equivalents
 - Receivables
 - Amounts receivable for services.
- Financial Liabilities
 - Payables

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

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

(k) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or

less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are generally settled within a fortnight of the financial year end. For the current financial year a component of accrued salaries relates to settlement of liability in relation to the Public Service and Government Officers General Agreement 2011 (PSAAG 7 of 2011) pay award. Settlement of this component of accrued salaries is within a month of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(m) Amounts receivable for services (holding account)

The Commission receives income from State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(n) Receivables

Receivables are recognised 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 Commission 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.

(o) Payables

Payables are recognised when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

(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.

Provisions – employee benefits

All annual leave and long service leave provisions are in respect of employee's services up to the end of the reporting period.

Annual leave

The liability for annual 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 liability is settled.

Annual leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as 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.

The provision for annual leave is classified as current liabilities as the Commission does not have an unconditional right to the defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

The liability for 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 liability is settled.

Long service leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as 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.

Unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Conditional long service leave provisions are classified as non-current liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The GSS is a defined benefit scheme for the purpose 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 Commission to GESB extinguishes the agency's obligations to the related superannuation liability.

The Commission has no liabilities under the Pension Schemes or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESB.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS 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 Commission makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

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

Provisions – other

Employment on-costs

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

(q) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, and GESBS.

(r) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where resources received represents a service that the Commission would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(s) Comparative figures

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

Note 3. Judgements made by management in applying accounting policies

The judgements that have been used in the process of applying accounting policies have had no material effect on amounts recognised in the financial statements.

Note 4. Key sources of estimation uncertainty

There were no estimates or assumptions made concerning the future, or other key sources of estimation uncertainty at the end of the reporting period that is likely to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has not applied any new Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2010.

2009-5

Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project. [AASB 5, 8, 101, 107, 118, 136, & 139]

Under amendments to AASB 107, only expenditures that result in a recognised asset are eligible for classification as investing activities in the Statement of Cash Flows. All investing cash flows reported in the Commission's Statement of Cash Flows relate to increases in recognised assets.

Future impact of Australian Accounting Standards not yet operative

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

Operative for
reporting periods
beginning on/after
1 Jan 2013

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 Financial Instruments: Disclosures requires modification to the disclosure of categories of financial assets. The Commission does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.

AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] 1 Jan 2011

This Standard introduces a number of terminology changes. There is no impact resulting from the application of this revised Standard.

AASB 1053 *Application of Tiers of Australian Accounting Standards* 1 July 2013

This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.

The Standard does not have any financial impact on the Commission. However it may affect disclosures in the financial statements of the Commission if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.

AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* 1 July 2013

This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.

This Standard is not expected to have any financial impact on the Commission. However this Standard may reduce some note disclosures in the financial statements of the Commission. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054].</i>	1 July 2011
-------------	---	-------------

This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 2010-5	<i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (October 2010)</i>	1 Jan 2011
-------------	--	------------

This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.

AASB 2010-6	<i>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]</i>	1 July 2011
-------------	---	-------------

This Standard makes amendments to Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets.

The Standard is not expected to have any financial impact on the Commission. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 9	<i>Financial Instruments</i>	1 Jan 2013
--------	------------------------------	------------

This Standard supersedes *AASB 139 Financial Instruments: Recognition and Measurement*, introducing a number of changes to accounting treatments.

The Standard was reissued on 6 Dec 2010 and the Department is currently determining the impact of the Standard. DTF has not yet determined the application or the potential impact of the Standard for agencies.

AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]</i>	1 Jan 2013
-------------	---	------------

This Amending Standard makes consequential adjustments to other Standards as a result of issuing AASB 9 Financial Instruments in December 2010. DTF has not yet determined the application or the potential impact of the Standard for agencies.

AASB 1054	<i>Australian Additional Disclosures</i>	1 July 2011
-----------	--	-------------

This Standard, in conjunction with AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project*, removes disclosure requirements for other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.

AASB 2011-1	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretations 2, 112 & 113]</i>	1 July 2011
-------------	---	-------------

This Amending Standard, in conjunction with AASB 1054 *Australian Additional Disclosures*, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.

Changes in accounting estimates

There were no changes in accounting estimates that will have an effect on the current reporting period.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 6. Employee benefits expenses

	2011 \$000	2010 \$000
Wages and salaries ^(a)	1,985	1,365
Superannuation – defined contribution plans ^(b)	102	114
Other related expenses	175	207
	2,262	1,686

^(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.

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

Employment on-cost expenses, such as workers compensation insurance, are included at Note 11 'Other expenses'.
Employment on-cost liability is included in Note 22 'Provisions'

Note 7. Supplies and services

	2011 \$000	2010 \$000
Communications	85	55
Consultants and contractors	445	396
Consumables	80	95
Repairs and maintenance	61	20
Lease rent and hire costs	64	55
Travel	96	151
Other	124	67
	955	839

Comparative figures for the Communications, Consultants and contractors, Repairs and maintenance, Lease, Rent and hire costs and Other categories have been adjusted to be compatible with the figures presented in the current year.

Note 8. Depreciation and amortisation expense

	2011 \$000	2010 \$000
<u>Depreciation</u>		
Plant and equipment	8	10
Computer equipment	8	4
Total depreciation	16	14
<u>Amortisation</u>		
Intangible assets	3	5
Total amortisation	3	5
Total depreciation and amortisation	19	19

Notes to the Financial Statements

For the year ended 30 June 2011

Note 9. Accommodation expenses

	2011 \$000	2010 \$000
Lease rentals ^(a)	194	152
	194	152

^(a)Lease rentals previously had been incorrectly reported lease rentals and cleaning. They have now been classified in their own right.

Note 10. Grants and subsidies

	2011 \$000	2010 \$000
<u>Recurrent</u>		
Royalties for Region – Regional Infrastructure and Headworks Accounts	4,428	-
Royalties for Region – Regional Community Services Account	119	-
Other grants ^(a)	(100)	-
<u>Capital</u>		
Pilbara Funds and PRDS	-	2,767
	4,447	2,767

^(a)The commission accrued \$1.3 million of grants in the FY 2009/10 on the assumption that these would be paid immediately. All but \$100k were in fact settled in FY 2010-11. The \$100 has now been reclassified as restricted money for the completion of the Pilbara Strategic Plan

Note 11. Other expenses

	2011 \$000	2010 \$000
Audit fees	56	78
Other expenses	34	23
	90	101

Note 12. Other revenue

	2011 \$000	2010 \$000
Miscellaneous including Commonwealth recoups and grant refunds	403	443
	403	443

Notes to the Financial Statements

For the year ended 30 June 2011

Note 13. Income from State Government

	2011 \$000	2010 \$000
Appropriation received during the year:		
Service appropriation ^(a)	3,046	2,401
	3,046	2,401
Other State Grants	145	865
	145	865
Resources received free of charge ^(b)		
Determined on the basis of the following estimates provided by agencies:		
DTF Building Maintenance Works	13	-
	13	-
Royalties for Region Fund:		
Regional Infrastructure and Headworks Account ^(c)	1,750	1,375
	4,954	4,641

^(a)Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in the leave liability during the year.

^(b)Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the asset and/or the services that can be readily measured and which would have been purchased if they were not donated. Contribution of assets or services that are in the nature of contributions by owners are recognised directly to equity.

^(c)This is a sub-fund within the overarching Royalties for Region Fund. The recurrent funds are committed to projects and programs in the WA regional area.

Note 14. Restricted cash and cash equivalents

	2011 \$000	2010 \$000
<u>Current</u>		
Royalties for Region Fund	270	3,182
Other	1,472	2,601
	1,742	5,783

Note 15. Receivables

	2011 \$000	2010 \$000	As at 1 July Restated 2009 \$000
<u>Current</u>			
Receivables ^(a)	104	335	496
GST Receivables ^(b)	109	118	5
Total current	213	453	501

^(a)Receivables have previously been overstated by \$90,000. It has now been restated and the new balance of FY 09/10 receivables is \$453,000

^(b)GST receivable previously reported as part of total receivables has now been classified in its own category. The office does not hold any collateral as security or other credit enhancements relating to receivables.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 16. Amounts receivable for services (holding account)

	2011 \$000	2010 \$000	As at 1 July Restated 2009 \$000
Current	-	-	31
Non-Current ^(a)	48	48	48
	48	48	79

^(a)The Statement of Financial Position has been presented to illustrate the restatement of Amounts Receivable for Services.

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

Note 17. Other assets

	2011 \$000	2010 \$000
<u>Current</u>		
Prepayments	-	108
	-	108

Note 18. Plant and Equipment

	2011 \$000	2010 \$000
<u>Plant</u>		
At cost	66	66
Accumulated depreciation	(39)	(31)
	27	35
 <u>Equipment</u>		
At cost	111	136
Accumulated depreciation	(111)	(128)
	-	8
	27	43

Notes to the Financial Statements

For the year ended 30 June 2011

Note 18. Continued

Reconciliation of the carrying amounts of plant and equipment at the beginning and end of the reporting period

Asset Reconciliation	Plant & Furniture	Equipment	Total
2011	\$000	\$000	\$000
Carrying amount at start of year	35	8	43
Depreciation	(8)	(8)	(16)
Carrying amount at end of year	27	-	27
2010			
Carrying amount at start of year	8	19	27
Additions	29	-	29
Depreciation	(2)	(11)	(13)
Carrying amount at end of year	35	8	43

Note 19. Intangible Assets

	2011	2010
	\$000	\$000
<u>Computer software</u>		
At cost	30	30
Accumulated amortisation	(30)	(27)
	-	3

Reconciliations:

<u>Computer software</u>		
Carrying amount at start of year	3	8
Amortisation expense	(3)	(5)
Carrying amount at end of year	-	3

Note 20. Impairment of assets

There were no indications of impairment to plant and equipment as at 30 June 2011.

Note 21. Payables

	2011	2010
	\$000	\$000
<u>Current</u>		
Trade payables	207	121
Other payables	-	206
Accrued expenses	354	268
Accrued superannuation	1	-
Accrued salaries	31	33
Committed grants	-	2,514
Total current	593	3,142

Notes to the Financial Statements

For the year ended 30 June 2011

Note 22. Provisions

	2011 \$000	2010 \$000
<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	136	117
Long service leave ^(b)	212	92
	<u>348</u>	<u>209</u>
 <u>Non-current</u>		
Long service leave ^(b)	7	104
	<u>7</u>	<u>104</u>

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

	2011 \$000	2010 \$000
Within 12 months of the end of the reporting period	107	117
More than 12 months after the reporting period	29	-
	<u>136</u>	<u>117</u>

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

	2011 \$000	2010 \$000
Within 12 months of the end of the reporting period	82	92
More than 12 months after the reporting period	137	104
	<u>219</u>	<u>196</u>

Note 23. Other Liabilities

	2011 \$000	2010 \$000
<u>Current</u>		
Tourism	60	-
BHP	50	-
Wickham	3	-
Department of Regional Development and Lands	792	-
	<u>905</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 30 June 2011

Note 24. Equity

The government holds the equity interest in the Commission on behalf of the community. Equity represents the residual interest in the net assets of the Commission.

Contributed Equity	2011 \$000	2010 \$000
Balance at the start of the period	263	258
<u>Contributions by owners</u>		
Capital appropriation	30	5
Total contributions by owners	30	5
Balance at the end of period	293	263
Accumulated surplus/(deficit)		
Balance at the start of the year	3,292	3,772
Result for the period ^(a)	(2,610)	(359)
Correction of prior period errors ^(a)	-	(121)
Balance at the end of the year	682	3,292

^(a)The correction of prior period errors relates to an amount of \$90,000 grants and an amount of \$31,000 drawdown from the Amounts Receivable for Services that were originally erroneously recognised as Other Revenue in the Statement of Comprehensive Income in the 2009-10 financial statements.

Note 25. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2011 \$000	2010 \$000
Cash and cash equivalent	798	572
Restricted cash and cash equivalents (notes 14 'Restricted cash and cash equivalents')	1,742	5,783
	2,540	6,355

Notes to the Financial Statements

For the year ended 30 June 2011

Note 25. Notes to the Statement of Cash Flows (continued)

Reconciliation of net cost of services to net cash flows provided by (used in) operational activities:

	2011 \$000	2010 \$000
Net cost of services	(7,564)	(5,121)
<u>Non-cash items</u>		
Depreciation and amortisation expense	19	19
Resources received free of charge	13	-
<u>Increase (decrease) in assets</u>		
Current receivables ^(a)	231	161
Other current assets	108	(104)
<u>Increase (decrease) in liabilities</u>		
Current payables ^(a)	(2,549)	(683)
Current provisions	139	61
Non-current provisions	(97)	(53)
Other liabilities	905	-
Net GST receipts (payments) ^(b)	9	(113)
Net cash provided by/(used in) operating activities	(8,786)	(5,833)

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

^(b) This is the net GST paid/received ie cash transactions.

Note 26. Commitments

The commitments below are inclusive of GST when relevant

Lease Commitments	2011 \$000	2010 \$000
Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:		
Within 1 year	214	-
Later than 1 year and not later than 5 years	470	-
Later than 5 years	43	-
	727	-
Representing:		
Non-cancellable operating leases	727	-

Notes to the Financial Statements

For the year ended 30 June 2011

Note 26. Continued

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1 year	214	-
Later than 1 year and not later than 5 years	470	-
Later than 5 years	43	-
	727	-

The Commission has entered into property leases which are non-cancellable leases with a 10 year term and 5 year term, with rents payable monthly in advance.

Note 27. Contingent liabilities and contingent assets.

There were no contingent liabilities or contingent assets as at the end of June 2011

Note 28. Events occurring after the end of the reporting period.

There were no events occurring after the reporting date that impact on the financial statements.

Note 29. Explanatory Statement

This statement provides details of any significant variations between estimates and actual results for 2011 and between the actual result for 2010 and 2011. Significant variations are considered to be those greater than 10% or \$100,000

Significant variances between estimates and actuals for 2011

	2011 Estimate \$000	2011 Actual \$000	Variance \$000
Employee benefit expenses	2,565	2,262	(303)
Supplies and services	457	955	498
Grants and subsidies	6,190	4,447	(1,743)

Employee expense benefits.

The employee numbers in the first quarter of 2010-11 were 4 short of the 15 budgeted for resulting in reduced employee benefit expenses.

Supplies and services.

- (1) The carried forward estimate was grossly understated and reflected only previous year's costs.
- (2) A one-off unbudgeted cost of \$120 for the upgrade of our records management system.
- (3) A 28% increase in staff housing costs.

Grants and Subsidies

Not all approved grants were paid in the financial year of approval due to some projects starting later than the anticipated start date.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 29. Continued

Significant variances between actual results for 2010 and 2011

	2011 \$000	2010 \$000	\$000
<u>Income</u>			
Service appropriation	3,046	2,401	645
Other state grants	158	865	(707)
Royalties for Region	1,750	1,375	375
<u>Expenses</u>			
Employee benefits expenses	2,262	1,686	576
Supplies and services	955	839	116
Grants and subsidies	4,447	2,767	1,680

Service appropriation

There has been a recognition of the underfunding of the Commission in the previous two years for operational overheads. During the period there were also adjustments for abnormally high increases in office accommodation, leasing of staff houses and the district allowance paid to staff

Other state grants

In the 2009-10 financial year The state government funded a one-off shortfall of \$570k in operational funding that resulted in the 2008-09 financial year. In the 2009-10 year the state government also funded \$180k towards employing an Aboriginal liaison officer to coordinate specific workshops under their Regional Investment Fund.

Royalties for Region

With both round 1 and the new round 2 of the Royalties for Region grants applicable in 2010-11, the increased payments resulting in higher drawdowns of R4R money needed

Employee benefit expenses

Staff numbers increased from 10 FTE's in 2009-10 to 14 FTE's during 2010-11

Supplies and services

The variance has resulted from the unbudgeted one-off cost of upgrading the Commissions records management system to the RecFind system. The cost of this upgrade was \$120k

Grants and subsidies

Round 1 of Royalties for Regions began at the start of the 2009-10 year. Since then there has been a further round of approved grants. As many of the round 1 grants were only paid in the 2010-11 year due to delayed project starts, the combination of payments in both rounds accelerated in 2010-11.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 30. Financial Instruments

(a) Financial risk management objectives and policies.

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

Credit risk

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Commission.

The maximum exposure to credit risk at the 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 30(c) 'Financial instrument disclosures' and Note 15 'Receivables'.

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. The Commission 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 Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risks.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 30. continued

(b) Categories of financial instruments

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

	2011 \$000	2010 \$000
<u>Financial assets</u>		
Cash and cash equivalents	798	572
Restricted cash and cash equivalents	1,742	5,783
Receivables ^(a)	152	383
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	1,498	3,142

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

(c) Financial instrument disclosures.

Credit risk and interest rate exposure

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

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

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

Notes to the Financial Statements

For the year ended 30 June 2011

Note 30. Continued

Interest rate exposures and ageing analysis of financial assets ^(a)											
Financial Assets	Weighted average effective interest rate %	Interest rate exposure				Past due but not impaired					Impaired financial assets
		Carrying Amount	Fixed Interest Rate	Variable interest rate	Non-Interest Bearing	Up to 3 months	3 - 12 months	1 - 2 years	2 - 5 years	More than 5 Years	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2011											
Cash and cash equivalents		798	-	-	798	-	-	-	-	-	-
Restricted cash and cash equivalent		1,742	-	-	1,742	-	-	-	-	-	-
Receivables ^(a)		104	-	-	104	30	-	-	-	-	-
Amounts receivable for service		48	-	-	48	-	-	-	-	-	-
		2,692	-	-	2,692	30	-	-	-	-	-
2010											
Cash and cash equivalents		572	-	-	572	-	-	-	-	-	-
Restricted cash and cash equivalent	4.535	5,783	-	3,182	2,601	-	-	-	-	-	-
Receivables ^(a)		335	-	-	335	-	-	-	-	-	-
Amounts receivable for service		48	-	-	48	-	-	-	-	-	-
		6,738	-	3,182	3,556	-	-	-	-	-	-

^(a)The amount of receivables excludes the GST recoverable from the ATO (statutory receivable). FY 09/10 receivable has been incorrectly reported and it was overstated by \$208,000 being \$90,000 overstatement and \$118,000 being GST receivable.

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The table includes interest and principal cash flows. An adjustment has been made.

Notes to the Financial Statements

For the year ended 30 June 2011

Note 30. continued

Interest rate exposure and maturity analysis of financial liabilities^(a)

		<u>Interest rate exposure</u>						<u>Maturity date</u>				
	Weighted average effective interest rate %	Carrying amount \$000	Fixed interest rate \$000	Variable interest rate \$000	Non- interest bearing \$000	Adjustment for discounting \$000	Total nominal amount \$000	Up to 3 months \$000	3-12 months \$000	1-2 Years \$000	2-5 Years \$000	More Than 5 Years \$000
<u>Financial Liability</u>												
2011												
Payables		1,498	-	-	1,498	-	-	1,498	-	-	-	-
		1,498	-	-	1,498	-	-	1,498	-	-	-	-
2010												
Payables	6.3	3,142	-	-	3,142	-	-	3,142	-	-	-	-
		3,142	-	-	3,142	-	-	3,142	-	-	-	-

^(a) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities at the end of the reporting period.

Interest rate sensitivity analysis

None of the Office's financial assets and liabilities at the end of reporting date are sensitive to movements in interest rates, hence movements in interest rates have no bottom line impact on the Office's surplus or equity.

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 2011

Note 31. Remuneration of members of the accountable authority and senior officers.

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

	2011	2010
\$	\$000	\$000
0 – 10,000	6	9
10,001 – 20,000	1	1
20,001 – 30,000	1	-
	\$000	\$000
The total remuneration of members of the accountable authority	58	47

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

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.

	2011	2010
\$		
50,000 – 60,000	-	1
60,001 – 70,000	-	4
70,001 – 80,000	-	3
90,000 – 100,000	-	1
120,000 – 130,000	1	-
130,001 – 140,000	-	1
150,000 – 160,000	-	-
160,000 – 170,000	1	-
170,000 – 180,000	1	-
	\$000	\$000
Total remuneration of senior officers	472	742

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

Note 32. Remuneration of auditor

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

	2011	2010
	\$000	\$000
Auditing the accounts, financial statements and performance indicators	25	30

Notes to the Financial Statements

For the year ended 30 June 2011

Note 33. Schedule of income and expenses by service

	Business & Industry Development		Infrastructure, Service Identification & Coordination		Regional Promotion & Information Service		Total	
	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000	2011 \$000	2010 \$000
COST OF SERVICE								
<u>Expenses</u>								
Employee benefit expenses	679	338	679	1,179	904	169	2,262	1,686
Supplies and services	287	168	287	590	381	81	955	839
Depreciation and amortisation expense	6	3	6	13	7	3	19	19
Accommodation expenses	58	30	58	107	78	15	194	152
Grants and subsidies	1,334	553	1,334	1,936	1,779	278	4,447	2,767
Other expenses	27	21	27	70	36	10	90	101
Total cost of services	2,391	1,113	2,391	3,895	3,185	556	7,967	5,564
<u>Income</u>								
Other revenue ^(a)	121	89	121	310	161	44	403	443
Total income other than income from State Government	121	89	121	310	161	44	403	443
NET COST OF SERVICES	2,270	1,024	2,270	3,585	3,024	512	7,564	5,121
INCOME FROM STATE GOVERNMENT								
Service appropriation	914	480	914	1,680	1,218	241	3,046	2,401
State grants	44	173	44	605	57	87	145	865
Resources received free of charge	4	-	4	-	5	-	13	-
Royalties for Regions Fund	525	275	525	962	700	138	1,750	1,375
Total income from State Government	1,487	928	1,487	3,247	1,980	466	4,954	4,641
Surplus/(deficit) for the period	(783)	(96)	(783)	(338)	(1,044)	(46)	(2,610)	(480)

^(a)The commission has overstated its other revenue by \$121,000 as stated in Note 12 'Other Revenue'. AASB 108.42 (a) has indicated a restatement of an error is to be done in the comparative amounts and as a result of that, the balance of 'Total Comprehensive Income for the Period' has also been restated

Key Performance Indicators

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 Pilbara Development Commission's performance and fairly represent the performance of the Pilbara Development Commission for the financial year ended 30 June 2010.



Cr Nicole Lockwood
Chairman

Date: 12 September 2011



Mr Stephen Webster
Chief Executive Officer

Date: 12 September 2011

PERFORMANCE INDICATORS

INTRODUCTION

The Government's desired outcome from the activities of the Pilbara Development Commission is the enhancement of the Pilbara region's economic and social development. The Commission achieves this outcome by providing facilitating communication between community and business groups, local shires and the state government, providing a coordination and facilitation function and by undertaking project activities, including providing grant funding to applicants meeting specific criteria, which deliver beneficial outcomes to business, community groups and to people living and working in the Pilbara region. The Commission focuses its activities through the following 3 services:

- 1. Business and Industry Development** - This service seeks to encourage business and industry development through the identification and coordination of projects.
- 2. Infrastructure and Service Identification and Coordination** - involves working with the community and business groups to identify infrastructure needs and coordinate the removal of impediments to achieve delivery of service.
- 3. Regional Promotion and Information Services** - the Commission raises awareness of the advantages of both living in and visiting the Pilbara region through the provision and promotion of accurate and accessible information.

KEY EFFECTIVENESS INDICATOR

The Commission's effectiveness in achieving its government desired outcome is measured by undertaking an annual client/stakeholder survey. The survey is conducted by an independent market research firm to determine the extent to which the Commission's activities and services fulfil client needs. Clients are also given the opportunity to comment on the ways in which the agency could further enhance the economic and social development of the Pilbara. This year, the survey contacted 162 client names comprising Commonwealth and State agencies, Local Governments, business and community organisations that have had regular contact with the Commission over the last twelve months. Of these, 116 responded giving the survey a response rate of 72% and a survey error rate of +/-4.86% at the 95% confidence level.

Three specific questions relating to the outcomes of the Commission's activities are included in the survey. All questions were developed to establish client satisfaction with a variety of elements of the Commission's services and that:

- The Commission makes a positive contribution towards economic development in the Pilbara, and
- The Commission makes a positive social contribution in the Pilbara

Effectiveness Indicator	2008 -09 Actual	2009-10 Actual	2010-11 Target	2010-11 Actual
Client satisfaction that the commission is effective in meeting its service obligations in the Pilbara	80%	80%	80%	92%

Satisfaction levels with the Commission's has increased markedly over the year with 97% of those surveyed indicating that the Commission staff provides a professional and helpful service.

KEY EFFICIENCY INDICATORS

The Commission has key effectiveness indicators for each of its 3 services which were detailed in the introduction section above.

SERVICE 1 - BUSINESS AND INDUSTRY DEVELOPMENT

DESCRIPTION - Encourage business and industry development through the identification and coordination of projects.

Performance Measures	2008-09 Actual \$000	2009-10 Actual \$000	2010-11 Target \$000	2010-11 Actual \$000
Cost of Service	1,072	1,113	2,930	2,391
Projects completed or strategic objectives met within agreed timeframes	80%	73%	80%	90%

SERVICE 2 - INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION

DESCRIPTION - Identify infrastructure needs and coordinate the removal of impediments to achieve delivery of service.

Performance Measures	2008-09 Actual \$000	2009-10 Actual \$000	2010-11 Target \$000	2010-11 Actual \$000
Cost of Service	3,747	3,895	2,930	2,391
Projects completed or strategic objectives met within agreed timeframes	80%	67%	80%	81%

SERVICE 3 - REGIONAL PROMOTION AND INFORMATION SERVICES

DESCRIPTION - Raise awareness of the advantages of both living in and visiting the Pilbara region through the provision and promotion of accurate and accessible information.

Performance Measures	2008-09 Actual \$000	2009-10 Actual \$000	2010-11 Target \$000	2010-11 Actual \$000
Cost of Service	536	556	3,907	3,185
Projects completed or strategic objectives met within agreed timeframes	80%	72%	80%	82%

Cost of Service

A number of significant costs such as staff and related costs were lower than in previous years due to a reduction in staff numbers and the difficulty in filling these roles. Despite the lower staff numbers the Commission was able to pay all grants on time and according to their drawdown schedules.

Project Completion

During the current 2010-11 financial year the Commission processed the bulk of both round 1 and round 2 of the Royalties for Region grants resulting in a significant dollar outflow for grants payments overall.

Ministerial Directives

No Ministerial directives were received during the financial year.

Other Financial Disclosures

EMPLOYMENT AND INDUSTRIAL RELATIONS

STAFF PROFILE

	As at 30 June 2010	As at 30 June 2011
Full time permanent	6	11
Full time contract	4	1
Part time contract	-	2

STAFF DEVELOPMENT

The Pilbara Development Commission is committed to the continuous development of its employees. Our strategies aim to build a highly skilled and professional team with the ability to adapt to a changing economic and social environment.

WORKERS COMPENSATION

No compensation claims were made during the 2010-11 financial year.

Governance Disclosures

CONTRACTS WITH SENIOR OFFICERS

As at the date of reporting, other than normal contracts of employment of service, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests in, had any interest in or received any benefit from any existing or proposed contracts with the Pilbara Development Commission.

Other Legal Requirements

COMPLIANCE WITH PUBLIC SECTOR MANAGEMENT ACT SECTION 1994 31(1)

1. In the administration of the Pilbara Development Commission, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct.
2. I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made in paragraph 1 is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number lodged	1
Number of breaches found, including details	Nil
Number still under review	Nil
Number withdrawn	Nil

The breach resulted in no charge to the agency for the resolution of the claim. On the basis of the material considered by the Public Sector Commission, it was concluded that the Commission had not breached any standard and the claim was therefore dismissed.

The Commission strives to achieve a high level of compliance with the Code of Ethics and Conduct Guide. The Commission has a 'Code of Conduct' staff manual incorporating the Public Sector's 'Code of Ethics'. A comprehensive review of the Code of Conduct was commenced in June 2009 and completed early 2010.



Mr Stephen Webster
Chief Executive Officer

Date: 12 September 2011

THE ELECTORAL ACT 1907 - SECTION 175ZE

In compliance with section 175ZE of the *Electoral Act (1907)*, the Commission's expenditure on market research, polling, direct mail and media advertising during 2010-11 was \$16,859.

Expenditure was incurred in the following areas:

Advertising Agencies

Adcorp	\$3,492
--------	---------

Market Research Organisations

Advantage Communication	\$6,672
-------------------------	---------

Media Advertising Agencies

Market Creations	\$6,695
------------------	---------

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

Following amendment to the *Disability Services Act 1993*, all State Government agencies are required to develop and implement Disability Access and Inclusion Plans (DAIPs) previously called Disability Service Plans. The aim of DAIPs are to make a positive difference to the lives of people with disabilities, their families and carers by focussing efforts to improve access to services, information and facilities.

The Commission's DAIP provides an important mechanism for monitoring and evaluating the Commission's services to help ensure that it meets the accessibility needs of people with disabilities, their families and carers.

As part of the DAIP, an annual action plan is developed with strategies to maximise accessibility. Specific strategies related to the six DAIP outcomes have not changed during the year and continue to be implemented on an ongoing basis and are subject to review when necessary.

EQUAL EMPLOYMENT OPPORTUNITY OUTCOMES

The Pilbara Development Commission has 14 employees, and is committed to the promotion of a non-discriminatory and harassment free working environment for all employees.

The Commission recognises the benefits of workplace diversity and has a continued commitment to furthering these principles. The Commission has developed appropriate policies and procedures for matters relating to Equal Employment Opportunity which have been incorporated into the Commission's Code of Conduct.

The Commission continues to incorporate the outcomes of the 2007/08 review.

RECORD KEEPING PLAN

In January 2009, the Commission adopted its Record Keeping Plan as required under section 19 of the State Records Act (2000). The plan, in the form of a manual is designed to provide PDC Staff with a guide to Commission Policy, procedures and standards for handling public records. It helps ensure that all staff know that they have a responsibility to create and maintain public records in a manner which not only complies with legislative requirement, but allows for quick and easy location, identification and retrieval of such documents or electronic data.

The Commission confirms the following:

- The efficiency and effectiveness of the Commission's record keeping system is evaluated not less than once every five years; in 2010-11 the Commission engaged a contractor to review our record keeping system and procedures. This resulted in a complete upgrade to the RecFind record keeping system. This system started operating in early 2011.
- The Commission conducts record keeping training for staff through its staff induction program as well as annual refresher training;
- The efficiency and effectiveness of the record keeping training program is reviewed from time to time for continuous improvement; and
- The Commission's induction program addresses employees' roles and responsibilities in regard to their compliance with the Commission's Record Keeping Plan.

Government Policy Requirements

CORRUPTION PREVENTION

In compliance with the Premier's circular 2005/02 – Corruption Prevention, the Commission in 2010 commenced a review of its policies and procedures, initially reviewing its code of conduct and key finance procedures, particularly those related to travel, and to purchasing cards. As key areas are finalised staff will be advised of the changes and reminded of their responsibilities.

In tandem with this review, the Commission staff also participated in a risk management workshop presented by the Public Sector Commission as well as a workshop provided by the CCC. The practical nature of the presentation highlighted to staff how important it was for staff to be aware of risks and to plan for them in their daily duties.

ACCOUNTABLE AND ETHICAL DECISION MAKING

Accountable and Ethical Decision Making training was provided to all staff in the Commission during the 2010-11 year.

OCCUPATIONAL SAFETY AND HEALTH

The Commission acknowledges its responsibilities under the *Occupational Safety and Health Act 1984* to provide and maintain a safe and healthy environment and exercise a duty of care to ensure employees, clients and visitors to the Commission's workplaces, as far as practical, are not exposed to hazards. Contractors or persons providing services on Commission's premises are also required to conduct their activities in a manner that ensures the safety, health and welfare of others.

The Commission's policy on Occupational Safety & Health confirms its commitment and outlines the objectives to achieve this. The Commission also acknowledges its responsibilities to comply with the injury management requirements of the *Workers' Compensation and Injury Management Act 1981*.

The OS&H and Risk Management policies, guidelines, forms and related documents are accessible to all employees on the Commission's internal Portal. They are also disseminated at orientation and induction training programs.

Safety and Health representative elections are held every two years and nominations are called from employees across all workplaces. Elected representatives receive recognised training in accordance with the legislative requirements, with a view to empowering staff to identify and discuss issues that lead to improvements.

The Commission actively supports and maintains a consultative environment in which management, employees and nominated OS&H representatives work together to continually improve OS&H practices and resolve issues in the workplace.

The consultation process for the development and review of OS&H policies require that all such documents be referred to the Commission's OS&H Committee for their input and for further opportunity for consultation with employees before being endorsed by the Commission's Corporate Executive. The OS&H committee meet regularly and report issues through a permanent open agenda item at the Commission's meetings.

An annual audit of the Commission's safety management system and plans are conducted internally against the elements in the Safety @ Work OH&S Compliance-Self Assessment. Results of the audit are presented to the Commission's Corporate Executive and used in the annual review of the OH&S policy.

The Commission's record of performance against annual performance data requirements are tabled as follows:

Report of Annual Performance 2010-11		
Indicator	Actual	Target
Number of fatalities	0	0
Lost time injury/diseases incident rate	0	0
Lost time injury severity rate	0	0
Percentage of injured workers returning to work within 28 weeks	N/A	100%
Percentage of managers trained in OSH and injury management	25%	50%

Publications

The following publications are available from the Commission's Port Hedland and Karratha offices. If required, the Commission can provide a publication in an alternative format. All of these publications are available on the Commission's website at www.pdc.wa.gov.au

PRODUCED BY THE PILBARA DEVELOPMENT COMMISSION

Pilbara Government Agencies Directory 2011

The directory provides a comprehensive listing of the postal address and contact details for all Federal, State and Local Government offices located in the Pilbara.

Housing and Land Snapshot

The Commission produces a quarterly Housing and Land Snapshot (HALS) report, which illustrates time-series data of historical housing figures for the Pilbara. The HALS report compares figures with previous quarter's trends and provides information on the movement of the real estate and commercial market.

Pilbara Development Commission Strategic Plan 2010-2013

This publication was developed and published during the 2007-08 financial year. Planning for the Commission's subsequent Strategic Plan was performed during August 2009 and a new plan should issue shortly.

Pilbara Development Commission Annual Reports

A copy of the Commissions annual report is available on the website, with reports available since 2000/01.

EXTERNAL PUBLICATIONS AVAILABLE ON THE PILBARA DEVELOPMENT COMMISSION WEBSITE

Pilbara A Region in Profile 2011

This publication is prepared by the Department of Regional Development and Lands in conjunction with the Commission and contains the latest information on the economic development of region.

Pilbara Resources Map 2011

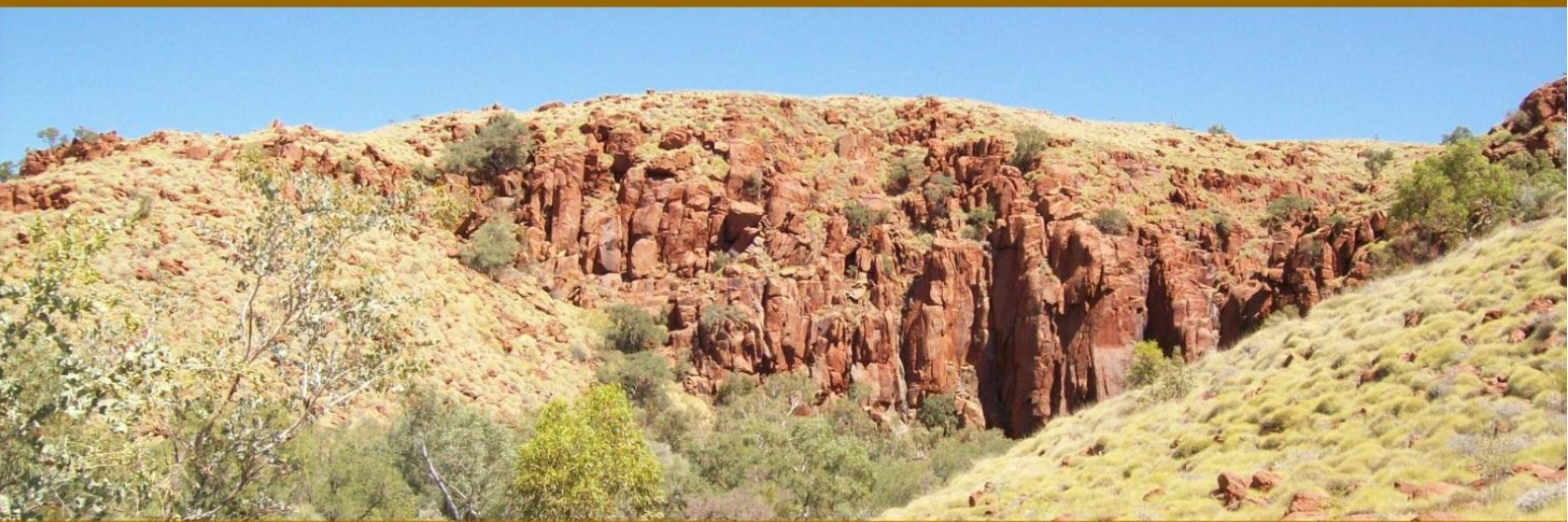
This map, produced by the Department of Water; Spatial Services, provides important key features of the Pilbara Region.

Extractive Industry & Regional Development June 2011

This publication was developed by the WA Regional Development Council as a study into the relationship between community sustainability and the extractive industries.



www.pdc.wa.gov.au



KARRATHA OFFICE

Cnr Searipple and Welcome Rds
PO Box 294
Karratha, Western Australia 6714
Tel: (08) 9185 0600
Fax: (08) 9185 0189

PORT HEDLAND OFFICE

Shop 2, 6 Wedge Street
PO Box 544
Port Hedland, Western Australia 6721
Tel: (08) 9173 8400
Fax: (08) 9173 1881

NEWMAN OFFICE

Newman House, Iron Ore Parade
PO Box 630
Newman, Western Australia 6753
Tel: (08) 9175 9936
Fax: (08) 9175 9963