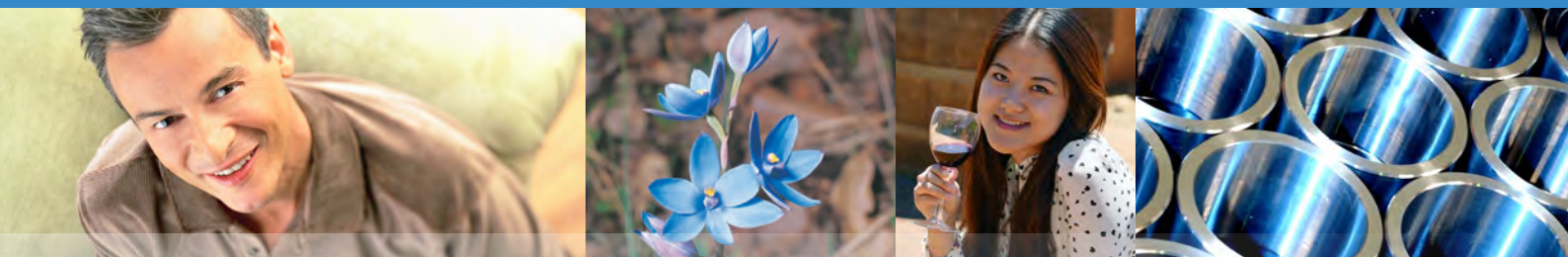


2011-12

South West Development Commission Annual Report



 creating a region of excellence

visit our website www.swdc.wa.gov.au



Compliance

The Honourable Brendon Grylls, MLA
Minister for Regional 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 South West Development Commission, for the financial year ended 30 June 2012.

The South West Development Commission was established under the *Regional Development Commissions Act 1993*.

In the performance of its functions, the South West Development Commission complies with all relevant written laws including but not limited to:

- Regional Development Commissions Act 1993
- Financial Management Act 2006
- Contaminated Sites Act 2003
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Freedom of Information Act 1992
- Industrial Relations Act 1979
- Minimum Conditions of Employment Act 1993
- Occupational Safety and Health Act 1984
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Records Act 2000
- State Supply Commission Act 1991
- Public Interest Disclosure Act 2003
- Royalties for Regions Act 2009

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

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



Stephen Harrison
BOARD CHAIRMAN
14 August 2012



Don Punch
CHIEF EXECUTIVE OFFICER
14 August 2012

Growing the South West

creating a region of excellence



We have a vision

By 2025 the South West of Western Australia will be recognised internationally as a region of excellence.

.....

To achieve this vision we have a strategic plan

Think of the strategic plan as a sort of roadmap we need to follow to reach our destination: A Region of Excellence by 2025.

.....

Supporting this vision is our team

Our staff members work with stakeholders in the region to achieve our vision. Our stakeholders are people like you, representing areas such as government, community and industry.



About this report

Welcome to the South West Development Commission's annual report for 2011/12.

In this report you will find an overview of our activities for the financial year.

You will learn how our work benefited the region during the year in review.

Gain insight into how local decision-making is helping to shape the region. And discover how we are planning for the future.

Most of the information about our projects is contained in chapters structured around the Commission's strategic plan, which guides the Commission's delivery of services into three key areas.

People and Place

We focus on projects which engage the community in developing a vibrant region. This includes planning, civic engagement, community leadership, community infrastructure and services, and urban renewal.

Infrastructure and Environment

Our aim is to build modern infrastructure which supports industry, maintains a sense of place for our communities and values our natural environment.

Knowledge, Enterprise and Innovation

We aim to create jobs, develop greater job diversity and increase incomes through a diverse industrial base. Projects focus on attracting knowledge-based industries and maximising the region's trade potential.

Online report

This report is available to read online. The electronic format has been designed for ease of use, without the need to download documents. It also includes exclusive features such as a special video message from our chairman. We encourage you to read the report online to reduce printing costs and environmental impact.



Read this report online at
www.swdc.wa.gov.au

Our performance

A summary of our corporate performance and audited financial statements are provided in this report.

Accessibility



This document is available in alternative formats. Contact us on 9792 2000 for more information.



Royalties for Regions



ROYALTIES
FOR REGIONS

This funding program has been allocated its own chapter to highlight the impact it has across our three strategic service areas.

Included in the chapter is information about Royalties for Regions initiatives such as the South West Regional Grants Scheme and SuperTowns.

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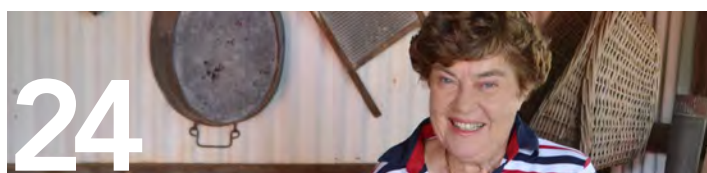
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People & Place

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Overview & Quick Read
Project in Focus: South West Academy of Sport
Project in Focus: Manjimup Futures



Infrastructure & Environment

Highlights & Challenges
Overview & Quick Read
Project in Focus: Pipelines to Prosperity
Project in Focus: Munda Biddi Trail



Knowledge, Enterprise & Innovation

Highlights & Challenges
Overview & Quick Read
Project in Focus: Fostering a South West Film Industry
Project in Focus: Critical Horizons

STRATEGIC PRIORITIES



STEPHEN HARRISON
CHAIRMAN, SOUTH WEST
DEVELOPMENT COMMISSION



Watch my video message
www.swdc.wa.gov.au

Chairman's report

Royalties for Regions is transforming the way we think about regional development. The forward estimates clearly indicate the scale of future regional development funding flowing to the regions under the guidance of the Regional Development Trust and the Regional Development Council. In turn this has highlighted the careful planning required to ensure Royalties for Regions is used wisely with a lasting legacy for each region.

Over the past year the South West Development Commission has participated in a public sector Commission review to determine how each of the nine development commissions will meet this challenge. The Commission is well placed with a strong board, a committed team of staff and a strong reputation within the South West.

There are a series of major projects underway that reflect the new direction. The 2011/12 financial year saw the start of the long-awaited small boat harbour at Augusta. This is a \$25million project that will provide a safe haven

for smaller vessels travelling between Fremantle and Albany as well as a stimulus for the local marine industry and as a potential stopover for cruise ships.

Other major projects include the new Busselton hospital, Coronary Care Unit at Bunbury, and the SuperTowns project across Collie, Manjimup and Margaret River. Well over \$100million is currently committed in the South West to various Royalties for Regions projects that will leave a legacy well into the future.

The South West is a complex and diverse region. It has a strong community sector, a growing population base, and is supported by a large number of industry sectors including mining, manufacturing, retail, tourism, agriculture and the rapidly emerging creative industries sector.

During the year in review considerable effort has gone into supporting the development of our industry base. Trade development has occurred in the wine, beef and tourism sectors. The region has been successful in attracting

the Gourmet Escape – an event that will put an international spotlight on the region's food, wine and tourism. Overseas promotions have occurred in partnership with The Ritz-Carlton hotel chain for the promotion of beef and further wine sales are taking place into China.

With a growing industry base in the South West, the Commission also partnered with the Department of Training to produce a workforce development plan as a basis for skilling the region into the future.

Work has commenced on major infrastructure projects that will improve the efficiency of the region including the second stage of the Bunbury Port Access route and first stage of the Bunbury Outer Ring Road. Planning is commencing for the diversion of the Preston River to improve port efficiency, and the future rollout of the NBN will see new levels of high capacity broadband within the region directly supporting the professional services and creative industries sector.

Finally, our staff members continue to work to build a strong and resilient

community services sector within the region by partnering with many organisations to address gaps and identify funding opportunities.

The 2012/13 financial year will be a year of consolidation. Our intention is to work with the Department of Planning to produce a regional investment blueprint that will guide further investment of Royalties for Regions into the South West for the future. It is with this sense of optimism that I leave the Commission having completed six years of service with the board.

Again, I would like to thank the Minister for his passionate and unvarying enthusiasm for regional Western Australia, and my fellow board members for their commitment, ideas and ability to challenge the Commission to get the best for the region.

Finally our staff. I express my deep appreciation to the Commission's CEO and all staff for their creativity and their commitment to the region that goes well beyond the normal eight hour day.

ROYALTIES FOR REGIONS

TRANSFORMING
the way we think about
regional development.



Clockwise from top: Original South West Academy of Sport scholarship holder Alex Hagan was named in Australia's 2012 Olympic team, the Leschenault Men's Shed was opened and CinéfestOZ (picture: Tim Swallow) continued to grow in popularity and importance as a film festival – all in 2011/12.

Our year in brief

At the South West Development Commission, we make it our business to make the South West an even greater place to live, work and invest.

Every day, we work to support the region's economy and improve quality of life.

So when we looked back on 2011/12, we are pleased to see all that we achieved – and all the challenges we are working through.

In line with the Commission's strategic priorities, we delivered a number of outcomes for the region.

These outcomes included work on age-friendly planning, providing services for young people and their families, progression of the SuperTowns project, securing funding for infrastructure works...

The list goes on, but we'll let the numbers speak for themselves.



125 The total number of grants processed.

\$29.6m The total value of grants administered by the Commission.

337 The record number of employer-sponsored skilled worker applications from business operators we processed and certified.

42 The number of events which received a funding boost through the latest round of the South West Events Program.

17 The number of projects which received funding through the South West Regional Grants Scheme component of Royalties for Regions.

3 The number of SuperTowns in the South West region.

3,500 The number of truckloads of soil removed to make way for the Augusta boat harbour – one of the major Royalties for Regions-funded projects taking place in the region.

3 The number of South West cities or towns which have a sister city relationship with China.

Q&A

with Don Punch, CEO

Reflecting on the year that was

What were the highlights of 2011/12?

Our biggest highlight was the completion of SuperTowns growth planning for Margaret River, Collie and Manjimup. The plans set out a pathway for the future growth of each town and were a collaborative effort between the Commission, each town and importantly each community. During the process each town was able to critically reassess its future and how it should develop, as well as review past assumptions about the town's economy and what they have to offer. It was a process of each town rediscovering itself and feeling empowered to take charge of its future.

It has also been a year which has seen the start of the second stage of the Bunbury Port Access Route and the first stage of the Bunbury Outer Ring Road begin construction. This was a significant milestone in taking the region's Roads to Export plan forward and will significantly contribute to both public amenity and freight movement into the future.

Looking to the future

What is in store for the Commission in 2012/13?

The 2012/13 financial year is going to be a busy 12 months. Firstly, the Commission will reinvent itself in accordance with the Government's emphasis on major project planning and the development of regional investment blueprints. This will set out a pathway for the future that will provide certainty of investment as funds flow through Royalties for Regions.

In line with this, the Commission will be completing business justifications for the Busselton airport. Should the business plan meet expectations, the Busselton Regional Airport could be developed to accommodate national and international flights. This will have significant



Keeping pace with growth and generating associated jobs is one of our major challenges.



DON PUNCH
CEO, SOUTH WEST
DEVELOPMENT COMMISSION

flow-on benefits for the whole of South West industry and help to transform the overall contribution the region makes to the State's economy.

We will also be working to future proof the water management needs of industry in the Bunbury-Wellington area by completing the business case for reducing salinity levels in Wellington Dam. This project will involve removing surplus saline water from the upper catchment and making this available to industry as a non-potable water supply.

Finally, we will complete business planning in partnership with the Bunbury Port Authority to fund the detailed design work for the future diversion of the Preston River.

What are some of the challenges the South West will face in the future?

Keeping pace with growth and generating associated jobs is one of our major challenges. We are going to address this through ensuring we have competitive infrastructure to support business investment, effective promotion of the region for investment purposes and ensuring we are ready for major projects that will assist in producing jobs for the future.

Leadership structure



JSW Training and Community Services chief executive officer Posy Barnes shows South West Development Commission board chairman Stephen Harrison and board deputy chairman Stuart Hicks the organisation's new office premises in Bunbury.

The South West Development Commission is a statutory authority of the Western Australian government, with a board of management selected from the community and local governments, and by Ministerial appointment.

Our aim is to make the South West region an even better place to live, work and invest.

We do so by partnering with communities, government, business and industry to identify and support projects that benefit the region.

Developing the region's economy and improving quality of life are key areas of focus.

Strategic direction

To help us achieve a region of excellence, we invest in:

- People and Place
- Infrastructure and Environment
- Knowledge, Enterprise and Innovation

These areas of investment are highlighted in the South West Development Commission's Strategic Plan 2010-2025. The document guides the Commission towards realising its vision by listing outcomes to be achieved over a 15 year period.

How we help

We aim to:

- Support the sustainable development of communities and towns
- Identify and address gaps in government services and infrastructure
- Maximise local job opportunities by attracting new business and industry to the region, while helping existing business and industry to grow

Our services include:

- Community development
- Export assistance
- Business investment support
- Skilled migration certification
- Interagency facilitation
- Advocacy
- Grant administration
- Research and provision of information
- Briefing governments on issues and funding opportunities
- Future planning

Our vision

By 2025 the South West of Western Australia is recognised internationally as a region of excellence.

Our mission

To develop the region's economy and enhance those qualities which make the South West the best place in which to live, work and invest.

Our promise to you

We are leaders: We provide leadership to the region that is inspiring, motivating and relevant.

We are professional: We act at all times with honesty, integrity and fairness, recognising the importance of being open and accountable in our actions.

We embrace sustainable practice: We take a well-planned, considered approach to our projects to ensure the qualities and opportunities of the region are enhanced for both present and future generations.

We display excellent service: We aim to be global leaders in regional development, with valued and skilled personnel and a responsive attitude to people.



Executive team

The Commission's executive officers provide leadership to the Commission's staff. With diverse backgrounds in regional development, members of the executive have experience across a number of fields including economics, human services, policy and finance.

Don Punch Chief Executive Officer

MBA, Bachelor of Psychology, Bachelor of Social Work, Graduate of the Australian Company of Directors

Don Punch has extensive experience working throughout regional Western Australia on many infrastructure projects and has special expertise in community and economic planning, trade facilitation, internet marketing and online education, and community relations. He was recently awarded honorary citizenship of the City of Jiaxing in Southern China for services to trade and economic development.

Graeme Baesjou Manager Infrastructure and Enterprise

Graduate Diploma in Management Studies, Diploma of Administration Studies

Graeme Baesjou has 15 years experience in regional development. He has been at the South West Development Commission for six years and has an administration, planning and operations background with the military.

Anna Oades Manager People and Place

Bachelor of Arts, Graduate Diploma in Education, Teachers Certificate

Anna Oades has wide-ranging experience in the WA public sector in diverse areas such as community development and funding, social policy and research, and social planning. She oversees the team at the Commission responsible for building quality of life in the region.

Vanessa Lewis Principal Policy Officer

Bachelor of Economics

Vanessa Lewis has more than 30 years experience in regional development, particularly in the areas of research, regional planning and policy development. Vanessa holds a degree in economics and has specific responsibility for coordination of Royalties for Regions in the South West.

Susan Fitchat Chief Finance Officer

Master of Commerce (Accounting), Member of the Institute of Public Accountants, Chartered Secretary graduate – UK

Susan Fitchat is responsible for the management of the Commission's finance, human resource, information technology and administration services. Susan has wide-ranging experience working for private organisations, local and State government, in financial management, administration, law and taxation.

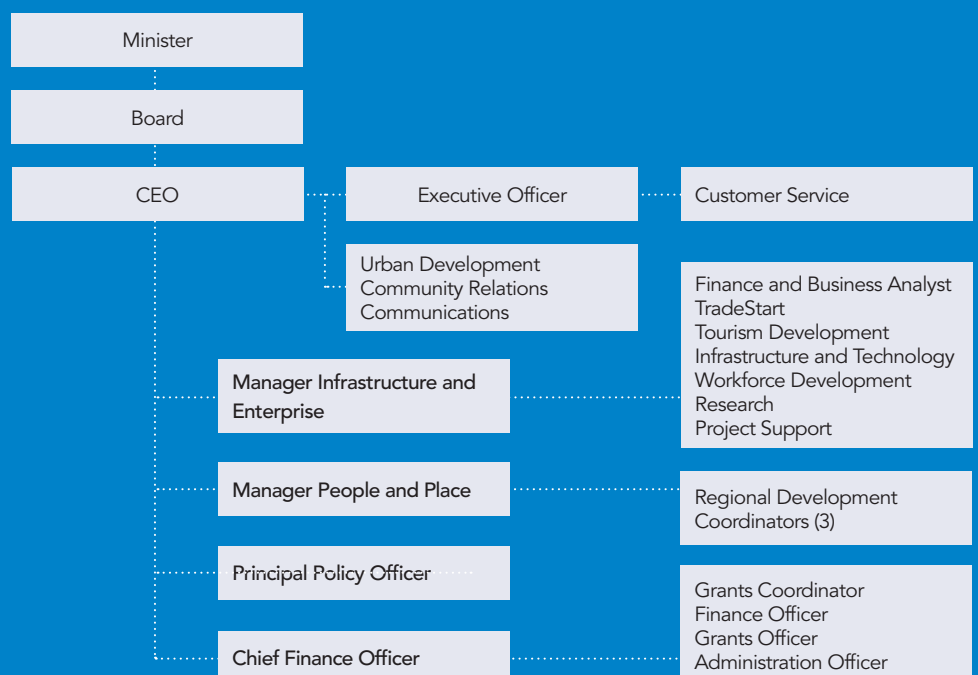
ORGANISATIONAL CHART

Commission structure

The South West Development Commission's objectives and outcomes are developed through two managers, with each manager reporting to the chief executive officer.

The Commission also has a planning and policy arm which works to consolidate regional planning, ensuring consistency with government objectives.

The executive group meets monthly to consider policy and planning matters, as well as review matters for the attention of the board.



Our Board



Back L-R: Ian Stubbs, Brian Piesse, Wade De Campo, Don Punch (CEO)
Front L-R: Sue Daubney, Stuart Hicks AO, Louis Evans
Insets L-R: Stephen Harrison (Chairman), Stan Liaros, Brad Day

The South West Development Commission Board is the governing body responsible to the Regional Development Minister for setting the direction and priorities of the Commission.

It has 10 members selected from community and local government nominations, and Ministerial appointments. The Commission's chief executive officer is also a member of the Board.

Primary activities

- Setting the overall strategic direction and goals of the Commission
- Providing guidance on specific projects and initiatives
- Formulating Commission policy
- Reviewing progress at regular intervals to ensure established goals are being achieved
- Monitoring Commission expenditure
- Promoting economic development
- Representing the Commission at relevant meetings and functions
- Providing a conduit between the Commission and the community
- Facilitating cooperation between organisations in the region

A total of eight formal board meetings were held during the financial year, as well as two regional board meetings.

Terms of appointment

Board members can be appointed for one, two or three year terms. They are eligible to apply for a further term and may serve for a maximum of six years.

Board remuneration is as follows:

- a. Chairman: \$770 per full day or \$500 per half day plus \$9,000 per annum (maximum \$19,100 per annum).
- b. Deputy Chairman: Deputy Chairman is entitled to \$630 per full day or \$410 per half day, plus \$4,400 per annum (maximum \$14,350 per annum).
- c. Board Members: Board members are entitled to sitting fees of \$500 per full day or \$330 per half day, plus travel and accommodation allowances as they pertain to board meetings.

In addition to sitting fees, board members are also entitled to be reimbursed for travel (private vehicles only), as per ATO rates.

Board subcommittees

Two subcommittees of the board were in operation during the reporting period.

- The Audit and Risk Subcommittee, which comprised members of the board and the Commission's CEO, met to assist the Commission with ensuring compliance and effectiveness was achieved in regards to internal and external audits.
- The Tourism Development Committee, which comprised the Commission's CEO and members of the tourism industry and community, met to devise strategies for the development of the region's tourism sector.

Board Members

Stephen Harrison **Chairman**

Stephen Harrison currently works in the tourism industry as a cave guide, and is a part-time lecturer with Curtin University. He has previously worked in viticulture, and operated a retail and wholesale clothing business. He has also worked as a consultant in the public and private sectors, specialising in education, IT and multimedia resources. Mr Harrison currently lives in Witchcliffe and is a former president of the Augusta-Margaret River Shire and Margaret River Chamber of Commerce and Industry.

Don Punch **Chief Executive Officer**

Don Punch is the chief executive officer of the South West Development Commission and is responsible for the coordinated economic and social development of the South West region. He has worked throughout regional Western Australia on many infrastructure projects and has special expertise in community and economic planning, trade facilitation, internet marketing and online education, and community relations. He holds a Masters of Business Administration and primary qualifications in psychology and community planning and is a Graduate of the Australian Institute of Company Directors. Mr Punch was recently awarded honorary citizenship of the City of Jiaxing in China for services to trade and economic development.

Stuart Hicks AO **Deputy Chairman**

Stuart Hicks is a business policy and planning advisor and an adjunct professor at a number of Western Australian universities. He has previously been head of a range of Western Australian government agencies, including Transperth, the Department of Transport, and Department of Marine and Harbours. Mr Hicks was formerly a commissioner of the WA Planning Commission, chairman of the National Transport Commission and chairman of the East Perth Redevelopment Authority. In 2006 he was made an Officer of the Order of Australia for services to the road transport industry, the public sector, and the community.

Brad Day

Brad Day is the director of a real estate agency based in Eaton and a Shire of Dardanup councillor. A member of the Dardanup Council since 1995, he has been involved with the development of Eaton's commercial, residential and recreational areas.

Stan Liaros

Stan Liaros is chief executive officer of Group Training South West Inc, chairman of the Aqwest Board (the Bunbury Water Board) and senior vice-president of the South West Football League. Mr Liaros is involved in several regional chambers of commerce. His company supports and sponsors local football, hockey, cricket and surf lifesaving organisations.

Sue Daubney

Sue Daubney is the managing director of Bannister Downs Dairy Company. In 2006 Mrs Daubney was awarded the Telstra Business Women's Innovation Award for WA. She was further honoured to be announced the First Amongst Equals at the WA Business News 40under40 for 2010. She was a director of the Food Industry Association Board (WA), currently sits on the Food Industry Advisory Group (CCIWA) and is a member of the Small Business Finance Panel (Reserve Bank of Australia). Mrs Daubney lives in Northcliffe.

Brian Piesse

Brian Piesse lives in Argyle and operates businesses in Busselton and Margaret River. A former Shire of Capel councillor, Mr Piesse is a member of the Rotary Club of Bunbury, the Bunbury Wellington Economic Alliance, a member of the Edith Cowan University (South West) Advisory Board, a member of the CY O'Connor Institute Muresk Advisory Committee, a fellow of the Australian Institute of Management and a fellow of the Australian Institute of Company Directors. He has backgrounds in strategic planning, executive management, business and market development, and education governance. He held senior executive roles in several major international chemical and fertiliser companies before returning to Western Australia in 1997. He is a former board member of the CRC for Soil and Land Management.

Louis Evans

Louis Evans is the chief executive officer of the Ngalang Boodja Council Aboriginal Corporation in Collie and public officer for Ngalang Boodja Enterprises Pty Ltd. Her previous roles have seen her take on the position of executive director of the Centre of Excellence for Sustainable Mine Lakes, a State Government research centre involving four WA universities, Director of the Centre for Natural Resource Enterprise and Professor of Aquatic Science at Curtin University.

Wade De Campo

Wade De Campo is the president of the Shire of Manjimup. He has held numerous positions over the years, including with the Warren-Blackwood Economic Alliance, Pemberton Chamber of Commerce, Rotary Club of Manjimup and Manjimup Cherry Harmony Festival.

Ian Stubbs

Ian Stubbs has more than four decades of experience in local government. He has been the chief executive officer of the shires of Dandaragan, Wyndham-East Kimberley, Busselton and Toodyay and has worked as a consultant to local government. Mr Stubbs is currently the Mayor of the City of Busselton. Mr Stubbs is a board member of Regional Development Australia – South West.

Our Minister



HON. BRENDON GRYLLS MLA
MINISTER FOR REGIONAL
DEVELOPMENT

About the Minister

The Hon. Brendon Grylls was elected to State Parliament when he won a by-election for the seat of Merredin in 2001 and became the leader of the Nationals WA in July 2005. Following the 2008 election he led the party into a power sharing alliance with the Liberals.

In the lead-up to the September 2008 election, Mr Grylls and The Nationals WA campaigned on the Royalties for Regions plan which now underpins the Liberal-Nationals alliance in Government.

Our responsibility

The South West Development Commission is responsible to the Minister for Regional Development, the Hon. Brendon Grylls.

The Minister has the power to direct the Commission, either generally or with respect to a particular matter, on the exercise and performance of its power, functions and duties.

Our role

The South West Development Commission was enacted in April 1994 under the Regional Development Commissions Act 1993, and is one of nine uniformly legislated agencies, each serving a different region of Western Australia.

Prior to 1994, the South West Development Commission was known as the South West Development Authority. The Authority was established by its own act of parliament in 1984 to plan, coordinate and promote the economic and social development of the South West region of Western Australia.



When Regional Development Minister Brendon Grylls visited Bunbury in February 2012 for the launch of the South West Aboriginal Medical Service's Kaarbapiny Maar mobile clinic he met Gloria Humphries, Gemma Hill and Joyce Dimer.



Clockwise from top: The new clinic on wheels was launched in February 2012 and began visiting towns in the region in March 2012. Film festival CinéfestOZ attracted about 8300 people in 2011 – including David Wenham and Fred Schepisi (picture: Tim Swallow). Investigations into the feasibility of upgrading the Busselton Regional Airport were underway.



Meeting the Government's goals

The State Government has identified the following policy objectives for Regional Development:

- Building capacity in regional communities
- Retaining benefits in regional communities
- Improving services to regional communities
- Attaining sustainability; and
- Growing prosperity

The objectives of the Commission are set out in the Regional Development Commissions Act 1993. These are:

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

The Commission's strategic plan captures our legislative requirements and Government policy objectives through each of our three priority themes:

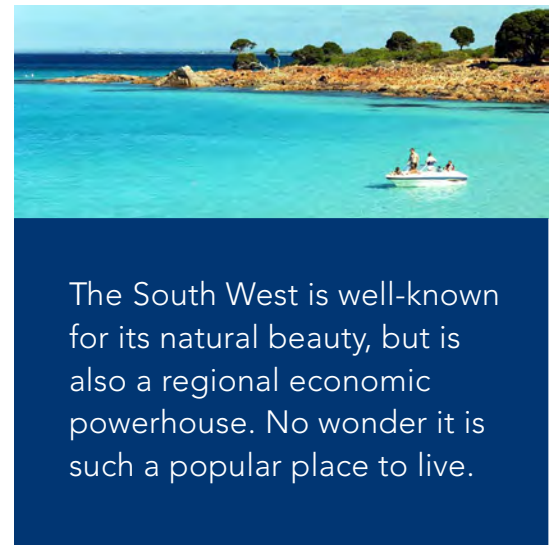
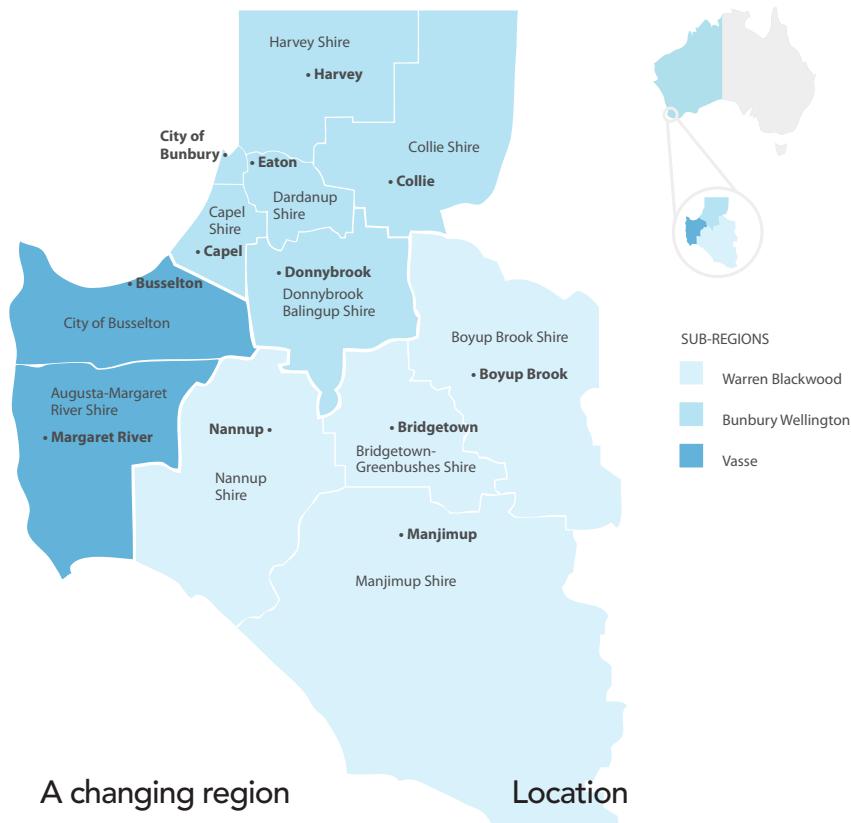
- People and Place,
- Infrastructure and Environment; and
- Knowledge, Enterprise and Innovation

The strategic plan places each objective into a 15 year planning horizon.

The Commission reviews the strategic plan annually and implements both legislative and Government policy objectives through an annual business plan.

Monthly reports on progress are provided to the board and an annual summary of achievements together with the outcomes of stakeholder surveys to assess effectiveness is presented to the board annually.

Our region



The South West is well-known for its natural beauty, but is also a regional economic powerhouse. No wonder it is such a popular place to live.



Watch our video about
the South West
www.swdc.wa.gov.au

A changing region

The South West was a changing region during 2011/12.

On January 21 2012 Busselton officially became a city after its council elected to pursue a change in municipal status in September 2011. The decision was made on the 50th anniversary of the municipality receiving shire status.

Collie, Manjimup and Margaret River became SuperTowns as part of a State Government plan to decentralise Western Australia's growing population. The SuperTowns will be developed for long-term growth, and become an attractive alternative to the city for people to live, work and invest.

Our challenge

- Ensure adequate service provision and jobs generation to support the predicted population increase. For instance, Margaret River's population is expected to more than double to 11,100 by 2031.

Location

Situated in the picturesque south-west corner of Australia, the region boasts extensive natural beauty and enviable climate. It covers an area of 23,970 square kilometres and has a typically Mediterranean climate.

It is bordered by the Indian and Southern oceans, and the northern gateway to the region is only about an hour from Perth by road.

The port city of Bunbury is the South West's regional hub, while many smaller towns offer attractive lifestyles throughout the region's 12 local government areas.

Our challenge

- Improve urban centres while retaining the qualities of the towns that make them attractive to residents, visitors and investors.
- Protect the region's natural environment and biodiversity.
- Transform Bunbury into the State's second city.

Fast-growing population

The South West of Western Australia is a fast-growing region, with an increasing number of people choosing to call it home each year.

Over the past five years the South West's average annual growth rate was 2.1 per cent, resulting in an extra 15,616 people living in the region.

Currently more than 158,000 people are residents of the South West.

By 2026 it is anticipated about 230,000 people will reside in the region.

Significantly, the number of people in the South West aged 55 years and above is expected to grow from 27 per cent in 2011 to 32 per cent in 2026.

Our challenge

- Improve quality of life for the region's growing population through the provision of community infrastructure and services.
- Plan for the region's ageing population.
- Ensure adequate facilities and services for children and young families.

ISSUES &TRENDS

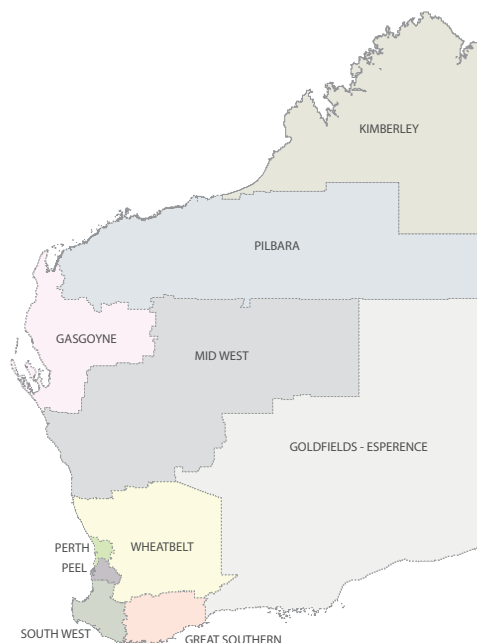
Regional economic powerhouse

The South West has the most diverse economy in regional Western Australia. Its thriving economy generated an estimated \$16.8 billion during 2010/11.

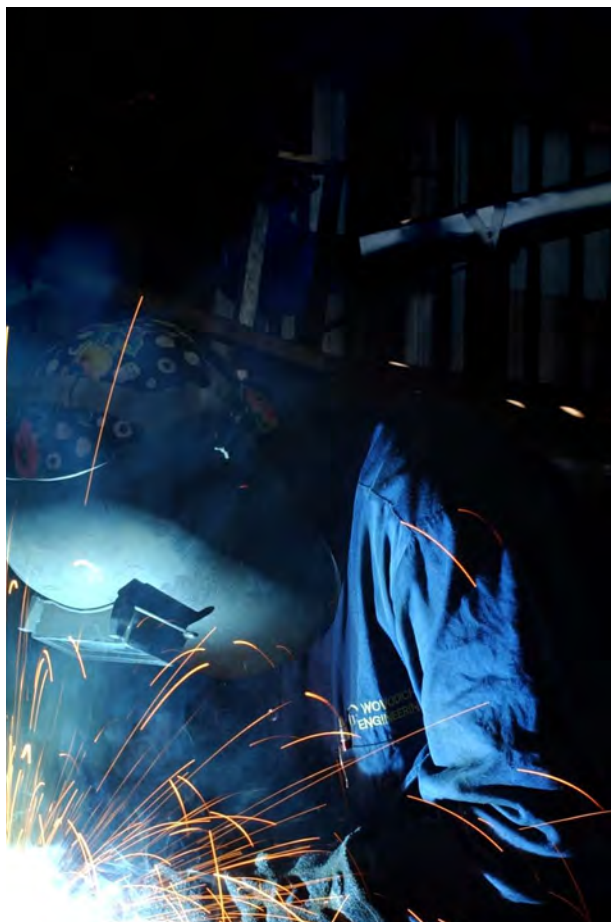
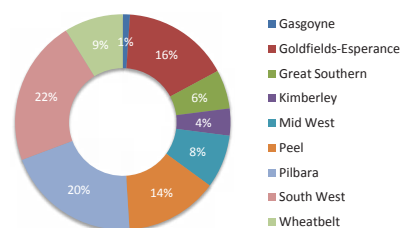
The region derived most of its wealth from mining and manufacturing sectors, which latest figures show produced \$1.6 billion and \$2.7 billion respectively.

Our challenge

- Ensure the provision of infrastructure necessary to cope with planned industry expansions, especially export trade.
- Address skills shortages.
- Facilitate trade and investment.



Gross regional product in regional WA



A look back at the issues and trends that defined the region in 2011/12

- The South West continues to be Western Australia's major growth region.
- Infrastructure provision and biodiversity issues continue to be major challenges.
- Some industry sectors continue to experience skills shortages.
- Enhancing career diversity, job and educational opportunities in the region continue to be important.
- Children aged 0 to 14 years make up 21.3 per cent of the South West population, compared to the State average of 19.7 per cent.
- Over 65s make up 13.8 per cent of the population, compared to the WA average of 12.3 per cent.
- The number of people in the region aged 55 years and above is expected to grow from 24 per cent in 2006 to 35 per cent in 2031.
- The South West's unemployment rate stood at 4.6 per cent, according to figures released for March 2012 quarter.

Our global reach



OVERSEAS PROMOTIONS

Cannes	South West wine is poured at a Drift cocktail party held in May 2012 after the first of two market screenings of the South West-filmed movie at the Cannes International Film Festival.
Jiaxing (Sister city to the City of Bunbury)	Indulgence Jiaxing dinner and master class in November 2011 aims to uncork trade opportunities for the region's food and wine.
Chongqing	Premium wine from the region is showcased at an event at the Sheraton Chongqing Hotel.
Hong Kong	South West wines are promoted at the Hong Kong International Wine and Spirits Fair.
Shanghai	A delegation from Busselton visits the Western Australian Trade Office in Shanghai in June 2012.
Haiyan County	Busselton delegation visits Haiyan County to form potential sister city relationship.
Pinghu	Busselton delegation visits Pinghu to form potential sister city relationship.
Haining (Sister city to Margaret River Shire)	The Shire of Margaret River has a sister city relationship with Haining.
Jiashan County (Sister city to Manjimup Shire)	The Shire of Manjimup has a sister city relationship with Jiashan County.
Jakarta	The Margaret River: Culinary and Wine Experience promotion is held at The Ritz-Carlton Jakarta in April 2012.
Bali	The Margaret River Experience showcases South West wine at the W Retreat and Spa Bali in May 2012.
Maldives	Margaret River surfing winemakers attend a gala dinner held to launch the first annual Watermen event at the new Six Senses Laamu.
Los Angeles	At the G'Day USA Digital Down Under seminar in Los Angeles, VUE Group managing director Alan Lindsay sits on a panel of distinguished investors and tech innovators.



A WORLD OF OPPORTUNITY

Creating an international region of excellence.

INWARD MISSIONS

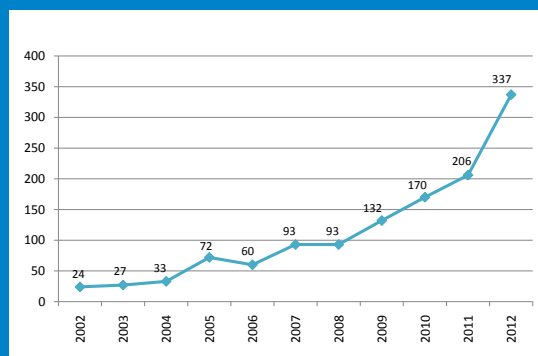
Singapore	Representatives from major Singapore supermarket chain NTUC Fair Price are on a mission to source fresh produce and premium wine from the South West.
Singapore	International wine authority Ch'ng Poh Tiong from Singapore samples South West wine.
South Korea, Taiwan and Shanghai	In November 2011, delegates from South Korea, Taiwan and Shanghai engage in a five-day tour of the South West.
China	A delegation from Guangzhou in China visits the South West in January 2012.
China	A delegation from China follows a wine trail tour in April 2012 wine tour.



Dayalin Nadesan, originally from South Africa, and Stuart Randall, originally from England, were both sponsored by McGarry Associates.

Skilled migration

Through our skilled migration service, the South West Development Commission has helped local businesses source skilled workers from overseas. The number of skilled migration applications processed and certified by the Commission has increased over the years.





The FROGS Early Learning Centre and Donnybrook Medical Centre were both officially opened during the year in review.

Royalties for Regions

Highlights

- Collie, Manjimup and Margaret River are announced as SuperTowns and share in funding to kick-start transformational projects
- A total of 17 projects receive a funding boost through the South West Regional Grants Scheme component of Royalties for Regions
- Major projects are underway including the Augusta boat harbour and the coronary care unit in Bunbury
- New Action Agenda funding is announced that supports the development of the arts through the Country Music and Arts Centre for Excellence in Boyup Brook
- Action Agenda funding is announced that will support sports-themed projects including a multi-sports pavilion facility for Bunbury's Hay Park and a community and sporting facility for Leschenault
- An Action Agenda grant is allocated for a seniors' accommodation project at Capel

Our challenge

- Lay the foundations for sustainable population expansion and economic growth in the region's SuperTowns
- Make funding decisions that will support projects and services that attract investment, increase jobs or improve quality of life

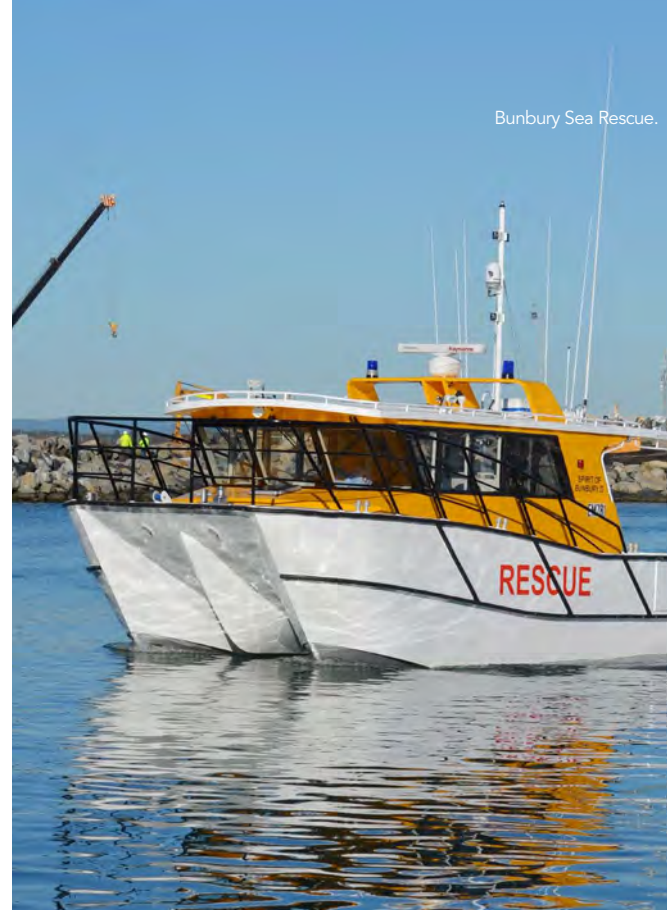
From getting local projects off the ground to supporting volunteers to carry out important community services, Royalties for Regions has given us the ability to direct funding where it is needed most.

For example, we were pleased to put our allocation of Royalties for Regions funds toward a new boat for Bunbury Sea Rescue.

And we were proud to play a role in unlocking larger amounts of money from the Royalties for Regions funding pool for projects such as the Augusta boat harbour.

But despite the many positive outcomes the grants program brought the region over the past 12 months, 2011/12 is bound to be remembered as the year Royalties for Regions began turning three of our towns into SuperTowns.

In July 2011, Regional Development Minister Brendon



Bunbury Sea Rescue.

Grylls announced Collie, Manjimup and Margaret River in the South West had been given SuperTown status through the new Regional Centres Development Plan.

With the State's population set to double over the next three to four decades and the need to decentralise Western Australia's future population looming, the Regional Centres Development Plan was designed to develop SuperTowns into even more attractive places to live in the future.

Knowing that the SuperTowns would be given the opportunity to transform into regional centres, we worked closely with the relevant local governments, as well as planners, to lay the foundations for sustainable population

expansion and economic growth in the towns.

Work was carried out to create economic development and growth plans for each of the South West SuperTowns. This work helped to form a

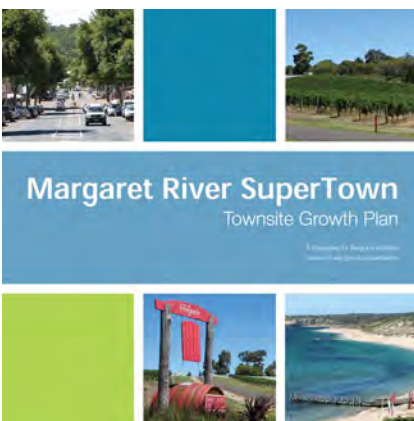
basis for strategies to support growth in the SuperTowns, and identify the services, amenities and infrastructure needed to support each SuperTown's potential.

Importantly, this work took place against the backdrop of a community visioning process, the aim of which was to encourage members of the community to be involved in the future planning of the towns.

In terms of community involvement, community reference groups were set up to help guide the work being done through the SuperTowns program. Significantly, the information gathered during the Manjimup Futures process (see page 29), helped to inform the SuperTowns project in Manjimup.

With the strategies in place and providing direction for funding requirements, we were pleased that in May 2012 our efforts paid off and grants were announced to develop the SuperTowns into regional centres that will cater for the State's population growth.

In 2011/12, the transformative effect Royalties for Regions was having on the South West was clear to see. A coronary care unit could be seen taking shape at St John of God Hospital in Bunbury, work on a new boat harbour was underway at Augusta and a clinic on wheels could be spotted bringing medical services to towns in the region – and that was just for starters.



Royalties for Regions

Acknowledging Manjimup's potential as a food bowl and its appeal as a tourist destination, grants were allocated to support the expansion of the agricultural sector in the shire. Funding will also help to establish Manjimup as a culinary food destination by making it more appealing to visitors through upgrading the town's centre and enhancing the Manjimup Timber and Heritage Park.

With Collie, Royalties for Regions money was allotted to revitalise the town centre and the Collie River. The projects are expected to provide a catalyst for further investment and development in the town.

And Margaret River was given the resources to build on its appeal as a surfing and tourist destination, with funds allocated for improving facilities at Surfers Point and upgrading the town centre. Provision was also made for progressing the Perimeter Road, which will divert heavy haulage vehicles from the town centre.

In other Royalties for Regions-related activity, the recipients of the 2010/2011 round of the South West Regional Grants Scheme were announced in August 2011. A total of 17 organisations were allocated a share in \$988,913 in Royalties for Regions funding. This funding assisted in bringing

projects valued at \$4.2million to actuality. Recipients included JSW Training and Community Services, which was able to enjoy specially-built office premises thanks to financial support from Royalties for Regions.

In addition to the announcement of new funding recipients, we were delighted to witness the progress and completion of projects which were supported in previous rounds of the South West Regional Grants Scheme. For instance, construction was underway on the outdoor reading room component of the Augusta-Margaret River library, and Bunbury's digital artwork was unveiled.

As part of our efforts with Royalties for Regions, we provided assistance to local governments to support applications for funding through the Country Local Government Fund. We also supported Royalties for Regions through our administration of grants in the Country Local Government Fund and Regional Community Services Fund components of Royalties for Regions. Projects funded through these grants schemes included the business case for the extension of the Donnybrook FunPark extension and the Heart of Nannup Main Street Project.

Excitingly, new funding that will support a variety of large-scale projects through the Action Agenda was announced in the reporting period. Recipients included \$600,129 toward the new Country Music and Arts Centre for Excellence at Boyup



Collie SuperTown Townsite Growth Plan



Brook, \$2.83million for a multi-sports pavilion at Bunbury's Hay Park, \$1.6million for a community and sporting facility at Leschenault and \$1.95million toward the construction of a seniors' accommodation project at Capel.

Additional Action Agenda funds were allocated to support sports talent development in Western Australia, including the South West. A total of \$3.6m was announced for the State-wide Regional Talent Development Network, which will provide talented athletes from regional Western Australia will more opportunities to pursue excellence in their home environment.

And regardless of the Royalties for Regions program, the funding scheme proved valuable in helping us to create a region of excellence through wide-ranging investment in diverse projects that will make the South West a better place to live, work and invest.



Dalyellup Beach Surf Life Saving Club's new inflatable rescue boat.

Examples of how the Regional Grants Scheme component of Royalties for Regions made a difference in 2011/12

Clinic on Wheels

We are pleased to report that since the South West Aboriginal Medical Service put its mobile health clinic on the road in March 2012, it has been positively received in the community.



Top: The clinic on wheels. Above: Linking Education and Families.

So much so that SWAMS is planning to extend the service.

The clinic originally visited Brunswick Junction on Tuesdays and Collie on Wednesdays. But by the end of the financial year SWAMS was planning to establish a fixed clinic in Brunswick and bring the vehicle to Busselton to meet demand.

This is a fantastic outcome that will ensure the benefits of the clinic on wheels, which was established with help from a \$200,000 grant, travel even further than what had been originally intended.

Inflatable rescue boat

When we put Royalties for Regions funding towards a new inflatable rescue boat for the Dalyellup Beach Surf Life Saving Club, we knew the vessel would be put to good use.

But we had no idea just how quickly the boat would be called into action.

Within an hour of the surf life saving group unpacking and inflating the rescue boat on December 18 2011, warnings about sharks off Bunbury and Dalyellup beaches resulted in the vessel being used to patrol for sharks.

We are proud an investment of \$6500 in Royalties for Regions funding will help volunteers to keep our beaches safe and

rescue people in emergency situations.

Linking Education and Families

Making the transition from home to school is not always easy for young children attending kindergarten for the first time.

So we are heartened an initiative we supported is helping children across the region – and the State – make the best possible start to school.

With the assistance of a \$25,167 grant, The Linking Education and Families program was able to put together a resource package for schools that contains strategies for making a youngster's first days at kindergarten a positive experience.

The resource package provides a guide to establishing initiatives such as Play Cafes, which provide future students and their families with the opportunity to attend kindergarten before officially beginning school.

ROYALTIES FOR REGIONS

Spotlight on other Royalties for Regions projects underway in the South West

Coronary Care Unit (CCU)

With our strategic plan detailing the need to develop specialist health care provision in the region, we were pleased to play a hand in securing \$5million in Royalties for Regions funding last financial

year to establish the first regional coronary care unit in the State.

And we were thrilled to see construction of the project underway at St John of God Hospital in Bunbury during 2011/12.

Once complete, the CCU will treat public and private patients experiencing acute heart conditions.

The single-storey, 868sqm CCU

will offer a range of services that will enable patients to access high quality care closer to home and nearer to families and vital support networks.

Augusta Boat Harbour

A boat harbour that will provide safe access to the ocean at Augusta for recreational and commercial vessels moved closer to reality during the year in review.

We can report that a number of works were completed on the \$25million project in 2011/12.

The 330m long access road was constructed. And 60,000 tonnes – or 3500 truck loads – of soil and 8000 tonnes of rock were removed.

With this work completed, the contract for the construction of the breakwaters and bulk earthworks was expected to be awarded in July 2012.

The completion of a small boat harbour in Augusta is one of our strategic priorities and it was terrific to see progress being made on the project.

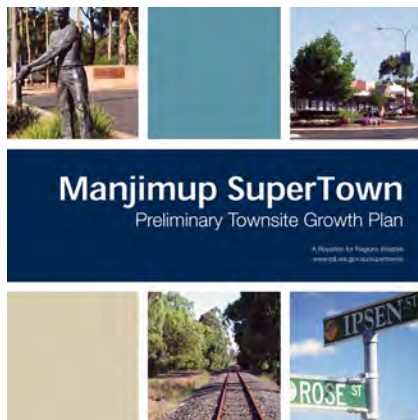


Above: The new premises of JSW Training and Community Services during fit-out.
Right: The coronary care unit being built at St John of God Hospital in Bunbury is part of a wider upgrade at the South West Health Campus.





Left: Augusta boat harbour.
Below: Digital artwork at the Bunbury library.



SUPERTOWNS

Fast funding facts

- \$11m** To revitalise the Collie town centre and undertake environmental improvements to the Collie River.
- \$6.95m** Toward the creation of a Manjimup food council to support agricultural industry expansion, as well as projects to investigate new agricultural industry development and training.
- \$5.7m** To revitalise Manjimup's town centre and transform the Manjimup Timber and Heritage Park into a multipurpose attraction.
- \$3.46m** To upgrade Margaret River's Surfers Point precinct, including installing improved visitor facilities and picnic areas.
- \$1.94m** To invest in town centre improvements for Margaret River, and progress the Perimeter Road project.



Urban renewal

Active ageing

Resilient communities

Bunbury Mayor David Smith, Withers Action Group convener Glen Willetts and Bunbury MLA John Castrilli at the official announcement of the Withers urban renewal project.

People & Place

Highlights

- South West Academy of Sport athletes compete on the world stage
- A project to renew the Bunbury suburb of Withers gets underway
- A report is finalised that will guide the development of a series of connected bicycle pathways in the Greater Bunbury area
- Age-friendly planning is carried out in towns throughout the region
- A variety of projects that support young people and their families, such as the FROGS Early Learning Centre, reach milestones
- Funding is announced to establish a youth mental health development officer position
- The Manjimup Futures project empowers people to have their say about the future of their district

Our challenge

- Improve quality of life for the region's growing population through the provision of community infrastructure and services
- Plan for the region's ageing population
- Ensure adequate facilities and services are available for children and young families
- Improve urban centres while retaining the qualities that make them attractive to residents, visitors and investors

At the Commission, we are big fans of urban renewal, and think it's fantastic when old assets are redesigned for new purposes. So we were pleased to provide the support necessary for Bethanie Community Care to transform a disused building into a day care for seniors. Now known as the Bethanie Maali Centre, the building in the Bunbury suburb of Carey Park has become a place for older people to meet up, chat over a cuppa and participate in a range of activities.

The Bethanie Maali Centre is a perfect example of how we are working to improve quality of life for the region's residents by investing in people and place.

The project involved upgrading a run-down former school building to provide a space that encourages retirees to remain active and connected to their community.

Not only was the project successful in breathing new life into an old building, ticking off our strategic priority of urban renewal, but it also supported our active ageing policy.

Throughout 2011/12, we were part of a variety of projects that involved urban renewal, promoting active ageing and building resilient communities – all for the purpose of creating more liveable communities for young people, seniors and everyone in between.

Supporting the development of young people in the region formed a significant part of our work during the year in review, with a number of projects serving to get children, teenagers and young adults off

to a positive start in life.

For example, we provided \$25,167 from our allocation of the South West Regional Grants Scheme component of Royalties for Regions to enable the Linking Education and Families program to put together a resource package for schools. Containing strategies for making a youngster's first days at kindergarten a positive experience, the resource package was designed to be made available throughout the State.

In keeping with the State Government's emphasis on supporting child care services, we provided Royalties for Regions funding to the Shire of Nannup to enable an existing property to be transformed into a child care centre. The FROGS Early Learning Centre, which was officially opened in June 2012, will provide full-time care for children up to six years old. Previously families had access only to an occasional care service in the town.

After allocating Royalties for Regions funds towards the

creation of an accessible playground in Bunbury, we were pleased to see the project get off the ground, with construction, earthworks and fencing underway in May 2012. The playground, which is being built at Bunbury's Big Swamp, will feature play equipment which promotes social interaction and fun between all children, regardless of their ability.

Teaming up with the Mental Health Commission and Investing in Our Youth, we established a regional youth mental health development officer position for the South West. The officer, who will be appointed next financial year, will work to reduce the stigma sometimes associated with mental health issues and encourage young people to seek help by raising awareness of local support services.



Left: Bethanie Maali Centre.
Right: Truffle Kerfuffle (Picture: Craig Kinder).

Given our focus on the region's youth, it was fitting we were able to play a role in shining the State's spotlight on young people in the South West by supporting the WA launch of National Youth Week in Bunbury. Our funding went toward a free festival in April 2012 that saw more than 1000 people enjoy bands, rides, amusements, stalls and interactive displays.

And while young people were a focus for us in 2011/12, they were not the only demographic in the South West to benefit from our work.

Seniors citizens across the region gained from our investment in people and place, with work being carried out to build on the recommendations in our South West Active Ageing Research Project. The report highlighted how the planning and delivery of infrastructure and services could be structured to make the South West more age-friendly.

In recognition of the importance of people having housing options that allow them to continue living close to family and friends in the places they call home as they age, we put efforts into ensuring affordable housing options for over 55s were available in the region's smaller communities.

As part of this stream of our work, we funded an aged housing plan for the Boyup Brook Shire, bank-rolled the implementation of the Shire of Nannup's aged housing plan, and worked with the Augusta-Margaret River Shire to determine the feasibility of establishing a retirement village in Augusta.

In this regard, we also worked in partnership with the Shire of Manjimup to implement the first stage of the Royalties for Regions-funded Jarrah Glen Lifestyle Village, a project that will result in the construction of six affordable units for aged and dependent people in Walpole.

And we were pleased when Access Housing Australia was allocated \$1.95million in Royalties for Regions funding to construct 17 new, affordable two-bedroom villas for seniors in Capel. Having supported the project, we were delighted to learn State Government funding would be helping the project make the leap from paper to reality.

In addition, we supported the completion of age-friendly

plans in Nannup and Busselton. We are pleased to report that in the year of review, six of the 12 local governments in the region had an active ageing strategy in place. These plans will guide the development of more age-friendly communities.

Throughout 2011/12 our team was delighted when numerous projects which promised to enhance the health and wellbeing of South West residents reached milestones.

For example, the new Donnybrook Medical Centre opened its doors in July 2011, and the Leschenault Men's Shed plugged in its power tools for the first time in May. Also, the South West Aboriginal Medical Service officially launched its clinic on wheels in February 2012, overcoming issues associated with access to health services identified in South West Indigenous Map and Gap, a study we supported.

In addition, our support of the Val Lishman Health Research Foundation's ongoing investigation into the best way to detect people with inherited cholesterol began paying off, with patients at risk of developing the life-threatening disorder detected and referred for treatment. At the end of the financial year, the organisation was on track to interviewing its 1000th patient in July 2012.

We also celebrated the completion of the Greater Bunbury Bicycle Master Plan, a vision we led the development of. The report suggests how to improve bicycle links between Bunbury, its outer suburbs and nearby towns with the intention of encouraging more people to cycle for commuter and recreational purposes.

Below: Greater Bunbury Bicycle Master Plan.
Bottom: National Youth Week, Bunbury.



Did you know?

Bunbury was selected to host the official West Australian launch of National Youth Week in 2012.

Our endeavours to make the region an even greater place to live saw us involved in numerous urban renewal projects. In Collie for instance, improvement works to the town's main street were carried out, and efforts were underway to transform an old building into a hub for Noongar medical and community services.

Since the release of the Bunbury CBD Walkability and Wayfinding Strategy in 2010, we have been pleased with the steps taken to improve the design of Bunbury's city centre for pedestrians. In late 2011, the City of Bunbury installed 11 map-based signs and 22 directional signs around Bunbury, making it easier for tourists to find their way around the city centre.

As some urban renewal projects wrapped up or made progress, such as those in Collie, we were pleased to begin a new revitalisation

project in Bunbury. We teamed up with the City of Bunbury to start laying the future foundations for the suburb of Withers. Working with planners and members of the community, the project will see the creation of a vision for the suburb which will be used to guide future development and investment.

And together with the Shire of Manjimup, we empowered residents of the Manjimup area to have their say about the future of their district through the Manjimup Futures project. The initiative gave people an opportunity to share their thoughts about how the region should develop in the years ahead and will be important for future planning. Indeed, it has already been used to guide Manjimup's transformation into a SuperTown.

We also worked to preserve a sense of place in the South West through our facilitation



Norm Hayward inspects progress on the Noongar community centre in Collie.

of the Working Life Heritage Trail, a link of heritage-themed attractions that offer a window into the South West's past. Our work with the South West Working Life Association involved supporting the site operators, many of whom are volunteers, as well as lifting the profile of the trail. A replica coal mine in Collie and the Harvey Heritage Precinct joined the trail.

Once again we were grateful for Royalties for Regions, which enabled us to fund a number of community projects – many of which are mentioned throughout this report. New funding recipients during the year in review included The Esther Foundation which received \$113,832 towards

establishing a South West branch, and Mission Australia which received \$50,000 towards the Family Alcohol Community Education (FACE) program.

We also assisted numerous community groups by reviewing their business plans, helping to source funding for projects, facilitating partnerships and meetings, and providing media and marketing advice and assistance.

Furthermore, we provided support to projects and organisations by participating on committees and boards such as the reference group guiding the development of the Busselton health campus.



Boyup Brook resident Terry Ginnane promoted his town as a great place to live in television advertisements.

quick read

New television advertisements revealed to West Australians what Boyup Brook residents have always known: What a great place the South West town is to call home.

With the help of long-time local resident and former shire president Terry Ginnane, Boyup Brook was promoted across the State as a place people will want to live because of its "open spaces", "friendly faces", and "safe environment".

The aim of the advertising campaign was to showcase what Boyup Brook had to offer potential residents, and we were pleased to have provided funding to the Shire of Boyup Brook to make this project happen.

Supporting the Busselton Women's Refuge Action Group to access funding for the establishment of a second women's refuge in the region was another way we invested in people and place.

SOUTH WEST ACADEMY OF SPORT

Representing Australia at an Olympic Games is a dream held by many aspiring athletes. And thanks to assistance from the South West Academy of Sport, that dream will soon come true for two talented young people from the region.



BMX star Lauren Reynolds.

During the year in review, two of the not-for-profit organisation's original scholarship holders were selected to wear the green and gold at the 2012 London Olympic Games.

Rowing extraordinaire Alex Hagan secured her place at the Olympics when her women's eight crew won a qualification regatta in Switzerland in May 2012.

And a month later, BMX star Lauren Reynolds was given the green light to book her ticket to London as one of five Australian riders chosen to compete on the Olympic BMX track.

These were outstanding accomplishments by two dedicated and gifted athletes. In fact it was the kind of success we had hoped SWAS athletes would achieve when we launched the academy back in 2008 as a way to give young regional athletes access to the type of support given to their metropolitan counterparts.

Indeed, we are proud the academy has helped many of our regional athletes to attain success over the past 12 months.

During the year in review, the academy provided assistance and talent development programs to 105 athletes in 14 different sports – and many of these young sports men and women flourished.

For example, surfers Creed McTaggart, Jacob Willcox

and Bronte Macaulay earned a place in the 2012 TravelSIM Australian Surfing Team. The trio went on to compete in the International Surfing Association World Junior Championships in Panama, helping Australia to finish second at the event.

And it was not just the athletes receiving recognition for their outstanding achievements that had us cheering.

In February 2012, the State Government announced it would contribute \$100,000 as seed funding to establish a second regional sports academy in Western Australia – the Mid West Sports Academy.

This development was a reflection of the success of the regional academy concept developed in the South West by the South West Development Commission and its partners, from ideas put forward by then South West Chambers of Commerce and Industry chief executive Rolf Stene and renowned sporting identity, the late Wally Foreman.

We are pleased that a project we developed and continue to support has not only helped young South West athletes realise their sporting goals, but has also paved the way for greater opportunities for young sports men and women in other regional areas of the State.

MANJIMUP FUTURES

Even before Manjimup was announced as one of the State's nine SuperTowns, we were already taking steps to grow the town's economy and make it a more appealing place to live.

Our efforts began when changes to local timber operations resulted in job losses and concerns about the sustainability of the timber industry in the shire.

To support the town to move through challenging times, we teamed up with the Shire of Manjimup to look at ways to strengthen and diversify the local economy by growing employment opportunities and fostering business opportunities.

In June 2011, we announced the Manjimup Futures project, a plan to develop a strategy that would position Manjimup as the regional centre of the lower South West.

In support of this strategy we put together the Manjimup Futures Working Group and began a process of community engagement aimed at giving residents the opportunity to have their say about how the district should develop in the years ahead.

We invited residents to help shape the future of their shire by sharing their thoughts in a number of ways. People could get involved by filling in survey forms that had been dropped in letterboxes, attending community consultation sessions, participating in phone surveys, and meeting in person with our project officer.

Local residents showed they cared passionately about the future of their shire, with more than 1200 responses received. Input revealed 90 per cent of participants associated the natural environment with why they live in the area. Participants revealed they thought agriculture as an industry had enormous potential for the region, and also indicated health, infrastructure and tourism as being significant to the future of the shire. In a telephone survey, 86 per cent

of participants supported the notion of developing tourism in the region.

And in addition to canvassing local opinions, a phone survey of 300 Perth residents helped to gain an understanding of how Manjimup was perceived by people living in the State's capital. The findings of the phone survey indicated that while there was a high level of awareness of Manjimup among participants, some people who had "been to Manjimup" drove through without stopping.

Creating a SuperTown vision for Manjimup

The Manjimup Futures perception testing identified a number of issues that the SuperTowns growth plan for Manjimup sought to address, including:

- Improvements to medical, recreational and cultural facilities over time
- Providing Manjimup with a more appealing 'face' to present to visitors and making the town centre more accessible and appealing
- Building on the shire's clean and green image
- Protecting and promoting the lifestyle character of Manjimup

The SuperTowns funding announcement in May 2012 reflected these recommendations.

Manjimup Futures

Help **design** the **future** of **YOUR DISTRICT**

WHAT DO YOU THINK?

We want you to help create a vision for the Manjimup area.

Keep an eye out for the **survey form** in your letterbox or have your say at **public forums** to be held at:

7.00pm July 5	- Middlesex Hall
6.30pm July 6	- Pemberton Sports Club
5.00pm July 7	- Manjimup Golf Club
4.00pm July 11	- Northcliffe Hotel
4.00pm July 12	- Deanmill Workers Club

For information contact:
 Richard Oades
 South West Development Commission
 Tel: 9792 2000 or
 0427 388 645

SOUTH WEST



Options were examined for reducing salinity in Wellington Dam to enable industry to tap into the reservoir.

Modern, competitive
transport network

Competitive utility/
infrastructure provision

Land for industry

Environmental
sustainability

Telecommunications

Infrastructure & Environment

Highlights

- Work on the second stage of the Bunbury Port Access Road, incorporating the Bunbury Outer Ring Road, begins
- Funding is announced for new mobile phone infrastructure in the South West
- Work commences on a business case for possible development of the Busselton Regional Airport
- A way to reduce salinity issues at Wellington Dam so its water can be used for industry purposes is endorsed
- A free wireless internet service is completed in Bunbury's town centre
- The strategy that will guide the funding of tourism infrastructure in the South West is released
- Planning progresses for the Busselton health campus

Our challenge

- Ensure the provision of infrastructure necessary to support a variety of industry sectors
- Protect the region's natural environment and biodiversity

We know that having access to the latest technology can support innovation and build competitive advantage. It's why we teamed up with local stakeholders to establish free wi-fi in Bunbury's central business district. Now with the installation of the complimentary service complete, visitors to Bunbury will find it easier than ever to stay connected to the rest of the world – whether sitting in a local café or walking down one of the city's streets.

Projects like the installation of complimentary wi-fi are helping the South West become recognised as a region of excellence.

When we partnered with the City of Bunbury and Bunbury Chamber of Commerce and Industries to bring free wi-fi to selected parts of Bunbury's central business district, we did so in order to position the region as a forward-thinking and innovative city.

By investing in infrastructure, we knew we could deliver a service that would give Bunbury the kind of competitive edge that would encourage visitors to stay in the city longer.

So we were pleased when our endeavour paid off and people could begin using their smart phones, lap tops and tablets to access the internet at hot spots around the town centre for business and leisure purposes.

Indeed, enhancing our built environment through telecommunications infrastructure was one of our central themes for 2011/12.

In recognition of the potential of new technology to positively impact on areas such as health, business and education, we strived to connect the region to new opportunities.

For starters, we provided a local production company with a grant for a project which showcased the potential of technology to connect the region to the rest of the world. During the WA Museum's test excavation of buried shipwrecks in Bunbury, Vue Group was able to post online footage from each day of the dig, as well as online documentaries about American whaling ships and the whaling trade. The Carpark Whalers documentaries can be found on video sharing websites such as YouTube.

We worked to present a case for the early roll-out of the National Broadband Network to the region, recognising that the timing of the delivery of the NBN will have a substantial impact on the region's future prosperity and wellbeing. Our efforts involved the release of a report and mapping

of telecommunications infrastructure across the region.

We were pleased when it was announced Mount Frankland in the Shire of Manjimup and Noggerup in the Shire of Donnybrook-Balingup were allocated funding for mobile communications infrastructure in the Royalties for Regions-funded Regional Mobile Communications Project.

In addition, we cleared up confusion regarding the ability of towns such as Manjimup and Margaret River to connect to faster internet with ADSL2+. At the request of the community, we got in touch with internet service providers and confirmed they could offer the service to their customers by using Telstra equipment.



Ashley Clements, from the South West Development Commission, demonstrates how Bunbury's new free wi-fi service works.



INFRASTRUCTURE & ENVIRONMENT

In the interest of developing a modern, competitive transport network we continued to push for funding for projects highlighted in the Roads to Export study. The report, released in 2009/10, found that port-linked road and rail infrastructure was at or nearing capacity and improvements were required to unlock bottlenecks which could choke the region's future prosperity. We were pleased when the contract to design and construct the \$133.9million second stage of the Bunbury Port Access Road, incorporating the Bunbury Outer Ring Road, was announced in February 2012.

Also on our agenda was the potential to upgrade the Busselton Regional Airport to accommodate interstate and international air services. We began the process of putting together a steering committee that will oversee the creation of the business case for the project and coordinate the

delivery of a number of studies on the airport.

To secure a sustainable water supply for industries in the Collie and Kemerton areas, we worked with the Department of Water to make better use of one of the region's largest reservoirs – the Wellington Dam. As part of our efforts, we established an industry reference group which examined options for reducing salinity in Wellington Dam so it can be used to meet industry needs. The industry group's recommendation to divert the first seasonal flows of the Collie River into a dedicated holding dam with an outfall pipeline was endorsed by a government agency taskforce.

While on the subject of water, we continued our association with Lake Kepwari, a project to turn a flooded former Collie coal mine into a recreational playground. While we had hoped to be able to report that the lake had been opened to the public by now, its completion was held up when heavy rainfall in winter caused a breach between the lake and the Collie River.

Ensuring there is room for industry to grow in the future was also an element of our work over the past 12 months. Steps were undertaken to develop the Preston Industrial Park – Northern Precinct, using some land owned by the Commission. The draft structure plan for the project was made available for public

comment in the financial year. Once complete, the estate will help support the region's growth by providing much-needed land for industry and stimulating employment opportunities.

We would like to highlight that the plan for the Preston Industrial Park – Northern Precinct takes into account the area's environmental value. To this end, a 234 hectare conservation area will be established to revegetate degraded land and enhance the natural environment.

Below: Collie Motorplex.
Bottom: Filming for the Carpark
Whalers web documentaries.



Did you know?

The Preston Industrial Park – Northern Precinct is expected to generate 1130 jobs once complete.

In terms of natural resource management, we were involved in a number of projects. For instance, we continued our commitment to the Busselton Wetlands, a project to create a nature-based tourist experience which will include walking trails. We also supported ongoing efforts to revitalise the Collie River, and funded another stage of Murdoch University's Marine Research Program.

While the South West's natural beauty is one of its obvious tourism draw cards and is popular with tourists, we also know that it is necessary to ensure the region has the type of infrastructure in place that attracts visitors and helps to sustain the local tourism industry. For this reason, we invested in tourism infrastructure throughout the region, including planning for the development of the Collie Motorplex.

In this regard, we also developed the Tourism Futures South West strategy, a plan which highlights opportunities to enhance the tourism sector in the South West in a number of ways including through the development of infrastructure. The aim of the plan is to guide the Commission's work and focus our efforts to secure funding for projects that will enhance the appeal of the South West as a tourist destination.

Roads to Export

Greater Bunbury
Infrastructure Investment Plan

Revised: June 2012

Logos: Department of Regional Australia, SOUTH WEST DEVELOPMENT COMMISSION, BWEA, CME, Brookfield, Regional Development



Regional Development Minister Brendon Grylls is flanked by media at the opening of the Koombana Bay Jetty.

quick read

Boating communities in the South West had something special to celebrate during the summer of 2011/12: the official launch of a new jetty in Koombana Bay.

Previously there was no public jetty for bigger boats to moor against in Koombana Bay, but the new jetty provides up to 48m of mooring area, improving access to the popular Koombana Bay beach.

The boating infrastructure was officially launched by Regional Development Minister Brendon Grylls in February 2012 and was being managed by the Koombana Bay Sailing Club.

We were pleased to support the project through a \$240,000 grant.

Working with fishermen and the Department of Fisheries to identify suitable sites in Geographe Bay for the placement of artificial reefs was another way we invested in infrastructure and environment.

PIPELINES TO PROSPERITY

In the South West corner of Australia, we didn't simply cross our fingers in the hope the National Broadband Network would be rolled out to the region sooner rather than later.

Knowing that early access to superfast broadband would likely increase the region's competitiveness, drive productivity and unleash growth opportunities, we worked with stakeholders to identify what was required for the NBN to be fast-tracked to our area.

As part of our efforts to secure an early roll-out date, we set up a stakeholder's group comprising industry and State

government representatives.

This group kick-started the development of a case for the early delivery of broadband services to the South West, including the commissioning of a report into the possible social and economic impacts of the NBN on the region.

In January 2012, we teamed up with Regional Development Australia – South West to release the report, titled National Broadband Network: Impact Assessment on the South West Region of WA.

The study highlighted the influence the timing of the rollout of the NBN to the South West could have on the region's prosperity. It explained that early adoption of the technology was likely to bring greater economic and social benefits than late adoption.

In March 2012, we were pleased when NBN Co announced a plan to begin connecting the region to high-speed fibre broadband.

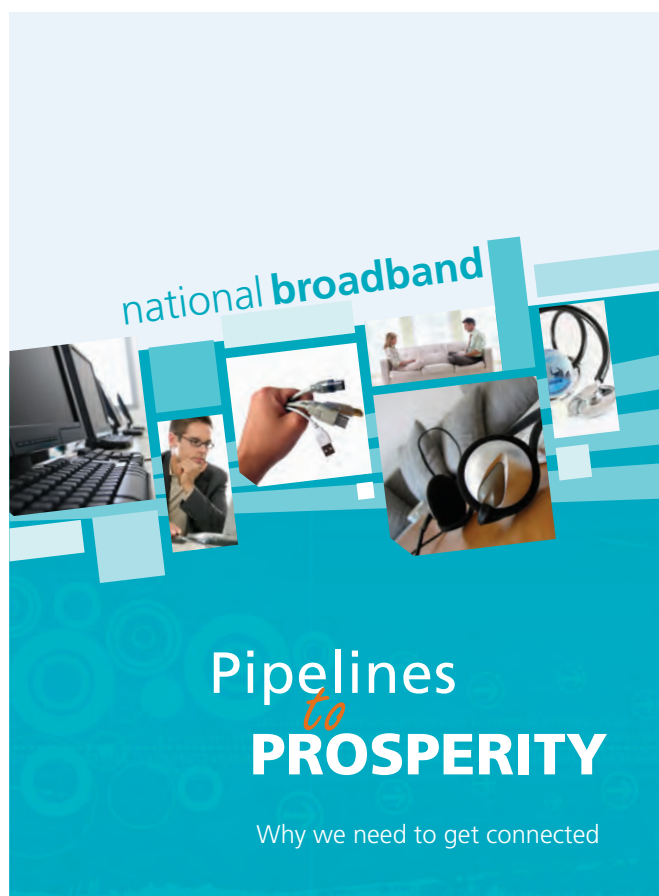
Under the three-year rollout program developed by NBN

Co, the South West region's cities and many of its towns will be connected, or in the process of being connected, to superfast broadband by June 30 2015.

Allanson, Binningup, Bridgetown, Brunswick Junction, Bunbury, Busselton, Capel, Collie, Donnybrook, Harvey, Manjimup, Myalup, Pemberton and Yarloop were among the areas included in the construction timetable for the fibre optic component of the NBN.

While we were delighted that the South West now has an idea of when it is expected to have access to the game-changing infrastructure, we acknowledge there is still work to be done in pinning down a rollout date for all communities in the region.

We will continue to push for early access to superfast broadband for all South West residents, regardless of where they live in the region.



MUNDA BIDDI TRAIL

We know that cycling is so much more than a means for getting from A to B. It can improve health and fitness, is relatively environmentally-friendly and is also a terrific way to sightsee and explore.

Did you know?
The Munda Biddi Trail means “path through the forest” in the Noongar Aboriginal language.

No wonder then that cycle tourism is taking off across the world.

In Western Australia, it is estimated that 20,000 people hop on their bikes and follow the Munda Biddi Trail

each year – a number that’s set to grow as new and old sections of the trail are linked, with our support.

Having allocated a total of \$1.5million in Royalties for Regions funding toward the expansion of the long distance, off-road cycling trail in 2008/2009, we were delighted

to see the pathway reach a number of major milestones during the year in review.

In July 2011, for instance, two new sections of the South West component of the trail were officially opened to the public – a 110 kilometre segment between Jarrahwood and Manjimup via Nannup, as well as an eight kilometre stretch between Elleker and Torbay.

And in May 2012, a 74 kilometre section of bike track between Denmark and Albany was launched.

In addition, a cycle-friendly business program was being carried out. The program encourages businesses to become cycle-friendly in return for being promoted by the Munda Biddi Trail Foundation.

The trail, which starts in

Mundaring will extend to Albany when complete, will continue to serve as a tourist drawcard, with cyclists able to pedal through river valleys and forests, and visit towns and places of interest.

This is a great example of upgrading infrastructure and drawing on the appeal of the natural environment to enhance the region’s tourism potential.

The South West and Great Southern development commissions have each contributed \$1.5million in Royalties for Regions funding, with the Department of Environment and Conservation committing more than \$1million to the Munda Biddi Trail extension project.



Kerstin Stender from the Department of Environment and Conservation and Don Carlson from the South West Development Commission inspect camp sites along the Munda Biddi Trail.



The education economy

The knowledge economy

Building business and investment

Chefs Tony Howell and Dennis Mifsud helped cook up interest in the South West at the Margaret River: Culinary and Wine Experience that took place in Jakarta.

Knowledge, Enterprise & Innovation

Highlights

- A total of 42 events in the region share in \$110,000, the largest ever South West Events Program funding pool
- A number of overseas food and wine events serve up new export opportunities for South West food and wine producers.
- Support is given to ensure the South West has skilled labour in 2011/12 and in the coming years
- A report on the potential impact of the National Broadband Network on the South West region is released
- A plan to guide efforts to strengthen the region's tourism industry is released for public comment
- A Critical Horizons seminar explores the possibilities that could come with the rollout of the National Broadband Network
- The movie Drift is filmed in the region

Our challenge

- Address skills shortages through training, strategic planning and skilled migration
- Facilitate inbound investment by hosting and facilitating trade delegations and investment forums
- Facilitate exports of wine and food through overseas promotions
- Support industry development and diversification through the development of the tourism and creative sectors

Large-scale projects that will help to keep the region's economy buoyant are on the horizon, and it is likely new ventures will be announced in the future. But does the South West have the right number and type of workers on hand to make these projects viable? It's a question we set out to answer in 2011/12.

In the year in review, we took steps to build our knowledge of the workforce development and skills needs of the South West in order to gauge how the region is placed to take up future opportunities.

Working with the South West Workforce Development Alliance and the Department of Training and Workforce Development, we began the process of identifying the projected skills requirements of the region and proposing strategies to ensure these needs will be met in the years ahead.

To assist us in putting together a South West Workforce Development Plan, community consultation sessions were held throughout the region, giving businesses the opportunity to have their say about an area that is key to the region's future prosperity.

As well as examining the future skills needs of the region, we also upheld our commitment to helping today's businesses source employees essential to their operations. In 2011/12 we processed a record 337 skilled

migration applications, up 131 from the previous financial year. Our work in this area allowed local businesses to hire skilled workers from overseas after being unable to find suitable candidates in the local labour market.

Indeed, much of our investment in knowledge, enterprise and innovation in the reporting period centred on building and retaining the region's competitive edge through either strengthening the region's workforce or fostering new opportunities for industry development.

And because a good workforce is a well-equipped one, we promoted the importance of education and knowledge in various ways.

For instance, we continued to run our Critical Horizons think-tank series, which is designed to encourage local leaders to consider how they can take advantage of emerging industry trends. The possibilities that could come with the rollout of the National Broadband Network to regional areas were explored

at a seminar held in Bunbury in December 2011.

And we encouraged the next generation of workers to strive for excellence by sponsoring two Edith Cowan University South West Campus 2011 prize winners. Similarly, we encouraged excellence in business through our continued sponsorship of the South West Small Business Awards and also the Young Achievers Awards.



Left: Planning gets underway for the new Emergence Creative Festival.
Right: Examining the region's skills needs.

KNOWLEDGE, ENTERPRISE & INNOVATION

Below: National Youth Week celebrations, Bunbury.

Bottom: South West food and wine was showcased at Indulgence Jiaying.



Our work in nurturing the expansion of the South West's smart and creative industries is a good example of how we are attempting to create a more dynamic economy and support the development of sectors which have a low impact on the region's natural environment.

In support of this area of our work, our TradeStart advisor continued to develop and facilitate the Creative Corner, a group for professionals in the smart and creative industries to come together to network, share information and link each other with business opportunities. During the year in review, we were pleased to see the cluster gain momentum, with members collaborating on projects they were developing.

Creative Corner members were also involved with the development of the Emergence Creative Festival, a new event planned for

February 2013. The event will connect creativity and business, and showcase emerging ideas and technologies, while shining the spotlight on the region's smart and creative industries.

To build business and investment opportunities, our TradeStart officer continued to explore new international markets for South West businesses. In pursuing this agenda, several promotional events were held overseas. For example, South West food and wine was showcased at events in the Bunbury sister city of Jiaying in November 2011. And food and wine from the Margaret River wine region was promoted at an event at The Ritz-Carlton Jakarta in April 2012.

We also continued to explore trade and investment opportunities through our Bunbury-Jiaying Business Office, which hosted a number of visits by government and business figures from China in 2011/12. The office assisted business investors who toured the region with the aim of pursuing opportunities in areas such as wine, wool and timber. The office also provided assistance to local businesses preparing to visit China.

Knowing that sister city relationships with China provide solid platforms for developing business partnerships, we continued to facilitate new sister city

relationships between Western Australia's South West and China. With Bunbury, Manjimup and Margaret River beginning to see the economic return from these connections, we strived to find a sister city in China for Busselton. And in June 2012, our chief executive officer Don Punch facilitated meetings for the City of Busselton with two potential sister cities – Haiyan County and the city of Pinghu.

We also worked to enhance the tourism potential of the region in numerous ways, including through our popular South West Events Program. Knowing that events encourage visitation and boost the economies of the communities they are held in, we were pleased our annual funding scheme enabled us to provide 42 events with a share in \$110,000, up 10 per cent from the previous financial year. Funding recipients included the Donnybrook Apple Festival, Inaugural Dunsborough Bay Fun Run and the City of Bunbury's Australia Day Celebrations and Fireworks Spectacular.

In addition to assisting festivals, concerts and sporting contests through the South West Events Program, we also provided a helping hand to events such as Blues at Bridgetown.



Did you know?

Over the past 10 years, the United Kingdom, Philippines and South Africa were the top three countries from where skilled migrants were sourced by South West businesses with our help. However in 2011/12, India topped the list.

As well as encouraging visitation to the region through events, we also supported the development of the rollout of the National Landscapes Program from Bunbury to Esperance. The program will eventually see the formation of a trail comprising iconic experiences that will aim to attract international "experience seekers."

In regards to tourism, we continued to support the development of the Bunbury cruise ship market, while investigating the possibility of cruise ships making Augusta a port of call once the town's new boat harbour is complete.

Our Tourism Futures South West strategy was released in 2011/12 to steer the Commission's work in enhancing the tourism potential of the region. The document placed an emphasis on infrastructure and product development, wholesaling

and packaging, and event development. Our overall aim with this is to have more people visit the region, stay longer and spend more while they are here.

And while tourism development took up much of our time and resources, we were delighted that by putting funding toward the filming of the movie *Drift* in the South West, we stimulated film tourism for the first time and helped lay the foundations for a film industry in the region.

In this reporting period, we continued to store the former World of Energy collection with the view to establishing a museum which tells the history of electricity generation in Western Australia. While the museum project had not progressed as we would have liked, we will continue to work with the Shire of Manjimup to look at options for housing the collection in the town.

Excitingly, our idea to transform Bunbury using creative lighting took strides toward reality. Working in partnership with the City of Bunbury we investigated the possibility of using creative lighting to make the city a more attractive place to be at night and add to its appeal as a tourist destination. Once complete, the project should be a fine example of using knowledge, enterprise and innovation to make the

South West an even greater place – not to mention an outstanding example of how we are working to create a region of excellence.



Edith Cowan University graduates parade through the streets of Bunbury.



A trade delegation visited Hackersley in the Ferguson Valley during a wider tour of the South West.

quick read

As part of the activities surrounding WA wine month, we hosted a group of international wine buyers as they toured the region searching for new brands to add to their portfolios.

The delegates, including importers from countries such as China and Korea, spent a week visiting South West wineries, sampling local wines and taking in the Margaret River Wine Show.

The visit officially got underway on November 22 2011 with a visit to Hackersley in the Ferguson Valley where a tasting of Geographe wines was held. The delegation then toured the Southern Forests on November 23 2011, before moving on to Margaret River.

Assisting in the creation of tourism packages such as the Australian Horse Experience in Margaret River was another way we invested in knowledge, enterprise and innovation.

FOSTERING A SOUTH WEST FILM INDUSTRY

The South West of Western Australia and star-lined Hollywood Boulevard may be oceans apart, but in 2011/12 a movie starring blockbuster favourite Sam Worthington was filmed in the region.

Called *Drift*, the surf-themed motion picture was the first feature to be shot in the South West, with the film crew making the most of the South West's stunning coastal stretches and magnificent inland locations.

Principal photography was performed over six weeks in August and September 2011, with 90 per cent of the movie filmed in the region in places such as Margaret River, Augusta, Gracetown and Nannup. Many surfing scenes took place at Surfers Point in Margaret River.

As well as local scenery, local talent was engaged – including extras, stunt doubles and camera operators. A diverse range of local businesses were also employed during the shoot.

And though *Drift* was the first major movie to use the South West as a filming location – it doesn't look like being the last.

Toward the end of the financial year, the South West was being considered as a shooting location for a number of productions.

In addition to teaming up with Royalties for Regions to provide \$1million toward having *Drift* filmed in the region, we were also proud to support the growth of the region's film industry in other ways.

For instance, we supported two events which serve to promote film culture in the region – CinéfestOZ and the Yallinup SurfFilm Festival.

The South West's burgeoning film industry is well placed to grow in the future, and will

bring benefits to the region – from the employment of local professionals in the smart and creative industries, to greater numbers of tourists.

To make the most of these opportunities, we have put together a special stakeholders group which is working to maximise the benefits the worldwide exposure *Drift* is likely to bring the South West, with a focus on leveraging tourism and trade opportunities on the back of the film's release.

As the result of the efforts of this committee, comprising State Government, Local Government and tourism industry representatives, South West wine flowed at an event at the 2012 Cannes International Film Festival.

quick read

We always knew the South West region had star potential.

And as it turns out so did the creatives behind a new surf-themed movie which is set to put the South West – and its spectacular coastline – on the big screen.

In bringing to life the rags-to-riches story of two brothers who build a backyard surfing business, *Drift* producer Tim Duffy said he had wanted to showcase the region where he grew up.

“The South West was chosen for shooting *Drift* because it has a unique blend of ruggedly beautiful settings, unspoiled countryside and renown uncrowded big wave locations. It has also rarely been seen in international cinema.”

TIM DUFFY
DRIFT PRODUCER



Sean Keenan, Kai Arbuckle and Harrison Buckland Crook in character during the first week of filming of *Drift*.

CRITICAL HORIZONS

Houses that
understand
us, intelligent
medicine
cabinets
and virtual
wardrobes...

These were just some of the technological wonders presenters at our National Broadband Network-themed conference revealed could be in our futures.

Held at Bunbury's Edith Cowan University on December 1 2011, the seminar inspired attendees to think about the possibilities that could come with the rollout of the game-changing infrastructure.

Attendees heard how the NBN had the potential to be a positive influence in many areas of our lives including health, business and government.

Guest speakers included Gadget Guy Peter Blasina who spoke about the business of technical change, and Ipswich City Council regional digital economy coordinator Matthew Schultz who provided tips on preparing local government for the NBN.

The seminar was successful in encouraging people to "look over the horizon" and discover what the delivery of the National Broadband Network and subsequent increased participation in the digital economy could mean for regional areas.

In acknowledgement of the relevance of the content of the seminar and to ensure that people in other regions of the State did not miss out

on hearing what the event's seven speakers had to say, we teamed up with Westlink to broadcast the event at Community Resource Centres.

On February 21 2012, people could visit their nearest CRC and watch the free broadcast.

A follow-on from 2007's two-day Critical Horizons Futures Conference, the Critical

Horizons series is one way we are working to maintain the region's competitive edge by building knowledge and encouraging innovation.

Planning is in progress for the next seminar, which will explore innovations in ecotourism.



South West Development Commission CEO Don Punch and 'The Gadget Guy' Peter Blasina at the NBN-themed Critical Horizons event.

Our office, our people

As an office we're striving for excellence – and the results speak for themselves.

Our client survey carried out by independent consultancy firm Savant Surveys and Strategies revealed the overall satisfaction with the quality of performance by the Commission was rated at 95 per cent by local government respondents and 94 per cent by key clients.

This outstanding result was achieved as we carried out the business of creating a region of excellence.

Our activities during 2011/12 included the processing of 125 new grants, the processing and certifying of a record 337 employer-sponsored skilled workers applications, and the hosting of a number of visitors to our region including members of the Regional Development Council of WA.

In addition, we continued our commitment to education and training by opening up our office in March to a Rotary exchange person from Russia, briefing him on numerous projects in the region and sharing our knowledge of corporate responsibility.

Several staff members also took advantage of our professional development program – something that will help us to perform even better in the future. In the reporting period,

a total of \$12,388 was spent on staff training, with employees undertaking courses or attending conferences which allowed them to learn new skills and be informed of new industry trends.

And while staff members took up training opportunities, they also gave back. In addition to performing excellent work, employees met the challenge of raising funds for a cause. Money procured by the social club through activities such as a sausage sizzle, combined with funds gained from free dress days, resulted in \$410 being raised. The funds were donated to the Association for the Blind of WA, and will help make a difference to people who are blind or vision-impaired.

Indeed, social responsibility is just one of the values we promote amongst employees, along with leadership, professionalism, sustainable practice and excellence in service.

And we are pleased many staff members took these values with them when they stepped outside the office, performing a valuable service as volunteers in the community.

How we performed

Our 2011/12 client survey asked local government representatives and key clients to rate the effectiveness of the Commission in assisting or contributing to the region's development.

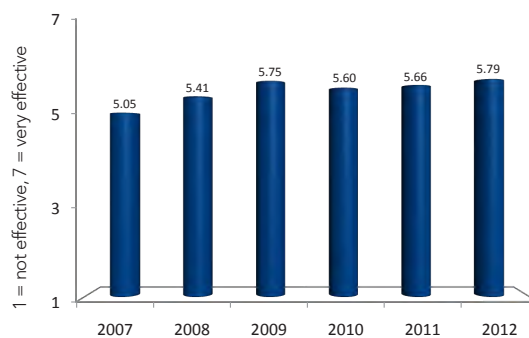
People were asked to rate the Commission's performance in the strategic priority areas of:

- Investing in People and Place
- Investing in Infrastructure and Environment
- Investing in Knowledge, Enterprise and Innovation

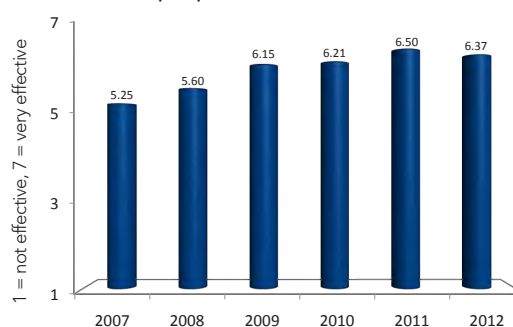
From 237 clients invited to participate in the survey, 111 completed the questionnaire.

Client survey results

How our services rate



How our people rate

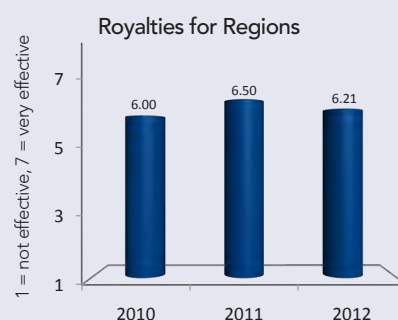




Construction was underway on the Margaret River Library extension and new outdoor library during the year in review.

ROYALTIES FOR REGIONS

Our 2011/12 client survey asked local government representatives and key clients to rate how effectively the Royalties for Regions South West Regional Grants Scheme added value to communities.



Government performance framework

Each year the South West Development Commission is required to meet a number of targets set by the State Government. These targets relate to Government-desired outcomes, services to be delivered and performance targets to be achieved. The agreement is a transparent way for the State Government to monitor the operational performance of the Commission.

Resource agreement

Financial targets	2011/12 Budget Estimate ¹	2011/12 Actual	Variation ²
Total Cost of Services (i.e. endorsed expense limit)	\$5,726,000	\$8,859,000	\$3,133,000
Net Cost of Services (details in the Income Statement)	\$5,616,000	\$8,396,000	\$2,780,000
Total Equity (details in the Balance Sheet)	\$14,008,000	\$24,129,000	\$10,121,000
Net Increase/(Decrease) in Cash Held (details in Cash Flow Statement)	(\$57,000)	(\$452,000)	\$395,000
Full Time Equivalent (FTE) staff level	25	24	1

1. As specified in the budget statements for the year in question.

2. Explanations are contained in Note 36 Explanatory Statement.

Key performance indicators	2011/12 Target ¹	2011/12 Actual	Variation ²
REGIONAL DEVELOPMENT			
Key Effectiveness Indicator – Customer satisfaction survey	79%	84%	5%
Key Efficiency Indicator – Average cost per hour of service	\$175	\$172	\$3

1. As specified in the budget statements for the year in question.

2. Explanations for the variations between target and actual results are presented in the Performance Indicators.

Royalties for Regions

South West Regional Grants Scheme – contestable grants

The scheme is administered by the Commission as part of Royalties for Regions, a State Government program designed to promote long-term development in Western Australia's regions.

The Commission, through the scheme, provides new opportunities for local communities to improve and develop infrastructure and services in the South West region.

Since the scheme began in 2008 the Commission has administered a total of \$11.6 million.

In the most recent round of the contestable scheme, the State Government provided \$1 million

for the South West Development Commission to provide contestable grants to assist with:

- Infrastructure
- Services
- Provision of headworks

Funding recipients for the 2010/11 round of the scheme were announced this financial year, leveraging funds totalling \$19.4 million (cash and in-kind). A total of 118 applications were received with a combined value of \$9.5 million.

The following 17 applications were approved under this scheme in August 2011, sharing in a total of \$988,913:



The South West Development Commission administered grants through a number of Royalties for Regions funding programs in 2011/12.

These Royalties for Regions programs included the South West Regional Grants Scheme, Regional Infrastructure and Headworks Fund, Regional Centres Development Plan (SuperTowns) Fund, Country Local Government Fund and Regional Community Services Fund.

In addition, the Commission administered grants through its South West Events Program and allocated 54 non-contestable grants.

Recipient	Project	Grant (GST exc.)
Activ Foundation Inc	Busselton Property Care	\$46,045
Augusta Margaret River Tourism Association Inc	Cape Leeuwin Lighthouse Preservation and Redevelopment Project – Stage 2, Part 1 Removal of Asbestos and Replacement	\$79,000
Bunbury Sea Rescue Inc	Marine Rescue Vessel	\$30,000
Busselton Repertory Club Inc	Weld Theatre Upgrade, Busselton	\$82,049
City of Bunbury	Bunbury CBD Walkability and Wayfinding Project Stage 2	\$65,210
City of Bunbury	Bunbury Accessible Playground	\$30,000
Dalyellup Beach Surf Life Saving Club Inc	Purchase of Inflatable Rescue Boat	\$6,500
Greenbushes Ratepayers and Residents Association Inc	Greenbushes Sports Complex Hard Courts Project	\$11,980
Jobs South West Inc	Get Access Learning Centre	\$129,927
Mission Australia	FACE Program	\$50,000
Rapid Ascent Pty Ltd	Anaconda Adventure Race	\$15,000
Shire of Capel	Elgin Hall	\$14,655
Shire of Dardanup	Eaton Oval Upgrade and Renovation	\$203,451
Shire of Manjimup	Walpole Skate Park Development	\$31,418
Shire of Nannup	FROGS Early Learning Centre	\$69,846
The Esther Foundation Inc	Esther South West Project	\$113,832
Warren Blackwood Strategic Alliance	Recreational Trails Project	\$10,000

Regional Infrastructure and Headworks Fund – Regional Centres Development Program (SuperTowns)

The Commission administered \$1,179,711(a) in SuperTowns Regional Centres Development Program funds to the following recipients:

Recipient	Project	Grant (GST exc.)
South West Development Commission (b)	Collie SuperTown	\$193,960
Shire of Manjimup	Manjimup SuperTown	\$232,750
Shire of Manjimup	Manjimup SuperTown (Phase 2)	\$82,250
Shire of Augusta-Margaret River	Margaret River SuperTown	\$247,000

- a. Consultants fees of \$423,751 were paid on behalf of the three South West SuperTowns of Collie, Manjimup and Margaret River for professional services to develop economic development plans and townsite growth plans.
- b. These funds were administered by the South West Development Commission on behalf of the Shire of Collie for the Regional Centres Development Program (SuperTowns) – Collie project.

Country Local Government Fund

The Commission administered \$47,424 in Country Local Government Funds to the following recipients:

Recipient	Project	Grant (GST exc.)
Shire of Augusta-Margaret River	Capes Region Tourism Foreshore Precincts Project – Business Case	\$15,000
Shire of Collie	Collie Motorplex Drag Strip – Stage One – Business Case	\$5,164
Shire of Donnybrook-Balingup	Donnybrook FunPark Extension – Business Case	\$1,300
Shire of Manjimup	Manjimup Health Infrastructure	\$10,000
Shire of Nannup	'Heart of Nannup' Main Street Project	\$15,960

Regional Community Services Fund

The Commission administered a \$1 million grant to the following recipient, with the Regional Community Services Funds contributing \$750,000:

Recipient	Project	Grant (GST exc.)
World Wide Mind Films Pty Ltd	'Drift' Feature Film	\$1,000,000 (a)

- a. Funding towards this project was provided by:
- Royalties for Regions Regional Community Services Fund – \$750,000.
 - Royalties for Regions Regional Grants Scheme (South West Development Commission Strategic Reserve Fund) – \$78,752.
 - South West Development Commission – \$171,248.

South West Events Program

Through the South West Events Program, the South West Development Commission provides financial support to community groups, non-profit organisations and local governments to promote and coordinate festivals and events.

The objectives are to:

- Promote visitation to the South West through events which are of regional significance; and
- Provide an experience of high quality.

A total of 72 applications were received in 2011/12. The following 42 applications were approved, sharing in a total of \$110,000:

Recipient	Project	Grant (GST exc.)
ARTATAC – Busselton Beach Festival Inc	Busselton Beach Festival	\$4,000
Augusta River Festival Inc	2012 Augusta River Festival	\$4,000
Balingup and Districts Tourism Association Inc	Telling Tales in Balingup	\$3,000
Bunbury & Districts Power Boat Club Inc	Greater Bunbury Boat Show	\$2,000
Bunbury Agricultural Society Inc	Bunbury Horse & Country Music Show	\$4,000
Bunbury BMX Club Inc	2012 BMX Western Australia State Titles	\$2,240
Bunbury Multicultural Group Inc	Multicultural Night Under the Stars	\$1,500
Bunbury Volleyball Association Inc	2011/2012 Alcohol Think Again WA Beach Volleyball Tour	\$2,000
Busselton Allsports Inc	Busselton Jetty Swim 2012	\$3,000
CapelFest Inc	CapelFest	\$2,000
City of Bunbury	Australia Day Celebrations & Fireworks Spectacular 2012	\$3,500
City of Bunbury	Bunbury Kidsfest 2012	\$5,210
City of Bunbury	Viva Bunbury 2012	\$2,000
Collie Agricultural Society Inc	Collie Show	\$2,000
Collie Amateur Swimming Club Inc – The Harvey Amateur Swimming Club	2012 Country Pennants Swimming Competition	\$4,050
Collie Chamber of Commerce & Industry Inc	Spring into Collie	\$4,000
Country Music Club of Boyup Brook WA Inc	Art Therapy/Boyup Brook Art Awards and Exhibition	\$2,350
Cowaramup Hall, Reserves & Residents Association Inc	Delirium – 24 Hours Cycle Race	\$2,000
Donnybrook Apple Festival Inc	Donnybrook Apple Festival	\$3,500
Donnybrook Wineries & Producers Inc	Donnybrook Food & Wine Fest 2012	\$2,000
Dunsborough and Districts Progress Association Inc	Dunsborough Arts Festival	\$3,000
Dunsborough and Districts Progress Association Inc	Inaugural Dunsborough Bay Fun Run	\$1,000
Geographe Bay Yacht Club Inc	Geographe Bay Race Week 2011	\$4,000
Harvey Mainstreet Inc	Harvey Harvest Festival	\$3,000

Recipient	Project	Grant (GST exc.)
Just Artists and Musicians Performing Awesome Creation Together Inc	JAMPACT Fiesta	\$2,000
Lions Club of Manjimup Inc	Jazz in the Jarrah	\$1,660
Log Fence Pony Club Inc	One Day Event	\$1,040
Log Fence Pony Club Inc	West Australian Endurance Riders Association (WAERA) State Championships 2012	\$1,000
Lunar Circus School Inc	WA Circus Festival 2012	\$1,000
Margaret River Wine Industry Association Inc	Margaret River Wine Region Festival	\$4,000
More Than Sunday Inc	More Than Sunday Music Festival	\$2,500
Nannup Garden Village Inc	Nannup Flower and Garden Festival	\$1,900
Nannup Music Club Inc	2012 Nannup Music Festival	\$4,000
Northcliffe Visitor Centre Inc	Karri Cup MTB Challenge	\$1,250
Rotary Club of Bunbury Leschenault Inc	Bunbury Megachef	\$1,000
Shire of Dardanup	National Youth Week Western Australian Launch	\$4,500
Stirling Street Arts Centre Inc	Stirling Street Arts Centre Christmas Craft Fair & Open Day	\$1,800
Surf Film & Art Inc	Yallingup SurFilm Festival	\$5,000
The Busselton Art Society Inc	Art in the Park	\$1,000
The Dardanup Bull and Barrel Festival Inc	The Dardanup Bull and Barrel Festival	\$2,000
The Truffle Kerfuffle Inc	Truffle Kerfuffle – Southern Forests Food Festival	\$2,000
West Australian Performing Arts Eisteddfod incorporating The City of Bunbury Eisteddfod Inc	West Australian Performing Arts Eisteddfod incorporating The City of Bunbury	\$3,000



The South West Development Commission was pleased to support the inaugural Bunbury Kidsfest.

Non-contestable grants

The Commission administered 54 non-contestable grants during 2011/12.
These grants totalled \$445,040.

Recipient	Project	Grant (GST exc.)
Augusta Margaret River Tourism Association Inc.	Margaret River – Guest Town 2012 Perth Royal Show	\$2,000
Blues at Bridgetown Inc	Blues at Bridgetown	\$20,000
Bunbury Chamber of Commerce and Industries Inc	South West Young Achievers Awards 2011	\$3,000
Bunbury Chamber of Commerce and Industries Inc	Cruise Shipping Industry Development	\$10,000
Bunbury Triathlon Club Inc (Auspicing Bunbury Bicycle Users Group)	Printing of Flyers	\$300
Bunbury Women Aboriginal Corporation	Bunbury Aboriginal Football Carnival – October 2011	\$1,000
Brunswick Community Resource Centre	Brunswick Junction CRC Community Newsletter	\$400
City of Bunbury	Youth Workshops by the Justice Crew	\$300
City of Bunbury	Lighting up Bunbury	\$15,000
Country Music Club of Boyup Brook WA Inc.	Boyup Brook Country Music Festival	\$2,500
Dardanup and Districts Residents Assoc Inc	Dardanup Art Spectacular 2012	\$500
Department of Sport and Recreation	Club Development Mentoring Program	\$20,000
Edge Employment Solutions Inc	Future Possibilities Conference	\$500
Enable Southwest Inc (Auspicing Art Partners WA)	Art Partners 2012	\$500
Forum Advocating Cultural & Eco Tourism Inc	International Culinary Journeys Event – Manjimup	\$10,000
Goomburrup Aboriginal Corporation	NAIDOC Week Celebrations 2012	\$300
Harvey Mainstreet Inc	Pinjarra-Brunswick Junction Sustainability Strategy (PBSS) – Harvey Diversion – Stage 2	\$175,000
Investing in our Youth Inc	Schools of the Future	\$2,500
LAMP Inc	Room 226 Youth Facility – Busselton	\$400
Manjimup Chamber of Commerce & Industry Inc	Cherry Harmony Festival	\$2,500
Margaret River Wine Industry Association Inc.	Decanter Margaret River Supplement	\$5,000
Milligan Community Learning and Resource Centre Inc	Bunbury Early Years Network Coordination	\$500
Nannup Music Club Inc	Nannup Music Festival	\$2,500
Nannup Riding Develops Ability	Special Olympic Equestrian	\$200
Ngalang Boodja Council Aboriginal Corporation	Collie Yorgas Indigenous Culture Demonstration – Collie Harmony Week	\$600
Ocean Forest Lutheran College	South West Super Science Spectacular 2012	\$5,000
Pemberton Hydro Energy Association Inc	Pemberton Hydro Plant	\$5,000
Regional Development Australia – South West Inc	South West Sensations Showcase	\$5,000
Shire of Augusta-Margaret River	Emergence Creative and Innovation Festival	\$25,000
Shire of Boyup Brook	Aged Friendly Communities – Boyup Brook	\$8,000
Shire of Busselton (a)	'Need a Hand' Directory	\$800
Shire of Busselton (a)	CAPEROC – Arts and Cultural Facilities Needs Assessment	\$10,000
Shire of Busselton (a)	CAPEROC – Coastal Facilities Needs Assessment	\$10,000
Shire of Capel	YACoustic Youth Festival Dalyellup	\$500
Shire of Capel	Capel Tourist Information Signage	\$10,000

Recipient	Project	Grant (GST exc.)
Shire of Capel	Indigenous Cultural Awareness for Young People	\$500
Shire of Capel	Shire of Capel Youth Strategic Plan	\$2,000
Shire of Manjimup	Development Workshop for Southern Forest Food & Wine Council	\$2,500
Shire of Manjimup	Manjimup Volunteer and Resource Centre (MVRC) – Emergency Funding	\$25,000
Shire of Manjimup	Manjimup Timber Heritage Park – Master Plan	\$20,000
Shire of Manjimup	Chinese Sister City Relationship with Jiashan County China – Delegation June 2012	\$2,500
Shire of Nannup	Aged Housing Plan	\$2,000
Shire of Nannup	Marketing and Branding for Shire of Nannup	\$4,900
Small Business Centre Bunbury-Wellington	2012 South West Small Business Awards	\$2,850
Southern Region Leadership Inc	Southern Region Community Leadership Forum 2011	\$5,000
South West Group Affiliated Agricultural Assoc Inc	South West Group District Display – Perth Royal Show 2012	\$250
South West Vetlink Inc	Future Possibilities Forum	\$500
Uniting Care West Inc	'Dining for Diversity' Event	\$150
Uniting Care West Inc	Safer School Forum	\$500
Vue DC Pty Ltd	Samuel Wright Shipwreck Project	\$10,000
Walpole Community Resource Telecentre Inc	Tidy Towns Launch – Function	\$200
Warren Blackwood Strategic Alliance Inc	Increase executive officer hours for two years	\$10,000
Woolkabunning Kiaka Association Inc	Indigenous Football Carnival 2012	\$990
Yarloop Community Resource Centre Inc	Yarloop CRC Community Newsletter	\$400

a. Shire of Busselton was proclaimed as the City of Busselton on 21 January 2012.



The Celebrity Century was one of the cruise ships which docked at Bunbury during the year in review.

Financial statements



Busselton Jetty.

THE FINANCIAL STATEMENTS
AND KEY PERFORMANCE
INDICATORS REPORT
ON OUR PERFORMANCE
THROUGHOUT THE YEAR

Certification of Financial Statements for the year ended 30 June 2012

The accompanying financial statements of South West Development Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2012 and the financial position as at 30 June 2012.

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

Stephen Harrison
Chairman of accountable authority
14 August 2012

Don Punch
Member of accountable authority
14 August 2012

Susan Fitchat
Chief Finance Officer
14 August 2012



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

SOUTH WEST DEVELOPMENT COMMISSION

Report on the Financial Statements

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

The financial statements comprise the Statement of Financial Position as at 30 June 2012, 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.

Board's Responsibility for the Financial Statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Board 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 Board, 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 South West Development Commission at 30 June 2012 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.



Report on Controls

I have audited the controls exercised by the South West Development Commission during the year ended 30 June 2012.

Controls exercised by the South West Development Commission are those policies and procedures established by the Board to ensure 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.

Board's Responsibility for Controls

The Board is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Commission complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the South West 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 during the year ended 30 June 2012.

Report on the Key Performance Indicators

I have audited the key performance indicators of the South West Development Commission for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Board's Responsibility for the Key Performance Indicators

The Board 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 and for such controls as the Board determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

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 and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Board's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the South West 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 2012.

Independence

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

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the South West Development Commission for the year ended 30 June 2012 included on the Commission's website. The Commission's management are responsible for the integrity of the Commission's website. I have not been engaged to report on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
5 September 2012

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2012

	Note	2012 \$	2011 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	2,438,779	2,304,428
Supplies and services	7	1,690,722	1,244,282
Depreciation and amortisation expense	8	153,909	131,253
Accommodation expenses	9	238,830	347,299
Grants and subsidies	10	4,246,892	9,819,246
Other expenses	11	89,693	96,830
Total cost of services		8,858,825	13,943,338
Income			
Revenue			
User charges and fees	12	-	27
Grants and contributions	13	112,500	17,500
Other revenue	14	350,792	307,119
Total revenue		463,292	324,646
Total income other than income from State Government		463,292	324,646
NET COST OF SERVICES	30	(8,395,533)	(13,618,692)
INCOME FROM STATE GOVERNMENT			
Service appropriation	15	4,445,000	4,034,000
Grants from government agencies		1,567,000	50,000
Resources received free of charge		15,231	12,590
Royalties for Regions funds		2,090,000	4,000,000
Total income from State Government		8,117,231	8,096,590
DEFICIT FOR THE PERIOD		(278,302)	(5,522,102)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	28	8,532,673	895,213
Total other comprehensive income		8,532,673	895,213
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		8,254,371	(4,626,889)

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

STATEMENT OF FINANCIAL POSITION as at 30 June 2012

	Note	2012 \$	2011 \$
ASSETS			
Current assets			
Cash and cash equivalents	29	740,582	713,794
Restricted cash and cash equivalents	16	4,948,575	5,433,554
Inventories	17	-	1,251,518
Receivables	18	195,435	72,140
Amounts receivable for services	19	62,000	30,000
Non-current assets classified as held for sale	23	5,525,000	-
Total current assets		11,471,592	7,501,006
Non-current assets			
Restricted cash and cash equivalents	16	42,211	35,574
Amounts receivable for services	19	1,087,000	992,000
Property, plant and equipment	20	11,577,280	7,387,341
Infrastructure	21	1,011,679	1,057,840
Intangible assets	22	-	3,559
Total non-current assets		13,718,170	9,476,314
TOTAL ASSETS		25,189,762	16,977,320
LIABILITIES			
Current liabilities			
Payables	25	301,713	381,907
Provisions	26	613,831	545,791
Other liabilities	27	4,755	4,357
Total current liabilities		920,299	932,055
Non-current liabilities			
Provisions	26	139,512	169,685
Total non-current liabilities		139,512	169,685
TOTAL LIABILITIES		1,059,811	1,101,740
NET ASSETS		24,129,951	15,875,580
Equity			
Contributed equity	28	11,389,177	11,389,177
Reserves		12,921,945	4,389,272
Accumulated surplus/(deficit)		(181,171)	97,131
TOTAL EQUITY		24,129,951	15,875,580

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

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2012

	Note	Contributed equity \$	Reserves \$	Accumulated surplus/(deficit) \$	Total equity \$
Balance at 1 July 2011	28	11,389,177	4,389,272	97,131	15,875,580
Total comprehensive deficit		-	-	(278,302)	(278,302)
Other comprehensive income for the year period		-	8,532,673	-	8,532,673
Total comprehensive income for the period		11,389,177	8,532,673	(278,302)	8,254,371
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2012		11,389,177	12,921,945	(181,171)	24,129,951
Balance at 1 July 2010	28	11,389,177	3,494,059	5,619,233	20,502,469
Total comprehensive deficit for the year				(5,522,102)	(5,522,102)
Other comprehensive income for the year period			895,213		895,213
Total comprehensive income for the period		11,289,177	7,389,272	97,131	15,875,580
Transactions with owners in their capacity as owners:					
Capital appropriations			-	-	
Total			-	-	
Balance at 30 June 2011		11,389,177	4,389,272	97,131	15,875,580

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

STATEMENT OF CASH FLOWS for the year ended 30 June 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		4,288,000	3,906,000
Holding account drawdowns		30,000	30,000
Grant from State Government agency		1,567,000	50,000
Royalties for the Regions fund		2,090,000	4,000,000
cash provided by State Government		7,975,000	7,986,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(2,369,593)	(2,142,487)
Supplies and services		(1,626,532)	(1,251,316)
Accommodation		(238,458)	(347,299)
Grants and subsidies		(4,462,142)	(10,104,916)
GST payments on purchases		(643,704)	(1,139,212)
Other payments		(88,408)	(96,830)
Receipts			
Sale of goods and services		-	122,156
User charges and fees		-	27
Grants and contributions		105,000	17,500
GST receipts on sales		212,976	30,427
GST receipts from taxation authority		442,563	1,214,461
Other receipts		276,682	215,875
Net cash used in operating activities	29	(8,391,616)	(13,481,614)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(34,938)	-
Net cash used in investing activities		(34,938)	-
Net decrease in cash and cash equivalents held		(451,554)	(5,495,614)
Cash and cash equivalents at the beginning of period		6,182,922	11,678,536
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	29	5,731,368	6,182,922

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2012

1. Australian equivalents to International Financial Reporting Standards

General

The Commission's financial statements for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The 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'. There has been no early adoption of Australia Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2012.

2. Summary of significant accounting policies

(a) General statement

The Commission is a not-for-profit entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

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

Australian Accounting Standards Board.

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

(b) Basis of preparation

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

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

The financial statements are presented in Australian dollars.

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 the most significant effect on the 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.

(c) Reporting entity

The reporting entity is South West Development 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 Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

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

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. 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.

Sale of goods

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

Provision of services

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

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at the 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.

Gains

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

(f) Property, plant and equipment and infrastructure

Capitalisation/expensing of assets

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

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

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

Subsequent measurement

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

depreciation and accumulated impairment losses.

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

In the absence of market-based evidence, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Fair value of infrastructure has been determined by reference to the depreciated replacement cost (existing use basis) as the assets are specialised and no market-based evidence of value is available.

When infrastructure is re-valued, the accumulated depreciation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its re-valued amount.

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

Derecognition

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

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 23 'Property, plant and equipment'.

Depreciation

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

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

Buildings	20 - 40 years
Office equipment	5 years
Infrastructure	30 years

Works of art controlled by the Commission are classified as property, plant and equipment, which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

Land is not depreciated.

(g) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing over \$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 consideration, the cost is their fair value at the date of acquisition.

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

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

Software 2 years

Computer software

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

Website costs

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

(h) Impairment of assets

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is written down to the recoverable amount and impairment 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 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 an 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 impairments at the end of each reporting period.

(i) Non-current assets (or disposal groups) classified as held for sale

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

(j) Inventories

Inventories consist of land held for development and resale. Inventories are measured at the lower of cost or net realisable value. Development costs are capitalised and maintenance costs are expensed.

(k) Leases

The Commission holds operating leases for head office and a number of branch office buildings. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits

derived from the leased properties.

(l) Financial instruments

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

- Loans and 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.

(m) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalent) assets comprise cash on hand which are subject to insignificant risk of change in value.

(n) Accrued salaries

The accrued salaries suspense account (see note 16 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pays occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (see note 25 'Payables') represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount

of accrued salaries to be equivalent to its net fair value.

(o) Amounts receivable for services (holding account)

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

(p) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (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.

(q) Payables

Payables are recognised when the Commission becomes obliged to make future payments as a result of a purchase of assets or services at fair value, as they are generally settled within 30 days.

(r) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at 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 and long service leave

The liability for annual and long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the

undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the reporting period.

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

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

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

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional ten weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation agreements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in a particular scheme for public sector employees varies according to commencement and implementation date.

Eligible employees may contribute to the Pension Scheme, a defined benefit pension scheme now 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 purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the agency's obligations to the related superannuation liability.

The Commission has no liabilities under the Pension 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 GESB. The concurrently funded part of the GSS is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS obligations.

Employees commencing employment prior to 16 April 2007 who are 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). From 30 March 2012, existing members of WSS and GESB and new employees became able to choose their preferred superannuation fund. The Commission makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to this accumulated scheme extinguish the commission's liability for superannuation charges in respect of employees who are not members of the pension scheme or GSS.

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

Provisions – other

Employment on-costs

Employment on-costs, including worker's

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'.

(s) Superannuation expense

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

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

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource 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 are received from other State Government agencies, are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(u) Comparative figures

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

3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Commission evaluates these judgements regularly.

Operating lease commitment

The Commission has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains subsequently all risks and rewards incidental to ownership. Accordingly, the lease has been classified as operating leases.

4. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities with the next financial year.

Long Service Leave

Several estimations and assumptions used in calculating the Commission's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2011 that impacted on the Commission.

Accounting Standard	
AASB 1054	<p>Australian Additional Disclosures</p> <p>This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.</p>
AASB 2009-12	<p>Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Int 2, 4, 16, 1039 & 1052]</p> <p>This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</p>
AASB 2010-4	<p>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Int 13]</p> <p>The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.</p> <p>The amendments to AASB 101 clarify the presentation of the Statement of Changes in Equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity can be presented in either the Statement of Changes in Equity or the Notes. There is no financial impact.</p>
AASB 2010-5	<p>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 Int 112, 115, 127, 132 & 1042]</p> <p>This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</p>
AASB 2010-6	<p>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & 7]</p> <p>This Standard introduces additional disclosures relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.</p>
AASB 2011-1	<p>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Int 2, 112 & 113]</p> <p>This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.</p>
AASB 2011-5	<p>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, 128 & 131]</p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity are not-for-profit non-reporting entities that comply with Australian Accounting Standards. There is no financial impact.</p>

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 of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Accounting Standards from their application date.

Accounting Standard	Operative for reporting periods beginning on/after	
AASB 9	1/1/2013	Financial Instruments This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments. The Standard was reissued in December 2010. The Commission has not yet determined the application or the potential impact of the Standard.
AASB 10	1/1/2013	Consolidated Financial Statements This Standard supersedes requirements under AASB 127 Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.
AASB 11	1/1/2013	Joint Arrangements This Standard supersedes AASB 131 Interests in Joint Ventures, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.
AASB 12	1/1/2013	Disclosure of Interests in Other Entities This Standard supersedes disclosure requirements under AASB 127 Consolidated and Separate Financial Statements, AASB 128 Investments in Associates and AASB 131 Interests in Joint Ventures. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.
AASB 13	1/1/2013	Fair Value Measurement This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.
AASB 119	1/1/2013	Employee Benefits This Standard supersedes AASB 119 (October 2010). As the Commission does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.
AASB 127	1/1/2013	Separate Financial Statements This Standard supersedes requirements under AASB 127 Consolidated and Separate Financial Statements, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.
AASB 128	1/1/2013	Investments in Associates and Joint Ventures This Standard supersedes AASB 128 Investments in Associates, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard for agencies.
AASB 1053	1/7/2013	Application of Tiers of Australian Accounting Standards This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.
AASB 2009-11	1/7/2013	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 Int 10 & 12] [Modified by AASB 2010-7]

AASB 2010-2	1/7/2013	<p>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</p> <p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>
AASB 2010-7	1/1/2013	<p>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 Int 2, 5, 10, 12, 19 & 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Commission has not yet determined the application or the potential impact of the Standard.</p>
AASB 2011-2	1/7/2013	<p>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</p> <p>This 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. There is no financial impact.</p>
AASB 2011-6	1/7/2013	<p>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p>
AASB 2011-7	1/1/2013	<p>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]</p> <p>This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. The Commission has not yet determined the application or the potential impact of the Standard.</p>
AASB 2011-8	1/1/2013	<p>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</p> <p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.</p>
AASB 2011-9	1/7/2013	<p>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</p> <p>This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Commission has not yet determined the application or the potential impact of the Standard.</p>
AASB2011-10	1/1/2013	<p>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14)</p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact.</p>
AASB2011-11	1/7/2013	<p>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p> <p>This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.</p>
AASB 2012-1	1/7/2013	<p>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</p> <p>This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.</p>

	2012 \$	2011 \$
6. Employee benefits expense		
Wages and salaries (a)	2,233,902	2,090,223
Superannuation - defined contribution plans (b)	204,877	214,205
	2,438,779	2,304,428

a. Includes the value of the fringe benefit to the employee plus the fringe benefits 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-costs such as workers' compensation insurance are included at note 11 'Other expenses'.

The employment on-costs liability is included at note 26 'Provisions'.

7. Supplies and services		
Communication	61,796	71,591
Consultants and contractors	1,342,681	840,091
Consumables	122,245	132,131
Travel	40,515	26,673
Other	123,485	173,796
	1,690,722	1,244,282

8. Depreciation and amortisation expense		
<i>Depreciation</i>		
Office equipment	20,099	33,742
Buildings	84,091	46,013
Infrastructure	46,160	46,160
Total depreciation	150,350	125,915
<i>Amortisation</i>		
Intangible assets	3,559	5,338
Total amortisation	3,559	5,338
Total depreciation and amortisation	153,909	131,253

9. Accommodation expenses		
Lease rentals	218,124	275,669
Repairs and maintenance	5,119	39,570
Cleaning	15,587	32,060
	238,830	347,299

10. Grants and subsidies		
<i>Recurrent</i>		
Non public organisations (a)	387,749	1,506,004
Public organisations (a)	356,210	29,000
Shire of Busselton – Jetty refurbishment	-	3,622,694
Royalties for Regions funds	3,502,933	4,661,548
	4,246,892	9,819,246

a. Refer to Funding Programs section for detail of grant recipients.

	2012 \$	2011 \$
11. Other expenses		
Guarantee fee for loan		-
Repairs and maintenance	19,583	19,667
Employment on-costs (a)	1,018	1,091
Other employment costs	34,492	42,872
Audit costs (b)	34,600	33,200
	89,693	96,830

a. Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

b. Audit fees, see note 32 'Remuneration of auditor'.

12. User charges and fees		
FOI Charges	-	27
	-	27

13. Grants and contributions		
Non public organisations	25,000	5,000
Public organisations	87,500	12,500
	112,500	17,500

14. Other revenue		
Sundry income	91,126	17,766
Department of Water	47,000	-
Recoup expenses Tourism WA	105,306	94,617
Prior year grant refund	-	52,000
Austrade service contract	84,992	111,614
Recoup conference expenses	10,778	26,933
Rental from property	1,891	836
Government vehicle scheme	9,699	3,353
	350,792	307,119

15. Income from State Government		
Appropriation received during the year:		
Service appropriation (a)	4,445,000	4,034,000
	4,445,000	4,034,000
Grant from government agencies:		
Department of Regional Development and Lands	1,567,000	-
Tourism WA	-	50,000
	1,567,000	50,000

	2012 \$	2011 \$
Resources received free of charge (b)		
Determined on the basis of the following estimates provided by agencies:		
DTF – Building Management and Works	14,556	12,590
State Solicitor	675	-
	15,231	12,590
Royalties for Regions Fund:		
Regional Community Services Fund – DRIFT (c)	750,000	-
Regional Community Services Fund (c)	1,160,000	4,000,000
Country Local Government Fund (c)	180,000	-
	2,090,000	4,000,000
Total revenue from State Government	8,117,231	8,096,590

- a. Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.
- b. Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the asset and/or services that can reliably measured and which would have been purchased if not donated. Contributions or assets or services in the nature of contributions by owners are recognised direct to equity.
- c. This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

16. Restricted cash and cash equivalents

Current

Restricted projects

Cash held in the account to be used specifically for the approved projects listed (a)

Active ageing strategy	15,300	77,332
Balingup main street redevelopment	87,500	87,500
Minor projects Board approved	28,370	139,055
Building a better Harvey	60,000	175,000
Bunbury light sculpture	15,000	-
Bushfire early warning	19,000	-
Bunbury/Jaixing development office	22,560	56,368
Capes Region Organisation of Councils	20,000	-
Collie town centre redevelopment	-	175,000
Cowaramup – relocation of waste station	300,000	-
Critical Horizons	22,623	-
Dolphin Discovery Centre masterplan	15,000	-
Drift	-	152,500
Drift marketing strategy	18,544	-
Escape for a while	-	27,671
Lake Kepwari	2,866,349	2,873,899
Master bike plan	11,873	-
National broadband positioning	74,192	54,830
Picton land development	774,964	592,551
Planning support – People and Place	60,000	-
Tourism WA projects	-	50,000
Tradestart	-	18,439
Youth mental health services	120,000	-
Withers urban renewal	159,924	-
Total other projects restricted cash	4,691,199	4,480,145

	2012 \$	2011 \$
<i>Royalties for Regions projects (a)</i>		
Regional Grant Scheme Fund	(263,186)	-
Country Local Government Fund	142,304	953,409
SuperTowns Fund	378,259	-
Total Royalties for Regions projects	257,376	953,409
Total current restricted cash	4,948,575	5,433,554
Non-current		
Accrued salaries suspense (b)	42,211	35,574
Total non-current restricted cash	42,211	35,574
Total restricted cash	4,990,786	5,469,128

a. Unspent funds are committed to projects in WA regional areas.

b. Amount held is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

17. Inventories

Current		
Land, at cost (a)	-	1,251,518
Development Costs	-	-
Total current	-	1,251,518

The assets held in inventories has been re-classified as non-current assets held for sale. See note 23.

18. Receivables

Current		
External	108,321	16,077
Accrued revenue	12,990	-
GST receivable	42,954	45,941
Prepayments	31,170	10,122
	195,435	72,140

The Commission does not hold any collateral or other credit enhancements as security for receivables.

19. Amounts receivable for services

Current	62,000	30,000
Non-current	1,087,000	992,000
	1,149,000	1,022,000

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

	2012 \$	2011 \$
20. Property, plant and equipment		
Office equipment		
At cost	187,266	152,328
Accumulated depreciation	(117,646)	(97,547)
	69,620	54,781
Buildings		
At fair value (a)	1,850,000	1,850,000
	1,850,000	1,850,000
Land		
At fair value (a)	7,859,100	3,684,000
	7,859,100	3,684,000
Works of art		
At fair value (b)	1,798,560	1,798,560
	1,798,560	1,798,560
Total property, plant and equipment	11,577,280	7,387,341

- a. Freehold land and buildings were re-valued as at 1 July 2011 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2012 and recognised at 30 June 2012. In undertaking the revaluation fair value was determined by reference to market value for land. \$4,870,000 (2011: \$400,000) and buildings \$ nil. For the remaining balance, fair value of land and building was determined on the basis of depreciated replacement cost.
- b. The revaluation of work of Art was performed in accordance with an independent valuation by the Wayne Gardiner (Valuers and Auction Consultant). Fair value (depreciated replacement value) was determined by existing use. The effective date of the valuation is March 2010.

Reconciliations

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

2012	Land \$	Buildings \$	Office Equipment and Works of Art \$	Total \$
Carrying amount at start of year	3,684,000	1,850,000	1,853,341	7,387,341
Additions	-	-	34,938	34,938
Disposals	-	-	-	-
Revaluation increments	8,448,582	84,091	-	8,532,673
Classified as held for sale	(5,525,000)	-	-	(5,525,000)
Transfer between asset class	1,251,518	-	-	1,251,518
Depreciation	-	(84,091)	(20,099)	(104,190)
Carrying amount at end of year	7,859,100	1,850,000	1,868,180	11,577,280

2011	Land \$	Buildings \$	Office Equipment and Works of Art \$	Total \$
Carrying amount at start of year	3,626,500	1,058,300	1,888,689	6,573,489
Disposals	-	-	(5,832)	(5,832)
Revaluation increments	57,500	837,713	(2,454)	892,759
Depreciation written back	-	-	5,832	5,832
Depreciation	-	(46,013)	(32,894)	(78,907)
Carrying amount at end of year	3,684,000	1,850,000	1,853,341	7,387,341

	2012 \$	2011 \$
21. Infrastructure		
At fair value	1,150,000	1,150,000
Accumulated depreciation	(138,321)	(92,160)
	1,011,679	1,057,840

The latest revaluation of infrastructure was performed in accordance with an independent valuation by the Western Australian Land Information Authority (Valuation Services). Fair value (depreciated replacement value) was determined by existing use. The effective date of the valuation is 1 April 2009.

Reconciliations

Carrying amount at start of year	1,057,840	1,104,000
Depreciation	(46,161)	(46,161)
Carrying amount at end of year	1,011,679	1,057,840

22. Intangible assets

Computer software

At cost	15,890	15,890
Accumulated depreciation	(15,890)	(12,331)
Carrying amount at end of year	-	3,559

Reconciliations

Carrying amount at start of year	3,559	9,746
Disposals	-	(6,750)
Depreciation written back	-	5,901
Depreciation	(3,559)	(5,338)
Carrying amount at end of year	-	3,559

23. Non-current assets classified as held for sale

Opening balance	-	-
Asset reclassified as held for sale	5,525,000	-
Less write down from cost to fair value less sellers cost	-	-
Closing balance	5,525,000	-

The assets are three lots of land that will be sold during the financial year 2012-13. Proceeds of land sales will be expended on project activities in the South West.

24. Impairment of assets

There were no indications of impairment of property, plant and equipment, infrastructure or intangible assets at 30 June 2012.

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

All surplus assets at 30 June 2012 have been classified as assets held for sale or written off.

25. Payables

Current		
Other payables	103,914	41,839
Accrued expenses	149,734	289,647
Accrued salaries	48,065	50,421
	301,713	381,907

	2012 \$	2011 \$
26. Provisions		
Current		
<i>Employee benefits provision</i>		
Annual leave (a)	329,539	320,228
Long service leave (b)	278,215	220,779
	607,754	541,007
<i>Other provisions</i>		
Employment on-costs(c)	6,077	4,784
	6,077	4,784
Total current provisions	613,831	545,791
Non-current		
Long service leave (b)	138,244	168,142
	138,244	168,142
<i>Other provisions</i>		
Employment on-costs(c)	1,268	1,543
	1,268	1,543
Total non-current provisions	139,512	169,685
Total provisions	753,343	715,476
a. Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of the end of the reporting period	329,539	320,228
More than 12 months after reporting date	-	-
	329,539	320,228
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:		
Within 12 months of the end of the reporting period	278,215	135,332
More than 12 months after the reporting period	138,244	253,589
	416,459	388,921
c. The settlement of annual and long service leave liabilities give rise to the payment of employment on-costs including workers compensation insurance. The provision is the present value of expected future payments. The associated expense is included at note 11 'Other expenses'.		
Movements in provisions		
Movements in provisions during the financial year, other than employee benefits, are set out below:		
<i>Employment on-cost provision</i>		
Carrying amount at start of year	6,328	5,237
Additional provisions recognised	1,015	1,316
Payments/other sacrifices of economic benefits	-	(225)
Carrying amount at end of year	7,343	6,328

	2012 \$	2011 \$
27. Other liabilities		
Current		
Accrued superannuation	4,755	4,357
	4,755	4,357

28. Equity

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

Contributed equity

Balance at start of year	11,389,177	11,389,177
Contributions by owners		
Capital contribution	-	-
Balance at end of year	11,389,177	11,389,177

Reserves

<i>Asset revaluation reserve</i>		
Balance at start of year	4,389,272	3,494,059
Net revaluation increments:		
Land	8,448,582	57,500
Buildings	84,091	837,713
Balance at end of year	12,921,945	4,389,272

Accumulated surplus/(deficit)

Balance at start of year	97,131	5,619,233
Result for the period	(278,302)	(5,522,102)
Balance at end of year	(181,171)	97,131

Total equity at end of period	24,129,951	15,875,580
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29. 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:

Cash and cash equivalent	740,582	713,794
Restricted cash and cash equivalent (refer to note 16)	4,990,786	5,469,128
	5,731,368	6,182,922

	2012 \$	2011 \$
30. Reconciliation of net cost of services to net cash flows used in operating activities		
Net cost of services	(8,395,533)	(13,618,692)
<i>Non-cash items:</i>		
Depreciation expense	153,909	131,253
Resources received free of charge	15,231	12,590
Adjustment	-	2,455
<i>(Increase)/decrease in assets:</i>		
Current receivables (b)	(126,282)	18,334
<i>Increase/(decrease) in liabilities:</i>		
Current accounts payable (b)	(80,194)	(277,039)
Current provisions	68,040	54,058
Other current liabilities	397	2,676
Non-current provisions	(30,173)	87,075
Net GST receipts/(payments) (a)	2,987	105,676
Net cash used in operating activities	(8,391,616)	(13,481,614)

a. This is the net GST paid/received, i.e. cash transactions.

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

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

Remuneration of members of the accountable authority

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

	2012	2011
\$ 0 - \$10,000	12	9
\$10,001 - \$20,000	1	1
\$20,001 - \$30,000	0	1
The total remuneration of the members of the accountable authority is:	62,582	70,762

The total remuneration includes superannuation expenses incurred by the Commission in respect of members of the accountable authority.

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

Remuneration of senior officers

The number of senior officers, whose total fees, salaries, superannuation and other benefits for the financial year, fall within the following bands is:

	2012	2011
\$80,001 - \$110,000	0	1
\$110,001 - \$150,000	4	3
\$150,001 - \$250,000	2	1
The total remuneration of senior officers is:	879,917	691,254

The superannuation included here represents the superannuation expense incurred by the Commission in respect of senior officers of the accountable authority.

No senior officers are members of the Pension Scheme.

2012 \$

2011 \$

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:

Auditing the accounts, financial statements and performance indicators	30,250	27,000
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Payment for auditing services is paid in the following year. Audit fee for 2011-12 will be paid in 2012-13.

33. Lease commitments

Non cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Motor vehicle - not later than one year	41,450	50,829
Motor vehicle - later than one year, not later than five years	17,721	43,746
Office rentals - not later than one year	285,547	292,038
Office rentals - later than one year, not later than five years	1,148,080	1,107,284
Office rentals – later than five years	1,326,303	1,629,795

New Memorandum of Understanding signed for occupation of premises in the Bunbury Tower, expiry September 2021.

34. Contingent liabilities and contingent assets

There are no contingent liabilities or assets that the Commission is aware of as at 30 June 2012.

Contaminated Sites

Under the *Contaminated Sites Act 2003*, the Commission is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated – remediation required* or *possibly contaminated – investigation required*, the Commission may have a liability in respect of investigation or remediation expenses.

The Commission has no known or suspected contaminated sites.

35. Events occurring after the end of the reporting period

There are no events occurring after the balance sheet date that the Commission is aware of as at the date of this report.

36. Explanatory statement

Significant variations between estimates and actual results for income and expenses are shown below. Significant variations are considered to be those greater than 10% or \$30,000.

Significant variances between estimated and actual results for 2012

	Actual 2012 \$	Estimates 2012 \$	Variance \$
Expenses			
Employee benefits expense	2,438,779	2,522,000	(83,221)
Supplies and Services	1,690,722	1,246,000	444,722
Accommodation expenses	238,830	393,000	(154,170)
Grants and subsidies	4,246,892	3,868,000	378,892
Other expenses	89,693	293,000	(203,307)
Income			
Other Revenue	350,792	10,000	340,792
Grant and subsidies	112,500	100,000	12,500

Employee benefits expense

Budget was for full FTE count of 25, but this has been reduced to 24.

Supplies and services

Increase due to project activity expenses eg SuperTowns funds (feasibility studies) are included in supplies and services.

Other expenses

The variance is due to an overestimation of expenses.

Grants and subsidies expense

Grants and subsidy payments vary and are dependent on project completion.

Accommodation expenses

The variance is due to overestimation of expenses

Other revenue

The variance is due the recoup of from other stakeholders for project activities managed by the SWDC. The recoupments also include wages and salaries from WA Tourism and Austrade towards 2 employee benefits expense.

Grant and subsidies income

Grant and subsidy income vary, and are dependent on outside source estimates.

Significant variances between actual results for 2011 and 2012

	2012 \$	2011 \$	Variance \$
Expenses			
Employee benefit expenses	2,438,779	2,304,428	134,351
Supplies and services	1,690,722	1,244,282	446,440
Grants and subsidies	4,246,892	9,819,246	(5,572,354)
Accommodation expenses	238,830	347,299	(108,469)
Income			
Grants and contributions	112,500	17,500	95,000
Other revenue	350,792	307,119	43,673
Royalties for Regions funds	2,090,000	4,000,000	1,910,000
Grants from government agencies	1,567,000	50,000	1,517,000

Employee benefit expense

The variance is due to an increase in provisions for leave liability, increase in FTE (within approved limit).

Supplies and services

2011-12 include SuperTowns funds expenditure.

Grants and subsidies

The 2010-11 year grants contained a large component for the Busselton Jetty Refurbishment Project.

Accommodation expense

The variance is due to a decrease in Bunbury Tower accommodation lease.

Grants and contribution

Contributions vary and in 2011-12 we received additional funds for the Withers project contribution from City of Bunbury.

Grants from Government agencies.

These funds include Royalties for Regions SuperTowns Funds distributed by the Department of Regional Development and Lands.

Other revenue

WA Tourism and other external funds are variable and dependant on project activities and are negotiable - see note 14.

Royalties for Regions

Regional Grant Scheme budgeted income for prior year rounds, are nearing completion.

37. 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, loans, 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 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 allowance for impairment as shown in the table at Note 18.

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 are 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 the value of its holdings of financial instruments. The Commission's does not trade in foreign currency and is not materially exposed to other price risks.

b. Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2012 \$	2011 \$
Financial assets		
Cash and Cash equivalents	740,582	713,794
Restricted cash and cash equivalents	4,990,786	5,469,128
Receivables (1)	152,481	26,199
Amounts receivable for services	1,149,000	1,022,000
Financial liabilities		
Financial liabilities measured at amortised cost	306,467	386,264

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

c. Financial Instruments Disclosure

Credit risk and liquidity risk

The following table discloses the Commission's maximum exposure to credit risk 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 financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Commission.

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

The tables reflect the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes principal cash flows.

Ageing analysis of financial assets

	Carrying amount \$	Not past due and not impaired \$	Past due but not impaired			Impaired financial assets \$
			Up to 3 months \$	3 - 12 months \$	1 - 5 years \$	
2012						
<i>Financial assets</i>						
Cash and cash equivalents	740,582	740,582	-	-	-	-
Restricted cash and cash equivalents	4,990,786	4,990,786	-	-	-	-
Receivables(a)	152,481	152,481	152,481	-	-	-
Amounts receivable for services	1,087,000	1,087,000	-	-	-	-
	6,928,638	6,928,638	152,481	-	-	-
2011						
<i>Financial assets</i>						
Cash and cash equivalents	713,794	713,794	-	-	-	-
Restricted cash and cash equivalents	5,469,128	5,469,128	-	-	-	-
Receivables(a)	26,199	26,199	26,199	-	-	-
Amounts receivable for services	1,022,000	1,022,000	-	-	-	-
	7,231,121	7,231,121	26,199	-	-	-

Maturity analysis of financial liabilities

	Carrying amount \$	Not past due and not impaired \$	Maturity date		
			Up to 3 months \$	3 - 12 months \$	1 - 5 years \$
2012					
<i>Financial liabilities</i>					
Payables	(301,713)	(301,713)	(301,713)	-	-
Other liabilities	(4,754)	(4,754)	-	-	-
	(306,467)	(306,467)	(301,713)	-	-
2011					
<i>Financial liabilities</i>					
Payables	(381,907)	(381,907)	(381,907)	-	-
Other liabilities	(7,357)	(4,357)	-	-	-
	(386,264)	(386,264)	(381,907)	-	-

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.

Interest rate exposure and sensitivity analysis is not required as the Commission holds no interest bearing financial assets or liabilities.



South West Development Commission chief executive officer Don Punch addresses attendees of a SuperTowns briefing in Bunbury.

THE FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS REPORT ON OUR PERFORMANCE THROUGHOUT THE YEAR

Certification of Key Performance Indicators for the year ended 30 June 2012

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the South West Development Commission's performance, and fairly represent the performance of the South West Development Commission year ended 30 June 2012.

Stephen Harrison
Chairman of accountable authority
14 August 2012

Don Punch
Member of accountable authority
14 August 2012

Key performance indicators

Desired outcome

The South West Development Commission's outcome is to coordinate and promote an environment which is conducive to the balanced economic development of the South West region.

Key service

The Commission aims to build quality of life in the South West region through the development of new industries, more diverse opportunities for its residents, and community and industry infrastructure, while advancing sustainable jobs growth.

Relationship with Government policy

The South West Development Commission delivers its services through three strategic themes: Investing in People and Place, Investing in Infrastructure and Environment, and Investing in Knowledge, Enterprise and Innovation.

These three strategic themes integrate together to provide a balanced approach to regional development. They are also aligned with the State Government's strategic planning framework, 'Stronger Focus on the Regions', with greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.

The activities of the Commission aim to ensure that the South West is a strong and vibrant region.

Key effectiveness indicators

As in previous years, the Commission's effectiveness indicators are based on an evaluation survey conducted by an independent consultant.

Client Satisfaction Survey 2012

As a requirement of its strategic plan, the Commission undertook an evaluation of its operations in May 2012. Clients were surveyed to determine their views and understanding of the Commission's role, activities and performance. Similar surveys have been undertaken on an annual basis over the past eleven years.

An independent consultant, Savant Surveys & Strategies, undertook the survey. The Commission provided Savant Surveys & Strategies with a database comprising 213 key clients and 24 representatives from South West local governments. The key clients were made up of Commonwealth and State government agencies and private organisations having regular contact with the Commission over the last 12 months.

This year involved using an online self completion methodology. The contacts were sent an email invitation to complete the annual client survey online. The survey questionnaire was distributed to all of the key clients (213) and all local government representatives (24). A total of 111 clients were interviewed, out of a possible 237 (useable sample). This results in a maximum survey error of +/- 6.80 per cent at 95 per cent level of confidence.

As often occurs with surveys of small populations (i.e. <500), the Sample obtained (N=111) fell just short of the minimum number required (N=147) to meet the OAG's statistical standard for the given Population (N=237). Therefore, although generalisations from the sample to the population should be made with caution, a response rate of 46.84 per cent is commendable and a great deal of valuable data has been obtained.

Of the 111 responses received a total of 19 local government representatives responded equating to a response rate of 79 per cent. 92 key clients responded, this equates to a response rate of 43 per cent. This equates to an overall response rate of 46.84 per cent.

The overall level of satisfaction with the quality of performance of the Commission in 2011-12 was 94 per which has decreased from 97% in 2010-11.

The results for key clients showed a marginally increased level of use for many of the services provided by the Commission. The key areas of service use were (in order of frequency):

- Provision of advice
- Information about the region/Commission
- Source of funds
- Organisation support
- Marketing advice / information
- Advocacy
- Co-ordination between other organisations
- Community consultation
- Project development
- Problem solving
- Planning assistance
- Assistance in securing funds
- Assistance with promotions
- Identification of investment opportunities
- Austrade services
- Assistance with industrial development

Effectiveness of the South West Development Commission

	2011/12		2010/11		2009/10		2008/09		2007/08	
Target	79%	5.53	78%	5.46	76%	5.32	76%	5.32	76%	5.32
Total client average	84%	5.87	82%	5.74	79%	5.60	83%	5.75	83%	5.41
Local governments	84%	5.15	83%	5.81	58%	5.00	71%	5.00	55%	4.82
Key clients	84%	6.09	82%	5.74	83%	5.70	85%	5.85	85%	5.46

% = response rate ~ 1 = ineffective, 7 = very effective

Service: regional development

Key efficiency indicator

Average cost per hour of service

The operating costs of the South West Development Commission are based on the Statement of Comprehensive Income total cost of services (excluding grants) for the relevant period. Hourly cost is determined by dividing the expenditure for the period by the total hours worked for the period.

Average cost per hour	Note	2011/12	2010/11	2009/10	2008/09	2007/08
Operating cost	1	\$4,611,934	\$4,124,092	\$3,860,987	\$3,959,443	\$3,736,373
Project / service hours	2	26,815	27,327	26,728	23,374	20,793
Cost per hour	3	\$172	\$151	\$144	\$169	\$180
Target	4	\$175	\$180	\$175	\$165	\$160

Notes on variance between reporting periods

- Note 1: Operating cost information is sourced from the Statement of Comprehensive Income excluding grants and project costs paid direct to other agencies. A net movement of \$487,842 is shown. Fluctuations are to be expected, given the variable nature of project costs associated with projects managed by the Commission. In 2011-12 the Royalties for Regions SuperTowns funds development planning expenditure increased the operating cost.
- Note 2: Project hours are taken from employees' individual time sheets and can be influenced by the number and intensity of project activity. This year's project hours decrease has been influenced by the reduction of one FTE.
- Note 3: Hours directly attributable to projects or services are used to calculate cost per hour and the variance is based on the increase in project hours.
- Note 4: The target cost per hour is an estimated figure based on expected staffing levels and positions. Extra project hours were worked in 2010/11 due to Royalties for Regions activities.

Disclosures

Other financial disclosures

Employment and industrial relations

As at the end of June 2012 the Commission had 24 full-time equivalent employees.

The Commission's employees are employed under the *Public Service General Agreement 2008*.

There were no workers compensation claims during the year.

Staff profile

The Commission recognises the benefits of workplace diversity and has a continued commitment to furthering these principles.

Staff profile	2011/12	2010/11	2009/10	2008/09
Full-time permanent	20	17	16	18
Full-time contract	2	2	1	1
Part-time measured on FTE basis	5	5	5	4
Total	24	24	22	23

Seventy nine per cent of employees were aged over 45 with no employees aged less than 25 years. Fifty eight per cent of employees were female and 4 per cent Aboriginal with no non-English speaking background employees. On a regular basis the Commission hosts school-based work experience students and TAFE structured workplace learning students.

Work-life balance

The Commission is committed to providing a working environment that takes into consideration the needs of employees and their families. The approach taken by the Commission is to provide flexible working arrangements that include the opportunity for employees to adjust their working hours through the use of flexi-time and to work from home.

Type of flexible arrangement	Permanent (headcount)	Contract (headcount)	Proportion of total staff
Working from home	1	0	4%
Working part-time	5	0	21%
Flexible start/finish	23	0	95%
Purchased leave arrangements	1	0	4%

Employee volunteering

The South West Development Commission is committed to providing services for the community and as a part of that service we encourage and support our employees to participate in community volunteering on a personal level as well as on behalf of the Commission.

Employees are able to undertake volunteering duties by utilising the Commission's flexible working arrangements, donating during fundraising activities and community organised events, and taking advantage of donation schemes through payroll deductions.

Professional development

The purpose of the Commission's Professional Development Policy is to encourage and support employees to actively pursue their professional and career development as an integral element of their employment with the Commission. The Commission acknowledges that continuing professional development contributes to personal job satisfaction, workplace productivity, reward and recognition.

The Commission identifies organisational goals and priorities, and develops and implements a range of strategies and programs to enhance and build the capacity, skills and professionalism of employees to enable them to contribute effectively to the Commission's mission and strategic directions. The Commission is committed to providing employees with:

- The opportunity to develop capabilities that complement organisational and work goals.
- The opportunity to develop a career plan and participate in career development activities that extend and enhance their capabilities and capacity for advancement within the Public Sector.
- Equity of access to professional development opportunities.

	2011/12
Total training costs	\$12,388
Average training investment	\$513 pp
Number of staff who received study assistance	3
Number of staff who participated in professional development	10
Number of staff who received training courses	2

Training initiatives in 2011-12 included:

- Work Smart/Live Smart
- SEGRA 2011
- Planning for Effective Public Participation
- 7th Symposium International Society on Digital Earth
- Chinese Language course
- Planning for Effective Public Participation
- CBD & Town Centre Design & Development
- Community Development

Governance disclosures

Contracts with senior officers

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

Directors liability insurance

The Commission maintained Directors Liability Insurance for 2011/12 with the total premium being \$1838.35.

Ministerial directives

There were no Ministerial Directives in 2011/12.

Other legal requirements

Disability access and inclusion plan outcomes

The South West Development Commission has a Disability Access and Inclusion Plan designed to ensure all people are considered in all its activities and services. The plan ensures access to Commission activities and events, buildings and facilities and information. It also ensures all people receive the same quality of service and opportunities to participate at the Commission as everyone else. The plan can be accessed from the Commission's website or by phoning (08) 9792 2000.

1. All people have the same opportunities to access services of, and any events organised by the Commission – Ensuring there is flexibility and adaptability in responding to any barriers experienced by people accessing services or events is considered a key initiative to achieve this outcome. Policies and procedures are adapted where required.
2. All people have the same opportunities to access the buildings and other facilities of the Commission – The Commission works in conjunction with the landlords to ensure that all buildings present no barriers to access and are developing a culture of awareness within the Commission to ensuring no barriers to access occur.
3. All people receive information from the Commission in a format that will enable them to access information readily – All information on services and public functions are produced using clear and concise language with an option of accessing this information in alternative formats if required upon request.
4. All people receive the same level and quality of service from the staff of the Commission – Customer service officers are fully trained to provide a professional and courteous customer service to all people.
5. All people have the same opportunities to make complaints to the Commission – Access to the Commission's complaints system is offered in a variety of formats.
6. All people have the same opportunities to participate in any public consultation by the Commission – The Commission ensured that all people are encouraged to take an active role in their community and worked to overcome any barriers.

Compliance with public sector standards and ethical codes

The following compliance issues arose during 2011-12:

- Public Sector Standards: No breach claims were lodged.
- WA Code of Ethics: No breach claims were lodged.
- SWDC Code of Conduct: No breaches of conduct occurred.

The Commission has developed policy, guidelines and processes to support compliance with Public Sector standards and ensures that all associated activities are undertaken in a professional and unbiased manner. Employees are continually kept informed and standards are reinforced during performance management, training and during inductions.

During the year the following policies were reviewed:

- SWDC Staff Code of Conduct
- Gift Policy

Reporting on record keeping plans

The South West Development Commission's Record Keeping Plan details the record keeping program for the agency including which records are to be created and how those records are to be kept. Measures to ensure compliance with the State Records Commission – Standard 2 Record Keeping Plans: Principle 6 – include:

- A review of the record keeping plan has been completed and a revised plan submitted to the State Records Commission.
- The provision of record keeping induction programs for new employees addressing their roles and responsibilities. Existing staff are given the opportunity to attend record keeping training and information sessions.
- An annual review of the record keeping training program in order to ensure that it is efficient and effective.

Electoral Act compliance

In accordance with s175ZE of the *Electoral Act 1907*, the Commission incurred the following expenditure in advertising, market research, polling, direct mail and media advertising.

The total expenditure for 2011/12 was \$32,055. Expenditure was incurred in the following areas:

	\$	\$
Market research agencies:		23,855
• Savant Surveys and Strategies	8,875	
• Manjimup Community Survey	14,980	
Polling agencies		0
Direct mail agencies		0
Media advertising agencies:		8,200
• Rural Press Regional Media (WA) P/L	\$2,594	
• South West Printing	\$1,046	
• State Law Publisher	\$ 106	
• Adcorp Australia Limited	\$4,454	
Total expenditure		32,055

Freedom of information

The Commission maintains a range of documents relating to its business activities in both hard copy and electronic form. These documents include inward and outward correspondence, contracts, agreements, reports, administrative files, personnel records, project files, financial records, internal manuals, statistical information, meeting minutes, promotional material, pamphlets and brochures, human resource information and asset records.

The Commission does not charge for brochures and publications. No charge is levied on requests for information or access to files although the Commission does reserve the right to recoup costs.

The South West Development Commission has a policy of providing personal information on request. Requests can also be made under the provisions of the *Freedom of Information Act 1992* for which a \$30.00 charge applies.

The contact details of the Freedom of Information Officer are as follows:

Chief Finance Officer
South West Development Commission
9th Floor Bunbury Tower
61 Victoria Street
Bunbury WA 6230

The Commission received no Freedom of Information requests during the year.

Government policy requirements

Occupational safety and health

The South West Development Commission is committed to achieving a high standard of occupational safety and health performance through effective safety management in accordance with the Occupational Safety and Health Act 1984 and the Government of Western Australia's Code of Practice 'Occupational Safety and Health in the Western Australian Public Sector'.

The objective of the policy is to have workplaces that are free of work-related injuries and diseases. This objective will be achieved by developing and implementing safe systems of work and by continuing to identify hazards and control risks as far as practicable.

The Commission will do this by operating in accordance with occupational safety and health legislation, regulations, approved codes of practice and WorkSafe Plan; by making all employees and contractors aware of their OSH responsibilities through access to OSH information and training; and by encouraging senior management to take leadership in OSH matters with a common view to improve OSH outcomes.

Consultation, communication and cooperation between employers and employees are the key components in providing and maintaining a safe and healthy workplace.

The following actions will form the basis of the Commission's consultation mechanism:

- » Employee involvement in hazard identification, risk assessment and risk control process through the reporting of potential risk to either their manager or by entering that incident in the central register.
 - Accidents that occur
 - Near miss accidents
 - Potential hazards in work areas
- » Feedback from employees on occupational safety and health issues.
 - By survey on an annual basis
 - During team meetings
- » Communication to employees of the OSH management system on implementation and on review.
- » Inclusion of OSH management system requirements in employee inductions.
- » Regular reporting of OSH issues at corporate executive meetings.
- » Reporting of any irregular OSH risks or incidents to the SWDC Audit and Risk Assurance Committee.

The South West Development Commission is committed to providing quality and prompt injury management support to all employees of SWDC who sustain a work related injury or illness, with a focus on safe and early return to meaningful work and in accordance with the *Workers' Compensation and Injury Management Act 1981*.

The expected injury management outcomes are:

1. Return to work in the same position
2. Return to work in a new position
3. Return to work in a position with another agency

A review of the Occupational Safety and Health Policy was undertaken in 2008 by internal auditors with the following findings. Further work on strengthening the areas identified is ongoing.

Finding

While the OSH Policy prepared to date is consistent with OSH Code of Practice requirements, the Policy was not complete at the time of our visit. Areas yet to be drafted include a 'Risk Management Plan' and 'Register of OSH'.

Recommendation

The Work Safe Plan is reviewed in detail in relation to the OSH Policy to ensure that the Policy encompasses all stated requirements.

Progress

The Commission endorsed the Occupational Safety and Health "Risk Management Plan" in September 2011.

Annual performance for 2011/12

	Target 2011/12	Actual 2011/12
Number of fatalities	0	0
Lost time injury/diseases (LTI/D) incidence rate	0	0
Lost time injury severity rate	0	0
Percentage of injured workers returned to work within 28 weeks		N/A
Percentage of managers trained in occupational safety, health and injury management responsibilities	Greater than or equal to 50%	25%

Occupational Safety and Health Initiatives in 2011/12 included:

Employees are encouraged to undertake healthy activity and a reimbursement up to \$500 each financial year is available upon the production of receipts for physical activity through a gym or other classes.

Other activities that are encouraged but not funded are:

- Lunchtime walking groups
- Workplace sports teams
- Meditation, massage
- A healthy catering policy for workplace functions
- Using flexible work options to undertake activity or sports before or after work.

Employees shall be encouraged to undertake driver awareness training and first aid training during 2012/13.

Complaints management

The South West Development Commission is committed to providing customers with high quality services to meet their needs, and if customers are dissatisfied with the services provided, or the way in which they are provided, the Commission is keen to investigate and if necessary rectify any problems.

As such, the Commission has complaints management policy and procedures. Access to the policy is available by phone, in person or via our website. A customer feedback service has been established to ensure that customer complaints are heard and dealt with fairly and quickly without prejudice or bias. A variety of formats such as telephone, email, written and in person are available for the lodgement of complaints to the Commission.

Confidentiality is maintained at all times.

The Commission's Executive Officer has been appointed the complaints officer.

There were no complaints received during the reporting period.



South West Development Commission

61 Victoria Street Bunbury WA 6230
PO Box 2000 Bunbury WA 6231

Telephone +61 08 9792 2000
Facsimile +61 08 9791 3223

Email swdc@swdc.wa.gov.au
Web www.swdc.wa.gov.au

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