

Gascoyne Development Commission

**2004/2005
Annual Report**

**Where the Outback
meets the reef**

**Achieving an environment conducive to the bal-
anced economic and social development of the
Gascoyne region**

LETTER OF TRANSMITTAL

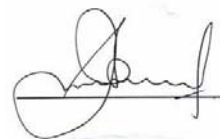
Hon J Ford, MLC
Minister for Fisheries; Kimberley; Pilbara and Gascoyne
Parliament House
PERTH WA 6000

In accordance with Section 66 of the Financial Administration and Audit Act 1985 and Section 32 of the Regional Development Commissions Act 1993, we hereby submit for your information and presentation to Parliament, the Annual Report of the Gascoyne Development Commission for the year ended 30 June 2005.

The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.



Richard Patty
CHAIRMAN



S. E. Jones
CHIEF EXECUTIVE OFFICER

31 August 2005

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CHAIRMAN'S REPORT

I have pleasure in presenting the 2004/2005 Annual Report of the Gascoyne Development Commission (GDC); this report covers a year of unprecedented activity and involvement by the GDC across the region, and a creditable elevation of the Commission's profile.

Previous Board Chair Kevin Leahy resigned to take up a seat in the Legislative Chamber as the Member for Mining and Pastoral, causing my elevation from Deputy to Chairman. This year we welcomed new member Inge Stocks from Gascoyne Junction to our Board and her enthusiasm and rigorous representation of issues "in the east" compliments the enthusiasm and vast experience of sitting Board members. Our two "Young Leaders", Jo McCabe and Darren Capewell, who are being mentored by the Board for future community leadership roles, have also injected a new level of insight into issues affecting the younger community members.

The Chief Executive Officer continued to ensure that the diverse skills and strengths of the GDC staff were sufficient to service the ever increasing needs of the growing Gascoyne economy. Reactivation of the Exmouth office and appointment of specialist Project Officer Yasushi Nishioka ensures that the Ningaloo Ocean and Earth Research Centre project, proposed as the biggest and most complex activity to be undertaken in the Gascoyne since the 1960s, is well supported and promoted.

In 2004/05 we distributed \$350,776 from the Regional Development Scheme (RDS) and major beneficiaries were Carnarvon PCYC, Gascoyne Telecommunications Working Group, Carnarvon Chamber of Commerce, Fairwest Pty Ltd., Marine Farms Ltd., Carnarvon Heritage Group Inc., Shire of Carnarvon, Wild Discovery, Carnarvon Senior High School, CALM (Shark Bay World Heritage Interpretation), Upper Gascoyne Health and Recreation Group, Yamatji Aboriginal Media Corporation and the Shire of Upper Gascoyne. Detail is provided under the heading Regional Development Funds.

During the past 12 months the following projects (many in partnership) were completed:

- Lessons Learnt from Shark Bay World Heritage Listing
- Our involvement with the Gascoyne Murchison Strategy through its Regional Based Alternatives Sub-Committee (3 projects)
- The Gascoyne Challenge forum
- Carnarvon 2020 Strategy planning
- Finalised negotiations on Pelican Point
- WA On Show participation
- Perth Royal Show Host Town activities for Exmouth
- Publication of a Gascoyne Coast tourist guide

Significant progress has been made on projects in partnership:

- The Ningaloo Ocean and Earth Research Centre planning
- Gascoyne Telecommunications Working Group development of remote IT support and training service

- Carnarvon's Perth Royal Show Guest Town status in September 2005
- Gascoyne Education Working Group
- Gascoyne Works and GDC Web presence
- Stage Two of the Gascoyne Murchison Outback Pathways
- Aboriginal Tourism Product Development
- Skilled Migration Program
- Ningaloo Eco Lodge Competition
- Whitlock and Babbage Island Development proposals
- Development of a tourist information pack for Gascoyne Junction area
- Establishment of tourist facilities at Cobra Station and Bangemall Inn
- Development of a commercially viable sea water supply system for land based aquaculture
- Design and construction of an Interpretive Centre for the Carnarvon One Mile Jetty
- Development of the OTC precinct as a tourism attraction
- Production of a style manual to help establish effective branding of the Shark Bay World Heritage area
- Development of a rest and information bay at Gascoyne Junction
- Delivery of FM radio services to Denham and Monkey Mia

Additionally the initiative of the GDC staff to introduce a Minor Grant program (totalling \$50,000) catering for small community groups' needs to access grant funds of less than \$3000 has significantly contributed to greater awareness of, and willingness by communities to partner with the GDC to refocus capacity building on the residents in the region.

Construction of Aboriginal Heritage and Cultural Centre will be completed in June 2005, offering the indigenous communities of the Gascoyne a wonderful opportunity, yet to be fully embraced by the responsible Aboriginal Corporations, to share in the future prosperity and economic development of this region. Interpretive component funding for the Centre and an agreed governance structure will enhance the Centre's potential to successfully operate.

Two other major infrastructure projects for the Gascoyne region are the Shark Bay World Heritage Interpretive Centre in Denham and the Ningaloo Ocean and Earth Research Centre in Exmouth. The former should open for operations in November 2005, while the latter is now receiving the appropriate level of commitment and effort by stakeholders to ensure the developmental stages and planning are progressing well.

It is clear, from the overwhelming demand on our services and expertise, that the GDC's concerted efforts to broadly communicate its role has been very successful. Our rate of effort in assisting people, businesses and other organisations to identify and progress opportunities that will provide economic and social benefits to both the proponents and region as a whole, has increased by an estimated 23%.

We communicate our activities and publicise our achievements by publishing a monthly supplement in the Northern Guardian and regularly updating our website. This ensures that the Gascoyne and broader communities are aware of the opportunities available and the role the GDC can play in maximising take-ups and outcomes. In other words, working together to give credence to making the Gascoyne a better place to live.

I have thoroughly enjoyed my time as Chair and, after my term completes, will watch with interest continuation of the commendable efforts made by the Board and staff, and their Government colleagues, to ensure that the tremendous potential of the Gascoyne is fully realised.

A handwritten signature in black ink, appearing to read 'Patty', with a large loop at the start and a trailing flourish.

Richard Patty
CHAIRMAN

GASCOYNE REGION ECONOMIC AND SOCIAL TRENDS

The Gascoyne Region of Western Australia is dissected by the Tropic of Capricorn and captures not only 600 km of Indian Ocean coast but also stretches 600 km inland beyond Mt Augustus and the Burringurrah Community. The Region consists of the Shires of Carnarvon, Exmouth, Shark Bay and Upper Gascoyne, and is fringed by the Mid West to the south and the Pilbara to the north.

The 138,000 square kilometre land area of the Gascoyne represents about 6 per cent of the State's total area and is approximately twice the size of Tasmania. The Gascoyne coastline incorporates internationally recognised features such as the Ningaloo Reef and the Shark Bay World Heritage Area. The hinterland includes the outstanding features of the Kennedy Ranges and Mt Augustus.

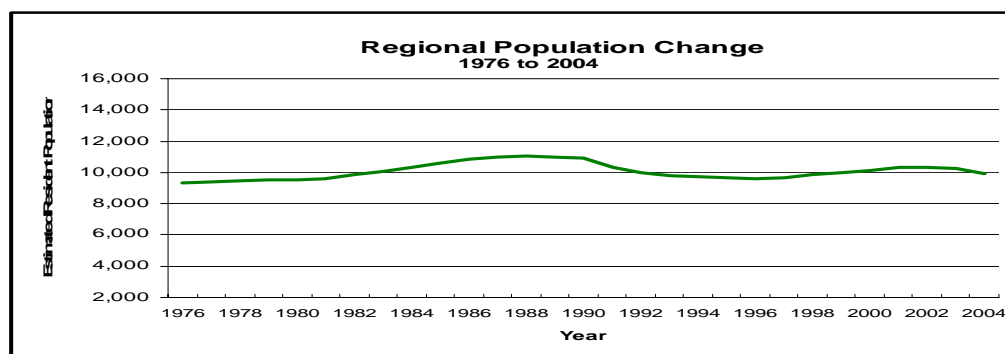
Population

The town of Carnarvon is the administrative centre of the Region and the Carnarvon Shire has the largest population.

Estimated Resident Population 1994 - 2004							1 yr	5 yr	10 yr
Shire	1994	1996	1999	2003	2004(P)	% of Region 2004	Annual Growth 2003-2004 %	AAGR 99-04 %	AAGR 94-04 %
GASCOYNE	9,737	9,587	9,975	10,240	9,949	100.0%	-2.8	-0.1	0.2
Carnarvon (S)	6,464	6,385	6,520	6,614	6,340	63.7%	-4.1	-0.6	-0.2
Exmouth (S)	2,156	2,083	2,190	2,293	2,271	22.8%	-1.0	0.7	0.5
Shark Bay (S)	853	853	935	963	968	9.7%	0.5	0.7	1.3
Upper Gascoyne (S)	264	266	330	370	370	3.7%	0.0	2.3	3.4

Source: Australian Bureau of Statistics and the Department of Planning and Infrastructure (P = preliminary)

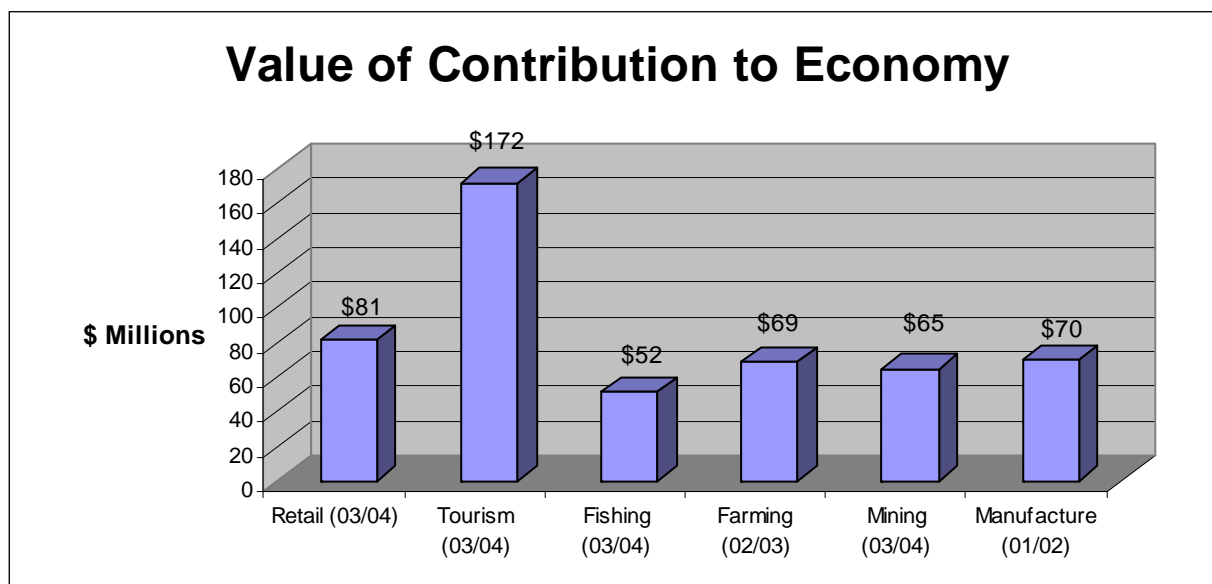
The Region currently makes up 0.5 per cent of the State population and 2 per cent of the population living in Regional Western Australia. Whilst the Gascoyne has the smallest population of all Western Australia's Regions, it attracts a large number of tourists and medium term visitors, particularly in winter months.



Source: Australian Bureau of Statistics - Estimated Resident Population

Regional Economic Activity

The Gascoyne Region's economic activity is the most diverse of the State's Regions with important contributions being made by the sectors graphed below. (Farming includes Horticulture and Pastoralism).



Farming includes Agriculture, Horticulture and Pastoralism. Manufacture includes Construction

The Region is a rich source of seafood, providing most of the State's prawns and scallops. Seafood processing is the Region's principal manufacturing activity, with export potential of this industry underlining its continued importance to the Region and the State. The fisheries in the Region are well managed with limited entry.

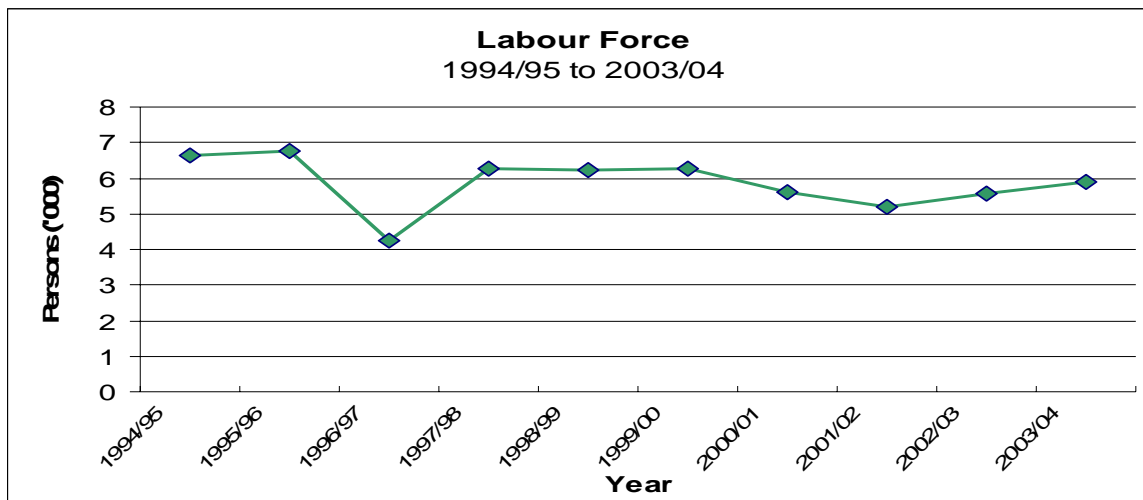
Horticulture, a major component of the economy, supplies up to 85 per cent of vegetables for the Perth and the South West markets during winter. The Region's producers are actively developing further export markets, central packing and new niche markets. Evaluation of additional water resources in the Region will soon allow the amount of irrigated land, and hence production, to be increased.

The pastoral industry occupies 80 per cent of the regional land area and has traditionally been based on wool production. In recent times producers are increasingly taking up opportunities for diversification into cattle, sheep meats, feral goat harvesting and other industries. The Gascoyne Murchison Rangeland Strategy offered significant opportunities in pastoral improvement and is already demonstrating very significant gains.

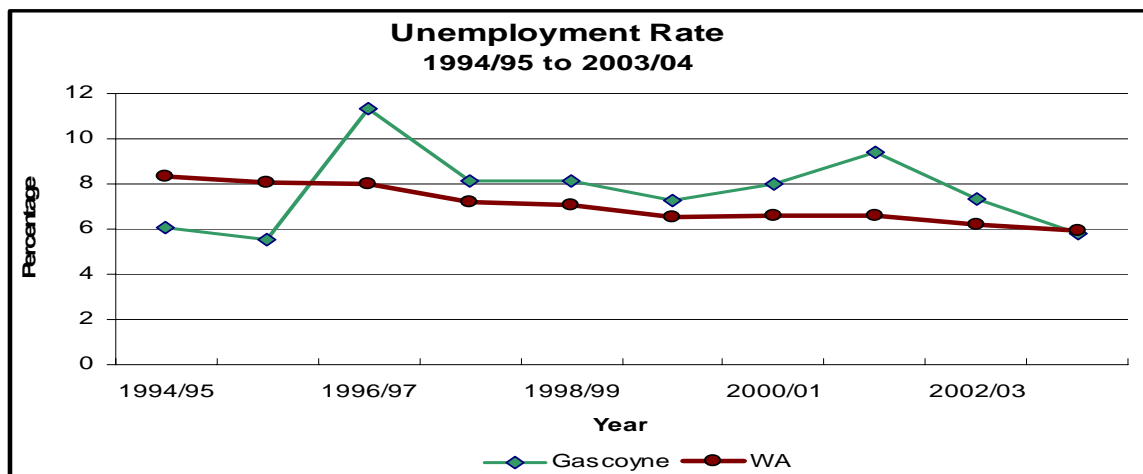
The Region produces large quantities of salt and gypsum from operations at Lake Macleod and Useless Loop. In addition, beta carotene is being produced at Lake MacLeod.

Tourism continues as the fastest growing sector. Promotional marketing, Regional branding and e-commerce underline this industry's expansion as exposure increases to the Region's relaxed lifestyle, superb climate, abundant marine life and outstanding natural beauty of the many conserved and protected unique features.

Employment



Note: Each financial year is calculated on a four quarter average.
Source: Department of Employment and Workplace Relations



Note: Each financial year is calculated on a four quarter average.
Source: Department of Employment and Workplace Relations.

Due to the small population base, employment figures in the Gascoyne Region vary considerably and small changes in local conditions impact significantly on percentage changes.

The primary industry focus of the Region's economy results in predominantly seasonal employment, particularly in the horticulture, fishing and tourism industries.

Given the natural attractions of the area, tourism is playing an increasingly important role in future employment prospects for the Region.

CORPORATE PROFILE

Ministerial Responsibility

The Commission is responsible to the Minister for Fisheries; Kimberley; Pilbara and Gascoyne, the Hon Jon Ford, MLC.

Legislation and Policy

Proclamation of the Regional Development Commissions Act 1993 on 7 April 1994 established the Gascoyne Development Commission as a statutory authority. The Commission had previously operated as a government department in accordance with Section 21 of the Public Service Act 1978 from its inception in January 1993.

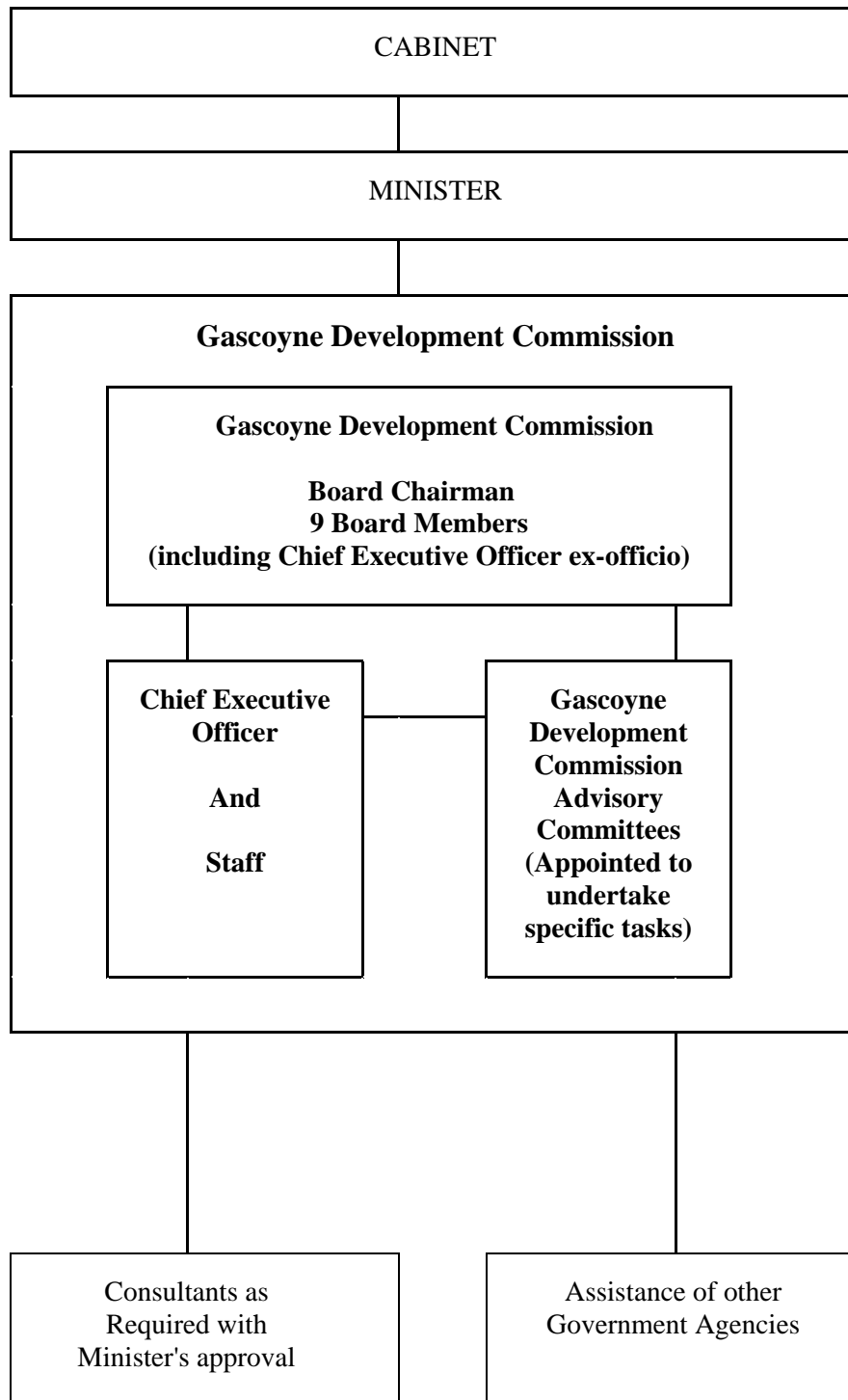
The Regional Development Commissions Act 1993, which created nine commissions including the Gascoyne Development Commission, states that the objects and functions of each commission are to:

- a) Maximise job creation and improve career opportunities in the Region.
- b) Develop and broaden the economic base of the Region.
- c) Identify infrastructure services to promote business development within the Region.
- d) Provide information and advice to promote business development within the Region.
- e) 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.
- f) Generally take steps to encourage, promote, facilitate and monitor the economic development in the Region.

By identifying and coordinating the responsibilities of a wide range of government agencies with Regional development charters, the Commission performs an important role in addressing needs and ensuring appropriate application of Government resources in its Region.

The Gascoyne Development Commission performs its functions in respect of the Region comprising the Shires of Carnarvon, Exmouth, Shark Bay and Upper Gascoyne.

CORPORATE STRUCTURE



CORPORATE PURPOSE

This annual report is presented in terms of the Commission's targeted outcome of Regional Development and its corporate services.

MISSION

To achieve sustainable economic and social development of the Gascoyne Region - A better place to live.

The Gascoyne will be recognized as providing a great lifestyle and visitor experience through its diversity, good employment and investment opportunities, unique natural environment and climate.

PRIORITY AREAS

- Business and Community Development and Support
- Infrastructure Development
- Tourism Development and Support
- Communication Improvement
- Promotion of Region
- Aboriginal Economic and Cultural Development
- Population Retention

VALUES

The Gascoyne Development Commission is committed to:

- Provision of a high standard of service
- Innovation and flexibility in response to issues
- Continuous improvement
- Non-discriminatory service
- Consultation with clients
- Human resource development
- Environmentally sustainable development

DEVELOPMENT GOALS

- Adaptive Communities
- Enhancing Lifestyles and Livelihoods
- Developing Wealth and Employment
- Developing Infrastructure
- Environment and Natural Resource Management
- Responsive Government

CORPORATE SERVICES

The Corporate service is Regional Development. The Commission's projects are currently aligned to the following areas to achieve regional development.

- Continuous improvement of policies, plans, strategies and position statements on key development issues and facilitation of their implementation to generate a methodical and coordinated approach to Regional development of the Gascoyne.
- Facilitation of greater unity and cohesion within the business community and encouragement of new business investment that is environmentally sustainable.
- Identification of needs and coordination of infrastructure development in the Region to generate employment, investment and sustainable economic and social growth.
- Identification of key economic, social and cultural infrastructure that will generate business growth as well as improve the quality of life for residents.
- Effective promotion of the Gascoyne's many investment opportunities, great lifestyle and unique natural environment and climate.

COMMISSION BOARD AND STAFF

The Commission has a Board of Management comprising 9 members who are appointed by the Minister, and the Chief Executive Officer, by virtue of office. The Minister appoints the Chairman and the Deputy Chairman.

The Act prescribes that appointed members are to be selected, as far as possible, on the following basis:

One third will be nominated by local councils in the Region.

One third is to be persons who are resident in the Region and nominated from the community.

One third may be appointed at the Minister's discretion.

The Board is the governing body with authority to perform the functions of the Commission and has delegated to the Chief Executive Officer the day to day management. The Board meets regularly to consider matters of economic and social importance to the Region, to formulate advice to the Minister on appropriate matters, to set policy directions for the Commission and to formulate budget priorities.

Board Membership

Members of the Board at 30 June 2005 are:

Richard Patty [Chairman, Community Appointment]

Richard has been a resident of Carnarvon since 1994. He is the General Manager of Norwest Seafood. Richard is a committee member on the Community Consultative Committee for the Shark Bay World Heritage Centre, the Carnarvon Chamber of Commerce and is an active member of various other local committees, including the MAC for the Carnarvon Land Backed Wharf.

Peter Green [Deputy Chairman, Ministerial Appointment]

Peter has been a resident of Exmouth since 1970 and is currently a director of Balmon, a company involved in innovative water monitoring devices. Peter was a Councilor with the Shire of Exmouth until mid 2003 and is a key member of the Ningaloo Ocean & Earth Research Centre Steering Group.

Inge Stocks [Local Government Appointment]

Inge has resided in Gascoyne Junction for the past 15 years. Inge was elected to the Shire of Upper Gascoyne in 1996 and is the first female councillor in the Shire's history. Inge played an active role on the Upper Gascoyne Health and Recreation Group Inc. and in 2002 was awarded an Australian Sports Medal for services to sport and recreation.

Douglas Hunt [Community Appointment]

Doug is a long term resident of Coral Bay and business proprietor of Coral Bay Adventures. Doug has extensive experience in the fishing and tourism industries and is a member of the Northern Prawn Fishery Advisory Committee, Coral Bay Tourist Association and Coral Bay Progress Association.

Karl Brandenburg [Local Government Appointment]

Karl is a long term resident of Carnarvon and owner/operator of U2 Bobcat Hire. Karl is a Councillor with the Shire of Carnarvon, a member of the Carnarvon Ningaloo Steering Committee, Gascoyne Floodplain Management Committee and an active member on many other local committees.

Veronica Fleay [Local Government Appointment]

Ronnie is a resident of Exmouth and Proprietor/Manager of Ningaloo Marine Agencies. Ronnie is Deputy President of the Shire of Exmouth and representative on the Exmouth Townscape Advisory Committee, Exmouth Whale Shark Festival Committee and active member of other local committees.

Laurence Bellottie [Community Appointment]

Benny, as he is known, has lived in the region his entire life and is a professional fisherman in Shark Bay. Benny is a Malgana Elder and is the Chairman of the Yadgalah Aboriginal Corporation and was previously an ATSIC Yamatji Regional Councillor for 3 years.

Sue Jones [ex officio]

Sue was appointed Chief Executive Officer of the Commission in June 2003. Sue spent nearly 4 years in Exmouth as the Commander of the NCS Harold E. Holt Navy Base, as part of her 27 years service in the Royal Australian Navy. She is Chair of the Shark Bay World Heritage Community Consultative Committee, a Member of the Ningaloo Sustainable Development Committee and the Mid West Gascoyne Area Consultative Committee.

Board members Kevin Leahy and Andy Munro resigned during the year.

Advisory Committees

Gascoyne Telecommunications Working Group

The Board may from time to time establish committees for the purpose of considering particular matters specified by the Board. The Gascoyne Telecommunications Working Group is currently operational, being a community-based advisory committee to the Gascoyne Development Commission to provide address all aspects of telecommunications issues and the needs of the Gascoyne region, rationalise and implement priority issues to meet the region's full potential and progress in line with the global community.

The interest and targets for activities include mobile phones, computer/internet access and affordability, satellite technology, broadcasting, video-conferencing and E-commerce.

The main functions of the Group are to:

- Advise Government, lobby service providers and other organisations to provide effective communications options for the region.
- Monitor changes in communications and their impact on Gascoyne communities.
- Provide information and advice on communications issues to the wider Gascoyne community.
- Assess, prioritise and implement communications requirements of the Gascoyne region.

The Group consists of eleven members, bringing in a blend of expertise and interests covering a broad spectrum encompassing information technology, telecommunication, radio communication, pastoral interests, education, corporate and small business sectors as well as Local and State Government.

The Group meets every three months to update on the progress of its own activities, and to discuss issues affecting the Gascoyne region.

Ningaloo Ocean And Earth Research Centre Project Steering Group

The Ningaloo Ocean and Earth Research Centre (NOERC) aims to provide a modern, world class, independent, multidisciplinary research and conference centre for national and international research bodies, industry and other stakeholders. It will be a catalyst to ensure long-term sustainable ecological and economic viability of the area and the management and conservation of world heritage values for which the area is likely to be nominated.

NOERC project steering group was established as a partnership alliance with the Shire of Exmouth with a view to oversee the complex project development and implementation activities and establish initial communications with stakeholders. The Commission's role is delivered by the establishment of a full time position and office in Exmouth. The NOERC web address is www.ningalooresearch.org.

Gascoyne Education Working Group

The Gascoyne Education and Training Working Group is underway to address the critical issues of under achievement in formal education completion and the regional provision of "K to Grey" learning opportunities. The aim of the group is to identify issues and propose solutions for the holistic provision of education (including compulsory and post compulsory education), and to achieve a seamless transition between the different educational sectors in the Gascoyne. The Commission is the coordinator.

Staff

The Commission has ten full time staff. Staff positions at 30 June 2005 were:

Sue Jones, Chief Executive Officer

Peter Taylor, Senior Project Manager

Cathy Broad, Project Officer, (Part Time)

Jill Dwyer, Executive Assistant

David Harding, Project Officer (Part Time)

Shannon Hogg, Finance and Administration Officer

Chris Jones, Manager Corporate Services

Toni Lewis, Project Officer

Clifton Lockyer, Indigenous Business Trainee

Tami Maitre, Project Officer and Trade Start Officer

Rebecca Marsh, Project Officer (Part Time)

Yasushi Nishioka, Project Officer Exmouth, (Contract)

Jenny Payet, Project Officer

Greg Rose, Aboriginal Economic Development Officer, (Contract)

Fiona Shallcross, Project Officer

Staff movements from the Commission during the year:

Rowena Mitchell

resigned

Mark Lucas

resigned

Kara Guglielmana

traineeship completed

Sarah Thomas

leave without pay

Shireen Jung

transferred

ACCESS TO INFORMATION

The Commission Board and staff welcome public input to assist in the formulation of the Commission's policies and in the performance of the agency's functions. The Commission also draws on members of the community for working groups on specific projects.

Members of the public with an interest in Regional development, and particularly the development of the Gascoyne Region, are welcome to contact Board members or to visit the Commission staff to discuss relevant issues.

The Commission holds information from various sources in working files, feasibility studies and printed reports that are stored in the Commission's library. Information is usually provided free of charge. However, some documents or reports may require a contribution towards the printing costs.

In accordance with the Freedom of Information Act the information and documents of the Gascoyne Development Commission may be inspected.

Initial inquiries for access to information held by the Commission, other than those easily satisfied by a personal visit, should be forwarded to the Manager Corporate Services, Gascoyne Development Commission, PO Box 781, Carnarvon WA 6701.

The Commission has a web page at www.gdc.wa.gov.au with links to other Regional sites.

REPORT ON ACTIVITIES

The activities of the Commission are focused on the attainment of the outcome of an environment conducive to the balanced economic and social development of the Gascoyne Region. The Commission regularly produces a corporate strategy document entitled *Working for the Gascoyne – Directions and Strategies*. This document is available to the public and provides details of the Commission's planned activities for the coming financial year.

The Commission has the output to achieve regional development and seeks to attain results in several key areas (refer page 9). Projects undertaken during the financial year are included in the following table and are described on the following pages.

Maximise Job Creation And Improve Career Opportunities In The Region

Aboriginal Employment Development
Burringurrah Tourism Development
Aboriginal Business Incubation Pilot Project

Develop And Broaden The Economic Base Of The Region

Gascoyne Murchison Outback Pathways II
World War Two Heritage Trail Project
Karijini-Mt Augustus Trail Project
Gascoyne Heritage Register
Carnarvon 2020 Program
Horticulture Development Program
Quobba Coast Precinct Diversification Study
Upper Gascoyne/ Mt Augustus Diversification Study Project
Economic Analysis of the Gascoyne Economy

Identify Infrastructure Services To Promote Business Development Within The Region

Midwest Gascoyne Area Consultative Committee
Energy Management Program
Ningaloo Ocean and Earth Research Centre
GDC Minor Grants Program

Provide Information And Advice To Promote Business Development Within The Region

Austrade - Tradestart Services Program
Skilled Migration Program
Addressing Skill Shortages Project
Website Redevelopment Program

Seek To Ensure That The General Standard Of Government Services And Access To Them In The Region Is Comparable To That Which Applies In The Metropolitan Area

Gascoyne Telecommunications Working Group
Gascoyne Education Working Group
Mid West Gascoyne Human Services Regional Managers Group
Health Issues Program
The Gascoyne Challenge Project
Plastic Bag Free Gascoyne Project
Youth Issues Program
Leadership and Governance Program

Generally Take Steps To Encourage, Promote, Facilitate And Monitor The Economic Development In The Gascoyne Region

Regional Development Council
Shark Bay Liaison Program
Exmouth Liaison Program
Upper Gascoyne Liaison Program
Carnarvon Liaison Program
Ningaloo Coastal Strategy Program
Eco Lodge Competition Project
Regional Policy Implementation Group
Regional Development Scheme Program
Gascoyne Works Program
Regional Promotion Program

Capital Works

Aboriginal Heritage and Cultural Centre
Carnarvon Storm Surge Barrier Project

Commission Function: Maximise Job Creation and Improve Career Opportunities in the Region

This program is based on the recognition that boosting job creation and improving career opportunities will have a variety of economic and social benefits for the Gascoyne region.

This program needs strong, correctly tailored education and training infrastructure which will ensure that Gascoyne residents have the skills needed to meet the increased and diversified employment demand. The Commission recognises that implementation of this program can only be achieved by working in collaboration with Government, business and the community.

Indigenous people make up approximately 15% of the Gascoyne population and experience disproportionately high unemployment rates. Implementation of this program must consider the differing needs of the Indigenous population and work towards the elimination of barriers to employment.

The following sub programs and projects are being pursued in this area.

Aboriginal Employment Development Program

This program provides funds to assist Aboriginal community groups and individuals to develop and market their businesses and products. We provide professional guidance, support and assistance to Aboriginal people within the Gascoyne Region to further develop enterprise concepts and establish stronger workable links within the training arena for Aboriginal people seeking meaningful employment.

Burringurrah Tourism Development Project

This project will assist the Burringurrah Aboriginal community to establish a viable tourist enterprise that meets regional economic planning requirements and locally developed tourism strategies.

Aboriginal Business Incubation Pilot Project

This pilot project aims to take an Aboriginal business or business idea and provide the type of support traditionally available through a business incubation program to give the business the best possible chance of long term viability and success.

Commission Function : Develop And Broaden The Economic Base Of The Region.

This program relies on acknowledgement that a broad based, diverse, integrated economy is more stable, less subject to volatility in our global setting and more likely to provide balanced and sustained growth for our region. It does not preclude emphasis on taking economic advantage of the things that are a region or sub-region's natural advantages, but does attempt to ensure effort by the Commission does not compound the problems associated with putting all of our eggs in one basket.

The Gascoyne economy is one of the most diverse in the State, without total reliance on any one industry or industry sector. There is however, heavy reliance in particular geographic areas on specific industries to a point where those sub-regional economies are somewhat unbalanced. For example, a down turn in tourism may dent the

economy of Carnarvon, but could be very serious in Exmouth or Denham where there is much less economic diversity.

The Commission acknowledges that diversification should be handled with caution. Even seemingly balanced economies face challenges. Carnarvon, for example seems well balanced between various primary producing sectors. Analysis shows though, that although Horticulture is a strong and growing sector in Carnarvon, it is highly reliant on the existence of a solid and capable Manufacturing industry there to keep costs low. Manufacturing is highly reliant on work generated by the Commercial Fishing industry and without that work, would necessarily shrink dramatically as a sector to a point where it is unlikely to adequately support horticulture at current levels or costs. A downturn in commercial fishing would have serious knock-on effects on both Manufacturing and Horticulture.

The following sub programs and projects are being pursued in this area.

Outback Pathways Program

To develop a network of integrated tourism trails throughout the Gascoyne that support appropriate infrastructure that in turn will support economic growth in tourism and non-tourism sectors and broaden the economic base of the region.

Gascoyne Murchison Outback Pathways Project

GMOP is cross-regional project to assist the development of the tourism industry for the inland Gascoyne/Murchison areas. Stage 1 was launched in April 2004. It included 43 interpretative sites along three historical self drive routes and tourism brochures for each of the pathways. Stage 2 is underway and will include 23 new sites along the 3 pathways.

World War Two Heritage Trail Project

North West Cape's significance in Australia's World War II history is not well known. This project aims to establish a World War Two Heritage Trail on NW Cape, to highlight the critical contribution by, and history of the area that will include the heroic deeds of the men who served on the *Krait*, Operation Potshot's submarine involvement and Truscott's air operations.

Karijini-Mt Augustus Trail Project

Ultimately the vision is, in response to tourist demand, to establish a self drive tourist route to link the inland iconic destinations of Mt Augustus and Karijini National Park.

Gascoyne Heritage Register

To produce a Gascoyne Heritage Register that incorporates the buildings and structures of the four local government areas which have various levels of heritage registration.

Carnarvon 2020 Program.

The State Government has endorsed the preparation of the Carnarvon 2020 Strategy that aims to prepare the Carnarvon community for the challenges that lie ahead. It is based upon the principles, goals and objectives contained in the State Sustainability Strategy, the Regional Development Policy and the Ningaloo Coast Strategy - Carnarvon to Exmouth. It includes short, medium and long term strategies and actions

to address immediate issues and to position the Carnarvon community for sustainable growth.

Horticulture Development Program.

To ensure that three horticulture projects (Brickhouse, Meedo and Mt Augustus) developed under the Gascoyne Murchison Strategy continue to be progressed post the finalisation of the GMS on 28 August 2004.

Quobba Coast Precinct Diversification Study Project

This project has now delivered a comprehensive analysis of options for tourism development, comparison of option combinations for best management of the sites, style of accommodation and tourism experience best suited at the Blowholes, Quobba Homestead and Red Bluff. The report takes the form of a business case for tourism development of each precinct and is now being considered within the Ningaloo Sustainability framework.

Upper Gascoyne/ Mt Augustus Diversification Study Project

This study has delivered a comprehensive analysis of options for economic development in the Shire of Upper Gascoyne, outlining the processes required to implement possible options, identifying services that are required, the likely costs to Government and other stakeholders and identification of benefits and drawbacks.

Economic Analysis of the Gascoyne Economy

This project produced reliable economic data that accurately identifies the nature of the Gascoyne's Regional Economy, especially in terms of the relationships between industries. A more detailed study of each of the sub economies is now under way.

Commission Function: Identify Infrastructure Services To Promote Business Development Within The Region.

Infrastructure services are essential for regional growth, requiring constant upgrading and maintenance of transport routes, marine facilities, communications, power, and water services. The Gascoyne Development Commission acknowledges the significant challenge in ensuring that the isolation of regional communities does not result in inequity of supply, cost and access to services.

This program is designed to ensure that infrastructure is appropriate and meets the identified needs of the communities. Business development will not occur if the incremental improvement in infrastructure is not delivered to the region. The Commission also includes capital infrastructure and community facilities developed by Local Governments or industry as important projects that contribute to regional development.

The Commission commits to this program by taking a facilitation and consultation role, working with the government sector to ensure equity of supply and access, identifying short falls and investigating ways of improving service provision and delivery.

The Commission will also identify and assess the feasibility of projects using tools such as the Input Output Model, Needs Assessments and the Regional Development

Policy. Projects that result in identified outcomes will receive assistance, support and coaching to successfully implement infrastructure projects.

A consultative and informative approach will provide the necessary assistance to industry groups seeking funding to develop or expand infrastructure that will provide benefits to the industry and greater community.

The following sub programs and projects are being pursued in this area.

Midwest Gascoyne Area Consultative Committee Program

MWGACC is a Federal Government funded regional Committee comprising 16 Directors representing the Mid West (primarily Geraldton), Murchison (2 reps) and Gascoyne (4 reps). Two years of involvement has seen strong, committed representation from, and over \$1M of funding to the Gascoyne. The MWGACC has offices in Geraldton, staffed by a team of five, who administer the Regional Partnerships Federal Grant system on behalf of the Commonwealth Department of Transport and Regional Services.

Energy Management Program

The project aims to achieve lower power costs for Gascoyne businesses through lobbying for the reintroduction of an off peak power tariff, upgrade of power stations and generation methods throughout the Region, negotiation on Community Service Obligation matters and Sustainable Energy Development activities in several environmentally sensitive locations.

Ningaloo Ocean and Earth Research Centre

Under a committed Project Steering Group, this project has moved into the Feasibility and Business Planning stage, which will give greater impetus to identifying partnerships and funding sources to advance the vision for a purpose-built, multidisciplinary research centre at the Exmouth Marina. Identification and allocation of suitable land remains the subject of negotiations with DPI.

Minor Grants Program

To provide a source of funds which at the general discretion of the Board, can be used to support small projects within the Gascoyne that are consistent with the objects of the Commission.

Commission Function: Provide Information And Advice To Promote Business Development Within The Region.

This program is designed to ensure that the Gascoyne business community is not disadvantaged due to the isolation and distance from Perth or other main regional centres by way of providing the same business development opportunities that are afforded the larger business centres.

The provision and the dissemination of information, advice, assistance and support to individuals, business organisations, industry groups and representatives are paramount to ensuring business development across the Region. It is one of the building blocks for sound economic development, job creation and community growth.

Business development is also achieved through the promotion of the Gascoyne Region as a better place to live, a great place to invest and a unique place to visit. The Gascoyne Region can be promoted through the print media, web sites, exhibitions and shows (regional, state national and international events), networking opportunities, forums and meetings.

Information and advice will also be provided to all levels of government via Ministerial communications and briefing notes with a view to foster, promote and support the interests of the Gascoyne business community. To do this effectively, the Commission will liaise and consult with business organisations, industry groups and peak bodies to ensure the interests of the Gascoyne Business community are communicated.

The following sub programs and projects are being pursued in this area.

Austrade - Tradestart Services Program

Tradestart offices are intended to provide Austrade services, on the same terms and to the same standards, to clients in locations where Austrade does not have adequate presence. This project provides funds for the employment of an export advisory officer through Austrade to provide initial counselling services to clients wanting to get into export. The office provides a visual local contact point promoting specific Austrade programs, facilitate or conduct Export workshops and seminars throughout the region. In mid 2005, an Enhanced Export Hub will be established in Carnarvon to service the Gascoyne and Pilbara.

Skilled Migration Program

To fulfill the requirements of operation as a Regional Certifying Body for migration, attract skilled migrants and promote skilled migration options to Gascoyne businesses. The Commission gives prospective migrants information about the opportunities that exist in the region and assist employers to recruit them. We are creating a Skills In Demand List to assist the process.

Addressing Skill Shortages Project

To assist Gascoyne Business to find employees to fill skilled job vacancies which may in turn lead to business and economic growth.

Website Redevelopment Program

The update, design and content of the Commission's website will ensure it is more user-friendly and marketable. The website plays a vital role in promoting the region to a worldwide audience, providing current, detailed information on the region and current Commission projects with the aim of attracting tourists, prospective investors, migrants and others interested in discovering the Gascoyne region.

Commission Function: 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.

The Gascoyne Development Commission is a crucial link in the consultation process between State Government and the local communities. With the location of some Government agencies in the regional centre of Carnarvon the Commission is able to effectively consult and influence decision making to ultimately produce positive outcomes for the greater Gascoyne region.

The Commission is a statutory body that advocates for fair and accessible services across the business industry and social sectors. It seeks to ensure equity of access to such services which are of a standard equivalent to those delivered in the metropolitan area.

This program will be achieved through consultation, public communications and facilitation, research and policy development. It will be undertaken with the understanding that partnerships need to be developed between non-government and government sectors and that agencies need to adopt a more inclusive and flexible approach with user groups.

The program also provides for the assessment and justification of calls for better services in the areas of health and education for the Gascoyne communities. This shall be achieved through consultation, needs assessment and by utilizing tools such as Input Output Models. Findings will be communicated to all levels of Government via Ministerial advice and also disseminated through local networks and key stakeholders.

The following sub programs and projects are being pursued.

Telecommunications Working Group Program

The aim of the group is to improve the awareness and efficiency of communications delivery in the Gascoyne region, and to facilitate access and the skills to cope with e-commerce and on-line education delivery.

Gascoyne Education Working Group Program

The aim of the group is to identify issues and propose solutions for the holistic provision of education (including compulsory and post compulsory education), and to achieve a seamless transition between the different educational sectors in the Gascoyne.

Mid West Gascoyne Human Services Regional Managers Group

The MWGHSRMG was formed in 2004 to be the collaborative forum that seeks to further the State Government's whole-of-government social agenda. Experience indicates that agencies delivering such services are often working without the detailed knowledge of what other agencies offer. Reporting through the Human Services Director General's Group to the Cabinet Standing Committee on Social Policy, this forum offers each of the participating agencies an opportunity to remain up to date with activities and programs offered and the chance to work together at providing an informed, cohesive face of government to the communities they service.

Health Issues Program

To ascertain the level of broad health services provided in the Gascoyne, and compare services to those that apply in the metropolitan area.

The Gascoyne Challenge Project

To deliver an annual workshop aimed at identifying and planning for the current and future needs of the Gascoyne region.

Plastic Bag Free Gascoyne Project

To create a plastic bag free Gascoyne in 2005. A sustainable future is the key to an economically and environmentally viable Gascoyne region.

Youth Issues Program

The aim of this program is to ensure the Commission stays informed on youth related issues across the Gascoyne Region in order to effectively lobby for, and provide assistance with projects and activities that result in positive outcomes for this minority group.

Youth are a skills resource essential to the long term development of a community. Retention of the region's youth is critical to sustainability of these communities, particularly where succession planning for the fishing, horticultural and pastoral industries is involved. Better education, community employment and training opportunities are urgently required, and a wider range/choice of entertainment and recreational activities must be identified.

Leadership and Governance Program

This program aims to promote, and where applicable, implement leadership opportunities for residents of the Gascoyne. The future of regional communities is reliant on individuals who have vision and energy to bring about change and make things happen. Strong leadership skills and good governance are essential to the framework of communities and such skills need to be fostered and developed over a period of time.

Governance affects individuals, community groups and the very structure of our community, from local government to patients receiving targeted indigenous or aged health programs to community groups. Good governance results in fair and equitable decision making processes, fosters community spirit and promotes strong and constant economic and social development.

Commission Function: Generally Take Steps To Encourage, Promote, Facilitate And Monitor The Economic, Social and Cultural Development In The Gascoyne Region.

This program accommodates the tasks and activities that Commission officers undertake to encourage, promote, facilitate and monitor economic and social development in the Gascoyne Region.

The following sub programs and projects are being pursued.

Regional Development Council Program

The Council comprises the nine Board Chairpersons of the Development Commissions, a WA Local Government Association representative, the Director General of the Department of Local Government and Regional Development, and it is chaired by an independent Ministerial appointee. The quarterly meetings of the Council expose participants to both the unique and common issues in the different regions. At least once per year the RDC is programmed to coincide with the Cabinet Standing Committee on Regional Policy.

Shark Bay Liaison Program

To provide the Shark Bay community with assistance and resources for projects and initiatives that foster economic, social, environmental and cultural development. This may involve complex research, advocacy and policy advice on a range of community development issues. It also involves extensive liaison with the Shire of Shark Bay, industry, government agencies and community groups. The Commission is also instrumental in assisting the community and government departments to develop sustainable options for developments that bring prosperity and social advancement, within the requirements of the National World Heritage values, for which Shark Bay is best known.

Exmouth Liaison Program

Generally takes step to assist the community and Shire of Exmouth with economic, social, environmental and cultural development. Currently the development of the Ningaloo Ocean and Earth Research Centre project, consultation on World Heritage listing, identification of land availability and preparing for sustainable tourism activities are priorities.

Upper Gascoyne Liaison Program

Generally take steps to assist the Shire of Upper Gascoyne in economic, social, environmental and cultural development. Currently the effort is on catering for greater tourism activities with the advent of the Pathways program, indigenous tourism development and road infrastructure.

Carnarvon Liaison Program

By having a clear understanding and awareness of issues that impede development the Commission can more effectively lobby and support projects that are driven by other entities or individuals. The GDC will play a pivotal role in facilitating cross-agency working partnerships on projects and initiatives that generate economic and social development for Carnarvon.

Ningaloo Coastal Strategy Program

To support the implementation of the Strategy, participate in the planning considerations and develop opportunities for sustainable and environmentally responsible development options wherever possible.

Eco Lodge Competition Project

To establish an architectural competition for a World's Best Practice Eco Lodge design that will satisfy the stringent development conditions required by the Ningaloo Coastal planning process initially, but eventually to be applied to all remote areas in tourism infrastructure development.

Regional Policy Implementation Group Program

This group is determined by the Department of Local Government and Regional Development to implement the State's Regional Development Policy: *Regional Western Australia, A Better Place to Live*, published in November 2003. The Group has determined an implementation and reporting methodology. The Policy commits the Commission to ensure its regional development activities conform to the 16 specified outcomes therein.

Regional Development Scheme Program

The Regional Development Scheme is an assistance program available to the Gascoyne on an annual basis. (See next section).

Gascoyne Works Program

The Gascoyne Works Program (monthly 2 page newspaper section) provides exposure of the Commission and its activities and projects. This initiative ensures dissemination of a more factual and detailed level of information to the community on the projects and grant opportunities than is possible through regional journals.

Regional Promotion Program

To ensure the Commission receives recognition for its projects and activities, regional promotion will be undertaken on a needs basis. The promotion of the Commission and Gascoyne Region supports the overall aims and objectives of the Commission to fashion the Gascoyne as a better place to live, a great place to invest and a unique place to visit.

Commission Function : Capital Works

This program accommodates capital works projects in which the Gascoyne Development Commission has a financial or project management role.

The following sub programs and projects are being pursued in this area.

Aboriginal Heritage and Cultural Centre

Government funding has been provided for the construction of the Aboriginal Heritage and Cultural Centre, located in Carnarvon. While the physical infrastructure of the Centre is almost complete, cultural and socio-economic programs, the responsibility of the indigenous groups and broader community, have not kept pace. These matters are receiving urgent attention.

Carnarvon Storm Surge Barrier

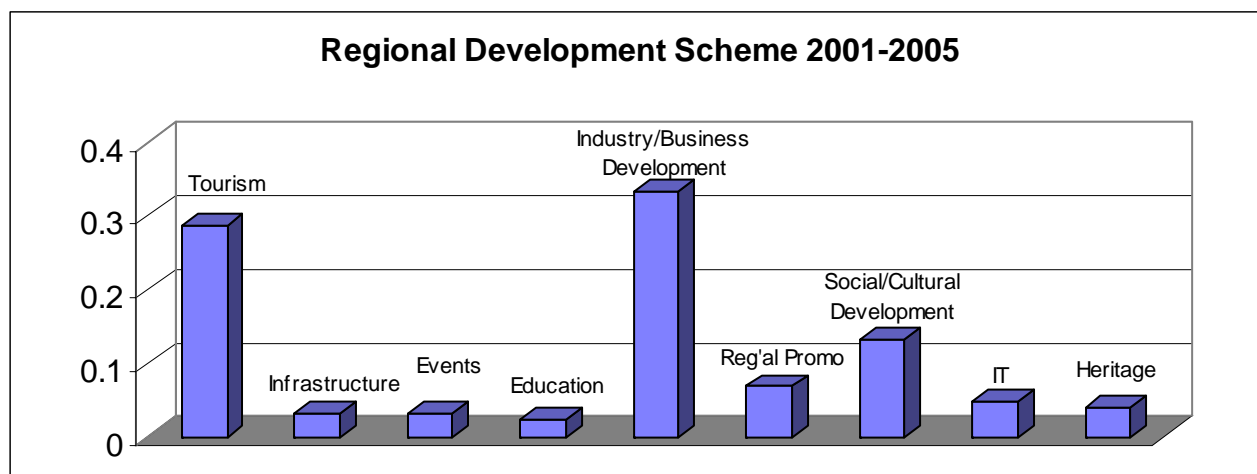
Funds have been drawn down by the Shire of Carnarvon for the construction of the storm surge barrier which will reduce the impact of flooding and improve the protection of the community. This will complete in July 2005.

REGIONAL DEVELOPMENT FUNDS

RDS funds were provided for the following in the 2004/05 financial year.

<u>Applicant</u>	<u>Project</u>
Carnarvon Senior High School	Learning Centre Fit Out
Marine Farms Limited	Sea water system for land based aquaculture
Carnarvon Police and Citizens Youth Club	Purchase of bus
Yamatji Aboriginal Media Corporation	Erection tower, antennas, and transmitter
Gascoyne Telecommunications Working Group	IT Support & Training
Wild Discovery	Production of Guide Book on Shark Bay and Ningaloo
CALM	Branding manuals of the Shark Bay World Heritage Area
Upper Gascoyne Health & Recreation Group	Tourist Information Pack
Shire of Upper Gascoyne	Rest & Information Bay
Carnarvon Chamber of Commerce	Perth Royal Show Host Town 2005
Fairwest Pty Ltd	Tourist infrastructure at Cobra Station & Bangemall Inn
Carnarvon Heritage Group Inc	Interpretative centre for the Carnarvon One Mile Jetty
Shire of Carnarvon	Develop Overseas Telecommunication Precinct

The graph below represents Regional Development Scheme funding of \$1.6M allocated over four years to 30 June 2005 by industry.



COMPLIANCE WITH RELEVANT WRITTEN LAW

Enabling Legislation

The Gascoyne Development Commission is established under the Regional Development Commissions Act 1993. The Commission does not administer legislation.

Legislation Impacting on Commission Activities

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

Regional Development Commission's Act 1993	Workers Compensation and Assistance Act 1981
Financial Administration and Audit Act 1985	Industrial Relations Act 1979
Public Sector Management Act 1994	State Supply Commission Act 1991
Salaries and Allowances Act 1975	Government Employees Housing Act 1964
Public and Bank Holidays Act 1972	Freedom of Information Act 1992
Equal Opportunity Act 1984	Workplace Agreements Act 1993
Government Employees Superannuation Act 1987	State Government Electoral Act
Disability Services Act 1993	Public Interest Disclosure Act 2003
Minimum Conditions of Employment Act 1993	Public Service Award 1992
Public Service General Agreement 2002	State Records Act
Library Board of Western Australia Act 1951	Electoral Act 1907
Occupational Health, Safety and Welfare Act 1984	

The Commission has complied with the requirements of the Financial Administration and Audit Act and every other relevant law, and exercised controls which provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

In the administration of the Gascoyne Development Commission, we have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Service Sector Code of Ethics and our Code of Conduct.

In accordance with the Disability Services Act (1993), the Commission has a Disability Service Plan and continues to raise staff awareness of special issues relating to people with disabilities, and instructs staff to take action when they can for the benefit of these people relating to Commission activities.

With reference to the State Government's plans for young people, the Commission has projects aimed at economic and social development within the Region, including quality of life and employment opportunities. Achievement of these aims will benefit all people in the Region, including young people.

The Commission's Record Keeping Plan has been cleared and the approval process should be completed after December 2005. The plan is a living document and relevant staff attend external training to keep abreast of methods and requirements. The efficiency and effectiveness is monitored through staff feedback.

The Commission has a Sustainability Action Plan and aspects of it are highlighted weekly in our staff newsletter. We have a designated officer whose portfolio includes sustainability and with a small staff our ease of communication channels ensures effective control over activity in this regard.

The Commission actively promotes equal employment opportunity based solely on merit, to prevent discrimination on the grounds of gender, marital status, pregnancy, race, disability, religious or political convictions, family responsibilities or age.

Risk management is integral to our operations and in respect of guarding against corruption and misconduct, our staff induction program ensures staff are aware of their responsibilities to safeguard confidential information, to conform to the code of ethics and conduct and to be vigilant in computer security.

Processes are in place to meet obligations regarding Public Interest Disclosures under the relevant Act.

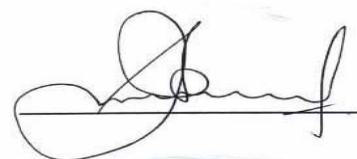
In compliance with Section 175ZE of the Electoral Act 1907, the Commission reports the amounts spent for the following classes of expenditure in the financial year.

(a) Advertising agencies	\$8,134
(b) Market research organisations	\$0
(c) Polling organisations	\$0
(d) Direct mail organisations	\$0
(e) Media advertising organisations	\$0

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



Richard Patty
Chairman



S. E. Jones
Chief Executive Officer

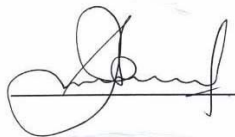
PERFORMANCE REVIEW

CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Gascoyne Development Commission performance, and fairly represent the performance of the Gascoyne Development Commission for the financial year ended 30 June 2005.



Richard Patty
CHAIRMAN



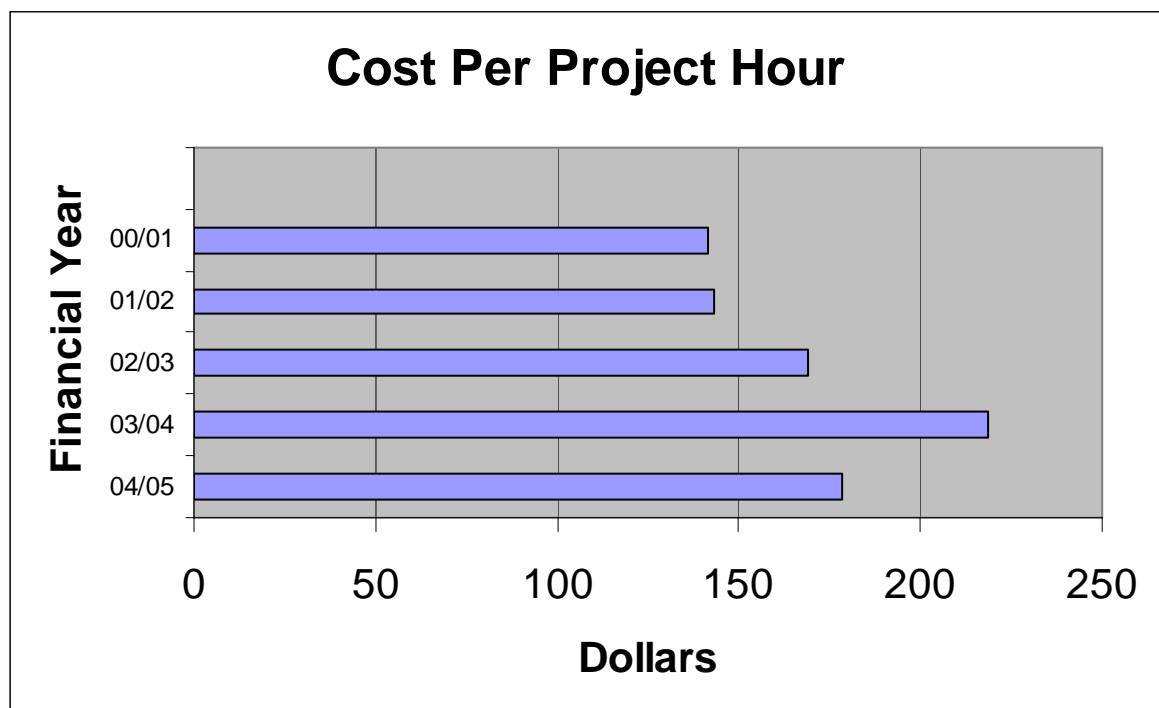
S. E. Jones
CHIEF EXECUTIVE OFFICER/MEMBER OF
ACCOUNTABLE AUTHORITY

31 August 2005

Efficiency Indicators

The Corporate service is Regional Development.

The following chart records the total cost of services per project hour as an audited key efficiency indicator. There was a slight reduction in project hours from March 2002 with the move from work place agreements to the Public Service General Award.



The Commission's budget is directed to numerous output focused projects supporting the economic and social development of the Gascoyne Region. External funding sources and networking partners are continually sought to enhance project scope and effectiveness. The attraction of additional funding (or the withdrawal of anticipated funding) can result in wide variations between expectations and actual results.

The expenses relating to unique capital projects have been excised from these comparatives because they distort the figures due to wide fluctuations in payments for them each year, or when one is completed and the expenditure therefore does not occur in the following year.

A target cost per project hour was set at \$170 and a cost of \$178 was achieved.

Effectiveness Indicators

The activities of the Commission are focused on the attainment of its outcome: An environment conducive to the balanced economic and social development of the Gascoyne Region.

By way of background, the Commission operates on a project basis to achieve Economic and Social Development of the Gascoyne Region. Projects vary widely to encompass developing policies, strategic plans and facilitating their implementation, encouraging business investment, identifying social and cultural infrastructure to improve business growth and quality of life, and regional promotion. Funding can vary dramatically within a financial year depending on shifting priorities and what strategic partnerships and shared project funding initiatives can be established during the year.

Customer Survey

A Customer Survey of the Commission's database of contacts was undertaken in April 2005 to solicit responses relating to the achievement of the Commission's outcome. A 53% response rate was achieved from 95 questionnaires.

Of the 95 questionnaires sent, 46 were considered clients who deal with the Commission fairly frequently or more often, and 43 of those clients returned questionnaires, indicating a strike rate of 93%. A target of 85% was set for the expectation of customer agreement that the Commission achieves an environment conducive to the balanced economic and social development of the Gascoyne region. An 87% result was achieved. A summary of other results follows.

Figure 1

Respondents were asked if the Commission is effective and makes a positive contribution to the economic development of the Gascoyne Region.

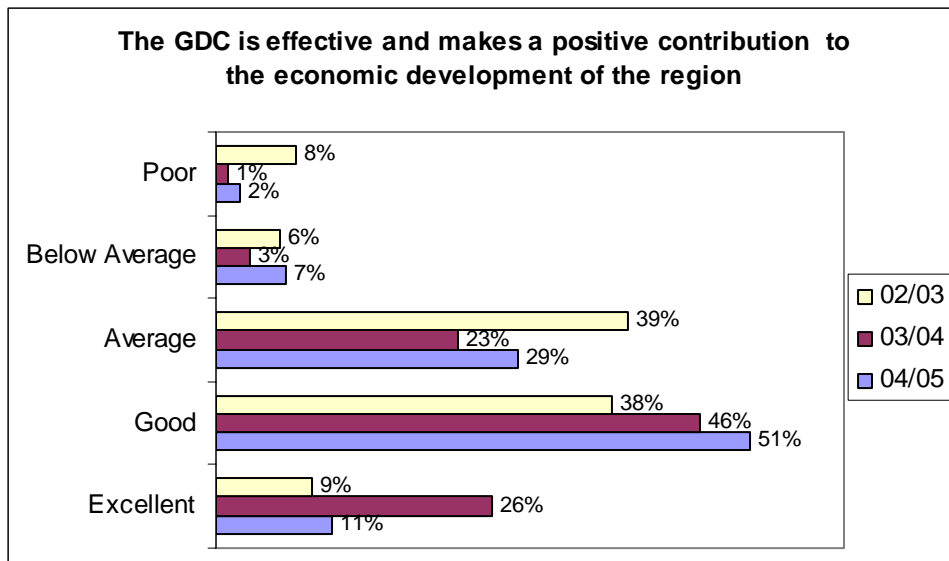


Figure 2

The survey asked if the Commission is effective and makes a positive contribution to the social development of the Gascoyne Region.

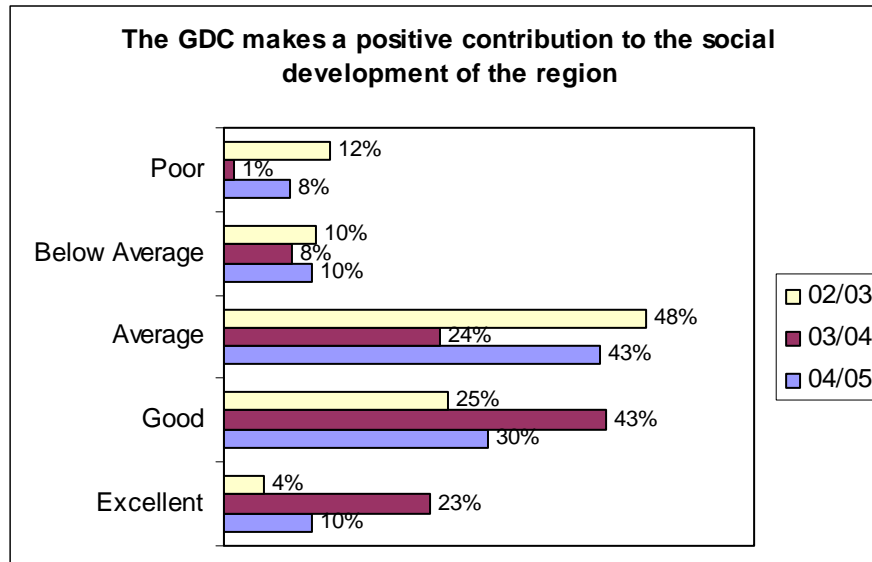


Figure 3

The survey asked how well the Commission performed in developing policies, plans, strategies and position statements on key issues and needs of the Region.

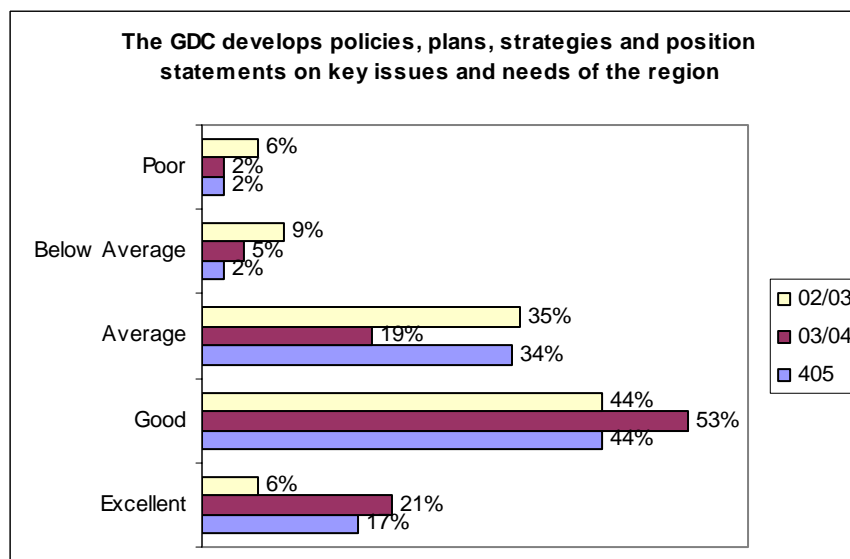


Figure 4

The survey asked how well the Commission performed in encouraging local business to grow and diversify.

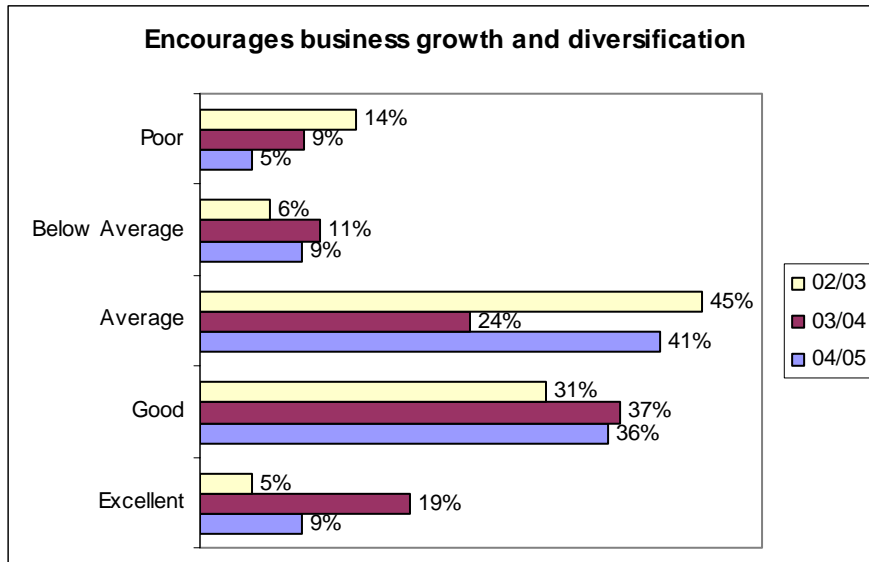


Figure 5

The survey asked how well the Commission performed in promoting and seeking business investment opportunities in the Region.

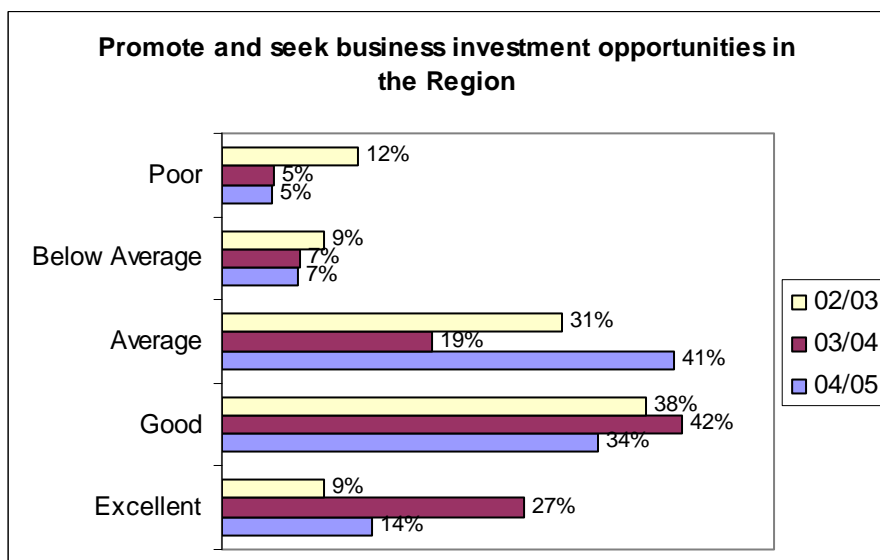


Figure 6

The survey asked how well the Commission performed in promoting and seeking social and cultural opportunities in the Region.

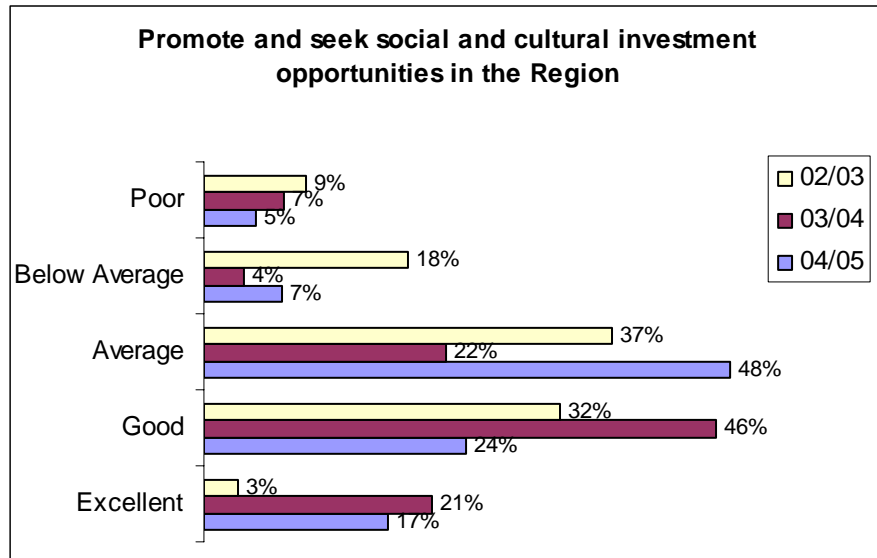
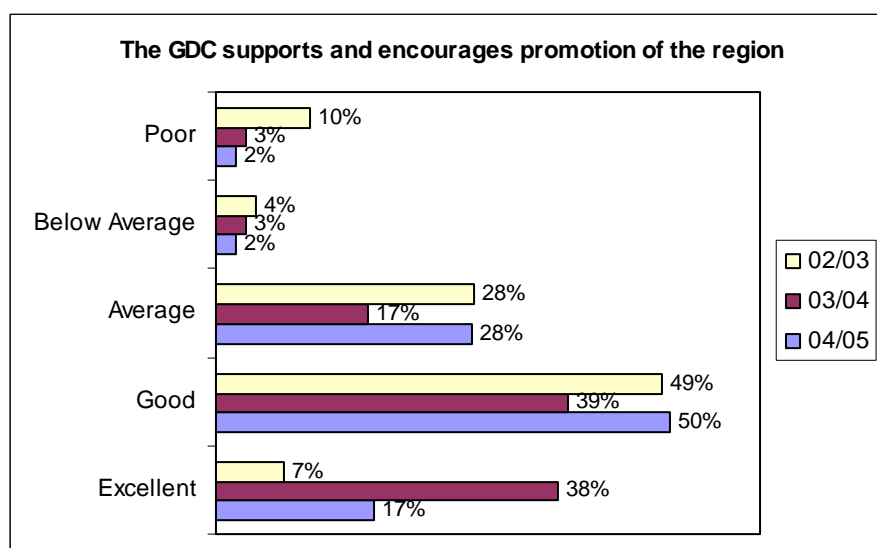


Figure 7

The survey asked how well the Commission performed in supporting and encouraging promotion of the Region.





AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

GASCOYNE DEVELOPMENT COMMISSION PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Gascoyne Development Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2005.

Scope

The Commission's Role

The Commission is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
16 September 2005

FINANCIAL & STATUTORY REPORTS

CERTIFICATION OF FINANCIAL STATEMENT

The accompanying financial statements of the Gascoyne Development Commission have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2005 and the financial position as at 30 June 2005.

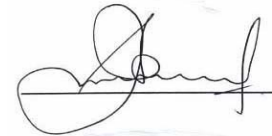
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Richard Patty
CHAIRMAN



Chris Jones
PRINCIPAL ACCOUNTING OFFICER



S. E. Jones
CHIEF EXECUTIVE OFFICER/MEMBER OF
ACCOUNTABLE AUTHORITY

31 August 2005

GASCOYNE DEVELOPMENT
COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	2005 \$	2004 \$
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	3	920,784	784,223
Supplies and Services	4	4,843,978	975,108
Depreciation and amortisation expense	5	28,546	32,669
Accommodation expenses	6	85,825	89,348
Grants and Subsidies	7	494,302	646,416
Audit Fees	23	24,000	0
Resources Free of Charge	11	7,878	0
Cost of disposals of non current assets	12	212	2,705
Capital User Charge	8	46,430	0
Total cost of services		<u>6,451,955</u>	<u>2,530,469</u>
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
Grants From Commonwealth Government		60,030	42,992
Other Grants and Subsidies		50	15,609
User Charges and Fees	9	38,480	49,375
Bad Debt Recoup		0	2,919
Other Revenue		0	36,010
<i>Revenue from non-operating activities</i>			
Proceeds from Disposal of Non Current Assets	12	<u>0</u>	<u>951</u>
Total revenues from ordinary activities		<u>98,560</u>	<u>147,856</u>
NET COST OF SERVICES		<u>6,353,395</u>	<u>2,382,613</u>
REVENUES FROM STATE GOVERNMENT			
Service appropriation	10	2,041,000	3,558,000
Grants & subsidies		525,137	747,700
Resources received free of charge	11	<u>7,878</u>	<u>0</u>
Total revenues from State Government		<u>2,574,015</u>	<u>4,305,700</u>
CHANGE IN NET ASSETS		<u>(3,779,380)</u>	<u>1,923,087</u>
Total changes in equity other than those resulting from transactions with the WA State Government as owners			
		<u>(3,779,380)</u>	<u>1,923,087</u>

This Statement of Financial Performance should be read in conjunction with the accompanying notes.

GASCOYNE DEVELOPMENT
COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	NOTE	2005 \$	2004 \$
Current Assets			
Cash assets	20(a)	201,538	426,006
Restricted cash assets	20(a)	354,997	3,088,816
Receivables	13	216,893	314,697
Amounts receivable for services	14	105,000	109,000
Total Current Assets		<u>878,428</u>	<u>3,938,519</u>
Non-Current Assets			
Intangible assets, property and equipment	15	61,080	61,965
Total Non-Current Assets		<u>61,080</u>	<u>61,965</u>
Total Assets		<u>939,508</u>	<u>4,000,484</u>
Current Liabilities			
Payables	16	687,592	7,316
Provisions	17	131,384	107,605
Other liabilities	18	0	25,271
Total Current Liabilities		<u>818,976</u>	<u>140,192</u>
Non-Current Liabilities			
Provisions	17	46,030	6,410
Total Non-Current Liabilities		<u>46,030</u>	<u>6,410</u>
Total Liabilities		<u>865,006</u>	<u>146,602</u>
NET ASSETS		<u>74,502</u>	<u>3,853,882</u>
Equity			
Contributed equity	19	90,000	90,000
Accumulated surplus	19	(15,498)	3,763,882
TOTAL EQUITY		<u>74,502</u>	<u>3,853,882</u>

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

GASCOYNE DEVELOPMENT COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$ Inflows (Outflows)	2004 \$ Inflows (Outflows)
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation	10	2,005,000	3,527,000
Capital contributions		0	40,000
Holding account drawdowns		40,000	0
Other Government Grants		776,036	510,800
Net cash provided by State Government		2,821,036	4,077,800
Used as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(1,083,239)	(986,611)
Supplies and services		(4,036,527)	(762,482)
Accommodation		(68,973)	(73,286)
Grants and subsidies		(484,521)	(645,916)
Capital user charge		(46,430)	0
GST payments on purchases		(465,002)	(151,353)
Receipts			
Commonwealth grants and contributions		60,030	46,512
Grants and subsidies		50	15,609
User charges and fees	9	38,480	49,375
GST receipts from taxation authority		330,447	125,982
GST receipts on sales		3,160	180
Net cash used in operating activities	20(b)	(5,752,525)	(2,381,990)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(26,596)	(42,594)
Proceeds from sale of non-current physical assets		0	951
Net cash used in investing activities		(26,596)	(41,643)
Net increase (decrease) in cash held		(2,958,085)	1,654,167
Cash assets at the beginning of the financial year		3,514,522	1,860,355
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	20(a)	556,437	3,514,522

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

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

1. Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views 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 Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfill the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Basis of Accounting

The statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

Service Appropriation

Service Appropriations are recognised as revenues in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited into the Authority's bank account or credited to the holding account held at the Department of Treasury and Finance.

Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the statement of Financial Position.

Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Authority obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services, is recognised when the Authority has passed control of the goods or other assets or delivery of the service to the customer.

Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits. Depreciation is calculated on the reducing balance using rates which are reviewed annually.

Expected useful lives for each class of depreciable asset are:

Electronic Equipment	4 years
Furniture and Fittings	8 years

Leases

The Gascoyne Development Commission has entered into a number of operating lease arrangements for the rent of vehicles where the lessor effectively retain all of the risks and benefits incident to ownership of the items held under the operating leases. Equal installments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubts as to collection exists and in any event where the debt is more than 60 days overdue.

Payables

Payables, including accruals not yet billed, are recognised when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

Employee benefits**Annual leave**

This benefit is recognised at the reporting date in respect to employees' service up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognized in the provisions for employee benefits, and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. When material, expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

This method of measurement of the liability is consistent with the requirements of Accounting Standard AASB 1028 "Employee Benefits".

Superannuation

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses.

Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The Authority considers the carrying amount approximates net fair value.

Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

Comparative Figures

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

Rounding of Amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

2. Operation as an Authority

The Commission has operated as an Authority under the Regional Development Commission's Act 1993 since 7 April 1994, and the accounts from that date are accruals based in accordance with statutory reporting requirements.

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

**2005
\$**

**2004
\$**

3	Employee expenses		
	Wages and salaries	757,368	666,306
	Superannuation	74,522	72,776
	Long service leave	47,025	(9,108)
	Annual leave	16,375	30,624
	Board fees and allowances including superannuation and workers compensation.	25,494	23,625
		<u>920,784</u>	<u>784,223</u>
4	Supplies and services		
	Communication	32,651	37,269
	Consumables	45,772	86,712
	Other staff costs	225,041	244,447
	Consultants and contractors	4,398,777	468,780
	Materials	121,580	116,163
	Repairs and maintenance	10,437	9,662
	Travel	9,719	12,075
		<u>4,843,977</u>	<u>975,108</u>
5	Depreciation and amortisation expense		
	Depreciation		
	Electronic Equipment	23,660	28,163
	Furniture and Fittings	4,886	4,506
		<u>28,546</u>	<u>32,669</u>
6	Accommodation expenses		
	Lease rentals	68,973	73,286
	Repairs and maintenance	1,227	2,433
	Cleaning	15,625	13,629
		<u>85,825</u>	<u>89,348</u>
7	Grants and subsidies		
	Recurrent	494,302	646,416
8	Capital User Charge		
	Capital User Charge	46,430	0
	A capital user charge rate of 8% has been set by Government and represents the opportunity cost of capital invested in the net assets of the Commission used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury on a quarterly basis.		
9	User Charges and Fees		
	Comprises mostly of charges to staff for rental accommodation and revenue from rent of office space.	38,480	49,375

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

**2005
\$**

**2004
\$**

10 Revenues from State Government

Service appropriation	2,005,000	3,527,000
Holding Account	36,000	31,000
	<u>2,041,000</u>	<u>3,558,000</u>
Appropriations - Capital	0	40,000

The Service appropriation is an accrual amount reflecting the full cost of services delivered. The Holding Account comprises the depreciation for the year and any agreed increase in leave liability during the year. It is a non cash asset.

11 Resources received free of charge

Determined from estimates provided by agencies:

State Solicitors Office	7,878	0
	<u>7,878</u>	<u>0</u>

These benefits are provided by agencies to this Authority from funds appropriated to them for that purpose.

12 Net gain or loss on disposal of non current assets

Cost of disposal/write off of non current assets	(212)	(2,705)
Proceeds on disposal of non current assets	0	951
Net loss on disposal	<u>(212)</u>	<u>(1,754)</u>

13 Receivables

Trade debtors	17,163	303,753
GST receivable	199,730	10,944
	<u>216,893</u>	<u>314,697</u>

14 Amounts receivable for services

Current	105,000	109,000
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15 Property, Equipment and Vehicles

Furniture and Fittings at cost	52,467	51,189
Less Accumulated Depreciation	33,637	28,751
	<u>18,830</u>	<u>22,438</u>

Equipment and Vehicle at cost	199,240	174,895
Less Accumulated Depreciation	156,990	135,368
	<u>42,250</u>	<u>39,527</u>

Reconciliations

Furniture and Fittings at start of year	22,438	16,794
Additions	1,278	10,150
Depreciation	(4,886)	(4,506)
Carrying amount at end of the year	18,830	22,438

Equipment and Vehicle at start of year	39,527	37,951
Additions	26,596	32,444
Disposals		(2,172)
Depreciation	(23,660)	(28,163)
Write Offs	(212)	(533)
Carrying amount at end of the year	<u>42,251</u>	<u>39,527</u>

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

**2005
\$**

**2004
\$**

16 Payables

Current

Trade payables

687,593

7,316

687,593

7,316

17 Provisions

Current

Annual Leave

84,986

80,508

Long Service Leave

30,023

27,097

Other employee benefits (1)

16,377

0

131,386

107,605

Non Current

Long Service Leave

39,586

6,410

Other employee benefits (1)

6,444

0

46,030

6,410

(1) The settlement of annual and long service liabilities gives rise to the payment of employment on costs including superannuation and workers compensation premiums. The liability is included here and the associated expense is included under Other related expenses under Employee expenses at Note 3. No adjustment was made to the prior year because it is not material.

Total Provisions

177,416

114,015

18 Other Liabilities

Accrued Salaries

The last pay date was 30th June 2005

0

25,271

19 Equity

Contributed equity

Opening balance

90,000

50,000

Capital contributions

0

40,000

Closing balance

90,000

90,000

Accumulated surplus/(deficiency)

Opening balance

3,763,882

1,840,795

Change in net assets

(3,779,380)

1,923,087

Closing balance

(15,497)

3,763,882

Liabilities exceed assets for the Authority and there is therefore no residual interest in the assets of the Authority. This deficiency arose through expenses such as depreciation and accrual of employee entitlements for leave not involving the payment of cash in the current period being recognised in the Balance Sheet.

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

**2005
\$**

**2004
\$**

20 Notes to the Statement of Cash Flows

(a) 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:

Unrestricted cash assets	201,440	425,706
Petty cash	98	300
Total unrestricted cash assets	201,538	426,006

All cash amounts held are non-interest bearing.

Restricted cash at bank held exclusively for the following projects:

Aboriginal Heritage and Cultural Centre	0	1,579,924
Carnarvon Storm Surge Barrier	74,983	1,000,359
Externally funded projects, unspent funding	20,000	264,990
Regional Development Scheme Grant Funds	260,014	243,543
	354,997	3,088,816

Total cash assets including petty cash	556,535	3,514,822
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(b) Reconciliation of net cost of services to net cash flows used in operating activities

Net Cost of Services (Statement of Financial Performance)	(6,353,395)	(2,418,623)
Depreciation	28,546	32,669
Services received free of charge	7,878	0
Asset write offs	(212)	(2,537)
Increase (Decrease) in other liabilities	(25,271)	9,152
Increase (Decrease) in leave provision	63,401	20,929
Increase (Decrease) in payables	680,276	(5,138)
(Increase) Decrease in receivables	103,304	6,929
Net GST receipts (payments)	(257,052)	(25,371)
Net cash used in operating activities (Statement of Cash Flows)	(5,752,525)	(2,381,990)

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

**2005
\$**

**2004
\$**

21 Remuneration of Members of the Accountable Authority and Senior Officers

Remuneration of Members of the Accountable Authority

The total fees, salaries, superannuation and other benefits received or due and receivable, by board members for the financial year.

	25,494	25,751
--	--------	--------

The number of board members whose total salaries and other benefits received or due for the financial year, who fall within the following bands is:

\$0 - 10 000	9	9
--------------	---	---

The superannuation included represents the expense incurred by the Authority in respect of members of the Accountable Authority.

No members are members of the pension scheme.

Remuneration of Senior Officers

The total fees, salaries, superannuation and other benefits received or due and receivable, by senior officers for the financial year.

	238,012	134,363
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The number of Senior Officers whose total salaries and other benefits received or due for the financial year, who fall within the following bands is:

\$80,001-\$90,000	1	0
\$140,001-150,000	1	1

The superannuation included represents the expense incurred by the Authority in respect of senior officers other than those reported as members of the Accountable Authority.

No Senior Officers are members of the pension scheme.

22 Write Offs

Public property written off during the financial year

	212	1,316
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23 Remuneration of Auditor

Remuneration to the Auditor General for the financial year for auditing the accounts, financial statements and performance indicators is as follows.

	24,000	23,500
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**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

2005	2004
\$	\$

24 Expenditure Commitments

Operating Lease Commitments

The Commission has four vehicles under operating leases.
Future lease payments not shown elsewhere in the accounts
are:

Amounts due within 12 months	29,247	17,676
Amounts due > 1 < 5 years	22,073	25,250

25 Contingent Liabilities

In addition to the liabilities incorporated in the financial
statements,
the Commission has the following contingent liabilities:
Of the \$260,014 Regional Development Scheme Funding in
restricted cash (note 21(a)), \$216,267 is committed to the extent
that if the grant recipients fulfil their funding contractual commitments,
then their component of the funding will be paid out.

26 Subsequent Events

There was a Treasury drawdown on 14th July 2005 of \$1million which
was preplanned funding of the accounts payable, relating to the
Aboriginal Heritage and Cultural Centre.

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

27 Financial Instruments

(a) Interest Rate Risk Exposure

The entity's exposure to interest rate risk is nil as the funds invested with Treasury are not subject to interest rates.

(b) Credit Rate Exposure

The credit risk on financial assets of the economic entity, which have been recognised on the Statement of Financial Position, is generally a carrying amount, net of any provision for doubtful debts.

(c) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 1 to the financial statements.

28 The Impact of Adopting International Accounting Standards

The Gascoyne Development Commission is adopting international accounting standards in compliance with AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS).

AASB 1 requires an opening balance sheet as at 1 July 2004 and the restatement of the financial statements for the reporting period to 30 June 2005 of the IFRS basis. These financial statements will be presented as comparatives in the first annual financial report prepared on an IFRS basis for the period ending 30 June 2006.

AASB 1047 Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards requires reports for periods ending on or after 30 June 2004 to disclose:

Key differences in accounting policies that are expected to arise from adopting Australian equivalents to IFRS.

The Gascoyne Development Commission is aware of the IFRS and is assessing the impact on the Commission.

Currently there are no key differences in the accounting policies that are expected to arise from adopting Australian equivalents to IFRS.

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

29 Explanatory Statement

(a) Significant variations between estimates and actual results for the financial year

Details and reasons for significant variations between actual results with the corresponding items of the Estimates are detailed below. Significant variations are considered to be those greater than 10% and \$50,000.

	Note	2005 \$000	Est's \$000	Variation \$000	%
COST OF SERVICES					
Expenses from ordinary activities					
Employee expenses	1	921	632	289	46%
Supplies and Services	2	4,844	1,626	3,218	198%
Grants and Subsidies	2	494	430	64	15%
Revenues from ordinary activities					
Grants and Subsidies	3	60	582	(522)	(90%)

Note

- 1 Reflects increased costs and staffing level.
- 2 The Commission's budget is directed to numerous projects supporting the economic and social development of the Gascoyne region. External funding sources and networking partners are continually sought to enhance project scope and effectiveness. The attraction of additional funding (or the withdrawal of anticipated funding) can result in wide variations in revenue and expenditure over financial years. Also, delays in Infrastructure Project expenditure can occur over which the Commission has no direct control.
In 2004/05 significant payments were made for the construction phase of the Aboriginal Heritage and Cultural Centre.
- 3 The estimates included grants revenue from the State Government which do not form a part of Net Cost of Services.

**GASCOYNE DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

29 **Explanatory Statement (con't)**

(b) **Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year**

Details and reasons for significant variations between actual results with the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% and \$50,000.

	Note	2005 \$000	2004 \$000	Variation \$000	Percent %
COST OF SERVICES					
Expenses from ordinary activities					
Employee expenses	3	921	784	137	17%
Supplies and Services	1	4,844	951	3,893	410%
Grants and Subsidies	1, 2	494	646	(152)	(24%)
REVENUES FROM STATE GOVERNMENT					
Service appropriation	4	2,041	3,558	(1,517)	(43%)
Grants & subsidies	1	525	748	(223)	(30%)

NOTE

- 1 The Commission's budget is directed to numerous projects supporting the economic and social development of the Gascoyne region. External funding sources and networking partners are continually sought to enhance project scope and effectiveness. The attraction of additional funding (or the withdrawal of anticipated funding) can result in wide variations in revenue and expenditure over financial years. Also, delays in Infrastructure Project expenditure can occur over which the Commission has no direct control.

In 2004/05 significant payments were made for the construction phase of the Aboriginal Heritage and Cultural Centre.
- 2 The variation relates to grant payments made from the Regional Development Scheme Grant Program.
- 3 Reflects increased costs and staffing level.
- 4 Drawdowns from Treasury for the Aboriginal Heritage and Cultural Centre were reduced.



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

GASCOYNE DEVELOPMENT COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Audit Opinion

In my opinion,

- (i) the controls exercised by the Gascoyne Development Commission provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Commission at 30 June 2005 and financial performance and cash flows for the year ended on that date.

Scope

The Commission's Role

The Commission is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON
AUDITOR GENERAL
16 September 2005

PUBLICATIONS PRODUCED DURING 2004/2005

During the financial year the Commission produced and released individually, or jointly in partnership, the following major publications and documents:

Annual Report For The Year Ended 30th June 2004.

Gascoyne Works, a regular publication of the Commission's activities.

Wild Discovery Guide To Shark Bay - Ningaloo Coast and Outback Pathways Book (in funding partnership with Len Zell and Susie Bedford)

Carnarvon 2020 Strategy

Lessons Learned From The World Heritage Listing In Shark Bay

The Gascoyne, A Better Place To Live

Input/Output Tables For The Gascoyne

The Quobba Coast Tourism Precinct Analysis

Upper Gascoyne Economic Development Analysis

OFFICE LOCATION

Street Address:

Gascoyne Development Commission
15 Stuart Street
CARNARVON WA 6701

Postal Address:

Gascoyne Development Commission
PO Box 781
CARNARVON WA 6701

Telephone: (08) 9941 1803 Free Call: 1800 061 173

Facsimile: (08) 9941 2576

Email: info@gdc.wa.gov.au

Website: <http://www.gdc.wa.gov.au>