



# Kimberley Development Commission

## Annual Report 2004/2005



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Minister for Fisheries; the Kimberley,  
Pilbara and Gascoyne  
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PERTH WA 6000

In accordance with Section 66 of the *Financial Administration and Audit Act, 1985*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Kimberley Development Commission for the financial year ended 30 June 2005.

The Annual Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act, 1985* and Section 32 of the *Regional Development Commissions Act, 1993*.



Patrick Dodson  
Chairperson

26 August 2005



Jeff Gooding JP  
Accountable Officer

23 August 2005

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The 2004/2005 Annual Report of the Kimberley Development Commission is in accordance with the requirements set out in the Premier's Circular *No. 2005/03 Annual Reporting*. In addition to the reporting required by relevant legislation, the Annual Report reports on the Commission's efforts and accomplishments in terms of *Better Planning: Better Services – A Strategic Planning Framework for the Western Australian Public Sector, November 2003*. The last section of the Annual Report provides a cross reference to those sections within the Report that relate to the goals of the *Better Planning Better Services* Strategic Planning Framework.

## **CHAIRPERSON'S REPORT**

It gives me great pleasure to present the report of the Kimberley Development Commission's activities during 2004/2005.

The Kimberley is a unique region in Australia, it is the fastest growing and youngest in Western Australia. It also has a population with almost equal numbers of Indigenous and non-Indigenous people who enjoy living in an outstandingly beautiful environment. The Commission seeks to contribute toward the present and future of the Kimberley, by placing emphasis on strengthening our young cross-cultural population. To do this we focus on development initiatives which promote a healthy social structure, economy and environment. This, I believe is reflected in the Commission's continued and varied work described in this Annual Report.

In 2004/2005 the Commission proactively worked with private and public sector organisations and individuals with the aim of maximising regional opportunities. It participated in negotiations between the Miriuwung Gajerrong Traditional Owners, the Kimberley Land Council and the State Government to progress toward a Native Title Agreement in the East Kimberley. Simultaneously it worked with the Ord Sugar Industry, Argyle Diamonds, the State Government and other major Stakeholders to provide optimum support for the development of Ord Stage 2 and the Argyle Diamond Mine Underground Project.

The Commission worked throughout the year to strengthen the tourism industry, one of the region's main industries, in partnership and as a co-funder, with Australia's North West Tourism Organisation to progress the Kimberley Sustainable Tourism Project and Indigenous tourism on the Dampier Peninsula.

In recognition of the critical role reliable regional infrastructure, services and communications, play in the present and future of the Kimberley, the Commission has continued to assist with progressing a range of initiatives. Examples include the Broome Port Jetty Extension, the Derby Revitalisation Project and its resultant initiatives, the Derby Wharf Precinct Enhancement Project, the Halls Creek Aquatic and Recreation Centre, Regional Telecommunications, Coastal Shipping and Air Services.

Cognisant of the importance of the region's environment, the Commission has supported the development of the Kimberley Natural Resource Management Strategy, now an integral part of the State Natural Resource Management Strategy for the Rangelands and has welcomed the opportunity to be involved in this challenging process.

To respond to the diverse and often complex challenges and opportunities of the Kimberley our community needs strong and innovative leadership. Each year, the Commission seeks to contribute a range of opportunities to enable Kimberley people to develop leadership skills. In 2004/2005 it coordinated and sponsored governance and leadership training opportunities in various Kimberley locations. The Commission also continued to administer the Kimberley Regional Development Scheme, which affords regional organisations an outstanding and growing opportunity to obtain funding for projects offering defined community benefits.

The Commission is also reliant on strong leadership and teamwork and in this respect I acknowledge the contribution of both my fellow Board Members and the Staff of the

Commission. In so doing I wish to emphasise the collective effort and commitment of the Board and the Staff and look forward to continuing to work with them for the benefit of all the people of the Kimberley in 2005/2006.

A handwritten signature in black ink, reading "Patrick Dodson". The signature is fluid and cursive, with the first name "Patrick" written in a larger, more prominent script than the last name "Dodson".

Patrick Dodson  
Chairperson  
Kimberley Development Commission

26 August 2005



## THE KIMBERLEY REGION – OVERVIEW, ISSUES, TRENDS

The Kimberley Region of Western Australia is the State's most northern region and encompasses an area of 424,517 square kilometres (including the offshore area), which is one sixth of the geographical area of WA and almost twice the size of the State of Victoria.

Rich with a diverse mix of cultural identity, breathtaking unspoilt landscapes and economic potential the Kimberley is strategically located on the southern margins of Southeast Asia.

The Kimberley Region had an estimated resident population of 35,001 at 30 June 2004. This represents 6.5% of the population of regional Western Australia and 1.8% of the State as a whole.

The Kimberley's unique population characteristics provide opportunities and challenges to the development planning process in the region.

**Kimberley Population Characteristics**

	Kimberley	WA
Median Age	29.1	35.8
Average Annual Population Growth (1994-2004)	3.7%	1.5%
Over 65	4.4%	11.6%
Under 15	27.0%	21.1%
Indigenous	43.5%	3.2%
Unemployment (March 05)	6.4%	5.2%

Source: Department of Local Government and Regional Development

An infrastructure of modern telecommunications, excellent transport facilities and essential services is necessary to ensure that jobs, business opportunities, education, housing and health services are accessible to a diverse and dispersed population. Maintenance and expansion of this infrastructure will continue to be a high priority in order to facilitate regional development in the Kimberley.

There are four local government areas in the Kimberley. These are Broome, Wyndham-East Kimberley, Halls Creek and Derby-West Kimberley. The main population centres in the Kimberley are Broome, Kununurra, Derby, Halls Creek, Wyndham and Fitzroy Crossing. In addition there are over 100 Indigenous communities that range in size from one family to nearly one thousand people.

The region is endowed with substantial natural resources, which are the basis of many of the Kimberley's major industries including mining, agriculture, pearling and tourism. The utilisation of natural resources presents great opportunities in addition to challenges in terms of the infrastructure required and the need to ensure that development processes are commercially and environmentally sustainable.

In 2003/2004, the Gross Regional Product (GRP) for the Kimberley region of \$1.283 billion was attributed to the following industries.

Industry	Share of GRP
Government administration and defence	17.9%
Mining	16.8%
Agriculture	8.7%
Transport and storage	7.5%
Construction	7.2%
Health and community services	6.0%
Property and business services	5.7%
Personal and other services	5.0%
Education	4.5%
Retail trade	4.0%
Manufacturing	3.5%
Finance, insurance and dwellings	3.0%
Electricity, gas and water	2.8%
Accommodation, cafes and restaurants	2.6%
Wholesale trade	2.2%
Communication services	1.4%
Cultural and recreational services	1.1%
<b>Total</b>	<b>100.0%</b>

Source: Department of Local Government and Regional Development

The gross value of production of Kimberley diamonds was \$504 million in 2003/2004. While the Argyle Diamond Mine is the largest diamond mine in the Kimberley, it's production is complemented by that of the Ellendale Mine, which has contributed towards export earnings and employment.

Oil and gas exploration continues off shore in the Bonaparte and Browse basins. In addition a nickel/copper/cobalt concentrate mine is being developed in the East Kimberley. Exploratory work continues to determine the feasibility of reopening the Lennard Shelf zinc and lead mines.

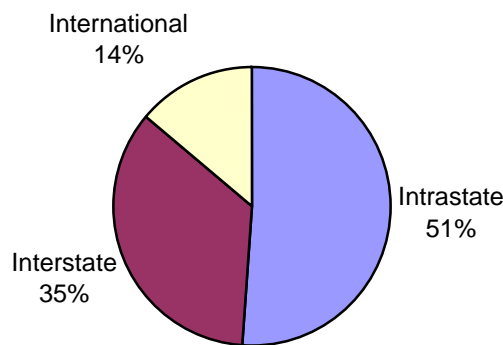
The aquaculture industry is a long-standing part of the Kimberley economy. Pearling contributes the greatest value to the sector being valued at \$127.5 million in 2003/04. Research and development of new aquaculture industries such as barramundi, prawns and trochus is underway across the Region and is part of a growing Indigenous business venture network.

The pastoral industry is one of the oldest industries in the Kimberley. The majority of cattle turned off stations in the Kimberley are exported live to Indonesia, Malaysia and in smaller but growing numbers to the Middle East.

The Ord River Irrigation Area, the main agricultural area of the region, harnesses the waters of the Ord River to support diverse tropical agriculture and horticulture. The major crops grown include high value grain crops, sugar, melons, mangoes, pumpkins and sandalwood.

Tourism is a high profile industry throughout the Kimberley, with a range of market segments including eco tourism, ground tour and fly drive operations, 4WD opportunities, luxury coastal cruising, beachside resorts and Indigenous cultural tours. The estimated average expenditure for 2003/04 by visitors to the Kimberley was \$278 million. Iconic attractions such as Purnululu and Geikie Gorge National Parks, Cable Beach and the Buccaneer Archipelago continue to attract Australian and overseas tourists. There were over 300,000 visitors to the Kimberley over 2003/04, the majority of whom were domestic visitors with the greatest number coming from the Perth metropolitan area. International visitors accounted for 14% of visitors, 14% of total nights spent in the region and contributed 11% of estimated expenditure. The majority of international visitors were from Europe and 93% of international visitors to the Kimberley were on holiday as compared to domestic visitors of whom 47% were on holiday.

### Kimberley Tourism 2003/04



Source: Tourism WA

Support services to Indigenous communities comprise a significant part of the region's economy. In addition, Indigenous people are increasingly developing economic opportunities through participation in existing industries. A growing number of businesses in the areas of tourism, aquaculture, the pastoral industry, art and culture and retail.

With a growing population, increasing investment and economic opportunities, dynamic social structures, developed and improving infrastructure and communication services and spectacular natural beauty the Kimberley is a region that is unique and for its people truly is a "better place to live".



## CORPORATE STRUCTURE AND REPORT ON OPERATIONS

### Legislative Base

#### *Enabling Legislation and Policy*

The Kimberley Development Commission is established as a Statutory Authority under the *Regional Development Commissions Act, 1993* (as amended).

#### *Legislation Impacting on the Kimberley Development Commission's Activities*

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

- *Regional Development Commissions Act, 1993*
- *Financial Administration and Audit Act, 1985*
- *Public Sector Management Act, 1994*
- *Salaries and Allowances Act, 1975*
- *Equal Opportunity Act, 1984*
- *Government Employees Superannuation Act, 1987*
- *Occupational Safety and Health Act, 1984*
- *Workers Compensation and Rehabilitation Act, 1981*
- *Industrial Relations Act, 1979*
- *State Supply Commission Act, 1991*
- *Government Employees Housing Act, 1964*
- *Freedom of Information Act, 1992*
- *Disability Services Act, 1993*
- *Fringe Benefits Tax Act, 1986*
- *Public and Bank Holidays Act, 1972*
- *Electoral Act, 1907*
- *Library Board of Western Australia Act, 1993*
- *Minimum Conditions of Employment Act, 1993*

The Commission complies with the requirements of the Financial Administration and Audit Act, 1985, and every other relevant written law, and exercises controls which provide reasonable assurance that the receipt, expenditure and investment of monies, the acquisition and disposal of public property and incurring of liabilities are in accordance with legislative provisions.

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

***Responsible Minister***

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

***Changes in Written Law***

There were no changes in any written law that affected the Commission during the 2004/05 Financial Year.

***Ministerial Directives***

No Ministerial directives were received during the financial year.

## **KIMBERLEY DEVELOPMENT COMMISSION GOALS**

### **Mission**

Our mission is to facilitate the development of the Kimberley for the prosperity and benefit of all its people.

We are proactive and inclusive in our corporate activities as we strive to continually enhance the well being of the region's people, its communities and its organisations through our leadership and actions in support of social and economic development.

### **Purpose**

To achieve an environment which is conducive to the balanced economic and social development of the Kimberley region.

### **Statutory Objectives and Functions**

The Commission provides an integral component of a 'whole-of-government' approach to the requirements of regional development. By assisting in the co-ordination of responsibilities of a wide range of agencies having impact on regional development, the Commission is able to perform an important role in identifying needs and providing advice on the appropriate application of Government resources to the region.

As prescribed under Section 23(1) of the Act, the objectives of the Commission are to:

- maximise job creation and improve career opportunities in the region;
- develop and broaden the economic base of the region;
- identify infrastructure services to promote economic and social development within the region;
- provide information and advice to promote business development within the region;
- seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area; and,
- generally take steps to encourage, promote, facilitate and monitor the economic development in the region.

In order to meet its objectives, the Commission is to:

- promote the region;
- facilitate co-ordination between relevant statutory bodies and State Government agencies;
- cooperate with representatives of industry and commerce, employer and employee organisations, education and training institutions and other sections of the community within the region;
- identify the opportunities for investment in the region and encourage that investment;

- identify the infrastructure needs of the region, and encourage the provision of that infrastructure in the region; and
- co-operate with:
  - (i) Departments of the Public Service of the State and the Commonwealth, and other agencies, instrumentalities and statutory bodies of the State and Commonwealth; and
  - (ii) Local government authorities, in order to promote equitable delivery of services within the region.

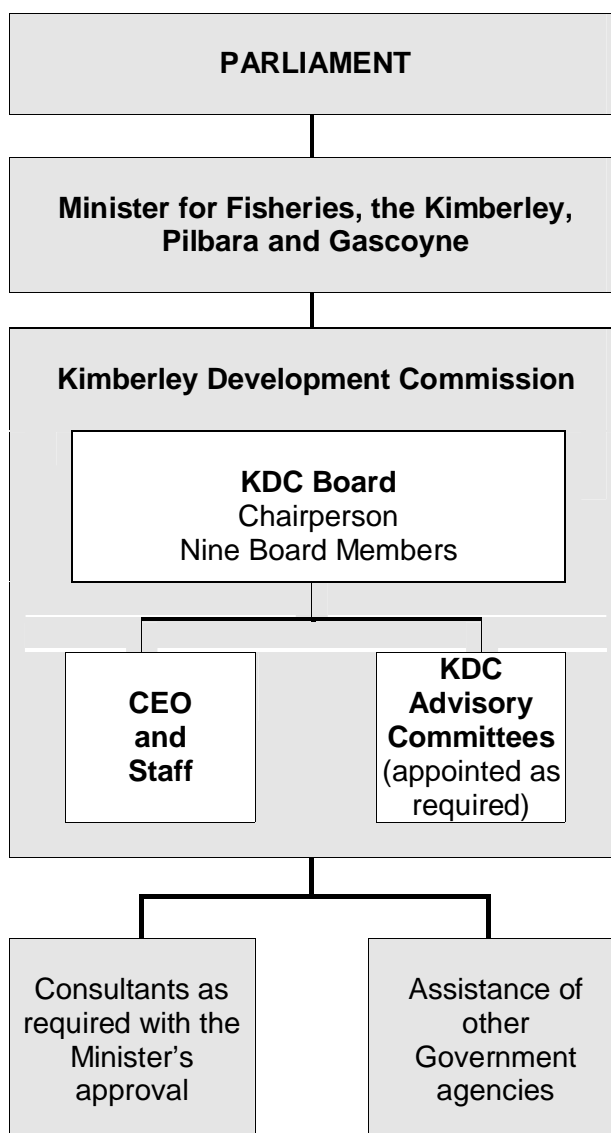
## **Services provided to the public sector in WA**

To ensure that our objectives and desired outcomes are achieved, the Commission implemented the following:

- a Customer Satisfaction Survey was sent to the Commission's major customers during the year to obtain client feedback and response on the Commission's performance, and to provide input towards Performance Indicator data.
- the Commission's website is continually up-dated with current information, with staff in each of the region's three offices being primary points of contact for customers and the public.

## KIMBERLEY DEVELOPMENT COMMISSION BOARD AND STAFF

### Organisational Chart



## Board Profiles

The Kimberley Development Commission Board is established under Sections 7, 15 & 16 of *Regional Development Commissions Act, 1993* and comprises the following membership:

- three members representing the regional community;
- three members representing Local Government;
- three members appointed at the Minister's discretion; and
- the Kimberley Development Commission's Chief Executive Officer.

The Board is appointed by and responsible to the Minister for Fisheries, the Kimberley, Pilbara and Gascoyne. The Kimberley Development Commission is an accountable authority and advises the Minister on matters affecting the development of the region and sets the primary directions for the Commission.

The Members of the Board at 30 June 2005 were:

### ***Patrick Dodson – Chairperson – Member, Ministerial***

Patrick Dodson is a Yawuru man from Broome in Western Australia and is the Chairman of the Lingiari Foundation, an Indigenous non government advocacy and research Foundation. He is a former Director of the Central Land Council and the Kimberley Land Council, a former Royal Commissioner into the Aboriginal Deaths in Custody and for six years was the Chairman of the Council for Aboriginal Reconciliation.

Patrick lives in Broome with his family and works as a consultant advising government, industry and community groups throughout the Kimberley. He is also involved in matters relating to the preservation and enhancement of indigenous rights and culture.

Term expires November 2006.

### ***Cr Barbara Johnson– Deputy Chairperson– Member, Local Government***

Cr Johnson has resided in the East Kimberley for 21 years.

Cr Johnson was the immediate past President of the Shire of Wyndham East Kimberley up until May 2005 and was formerly the Chair of the East Kimberley District Health Advisory Council; Deputy Chair of the Governing Council of the Kimberley College of TAFE; Member of the Kimberley Sustainable Regions Advisory Committee and the Kimberley Area Consultative Committee; Member of the Kimberley Aviation Tourism Development Committee. Cr Johnson is also a Justice of the Peace.

Retired from the Board 7 May 2005

***Mr Wayne Bergmann – Member, Community***

Mr Wayne Bergmann is currently employed as the Executive Director of the Kimberley Land Council. He first worked as a boilermaker and contractor on a number of West Kimberley cattle stations, before taking employment with Mangkaja Arts and then the Kimberley Aboriginal Law and Culture Centre.

Wayne completed a law degree at Murdoch University and worked in Chambers and private practice in Perth, before returning to the Kimberley and taking up the position with the Kimberley Land Council. He is committed to securing the rights and interests of Kimberley Traditional Owners through the native title system and promoting the social and economic well-being of his people. Wayne strongly believes that native title brings greater opportunity for all Kimberley people.

Term expires November 2005.

***Cr Lynette 'Jim' Craig – Member, Local Government***

Cr Craig is a Councillor on the Shire of Halls Creek and has served on the Council since 2001 and was elected as Shire President from 2003 to May 2005. Cr Craig is a long term resident of the Shire of Halls Creek having initially worked as a nurse at the District Hospital. Cr Craig is currently a Member of the Kimberley Area Consultative Committee.

Term expires November 2007.

***Cr Peter Kneebone – Member, Local Government***

Cr Kneebone is a long term Derby resident. He is a professional automotive engineer and operated a multi-discipline business in Derby for many years. In this role he successfully trained more than 15 trade apprentices who now either own or manage business enterprises.

He is currently serving as a Councillor for the Shire of Derby West Kimberley. Cr Kneebone is also a member of the North Kimberley and West Kimberley Land Conservation District Committees, a Member of the Zone Control Authority (the advisory body to the Agricultural Protection Board) and a Member of the Pastoralist and Graziers Association. Cr Kneebone is the Kimberley Shires representative on the Rangelands Natural Resource Management Coordinating Group and the Kimberley Regional Fire Management Project. Cr Kneebone is also a strong proponent of environmental sustainability and a more appropriately focused education and training policy to be applied in the Kimberley.

Term expires November 2005.

***Mr Alan Tietzel – Member, Ministerial***

Alan Tietzel was employed as General Manager, Regional Strategies, Argyle Diamonds and has recently been appointed as General Manager, Human Resources, Argyle Diamonds. Alan's early background was in education and he first worked for Argyle from 1990 to 1993 in training and industrial relations. For nine years he held positions in the mining and manufacturing industries including Dampier Salt, CRA Headquarters, and

Westfarmers Fertilisers & Chemicals. Alan has remained with Argyle Diamonds, since his return in 2002.

His responsibilities now target the advancement of Argyle's sustainability strategies, particularly in regard to local community relations, regional development and localisation of the Argyle workforce.

Term expires November 2006.

***Cr Thomas Vinnicombe – Member, Community***

Cr Tom Vinnicombe is Principal, Kimberley Structural Consulting Engineers in Broome with a regional focus. He has held recent positions as President of the Shire of Broome, President of the Kimberley zone and State Councillor of the Western Australian Local Government Association. Cr Vinnicombe is a member of the Kimberley Regional Road Group, the committee of the Broome Enterprise Centre, the Broome Chamber of Commerce and is a life member of the Sail Training Association of W.A.

Term expires November 2006.

***Ms Ruth Webb Smith – Member, Ministerial***

Mrs Webb-Smith Vice President of the Pastoralists and Graziers Association of WA and the Chairperson of the Kimberley Division of the PGA, Committee member of the Kimberley Regional Fire Management Committee, and a previous owner/operator of Beefwood Park Station. Mrs Webb-Smith has a background in education and has taught in remote regional Kimberley schools.

Term expires November 2005.

***Cr Veronica (Nik) Wevers – Member, Community***

Ms Wevers has lived in the Kimberley and Pilbara areas since 1979 and is currently a Councillor at the Shire of Broome and a director of the Broome Port Authority. Ms Wevers has been active in a number of community organisations including the North West Women's Association, Women's Isolated and Remote Legal Service, Kimberley Community Legal Service, Catherine House, Kimberley Regional Domestic Violence Committee, Kimberley Sexual Assault Information Service, and Burdekin Youth in Action.

She has extensive knowledge and a good understanding of the cultural and social issues facing remote communities in the Kimberley.

Term expires November 2006.



***Mr Jeff Gooding – Member, Ex Officio***

Mr Gooding is the Chief Executive of the Kimberley Development Commission, ex officio Board Member and resident of Kununurra.

Mr Gooding is a Member of the Ord Global Negotiations State Steering Committee, Shire of Wyndham East Kimberley and Shire of Broome Local Planning Strategy Committees, the Strategic Aviation Committee and the Derby Port Committee.

He is also a Member of the Kimberley Sustainable Regions Advisory Committee, the Kimberley Aviation Tourism Development Committee, the Shire of Wyndham East Kimberley and Shire of Derby West Kimberley Aviation Committees, and the Kimberley Sustainable Tourism Project Steering Committee.

## **Senior Officers**

***Mr Jeff Gooding (Chief Executive)***

Mr Gooding has extensive regional development experience through the WA Public Sector and involvement with regional industry.

***Mr Kelvin Barr (A/Assistant Director)***

Mr Barr has considerable relevant experience in Public Sector programs, administration and management at the State, Commonwealth and community level.

## **Advisory Committees**

The Board, by resolution, is empowered to appoint advisory committees to assist in providing specialist advice to the Board. Such committees are formed on a needs basis. The Commission has maintained the Kimberley Aviation Tourism Development Committee.

## **Contracts with Senior Officers**

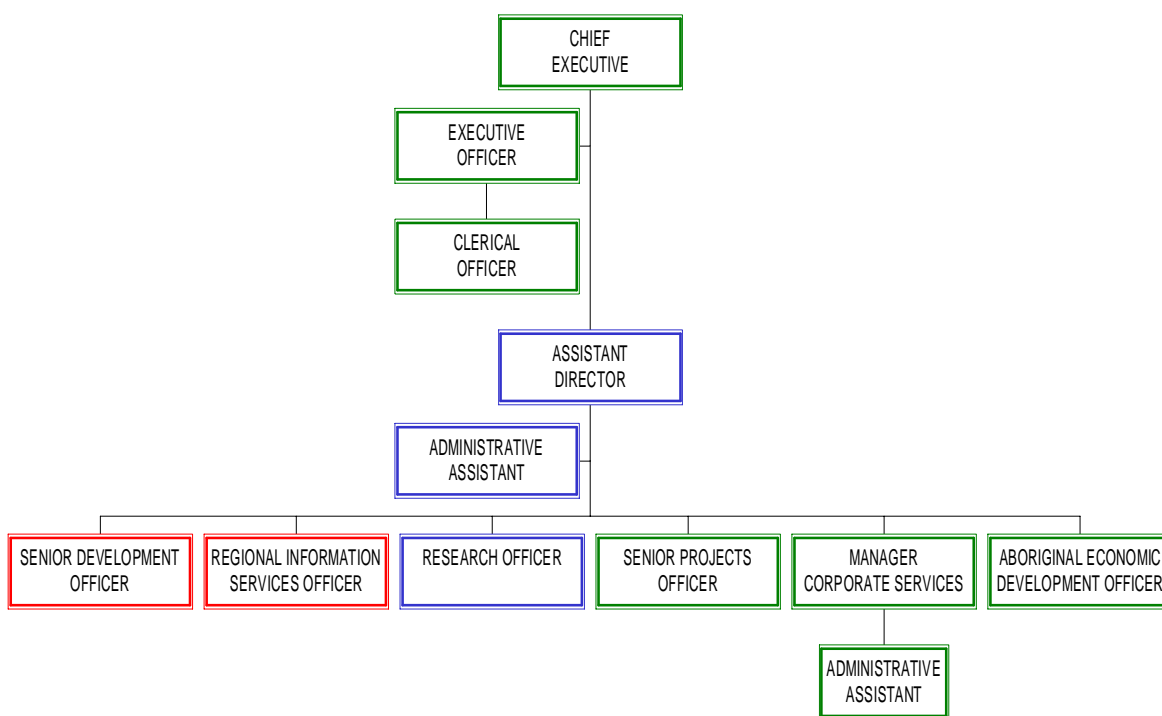
At the date of reporting, other than normal contracts of employment of service, no Board Members or Senior Officers, or firms of which Members or Senior Officers are members, or entities in which Members or Senior Officers have substantial interests, had any interests in existing or proposed contracts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

## Staff Profile

Staff Employed (not FTE)	2004	2005
Full-time permanent	5	7
Full-time contract	5	3*
Part-time permanent	1	1
Part-time contract	1	1
On secondment	0	0
Positions vacant (one full and one part-time)	0	0
<b>Total</b>	<b>12</b>	<b>12</b>

\* became vacant in January 2005 currently under review

## Kimberley Development Commission Organisational Chart



### Location of positions

Kununurra	Green
Broome	Blue
Derby	Red

## **CORPORATE MANAGEMENT – BETTER PLANNING: BETTER SERVICES**

This section of the Annual Report summarises the Commission's Corporate Management for the year 2004/05. It focuses on the processes that the Commission is following to provide for particular groups of our customers and also on our systems of governance. These are in accordance with the obligatory reporting requirements under the goals of the *Better Planning: Better Services, A Strategic Planning Framework for the Western Australian Public Sector*.

### **Providing for People and Communities**

#### ***Disability Services Plan Outcomes***

*(Disability Services Act 1993, S29)*

The Commission has recently updated its Disability Services Plan which focuses on the five key outcomes outlined below:

- existing services are adapted to ensure they meet the needs of people with disabilities;
- access to buildings and facilities is improved;
- information about services is provided in formats which meet the communication requirements of people with disabilities;
- advice and services are delivered by staff who are aware of and understand the needs of people with disabilities;
- opportunities are provided for people with disabilities to participate in public consultations, grievance mechanisms and decision-making processes.

The following initiatives to improve access to the Commission's premises and information have been implemented or progressed during 2004/2005:

- ensuring the Commission's events are held in locations and venues accessible to people with disabilities, wherever possible;
- working towards providing access to all Commission offices for people with disabilities;
- continued implementation of an outreach strategy to liaise with people with disabilities;
- the provision of information in a range of formats including spoken, visual and written;
- creating an awareness amongst all staff of the needs of people with disabilities;
- making the Disability Services Plan available on request, without charge.

#### ***Cultural Diversity and Language Services Outcomes***

*(Language Services Policy of the Public Sector)*

The Commission's client base comprises the people of the Kimberley Region of Western Australia, of which the following table provides an overview and comparison with Western Australia and Australia.

<b>Summary Indicators</b>	<b>Kimberley</b>	<b>WA</b>	<b>Australia</b>
Population	31,179	1,828,294	18,769,249
Australian born	24,760	1,237,692	13,629,683
Overseas born	3,127	495,771	4,105,468
Indigenous	13,593	58,467	410,003
Language other than English	5,048	206,840	2,853,829
<b>Percentages</b>			
Australian born	79.4	67.7	72.6
Overseas born	10.0	27.1	21.9
Aboriginal and/or TSI	43.5	3.2	2.2
Language other than English	16.2	11.3	15.2

Source: The Department of Immigration and Multicultural and Indigenous Affairs' "The People of Western Australia, Statistics from the 2001 Census". (The Kimberley data is extrapolated from data provided for the four Kimberley Local Government Areas).

The Commission aims to provide both culturally appropriate and accessible services to its clients. In this context it assists clients where language is, or may be a barrier in a number of ways:

- by responding to the needs of individual clients;
- by encouraging non-English speaking clients to be accompanied by a supportive friend, relative or colleague;
- by offering and arranging access to culturally and gender appropriate, Interpreting Services which are accredited with the National Accreditation Authority for Translators and Interpreters.

The Commission's multicultural complement of staff comprises both Indigenous and non-Indigenous (including overseas born) members who collectively, have extensive experience working with Indigenous people in the Kimberley and people from other cultures, both in Australia and overseas.

### **Youth Outcomes**

*(A State Government Plan for Young People, 2000-2003)*

The State Government Plan for Young People, 2000-2003 which has continued to be effective for 2004/2005, has the following goals:

- promoting the positive image of young people;
- promoting the broad social health, safety and well being of young people;
- better preparing young people for work in adult life;
- encouraging employment opportunities for young people;
- promoting the development of personal and leadership skills;
- encouraging young people to take on roles and responsibilities, which lead to active adult citizenship.

In working towards achieving these goals, the Commission has participated in the following social and economic development opportunities, which aim to benefit young people in the Kimberley:

- providing grant funding for a number of youth related initiatives including:
  - Perth International Arts Festival to the region, incorporating youth activities;

- The Croc Festival, an annual event, held in Derby in 2004;
- supporting a traineeship position each year; this is currently filled by a young Indigenous man who is employed as a trainee Project/Administrative assistant;
- co-locating office facilities for the Kimberley Social Policy Officer employed by the Department of Premier and Cabinet in response to the Gordon Inquiry, 2003, in the Commission's Kununurra Office;
- facilitating the development of major employment opportunities to better meet the needs of young people in the future, for example:
  - the Argyle Underground Project;
  - development of Stage 2 of the Ord River Irrigation Area;
  - Indigenous Tourism.

## **Providing for Good Governance**

### ***Staffing***

All employees are employed under the *Public Sector Management Act, 2004*, the Public Service Award, 1992 and the Public Service General Agreement, 2004 which together prescribe the conditions of employment for all staff.

The Commission's staffing, industrial policies and procedures meet the requirements of the appropriate legislation including the *Public Sector Management Act, 2004*, *Equal Opportunity Act, 1984*, and *Occupational Safety and Health Act, 1984*.

As at 30 June 2005, the Commission had an actual staff complement of 10 full-time equivalents (FTEs). The target FTE level for 2005/2006 is 11.

### ***Equal Employment Opportunity Outcomes*** (*Equal Opportunity Act, 1984*, S146)

The Commission has recently developed a new Equal Opportunity Plan consistent with the *Equal Opportunity Act, 1984* and requirements for small organisations with less than fifty employees. Our plan includes primary objectives and implementation strategies that are incorporated into the Commission's ongoing management and Human Resource Management practices. These are also detailed within our Human Resource Management Manual which is currently being updated.

The Commission's contribution toward the Government's Equity and Diversity Plan is increasing the diversity of its workforce which comprises twelve people. Its current characteristics are:

- 50% women and 50% men;
- 21.4% Indigenous people aged less than 30;
- 7.1% people from culturally diverse backgrounds.

### ***The Corporate Plan***

The biennial Corporate planning process is consistent with the legislative responsibilities of the Commission, its mission and vision for future economic and social development in the Kimberley. This year, the Board completed a review of the Commission's achievements, matched against the ten-year development aims of the Corporate Plan 2002-2003. Further to this review, the Board has set the strategic direction of the Commission for the next two-year period, again matched against ten-year development aims. On this basis the Corporate Plan 2004-2005 has been completed.

### ***Information Technology Review***

The Commission requires efficient and effective computerised information systems to achieve both its administrative and functional responsibilities. Consistent with this requirement and as the result of a recent Information Technology review, an Information Technology Plan for the whole of the Commission is being developed.

### ***Evaluations***

*(Public Sector Management Act 1994 S7 (e))*

In compliance with the Public Sector Management Act 1994 S7 (e), the Commission has completed a Customer Survey. The Commission conducts an annual survey of key clients to seek feedback on their perceptions of the Commission's performance. Reporting on customer satisfaction with the services of the Kimberley Development Commission is included in this Annual Report under Performance Indicators on page 47.

### ***Information Statement***

*(Freedom of Information Act 1992, S96-97)*

The Commission welcomes public input to assist in the formulation of policy and the performance of the agency's functions. Members of the public with an interest in regional development, and particularly the development of the Kimberley region are invited to contact Board members or Commission staff to discuss relevant issues.

The Commission holds information from various sources in working files, studies and printed reports. Information is usually provided free of charge. However, the provision of some documents and reports may require payment.

The *Freedom of Information Act 1992* provides for access to certain information held by the Commission. Applications under *the Act*, other than information requests easily satisfied by a personal visit or by telephone, should be forwarded to:

Freedom of Information Coordinator  
Kimberley Development Commission  
PO Box 620  
KUNUNURRA WA 6743

### ***Publications - 2005***

Current publications available to the public include:

- Kimberley Development Commission, *Annual Report 2001/2002\**
- Kimberley Development Commission, *Annual Report 2002/2003\**
- Kimberley Development Commission, *Annual Report 2003/2004\**
- Kimberley Development Commission & Department of Local Government and Regional Development, 2003, *Kimberley Economic Perspective\**
- Kimberley Development Commission & Department of Local Government and Regional Development, 2001, *Kimberley Economic Perspective\**
- Kimberley Development Commission, 2002, *The Kimberley Aquaculture Research Project: Part of the Development of a Black Tiger Prawn Aquaculture Industry in the Kimberley Region*
- Kimberley Development Commission, 2002, *2002/2003 Corporate Plan\**
- Kimberley Development Commission, 2004, *2004/2005 Corporate Plan\**
- Kimberley Development Commission & Western Australian Tourism Commission, 2001 *West Kimberley Accommodation Needs Analysis 2001\**
- Kimberley Development Commission, 2001, *The Aboriginal Component of the Kimberley Economy\**
- Kimberley Development Commission & The University of Western Australia, 200) *An Input-Output Table for the Kimberley Region of Western Australia\**
- Kimberley Development Commission and Department of Transport, 1999, *North Kimberley Road User's Study – Final Report\**
- Kimberley Development Commission, 1999, *The Kimberley Region – Supporting Resource Development Projects*
- Kimberley Development Commission and Western Australian Tourism Commission, 1998, *East Kimberley Accommodation Needs Analysis\**
- Kimberley Development Commission, 1998, *Ord River Irrigation Area – Best Practice in Irrigated Agriculture*
- Kimberley Development Commission, 1997, *Kimberley Development Commission Economic Development Strategy 1997–2010*
- Kimberley Development Commission and Fisheries WA, 1996, *Kimberley Aquaculture Development Plan*

- Kimberley Development Commission, 1996, *The Economic Impact of Irrigated Agriculture in the Ord River*
- Transport WA and Kimberley Development Commission, 1997, *Kimberley Transport Towards 2020*
- WA Department of Minerals & Petroleum Resources, Commonwealth Department of Industry, Tourism & Resources, Kimberley Development Commission and Industry Contributors (2003) *Tanami-East Kimberley Regional Mineral Study*.

N:B Publications marked with an \* are available on the Kimberley Development Commission's website at [www.kimberley.wa.gov.au](http://www.kimberley.wa.gov.au).

### **Reporting on Recordkeeping Plans**

*(State Records Act, 2000, S61 & State Records Commission Standards, S2, Principle 6)*

The Commission submitted its first Recordkeeping Plan and Retention & Disposal Schedule to the Director, State Records in February 2004. Both are consistent with the *State Records Act, 2000* and have, this year, received final approval.

A Recordkeeping Review was conducted as an integral part of the development of the Commission's Recordkeeping Plan in compliance with the *State Records Act, 2000*. Further to this review the Commission has upgraded its filing system and has developed a suite of specific Recordkeeping Policies and Procedures.

All new staff are provided with an introduction to their roles and responsibilities in regard to the Commission's compliance with the Record Keeping Plan as part of their induction program. A recordkeeping training program for all staff is currently being formalised; this will be implemented and regularly reviewed in accordance with the Record Keeping Plan, once completed.

### **Compliance with Public Sector Standards and Ethical Codes**

*(Public Sector Management Act 1994, S31 (1))*

The Kimberley Development Commission has complied with the *Public Sector Management Act* and has adopted Human Resource policies and procedures consistent with the Public Sector Standards in Human Resource Management. The Human Resource Policies and Procedures, together with the Commission's Code of Conduct and Code of Ethics are provided in the Staff Information Manual with which all staff are made aware and encouraged to become familiar.

The Chief Executive is responsible for the Commission's compliance with the *Public Sector Management Act*, Code of Conduct and Code of Ethics, but all staff are required to work in accordance with the principles contained in all three documents and associated policies.



### **Statement of Compliance**

In the administration of The Kimberley Development Commission, I have complied with the Public Sector Standards in Human Resource Management, the WA Public Sector Code of Ethics and our Code of Conduct.

I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made above is correct.

The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number of applications lodged	nil
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Number of breaches found, including details of multiple breaches per application	nil
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Number still under review	nil
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No complaints have been lodged with the Commission or external bodies that include issues relating to the Commission's compliance with the Code of Ethics or Code of Conduct.



Jeff Gooding JP  
Chief Executive

23 August 2005

#### **Postal Address**

Kimberley Development Commission  
PO Box 620  
Kununurra WA 6743

#### **Street Address**

Kimberley Development Commission  
7 Ebony Street  
Kununurra WA 6743

### **Corruption Prevention**

*(Premier's Circular 2005/02: Corruption Prevention)*

The Commission has a risk management policy, developed in 2002, which is currently under review and will be amended to include enhanced measures to prevent corruption.

#### **Policy A12 Computer Access**

The Commission is currently developing policies to manage the security and privacy of its computerised information systems. Systems are in place to restrict access from external sources to Commission computers and information systems. Staff are cognisant of the correct protocols associated with the use of the Commission's equipment.

*Policy A29 Staff Induction*

The Commission's Staff Induction practices are inclusive of confidentiality requirements.

*Policy B1 Gifts and Benefits*

The Commission has yet to develop a register of gifts and benefits. This will be addressed in the current review of the Staff Policy Manual. Staff are aware of the need to report to Senior Management on occasions where gifts or benefits are offered.

**Public Interest Disclosures**

*(Public Interest Disclosure Act 2003, S23 (1) (f))*

In compliance with the Public Interest Disclosures Act 2003, the Commission has appointed a Senior Projects Officer as its Public Interest Disclosure Officer.

The Commission has internal procedures in accordance with the Act, which are consistent with the guidelines published by the Commissioner for Public Sector Standards. These are available to the Commission's staff, contractors and members of the public on request.

The Chief Executive will provide protection from detrimental action or the threat of detrimental action for any employee of the Commission who makes an appropriate disclosure of public interest information. The Commission will not tolerate any acts of victimisation or reprisal as a result of a person making, or proposing to make, a public interest disclosure.

Any victimisation or reprisals will be reported immediately to the Chief Executive or the Public Interest Disclosure Officer who will take immediate action to prevent the continuance of unlawful conduct. Where victimisation or reprisals are reported, a record of the report and the action taken will be placed on the file relating to the public interest disclosure.

Steps taken to prevent acts of victimisation or reprisal will be recorded in a manner that they will be accessible for reference should legal action be taken against the Kimberley Development Commission.

The Commission is committed to maintaining confidentiality, abiding by the Public Interest Disclosure Code of Conduct and Integrity and to maintaining comprehensive and secure records for each public interest disclosure made.

**Advertising and Sponsorship**

*(Electoral Act 1907, S175ZE)*

In compliance with section 175ZE of the Electoral Act 1907, the Commission is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Expenditure during the period 1 July 2004 to 30 June 2005 was as follows:

<b>Expenditure with Advertising Agencies</b>	
Marketforce Productions	\$2,190
WA Local Business & Community Services P/L	\$ 536
Emergency Services Publishing WA	\$ 340
Pindan Publishing	\$ 325
Unity Publications	\$ 475
Broome Telecentre	\$ 372
Broome Chamber of Commerce	\$2,700
The Kimberley Echo	\$ 208
The Broome Advertiser	\$ 384
The Derby Visitor Centre	\$ 259
<b>Total</b>	<b>\$7,789</b>
<b>Expenditure with Market Research Agencies</b>	\$ nil
<b>Expenditure with Polling Agencies</b>	\$ nil
<b>Expenditure with Direct Mail Agencies</b>	\$ nil
<b>Expenditure with Media Advertising Agencies</b>	\$ nil

### ***Sustainability***

*(Premiers Circular 2004/14: Sustainability Code of Practice for Government Agencies)*

The Commission's approach to regional development is informed by sustainability. This is evident in the range and depth of activities across the Kimberley, described elsewhere in this report, in which it is engaged or for which it provides support. In addition, the Commission conducts its business in a manner which is consistent with the *Sustainability Code of Practice for Government Agencies*.

In December 2004, the Commission lodged its first three year Sustainability Action Plan with the Sustainability Unit of the Department of Premier and Cabinet. Whilst focussing on mandatory commitments for all Government Agencies, the Commission has also resolved to address a number of initiatives directed at larger organisations, including improving office waste management and reducing office energy consumption. In the last six months, the Commission has progressed toward meeting its sustainability targets. A sample of relevant initiatives includes:

#### ***Service Delivery***

- effectively engaging with industry, government agencies and Traditional Owners to assist pave the way for the development of major employment options in the East Kimberley;
- coordinating the Kimberley Making Connections leadership program with equal numbers of Indigenous and non-Indigenous participants;
- providing financial assistance toward the Kununurra Cane Toad Forum convened to engage the community, scientists and government agencies in a concerted attempt to halt the potential invasion of cane toads into Western Australia;
- continuing to proactively support the Derby revitalisation program; and
- working with Traditional Owners, government agencies and tour operators to promote Indigenous tourism on the Dampier Peninsula.

*Environmental Performance*

**Energy**

- purchasing over 50% of the Commission's electricity from a renewable energy source, hydro-electricity, through Western Power;

**Vehicles and Travel**

- maintaining its small fleet of vehicles in accordance with manufacturer's specifications to minimise fuel consumption;

*Sustainability through Diversity*

- employing a culturally diverse complement of staff (refer EEO Outcomes, pp 21); and
- supporting the development of equal employment opportunities across the region, such as the Argyle Diamond Mine Underground project (refer pp 39).



## **REGIONAL DEVELOPMENT ACTIVITIES 2004/2005 - BETTER PLANNING: BETTER SERVICES**

The Commission aims to ensure an integrated approach to sustainable regional development. This is reflected in the diversity of the Commission's activities and achievements during 2004/2005, which consistent with the Corporate Plan, focus on both social and economic issues, with an underlying recognition of the need to protect our unique environment.

This report on the Commission's core business is linked, through sub-headings, to the relevant Strategic Outcomes identified in the Better Planning: Better Services Strategic Planning Framework for the Western Australian Public Sector. The Commission has focused upon Goal 4, the Regions, of the framework for its key reporting points.

### **Enhanced Government Decision-Making Based on a Thorough Understanding of Regional Issues**

The Commission continues to work towards effective outcomes for the Kimberley region. In partnership with government, industry and the community it provides regional and strategic planning that contributes towards effective decision-making, an enhanced and diversified economy and improved regional lifestyles.

In developing a sound and widespread understanding of regional issues, the Commission, as a Board, meets with stakeholders on major social and economic issues. On a day-to-day basis the Commission is informed on the range of issues through a well developed information, communication and consultative network.

#### ***Policy Formation***

The Commission regularly commits input into policy formulation across a number of areas that impact upon the region.

As an active member of the Kimberley Inter-Agency Working Group the Commission provides strategic input into regional and priority outcomes. The Working Group consists of representatives of State and Commonwealth agencies and educational institutions. The purpose of the group is to ensure that Government and Non-Government agencies in the region work in a co-ordinated and integrated way to improve emotional, social and economic outcomes for Indigenous people in the Kimberley.

The Commission is a representative on the Kimberley Human Services Regional Managers Forum which focuses upon the State Governments Whole of Government social policy agenda at a regional level. The forum examines a broad range of social issues that are of direct concern to the community of the region. This strategic working partnership provides high-level government agency decision-making capability that has the capacity to provide solutions and direction at the regional level.

In meeting its statutory objectives, the Commission is actively involved in developing and providing high-level, strategic, input into State Policy development from a regional perspective.

### ***State Government Funding Identification and Support***

The Commission continues to be active and strategic in assessing State Government funding initiatives and priorities. The Commission funds regional projects through the Kimberley Regional Development Scheme. The Commission is also active in providing informed regional input into a number of other State grant processes and contributes to enhanced government decision making in regard to regional priorities. Application support is provided to potential funding recipients for projects that will provide sustained regional benefits.

### ***Office Co location Support***

The Kununurra office of the Commission provides office and administration support to the Regional Manager of Tourism WA, the Natural Resource Management Strategist for the Kimberley, various Ord Stage 2 consultants and the Department for Premier and Cabinet's representative. This arrangement contributes towards resource pooling and provides a central hub for strategic management of development in the region. The Broome office also provides office accommodation for the Department of Premier and Cabinet's Regional Liaison Officer.

## **Planning in Partnership for a Sustainable Future**

The Commission regards the integration of social, economic, environmental and cultural components of development as important to the long-term sustainability of the Kimberley. Using this approach, it has worked in partnership with the three tiers of Government, the private sector and the community, to plan and also promote success in a range of initiatives, which are summarised as follows.

### ***The Broome Planning Study***

In line with identifying regional needs and coordinating planning initiatives, the Commission has supported and maintained close involvement with the Broome Planning Study which has been established to consider land use issues facing Broome and to develop strategies to manage growth over the next 10 to 15 years.

The Commission has built strong strategic relationships with State agencies, Local Government and Community groups, to contribute towards long term planning in Broome to ensure a range of outcomes that are consistent with stakeholder priorities and their visions for the future.

During 2004/05 the Broome Planning Steering Committee, on which the Commission is represented, prepared a progress report which sought public comment. The Committee's final report, due in 2005/06, will provide information to the Shire of Broome to assist a revised town planning scheme.

### ***Kimberley Area Consultative Committee***

The Kimberley Area Consultative Committee is the regional advisory mechanism for Commonwealth Government regional programs and services. The Commission is a member of the Committee that draws upon representatives from community, local business and government. Members of the Committee are committed towards working with the Commonwealth Government to create jobs, boost business and build a sustainable future for their community.

### ***Business Enterprise Centre Network and Chambers of Commerce***

The Commission maintains a strong working partnership with the Business Enterprise Centres and Chambers of Commerce across the region. The Commission supports these non-profit organisations to enhance their access to resources for coordination and development. The commission supports a range of initiatives of these groups including the Kimberley Small Business Awards and the North West Expo.

### ***Kimberley Sustainable Region's Advisory Committee***

The Commission is represented on the Kimberley Sustainable Region's Advisory Committee, which is responsible for monitoring the progress of a range of high profile regional projects, which have received Commonwealth funding through the Kimberley Sustainable Region's program. These projects include, the commercialisation of sea freight systems for the Kimberley Mango Industry, the Mirima Council Kimberley Interpreting Service expansion, Broome Port wharf extension, Derby Wharf upgrade and Fitzroy Crossing Family Centre staff housing. The program will continue to be funded until 30 June 2006.

### ***Regional Support for the Pastoralist Industry***

Strategic support has been provided to the Pastoralists and Graziers Association and the Kimberley Aboriginal Pastoralists Association to contribute towards the enhancement of the sustainability of the industry.

### ***The Shire of Wyndham East Kimberley Local Planning Strategy***

During the last year the Commission worked with the Shire of Wyndham East Kimberley to progress the Shire's Local Planning Strategy. This document provides a blueprint for local planning during the next fifteen years. The strategy has been developed with extensive community consultation and in recognition of the needs of a growing population, prospects of major development opportunities and the impact both may have on the local environment. The final strategy is expected to be released in the near future.

### ***North Kimberley Land Use and Infrastructure***

The area north of the Gibb River Road is largely undeveloped and is experiencing a range of resource management and use pressures. The Commission continues to provide advice and input to the Department of Planning and Infrastructure regarding the

North Kimberley Land Use and Infrastructure Investigations and continues to pursue sustainable natural resource management outcomes.

### ***Offshore Oil and Gas***

The Offshore oil and gas exploration industry continues to be a contributor to the economy of the region and in particular the Port of Broome which services the industry. The Commission maintains considerable interest in this activity and is a significant partner with industry in supporting this initiative, as it delivers current benefits to the region and plans for an expanded future.

### ***Power Procurement Process***

During 2004/05 the Commission continued to monitor the power supply handover in the West Kimberley from Western Power to a commercial enterprise. The project was awarded to Energy Developments Limited on tender and will see new power stations at Broome, Derby, Fitzroy Crossing, Halls Creek and Camballin-Looma. The four larger power stations will fuelled by liquefied natural gas whilst one will retain diesel generation. This project will ensure the region's growing energy needs are met and that long-term sustainability outcomes are met.

### ***Sustainable Regional Tourism***

The Commission has partnered the Australia's North West Tourism Organisation to progress a comprehensive marketing and development concept for the Kimberley, the Kimberley Sustainable Tourism Project, with the objective of providing the basis for detailed industry planning for the next decade. This is a flagship project for the growing tourism industry.

There are eight specific sub-projects at varying levels of implementation. They are:

- Understanding and Researching the Market for Sustainable Outcomes
- Marketing and Branding for Sustainable Development
- Management Standards and Sustainable Tourism
- Connecting Kimberley Tourism and the World
- Developing Indigenous Tourism and Industry Participation
- Sustainable Tourism Futures and the Environment
- Developing Events Market Capacity and Coordinating Regional Events
- Developing and Sustaining Air Services

The project has secured both Commonwealth and State funds to build on industry provided resources.

### ***Gateway Project***

In 2004/05 a major market research initiative, the Gateway Project, was launched to examine tourism infrastructure, potential for International flights to the Kimberley and facilitate the establishment of Broome as Australia's North West gateway.



The Commission is an active member of the Steering Committee and has maintained close association with industry in coordination and implementation of major regional marketing plans incorporating the needs of tourism and the wider industry groups.

The project identified current infrastructure and services in Broome in the context of requirements for establishing an international air service, and initiated a major tourism market research project to be undertaken during 2005/06.

### ***Ord Stage Two***

Stage 1 of the Ord River Irrigation Area comprises an area of 14,000 hectares of irrigated land to the south-west and north of the town of Kununurra. Approximately 34% of this area is currently committed to sugar cane. The remainder is planted with high value grain crops, horticultural crops and early stage sandalwood plantations.

The Commission has continued to be involved with the State Government, the Kimberley Land Council and the Miriwung Gajerrong Traditional Owners in negotiations which may lead to the release of more land for agricultural development in the future. These negotiations are progressing, with a Memorandum of Understanding signed in late 2004.

During the last year, the Commission has also engaged with the Ord Sugar Industry on a range of initiatives designed to increase the viability of the industry and potentially place it in a position to both complement and benefit from further release of agricultural land. In the event that preliminary matters are completed to allow Ord Stage 2 to proceed, sugar would be one suitable and versatile, major cropping option on which to base the development.

Ord Stage 2, combined with the Ord Sugar Industry has the potential to provide significant and long-term employment and business opportunities for the young and growing population of the East Kimberley. Through a collaborative approach to development, it may also provide pathways for Indigenous people to be engaged in the economic future of the region.

### ***WA Community Foundation***

The Commission has continued with its planning work aimed at the establishment of a Kimberley Community Foundation. The proposed foundation would provide a sustained source of funding, through interest receipts, for Kimberley specific purposes as set out in a foundation deed. The Commission has allocated funds for the establishment of a foundation and has received interest from industry partners and the community. The WA Community Foundation has been assisting the Commission in advising options available for establishing the fund.

## **Effective Government Service Delivery to Regions that is Responsive to the Needs of Diverse Communities**

The Kimberley Development Commission approaches project coordination with a whole-of-government approach to ensure that a coordinated, integrated, high quality service delivery to the community. By building strategic and lasting partnerships across all agencies and levels of government the Commission continues to provide industry and the wider community with quality services and outcomes.

### ***Regional Air Services***

The Commission has been actively involved in stabilising regional air services issues and has participated in finalising the State Air Services Policy through the Strategic Aviation Committee and regional forums.

The Commission has developed strategic partnerships across the region to continue to expand air service infrastructure and development for improved affordable and reliable air services. This has included the monitoring of the feasibility of a reintroduction of a Perth to Derby passenger jet service, the support of security upgrades at the East Kimberley Airport which assisted with regained passenger jets services in April 2004 and the continued support for infrastructure upgrading of remote airstrips by supporting remote communities in accessing Commonwealth funding through the Commonwealth Remote Air Services Scheme.

### ***Partnership with the Commonwealth Sustainable Regions Program***

The Commission has continued to partner the Kimberley Sustainable Regions Program, administered by the Kimberley Area Consultative Committee. The program was established by the Commonwealth Government with an allocation of up to \$12 million over three years for the Kimberley to address and enhance its economic, social and environmental opportunities and challenges.

### ***Aboriginal Economic Development Officer***

The Commission employs an Aboriginal Economic Development Officer, under a cooperative funding arrangement with the Office of Aboriginal Economic Development, to promote Indigenous economic development and provide mentoring and encouragement for the formation of Indigenous enterprises. This position is currently under review to maximise it's potential for the region.

## **More Skilled Regional Communities**

The Commission proactively supports skills development across the region, to both strengthen and provide choices for the Kimberley community. In 2004/2005 special focus has been given to governance and leadership training in a cross-cultural context.

### ***Kimberley Making Connections Program***

This innovative program, which is a component of the WA Community Leadership Plan, was part funded in partnership with the Department of Local Government and Regional Development, coordinated and funded by the Commission and sponsored by Local Governments across the region and the Argyle Diamonds.

The program comprised three, three-day modules and was aimed at building on the combined strengths of Indigenous community leaders and service providers. The participants comprised equal numbers of Indigenous and non-Indigenous people from across the region who together shared their different cultural perspectives, increased their awareness of the regions issues, considered how to overcome the regions employment challenges and gained confidence to lead others.

### ***Governance Training***

In late 2004, the Commission again sponsored the Australian Institute of Company Directors to conduct successful, one day New Directors Programs in Broome and Kununurra, in which a total of 44 people participated. The workshops provided an introduction to corporate governance and the legislative responsibilities of Company Directors, Board and Management Committee Members. The Commission also sponsored two people to participate in the five-day Company Directors Program in Perth in October 2004.

### ***The Australian Rural Leadership Course***

To ensure the region takes advantage of a range of leadership development opportunities, the Commission continues to provide facilitation, regional support and sponsorship to the Australian Rural Leadership Course.

### ***Regional Migration***

The Commission continues to act as a Regional Certifying Body for the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). In this context it provides assistance to Kimberley based organisations and businesses, prospective migrants and DIMIA including assessments of:

- Regional Sponsored Migration Scheme applications;
- Business Nominations seeking exceptional consideration;
- Skilled Independent Regional Visa; and provides
- regional information to DIMIA and the recently established Western Australian Skilled Migration Unit.

In performing these roles the Commission seeks to balance regional migration initiatives with skills development of the resident population.

## **Improved Regional Infrastructure**

The Commission has worked closely with strategic partners in identifying and supporting regional infrastructure development in order to implement practical strategies for the improvement of a range of infrastructure projects in the Kimberley.

### ***Broome Port Jetty Extension***

The Broome Port jetty extension is to be completed during 2005/06 at a cost of \$16.8 million and will greatly enhance Port's capacity and the economic opportunity in the region. The Commission identified the major infrastructure upgrade as a vital component of regional and strategic planning and has played an active role in securing and leveraging funding for the project over a number of years, building strategic partnerships with the Broome Port Authority and key stakeholders in State, Commonwealth, and Local Government as well as industry representatives.

The project will provide opportunities for further expansion of other priority projects such as the expansion of Broome as a resource base for the growing offshore oil and gas industry and the consolidation and growth of the tourism industry by providing increased capacity to enable large cruise ships to visit the Port. This major project will enhance services for existing port users in addition to promoting the establishment, development and diversification of industry throughout the Kimberley.

The Commission continues to monitor the feasibility of a slipway and shiplift at the Broome Port which would provide economic benefits to the shipping industry and address, in the short term, some of the maritime safety issues for Broome associated with the cyclone season.

### ***Derby Wharf Precinct Enhancement Project***

The Commission has been actively involved in the ongoing development of the Derby Wharf Enhancement Project. As a member of the working group the social and economic outcomes of this project were identified as high priority by the Commission and resulted in the Kimberley Development Commission contributing financially to the project thus encouraging further State Government funds to be committed. This infrastructure development will enhance the port's capacity to support the offshore mining industry and provide improved services for existing operators. Construction is due to be completed in 2005/06.

### ***East Kimberley Regional Airport Security Upgrade***

In April 2004 a regular jet airline service was reintroduced from Perth into Kununurra. The project was an important component of the Commission's regional planning strategy and has resulted in increased access to the region for residents and visitors and has contributed towards economic growth of the region. The Commission contributed towards the cost to the Shire of Wyndham East Kimberley of satisfying the legislative requirements for improved security upgrades by providing funding through the Kimberley Regional Development Scheme.

### ***Regional Telecommunications***

The critical role of improving telecommunications is important to Kimberley communities and their people, and is consistent with the Commission's Corporate Strategy to broaden the regions social and economic infrastructure

The Commission assisted the Department of Industry and Resources (DoIR) in their application for funding under the Commonwealth Coordinated Communications Infrastructure Fund (CCIF) during 2004/2005. The scope of the Kimberley Broadband Solutions Project is to deploy a wireless based broadband service to the Kimberley, including regions around the towns of Broome, Derby, Fitzroy Crossing, Halls Creek, Kununurra and Wyndham. The project will allow those living within 30-40 km of the towns to receive better access to more affordable broadband solutions.

The Commission has committed to provide the following in relation to the implementation and management of the project:

- assistance with identifying demand requirements in the Kimberley;
- liaison with Local and State Government Agencies;
- promotional campaigns throughout the region, jointly with providers;
- assistance to the selected tenderer during infrastructure rollout.

### ***Assistance for Internet Usage***

The Kimberley Development Commission partnered with Telstra Countrywide for the joint promotion of Internet usage to the Kimberley Community. The initiative entailed the employment of an Internet Support Position, with the primary role to provide advice and assistance to people wishing to connect to the Internet, or having difficulties with their Internet connection regardless of their Internet Service Provider. This successful initiative was initially funded for one year and the Commission is seeking further ways to engage with service providers and the community in establishing appropriate training and services of a similar nature for remote people in the region.

### ***Coastal Shipping Service***

The Commission continues strategic and practical involvement in the retention and stabilisation of the Coastal Shipping Service to ensure that there are competing modes of transport applying downward pressure on all regional freight rates that apply for the Kimberley community.

The State Government has established a tender process for the existing coastal shipping service plus an additional service, which is currently under consideration. Along with other agencies, the Commission is actively involved in this process to ensure that regional issues are considered in resulting service delivery arrangements.

## **Diversified Regional Economies**

The Commission has continued to promote, facilitate and support the development of new and emerging industries in the Kimberley.

### ***Regional Minerals Program***

The resource sector in the Kimberley provides considerable opportunities for economic growth. The Regional Minerals Program is a partnership between the Commonwealth and State governments and industry to facilitate the development of mining and mineral processing activities (including petroleum), and to promote regional employment opportunities.

Two studies in the Kimberley have been commissioned, The East Kimberley Tanami Minerals Study and the West Kimberley Resource Development Study, which have identified industry opportunities and are consistent with the Commission's established role in the promotion of the sector within the region.

The West Kimberley Resource Development Study examines the potential of a range of mining possibilities in the West Kimberley and offshore areas and provides a strategic framework for further mining development. This complements the East Kimberley Tanami Regional Minerals Study, which identified potential mining opportunities in the Tanami Desert and Halls Creek areas.

### ***Indigenous Tourism in the Kimberley***

Indigenous tourism operations continue to advance in the Kimberley contributing towards positive economic and social outcomes. The Commission has been involved in a number of strategic planning workshops and is a member of the Kimberley Sustainable Tourism Project that promotes developing Indigenous Tourism and industry participation.

The Commission continues to assist and support development of tourism on the Dampier Peninsula by building strategic partnerships with communities and Government agencies. The Commission has supported policy development initiatives of Dampier Peninsula Communities through the support of projects such as the Dampier Peninsula Access Management Plan that examined the needs of Indigenous communities tourism projects and general access opportunities and challenges on the Dampier Peninsula.

The Commission remains committed to working with stakeholders on the development of Indigenous tourism throughout the Kimberley.

### ***Indigenous Art Development***

The development of the Indigenous Art industry continues to provide social and economic benefits to the region. The Commission has supported the expansion of the industry by contributing towards strategic planning and the development of new and existing enterprises.

The Commission has provided financial assistance and support to the development of the Mowanjum Art Centre located at the Mowanjum community. The Mowanjum community is

located 14 kilometres outside of Derby on the Gibb River Road. The Mowanjum Art Centre will promote traditional art of northwest Kimberley and is expected to become a pre-eminent tourist attraction for Derby. The Centre will create Indigenous employment opportunities and contribute towards positive social and economic outcomes.

### ***Argyle Diamond Mine***

The Commission continues to work closely with Argyle Diamonds in support of the development of an underground mine which would extend the mine's life until 2020 and beyond. Argyle Diamonds and its parent company, Rio Tinto will decide in the last quarter of 2005, whether to proceed with the project or implement the mine closure plan in 2007.

The Argyle Diamond Mine Underground project and attendant localisation policy offers substantial benefits to the region including:

- a sustained increase in local and Indigenous employment;
- a substantial boost to the regional economy; and
- significant improvements to regional infrastructure and services.

A commitment by the Argyle Diamond Mine to Miriuwung and Kija Traditional Owners through the Argyle Participation Agreement, signed and celebrated in June of this year, is a further benefit of this project.

### ***Aquaculture***

The Commission has a strong history of promoting and assisting, with other stakeholders, the aquaculture industry in the Kimberley. The industry is still developing and continues to advance commercial and research goals. The Commission continues to monitor the progress of the industry and provide support as required.

### ***Savannah Way Tourist Drive***

The Savannah Way self-drive tour capitalises on the success of the project in Queensland and Northern Territory as the project now extends from Cairns, Queensland to Broome in the Kimberley. The Commission was an integral member of the development of the drive to extend into Western Australia and represents the commitment of the Commission to build strategic partnerships with industry and Government agencies to further enhance regional marketing initiatives and provide improved tourism industry outcomes.

The extension of the Savannah Way Tourist Drive into Western Australia was officially opened in July 2004 and the Commission continued to provide input into projects associated with the development of interpretative and information signage at key geographical and cultural points to further enhance visitor experiences.

## **Enhanced Regional Investment**

The Commission has facilitated development and investment through regional promotion and advocacy.

### ***Regional Investment Tour***

The Commission continues to monitor potential projects throughout the region that may attract significant funding and continues to examine outcomes of the 2003 Regional Investment Tour.

### ***Kimberley Business and Lifestyle Magazine***

During 2004/05 the Commission continued support for the Kimberley Business and Lifestyle Magazine, formerly known as the Kimberley Business Bulletin. The magazine provides regional information across issues such as resource exploration activity, Government support structures for business development, development of Indigenous business initiatives, identified areas of potential for development, research projects and studies on the region, export developments and opportunities, as well as aspects of Kimberley life and personalities.

The Commission is represented on the magazine's Steering Committee and is actively involved in promoting the magazine as part of wider regional promotion activities.

### ***Kimberley Economic Perspective Publication***

The Kimberley Economic Perspective is a joint publication published by the Commission and the Department of Local Government and Regional Development. The publication provides information and statistics about the region across a range of topics such as employment levels, demographics, major industry sectors, exports, tourism and infrastructure for the region.

The publication is published bi-annually and is an important source of regional information for industry and the community. The 2005 publication is currently in preparation.

### ***TradeStart***

The Commission continues to partner Austrade to promote TradeStart services throughout the region. In contributing towards identification of potential exporters and assessing export capacity the Commission provides an integral link between Austrade, world markets and the Kimberley.

During 2004/05 New Exporters were identified and provided with a range of Austrade services available through the New Exporters Development Scheme. The Commission was active in promoting export support services at the successful North West Expo in partnership with the state's Austrade representative.



## **Lifelong Learning in the Regions**

The Commission is committed to promoting lifelong learning in the regions with the aim of increasing the capacity of the regional community and it's sustainability in the future.

### ***Traineeships and Apprenticeships***

In addition to the leadership and governance training described under strategic outcome 4, "More Skilled Regional Communities", the Commission proactively supports initiatives to increase skills development in the region. This year, in partnership with Kimberley Group Training, the Commission established a new traineeship in general office administration and project work. The position is currently filled by a local Indigenous person. The Commission has also continued to support Argyle Diamonds, in respect of its training program which offers 150 traineeships and apprenticeships over a five year period.

### ***On-line Learning***

Improving Internet access throughout the Kimberley is an initiative with which the Commission has been involved for many years, in support of business and industry, education and training and everyday life. Access to on-line learning is especially important for Kimberley people because of the remoteness of the region and the reduced access to nearby tertiary education facilities and libraries. The Commission's activities in supporting improvements to telecommunications across the region is an important outcome for on line learning initiatives.

### ***Future Skilling Outback WA***

During 2004/2005, the Commission assisted the Department of Industry and Resources (DoIR) in their application, *Future Skilling Outback WA Project*, through the Commonwealth Department of Communications, Information Technology and the Arts funding program: IT Training and Technical Support. The scope of the Future Skilling Outback WA project is to provide remote and very remote areas of Western Australian with basic training in Information Technology and Technical Support.

The Commission will play a key role in identifying the needs of interested Communities, the priorities in the Kimberley region, the selection of trainers with the skills and experience to meet those needs, and the monitoring of performance and outcomes.

## **Effective Health Service Delivery and Improved Health Outcomes**

The Commission seeks to support improvements to regional services and infrastructure and to increase regional opportunities in an effort to directly and indirectly improve the health outcomes of all Kimberley people.

The Commission facilitates and supports improvements to transport, telecommunications and essential services which enhance health services delivery directly. The Commission also seeks to improve employment opportunities which it considers crucial if people are to enjoy independence and health in the future. Initiatives that support this aim are detailed within this report.

Foremost in the Commission's work is the recognition, understanding and determination to overcome the challenges associated with equitable improvements to service and infrastructure in the sub-tropical, remote rural Kimberley.

### ***Healthy Stores Program***

During 2004/05 the State Government provided \$200,000 in funding through the Kimberley Development Commission to establish the Healthy Stores Program in the Halls Creek regional areas. The focus of the program is the encouragement and education of Indigenous communities towards improving their own health through nutrition programs leading to better dietary arrangements and the financial health of their stores, through enhanced purchasing and supply options.

The Commission will draw upon research in this field to develop appropriate strategies to enhance the operation of stores in the targeted communities, with an expected improvement in healthy food availability and improved dietary awareness with the communities.

## **Enhanced Quality of Regional Lifestyles**

In accordance with its legislative responsibilities and commitment to sustainability, the Commission strives to monitor and promote an equitable and integrated approach to service delivery and development throughout the region.

### ***Derby Revitalisation Project***

The Derby Revitalisation Project is a community initiative that aims to engage the local community in developing physical and social infrastructure and increasing community participation in the social, economic, environmental and cultural components in the town and surrounding area. There are three separate areas of engagement covering mainstream, youth and Indigenous people.

The Commission is closely involved in facilitating the project and providing leverage in gaining funding for this strategic initiative. Stage one of the project formally concluded in October 2004 following extensive community consultation and the production of the Community Action Plan.

Priority projects identified in the Community Action Plan continue to progress major projects such as the Derby Wharf Enhancement Project, Derby Air Services and the Kimberley Archive Project. A number of community-based projects have also been identified such as the development of the Airport to Jetty concept, the development of an Arts, Culture and Heritage Centre, the establishment of Derby Womenshare leadership initiative, the enhancement of the Derby picture gardens, the establishment of an Aboriginal Project Officer position and further development of the Mangrove Boardwalk, Derby Historic Tramway Project and the Old Wool Shed Machinery Museum.

### ***Fitzroy Crossing Community Resource Centre***

The Commission has engaged with the Shire of Derby/West Kimberley and the Fitzroy Crossing community, supporting service providers and Government agencies in the planning for the development of a Community Resource Centre at Fitzroy Crossing.

During 2004/05 the Commission continued to assist in securing external funding sources to progress the development of the Centre and contributed towards the Business Management Plan. Work has continued towards gaining partners for the centre to become a multi-function facility to incorporate State and Commonwealth agencies.

The Kimberley Development Commission is an active member of the Community Resource Centre working group and the project is considered an important aspect of strategic planning for the town and the region.

### ***Halls Creek Aquatic and Recreation Centre***

The construction of the Halls Creek Aquatic and Recreation Centre, for which the Commission provided financial assistance, has been an integral component for the improvement of recreational facilities at Halls Creek.

This community focussed recreation project aims to “help reduce alcohol, drug and substance abuse”, improve health and provide an incentive to reduce truancy, crime and vandalism amongst the young people of the area. The project also offers local employment and business opportunities directly and indirectly through encouraging visitors to Halls Creek to stay longer.

### ***Festivals and Tours***

Financial assistance has been provided by the Commission to a range of groups and organisations, to bring a wide variety of events and tours to Kimberley towns and communities. The Commission also contributes to local events in recognition of the expense and logistic difficulties associated with production of minor and major events in a remote region.

### ***Kalumburu Museum, Interpretative Arts Centre***

The Commission continues to monitor the progress of developments in Kalumburu. A contribution towards funding for a Feasibility Study to establish a museum and interpretive arts centre was made by the Commission. Work with other agencies and stakeholders continues to progress.

## **Sustainable Natural Resource Management**

### ***The Kimberley Natural Resource Management Strategy***

During the last year the Natural Resource Management Strategist for the Kimberley has been co-located in the Commission's Kununurra office, whilst developing the sub-regional component of the WA State Rangelands Strategy.

This twelve-month process has been part of the bilateral Agreement between the Commonwealth and the States and Territories, to implement the Natural Heritage Trust. Further to periods of public comment, both the sub-regional and state strategies are now complete and an associated Investment Plan, which prioritises projects for the allocation of Natural Heritage Trust funding, has also been completed. The whole process is an evolving one which will provide individuals, businesses and organisations with an ongoing opportunity to have input. Importantly, this process provides a framework for the implementation of a wide range of projects designed to enhance the care of the regions unique environment.

### ***Cane Toads***

A topical issue for the Kimberley Region is the potential invasion of cane toads across the Western Australian Border into the East Kimberley from the Northern Territory. The cane toad's expected impact on native fauna and the imminent threat to the Kimberley and Western Australia has resulted in the Kimberley community embarking upon a long term strategy to address the issue of which the Commission is supportive.

In March 2005, the Kununurra Cane Toad Forum, sponsored by public and private sector organisations, including the Commission, provided an opportunity for Scientists and cane toad experts from across Australia, to consider options with the local community. Since the Forum, the Western Australian Government has committed \$1.5 million toward the cane toad issue.

### ***Fourth Australian Technical Workshop on Fishways***

In May of this year, in partnership with a range of other organisations including the Shire of Wyndham East Kimberley, the Departments of Fisheries, the Environment and Conservation and Land Management, the Commission sponsored the Fourth Australian Workshop on Fishways which was convened in Kununurra.

A substantial component of the conference included discussion about the appropriateness of developing a fishway on the Ord River to enable native fish species, especially barramundi, to migrate upstream into Lake Kununurra and Lake Argyle. The Ord project, if it proceeds, is expected to enhance the biodiversity of the Ord River and provide a substantial boost to the tourism industry by increasing fishing options for visitors to the area.

## KIMBERLEY REGIONAL DEVELOPMENT SCHEME

The Kimberley Development Commission administers the Kimberley Regional Development Scheme. The Commission's Board makes recommendations to the Minister, based on the project's ability to address regional priorities including investment attraction and creating employment opportunities; infrastructure development; community, youth and new industry initiatives; and support for indigenous groups and/or economic equity. Below is a list of the projects funded under the Kimberley Regional Development Scheme for 2004/05.

<b>Grant Recipient</b>	<b>Purpose of Grant</b>	<b>Amount Approved</b>
Kimberley Business Enterprise Centre Network	Kimberley Small Business Awards	\$ 3,000
Cathedral Players	Theatre Event "No Greater Love"	\$ 500
CJ Ord River Sugar	Ord Sugar Co-generation Project Proposal	\$ 15,000
Department of Community Development	Wirrimanu Nutrition Project	\$ 10,000
Derby Chamber of Commerce	2004 Kimberley Kleanup	\$ 2,000
Derby West Kimberley Progress Association	Derby Picture Theatre Upgrade	\$ 3,500
Kimberley Development Commission	New Directors Program	\$ 30,923
Kimberley Development Commission	Making Connections Program	\$ 15,000
Kimberley Land Council	Minyirr Park Ablutions	\$ 3,800
Mamabulanjin Aboriginal Corporation	Strategic Marketing Initiative	\$ 10,000
Marrugeku Company	"Crying Baby" Production	\$ 15,000
Shire of Broome	Broome Art and Culture Centre Business Plan	\$ 20,000
Shire of Broome	Expression of Interest to host WA Coastal Conference	\$ 2,500
Shire of Broome	Triple J Broadcasting Facility	\$ 3,000
Shire of Derby West Kimberley	Derby Wharf Enhancement Project	\$ 30,000
Shire of Derby West Kimberley	Kimberley Archives Project	\$ 18,393
Wirrimanu Aboriginal Corporation	Capacity Building Initiative	\$ 8,000

## KIMBERLEY DEVELOPMENT COMMISSION ASSISTED PROJECTS

In addition to the Kimberley Regional Development Scheme, the Commission allocated \$37,274 to the projects listed below.

Grant Recipient	Purpose of Grant	Amount Approved
East Kimberley Regional Recreational Fishing Advisory Committee	2005 Fishway Conference and Technical Workshop	\$ 3,000
Kimberley Specialists	Community Cane Toad Forum	\$ 5,000
Kimberley Stolen Generation Aboriginal Corporation	Commemorative Flower Project	\$ 2,500
Ord Mango Growers Association	Industry Commercialisation	\$ 10,000
Ord River Cane Growers Association	Sugar Industry Delegation to Korea	\$ 6,774
WA Telecentre Network	2004 State Conference Sponsorship	\$ 500
Western Power and Multi Agency Funding Arrangement	East Kimberley Energy Optimisation Study	\$ 20,000

## **KIMBERLEY DEVELOPMENT COMMISSION**

### **Certification Of Performance Indicators For the year ended 30 June 2005**

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



Patrick Dodson  
Chairperson

26 August 2005



Jeff Gooding JP  
Accountable Officer

23 August 2005

## Opinion of the Auditor General (Performance Indicators)



AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**KIMBERLEY 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 Kimberley 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  
31 October 2005



## Performance Indicators

As required by Treasurer's Instruction 904, the Kimberley Development Commission has prepared key performance indicators for efficiency and effectiveness. Measuring performance permits Program Managers, public officials, and citizens to assess the services of the Kimberley Development Commission.

Broad, high level government goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government goals.

The relevant government goal is to ensure that regional Western Australia is strong and vibrant.

The desired outcome from the activities of the Kimberley Development Commission is:

***“an environment conducive to the balanced economic and social development of the Kimberley Region.”***

To achieve the Government's desired outcome and to achieve our mission, the Kimberley Development Commission delivers two major services to our customers. They are:

- Policies, strategies, plans and regional promotion
- Industry and infrastructure identification, coordination and development

The Kimberley Development Commission reports on Key Efficiency and Effectiveness Indicators under the 'Outcome Based Management' Framework. Comparative information for the current and previous four reporting years has been included.

### ***Key Performance Indicator of Effectiveness – Customer Survey Rating***

Each year the Kimberley Development Commission conducts a survey of its customers. The Commission uses the survey results to monitor its level of customer service and simultaneously support its key performance indicators. The customer survey measures customer satisfaction with a variety of elements of the Commission's service, including the effectiveness of the Commission in achieving seven different outcomes through the delivery of services.

Patterson Market Research (PMR) was commissioned to complete the client survey on the Commission's behalf for the 2004/2005 financial year. In order to maintain consistency in measuring the key performance indicators, the questionnaire for this year's survey was the same as that used in previous years. This enables the Commission's performance in effectiveness to be measured and compared with previous years.

### ***Respondent Profile***

This year's customer survey was completed by 123 respondents from metropolitan (33%) and regional (60%) Western Australia. The Commission provided PMR with a list of 200 clients of which the sample group of 123, provides a maximum survey error of +/-5% at the 95% confidence level.

Of the respondents 41% were in the State Government Sector, 28% in the Private Sector and 11% were in Community Organisations. The most common industry category that respondents principally operated in were "General Government / Public Administration / Defence" (21%) and "Tourism Industry" (15%). In addition, 10% operated within "Other Community Services", 4% in "Mining", 7% within "Transport and Storage" and 7% within "Commerce".

The respondents had various levels of contact with the Commission; 42% had monthly, 22% daily/weekly and 27% had contact twice a year or less.

### **Effectiveness Indicator 1**

The Kimberley Development Commission is effective and makes a positive contribution to economic and social development in the Kimberley

The survey results illustrate that the perceived effectiveness of the Commission in contributing to the economic and social development in the Kimberley continues to be high with positive response ratings reaching 90%. Only 6% of respondents disagreed that the Commissions contribution in this area was positive. Fewer respondents (3%) than previous years were indecisive. The overall result in this area is consistent with the high standard achieved in the previous four years.

	<b>Strongly Agree (%)</b>	<b>Agree (%)</b>	<b>Disagree (%)</b>	<b>Strongly Disagree (%)</b>	<b>Don't Know (%)</b>	<b>Total (%)</b>
<b>2000/01</b>	38	47	6	2	7	100
<b>2001/02</b>	51	43	1	0	5	100
<b>2002/03</b>	46	44	4	0	6	100
<b>2003/04</b>	42	49	4	1	4	100
<b>2004/05</b>	45	45	2	4	3	100

\* Figures are rounded and may not add exactly to 100%

### **Effectiveness Indicator 2**

The extent to which the Commission is assessed by its clients as a reliable and accessible source of information and advice on the Kimberley region and regional development issues.

The provision of quality information is an important component of the Commission's activities and is regarded as complimentary to enhancing the regional development environment. Survey respondents were asked to indicate whether they believed the Commission was a reliable source of information and advice on regional development issues. The table below provides the last five years' results for this outcome.

**Effectiveness Indicator 2 (Continued)**

In 2004/2005 similarly to previous years the majority of respondents (94%) agreed that the Commission was a reliable source of information with only 4% disagreeing. Compared with the last four years, only one customer 'strongly disagreed'. The overall results for this outcome indicate a consistent and steady trend over the last five years.

	<b>Strongly Agree (%)</b>	<b>Agree (%)</b>	<b>Disagree (%)</b>	<b>Strongly Disagree (%)</b>	<b>Don't Know (%)</b>	<b>Total (%)</b>
<b>2000/01</b>	46	42	7	0	5	100
<b>2001/02</b>	48	48	1	0	3	100
<b>2002/03</b>	62	32	4	0	2	100
<b>2003/04</b>	51	45	3	0	2	100
<b>2004/05</b>	43	51	3	1	2	100

\* Figures are rounded and may not add exactly to 100%

The section of the report seeking respondent views on 'staff provide professional and helpful service' once again resulted in a positive response with 95% indicating they 'agree' or 'strongly agree' that Commission staff provided professional and helpful advice. This is slightly less than the exceptionally high result of 99% for 2002/2003, but nevertheless indicates a consistent high standard in the Commission's customer service.

**Key Performance Indicators of Efficiency**

The efficiency indicators for the services are calculated by the cost of the projects divided by the number of project hours undertaken.

**Efficiency Indicators**

Service 1: Policies, strategies, plans and regional promotion

	2005	2004	2003	2002	2001
Total Operating Cost	1,227,741	1,098,792	761,675	618,924	600,060
Number of Project Hours	4,401	5,259	5,034	4,673	3,366
Cost per Project Hour	279	209	151	132	178
Policies, strategies, plans and regional promotion represented 48% of the total cost of service for the 2004/05 year.					

Service 2: Industry and infrastructure identification, coordination and development

	2005	2004	2003	2002	2001
Total Operating Cost	1,348,845	771,811	850,597	1,112,459	1,059,194
Number of Project Hours	4,836	3,694	5,622	8,403	5,973
Cost per Project Hour	279	209	151	132	177
Industry and infrastructure identification, coordination and development represented 52% of the total cost of service for the 2004/05 year.					

**Notes to the Performance Indicators for the year ended 30 June 2005**

1. Comparison of actual results against targets for effectiveness indicators.

	2004-05 Target	2004-05 Result	Reason for Significant Variation between 2004-05 Target and 2004-05 Result
Delivers effective activities in assisting economic and social development.	90%	90%	There is no significant variation.
Makes a positive contribution to economic and social development in the Kimberley.	90%	90%	
Provides a reliable source of information and advice.	90%	94%	
Is an accessible source of information and advice.	90%	94%	

**Notes to the Performance Indicators for the year ended 30 June 2005  
(continued)**

2. Comparison of actual results against targets for efficiency indicators.

	2004-05 Target	2004-05 Result	Reason for Significant Variation between 2004-05 Target and 2004-05 Result
<b>Service 1: Policies, strategies, plans and regional promotion</b>			
Average cost per project hour	198	279	Whilst there was a 5% increase in the total cost of services, the variation between the target and result against services 1 and 2 is attributed to; a) key project staff providing corporate services as the Manager's position was vacant for a period and b) not all project officer positions were filled for the entire reporting period.
<b>Service 2: Industry and infrastructure identification, coordination and development</b>			
Average cost per project hour	186	279	

## KIMBERLEY DEVELOPMENT COMMISSION

### **Certification of Financial Statements For the year ended 30 June 2005**

The accompanying financial statements of the Kimberley 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 year ending 30 June 2005 and the financial position as at 30 June 2005.

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



Patrick Dodson  
Chairperson

26 August 2005



Jeff Gooding, JP  
Accountable Officer

23 August 2005



Albert Wong  
Principal Accounting Officer

23 August 2005

## Opinion of the Auditor General (Financial Statements)



AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### KIMBERLEY DEVELOPMENT COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

##### Audit Opinion

In my opinion,

- (i) the controls exercised by the Kimberley 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 its 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.

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

D D R PEARSON  
AUDITOR GENERAL  
31 October 2005

## FINANCIAL STATEMENTS

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

	NOTES	2004/05 \$	2003/04 \$
<b>COST OF SERVICES</b>			
<b>Expenses from Ordinary Activities</b>			
Depreciation expenses	2	39,794	39,752
Employee expenses	3	1,008,126	1,030,315
Grants and subsidies	4	879,074	260,149
Administration expenses	5	177,765	166,827
Accommodation expenses	6	134,017	127,260
Supplies and services	7	258,490	167,387
Capital user charge	8	32,400	59,448
Board remuneration and allowances		46,920	19,465
<b>Total cost of services</b>		<b>2,576,586</b>	<b>1,870,603</b>
<b>Revenues from ordinary activities</b>			
Grants and subsidies	9	558,254	579,658
Other revenues from ordinary activities	10	147,983	44,404
<b>Total revenues from ordinary activities</b>		<b>706,237</b>	<b>624,062</b>
<b>NET COST OF SERVICES</b>		<b>1,870,349</b>	<b>1,246,541</b>
<b>REVENUES FROM GOVERNMENT</b>			
Service appropriation	11	1,710,000	1,523,000
Resources received free of charge	11	450	4,311
<b>Total revenues from Government</b>		<b>1,710,450</b>	<b>1,527,311</b>
<b>CHANGE IN NET ASSETS</b>		<b>(159,899)</b>	<b>280,770</b>

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



**KIMBERLEY DEVELOPMENT COMMISSION  
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2005**

	NOTES	2004/05 \$	2003/04 \$
<b>CURRENT ASSETS</b>			
Cash assets		330,414	482,205
Restricted cash assets	12	796,616	926,220
Receivables	13	19,195	10,964
Amounts receivable for services	14	60,000	40,000
Other assets	15	0	20,264
<b>Total current assets</b>		<b>1,206,225</b>	<b>1,479,653</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	16	193,081	211,468
<b>Total non-current assets</b>		<b>193,081</b>	<b>211,468</b>
<b>Total assets</b>		<b>1,399,306</b>	<b>1,691,121</b>
<b>CURRENT LIABILITIES</b>			
Payables	17	54,342	89,623
Other liabilities	18	22,415	117,199
Provisions	19	168,821	155,608
<b>Total current liabilities</b>		<b>245,578</b>	<b>362,430</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	19	29,601	44,665
<b>Total non-current liabilities</b>		<b>29,601</b>	<b>44,665</b>
<b>Total liabilities</b>		<b>275,179</b>	<b>407,095</b>
<b>NET ASSETS</b>		<b>1,124,127</b>	<b>1,284,026</b>
<b>EQUITY</b>			
Contributed equity	20	44,000	44,000
Accumulated surplus/(deficiency)	20	1,080,127	1,240,026
<b>TOTAL EQUITY</b>		<b>1,124,127</b>	<b>1,284,026</b>

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

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

	NOTES	2004/05 \$ Inflows (Outflows)	2003/04 \$ Inflows (Outflows)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Output appropriations		1,670,000	1,523,000
Capital contributions		0	14,000
Holding account drawdowns		20,000	0
<b>Net cash provided by Government</b>		<b>1,690,000</b>	<b>1,537,000</b>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Supplies and services		(1,537,379)	(716,273)
Employee costs		(972,242)	(922,707)
Superannuation		(58,561)	(57,069)
Capital User Charge		(32,400)	0
GST payments on purchases		(154,427)	(85,751)
GST payments to taxation authority		(61,602)	(22,285)
<b>Receipts</b>			
Other receipts		81,329	89,613
GST receipts from sales		61,602	21,255
GST receipts from taxation authority		153,403	84,454
Grants and subsidies		558,254	640,908
<b>Net cash used in operating activities</b>		<b>(1,962,023)</b>	<b>(967,855)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for non-current physical assets		(9,372)	(143,354)
<b>Net cash used in investing activities</b>		<b>(9,372)</b>	<b>(143,354)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(281,395)</b>	<b>425,791</b>
Cash assets at the beginning of the financial year		1,408,425	932,634
<b>CASH ASSETS AT THE END OF THE FINANCIAL YEAR</b>	21	<b>1,127,030</b>	<b>1,408,425</b>

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

## **Notes to 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 fulfil 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.

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 valuation.

#### **(a) Service appropriation**

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

#### **(b) Contributed equity**

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" the Government (owners) must designate transfers in the nature of equity contributions 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. All other transfers have been recognised in the Statement of Financial Performance. Capital appropriations, which are repayable to the Treasurer, are recognised as liabilities.

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**(c) Grants and other contributions**

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Commission 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.

**(d) Revenue recognition**

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

**(e) Acquisition 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.

**(f) Depreciation of non-current assets**

All non-current assets, excluding artwork, having a limited life are systematically depreciated over their useful lives in a manner that reflects the consumption of their future economic benefits. Depreciation is calculated on the straight-line basis, using rates, which are reviewed annually. Artwork is not depreciated. Expected useful lives for each class of depreciable assets are:

Furniture and fittings	10 years
Office equipment	5 years
Computer hardware and software	3 to 5 years
Office fit-out	7 years

**(g) Leases**

The Commission has entered into a number of operating lease arrangements for the rent of the office buildings and motor vehicles where the lessor effectively retains all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**(g) Leases (Continued)**

Performance over the lease term, as this is representative of the pattern of benefits to be derived from the leased property and motor vehicles.

**(h) Cash**

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets.

**(i) Receivables**

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Receivables are reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to their collection exists.

**(j) Payables**

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

**(k) Employee benefits**

Annual Leave

This benefit is recognised at current remuneration rates and is measured at the amount unpaid at the reporting date in respect to employee's service up to that date.

Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised 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 recognised in the provisions and 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.

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

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**Superannuation (continued)**

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. The Government Employees Superannuation Board (GESB) administers all of these schemes.

The Pension Scheme and the pre-transfer benefit for employees who transferred to the Gold State Superannuation Scheme are unfunded and any liability for future payments is provided for at reporting date.

The liabilities for superannuation charges under the Gold State Superannuation Scheme and West State Superannuation Scheme are extinguished by payment of employer contributions to the Government Employees Superannuation Board.

The note disclosure required by paragraph 51(e) of AAS 30 (being the employer's share of the difference between employees' accrued superannuation benefits and the attributable net market value of plan assets) has not been provided. State scheme deficiencies are recognised by the State in its whole of government reporting. The Government Employees Superannuation Board's records are not structured to provide the information for the Authority. Accordingly, deriving the information for the Authority is impractical under current arrangements, and thus any benefits thereof would be exceeded by the cost of obtaining the information.

**(l) Resources received free of charge or for nominal value**

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

**(m) Comparative figures**

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

**(n) Rounding**

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

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
<b>2. Depreciation expense</b>		
Office fit-out	14,060	3,440
Computing equipment	8,078	19,288
Office equipment	15,445	15,106
Furniture and fittings	2,211	1,918
	<b>39,794</b>	<b>39,752</b>
<b>3. Employee expenses</b>		
Salaries and wages	610,412	658,063
Superannuation	60,702	57,069
Annual leave	56,726	15,111
Long service leave	(1,029)	32,349
Other related expenses	281,315	267,723
	<b>1,008,126</b>	<b>1,030,315</b>
<b>4. Grants and subsidies</b>		
State Government	139,274	15,000
Local Government	408,050	59,500
Private bodies	331,750	105,000
Community	0	80,649
	<b>879,074</b>	<b>260,149</b>
<b>5. Administration expenses</b>		
Maintenance of non-current assets	53,173	42,090
Communications	39,431	44,595
Consumable supplies	85,161	80,142
	<b>177,765</b>	<b>166,827</b>
<b>6. Accommodation expenses</b>		
Lease rentals	119,875	106,238
Repairs and maintenance of offices	938	817
Cleaning	13,204	20,205
	<b>134,017</b>	<b>127,260</b>

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
<b>7. Supplies and services</b>		
Consultants and contractors	185,344	93,200
Travel and accommodation (non staff)	13,418	19,509
Motor vehicle management	33,199	31,291
Insurance (general)	26,438	23,387
Printing	91	0
	<b>258,490</b>	<b>167,387</b>
<b>8. Capital user charge</b>	<b>32,400</b>	<b>59,448</b>
A rate of 8% has been set by the Government for 2004/2005 and represents the opportunity cost of capital invested in the net assets of the Commission.		
<b>9. Grants and subsidies received</b>		
Department of Premier & Cabinet	0	5,908
Commonwealth Government - Austrade	28,254	18,750
Commonwealth Government - Telecentres initiative	0	75,000
Department of Industry and Technology	80,000	80,000
Department of Local Government and Regional Development	50,000	0
Kimberley Regional Development Scheme	400,000	400,000
	<b>558,254</b>	<b>579,658</b>
<b>10. Other revenues from ordinary activities</b>		
Recoups of expenditure from:		
New Directors' program participants	11,500	0
WA Tourist Commission	5,550	8,500
Sundry income	53,271	18,054
Reversal of capital user charge	59,448	0
Staff rental contributions (GEHA)	18,214	17,850
	<b>147,983</b>	<b>44,404</b>
<b>11. Revenues from State Government</b>		
Appropriation revenue received during the year:		
<b>Output appropriations (i)</b>	1,710,000	1,523,000
<b>Resources received free of charge (ii)</b>		
Legal services	450	4,311
	<b>1,710,450</b>	<b>1,527,311</b>



**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**11. Revenues from State Government (continued)**

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

(ii) Where assets or services have been received free of charge or for nominal consideration, the Commission recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the Commission shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
<b>12. Restricted cash assets (i)</b>		
Community Resource Centre Wyndham	75,000	75,000
Kimberley Regional Development Scheme	547,107	713,312
Regional Investment Fund	17,000	17,000
Balgo Youth Services	5,908	5,908
Telecentres	75,000	75,000
Making Connections	24,890	0
Indigenous Employment Project	51,711	0
Savannah Way	0	40,000
	<b>796,616</b>	<b>926,220</b>

(i) Restricted cash is to be used only for the purpose of contributions to specified initiatives and projects.

**13. Receivables**

Trade debtors	19,786	11,555
Less: Provision for Doubtful Debts	591	591
	<b>19,195</b>	<b>10,964</b>

**14. Amounts receivable for services**

<b>Current</b>	<b>60,000</b>	<b>40,000</b>
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This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

**15. Other assets**

Prepayments	<b>0</b>	<b>20264</b>
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**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**16. Non current assets**

<b>At 30 June 2005 and 30 June 2004</b>	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
Artwork at cost	8,788	8,788
Office fit-out at cost	136,633	134,490
Accumulated depreciation	(17,500)	(3,440)
	<u>119,133</u>	<u>131,050</u>
Computing equipment at cost	161,238	154,869
Accumulated depreciation	(141,726)	(133,647)
	<u>19,512</u>	<u>21,222</u>
Office equipment at cost	135,407	122,512
Accumulated depreciation	(95,730)	(79,991)
	<u>39,677</u>	<u>42,521</u>
Furniture and fittings at cost	19,400	19,400
Accumulated depreciation	(13,429)	(11,513)
	<u>5,971</u>	<u>7,887</u>
<b>Total assets</b>	<b>193,081</b>	<b>211,468</b>

**(i) Reconciliations**

Reconciliations of the carrying amounts of non current assets at the beginning and end of the current and previous financial years are set out below.

**2004/05**

	<b>Artwork</b>	<b>Office fit-out</b>	<b>Computer equipment</b>	<b>Office equipment</b>	<b>Furniture and fittings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Carrying amount at the start of the year	8,788	131,050	21,222	42,521	7,887	211,468
Additions	0	2,142	6,369	12,896	0	21,407
Disposals	0	0	0	0	0	0
Depreciation	0	(14,060)	(8,078)	(15,740)	(1,916)	(39,794)
Depreciation written back on disposal	0	0	0	0	0	0
Carrying amount at the end of the year	8,788	119,132	19,513	39,677	5,971	193,081

**17. Payables**

Trade payables	<b>54,342</b>	<b>89,623</b>
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**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
<b>18. Other liabilities</b>		
Accrued salaries	0	22,967
Accrued expenses	22,415	94,232
	<b>22,415</b>	<b>117,199</b>
<b>19. Provisions</b>		
<u>Current:</u>		
Annual leave	92,361	80,261
Long service leave	61,381	60,739
Superannuation and workers compensation on-costs	15,079	14,608
	<b>168,821</b>	<b>155,608</b>
<u>Non-current:</u>		
Long service leave	26,957	40,473
Superannuation and workers compensation on-costs	2,644	4,192
	<b>29,601</b>	<b>44,665</b>
<b>20. Equity</b>		
<u>Contributed equity</u>		
Opening balance	44,000	30,000
Capital contributions	0	14,000
Closing balance	<b>44,000</b>	<b>44,000</b>
<u>Accumulated surplus/(deficiency)</u>		
Opening balance	1,240,026	959,256
Change in net assets	(159,899)	280,770
Closing balance	<b>1,080,127</b>	<b>1,240,026</b>

**21. 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:

Cash Assets	330,414	482,205
Restricted Cash Assets (refer to note 12)	796,616	926,220
	<b>1,127,030</b>	<b>1,408,425</b>

(b) Non-Cash Financing and Investing Activities

During the financial year no assets or liabilities were transferred or assumed from other government agencies.

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**21. Notes to the Statement of Cash Flows (continued)**

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
(c) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities:		
Net Cost of Services	(1,870,349)	(1,246,541)
Non-cash items:		
Depreciation expense	39,794	39,752
Resources received free of charge	450	4,311
(Increase)/decrease in assets:		
Current receivables	(4,426)	106,459
Other current assets	20,264	(17,438)
Increase/(decrease) in liabilities:		
Current payables	(50,097)	135,791
Current provisions	13,213	46,735
Other current liabilities	(94,784)	4,166
Non-current provisions	(15,064)	(362)
Net GST Receipts/Payments	(1,024)	(40,728)
Net cash provided by/(used in) operating activities	<b>(1,962,023)</b>	<b>(967,855)</b>

(d) At 30 June 2005 the Commission had fully drawn on all financing facilities detailed and disclosed in the financial statements.

**22. Commitments for expenditure**

Non cancellable operating lease commitments:		
Within 1 year	136,596	125,522
Later than 1 year and not later than 5 years	375,772	331,600
Later than 5 years	48,358	131,258
	<b>560,726</b>	<b>588,380</b>

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**23. Remuneration of Members of the Accountable Authority and Senior Officers**

**(i) Members of the Accountable Authority**

The number of members of the Accountable Authority whose total fees, salaries, allowances and superannuation for the financial year are as follows, in the following bands:

	2004/05	2003/04
\$		
1 - 10,000	8	11
130,001 – 140,000	1	1
The total remuneration of the members of the Accountable Authority is:	<b>\$158,588</b>	<b>\$162,776</b>

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

One member of the Accountable Authority is a member of the Pension Scheme.

**(ii) Senior Officers**

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

\$		
80,001 – 90,000	0	1
90,001 – 100,000	1	0
The total remuneration of senior officers is:	<b>\$99,053</b>	<b>\$81,895</b>

The superannuation included here represents the superannuation expense incurred by the Authority in respect of Senior Officers other than Senior Officers reported as Members of the Accountable Authority. No Senior Officers are members of the Pension Scheme.

	2004/05	2003/04
	\$	\$
<b>24. Remuneration of Auditor</b>		
Remuneration to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators for year ended 30/6/2005	<b>20,000</b>	<b>0</b>
Auditing the accounts, financial statements and performance indicators for year ended 30/6/2004	<b>16,000</b>	

**Notes to Financial Statements for the year ended 30 June 2005 (continued)**

**25. Additional Financial Instrument Disclosures**

(a) Interest Rate Risk Exposure

Currently the Commission has no exposure to interest rate risk or repricing maturities as all financial assets and financial liabilities are non-interest bearing.

(b) Credit Risk Exposure

Receivables are the only financial instrument in which there is credit risk exposure and their credit risk is represented by their carrying amount.

(c) Net Fair Values

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.

**26. Explanatory Statement**

**(i) 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% or \$10,000. For ease of comparison figures have been rounded to the nearest \$000.

	<b>2004/05 \$000</b>	<b>2003/04 \$000</b>	<b>Variance \$000</b>	<b>Variance %</b>
Grants and subsidies expenses	879	260	619	238%
Supplies and services	258	167	91	55%
Capital user charge	32	59	27	(45%)
Other revenues from ordinary activities	147	44	103	(234%)

Grants and subsidies expenses

The variance is due to additional grants and subsidies to Kimberley Development Commission to fund additional activities during the financial year.

Supplies and services

The variance is due to increased use of contractors and consultants in particular in providing audit and leadership program services to the Commission during the financial year.

Capital user charge

The variance is due to the change of the asset base during the financial year.

Other revenues from ordinary activities

The variance is due to additional revenues received from services provided.

**Notes To Financial Statements for the year ended 30 June 2005 (continued)**

**26. Explanatory Statement (continued)**

**(ii) Significant variations between actual revenues and expenditures for the financial year and those in budget statements.**

	<b>Actual \$000</b>	<b>Budget \$000</b>	<b>Variance \$000</b>
Grants and subsidies expenses	879	460	419

Grants and subsidies expenses

The variance is due to additional funds and subsidies to the Commission during the financial year.

**27. Contingent liabilities**

To the best of our knowledge we are not aware of any circumstances that may result in a contingent liability.

**28. Events occurring after Reporting Date**

We are not aware of any circumstances that have arisen since the end of the financial year to the date of this report which have significantly affected or may significantly affect the activities of the Commission, the results of those activities, or the state of affairs of the Commission in the ensuing or any subsequent financial year.

**29. Related Bodies**

The Kimberley Development Commission has no related bodies.

**30. Affiliated Bodies**

The Kimberley Development Commission has no affiliated bodies.

**Notes To Financial Statements for the year ended 30 June 2005 (continued)**

**31.**

	Service Information					
	Service 1		Service 2		Total	
	2004/05	2003/04	2004/05	2003/04	2004/05	2003/04
	\$	\$	\$	\$	\$	\$
<b>COST OF SERVICES</b>						
<b>Expenses from ordinary activities</b>						
Depreciation	18,960	23,350	20,834	16,402	39,794	39,752
Employee expenses	480,372	605,206	527,754	425,109	1,008,126	1,030,315
Grants and subsidies	418,879	152,812	460,195	107,337	879,074	260,149
Administration expenses	84,705	97,994	93,060	68,833	177,765	166,827
Accommodation expenses	63,859	74,753	70,158	52,507	134,017	127,260
Supplies and services	123,170	98,323	135,320	69,064	258,490	167,387
Capital user charge	15,439	34,920	16,961	24,528	32,400	59,448
Board remuneration and allowances	22,357	11,434	24,563	8,031	46,920	19,465
<b>Total cost of services</b>	<b>1,227,741</b>	<b>1,098,792</b>	<b>1,348,845</b>	<b>771,811</b>	<b>2,576,586</b>	<b>1,870,603</b>
<b>Revenues from ordinary activities</b>						
Grants and subsidies	(266,008)	(340,491)	(292,246)	(239,167)	(558,254)	(579,658)
Other revenues from ordinary activities	(70,507)	(26,083)	(77,476)	(18,321)	(147,983)	(44,404)
<b>Total revenues from ordinary activities</b>	<b>(336,515)</b>	<b>(366,574)</b>	<b>(369,722)</b>	<b>(257,488)</b>	<b>(706,237)</b>	<b>(624,062)</b>
<b>NET COST OF SERVICES</b>	<b>891,226</b>	<b>732,218</b>	<b>979,123</b>	<b>514,323</b>	<b>1,870,349</b>	<b>1,246,541</b>
<b>REVENUES FROM STATE GOVERNMENT</b>						
Appropriations	(814,815)	(894,610)	(895,185)	(628,390)	(1,710,000)	(1,523,000)
Resources received free of charge	(214)	(2,532)	(236)	(1,779)	(450)	(4,311)
<b>Total revenues from government</b>	<b>(815,029)</b>	<b>(897,142)</b>	<b>(895,421)</b>	<b>(630,169)</b>	<b>(1,710,450)</b>	<b>(1,527,311)</b>
<b>CHANGE IN NET ASSETS</b>	<b>76,197</b>	<b>(164,924)</b>	<b>83,702</b>	<b>(115,846)</b>	<b>159,899</b>	<b>(280,770)</b>



**Notes To Financial Statements for the year ended 30 June 2005 (continued)****32. Impact of Adopting Australian Equivalents to IFRS**

During the year, The Commission has continued with its transition process from Australian GAAP to Australian equivalents to International Financial Reporting Standards (AIFRS). The transition to AIFRS is currently at the practical implementation phase and is substantially complete. During the reporting period, key selected areas of impact have been addressed. This includes establishment of timetable for the implementation of IFRS, completion of training needs analysis for staff in relation to IFRS, and assessment of the Commission's accounting and computerised information systems for IFRS reporting purposes.

The opening AIFRS balance sheet as at 1 July 2004 has been completed as it forms the basis of accounting under AIFRS in the future and is required for the preparation of the Commission's first fully compliant financial statements for the year ending 30 June 2006. This opening balance sheet will incorporate the choice of accounting policies available, including elective exemptions under AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*.

As at 30 June 2005, the key areas were identified as having little impact, had it been prepared under AIFRS.

A reconciliation of total equity is presented below under previous AGAAP to that under AIFRS, which showed there were no adjustments to be made on transition to IFRS due to no changes to different key areas.

	<b>2004/05</b>	<b>2003/04</b>
	<b>\$</b>	<b>\$</b>
Total Equity under previous AGAAP	1,124,127	1,284,026
Adjustment on transition to IFRS arising from changes to:		
<i>Equity</i>		
Inventories		
Other financial assets – Investments		
Receivables		
Deferred Tax Asset		
Intangible Assets		
Property, Plant and Equipment		
Investment Property		
Non-Current Asset Held for Sale		
Employee Benefits		
Provisions		
Deferred Tax Liability		
Liabilities		
<i>Asset Revaluation Reserves</i>		
Investment Property		
Tax effect of prior period revaluations		
Non current assets held for sale		
<b>Total Equity under AIFRS</b>	<b>1,124,127</b>	<b>1,284,026</b>

**Notes To Financial Statements for the year ended 30 June 2005 (continued)**

**32. Impact of Adopting Australian Equivalents to IFRS (continued)**

A reconciliation of (deficit) for the period as presented under previous AGAAP to that under AIFRS:

	<b>2004/05</b>
	<b>\$</b>
(Deficit) for the period under previous AGAAP	(159,899)
Adjustments	0
<b>(Deficit) for the period under AIFRS</b>	<b>(159,899)</b>

## **BETTER PLANNING: BETTER SERVICES, A STRATEGIC PLANNING FRAMEWORK FOR THE WESTERN AUSTRALIAN PUBLIC SECTOR**

This section of the Annual Report cross references the Goals of the *Better Planning: Better Services, Strategic Planning Framework for the Western Australian Public Sector* to the operations and activities of the Commission as outlined in the body of the Report. This is designed to provide a picture of how the Commission's efforts relate to the Strategic Planning Framework and at the same time, provide a document that is readable and which gives a clear overview of the Commission's mission, activities and achievements.

### **Goal 1. People and Communities:**

**To enhance the quality of life and well being of all people throughout Western Australia**

#### ***Agency Specific Reporting***

The detailed work of the Commission is outlined in the section Regional Development Activities 2004/05 on pages 29-46. While some of the activities described in that section are related to the Strategic Outcomes of Goal 1 People and Communities, to avoid repetition, they have not been reported separately.

#### ***Obligatory Reporting***

- Disability Services Plan Outcomes – see page 19
- Cultural Diversity and Language Services Outcomes – see page 19
- Youth Outcomes – see page 20

### **Goal 2. The Economy**

**To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.**

#### ***Agency Specific Reporting***

The detailed work of the Commission is outlined in the section Regional Development Activities 2004/05 on pages 29-46. While some of the activities described in that section are related to the Strategic Outcomes of Goal 2 The Economy, to avoid repetition, they have not been reported separately.

### ***Obligatory Reporting***

Please refer to pages 54-74 for the financial reports for the Commission.

## **Goal 3. The Environment**

**To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.**

### ***Agency Specific Reporting***

The detailed work of the Commission is outlined in the section Regional Development Activities 2004/05 on pages 29-46. While some of the activities described in that section are related to the Strategic Outcomes of Goal 3 The Environment, to avoid repetition, they have not been reported separately.

### ***Obligatory Reporting***

#### **Waste Paper Recycling**

Metropolitan based Agencies are required to report on their achievements with regard to waste paper recycling. The Commission is located in regional WA and is not therefore required to report on waste paper recycling. However every effort is made to recycle and minimise use of paper to avoid waste.

#### **Energy Smart Government Policy**

Agencies with more than twenty-five staff are required to report on their achievements against the Energy Smart Government Policy. The Commission has a staff complement of twelve and is not therefore required to report on its achievements in this area. However the Commission attempts to minimise its use of energy wherever possible.

## **Goal 4. - The Regions**

**To ensure that regional Western Australia is strong and vibrant.**

### ***Agency Specific Reporting***

The Kimberley Development Commission is reporting separately to this Annual Report through the Regional Development Policy implementation process at the strategy level for each relevant outcome. Development Commissions have been requested to report against at least nine Strategic Outcomes through this process. The Kimberley Development Commission has identified 33 strategies under 12 Strategic Outcomes that are relevant to work it is undertaking.

### ***Obligatory Reporting***

All of the projects and activities outlined in the section *Regional Development Activities* 2004/05 on page 29-46, relate to Goal 4 *The Regions*. The projects and activities are listed under the separate Strategic Outcomes of Goal 4.

## **Goal 5. Governance**

**To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future.**

### ***Agency Specific Reporting***

The detailed work of the Commission is outlined in the section *Regional Development Activities* 2004/05 on pages 29-46. While some of the activities described in that section are related to the Strategic Outcomes of Goal 5 Governance, to avoid repetition, they have not been reported separately.

Additional agency reporting has been included to cover the following.

- Staffing - see page 21
- The Corporate Plan - see page 22
- Publications - see page 23

### ***Obligatory Reporting***

- Equal Employment Opportunity Outcomes – see page - see page 21
- Evaluations - see pages 22 and 47 for Performance Indicators
- Recordkeeping - see page 24
- Information Statement - see page 22
- Compliance with Public Sector Standards and Ethical Codes - see page 24
- Corruption Prevention – see page 25
- Public Interest Disclosures - see page 26
- Advertising and Sponsorship - see page 26
- Sustainability – see page 27

