

# ANNUAL REPORT 2004/2005



Mid West Development Commission  
Government of Western Australia





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# STATEMENT OF COMPLIANCE

## MID WEST DEVELOPMENT COMMISSION

### STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 30 JUNE 2005

HON KIM CHANCE

MINISTER FOR AGRICULTURE AND FORESTRY; THE MID WEST AND WHEATBELT

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

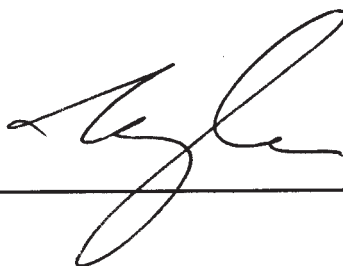
The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.

L GRAHAM  
CHAIRMAN



DATE 25/8/05

S DOUGLAS  
ACTING CHIEF  
EXECUTIVE OFFICER



DATE 25/8/05

# CHAIRMAN'S REPORT

Following a dynamic period of growth and development, the Mid West region has experienced a period of 'consolidation'.

Behind that simple phrase though is a lot of hard work and my thanks go to the Mid West Development Commission's acting Chief Executive Officer Steve Douglas, who has done a great job leading his team during this important and exciting time.

And what a busy team it has been, as the region continues to ride high on the wave of major infrastructure developments including the evolving Southern Transport Corridor and Geraldton's Foreshore Redevelopment project. True to promise, these and other projects are transforming Geraldton into a more modern and dynamic regional centre.

These are big, bold projects that will lay a solid foundation for future socio-economic growth and together with the Mid West Chamber of Commerce and Industry and local communities, the Commission has worked hard, to ensure business and industry capitalise on the potential they generate.

In the coming year, we look forward to further consolidation work on the prestigious Geraldton Universities Centre, Separation Point Marine Precinct and potentially a heavy boat lifter. In partnership with local communities and other stakeholders, we have worked furiously to help secure these for Geraldton and are beginning to see the fruits of our labour with the start of work on the purpose built university facility and the Marine Centre.

Nevertheless, the scope of our interest at the Commission stretches far beyond Geraldton to outback Wiluna and Meekatharra, to the coastal towns of Kalbarri and Dongara. Our projects; past, present and those planned for the future reflect the enormous diversity of this region. Many ventures big and small have reaped benefits from the \$400,000 we have

distributed annually, for the past four years through the Mid West Regional Development Scheme.

With the CSIRO Australia Telescope National Facility and the Office of Science and Innovation, our work has helped push the Murchison to the fore in the international competition to be the site for the Square Kilometre Array (SKA) radio telescope, a cutting edge international project driven by the world's leading astronomers.

In tourism, our Gascoyne Murchison Outback Pathways has cut a swathe through some of the most magnificent countryside in Australia, opening it to travellers from around the world and earning a place among finalists in the 2004 Premier's Awards for Excellence in Public Sector Management in the regional category. Spanning two regions and eleven local government authorities as well as involving numerous other stakeholders, this project highlights what can be achieved through good planning and a collaborative effort.

In enterprise development, the Commission, in partnership with the Department of Planning and Infrastructure, held a Mid West Infrastructure Forum aimed at ensuring the future strategic infrastructure needs of industry are met. The Mid West Strategic Infrastructure Working Group was established as a result of the forum to ensure there is a coordinated approach to infrastructure development to facilitate major projects. The Commission is also working with relevant Mid West shires to identify the impact of these projects on local communities and plan accordingly.

Also under the auspices of economic development, momentum is gathering in our Aboriginal community to build stronger Indigenous tourism and arts industries. This was given a boost by a fact-finding mission to the South-West earlier this year, co-ordinated by the Commission and supported by the Western Australian Tourism Commission.

# CHAIRMAN'S REPORT

In agriculture, our people have played a major role in attracting investment to the Northern Agricultural Catchments Council's vital work in natural resource management in the Northern Agriculture Region, an area facing enormous challenges including structural adjustment in the face of drought and globalisation.

Whilst we can look back on 2004/2005 with some degree of satisfaction, there is still much work to do. We look forward now to the challenges of a new year and the opportunity to build on important initiatives already begun, like the successful collaboration with TradeStart helping small businesses become export ready and the Cruising Geraldton Committee, attracting more luxury liners to our shores. It is also vital that private sector investment is attracted to the region to maintain the momentum initiated by the development of major infrastructure projects in the region.

With a multi-million dollar wind farm well under construction at Walkaway, a €1billion SKA telescope within our reach and a large number of resource projects proposed for the region, we at the Commission believe nothing is impossible with forward thinking backed by a committed team and strong partnerships with local communities, industry and government at all levels.

**Laurie Graham**  
**Chairman**



# PREFACE

This report to the Minister is a requirement under Section 66 of the Financial Administration and Audit Act of 1985 (as amended) and covers the performance of the Mid West Development Commission and its staff in implementing its vision for 2004/05.

The Commission's strategic plan is divided into five key result areas with specific objectives and strategies to complement the objectives of the Regional Development Policy and the State Sustainability Strategy.

In addition, this report contains the Commission's highlights, organisational structure, audited financial statements, performance indicators and priorities for 2004/05.

The Annual Report is tabled in the Western Australian Legislative Assembly after each financial year. The Annual Report will be available electronically at the Commission's website [www.mwdc.wa.gov.au](http://www.mwdc.wa.gov.au)

## WHY WE EXIST

### LEGISLATION

The Mid West Development Commission is a State Government statutory authority managed by a community-based Board. The Commission functions under the provisions of the Regional Development Commissions Act 1993 and is one of nine regional development commissions in Western Australia.

This Mid West Development Commission is responsible to the Hon. Kim Chance MLC, Minister for Agriculture and Forestry; the Mid West and Wheatbelt.

A Board of Management comprising of 10 members representing Local Government, community and Ministerial appointees, sets the Commission's overall direction and goals. The organisation receives an annual financial allocation from the State Government.

MWDC is based in Geraldton and until October 2004, had a Murchison Office located at Mount Magnet.

## MID WEST DEVELOPMENT COMMISSION OFFICE

### GERALDTON

SGIO Building  
45 Cathedral Avenue  
PO Box 238  
Geraldton WA 6531  
PH: 08 99210702  
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Email: [info@mwdc.wa.gov.au](mailto:info@mwdc.wa.gov.au)  
Web: [www.mwdc.wa.gov.au](http://www.mwdc.wa.gov.au)



# PREFACE

## VISION

To have the Mid West recognised as a preferred region in which to live, work and invest.

## ROLE AND OBJECTIVES

The role of the Mid West Development Commission is to work with partners to develop the region's potential.

The objectives of the Commission are to:

- Support communities to enhance their quality of life and become self determining.
- Support development of investment, trade, business and employment opportunities;
- Expand and improve community and economic infrastructure;
- Maintain and enhance the region's natural resource base; and
- Foster regional decision-making and encourage a whole of government approach to managing change.

## VALUES

In promoting balanced and responsible regional development in the Mid West, we are:

### EFFECTIVE

We strive to deliver best outcomes for our clients;

### PROFESSIONAL

As a team, we are committed to continual improvement;

### CLIENT FOCUSED

Our clients can expect consistent, timely, accurate and reliable services;

### COMMUNICATORS

We listen, in order to understand, and respond to all requests;

### ETHICAL

We act with integrity, honesty and loyalty;

### PROACTIVE

We are innovative, forward thinking, resourceful and creative;

### PARTNERS

We work with others to achieve common goals;

### RESPECT

We acknowledge that everyone is independent and different; and

### BALANCE

We seek to balance economic, social and environmental outcomes.



# PREFACE

## STRATEGIC DIRECTIONS

The Commission's future direction is set out in 'Strategic Directions 2005 - 07'. It is supported by an operational plan, which articulates key projects and implementation milestones.

Performance against set objectives is regularly monitored through this operational plan and bi-monthly reports to the Board of Management. Annual performance is reflected in the Annual Report.

A staff objective setting and performance review program is in place to ensure the Commission remains focused, efficient and effective.

### OUTCOMES

The three key outcomes expected of the Commission's activities are:

- Provision of timely advice and accurate information;
- Attracting new investment; and
- Expansion of infrastructure and improved access to services.

### KEY RESULT AREAS

To achieve these outcomes, the Commission has focused on five key result areas. These are:

- Educated, Healthy, Safe and Supportive Communities;
- Diversified Economy;
- Infrastructure;
- Valuing the Environment; and
- Responsive Government.

## SERVICES

### WORKING IN THE REGION, FOR THE REGION

The Mid West Development Commission works to promote economic and social development in the Mid West region.

The people we help include:

- Businesses in the region looking to expand or develop.
- People with new ideas for business or industry.
- Existing and potential exporters.
- Potential investors.
- Major project proponents.
- Local government authorities in the Mid West.
- Community organisations.
- Government agencies.
- Business organisations.



# PREFACE

## EXPANDING OR DEVELOPING BUSINESS

The Commission can assist businesses by:

- Putting clients in touch with the RIGHT people.
- Providing information on government programs for business improvement and expansion.
- Helping to resolve issues for Mid West business and industry at a government level.
- Representing the interests of Mid West business to government.
- Promoting the region's business capability.
- Providing export development services.
- Facilitating access to government assistance programs and resources.
- Providing updates on what is happening in the region.
- Identifying and promoting investment opportunities in the region.

## EXISTING AND POTENTIAL EXPORTERS

The Commission's Trade Start officer, accredited with Austrade, provides the following services:

- Information on potential markets.
- Introduction to exporting for new exporters.
- Information on Government funding and resource programs.
- Trade directories.
- Links to Austrade and Department of Industry and Resources.
- Direct hotline to Austrade.
- General marketing information.

## POTENTIAL INVESTORS

The services we offer include:

- Introduction to sound investment opportunities in the region.
- Promoting the business capability of the region.



# PREFACE

## MAJOR PROJECT PROPONENTS

The services we offer include:

- Putting proponents in touch with the RIGHT people.
- Helping to resolve issues for Mid West business and industry at a government level.
- Representing the interests of Mid West business to government.
- Promoting the business capability of the region.
- Providing local knowledge and input on issues such as land, infrastructure, services, energy and new developments.
- Making the government aware of issues affecting business in the region.
- Identifying and promoting investment opportunities in the region.

## LOCAL GOVERNMENT AUTHORITIES IN THE MID WEST

The services we offer include:

- Information on government funding and resource programs.
- Assisting development of regional strategies to develop and improve infrastructure and services in the Mid West.
- Putting local government in touch with the right people/agencies.
- Encouraging local initiatives.
- Putting forward the strategic issues affecting local government to the State Government.
- Promoting the region's interests.

- Taking up opportunities to promote the region.
- Fostering a community's capacity to undertake economic and social development.

## COMMUNITY ORGANISATIONS

The services we offer include:

- Information on government funding and resource programs.
- Putting community organisations in touch with the right people and government agencies.
- Encouraging local initiatives.

## INFORMATION RESOURCES

Information on the following areas is available from the Commission:

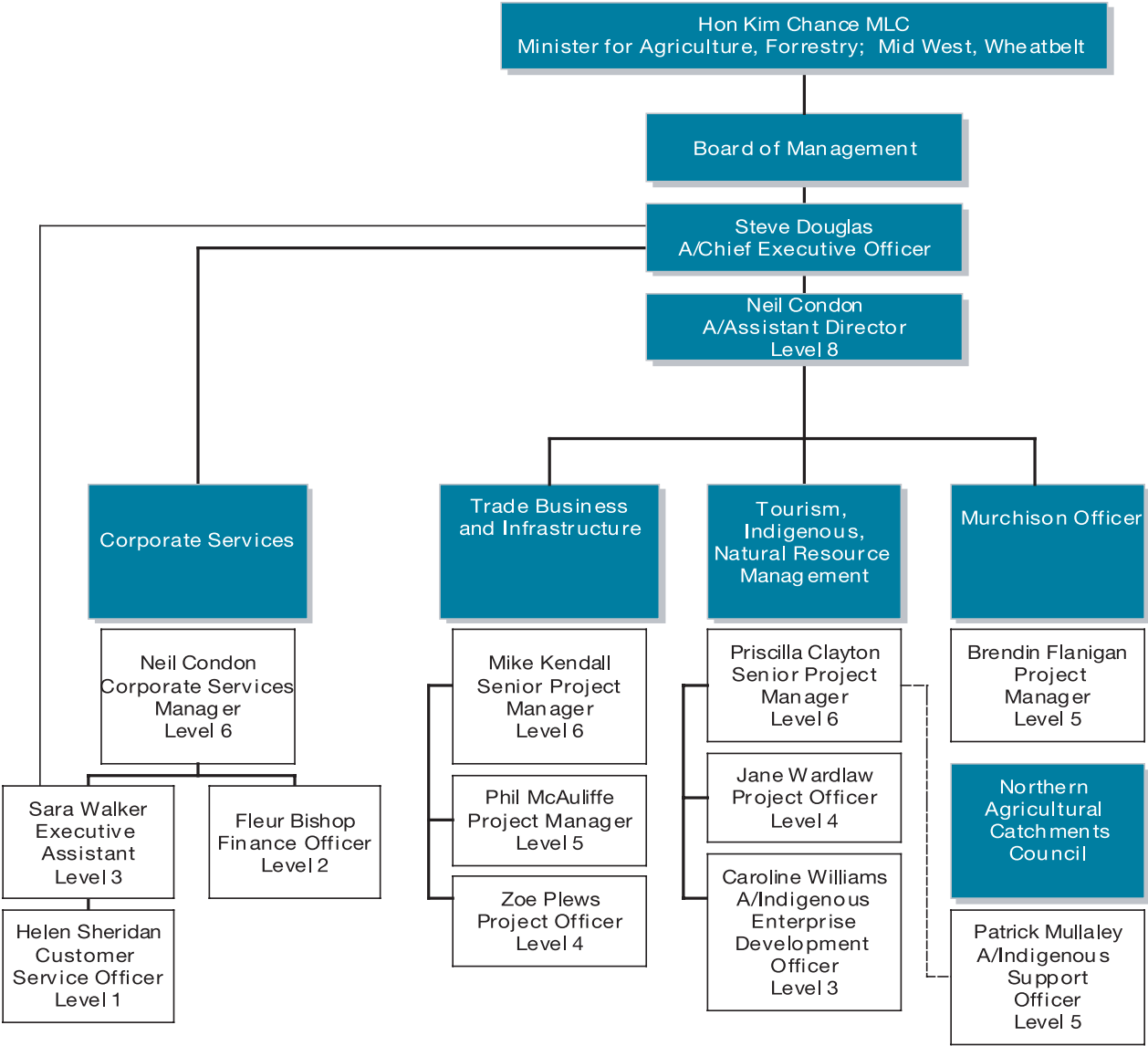
- Regional publications.
- Export development.
- Grants and funding opportunities.
- Directories – Business Capability and Services Directory, Mining Register.
- Updates on major regional projects.
- Investment opportunities in the region.

## ADMINISTRATIVE STRUCTURE

In 2004/05, the Mid West Development Commission operated with up to 14 staff of which 13 were based at the Commission's Geraldton office and one in the Murchison office, based at Mount Magnet.

# PREFACE

## ORGANISATIONAL CHART



# PREFACE

## BOARD OF MANAGEMENT

The Mid West Development Commission is managed by a Board of regional representatives comprising local government, community and ministerial appointments. Members receive fees consistent with determinations made by the Department of Premier and Cabinet. The Board officially met 6 times in 2004/05.

### MR LAURIE GRAHAM, CHAIRMAN

Laurie Graham operates a part time consultancy service providing advice on transport & port operations issues. He was Manager of the Geraldton Port Authority from 1980 to 1996. Laurie is also a councillor at the Shire of Greenough and chairs its Town Planning Committee. He is a Deputy Member of the Local Government Advisory Board and the Grants Commission. He is also the Chairman of Joblink Midwest & Batavia Coast Management Advisory Committee and a Board Member of Mid West Gascoyne Area Consultative Committee & ATC Midwest. A ministerial appointment, Laurie was appointed in 2004 for a three year term.

### MR DAVID BRINDAL, DEPUTY CHAIRMAN

David Brindal is a Mingenew farmer who has been a member of the Mingenew Land Conservation District Committee for 10 years and was the inaugural chair of both the Northern Agricultural Integrated Management Strategy and Northern Agriculture Sustainable Rural Development Program. David served on the Mingenew Shire Council for 10 years including three years as president. A community appointment, David was appointed in 1999 for a term of three years and re-appointed in 2002 for a further three years. David is currently Chairman of the Mid West Investment Working Group.

### MR KEN PEPPER

Ken is a well known identity in the Mid West region through both business and his strong sporting background. Ken is Dealer Principal of Young Motors Geraldton, and has 46 years of experience in the motor vehicle industry. He is an active member of the Holden Country Dealer Group, an Honorary member of the Geraldton Rotary Club, Committee member on the Indian Ocean Masters Games and Chairman of the Geraldton Boatlifter Working Group. Ken was re-appointed in 2003 for a further three years.

### CR GARRY COLLINS

Garry Collins has been involved in local government since 1992 and is currently Deputy President of the Morawa Shire Council. Garry has been farming in the Morawa area for 27 years and has interests in the Mid West Oil Mallee Association, Morawa Farm Improvement Group, Land Conservation District Committee and a local organisation called the Top Crop Group. Garry is currently Chairman of the Transport Advisory Working Group. A Local Government appointment, Garry was re-appointed in 2004 for a three year term.

### MR TONY BROOKER

Tony was the founding headmaster of the Geraldton Grammar School, and is currently Chair of the Geraldton University Access Group. This sub committee of the Mid West Development Commission was instrumental in bringing university courses to Geraldton from the University of Western Australia, Curtin University of Technology and Edith Cowan University. Tony is also involved in the project to attract the international Square Kilometre Array radio telescope to the Mid West. Tony is Vice Chair of the board of the Geraldton Residential College, a committee member of the Geraldton Regional Herbarium, a trustee of the Anglican Diocese of the North West and a member of the Friends of Bluff Point Foreshore. He also serves on the Board of Management of the Northern Agricultural Catchments Council. A Ministerial appointment, Tony was re-appointed in 2004 for a three-year term.

# PREFACE

## CR ROBYN PARSONS

Robyn has been involved in Local Government since 1988 and has been President of the Irwin Shire council since 1999. She is also General Manager of Nufab Industries Pty Ltd; a Dongara based company manufacturing agricultural and industrial equipment. Robyn is involved in various committees in the community and is currently Chairperson of the Port Denison Retirement Village Committee. Robyn was awarded "The Achievement Award" in the 1999 Institute of Professional Secretaries and Administrators WA Division. In 2001, Robyn was a Finalist in the Commonwealth Government Private Sector Category for the Telstra WA Business Women's Awards. A Local Government position, Robyn was elected to the Board in 2003 for a period of three years.

## MR GEOFF CHEONG

Geoff is the Mine Manager for Troy Resources operations, based near Sandstone, and has developed the company into the lowest cost gold producer in Australia. In August 2002, Geoff was elected as a Councillor for the Shire of Sandstone. A Ministerial appointment, Geoff was appointed to the Board in 2003 for a term of three years.

## CR SIMON BROAD

Simon's family are pastoralists at Milly Milly Station in the Murchison Shire. He has served on the Murchison Shire Council since 1987 and is currently Shire President. In recent years, he has been a strong influence in the Shire developing the Murchison Community Futures Plan, which led to a tripartite arrangement with the Shire, Mid West Development Commission and CSIRO to progress a diversification plan for the Shire and the greater Murchison area. Simon was also a member of the Carnarvon Regional Advisory Committee for many years and in 2002 was appointed to the new Carnarvon Zone Control Authority. A Local Government appointee, Simon was elected in 2003 for a term of three years.

## CR PAULINE FORRESTER

Pauline is a Councillor with the Shire of Chapman Valley and is a shire delegate on the Planning and Community Development Building Committee, Bushfire Advisory Group, Tourism and Reserve Committee and Finance and Audit Committee. Pauline is also a member of the Geraldton Cemetery Board, Justice of the Peace Committee, Creating a Better Yuna Committee, Yuna Townscape Committee, Nanson Townscape Committee and is an Ambulance Officer. Pauline has been involved with the Yuna Primary School since 1976 where she works as an Education Assistant. Pauline was elected in 2004 for a three year term.

## BY VIRTUE OF OFFICE:

### MR STEVE DOUGLAS

Steve is currently Acting Chief Executive Officer of the Mid West Development Commission; he is a member of the Board in this capacity. Steve's substantive position is Assistant Director of the Commission.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## PEOPLE AND COMMUNITIES

**To enhance the quality of life and wellbeing of all people throughout Western Australia.**

## AGENCY ACTIVITIES

### COMMUNITY INFRASTRUCTURE

**Geraldton Foreshore Redevelopment and Central Business District Revitalisation** - Supported the development of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project by:

- providing \$1 million to the City of Geraldton for Stage Three of the project as part of the State Government's overall commitment via the Commission of \$9.98 million over six years; and
- Facilitating the establishment of the Foreshore Redevelopment Advisory Committee to ensure coordinated state agency support for the project and maximise the project's outcomes for Geraldton and the Mid West.

**Batavia Coast Marina Stage Two** - Commissioned the preparation of a scoping study for Stage Two of the redevelopment of the Batavia Coast Marina.

**Seniors** - The Commission was allocated funding in 2004-05 to provide the following grants:

- \$450,000 to fund extensions to Geraldton's Queen Elizabeth II Centre which will provide additional space to enable an expansion of activities for seniors including the provision of new activities and health oriented initiatives; and
- \$50,000 to fund a full time coordinator position based at the Queen Elizabeth II Centre for a further 12 months.

**Parks** - The Commission was allocated \$150,000 from the City Parks Improvement Program for improvements to parks with funding of \$140,000 to the City of Geraldton and \$10,000 to the Shire of Greenough.

### INFORMATION TECHNOLOGY

**Broadband Demand Aggregation Broker** - The Broadband Demand Aggregation Broker is an initiative jointly funded by the Western Australian and Commonwealth governments. The Commission is working closely with the Mid West region's broker to raise community awareness of broadband and to develop sound cases for the supply of broadband throughout the region.

**Murchison Information Technology Training and Support** - Secured funding from the Gascoyne Murchison Strategy to undertake the Murchison Information Technology Training and Support project. The project aims to increase the understanding and usage of computers, the internet, and other associated technologies by residents in the Murchison.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## COMMUNITY DEVELOPMENT

**Northern Agricultural Region Taskforce** – the Commission worked in partnership with the Shire of Mullewa and the Department of Agriculture to secure \$360,000 (State and Commonwealth funding) to address issues associated with a series of dry seasons in the North East Agricultural Region of the Mid West. This included the preparation of eight feasibility studies highlighting potential diversification opportunities.

**Wiluna Support Package** - Partnered the Shire of Wiluna, the Department of Indigenous Affairs (DIA) and the Department of Local Government and Regional Development to develop a Wiluna support package aimed at improving the community's amenities, services and employment opportunities.

**Path Maker Project** - Worked in partnership with the Shire of Murchison and Commonwealth Scientific Industrial Research Organisation (CSIRO) to identify sustainable diversification options for the Murchison community.

**Western Wise Network** – Facilitated the merger of the Western Wise Network with the Western Australian Community Builders to enhance the Network's prospects for sustainability.

Published a "hands on" guide for community groups titled 'How to Coordinate a Network Gathering'.

**Other Projects** - Worked with Mid West shires on a range of economic and community development projects including:

- Chapman Valley's feasibility study into its proposed lifestyle village and community farm;
- Carnamah's 'Eneabba Life After the Mine' project;
- Irwin's study into the socio-economic impacts from major planned projects;
- Coastal development options for Coorow and Carnamah; and
- Meekatharra's 'Connected Families, Connected Communities' project.

## YOUTH

**CROC Fest 2004** – The Commission provided a local support role and \$20,000 of Regional Development Scheme (State Government) funding for the staging of the national youth event, Croc Festival Respect Yourself, Respect Your Culture, in Geraldton.

**Bundiyarra Indigenous Youth Awards** – The Commission has been an active supporter of the Awards since its inception in 1997. We participate on the judging panel and sponsor the 'Open Category'.

The aim of the Bundiyarra Indigenous Youth Awards is to increase the self-esteem of Indigenous youth; acknowledge youth who are quiet achievers and role models in the community.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## EDUCATION

**Geraldton Universities Centre (GUC)** - Supported the Geraldton Universities Centre (GUC) through:

- Provision of a \$201,000 grant as part of \$592,000 being provided over four years to support its operations and establishment;
- Allocating \$80,000 from the Mid West Regional Development Scheme to assist the GUC with the construction and fit-out of its new purpose-built facility; and
- Provision of a \$3,000 scholarship to a Mid West resident to undertake undergraduate studies at GUC.

## DISABILITIES SERVICES PLAN

The Commission submitted a Disability Services Plan to the Disability Services Commission in December 1995. The Commission continues to monitor the plan on an ongoing basis.

## CULTURAL DIVERSITY AND LANGUAGE SERVICES OUTCOMES

The Commission is committed to the Government's Language Services Policy and is sensitive to the cultural and linguistic diversity of the Western Australian community and our client base.

Should the need arise, the Commission will endeavour to provide appropriate interpretive, translation, sign

language or other mechanisms to ensure that clients with particular needs are treated equitably in the delivery of our services.

## YOUTH OUTCOMES

### A State Government Plan for Young People 2000-2003

The MWDC assisted the youth of the Mid West region through a number of projects and committees, including:

- Aboriginal Employment, Education and Training Council (AEETC) of Central West College of TAFE
- Revitalising Post Secondary Education and Training in Geraldton
- Mid West Joblink.
- Mid West Apprentice and Traineeship Company (ATC).
- CROC Fest 2004, Geraldton.
- Bundiyarra Indigenous Youth Awards

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## 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 ACTIVITIES

### INFRASTRUCTURE AND INVESTMENT

**Mid West Strategic Infrastructure** - Progressed the timely provision of strategic infrastructure in the Mid West to support major resource project development by:

- Holding a Mid West Strategic Infrastructure Forum in conjunction with the Department for Planning and Infrastructure (DPI) to raise awareness of the plans of resource proponents, improve understanding of existing infrastructure capability, identify potential infrastructure gaps and explore options to address them;
- Providing detailed regional information to be included in the WA State Government response to the Prime Minister's Taskforce on Infrastructure and Exports;
- Preparing a submission to the House of Representatives Transport and Regional Services Committee Inquiry into Integration of Regional Road and Rail Networks and their connectivity to Ports, consistent with State Government policy; and
- Establishing the Mid West Strategic Infrastructure Group to prepare a Mid West Strategic Infrastructure Plan to ensure a coordinated and holistic approach to strategic infrastructure development within the region.

**Greater Geraldton Industrial Estate** - Supported the Department of Planning and Infrastructure to complete a cost benefit study into an alternative industrial estate in the greater Geraldton area.

**Mid West Investment Group** - Through the Commission's Mid West Investment Group prepared 'An Assessment of Wheaten Straw Availability in the Mid West'. This report showed that in a drought year (2002) there was 400,000 tons of straw produced within a 100 km radius of Mingenew, - four times the amount required for a standard sized mill. The importance of wheat in the farming system and the vast quantity of straw produced means the Mid West will be a reliable and consistent supplier. The availability of straw, suitable groundwater, electricity, gas, and access to roads, rail and the Geraldton Port, gives the Mid West region a competitive advantage in this project.

**Mid West Investment Tour** - In conjunction with the Department of Premier and Cabinet and the Department of Local Government and Regional Development, coordinated a second Mid West Investment Tour to broker local investment proponents with institutional investors and venture capitalists.

The Investment Tour provided participants with valuable feedback on their projects. A number of land development proposals have been actively pursued.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

**Mid West Water Resources** – The Commission contracted the Department of Environment to review qualitative and quantitative information on aquifers located in the Mid West in order to identify potential new and intensive economic development opportunities. The purpose of this project is to collate all reports relating to groundwater in the Mid West into one volume. This report will be then used to determine business and industry opportunities and where they should be located.

## FISHING INDUSTRY

**Geraldton Marine Services Precinct** - Progressed the Geraldton Marine Services Precinct, which incorporates a 200 tonne heavy boat lifter by:

- Commissioning an economic impact study into the establishment of a heavy boat lifting and marine servicing facility at the Port of Geraldton;
- Working with industry and other groups to prepare a business plan for the Precinct;
- Establishing an industry based Consortium to own the boat lifter and oversee the Precinct's operations;
- Preparing submissions to State and Federal funding programs; and
- Securing in-principle agreement for a long-term lease for the Precinct with the Geraldton Port Authority.

**Kalbarri Marine Advisory Committee** - Worked with the Department of Planning and Infrastructure and the Kalbarri Marine Advisory Committee to review Kalbarri's commercial fishing and marine industry needs including the enhancement of the existing jetty to improve access and safety.

## INDIGENOUS

The Mid West Development Commission, through the Office of Aboriginal Economic Development supports an Indigenous Enterprise Development Officer position (IEDO). The officer's focus is on providing enterprise development assistance and advice to Aboriginal people interested in developing new and existing commercial operations the Mid West.

During 2004/05, the IEDO facilitated Indigenous economic development by:

- Assisting the Geraldton Aboriginal Reference Group to review its business plan;
- Developing the Commission's Focus Plan for Indigenous Enterprise Development 2005-2008;
- Assisting a local artist to secure funding through 'Country Arts WA for costs associated with holding exhibitions;
- Assisting the Mid West Employment and Economic Development Aboriginal Corporation to secure a \$115,000 Indigenous Infrastructure Projects Program grant to expand its horticulture enterprise;

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

- Assisting several Indigenous organisations to secure Regional Development Scheme funding including;
  - o Wandalgu Arts Aboriginal Corporation (\$5,000)
  - o Nhunadar Watchina Parnba Aboriginal Corporation (\$5,000)
  - o Wila Gutharra Community Aboriginal Corporation (\$5,000)
  - o Bundiyarra Aboriginal Community, Aboriginal Corporation (\$6,000).
  - o Assisted Wiluna Shire with information and advice to secure funding for Aboriginal arts program (\$10,000).
  - o Geraldton Aboriginal Education Precinct Working Group (\$5,000).
- Undertaking a tourism research expedition, where participants studied successful Indigenous tourism enterprises in the South West region, with the aim of stimulating the start-up of similar Indigenous businesses in the Mid West, and
- Providing economic development assistance to five tourism businesses in the region.
- Coordinated the Indigenous Art Exporting Workshop, which attracted thirty participants and keynote speakers including successful Noongar artist Troy Bennell. This has resulted in the Commission working closely with Austrade, the Department of Industry and Resources and ArtSource to assist Indigenous artists market their products for the domestic and export markets

## TOURISM

### **Gascoyne Murchison Outback Pathways**

- In partnership with the Gascoyne Development Commission secured more than \$250,000 of funding from a variety of sources to implement Stage Two of the Gascoyne Murchison Outback Pathways. Since its launch in April 2004 there has been significant interest generated in the Pathways, which has resulted in increased visitation to the Murchison and Gascoyne regions. Other achievements include:

- Supported the Shires of Murchison and Upper Gascoyne to secure Reconciliation Grants to develop additional interpretative signage at selected Stage One sites to tell Indigenous stories;
- Significantly advanced the design, manufacture and installation of 25 interpretive panels along the three Pathways which will take the total to 68; and
- Substantially completed the research and writing of a promotional guidebook. Sales of the guidebook are expected to stimulate interest in travelling the Pathways as well as provide funds for their ongoing maintenance, development and promotion.

The Commission received recognition:

- as a finalist in the regional category of the 2004 Premier's Awards for Excellence in Public Sector Management for its work on the development of the Gascoyne Murchison Outback Pathways self drive tourist trails; and
- With an incentive award at the prestigious Australia New Zealand Regional Science Association International Practitioner Awards of Excellence in Regional Development for the Commission's work to establish the Geraldton Universities Centre.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

**GMOP Tourism Road Show** - With funding secured from the Gascoyne Murchison Strategy, and in partnership with the West Australian Tourism Commission, conducted a Murchison and Gascoyne 'Tourism Road Show' to raise awareness of outback tourism challenges and opportunities.

**Cruising Geraldton** - As a member of the Cruising Geraldton Steering Committee, worked to ensure the successful visit of the German cruise ship Maxim Gorkiy in February 2005.

**Pacific Flora 2004** - In partnership with the Botanic Gardens and Parks Authority and the Gascoyne and Goldfields Esperance Development Commissions, promoted tourism and investment opportunities in regional Western Australia through participation at the international horticulture expo 'Pacific Flora 2004' in Japan.

## TRADE AND INVESTMENT FACILITATION

**Austrade Services** - Through the provision of Austrade's TradeStart services by the Commission, promoted exporting by:

- Assisting three local businesses to export for the first time;
- Coaching eight local businesses in preparation to export their produce and/or services; and
- Hosting three international buyers to the Mid West.

**Regional Sponsored Migration Scheme** - The Commission worked in partnership with industry, Department of Education and Training and Local Governments to identify skill shortages in the region for inclusion on the Skilled Independent Regional (SIR) visa program.

Worked to address skilled worker shortages in the Mid West by:

- Assisting twelve local businesses to overcome their specific labour market shortages through the Regionally Sponsored Migration Scheme and Long Stay working visas;
- Identified skill shortages in the region to allow implementation of the Skilled Independent Regional (SIR's) visa and the State/Territory Nominated Independent (STNI) visa; and
- Supported the re-establishment of a Mid West Employment and Training Group to further identify and address skilled worker shortages.

## Facilitating Opportunities for Local Business

- Worked with the Mid West Chamber of Industry to facilitate local business involvement in a number of major regional construction projects, including the Alinta (Walkaway) Wind Farm, Geraldton Universities Centre purpose-built facilities and the Separation Point Marine Precinct.

**Square Kilometre Array** - In partnership with the Office of Science and Innovation, successfully nominated the Murchison region as the 'National Candidate Site' for Australia's bid for the international €1billion Square Kilometre Array (SKA) radio telescope project.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## 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 ACTIVITIES

### NATURAL RESOURCE MANAGEMENT

Regional Catchment Councils – The Commission supported the development of the Natural Resource Management Strategy for the Northern Agricultural Region.

The Commission worked in partnership with the Northern Agricultural Catchments Council (NACC) to:

- Support the preparation of an accredited Natural Resource Management Strategy for the Northern Agricultural Region (NAR);
- Provide input and support to the preparation of a Natural Resource Management Investment Plan for the NAR; and
- Host the NACC Indigenous Support Officer position within the Commission. The aim of this position is to develop strategies and protocols to increase Indigenous participation in Natural Resource Management.

The NACC Indigenous Support Officer hosted by the Commission;

- Supported the preparation of an accredited Natural Resource Management (NRM) Strategy for the Northern Agricultural Region (NAR) by facilitating consultation with key Aboriginal NRM stakeholders.
- Assisted with the preparation of three Expressions of Interest (EOI's) to the NACC Investment Plan by Aboriginal proponents.
- With regard to Aboriginal consultation and engagement, provided advice and assistance to the NACC Investment Plan Panel.
- Receives contemporary advice on NRM initiatives in the Northern Agricultural Region.

## WASTE PAPER RECYCLING

The Commission's shredded paper is supplied free of charge to a local florist and pet shop.

## ENERGY SMART GOVERNMENT POLICY

Energy Smart Government program	Baseline Data	2004/2005 Actuals	Variation %
Energy Consumption (GJ)	196	207	5.4%
Energy Cost (\$)	9,612	9,610	
Greenhouse Gas Emissions (tonnes of CO2)	50	52	
Performance indicators			
• MJ/sqm	442	466	
• MJ/FTE	16,300	13,801	

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## THE REGIONS

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

## AGENCY ACTIVITIES

### MARKETING THE REGION

Cruising Geraldton, the Europa's Visit - Prepared and distributed a promotional computer disc to major in-bound operators and cruise ships visiting Australia with the intent of attracting further cruise ships to Geraldton.

## REGIONAL DEVELOPMENT SCHEME LIST OF FUNDED PROJECTS 2004/05

The Mid West Development Commission administers one of nine regional grant funding schemes implemented through the State Government's WA Regional Investment Fund (RIF). The aim of RIF was to 'provide \$75 million over four years to assist with the economic and social development of regional Western Australia or improve the access by regional communities to services.' The Commission has administered grants under this scheme to the value of \$400,000 each year over the last four years.

In September 2004, the MWDC received 54 expressions of interest from proponents of regional projects seeking \$851,392 in funding. The following projects received funding.

Proponent	Project Name	Amount*
Midwest Chamber of Commerce and Industry	2005 Mid West Mining Forum	\$10,000
Geraldton and Districts Offshore Fishing Club Inc	Batavia Coast Marina Boat and Fishing Show	\$10,000
Geraldton Aboriginal Education Precinct Working Group	Concept Plan and Drawings for the Aboriginal Education Precinct	\$5,000
City of Geraldton for Geraldton Regional Art Gallery	Conserve and Restore 64 Norman Lindsay Artworks	\$20,000
Coorow Community Land Inc	Coorow Community Cafe	\$12,000
Indigenous Festivals of Australia Inc	Croc Festival 2005	\$20,000
Shire of Cue	Cue Caravan Park Infrastructure and Headworks	\$30,000
Shire of Irwin	Entry Statement to Dongara Dennison	\$30,000
Nhunadar Watchina Parnba Aboriginal Corporation	Feasibility for a Tourism Enterprise	\$5,000
City of Geraldton	Feasibility of a Geraldton Convention Centre	\$7,500

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

Proponent	Project Name	Amount*
Gascoyne Murchison Tourism Inc	Gascoyne Murchison Oral Histories Project	\$5,000
City of Geraldton	Geraldton City Centre Urban Design Initiative	\$15,000
Geraldton Universities Centre	Geraldton Universities Centre Building Project	\$80,000
Shire of Irwin	Impacts of Population Increase	\$10,000
Gascoyne Murchison Strategy	InterpCentres - Linking a Successful Region to People	\$15,000
Community School for Geraldton Working Party	Leaning Tree Community School	\$5,000
Mid West Development Commission	Marine Service Centre	\$10,000
Mingenew Irwin Group	Market Development of Lupin Products	\$10,000
Irwin Valley Pty Ltd	Market Development of Straw Pulps	\$5,000
Roman Catholic Bishop of Geraldton Corporation Sole	Monsignor Hawes Heritage Project	\$10,000
Morawa Shire Council	Morawa Townscape Enhancement Project - Stage 4	\$10,000
Shire of Mt Magnet	Mt Magnet Entry Statement for Tourism	\$7,500
Shire of Mt Magnet	Mt Magnet Light Industrial Park	\$21,000
Shire of Wiluna	Our Art Our Culture	\$10,000
City of Geraldton Regional Library	Perth International Arts Festival - Mid West Program	\$15,000
Clontarf Foundation - Mid West Football Academy	Renovation of Frewer House	\$20,000
Shire of Sandstone	Serviced Industrialised Zones	\$10,000
Wila Guthurra Community Aboriginal Corporation	Sustainable Indigenous Welcomes	\$5,000
Bundiyarra Aboriginal Community Aboriginal Corporation	Update Business Plan	\$6,000
Shire of Greenough	Visitor Satisfaction Survey	\$10,000
Wandalgu Arts Aboriginal Corporation	Wandalgu Art/Culture Precinct Feasibility Study	\$5,000
Shire of Mt Magnet	'Magnetise' Arts and Dance Project	\$5,000
Shire of Chapman Valley	Community Farm Concept	\$20,000
Mid West Development Commission	Regional Development Council Research Unit	\$10,000
		<b>TOTAL:</b> <b>\$469,000</b>

\* Excluding GST, where applicable.

\*\* Includes an additional \$69,000 reallocated from unused RDS funding from earlier rounds.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## REGIONAL DEVELOPMENT POLICY PROGRESS REPORT 2005

MWDC is required to submit an annual report to the Department of Local Government and Regional Development on its activities pertaining to the implementation of the State Government's Regional Development Policy.

For the 2004/05 year, the MWDC reported on the following outcomes and strategies:

### **Outcome 2 - Planning in Partnership for a Sustainable Future**

- Develop and implement regional sustainability strategies.
- Encourage stronger regional partnerships and agreements under the overarching State and local governments agreement.
- Identify and fund regional research and development, and encourage funding from the private sector, Commonwealth Government and the tertiary education sector.

### **Outcome 3 - Effective Government Service Delivery to Regions**

- Enhance the coordinating role of regional development commissions on economic, social and environmental projects and initiatives in their regions.
- Facilitate the collocation of Government agencies.
- Maintain and enhance whole of government initiatives to provide Indigenous communities with equitable access to essential services and facilities.

### **Outcome 4 - Skilled Communities**

- Encourage and enhance regional community leadership training and networks.
- Encourage the provision of training and support for regional communities in building key community economic development skills including facilitation, community planning and conflict resolution.
- Support Indigenous communities in building their skills and capacity to plan and manage their own futures.
- Improve training and employment outcomes for young people in the regions through school/work transition initiatives.
- Continue to identify and deliver programs to assist regional residents and businesses to understand and embrace information and other new technologies.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## **Outcome 5 - Improved Regional Infrastructure**

- Consult with regional communities to determine the appropriate provision and maintenance of social infrastructure.
- Support community infrastructure and projects through the Regional Investment Fund.
- Continue to assist regional communities to access Commonwealth funding for infrastructure.

## **Outcome 6 - Diversified Regional Economies**

- Encourage new regional industries and exports, for example green industries, aquaculture and plantation timber crops.
- Enhanced enterprise development, employment opportunities and wealth creation for regional and remote Indigenous West Australians, particularly in areas such as arts and crafts and cultural and eco-tourism.
- Support small and medium sized regional businesses to access government initiatives and programs.

## **Outcome 7 - Enhanced Regional Investment**

- Market regional investment opportunities within the regions and to Perth, other states and overseas.
- Resource and undertake regional investment tours.
- Promote investment in regional industries, including mining, agriculture, tourism, aquaculture, timber and fishing.
- Undertake research to attract investment in new and emerging regional industries.

- Develop the export readiness of companies in regional areas.
- Minimise constraints and encourage a positive climate to attracting investment in regional areas.
- Develop a coordinated regional and promotional approach to attracting potential business migrants.

## **Outcome 9 - Life Long Learning in the Regions**

- Investigate and develop ways of providing more tertiary education opportunities in the regions.

## **Outcome 12 - Enhanced Quality of Regional Lifestyles**

- Encourage and promote the health, economic and social benefits of physical activity, sport and recreation.
- Increase opportunities for regional communities to be involved in locally based arts and cultural activities.

## **Outcome 15 - Sustainable NRM**

- Develop better information at a regional level to support environmental and natural resource management decisions.
- Integrate the work of the natural resource management strategies within broader regional planning processes.
- Continue the partnership approach between regional development commissions, other Government agencies, local government, and the Natural Management groups.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## GOVERNANCE

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

## AGENCY ACTIVITIES

### REGIONAL ADVOCACY

Regional Collocation Scheme—The Commission worked with the Shires of Mingenew, Morawa and Yalgoo to source funding, in order to establish multipurpose facilities in the above-mentioned Shires.

### EVALUATIONS

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 Mid West Development Commission is included in this Annual Report under Performance Indicators (Refer to page 37)

## INFORMATION STATEMENT

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 Mid West 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 incur a fee.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## PUBLICATIONS PRODUCED BY THE MID WEST DEVELOPMENT COMMISSION

Title	Purpose	Revision Schedule
Business Capability and Services Directory	An up-to-date directory of Mid West business capability. Available at <a href="http://www.mwdc.wa.gov.au">www.mwdc.wa.gov.au</a>	December 2005
Information Brochure	An overview of the Commission and the services it provides.	Revised in March 2004
Living in the Regions	A study into the reasons why people do or do not live in the regions.	No revision scheduled
Mid West Developer	The official newsletter of the Mid West Development Commission providing updates on Commission activities.	Quarterly
Mid West Economic Perspective	An update on the economy of Western Australia's Mid West region.	Revision in progress
Mid West Geographic Perspective	A snapshot of the key geographical features of the Mid West region.	No revision scheduled
Mid West People and Population	A statistical portrait of the population and demographic characteristics of the Mid West region.	Revision scheduled for 2005/06
Mid West Region of Western Australia: Your Call Centre Option	A leaflet promoting the Mid West as a call centre location.	No revision scheduled
Mid West Regional Priority Plan	An outline of the Mid West's priority issues and actions.	Updated Annually
Mine Servicing / Lifestyle Brochures and CD	A suite of brochures and CD highlighting the benefits of living and working in Geraldton.	As required
Region of opportunity	A brochure explaining the competitive advantages of the region and opportunities for investment in key industry sectors.	No revision scheduled
Regional Prices Index	A report examining the price of goods and services in regional areas compared with Perth prices.	Updated every 3 years
Towards 2010 (1996)	An economic development strategy for Western Australia's Mid West.	No revision scheduled
Towards 2010 update (1999)	An update of achievements and future focus areas.	No revision scheduled
Strategic Directions 2005 - 07	A document articulating the Commission's strategic plan for 2005 - 07.	Revised in February 2005
Annual Report	A report on the Commission's operations for the previous twelve months.	Updated Annually
Cruising Geraldton	CD promoting Geraldton as a destination for international cruise ships.	No revision scheduled

Copies of these publications can be downloaded from the Commission's website at [www.mwdc.wa.gov.au](http://www.mwdc.wa.gov.au) or by contacting the Mid West Development Commission. Contact details are listed on the back cover of this report.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## FREEDOM OF INFORMATION ACT

During 2004/2005, the Commission did not receive any requests under the Freedom of Information Act. The Commission's Information Statement was published in 1995/96 and has not been changed. Ms Sara Walker is Freedom of Information co-ordinator for the Commission. Her contact details are:

Ground floor  
SGIO Building  
45 Cathedral Avenue  
GERALDTON WA 6530  
Telephone: 9921 0701  
Facsimile: 9921 0780

- Number of request received: NIL
- Number of request finalised: 1

*NB: The Mid West Development Commission received a FOI request on 22/06/2004 and responded to the request on 07/07/2004*

## RECORD KEEPING PLAN

As required by the State Records Act (2000), the Mid West Development Commission has an approved Record Keeping Plan (RKP). The Commission conducts an annual internal survey to consult with staff on the efficiency and effectiveness of its record keeping systems.

Periodical record keeping training programs through the Commission's formal fortnightly staff meetings as well as an induction program for new employees address the roles of staff and their responsibilities in regard to their compliance with the MWDC's RKP.

The Records Team within the Commission review the efficiency and effectiveness of its record keeping training program regularly, to ensure that key record systems objectives and record keeping practices are being met. A Commission Record Keeping Manual is in place to assist the Records Team to formalise and structure the training program for staff.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## ADVERTISING AND SPONSORSHIP

### ELECTORAL ACT 1907

Class of expenditure	Organisation	Total expenditure 2004/2005 (Inc GST)
Advertising agencies	Market Creations	\$ 49,116*
	Marketforce Productions	\$ 3,514
	Market Equity	\$ 1,953
Market research agencies	Asset Research	\$ 5,496
Polling organisations	Nil	Nil
Direct mailing agencies		
Media - advertising	Geraldton Newspapers	\$ 4,378
	Yamaji News	\$ 856
	Midwest Mail	\$ 0
	Mid West Times	\$ 2,283
	West Australian	\$ 1,900
	Countryman	\$ 627
	Geraldton Port Authority Handbook	\$ 638
	Valley Vibes	\$ 30
	Mingenew News	\$ 18
	Blue Region Tourism Organisation	\$ 1,100
	MWCCI 2005 Directory	\$ 1,148
	Ocean2Outback Calendar	\$ 990
	Northern Guardian	\$ 110

\* Includes: \$555 for Web Hosting and other Internet Services; \$28,050 for Gascoyne Murchison Outback Pathways (Stage 2) Promotional Guidebook; \$11,325 to Research and Write Interpretive Panels for Gascoyne Murchison Outback Pathways (Stage 2).

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## SUSTAINABILITY

The Board of the Mid West Development Commission endorsed the Commission's Sustainability Action Plan in February 2005.

The Commission incorporates sustainability principles into all aspects of its strategic planning and project activities. The Mission and Strategic Goals are based on achieving sustainable regional development outcomes for the Mid West and are consistent with the Government's Strategic Planning Framework for Public Sector Agencies.

The Commission prepared its 'Strategic Directions 2005-07' to guide the Agency's operations over the next three years and ensure its alignment with relevant State Government policies including the Regional Development Policy and the State Sustainability Strategy.

In addition, the Commission regularly evaluates and comments upon public policy and legislation. Sustainability considerations are incorporated into all assessments. The Commission also ensures that its activities comply with all relevant Government policies.

The Commission continually promotes partnerships and consultation in all activities, to ensure appropriate and sustainable outcomes for our region.

## EQUAL EMPLOYMENT OPPORTUNITY

The Commission is committed to the principles of equal employment opportunity and complies with the Western Australian Public Sector Standards.

### GOVERNMENT TWO YEAR PLAN FOR WOMEN

The Commission will continue to encourage women to participate in the Commission's activities as Board members, staff and on various committees and forums conducted by the Commission.

# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

### COMPLIANCE WITH HUMAN RESOURCE MANAGEMENT STANDARDS

The Commission adopted the Western Australian Public Sector Code of Ethics (March 2002), as its own code of ethics. This Code remained in place during 2004/2005. There has not been any reported breach of this code in 2004/05.

### COMPLIANCE WITH CODES OF ETHICS AND CODES OF CONDUCT

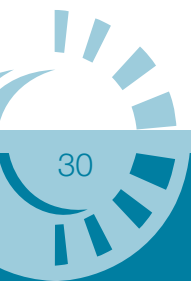
The Commission adopted the Western Australian Public Sector 'Code of Ethics' (March 2002), as its own code of ethics. There has not been any reported breach of this code in 2004/05.

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

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

Number lodged:	nil
Number of breaches found, including details of multiple breaches per application:	nil
Number still under review:	nil

Steve Douglas  
A/Chief Executive Officer  
30 June 2005



# REPORT ON THE STRATEGIC PLANNING FRAMEWORK

## CORRUPTION PREVENTION

The Commission is planning to undertake a review of its risk management practices and procedures with specific consideration of the risk of corruption and misconduct. It already has in place:

- Codes of conduct and ethics which require compliance by all staff and board members;
- Appropriate internal controls to protect the Commission's financial and information resources;
- A nominated Public Interest Disclose Officer and internal procedures for public interest disclosures; and
- Requirements for staff and board members to disclose conflicts of interest relating to Commission activities.

## PUBLIC INTEREST DISCLOSURES

### **PUBLIC INTEREST DISCLOSURES ACT 2003**

The Commission has developed internal procedures in accordance with the Public Interest Disclosures Act 2003, 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 Assistant Director of the Mid West Development Commission is the nominated Public Interest Disclosure Officer.

The Public Interest Disclosure Officer 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 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 such that they will be accessible for reference should legal action be taken against the Mid West 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.

# MAJOR INITIATIVES FOR 2005-06

- Continue to work with the Shire of Mullewa, the Department of Agriculture and other relevant stakeholders to develop strategic opportunities for addressing dry seasons and structural adjustment in the north east agricultural region of the Mid West.
- Coordinate a Murchison summit to facilitate a whole-of-government approach to the provision of services and to address socio-economic issues in the Murchison.
- Undertake the Murchison Information Technology Training and Support project.
- Complete the development and implementation of a database of government agency initiatives in the Mid West.
- Support the staging of a second Croc Festival in Geraldton.
- Support the Shire of Carnamah's implementation of the recommendations from the 'Eneabba Life after the Mine' study.
- Conduct a feasibility study to develop a Mid West Community Foundation.
- Promote strategies and protocols to increase Indigenous participation in natural resource management.
- Assist with the preparation of a Natural Resource Management Investment Plan for the Gascoyne Murchison Rangelands.
- Prepare an updated 'Mid West People and Population' booklet containing an outline of the region's major demographic trends.
- Investigate recommendations from the Murchison Path-Maker Project, including assessing the feasibility of establishing a rangeland research centre, and formulate an action plan.
- In partnership with the Shire of Wiluna, the Department of Indigenous Affairs and the Department of Local Government and Regional Development, secure funding to implement a Wiluna support package.
- Improve access to, and participation in, arts and cultural activities by collaborating with arts organisations and lobbying for the development of a dedicated arts development officer position for the region.
- Work with the CSIRO, the Office of Science and Innovation and other stakeholders to prepare Australia's submission to the International Site Selection Committee for the SKA radio telescope project.
- Complete stage two of the Gascoyne Murchison Outback Pathways by:
  - launching and promoting Stage Two of the Pathways;
  - printing, distributing and launching the Pathways guidebook;
  - managing the transition of the ongoing responsibility for the Pathways to Gascoyne Murchison Tourism Inc; and
  - continuing to work with Murchison communities to develop their local tourism product and diversify their local economies.
- As part of investigating value adding investment opportunities in the Mid West:
  - evaluate the viability of a cotton linters plant for straw pulp processing in the Mid West;

This project will seek participation of the company Paperlinx in a Mid West Straw Pulp Project. Paperlinx is the owner of a decommissioned cotton linters pulp mill in Shoalhaven NSW.

  - evaluate the viability of local canola growers producing biodiesel for use in their own businesses;

# MAJOR INITIATIVES FOR 2005-06

The viability review will compare the cost of production of biodiesel from canola and mineral diesel.

- design and cost a laboratory scale (one to ten kilograms per hour) continuous flow protein and fibre isolate plant; and
- work with the Mingenew-Irwin Group to secure funding for the market assessments for straw pulp and lupin products. If Paperlinx is interested in the above proposition then the value of the pulp from this mill must be determined, and a market established.
- Secure a new contract with Austrade to enable the Commission to continue to provide expanded TradeStart program (export development) services to local businesses. The TradeStart contract terminates in June 2006.
- Work with stakeholders to maximise opportunities provided by the development of the Separation Point Marine Precinct by:
  - establishing a suitable Precinct governance structure;
  - attracting further private and public sector use of the Precinct's research and development facilities; and
  - preparing a feasibility study for the proposed Geraldton Marine Interpretive Centre component.
- Review the potential to establish a horticultural precinct in the Walkaway area.
- Work with the Cruising Geraldton Steering Committee to plan for future cruise ship visits including the 'Europa', which is due for a return visit to Geraldton in 2007.
- Work with other Geraldton Economic Alliance members to host the third biennial Mid West Economic Summit in September 2005.
- Investigate the viability of establishing a Mid West Indigenous Arts Development Fund for Aboriginal artists in the Mid West.
- Work with the City of Geraldton and the Foreshore Redevelopment Advisory Committee on stage four of the development of the Geraldton Foreshore Redevelopment and Central Business District Revitalisation project. This will include the management and disbursement of \$2.63 million of State Government funding for the project.
- Work with Geraldton Boat Lifters Ltd. to secure funding to establish a marine services precinct and associated heavy boat lifter facility in Geraldton.
- Commission the production of a detailed proposal for stage two of the redevelopment of the Batavia Coast Marina.
- Complete a Mid West Strategic Infrastructure Plan to identify likely resource sector strategic infrastructure needs and investigate alternative funding models including those involving multi-users.
- Support the shires of Perenjori and Irwin to undertake socio-economic impact studies of proposed major resource projects within their shires.
- Continue to work with the Department of Industry and Resources to improve provision of high speed internet access (broadband) in the Mid West.
- Investigate options for collocation of the Commission with synergistic organisations including the Mid West Chamber of Commerce and Business Enterprise Centre.
- Continue to work with relevant groups to establish a component of the proposed Integrated Agricultural Research Institute in the Mid West.

# MAJOR INITIATIVES FOR 2005-06

- Administer the fifth round of the State Government's RDS and allocate grants totalling \$500,000 to worthy regional development projects that address RDS priorities for 2005/06 and continue to monitor ongoing RDS projects from previous rounds.
- Assist Coorow and Carnamah in exploring coastal development options and resolution of native title issues.
- Work with Regional Broadband Demand Aggregation Broker to provide further awareness and access to broadband for Mid West Communities.
- Conduct a 'Go Networking' workshop to give indigenous participants the confidence and skills required for establishing and using networks with the non -Indigenous community.
- Hold submission writing workshops in the Mid West to assist Aboriginal people to have a better understanding of what is required by funding bodies.
- Establish an Indigenous tourism operators group (similar to the WAITOC model) to provide a collaborative approach to Indigenous tourism in the Mid West for the purpose of raising the profile of the Mid West as a destination for authentic Indigenous cultural tourism.
- Continue to work with local business in the Mid West to overcome specific labour shortages via a range of migration options.
- In conjunction with the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) raise the awareness of skilled migration options for local business.
- Maintain the validity of the Skills in Demand Register that is used to implement the Skilled Independent Regional (SIR's) visa and the State/Territory Nominated Independent (STNI) visa within the region.
- Work with the Midwest Chamber of Commerce and The Chamber of Minerals and Energy to host the Mid West Mining and Resources Forum that is designed to generate interaction between the major resource companies and business in the region.

## STATEMENTS OF COMPLIANCE WITH RELEVANT WRITTEN LAW

### ENABLING LEGISLATION

The Mid West Development Commission is established under the Regional Development Commissions Act 1993.

### LEGISLATION ADMINISTERED

Regional Development Commissions Act 1993.

### LEGISLATION IMPACTING ON COMMISSION ACTIVITIES

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

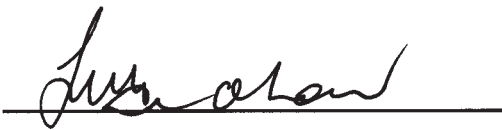
- Financial Administration and Audit Act 1985
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- Public and Bank Holidays Act 1972
- Equal Opportunity Act 1984
- Government Employees Superannuation Act 1987
- Occupational Health, Safety and Welfare Act 1984
- Workers Compensation and Assistance Act 1981
- Industrial Relations Act 1979
- State Supply Commission Act 1991
- Government Employees Housing Act 1964
- Geraldton Foreshore and Marina Development Act 1991
- Freedom of Information Act 1992
- Official Corruption Commission Act 1998
- Disability Services Commission Act 1993
- Statutory Corporations Act 1996

# APPENDICES

## MID WEST 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 Commission's performance, and fairly represent the performance of the Commission for the financial year ended 30 June 2005.

L GRAHAM  
CHAIRMAN

 DATE 25/8/05

S DOUGLAS  
ACTING CHIEF  
EXECUTIVE OFFICER

 DATE 25/8/05

# APPENDICES

## PERFORMANCE INDICATORS

Treasurer's Instruction 904 requires the disclosure of performance information in the Commission's annual report. This information assists interested parties such as government, Parliament, the community and client groups to assess agency performance in achieving government desired outcomes and obtaining value for public funds from services delivered.

### RELATIONSHIP TO GOVERNMENT GOALS

Broad, high level government goals are supported at agency level by more specific desired outcomes. The Commission delivers services to achieve its desired outcome, which ultimately contributes to meeting higher level government goals. The following table illustrates the relationship between the Commission's services and desired outcome with the most appropriate government goal.

Government Goal	Desired Outcome	Services
To ensure that regional Western Australia is strong and vibrant.	An environment conducive to the balanced economic and social development of the Mid West region.	1. Information and Advice 2. Investment Facilitation 3. Infrastructure and Services Development in the Mid West

The targets for the services listed in the above table are based on information published in the W.A. Government 2004/2005 Budget Statements presented to the Legislative Assembly on 6th May 2004.

# APPENDICES

## 1. EFFECTIVENESS INDICATORS

### CLIENT SURVEY

The Commission's contacts with clients will assist in providing opportunities to develop business and employment opportunities, reduce obstacles to economic growth and increase trade activity. Success in these areas will assist the Commission to achieve its stated outcome – an environment conducive to the balanced economic and social development of the Mid West Region.

The results of the Commission's contact with clients are obtained by survey. This information is used to assess the effectiveness of the Commission's contact with business and the benefits achieved by our clients.

The Commission's effectiveness indicators are based on an annual survey of clients conducted by an independent market researcher, Asset Research. Questionnaires were sent to 160 clients that had contact with the Commission in the previous 12-month period. Asset research received 100 completed surveys, resulting in a response rate of 62.5 per cent. Based on population homogeneity calculations, the survey results demonstrate an overall sampling error within +/- 5% at the 95% confidence level for the overall results for clients of the Commission.

Clients were asked a number of questions relating to business development facilitated by the Commission's contact with them. The responses are summarised in the following table

Survey Question	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
Reduced obstacles to growth	39%	22%	40%	21%
Developed new business opportunities	49%	32%	50%	33%
More Trade Activity	24%	15%	27%	13%
Retention of staff / expansion of employment opportunities	16%	12%	22%	19%

Prior to 2003/04 clients only had the option of a "yes" or "no" response to the questions asked relating to the Commission's effectiveness indicators. The relatively low positive response rates previously received highlighted that these mainly business-focused questions might not be applicable to all clients i.e. non-business clients such as government agencies, community groups etc, and this might be negatively impacting the results. It was therefore decided to expand the response options for these questions to include "not applicable". The "not applicable" response rate to these questions varies from question to question and year to year but has ranged from 31% to 52% - a significant proportion. The following table has therefore been prepared on the basis of positive responses as a percentage of clients to which the question was applicable i.e. excludes clients that responded to that question with "not applicable".

Survey Question - New Basis	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
Reduced obstacles to growth	42%	40%	44%
Developed new business opportunities	56%	50%	61%
More Trade Activity	22%	27%	22%
Retention of staff / expansion of employment opportunities	19%	22%	28%

This basis produces results which are more meaningful for measuring the Commission's effectiveness and will be used in future years.

# APPENDICES

## 2. EFFICIENCY INDICATORS

The following efficiency indicators are based on the total cost for each of the Service areas. These comprise both direct expenditure and an allocation of general costs and overheads. The total cost of all Services is reported in the Commission's Statement of Financial Performance as the Total Cost of Services.

## 2.1 SERVICE 1 - INFORMATION AND ADVICE

### SERVICE DESCRIPTION:

To contribute to economic growth and employment by developing strategic partnerships between government, business, and the community. The Commission will provide a central point of coordination and contact and raise awareness of the Mid West region.

Performance Measures	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
Total cost of Service (2)	\$596,161	\$737,159	\$642,484	\$607,228
Client contacts (inquiries)	2,899	3,661	3,000	3,474
Cost per client inquiry	\$103	\$101	\$107	\$87
Client visits	246	189	220	333
Cost per client visit	\$1,212	\$1,950	\$1,460	\$912

Note:

1. Target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense
2. 50% of the Total cost of Service is allocated to each of Client Visits and Client Contacts when calculating the respective unit costs

### COMMENTS (a)

During 2004/05 the Commission received 3,474 inquiries from clients, 5% below the previous year but 16% above target. The relatively high number of inquiries recorded for 2003/04 continued in 2004/05, aided by the Commission's involvement in high profile projects such as Cruising Geraldton and its work with groups such as the Northern Agricultural Catchment Council.

The number of clients visited in 2004/05 increased by 76% from a relatively low number the previous year and was 51% above target. The increase resulted from a greater emphasis on undertaking client visits and additional demands driven by specific projects, including the Gascoyne Murchison Outback Pathways.

Total costs have decreased from 2003/04 mainly due to completion of a Mine Servicing project in early 2004/05, which had \$81,000 spent on it in 2003/04 and lower salary and overhead costs resulting from reduced staffing levels.

Total costs were below target despite an unbudgeted NACC indigenous support officer position costing an additional \$72,000. This was more than offset by other salary and overhead costs being significantly lower than budget (reduced staff) combined with the reduction or deferral of a variety of other budgeted costs.

The Commission's cost per client inquiry for 2004/05 is

- 19% lower than target due to inquiries being 16% above target combined with total costs being 5% below target; and
- 14% lower than the previous year due to an 18% reduction in total costs more than offsetting a 5% decrease in client inquiries.

A 51% and 76% increase in client visits against target and the previous year respectively combined with lower total costs to significantly reduce the Commission's cost per client visit for 2004/05.

(a) all amounts in comments have been rounded to the nearest \$1,000

# APPENDICES

## 2.2 SERVICE 2 - INVESTMENT FACILITATION

### SERVICE DESCRIPTION:

To create a business environment within the Mid West region that has a diverse economic base and is attractive to investors.

Performance Measures	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
Total cost of Service	\$739,602	\$813,367	\$645,303	\$515,987
Projects relating to investment facilitation undertaken	17	16	15	16
Average cost per project	\$43,506	\$50,835	\$43,020	\$32,249

Note:

1. Target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense

### COMMENTS (a)

Total costs for 2004/05 are below target with major variations resulting from:

- A delay in the commencement of Stage 2 of the Gascoyne Murchison Outback Pathways project, resulting in slippage of \$124,000 of budgeted expenditure to 2005/06; and
- lower salary and overhead costs resulting from reduced staffing level

The above have been partly offset by unbudgeted expenditure on several projects with the main ones being \$32,000 on Pacific Flora 2004; \$14,000 for the Mid West Investment Tour and \$10,000 on the Gascoyne Murchison Tourism Roadshow.

Total costs for 2004/05 are well below the previous year due mainly to the completion of several major projects which were largely externally funded, including:

- a net \$147,000 reduction in overall expenditure on the Gascoyne Murchison Outback Pathways projects, with \$237,000 expended on Stage 1 in 2003/04 but only \$4,000 expended in 2004/05 on finalising Stage 1 along with a further \$87,000 on Stage 2;
- \$55,000 expended on the Trade Facilitation Unit project in 2003/04 (2004/05 nil); and
- completion of Stage 1 of the Marine Research Centre project in 2003/04 with \$31,000 of expenditure (2004/05 nil);

In addition, lower salary and overheads resulting from fewer staff and completion of expenditure on a number of other smaller projects, more than offset expenditure on new projects such as the Mid West Investment Tour (\$14,000) and the Gascoyne Murchison Tourism Roadshow (\$10,000).

(a) all amounts in comments have been rounded to the nearest \$1,000

# APPENDICES

## 2.3 SERVICE 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

### SERVICE DESCRIPTION:

To assist the development of infrastructure and services and long term economic development strategies for the Mid West Region.

Performance Measures	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
Total cost of Service	\$746,902	\$449,929	\$833,213	\$464,245
Projects undertaken relating to Infrastructure and Services development in the Mid West	17	17	15	15
Average cost per project	\$43,935	\$26,466	\$55,548	\$30,950

Note: Target and actual total costs and unit costs have been adjusted to exclude Grants and Subsidies Expense

### COMMENTS (a)

Total costs for 2004/05 were well below target primarily due to a reduction in expenditure on the Batavia Coast Marina Redevelopment. The budget assumed that the remaining \$400,000 of funding for the project would be expended in 2004/05. Progress on this project was delayed by external factors and other priorities resulting in only \$51,000 being expended in 2004/05 on groundwater monitoring and a scoping study for Stage 2 of the project. Unbudgeted expenditure, including \$47,000 on the Geraldton Marina Services Precinct

project was more than offset by costs savings resulting from lower staff levels eg salaries, travel, overheads etc

Total costs for 2004/05 increased marginally from 2003/04 with additional expenditure on projects such as the Geraldton Marina Services Precinct (\$40,000) and the Batavia Coast Marina (\$28,000), being largely offset by expenditure ceasing for completed projects and costs savings resulting from lower staff levels.

(a) all amounts in comments have been rounded to the nearest \$1,000

# APPENDICES

## OTHER INDICATORS (UNAUDITED)

The targets for these indicators are also published in the W.A. Government 2004/2005 Budget Statements presented to the Legislative Assembly on 6th May 2004. However these indicators are not required to be audited and as a consequence, have not been.

### 2.4 SERVICE 1 - INFORMATION AND ADVICE

	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
<b>QUALITY</b>				
Level of overall service - by survey (rated at least good)	79%	81%	87%	83%
<b>TIMELINESS</b>				
Efficiency in handling initial contact - by survey (rated at least good)	80%	83%	87%	85%

### 2.5 SERVICE 2 - INVESTMENT FACILITATION

	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
<b>QUALITY</b>				
Positive contribution to economic development By survey - % agreeing	89%	90%	90%	88%
<b>TIMELINESS</b>				
Related strategic objectives completed on time (refer Note below)	43%	58%	75%	51%

### 2.6 SERVICE 3 - INFRASTRUCTURE AND SERVICES DEVELOPMENT IN THE MID WEST

	Actual 2002/2003	Actual 2003/2004	Target 2004/2005	Actual 2004/2005
<b>QUALITY</b>				
Positive contribution to economic development By survey - % agreeing	89%	90%	90%	88%
<b>TIMELINESS</b>				
Related strategic objectives completed on time (refer Note below)	62%	61%	75%	52%



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### MID WEST 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 Mid West 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

# APPENDICES

## MID WEST DEVELOPMENT COMMISSION

### CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

The accompanying financial statements of the Mid West Development Commission have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year 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 which would render any particulars included in the financial statements misleading or inaccurate.

L GRAHAM  
CHAIRMAN



DATE 25/8/05

S DOUGLAS  
ACTING CHIEF  
EXECUTIVE OFFICER



DATE 24/8/05

N CONDON  
PRINCIPAL  
ACCOUNTING OFFICER



DATE 23/8/2005

# MID WEST DEVELOPMENT COMMISSION

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2005

### COST OF SERVICES

	Note	2004/2005	2003/2004
<b>Expenses from ordinary activities</b>		\$	\$
Salaries		756,700	829,028
Other staffing costs		155,995	249,110
Communications		24,739	31,449
Services & contracts		437,818	681,051
Operating leases - vehicles		22,128	23,594
Consumables		58,197	65,887
Maintenance		18,952	11,188
Board fees		26,846	39,551
Refunds		309	9,777
Grants & subsidies	2	1,894,828	1,038,818
Depreciation	3	16,429	16,981
Provisions	4	69,347	31,489
Capital user charge	5	-	1,143
Write-offs	6	-	207
Land revaluation decrement	7	-	10,000
<b>Total cost of services</b>		<b>3,482,288</b>	<b>3,039,273</b>

### Revenues from ordinary activities

#### Revenues from operating activities

Commonwealth grants & contributions	8	186,950	150,443
Other revenues	9	217,743	258,350

#### Revenues from non-operating activities

Proceeds from disposal of non-current assets	10	365	-
Land revaluation increment	7	20,000	-

<b>Total revenues from ordinary activities</b>		<b>425,058</b>	<b>408,793</b>
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### NET COST OF SERVICES

<b>3,057,230</b>	<b>2,630,480</b>
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### REVENUES FROM STATE GOVERNMENT

Service appropriation	11	2,933,000	1,922,000
Liabilities Assumed by the Treasurer	12	13,544	-
State Government grants & subsidies	13	510,000	585,181
Resources received free of charge	14	-	3,120
<b>Total revenues from State Government</b>		<b>3,456,544</b>	<b>2,510,301</b>

### CHANGE IN NET ASSETS

<b>399,314</b>	<b>(120,179)</b>
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### TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS

<b>399,314</b>	<b>(120,179)</b>
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THE STATEMENT OF FINANCIAL PERFORMANCE SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# MID WEST DEVELOPMENT COMMISSION

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30TH JUNE 2005

	Note	2004/2005 \$	2003/2004 \$
<b>Current Assets</b>			
Cash assets	15	507,360	563,024
Restricted cash assets	16	1,148,886	629,728
Receivables	17	557,125	187,793
Other Assets	18	2,419	2,753
Amounts receivable for services	19	31,000	30,000
<b>Total Current Assets</b>		<b>2,246,790</b>	<b>1,413,298</b>
<b>Non-Current Assets</b>			
Inventories	20	540,000	520,000
Amounts receivable for services	19	115,000	46,000
Computer hardware & software	21	24,368	15,429
Office equipment	21	17,688	13,185
Furniture & fittings	21	2,126	3,741
<b>Total Non-Current Assets</b>		<b>699,182</b>	<b>598,355</b>
<b>TOTAL ASSETS</b>		<b>2,945,972</b>	<b>2,011,653</b>
<b>Current Liabilities</b>			
Payables	22	514,273	228,306
Other Liabilities	23	579,514	376,256
Provisions	24	110,905	105,516
<b>Total Current Liabilities</b>		<b>1,204,692</b>	<b>710,078</b>
<b>Non-Current Liabilities</b>			
Provisions	24	113,217	72,826
Liability to Treasurer	25	960,000	960,000
<b>Total Non-Current Liabilities</b>		<b>1,073,217</b>	<b>1,032,826</b>
<b>TOTAL LIABILITIES</b>		<b>2,277,909</b>	<b>1,742,904</b>
<b>NET ASSETS</b>		<b>668,063</b>	<b>268,749</b>
<b>EQUITY</b>	26		
Contributed equity		126,946	126,946
Accumulated surplus		541,117	141,803
<b>TOTAL EQUITY</b>		<b>668,063</b>	<b>268,749</b>

THE STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# MID WEST DEVELOPMENT COMMISSION

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2005

	Note	2004/2005 \$		2003/2004 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>				
Service appropriation		2,863,000		1,876,000
Holding account drawdowns		-		75,000
State Government grants & subsidies		122,573		572,608
<b>Net cash provided by State Government</b>		<b>2,985,573</b>		<b>2,523,608</b>
<b>Utilised as follows:</b>				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Employee & other staffing costs		(931,703)		(1,156,119)
Supplies and services		(633,354)		(802,192)
GST payments on purchases		(194,849)		(151,018)
GST payments to taxation authority		(47,177)		(44,285)
Refunds		-		(9,777)
Grants payments		(1,311,817)		(948,276)
<b>Total payments</b>		<b>(3,118,900)</b>		<b>(3,111,667)</b>
<b>Receipts</b>				
Commonwealth grants & contributions		241,517		136,149
GST receipts on sales		52,189		41,581
GST receipts from taxation authority		161,466		114,310
Other receipts		155,490		604,898
Total receipts		610,662		896,938
<b>Net cash used in operating activities</b>	<b>30</b>	<b>(2,508,238)</b>	<b>(c)</b>	<b>(2,214,729)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of plant & equipment		(14,206)		(12,543)
Proceeds from sale of plant & equipment		365		-
<b>Net cash provided by/(used in) investing activities</b>		<b>(13,841)</b>		<b>(12,543)</b>
<b>Net increase/(decrease) in cash held</b>		<b>463,494</b>		<b>296,336</b>
Cash assets at the beginning of the financial year		1,192,752		896,416
<b>CASH ASSETS AT THE END OF THE FINANCIAL YEAR</b>	<b>30</b>	<b>1,656,246</b>	<b>(a)</b>	<b>1,192,752</b>

THE STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH 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 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 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.

#### BASIS OF ACCOUNTING

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

##### (a) Establishment

The Mid West Development Commission was established under the Regional Development Commissions Act (1993) on April 8, 1994. The Act also repealed the Geraldton Mid West Development Authority Act (1988) and determined that all assets and liabilities would transfer to the Mid West Development Commission from that date.

##### (b) Service Appropriations

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

##### (c) Contributed Equity

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

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### **(d) Grants and Other Contributions Revenue**

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.

### **(e) Revenue Recognition**

Revenue from the sale 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.

### **(f) Acquisitions of assets**

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

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

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

### **(g) Depreciation of non-current assets**

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

Depreciation is calculated on a straight line basis, using rates that are reviewed annually. Rates of depreciation for each class of depreciable asset are:

Furniture & Fittings *	10%
Office Equipment	20%
Computer Hardware	30%
Software	30%

\* Office modifications undertaken during 2003/04 are being fully depreciated over the life of the remaining office lease, which expires in October 2006

### **(h) Revaluation of Land, Buildings and Infrastructure**

The Commission has a policy of valuing land, buildings and infrastructure at fair value. The annual revaluations of the Commission's land and buildings undertaken by the Department of Land Information (Valuation Services) are recognised in the financial statements.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### **(i) Cash**

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

### **(j) Inventories**

Inventories are valued at the lower of cost and net realisable value. Net realisable value of land held for re-sale is determined from market valuations provided by the Department of Land Information (Valuation Services).

### **(k) Receivables**

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

Collectability of receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off.

### **(l) Intangible assets and expenditure carried forward**

#### **(i) Software**

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefit, which is generally three to four years.

#### **(ii) Web site costs**

Costs in relation to web sites controlled by the Commission are charged as expenses in the period in which they are incurred unless they relate to the acquisition of an asset, in which case they are capitalised and amortised over the period of expected benefit. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing costs of maintenance during the operating phase are considered to be expenses. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits controlled by the Commission that can be reliably measured, are capitalised as an asset and amortised over the period of the expected benefits which vary from three to five years.

### **(m) 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.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### **(n) Employee benefits**

#### **Annual leave**

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

#### **Long service leave**

Leave benefits are calculated on a pro-rata basis after an officer has completed three years of service based on remuneration rates current as at the reporting date. An assessment of long service leave undertaken in 2003 determined that the liability measured using the short hand method was not materially different from the liability measured using the present value of expected future payments.

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

#### **Superannuation**

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme a defined benefit lump sum scheme now also closed to new members.

All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund. The Commission contributes to this accumulation fund in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992.

All of these schemes are administered by the Government Employees Superannuation Board (GESB).

From 30 June 2004, the Treasurer has assumed the liability for pension and pre-transfer benefit superannuation liabilities. The assumption was designated as a contribution by owners under TI 955(3)(iv) on 30 June 2004.

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current and past employees who are members of the Pension Scheme and current and past employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the Authority in the current year.

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### **Superannuation (Cont)**

The Authority is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

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 GESB.

### **Employee benefit on-costs**

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses. See note 24.

### **(o) Accrued Salaries**

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

### **(p) Resources Received Free of Charge or For Nominal Value**

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

### **(q) Leases**

The Commission has entered into a number of operating lease arrangements for the rent of the office building 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 Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

### **(r) Comparative Figures**

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

### **(s) Rounding**

Amounts in the financial statements have been rounded to the nearest dollar.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>2 GRANTS &amp; SUBSIDIES</b>		
Regional Development Scheme - Round 3 (2004) (i)	25,000	347,500
Regional Development Scheme - Round 4 (2005) (i)	449,000	-
Geraldton Universities Centre	201,000	280,000
Australian Women in Agriculture (WA)	-	318
Mingenew Irwin Group	13,000	-
City of Geraldton - Foreshore Redevelopment	1,026,828	400,000
City of Geraldton - City Parks Improvement Program	140,000	-
Shire of Greenough - City Parks Improvement Program	10,000	-
Department of Local Government and Regional Development	10,000	6,000
Country Arts WA	20,000	-
Shire of Perenjori	-	5,000
	1,894,828	1,038,818

- (i) Includes the reallocation to new recipients of funds granted in earlier rounds of the Regional Development Scheme (RDS) which were either not utilised at all or exceeded their actual requirements of the original recipients . These funds were returned to the RDS funding pool and allocated to new projects.

	2004/2005	2003/2004
	\$	\$
<b>3 DEPRECIATION</b>		
Office Equipment	5,081	5,318
Computer Hardware	9,727	10,197
Computer Software	6	396
Furniture & Fittings	1,615	1,070
	16,429	16,981

	2004/2005	2003/2004
	\$	\$
<b>4 PROVISIONS</b>		
Annual Leave	30,974	16,979
Long Service Leave	24,829	10,203
Superannuation	13,544	4,307
	69,347	31,489

Provision for superannuation expense was established from an assessment of unfunded liabilities provided by GESB dated 14 June 2005.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>5 CAPITAL USER CHARGE</b>		
Current year charge	-	1,143
	-	1,143

A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Commission excluding certain restricted grant funds and other assets and liabilities. The expense accrued for 2003/04 was not required and was written back as revenue in 2004/05. Refer Note 9 - Other Revenues.

	2004/2005	2003/2004
	\$	\$
<b>6 WRITE-OFFS</b>		
<b>Bad Debts</b>		
Bad debts expense	-	207
Amounts recovered	-	-
Total Write-Offs	-	207

<b>7 LAND REVALUATIONS</b>		
Downward revaluations (decrements)	-	10,000
	-	10,000
Upward revaluations (increments)	20,000	-
	20,000	-

Land held at 30 June 2005 was valued according to market values provided by the Department of Land Information (Valuation Services).

	2004/2005	2003/2004
	\$	\$
<b>8 COMMONWEALTH GRANTS &amp; CONTRIBUTIONS</b>		
Trade Facilitation Unit	-	48,350
Gascoyne Murchison Outback Pathways project	110,000	15,000
TradeStart	71,400	68,799
Marine Research Centre	5,550	16,650
WA On Show	-	1,644
	186,950	150,443

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>9 OTHER REVENUES</b>		
GEHA Rental	-	6,287
Sundry Income	20,091	31,694
Refund of unused RDS grants/write back of excess accruals (i)	94,033	22,604
Write back of capital user charge accrual	1,143	-
NACC Indigenous Support Officer funding	78,000	62,000
Gascoyne Murchison Outback Pathways project	16,600	89,607
Gascoyne Murchison Tourism Roadshow	-	10,000
Murchison IT Training & Support project	-	20,000
Other project income/revenues	7,876	16,158
	<u>217,743</u>	<u>258,350</u>

(i) These amounts reflect:

- refunds from grant recipients of unused Regional Development Scheme (RDS) grants paid to grant recipients in earlier years; and
- the write back of amounts accrued in previous years for Regional Development Scheme grant payments which are no longer required, either due to projects not proceeding or the full grant amount not being required/payable.

	2004/2005	2003/2004
	\$	\$
<b>10 NET GAIN ON DISPOSAL OF NON-CURRENT ASSETS</b>		
Proceeds from sale of computer hardware	365	-
Carrying amount of computer hardware disposed of	-	-
Net gain on disposal	<u>365</u>	<u>-</u>

### 11 SERVICE APPROPRIATION

Appropriation revenue received during the year:

Service appropriations	<u>2,933,000</u>	<u>1,922,000</u>
	<u>2,933,000</u>	<u>1,922,000</u>

Service appropriations are accrual amounts reflecting the full price paid for services purchased by the Government. 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 adjustments in leave liability during the year.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>12 LIABILITIES ASSUMED BY TREASURER</b>		
The following liabilities have been assumed by the Treasurer during the financial year:		
Superannuation	13,544	-
	<u>13,544</u>	<u>-</u>

The assumption of the superannuation liability by the Treasurer is a notional revenue to match the notional superannuation expense reported in respect of current and former employees who have a pre-transfer benefit entitlement under the Gold State Superannuation scheme.

	2004/2005	2003/2004
	\$	\$
<b>13 STATE GOVERNMENT GRANTS &amp; SUBSIDIES</b>		
During the 2004/05 financial year the Mid West Development Commission received revenue from the following sources:		
Regional Development Scheme - Round 3 (2004)	-	400,000
Regional Development Scheme - Round 4 (2005)	400,000	-
Department of Industry & Resources - Aboriginal Economic Development Officer	80,000	80,000
WA Tourism Commission - Gascoyne Murchison Outback Pathways	-	43,245
Department of Education & Training - Mine Servicing	-	3,000
Central West College (TAFE) - Education Precinct Master Plan	-	1,818
Agriculture WA - Straw Pulp Feasibility	-	4,545
Department of Local Government & Regional Development - Western Australian Regional Initiatives Scheme	30,000	40,000
Department of Fisheries - Marine Research Centre	-	12,573
	<u>510,000</u>	<u>585,181</u>

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>14 RESOURCES RECEIVED FREE OF CHARGE</b>		
Crown Solicitor's Office - Legal Services	-	3,120
	-	3,120

Where assets or services have been received free of charge or for nominal consideration, the Commission recognises revenues 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 are recognised as assets or expenses, as applicable.

	2004/2005	2003/2004
	\$	\$
<b>15 CASH ASSETS</b>		
Bank Accounts	506,537	562,613
Petty Cash	823	411
	507,360	563,024

### 16 RESTRICTED CASH ASSETS

Use of the following cash holdings is restricted to the purpose(s) for which the funds were provided:

Geraldton Foreshore Redevelopment	467,101	-
Geraldton Universities Centre	201,000	-
Gascoyne Murchison Outback Pathways project	120,758	-
Mid West Internet portal - Ocean2Outback	-	1,341
Regional Development Scheme - Round 1 (2002)	35,871	135,493
Regional Development Scheme - Round 2 (2003)	55,106	106,686
Regional Development Scheme - Round 3 (2004)	135,403	319,903
Regional Development Scheme - Round 4 (2005)	28,024	-
Aboriginal Economic Development	40,210	20,873
Regional Co-operative Research	5,000	18,000
Pacific Flora 2004	30,000	-
Batavia Coast Marina - Stage II scoping study	-	2,220
Regional Initiative Fund	-	733
Straw Pulp Feasibility	4,545	4,545
Murchison IT Training & Support project	20,000	-
NACC Indigenous Support Officer	-	14,066
Youth Forum	5,868	5,868
	1,148,886	629,728

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>17 RECEIVABLES</b>		
WA Land Authority - Marina funds advanced	8,593	21,290
GST Input Tax Receivable	41,616	53,207
Other Receivables for Goods and Services	506,916	113,296
	<u>557,125</u>	<u>187,793</u>

<b>18 OTHER ASSETS</b>		
Prepaid travel & accommodation	2,419	-
Prepaid salaries	-	2,753
	<u>2,419</u>	<u>2,753</u>

<b>19 AMOUNTS RECEIVABLE FOR SERVICES</b>		
- Current	31,000	30,000
- Non-current	115,000	46,000
	<u>146,000</u>	<u>76,000</u>

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 liabilities.

	2004/2005	2003/2004
	\$	\$
<b>20 INVENTORIES</b>		
Land held for re-sale:		
- Current	-	-
- Non-current	540,000	520,000
	<u>540,000</u>	<u>520,000</u>

Land at 30 June 2005 is held for re-sale. The original cost of this land is not readily identifiable as it was part of \$5.1 million of land transferred from the Department of Marine and Harbours in 1993. A number of lots of this land have been disposed and land currently held has been subject to several revaluations during this time. The carrying value of land at 30 June 2005 is based on a market value provided by the Department of Land Information (Valuation Services).

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 21 PLANT & EQUIPMENT

	2004/2005	2003/2004
	\$	\$
Computer Hardware at Cost	77,382	101,914
Accumulated Depreciation	60,605	86,485
	<u>16,777</u>	<u>15,429</u>
Computer Software at Cost	35,450	37,525
Accumulated Depreciation	27,859	37,525
	<u>7,591</u>	<u>-</u>
Sub-total - WDV of Computer Hardware & Software	<u>24,368</u>	<u>15,429</u>
Office Equipment at Cost	46,686	37,102
Accumulated Depreciation	28,998	23,917
	<u>17,688</u>	<u>13,185</u>
Furniture & Fittings at Cost	9,778	9,778
Accumulated Depreciation	7,652	6,037
	<u>2,126</u>	<u>3,741</u>
Total of plant and equipment.	<u>44,182</u>	<u>32,355</u>

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Computer Hardware \$	Computer Software \$	Office Equipment \$	Furniture & Fittings \$	Total \$
<b>Year Ended 30 June 2005</b>					
Carrying amount at the start of year	15,429	-	13,185	3,741	32,355
Additions	11,075	7,597	9,584	-	28,256
Reclassifications	-	-	-	-	-
Disposals (written down value)	-	-	-	-	-
Revaluation increments	-	-	-	-	-
Depreciation	(9,727)	(6)	(5,081)	(1,615)	(16,429)
Carrying amount at end of year	<u>16,777</u>	<u>7,591</u>	<u>17,688</u>	<u>2,126</u>	<u>44,182</u>

MID WEST DEVELOPMENT COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2005

**22 PAYABLES**

	2004/2005 \$	2003/2004 \$
Accounts payable for Goods and Services	514,273	228,306
	<u>514,273</u>	<u>228,306</u>

**23 OTHER LIABILITIES**

**Accrued Expenses**

Salary increments	-	4,145
Provision for backdated salary increases	-	8,738
Board fees & expenses	2,387	7,070
Electricity	2,500	2,500
Fringe Benefits Tax	4,500	4,500
Telephone	800	800
Superannuation	215	2,854
Corporate card expenses	1,000	5,000
Regional Development Scheme grants	536,411	332,026
Foreshore Redevelopment accrual	4,820	-
Geraldton Marine Services Precinct contractor	1,500	-
Motor vehicle lease costs	1,500	5,500
Department of Justice - GEHA rental subsidy	160	1,980
Capital User Charge	-	1,143
Total Accrued Expenses	<u>555,793</u>	<u>376,256</u>
TradeStart revenue received in advance	<u>23,721</u>	<u>-</u>
	<u>579,514</u>	<u>376,256</u>

**24 PROVISIONS**

**Current**

Annual Leave	91,558	71,318
Long Service Leave	7,119	20,435
On-costs on leave liabilities (i)	12,228	13,763
	<u>110,905</u>	<u>105,516</u>

**Non-current**

Long Service Leave	100,043	63,327
On-costs on leave liabilities (i)	13,174	9,499
	<u>113,217</u>	<u>72,826</u>

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 24 PROVISIONS (CONT)

- (i) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers' compensation insurance premiums. The liability for such on-costs is included here at rates of approximately 12.5% and 13% of annual and long service leave liabilities respectively. The associated expense is included under Provision costs in the Statement of Financial Performance.

The Commission considers the carrying amount of employee benefits approximates the net fair value.

Employee Benefits	2004/2005	2003/2004
The aggregate employee benefit liability recognised and included in the financial statements is as follows:	\$	\$
Provision for employee benefits:		
Current	110,905	105,516
Non-current	113,217	72,826
	224,122	178,342

### 25 LIABILITY TO TREASURER

	2004/2005	2003/2004
	\$	\$
Non-Current	960,000	960,000
	960,000	960,000

A liability of \$5,000,000 relating to capital works at the Geraldton Foreshore and Marina was transferred to the Geraldton Mid West Development Authority ( now the Mid West Development Commission) by the Department of Marine and Harbours on 30th June 1993. Since that time repayments totalling \$4,040,000 have been made to the Consolidated Fund thereby reducing the outstanding indebtedness to \$960,000.

### 26 EQUITY

	2004/2005	2003/2004
	\$	\$
<b>Contributed equity</b>		
Opening balance	126,946	60,000
Contributions by owners (i)	-	66,946
Closing balance	126,946	126,946

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 26 EQUITY (CONT)

#### Accumulated surplus/(deficiency)

	2004/2005 \$	2003/2004 \$
Opening balance	141,803	261,982
Change in net assets	399,314	(120,179)
Closing balance	<u>541,117</u>	<u>141,803</u>

- (i) Contributions by owners reflects the Commission's superannuation liability at 30 June 2004 assumed by the Treasurer as at that date. Refer Note 12 for information on the treatment of the liability for 2004/05.

### 27 COMMITMENTS FOR EXPENDITURE

#### (a) Non-cancellable operating lease commitments

	2004/2005 \$	2003/2004 \$
Not later than one year	135,518	110,012
Later than 1 year and not later than 5 years	53,963	127,987
	<u>189,481</u>	<u>237,999</u>

#### (b) Other expenditure commitments at the reporting date but not recognised as liabilities, are payable as follows:

	2004/2005 \$	2003/2004 \$
Not later than one year	844,848	683,023
Later than 1 year and not later than 5 years	200,000	-
	<u>1,044,848</u>	<u>683,023</u>

Other expenditure commitments comprise the following:

Geraldton Foreshore Redevelopment	363,172	-
Gascoyne Murchison Outback Pathways project	89,758	20,000
Gascoyne Murchison Tourism Roadshow	-	10,000
Murchison IT Adviser project	20,000	20,000
Mid West Internet portal - Ocean2Outback	-	1,341
Batavia Coast Marina Redevelopment	372,556	421,071
Aboriginal Economic Development	40,210	20,873
Regional Co-operative Research	5,000	18,000
Regional Development Scheme grants	127,726	144,306
Pacific Flora 2004 - WA Regional Initiatives	400	-
Scheme grant		
Batavia Coast Marina - Stage II scoping study	-	2,220
Regional Initiative Fund	-	733
Straw Pulp Feasibility	4,545	4,545
NACC Indigenous Support Officer	15,613	14,066
Youth Forum	5,868	5,868
	<u>1,044,848</u>	<u>683,023</u>

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 28 REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

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

\$0 - \$10,000	8	10
\$10,001 - \$20,000	1	1
\$30,001 - \$40,000	-	1
\$130,001 - \$140,000	1	-
\$150,001 - \$160,000 (i)	-	1

		2004/2005	2003/2004
		\$	\$
The total remuneration of the members of the Accountable Authority is:	(i)	162,456	230,010

- (i) 2003-04 includes termination payments for unused leave entitlements
- (ii) The superannuation included here represents the superannuation expense incurred by the Commission in respect of members of the Accountable Authority.
- (iii) No members of the Accountable Authority are members of the Pension Scheme.
- (iv) The Regional Development Commissions Act states that the Chief Executive Officer is a member of the Board by virtue of his office and as such is included in the figures for the Accountable Authority.
- (v) A separate table for remuneration of Senior Officers has not been provided as the Chief Executive Officer is the only Senior Officer of the Commission and the remuneration for this position has already been disclosed in the table for the Accountable Authority.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 29 REMUNERATION OF AUDITOR

The total of fees paid or due and payable to the auditors of the Commission for the 2003/04 financial year is as follows:

	2004/2005	2003/2004
Fees to the Auditor General:	\$	\$
Auditing the accounts, financial statements and performance indicators	12,000	-
	12,000	-

The Commission commenced paying for its audit from 2003/04 with the cost of the audit being reflected in the year that the audit is performed i.e. in 2004/05. These services were previously provided free of charge.

### 30 NOTES TO THE STATEMENT OF CASH FLOWS

#### (a) Reconciliation of cash

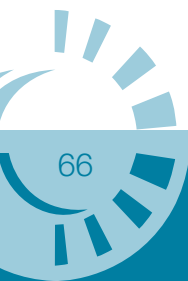
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2004/2005	2003/2004
	\$	\$
Cash assets	507,360	563,024
Restricted cash assets	1,148,886	629,728
<b>Total Cash</b>	<b>1,656,246</b>	<b>1,192,752</b>

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

	2004/2005	2003/2004
	\$	\$
<b>30 (b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</b>		
Net cost of services	(3,057,230)	(2,630,480)
<b>Non-cash items:</b>		
Depreciation	16,429	16,981
Net (gain)/loss on sale of plant & equipment	(365)	-
Resources received free of charge	-	3,120
Land revaluation decrement/(increment)	(20,000)	10,000
Write back of Regional Development Scheme grant accruals	(58,697)	-
Write back of capital user charge accrual	(1,143)	-
Notional expense relating to superannuation liabilities assumed by the Treasurer	13,544	-
<b>(Increase)/decrease in assets:</b>		
Receivables	(380,923)	332,518
Exclude Receivables movements relating to:		
- Revenues from State Government	387,427	12,573
Prepayments	334	(2,101)
<b>Increase/(decrease) in liabilities:</b>		
Payables	285,967	134,643
Payables movements related to Investing Activities	(14,050)	8,216
Accrued expenses	239,377	(30,062)
Annual leave provision	20,240	(6,309)
Long service leave provision	23,400	(22,534)
On-costs on leave liabilities	2,140	(4,327)
Provision for superannuation	-	4,307
TradeStart revenue received in advance	23,721	-
Net GST receipts/(payments)	(28,371)	(39,412)
Change in GST in receivables/payables	39,962	(1,862)
<b>Net cash flows used in operating activities</b>	<u>(2,508,238)</u>	<u>(2,214,729)</u>



# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30TH JUNE 2005

#### 31 SCHEDULE OF SERVICES DELIVERED

	Information & Advice		Investment Facilitation		Infrastructure & Services Development in the Mid West		Total	
	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$
<b>COST OF SERVICES</b>								
<b>Expenses from ordinary activities</b>								
Salaries	307,609	298,978	248,705	310,353	200,386	219,697	756,700	829,028
Other staffing costs	65,926	102,804	54,039	86,268	36,030	60,038	155,995	249,110
Communications	9,709	11,104	7,898	11,830	7,132	8,515	24,739	31,449
Services & contracts	126,219	223,506	143,577	338,044	168,022	119,501	437,818	681,051
Operating leases - vehicles	12,599	10,313	5,246	9,522	4,283	3,759	22,128	23,594
Consumables	22,314	26,851	20,820	24,025	15,063	15,011	58,197	65,887
Maintenance	7,557	4,088	6,731	3,634	4,664	3,466	18,952	11,188
Board fees	26,711	39,551	68	-	67	-	26,846	39,551
Refunds	-	27	309	9,750	-	-	309	9,777
Grants & subsidies	175,000	107,106	108,500	69,606	1,611,328	862,106	1,894,828	1,038,818
Depreciation	5,476	5,661	5,476	5,660	5,477	5,660	16,429	16,981
Provisions	23,116	10,497	23,116	10,496	23,115	10,496	69,347	31,489
Capital user charge	-	381	-	381	-	381	-	1,143
Write-offs	-	69	-	69	-	69	-	207
Land revaluation decrement	-	-	-	-	-	10,000	-	10,000
<b>Total cost of services</b>	<b>782,236</b>	<b>840,936</b>	<b>624,485</b>	<b>879,638</b>	<b>2,075,567</b>	<b>1,318,699</b>	<b>3,482,288</b>	<b>3,039,273</b>
<b>Revenues from ordinary activities</b>								
<i>Revenues from operating activities</i>								
Commonwealth grants & contributions	-	-	186,950	150,443	-	-	186,950	150,443
Other revenues	110,371	99,436	94,531	119,487	12,841	39,427	217,743	258,350
<i>Revenues from non-operating activities</i>								
Proceeds from disposal of non-current assets	122	-	122	-	121	-	365	-
Land revaluation increment	-	-	-	-	20,000	-	20,000	-
<b>Total revenues from ordinary activities</b>	<b>110,493</b>	<b>99,436</b>	<b>281,603</b>	<b>269,930</b>	<b>32,962</b>	<b>39,427</b>	<b>425,058</b>	<b>408,793</b>
<b>NET COST OF SERVICES</b>	<b>671,743</b>	<b>741,500</b>	<b>342,882</b>	<b>609,708</b>	<b>2,042,605</b>	<b>1,279,272</b>	<b>3,057,230</b>	<b>2,630,480</b>
<b>REVENUES FROM STATE GOVERNMENT</b>								
Service appropriation	529,000	484,000	409,000	351,000	1,995,000	1,087,000	2,933,000	1,922,000
Liabilities Assumed by the Treasurer	4,515	-	4,515	-	4,514	-	13,544	-
State Government grants & subsidies	196,155	182,866	67,611	215,807	246,234	186,508	510,000	585,181
Resources received free of charge	-	-	-	605	-	2,515	-	3,120
<b>Total revenues from Government</b>	<b>729,670</b>	<b>666,866</b>	<b>481,126</b>	<b>567,412</b>	<b>2,245,748</b>	<b>1,276,023</b>	<b>3,456,544</b>	<b>2,510,301</b>
<b>CHANGE IN NET ASSETS</b>	<b>57,927</b>	<b>(74,634)</b>	<b>138,244</b>	<b>(42,296)</b>	<b>203,143</b>	<b>(3,249)</b>	<b>399,314</b>	<b>(120,179)</b>

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT

#### (a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding year

Details and reasons for significant variations between actual results with corresponding items of the preceding year are detailed below. Significant variations are considered to be those equal to or greater than 10% and \$20,000.

	2004/2005	2003/2004	Variance	Variance
	\$	\$	\$	%
Other Staffing Costs	155,995	249,110	(93,115)	-37%
Services & contracts	437,818	681,051	(243,233)	-36%
Grants and subsidies expense	1,894,828	1,038,818	856,010	82%
Provisions	69,347	31,489	37,858	120%
Commonwealth grants & contributions	186,950	150,443	36,507	24%
Other Revenues	217,743	258,350	(40,607)	-16%
Service appropriation	2,933,000	1,922,000	1,011,000	53%
State Government grants and subsidies	510,000	585,181	(75,181)	-13%
Land revaluation increment	20,000	-	20,000	n/a

#### Other Staffing Costs

The main driver for the \$93,000 reduction in costs is a reduction in staff resulting from the completion of externally funded projects and a higher rate of vacant positions. This has resulted in or contributed to:

- a \$44,000 reduction in travel expenditure
- a \$7,000 reduction in superannuation expenses
- subsidised housing not being required/provided in 2004/05 - \$21,000 saving
- Fringe Benefits Tax reducing by more than \$7,000 resulting in part due to subsidised housing not being provided

In addition 2003/04's costs were inflated by a one-off major tour of the region by almost all of the Commission's staff, the implementation costs (travel & training) for implementation of a record-keeping plan and project management training for all staff.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT (CONT)

#### (a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding year (Cont)

##### Services & contracts

Services and contracts expenditure declined by \$243,000 following the completion of two major projects in 2003/04:

- Gascoyne Murchison Outback Pathways - Stage 1 - \$171,000; and
- Mine Servicing - \$73,000.

Significant expenditure in 2004/05 on new projects including the Geraldton Boat lifter (\$49,000) and Stage 2 of the Gascoyne Murchison Outback Pathways (\$37,000) is offset by reductions from a number of other smaller projects which were completed in 2003/04.

##### Grants and subsidies expense

The \$856,000 increase in grants expense is primarily driven by a \$627,000 increase in grants to the City of Geraldton for its Foreshore Redevelopment and CBD Revitalisation project. This increase reflects the timing of funding requirements for the project and is part of \$9.98 million being provided by the Commission over 6 years. In addition \$150,000 was provided in 2004/05 (2003/04 nil) for the City Parks Improvement Program and the return or reallocation of unused Regional Development Scheme grants enabled additional grants to be provided in Round 4 (2004/05). Refer Financial Statements - Note 2 for additional details.

##### Provisions

The variance mainly results from:

- a low level of leave taken during 2004/05, in part due to staff shortages combined with staff turnover, noting that new staff do not take much leave in their first 12 months of service;
- in 2004/05 one staff member achieved three years service, the point at which provisioning for long service leave commences with a lump sum provision whereas no additional staff members reached three years service in 2003/04;
- a \$9,000 increase in the cost of providing for unfunded superannuation liabilities.

Refer Financial Statements - Notes 4 & 24 for additional details.

##### Commonwealth grants & contributions

Grant funding is project based and therefore fluctuates with the timing, number and size of funded projects. Funding increased in 2004/05 primarily due to \$110,000 received for Stage 2 of the Gascoyne Murchison Outback Pathways, which more than offset the drop in funding for projects that were completed in the previous financial year. Refer Financial Statements - Note 8 for additional details.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT (CONT)

#### (a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding year (Cont)

##### Other Revenues

The variation is largely a reflection of project revenues, which fluctuate with the timing, number and size of funded projects. The decline in other revenue is mainly driven by:

- 2003/04 included \$90,000 of Local Government, Industry and other funding for Stage 1 of the Gascoyne Murchison Outback Pathways project. Funding from these sources for stage 2 of the project in 2004/05 was less than \$17,000 - a decline of \$73,000;
- one-off funding was received for the Murchison IT Training & Support (\$20,000) and Gascoyne Murchison Tourism Roadshow (\$10,000) projects in 2003/04; and
- the above declines were partly offset by a \$71,000 increase in revenue recorded for the refund of unused RDS grants/write back of excess accruals.

Refer Financial Statements - Note 9 for additional details.

##### Service appropriation

The Commission's 2004/05 appropriation was increased by the State Government to enable it to provide \$1.39 million to the City of Geraldton for Stage 3 of its Foreshore Redevelopment project (2003/04 \$0.4 million) and \$201,000 to the Geraldton Universities Centre to assist with its establishment and operations (2003/04 \$280,000).

##### State Government grants and subsidies

The \$73,000 reduction in grant funding in 2004/05 reflects the completion of funding for several projects/initiatives in 2003/04 that have not been fully offset by funding attracted for new projects/initiatives in 2004/05. This merely reflects issues related to the eligibility, timing and funding sources for projects being progressed rather than a permanent reduction in funding. Refer Financial Statements - Note 13 for additional details.

##### Land revaluation increment

"The market value of the Commission's land decreased by \$10,000 in 2003/04 and was therefore reflected as an expense. The \$20,000 increase in the value of land has been accounted for as revenue. Refer Financial Statements - Note 7 for additional details."

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT (CONT)

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

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those equal to or greater than 10% and \$20,000.

	Estimates	Actual	Variance	Variance
	\$	\$	\$	%
Salaries	845,000	756,700	(88,300)	-10%
Other Staffing Costs	216,000	155,995	(60,005)	-28%
Services & contracts	776,000	437,818	(338,182)	-44%
Consumables	111,000	58,197	(52,803)	-48%
Grants and subsidies expense	586,000	1,894,828	1,308,828	223%
Provisions	45,000	69,347	24,347	54%
Commonwealth grants & subsidies	155,000	186,950	31,950	21%
Other Revenues	17,000	217,743	200,743	1181%
Service appropriation	1,549,000	2,933,000	1,384,000	89%
Land revaluation increment	-	20,000	20,000	n/a

#### Salaries

The below-budget expenditure mainly reflects below budget staffing. The Commission averaged 13 full time equivalent (FTE) staff during 2004/05 against a budget of 14 FTE's. In addition several senior vacant positions were offset by additional staff at lower salary levels resulting in a further reduction in salaries costs.

#### Other Staffing Costs

The below-budget expenditure reflects lower staffing levels and salary costs, the latter being the driver of superannuation and worker's compensation insurance which were \$12,000 below budget. Lower staff levels combined with the disruption to normal work patterns flowing from vacant positions reduced travel activity and therefore travel expenditure by \$14,000. In addition budgeted subsidised housing was not required in 2004/05. This reduced housing costs by \$15,000 and helped to reduce fringe benefits tax by \$8,000.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT (CONT)

#### (b) Significant variations between estimates and actual results for the financial year (cont)

##### Services & contracts

The \$338,000 reduction in expenditure comprises numerous variations with the major ones being:

- Batavia Coast Marina Redevelopment - \$349,000 reduction. The budget assumed that the remaining \$400,000 of funding for this project would be expended in 2004/05. A total of \$51,000 was expended on groundwater monitoring and a scoping study for Stage 2 of the project in 2004/05. Progress on this project was delayed by external factors and other priorities. A major portion of the remaining funds is now expected to be expended in 2005/06 and 2006/07.
- Gascoyne Murchison Outback Pathways project - Stage 2 - \$93,000 reduction. A delay in commencing the project resulted in only \$37,000 of the \$130,000 budgeted for writing content for interpretive panels and the production of a travel guide book for the Pathways being expended in 2004/05. The balance of the budgeted expenditure will now occur in 2005/06.

The above reductions in budgeted expenditure were offset by unbudgeted expenditure on:

- Geraldton Boat Lifter project: \$49,000 expended on this unbudgeted project
- Pacific Flora 2004 project: additional grant funding obtained for the project resulted in an unbudgeted \$31,000 being expended
- Mid West Investment Tour: \$9,000 expended on this unbudgeted project

##### Consumables

The \$53,000 reduction in costs mainly reflects a delay in budgeted spending of \$55,000 on directional and interpretive signage for Stage 2 of the Gascoyne Murchison Outback Pathways project, which will now occur in 2005/06. This has been partly offset by additional spending in other areas including \$4,000 on an unbudgeted Mid West Investment Tour and \$5,000 of above-budget expenditure on minor equipment purchases.

##### Grants and subsidies expense

2004/05 includes an unbudgeted \$1 million grant to the City of Geraldton for its Foreshore Redevelopment and CBD Revitalisation project. Funding for this came from the State Government via an unbudgeted \$1.39 million increase in the Commission's appropriation. In addition the Commission:

- provided \$150,000 for unbudgeted grants under the City Parks Improvement Program. Additional funding is expected in 2005/06 to cover the cost of these grants to the Commission.
- utilised unused/returned funds from previous rounds of the Regional Development Scheme (RDS) to provide additional unbudgeted RDS grants to in Round 4 of the scheme (2004/05); and
- used budget savings from other areas to provide an unbudgeted \$20,000 grant to Country Arts WA.

# MID WEST DEVELOPMENT COMMISSION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 32 EXPLANATORY STATEMENT (CONT)

#### (b) Significant variations between estimates and actual results for the financial year (cont)

##### Provisions

The \$24,000 increase in costs is mainly due to a low level of Annual leave taken during 2004/05, which increased annual leave provision costs for the year to \$31,000 against a budget of \$2,000. Leave taking was negatively impacted by staff shortages and staff turnover, noting that new staff do not take much leave in their first 12 months of service.

##### Commonwealth grants & subsidies

The \$32,000 increase in funding comprises:

- an additional \$26,000 of funding was obtained for Stage 2 of the Gascoyne Murchison Outback Pathways project.
- an unbudgeted \$5,550 final instalment of funding for the completed Marine Research Centre project

##### Other Revenues

The budget assumed only minor rental (housing and office) and sundry income. However revenue for 2004/05 was boosted by significant increase in unbudgeted project revenues, including \$78,000 for an NACC Indigenous Support Officer position and almost \$17,000 of Local Government funding for Stage 2 of the Gascoyne Murchison Outback Pathways project. Other Revenues also includes \$94,000 of Regional Development Scheme grants that have either been refunded to the Commission or accrued balances of grants have not been required and have been written back as revenue. Refer Financial Statements - Note 9 for additional details of Other Revenues for 2004/05.

##### Service appropriation

The Commission's budgeted 2004/05 appropriation was increased by the State Government to enable it to provide \$1.39 million to the City of Geraldton for Stage 3 of its Foreshore Redevelopment project. This was marginally offset by a \$6,000 cut in funding to offset savings expected to be realised by the Commission from Whole-of-Government procurement initiatives.

##### Land revaluation increment

The budget assumed the value of land remained unchanged.

MID WEST DEVELOPMENT COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2005

### 33 FINANCIAL INSTRUMENTS

#### (a) Interest Rate Risk Exposure

The following table details the Commission's exposure to interest rate risk as at the reporting date:

	Weighted average effective interest rate %	Floating interest rate \$'000	Fixed interest rate maturities			Non interest bearing \$'000	Total \$'000
			1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000		
<b>30 June 2005</b>							
<b>Assets</b>							
Cash assets		-	-	-	-	1,656	1,656
Receivables		-	-	-	-	703	703
<b>Total financial assets</b>		-	-	-	-	<b>2,359</b>	<b>2,359</b>
<b>Liabilities</b>							
Payables		-	-	-	-	514	514
Other Liabilities		-	-	-	-	580	580
Borrowings from Dept of Treasury and Finance		-	-	-	-	960	960
Provisions		-	-	-	-	224	224
<b>Total financial liabilities</b>		-	-	-	-	<b>2,278</b>	<b>2,278</b>
<b>Net financial assets (liabilities)</b>		-	-	-	-	<b>81</b>	<b>81</b>
<b>30 June 2004</b>							
<b>Assets</b>							
Cash assets		-	-	-	-	1,193	1,193
Receivables		-	-	-	-	264	264
<b>Total financial assets</b>		-	-	-	-	<b>1,457</b>	<b>1,457</b>
<b>Liabilities</b>							
Payables		-	-	-	-	228	228
Other Liabilities		-	-	-	-	376	376
Borrowings from Dept of Treasury and Finance		-	-	-	-	960	960
Provisions		-	-	-	-	178	178
<b>Total financial liabilities</b>		-	-	-	-	<b>1,742</b>	<b>1,742</b>
<b>Net financial assets (liabilities)</b>		-	-	-	-	<b>(285)</b>	<b>(285)</b>

MID WEST DEVELOPMENT COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2005

**33 FINANCIAL INSTRUMENTS (CONT)**

**(b) Credit Risk Exposure**

All financial assets are unsecured.

Amounts owing by other government agencies are guaranteed and therefore credit risk does not exist in respect of those amounts. In respect of other financial assets the carrying amounts represent the Commission's maximum exposure to credit risk in relation to those assets.

The following is an analysis of amounts owing by other government agencies:

	\$'000
Western Australian Government agencies	623
Government agencies of other jurisdictions	44
<b>Total</b>	<b>667</b>

**(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.

MID WEST DEVELOPMENT COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2005

**34 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**

The impacts of adopting Australian Equivalents to International Financial Reporting Standards (AEIFRS) including the key differences in accounting policies are as follows:

**(i) IMPACTS ON THE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005**

There are no material differences between the income statement presented under Australian equivalents to IFRS and the Statement of Financial Performance presented under current AGAAP. The re-classification of some computer software as an intangible asset will result in the associated current depreciation expense to be re-classified as amortisation. This will not impact on the amount of the expense.

**(ii) IMPACTS ON THE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005**

There are no material differences between equity presented under Australian equivalents to IFRS and equity presented under current AGAAP either at 1 July 2004 or 30 June 2005. The following report identifies the re-classification of certain assets and liabilities in the opening and closing balance sheets for the year ended 30 June 2005 for reporting under AEIFRS.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2005

### 34 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONT)

	OPENING BALANCE SHEET			CLOSING BALANCE SHEET		
	Previous AGAAP 1 July 2004	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS 1 July 2004	Current AGAAP 30 June 2005	Effect of transition to Australian equivalents to IFRS	Australian equivalents to IFRS 30 June 2005
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 563,024	-	\$ 563,024	\$ 507,360	-	\$ 507,360
Restricted cash assets	629,728	-	629,728	1,148,886	-	1,148,886
Receivables	187,793	-	187,793	557,125	-	557,125
Other Current Assets	2,753	-	2,753	2,419	-	2,419
Amounts receivable for services	30,000	-	30,000	31,000	-	31,000
<b>Total Current Assets</b>	<b>1,413,298</b>	<b>-</b>	<b>1,413,298</b>	<b>2,246,790</b>	<b>-</b>	<b>2,246,790</b>
<b>Non-current Assets</b>						
Inventories	520,000	-	520,000	540,000	-	540,000
Amounts receivable for services	46,000	-	46,000	115,000	-	115,000
Property, plant and equipment (a)	32,355	-	32,355	44,182	(7,591)	36,591
Intangible assets (a)	-	-	-	-	7,591	7,591
<b>Total Non-current Assets</b>	<b>598,355</b>	<b>-</b>	<b>598,355</b>	<b>699,182</b>	<b>-</b>	<b>699,182</b>
<b>Total Assets</b>	<b>2,011,653</b>	<b>-</b>	<b>2,011,653</b>	<b>2,945,972</b>	<b>-</b>	<b>2,945,972</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	228,306	-	228,306	514,273	-	514,273
Other current liabilities	376,256	-	376,256	579,514	-	579,514
Provisions (b) (c)	105,516	47,318	152,834	110,905	58,942	169,847
<b>Total Current Liabilities</b>	<b>710,078</b>	<b>47,318</b>	<b>757,396</b>	<b>1,204,692</b>	<b>58,942</b>	<b>1,263,634</b>
<b>Non-current Liabilities</b>						
Provisions (b) (c)	72,826	(47,318)	25,508	113,217	(58,942)	54,275
Liability to Treasurer	960,000	-	960,000	960,000	-	960,000
<b>Total Non-current Liabilities</b>	<b>1,032,826</b>	<b>(47,318)</b>	<b>985,508</b>	<b>1,073,217</b>	<b>(58,942)</b>	<b>1,014,275</b>
<b>Total Liabilities</b>	<b>1,742,904</b>	<b>-</b>	<b>1,742,904</b>	<b>2,277,909</b>	<b>-</b>	<b>2,277,909</b>
<b>Net Assets</b>	<b>268,749</b>	<b>-</b>	<b>268,749</b>	<b>668,063</b>	<b>-</b>	<b>668,063</b>
<b>EQUITY</b>						
Contributed equity	126,946	-	126,946	126,946	-	126,946
Accumulated surplus	141,803	-	141,803	541,117	-	541,117
<b>Total Equity</b>	<b>268,749</b>	<b>-</b>	<b>268,749</b>	<b>668,063</b>	<b>-</b>	<b>668,063</b>

MID WEST DEVELOPMENT COMMISSION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 2005

**34 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONT)**

- (a) Software not forming part of the operating system of the Commission's computers or server will be re-classified under AEIFRS from Property, Plant and Equipment to Intangible assets. The software that will be re-classified has a written down value of nil at 1 July 2004 and \$7,591 at 30 June 2005. This re-classification does not impact the cost or written down value of this software and therefore does not impact on equity.
- b) A portion of the long service leave provision is classified under AGAAP as non-current as it is not expected to be used within twelve months of the reporting date. Part of this non-current portion will be reclassified under AEIFRS as current as the Commission does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- (c) In the note for Provisions under AEIFRS, on-costs other than superannuation on-costs totalling \$4,968 at 30 June 2005 will be disclosed under a separate sub-heading "Other provisions". This is because these on-costs have been deemed not to be related to employee benefits. This is only a change in disclosure and will not impact on the face of the balance sheet nor impact on equity.

**(iii) IMPACTS ON THE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2005**

There are no material differences between the cash flow statement presented under Australian equivalents to IFRS and the Statement of Cash Flow presented under the current AGAAP.



# APPENDICES



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

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

##### **Audit Opinion**

In my opinion,

- (i) the controls exercised by the Mid West 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