



GASCOYNE DEVELOPMENT COMMISSION ANNUAL REPORT 2016 –2017



Cover Photo: Dirk Hartog Island, Denham

Statement of Compliance

Honourable Alannah MacTiernan MLC,

**Minister for Regional Development; Agriculture and Food;
Minister assisting the Minister for State Development, Jobs and Trade**

In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Gascoyne Development Commission for the financial year ended 30 June 2017.

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



Mr Anthony Beard
Chairman
29 August 2017



Mr Gavin Robins
Chief Executive Officer
29 August 2017

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Overview

Chairman's Report

The Gascoyne Development Commission (the Commission) welcomed a new Chief Executive Officer in July, Mr Gavin Robins, who has led the Commission in the continued pursuit of strategies outlined in the Gascoyne Regional Investment Blueprint.

During the year, the Commission was a key participant in the development of the Gascoyne Master Plan (GMP), the Government's flagship Gascoyne region Water for Food initiative. The Commission has been nominated as the lead agency for the ongoing implementation of the GMP and has been leading a Senior Officers Group to progress the Plan's recommendations. Significantly, a number of advanced components of the GMP will implement initiatives not previously deployed in Western Australia.

One of those initiatives is the development of a Primary Producers Peak Industry Body for the Gascoyne. Once established, the Peak Body will be able to better coordinate programs associated with all aspects of the industry, and more adequately respond to industry issues (such as biosecurity) and provide stronger, coordinated representation. The Commission is working in partnership with the Carnarvon Growers' Association (CGA) to implement the Peak Body by the end of 2018.

A significant regional infrastructure project undertaken over the past year was the construction and official opening of the Killili Bridge at Gascoyne Junction. The Commission was central to assisting with the business case and cabinet submission that successfully secured the project funding. The Bridge demonstrated its immediate impact and success during a river flow event in early February 2017, which would previously have closed the river crossing for up to three months.

Post the March election, the Commission has been acclimatising to the changes being implemented by Premier McGowan's Labor Government. The most significant change is the amalgamation of all nine Regional Development Commissions with the Departments of Agriculture and Food, Regional Development and Fisheries. The new entity will be the Department of Primary Industries and Regional Development and all Commission staff will be employed by the new agency from 1 July 2017.

As a precursor to this amalgamation, the Commission's primary focus over the past twelve months has been progressing the Agricultural, Aquaculture, Horticultural and Tourism industries of the region. We have actively sought opportunities for the region's primary producers to collaborate, develop and become more involved in the value added Premium Agrifood industry. To further this, the Commission has embarked on a project that will investigate opportunities to value add to surplus raw product, in a collaborative research initiative with the CGA and Curtin University of Technology.

The Gascoyne Tourism Board has been operating with a Tourism Development Officer for a full year, and actively implementing the Commission's Gascoyne Regional Tourism Strategy. The GDC Board is well represented on the Tourism Board and remains strongly committed to supporting the development of the tourism industry across the Gascoyne.

The Commission continues to work with key agencies in addressing land development issues with emphasis on the potential of the old Justice and Police Complex, and the completion of ageing in place and independent living units infrastructure in Carnarvon.

The Commission's Board approved sixteen grants under the Gascoyne Community Chest Fund and nine Regional Grant Scheme grants in 2016. This funding, available after 1 July 2017 and totalling \$2,961,000, will see the implementation of some great local community infrastructure and service projects in Gascoyne communities.

The Commission farewellled four Board Members in 2016-17, including James Caunt, Robert Todd, Cheryl Cowell and Turk Shales and thank them for their service to the Commission and the region.

I would finally like to thank the Commission's staff for their professionalism and hard work in 2016-17. The Commission has been involved in significant initiatives to pursue future economic growth for the Gascoyne and I acknowledge the collaboration and cooperation of our many partners in government, industry, business and the community in this endeavour. I look forward to continuing these partnerships into 2017-18.



Tony Beard
Chairman
Gascoyne Development Commission

Economic and Social Profile

Introduction

The Gascoyne region possesses a number of competitive advantages including a growing population; strategic horticulture, livestock and aquaculture production capacity within an ideal sub-tropical environment; concentration of diverse tourist activities and amenities with increasing exposure to international markets; increasingly diversified economy; coastal orientation; and proximity to major energy and mineral resources projects with opportunities to tap into project supply chains.

Located in the North West of Western Australia, the Gascoyne is rich in resource and investment potential. It extends along 600km of the Indian Ocean coastline and around 500km inland, for a total area of approximately 138,000 km². Comprising of the Shires of Carnarvon, Exmouth, Shark Bay and Upper Gascoyne with total population of approximately 10,300* people, the Gascoyne is known to have the lowest population density of any region in Australia.

The five Aboriginal language groups of the Gascoyne, the Yinggarda, Baiyungu, Malgana, Thadgari and Thalanyji, have occupied the region for thousands of years and are custodians of its rich heritage as well as very significant contributors to its current economic and social environment.

The Gascoyne accounts for about 5.3% of the State's total land area yet only 0.4% of Western Australia's population. It is an established region with an economy founded on quality horticulture, pastoral and fishery production, resources and tourism. The region is renowned for a mild subtropical climate and enjoys a reputation as the 'sun's winter home' with around 320 days of sunshine each year.

The vast coastal area incorporates internationally recognised features such as the Ningaloo Coast World Heritage Area, Cape Range National Park, Shark Bay World Heritage Area, Monkey Mia, and Coral Bay. The hinterland includes the amazing wonders of Kennedy Range and Mt Augustus National Parks.

The semi-arid, sub-tropical climate of the Gascoyne is apt for the production of various fruits and vegetables. Originally founded on livestock, irrigation from the Gascoyne River has seen the region, particularly Carnarvon, transform into a major horticultural producer, supplying a large portion of Western Australia's fruit and vegetable crops. The coastal orientation of the region supports extensive wild capture and emerging aquaculture-based seafood production. The pleasant climate is also a key attractor for residents and tourists alike.

***Note:** The most accurate total population figures are the Estimated Resident Population (ERP) data provided by the Australian Bureau of Statistics. The most recent ERP figures for the Gascoyne region were released in September 2016 for 2015 and at the time of this publication the data for 2016 had only been released for State and National figures.

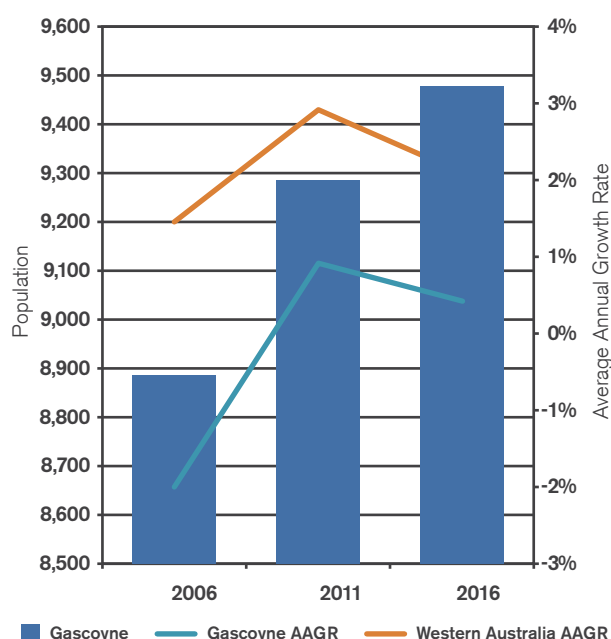
The major industries are tourism, mining, horticulture, retail, fishing, and pastoralism. There are many positives, particularly its strong tourism appeal, sound environmental management, relatively good water resources, broad economic base and climate.

The Commission has developed the *Gascoyne Regional Investment Blueprint* (the Blueprint) which establishes the evidence and framework for achieving an aspirational regional vision by 2050. It includes consideration of global and national mega trends that will influence the Gascoyne's development; the unique characteristics of the Gascoyne population, economy and industry; competitiveness and comparative advantages of the region; and the regional imperatives that will drive growth.

Population

Long-term population decline across the entire region has been reversed since 2007 with positive net migration into Exmouth and strong local fertility rates and household formation supporting growth. Carnarvon has the highest town population and is the regional centre of the Gascoyne.

The Gascoyne experienced significant growth between the 2006 and 2016 Census periods, increasing by 6.65%. The Gascoyne's overall growth has been constrained by Carnarvon's population decline, exhibiting population decreases between nearly all census periods (2001 - 2016). On the other hand, the Shire's of Exmouth, Shark Bay and Upper Gascoyne have shown recent (2011 - 2016) population growth at a greater Average Annual Growth Rate (AAGR) than Western Australia (see below), indicating notable growth in these areas.



The Gascoyne's population is projected to increase to 11,500 by 2026. However, an acceleration of this growth is required in order for the region to achieve a critical mass necessary to support and sustain the delivery of higher order services and facilities. An aspirational population target of 23,000 residents by 2050 has been identified by the Commission, in partnership with Gascoyne local governments. Such a level is regarded as aspirational but achievable and important for the future sustainability of the regional economy.

The Australian Bureau of Statistics (ABS) 2016 Census population statistics for the Gascoyne region were mostly positive with a rise in population from the 2011 Census Usual Resident Population (URP) of 9,288 up to 9,485 in 2016. Each local government area (LGA) recorded the following URP statistics in the 2016 Census:

LGA	2011	+/-	2016
Carnarvon	5,787	↓	5,528
Exmouth	2,393	↑	2,728
Shark Bay	857	↑	946
Upper Gascoyne	251	↑	278

The URP figures released by the ABS do not include transient workers, other long-term visitors to the region, or those people who did not complete a Census form or submitted it after the due date. These are included in the Estimated Resident Population (ERP) figures, which are released every six months.

The Enumeration population on Census day in 2011 for the Gascoyne region, which includes overseas workers and tourists and all other visitors from within Australia was 16,040 people. This demonstrates the almost doubling of the region's population during the tourist season, with an additional 6,752 people recorded in the region above the URP on the 2011 Census day. The 2016 Census enumeration figures have not yet been

released for comparison.

Although there has been population growth over the past ten years the decrease in population over previous years was possibly reflective on a number of economic factors. These factors include a contraction in the pastoral industry, efficiencies and changes in operations in the mining and fishing industries and the impact of social factors such as education and aged care as well as reduced Government services to the region with regional offices closing in Carnarvon.

The latest ERP figures for 2015 were released in March 2016 by the ABS. The figures are a summary of regional population growth throughout Western Australia including the Gascoyne region. Table 1 shows the population figures from 2007 to 2015.

The Gascoyne's overall population was steady from 9,921 in 2014 to 9904 in 2015, which is a growth rate of 1.0 per cent over the five-year period. The majority of the population's residents are concentrated in the regional administrative centre of Carnarvon with 6,098 people. Carnarvon's population dropped slightly by 27 people from 2014 to 2015. This was due to mining staff redundancies and the conclusion to some major infrastructure projects. Tourism, salt mining, horticulture and fishing industries (including prawns and scallops) form the basis of Carnarvon's economy. Growth in the tourism and horticulture industries is expected to create population increases into the future.

The Shire of Exmouth had an ERP of 2,591 in 2015. This number can swell to over 7,000 during the tourist season from May to September. Tourism based around the Ningaloo Reef is the main industry of the Shire. However, support services for the growing offshore oil and gas and cruise-shipping sectors involve many local businesses.

There was a resident population of 951 in 2015 at Shire of Shark Bay, which is mostly based in the town of Denham. Tourism, focused on the Shark Bay World Heritage Area and the Monkey Mia dolphin experience, is the main industry. Significant works were undertaken during 2015/16 in and around Denham in preparation

GASCOYNE POPULATION

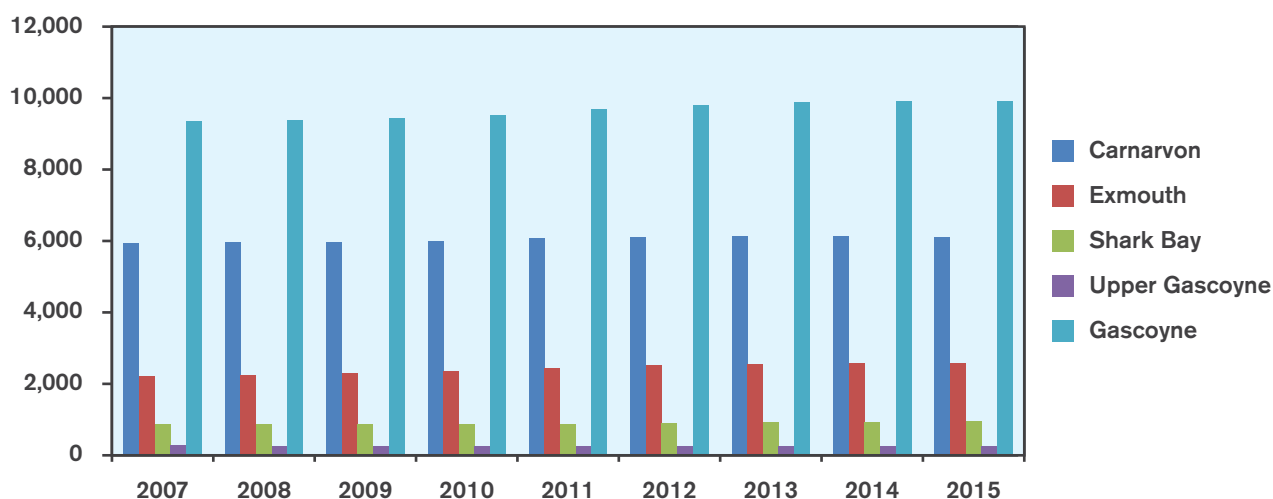


Table 1: Estimated Resident Population 2007 – 2015, Gascoyne Regional Summary. Source ABS

for the celebrations held in October 2016 to mark the 400th Anniversary of the Dirk Hartog landing.

The Shire of Upper Gascoyne had an ERP of 264 people in 2015. Gascoyne Junction is the administrative centre of the Shire with many Aboriginal residents at Burringurrah Aboriginal Community near Mt Augustus. Pastoral operations are the mainstay of the inland Gascoyne. With assistance from the GDC, the Shire commenced work on a new low-level bridge built across the river. The bridge was officially opened on 17 December 2016 and will increase accessibility by around 92% and reduce it as a barrier to further industry growth.

The 2016 Census showed the Gascoyne has a number of significant minority populations with Aboriginal residents making up around 13.4 per cent; English 3.8%; New Zealanders 2%; and Vietnamese 1.6%. Carnarvon has a larger than average Aboriginal population of 18% per cent.

Regional Economic Activity

With two World Heritage listed areas and numerous spectacular national parks, the Gascoyne is well known for its unique marine and terrestrial natural attractions that have seen tourism become the leading industry in the region by value. Visitor spend contributed \$242m to the Gascoyne economy in 2015.

From March 2018 Qantas will begin direct flights from London to Perth. This new international connection enhanced further by the 'Walkabout Fare' (£35 o/w Perth-Learmonth) represents a game changer for regional WA tourism destinations. Estimated average annual visitor numbers to the region were 261,900 average for the years 2014 and 2015 with domestic visitors staying an average of 7.1 nights and international visitors for 9.2 nights.

The industry value of the Gascoyne's mineral production significantly increased between 2007-08 and 2014-15,

experiencing an average annual growth rate of 16.1%. The dominant commodity mined in the Gascoyne is salt, valued at \$85.9 million in 2015-16. In 2015, Useless Loop (Shark Bay Salt Pty Ltd) and Lake MacLeod (Rio Tinto) operated at a combined capacity of 4.2 million tonnes of salt per annum, constituting one third of Western Australia's annual salt production. Western Australia's largest gypsum deposits are located in the Lake MacLeod area. Gypsum and lime sand limestone production was the Gascoyne's second most valuable commodity, valued at \$4.8 million in 2015-16.

Retail turnover was estimated at \$109 million for the 2013/14 financial year. This increased to \$110 million in 2014/15. In 2015/16 retail turnover further increased to \$113 million. A range of national retailers are found in the towns of Carnarvon and Exmouth, both of which are supported by a Chamber of Commerce.

Horticulture, based along the Gascoyne River in Carnarvon is a strong contributor to the economy of the region. In 2014, the Department of Agriculture and Food WA (DAFWA) estimated the Carnarvon horticulture industry to be valued at \$88.23 million. On 13 March 2015, TC Olwyn impacted the Carnarvon horticultural precinct as a Category 3 system, destroying 100% of the banana crops and newly planted vegetable crops, uprooting avocado and mango trees and causing massive infrastructure damage. As a result of TC Olwyn's impact, value for 2015 decreased to \$71.68 million. Production has now returned to pre-cyclone levels and the value for 2016 was \$97,672,070 million.

Commercial fishing is a very significant industry in the Gascoyne, with three of the State's more valuable fisheries operating in the region. These are the Shark Bay Prawn, Exmouth Gulf Prawn and Shark Bay Scallop fisheries. Department of Fisheries WA states that the combined catch of prawns, scallops, crabs and fish was \$42.7 million in 2014/15, which reduced to \$40.8 million for 2015/16.

GASCOYNE MAYOR INDUSTRY TRENDS 2005 - 2015

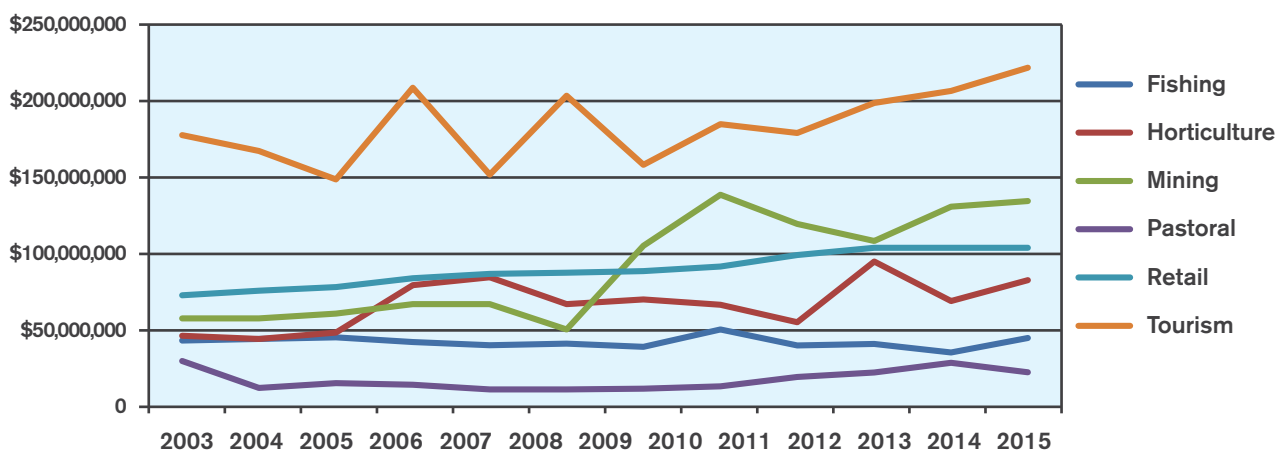


Table 2: Value Trends of Major Gascoyne Industries. Sources: GDC, ABS, Dept of Fisheries WA, Dept Agriculture and Food WA, Tourism WA and Dept of Regional Development.

The region also hosts a small pearling industry. The aquaculture value was \$6.9m in 2014/15, decreasing slightly to \$6.5 million in 2015/16. This makes a combined fisheries value for the Gascoyne of \$47.3 million.

Pastoralism is the Gascoyne's predominant land use, with 80 cattle stations in the Gascoyne in 2014, and the average station area reported at 149,405 hectares. The Gascoyne's pastoral industry production value was approximately \$30 million in 2014. DAFWA and ABS statistics state that for the financial year ending 30 June 2014/15, disposal of sheep and cattle for meat was \$27.6 million and wool production was \$4.5 million, which was a total value of \$32.1 million.

Social

Communities of the Gascoyne are characterised by their geographic isolation with all considered either remote or very remote on the Accessibility Remoteness Index of Australia. Although isolated, Gascoyne communities have access to a range of goods, services, education, medical and recreational facilities. The coastal location and temperate weather conditions provide the basis for a recreational lifestyle focused around the ocean and outback experiences. The Gascoyne has a strong sporting culture with over 140 different sporting clubs and recreational facilities.

Labour force in the Gascoyne as of March 2016 was 5,574 people. This includes 3,348 in Carnarvon; 1,513 in Exmouth; 551 in Shark Bay; and 162 in Upper Gascoyne. Unemployment in the Gascoyne in March 2016 was 10.2%. Exmouth, Shark Bay and Upper Gascoyne unemployment rate is steady at 5.6%, however Carnarvon's unemployment rate is 13.2%. Carnarvon's unemployment rate differs largely compared to the other regions of Western Australia at 6.5% and Perth at 6.2%.

Operational Structure

Minister Responsible

The Hon. Alannah MacTiernan MLC, Minister for Regional Development; Agriculture and Food; Minister assisting the Minister for State Development, Jobs and Trade

Enabling Legislation

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

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

- a) Maximise job creation and improve career opportunities in the region.
- b) Develop and broaden the economic base of the region.
- c) Identify infrastructure services to promote business development within the region.
- d) Provide information and advice to promote business development within the region.
- e) Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area.
- f) Generally take steps to encourage, promote, facilitate and monitor the economic development in the region.

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

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

Gascoyne Development Commission Board

The Commission has a Board of Management comprising of 6 members who are appointed by the Minister, and the Chief Executive Officer, by virtue of office. The Minister appoints the Chairman and the Deputy Chairman.

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

- One third will be nominated by local councils in the region.
- One third may be appointed at the Minister's discretion.
- One third is to be persons who are resident in the region and nominated by the community.

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

Board Profiles

Members 2016-2017

Chairman Mr Anthony Beard

Mr Paul Kelly, Cr Eddie Smith, Cr Don Hammarquist, Cr Laurence Bellottie, Mr Gavin Robins (Ex-officio)

Mr Anthony (Tony) Beard (Chairman, Community Appointment, Carnarvon)

Mr Beard is the owner of the Port Hotel in Carnarvon. Tony has a strong background in Small Business and Financial Planning including being principal of his own real estate practice in Perth and Carnarvon. He has been a member of several boards including past president of the Carnarvon Chamber Of Commerce and Industry and a past Chairman of the St Mary's Star of the Sea School Board.

Tony was a Ministerial appointment to the Commission in 2011 as Chairman.

Cr Laurence (Ben) Bellottie (Ministerial Appointment, Shark Bay)

Mr Bellottie is a Councillor for the Shire of Shark Bay. He is a local Mulgana man who has lived in Shark Bay all his life and was a professional net fisherman for 23 years.

Ben has served on the Commission Board since 2014 as a Ministerial appointment.

Mr Paul Kelly (Community Appointment, Carnarvon)

Mr Kelly is the Commercial and Agri Business Manager for the ANZ Bank's Carnarvon branch. He has more than 10 years' experience driving major events (sport and food) and tourism related strategies for Gascoyne non-profit organisations. Paul is also a board member of the Gascoyne Food Council.

Paul was a Community appointment to the Commission Board in 2012.

Cr Donald Hammarquist (Ministerial Appointment, Upper Gascoyne)

Mr Hammarquist is the Proprietor/Operator of Mt Augustus Station, Dooley Downs Station and the Mt Augustus Tourist Park. Don is a Councillor for the Shire of Upper Gascoyne, a member of the Eastern Gascoyne Race Club and a member on numerous committees in the Gascoyne region.

Don joined the Commission Board as a Ministerial appointment in 2014.

Cr Eddie Smith (Local Government Appointment, Carnarvon)

Mr Smith is a Councillor for the Shire of Carnarvon. Eddie is self-employed, successfully managing transport and horticulture businesses for the past 30 years. Eddie is a member of the Carnarvon Community College Council and the Carnarvon Speedway Club.

Eddie joined the Commission Board as a Local Government appointment in 2016.

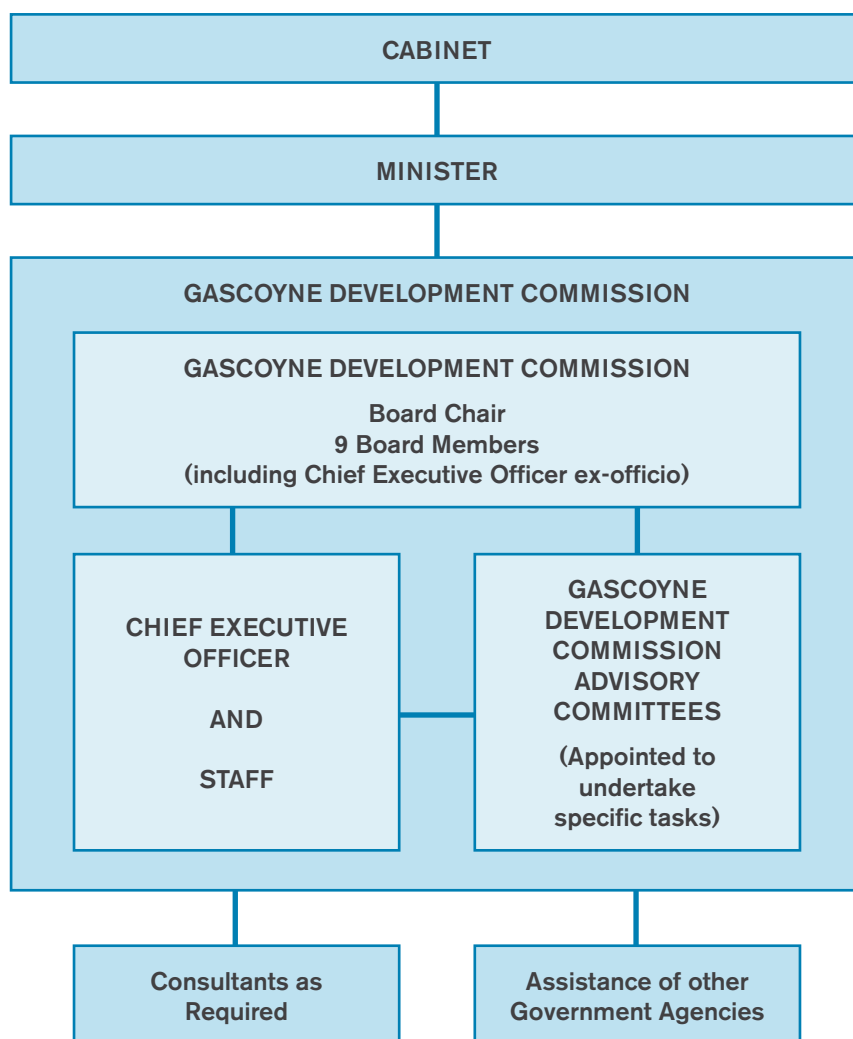
Mr Gavin Robins

Mr Robins is the Chief Executive Officer for the Gascoyne Development Commission.

Board movements during the year:

Mr Geoff Strickland	Contract Completed
Cr Cheryl Cowell	Term Completed
Cr James Caunt	Term Completed
Cr Robert Todd	Resigned
Cr Turk Shales	Removed from Office

Organisational Flow Chart



Staff

Staff positions at 30 June 2017:

Gavin Robins, Chief Executive Officer
Anne Sinclair, Acting Manager Regional Development
Vanessa Vandeleur, Chief Financial Officer
Paul Hannah, Senior Project Officer
Jill Dwyer, Project Officer
Melanie Foxley, Project Officer
Odile May, Project Officer
Julie-Anne Collins, Corporate Services Officer
Stefan Chappell, Project Research Officer
Carleen Ryder, Administration and Accounts Officer
Bronwyn Jones, Administration and Accounts Officer

Staff movements from the Commission during the year:

Rachelle Davies	Contract Completed
Kylie Pears	Resigned
Tracy Pears	Contract Completed
Thomas Rundle	Contract Completed
Geoff Strickland	Contract Completed
Cornelia Tolsdorf	Contract Completed

Outcome Based Management

Operational Purpose

This annual report is presented in terms of the Commission's targeted service of Regional Development. Resources and project effort are directed to the Government's goal of a stronger focus on the regions.

Government Goal

A Stronger Focus on the Regions:

Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.

Desired Outcome

An environment conducive to the balanced economic and social development of the Gascoyne region.

Gascoyne Development Commission Service

Regional Development.

Our vision

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

Our mission

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

Our values and principles

The Gascoyne Development Commission is committed to:

- Sustainability
- Current and future generations
- Respect and diversity
- Partnerships
- Community consultation and involvement
- Fair and transparent processes
- Fiscal responsibility and accountability
- Innovation

Priority Areas

- Developing Industries and Markets
- Improving Regional Accessibility and Connectivity
- Advancing Human Capacity and Knowledge
- Encouraging Innovation
- Developing Aboriginal and Small Business Economic Capacity
- Enhancing Health and Lifestyle

Gascoyne Regional Investment Blueprint

The Blueprint was released in November 2015 and is available on the Commission's website.

Our Projects

The Commission's programs and activities are based against the objects and functions according to the Regional Development Commissions Act 1993. Accordingly, programs and activities are reported at 2.1 under the following categories:

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

Agency Performance

Report On Activities

The activities of the Commission are focused on achieving a regional environment conducive to the balanced economic and social development of the Gascoyne region.

The Commission regularly reviews its corporate strategy and planned activities in order to assess outcomes against the Commission's objectives and functions.

Projects undertaken during the financial year are described on the following pages.

These projects emanate from the Gascoyne and contribute to the State Government's strategic framework.

Maximise regional job creation and improve career opportunities in the region

This program area is based on recognition that promoting job creation and improving career opportunities will have economic and social benefits for the Gascoyne region.

Capacity Building

In 2016-17, the Commission focused on capacity building training for its staff and Board members and providing Grant Information sessions to the local community. Opportunities to extend training activities to other organisations are always considered.

Outcomes

- A number of training opportunities were identified and attended by staff and Board members during the financial year. These included:
 - o Certificate III in Business Administration
 - o Cluster Development
 - o Company Directors
 - o Communications and Media
 - o Conflict Resolution
 - o Cultural Awareness
 - o Disability Access and Inclusion
 - o Executive Media Training
 - o Ethical Decision Making
 - o Fire Warden
 - o Fire Safety and Management
 - o Freedom of Information
 - o Injury Management
 - o Oracle
 - o RiskCover
 - o PFA2 First Aide
 - o Public Interest Disclosure
- The Commission delivered a series of Grant Information sessions to towns across the region including Carnarvon, Exmouth and Denham. Over 50 people attended the sessions, which included information on completing applications and managing and submitting funding acquittals. The success of these sessions was reflected in the number of grant applications submitted, with 25 Gascoyne Community Chest Fund applications and 19 Gascoyne Regional Grants Scheme applications received. The Commission joined the Mid West Development Commission to conduct a Grant Writing Workshop in Binnu to the Isolated Children's Parents Association..

Develop and broaden the economic base of the region

This program area seeks to broaden and diversify the economic base of the region, based on regional imperatives, tourism, mining and energy, and population services.

Food Industry

Horticulture, pastoralism and wild capture seafood are key industries in the Gascoyne, with horticulture, as the third largest employer, centred along the Gascoyne River near Carnarvon. There is considerable planning and development opportunities for Gascoyne food producers to capitalise on industry development and greater utilisation of our natural assets through the Water for Food Gascoyne Master Plan which will underpin the development of additional land for horticulture and be an enabler for the diversification of the pastoral industry, potentially through irrigation. Enormous potential for growth exists, given the global demand for quality food and the strategic position of the Gascoyne to Asian markets.

The Commission is currently investigating new and expanded industry opportunities within the region that could transform the economy of the Gascoyne and bring significant additional revenue into Western Australia. The Commission has developed stronger relationships with the Department of Agriculture and Food (DAFWA), and view them as a key government agency partner for the successful implementation of our priority projects.

A successful relationship has been developed with the Premium Food Centre's Food Industry Innovation, Food Trade and Agribusiness Project. This relationship has also enabled the Commission to progress agribusiness and processing initiatives, as well as provided valuable links to DAFWA's Irrigated Agriculture portfolio.

A study into the feasibility of establishing a Multi Food Processing Facility in Carnarvon was completed in 2016. Whilst the study looked at potential locations and processes, it did not identify the market opportunities for specific products that would determine market demand and product viability. The Commission therefore has entered into a Research Services Agreement with Curtin University to undertake a project that will result in the development of up to ten value-added products using Gascoyne produce. With a focus on food waste reduction and bio-security, the project will explore opportunities for value adding to fruits, vegetables, meats and seafood. The study will include consideration of products not only for human consumption, but also for alternative uses such as bioenergy / biogas, nutraceuticals, pet foods and compost.

Once the key products have been identified, the Commission can determine the feasibility of installing locally based commercial food processing and logistics infrastructure to support commercial production. This project underpins the development of new, skilled employment opportunities associated with primary production in the Gascoyne.

The Commission and Curtin University will continue to work with the DAFWA's Premium Food Centre to identify market opportunities for value added foods for the domestic and importantly, the export market.

The Gascoyne Food Council have been funded to develop a Regional Food Brand and Marketing Strategy, to raise the profile of food produced in the Gascoyne. This project will be implemented in parallel with the Commission's collaborative research project.

Outcome

- The Department of Agriculture and Food WA, Curtin University and the Carnarvon Growers Association are considered to be a driving and coordinating force to partner with the Commission to assist in the delivery of the Food Production Regional Imperative identified in the Gascoyne Regional Investment Blueprint.
- The Commission has provided financial support for the Gascoyne Food Council for a number of initiatives aimed at raising the profile and marketability of Gascoyne produce.
- The Gascoyne Water Master Plan, as part of the Water for Food initiative, has resulted in a number of key recommendations set out to progress the development of primary industry in Carnarvon, and manage the Gascoyne natural assets with more efficiency.
- The Commission continues to support the Gascoyne Foodbowl Initiative and other programs aimed at the expansion and diversification of the Gascoyne food industry.

Tourism in the Gascoyne

Tourism is the key economic driver for the Gascoyne supporting 200 tourism businesses and directly employing 550 people with a \$242 million visitor spend goal by 2020. The Commission continues to play a key role through Board representation and in-kind support to the Gascoyne Tourism Board Inc. as the Gascoyne Regional Tourism Strategy is implemented through Gascoyne Regional Grant Scheme funding.

Outcomes

- The Gascoyne Industry Familiarisation was a collaborative initiative supported by forty-four accommodation providers, tour operators, visitor centres, attractions and artists, together with TAFE and DPaW. Two four-day / three-night itineraries led to a greater understanding of the region and its opportunities. Strategically themed around connect and collaborate and targeting increases in regional dispersal, visitor satisfaction, length of stay and spend, outcomes for participants included;
 1. Increased ability, through a better understanding of regional experiences, to 'on-sell' the region;
 2. Networking and peer observation; and
 3. Conception of mutually beneficially business relationships leading to product packaging.

Identify infrastructure services to promote business development

Infrastructure is an enabler of regional growth. It involves construction, upgrading and maintenance of transport routes, facilities, communications, power and water services. The Commission is mindful that distance and isolation must not give cause to unsatisfactory supply and service levels.

Exmouth Marine Infrastructure

Cruise lines identify Exmouth as the evolutionary destination for Western Australia's cruise sector. Given this, and noting the constraints of expanding Exmouth Boat Harbour, the Blueprint recognises marine infrastructure development as an imminent priority.

The Exmouth Floating Deck project has been identified as having the potential to create transformational long-term change for the region and address the issue for reliable berthing facilities for cruise vessels.

The project is proposed as a short term solution that can be implemented whilst work continues on the longer term goal of constructing the land-backed Exmouth Deep Water Wharf. The delivery and implementation of the project will complement Exmouth's advantageous geographical location and create a vibrant new business environment for northern and Western Australia; capitalising on tourism, defence, resource and agricultural industries.

Outcomes

- Early analysis and recommendations indicate that marine infrastructure will develop and broaden the economic base of the Gascoyne region.
- The Commission will continue to work on the development of a competitive Business Case for the project.
- The Commission has developed a Project Reference Group to provide guidance and strategic direction for the planning and development of the project.

Mobile Phone Coverage

Communities in the Gascoyne are geographically isolated, considered remote or very remote on the Accessibility Remoteness Index. The Commission has continued to push for additional mobile telecommunication towers to cover known mobile black spots across the region.

All Mobile Black Spot Program Round (MBSP) 1 sites are due for completion by 31 December 2018. MBSP 2 funding agreements have been signed with both Telstra and Optus and the rollout officially commences on 1 July 2017. Both carriers are already working on site acquisition and approvals. Telstra will be establishing 55 sites and Optus 23 in WA.

Department of Communications and the Arts (DoCA) posted the Government Priority Locations list for MBSP Round 3 in May 2017 nominating 125 locations, of which only 7 are within WA (all located on the urban fringe). If there is any residual MBSP 3 funding, the

DoCA is likely to run a similar process to MBSP Rounds 1 and 2, at which point WA will have an opportunity to put forward additional sites.

Outcome

- The Commission continues to work closely with Department of Commerce to ensure priority areas for mobile phone coverage in the Gascoyne are known and have the opportunity to receive funding.
- It was announced that the Gascoyne will receive additional mobile telecommunication towers across the region through the Federal Blackspot program and Royalties for Regions Regional Telecommunications Project.

Gascoyne Junction Low Level Bridge

The Commission has been working with the Shire of Upper Gascoyne and other key stakeholders to complete the construction of a low level bridge for the Gascoyne River at Gascoyne Junction.

The project, which is almost completed, has already provided essential infrastructure for the remote town of Gascoyne Junction and reduced road closure times down by over 90%. The new crossing will improve accessibility for the mining industry, access to the Dampier to Bunbury Gas Pipeline, pastoralists, residents and tourists visiting the town, Shire and inland region.

Outcomes

- The project was approved by Cabinet on 31 May 2016 and the Commission has been managing the Financial Assistance Agreement for \$9.045 million Royalties for Regions funding provided to the Shire of Upper Gascoyne.
- The bridge was officially opened on 17 December 2016, but related works being undertaken as part of the project, including an upgrade of the crossing at Bundagee Wash, are anticipated to be complete by mid 2017.

Regional Air Services

Improving regional accessibility and connectivity has been highlighted as one of the six Transformational Pillars in the Blueprint. Quality, affordable and regular aviation services are critical to maintaining and growing domestic and international tourism, developing domestic and international opportunities for food export, as well providing adequate servicing to the residents and communities of the Gascoyne.

Outcomes

- The Commission continues to be proactive in regard to improving air services to the Gascoyne region.

One Mile Jetty Heritage Precinct

Interpretive Gallery – The Commission is assisting the Carnarvon Heritage Group to engage a consultant to research, design, manufacture and install an exhibition in their Interpretive Gallery space at the One Mile Jetty Interpretation Building.

The exhibition will focus on the history of Carnarvon and the important role the One Mile Jetty played in the development of the horticultural, fishing and pastoral industries.

One Mile Jetty - In December 2016, the Commission released a request for quotation (RFQ) for a comprehensive structural assessment of the One Mile Jetty, including a condition report, detailed list of works required to repair the jetty neck, and the jetty neck plus head. In addition, the RFQ requests cost estimates for repair works, and a forecast of cost estimate to maintain the jetty structure in a safe and operational condition, for a period of 10 and 20 years.

It is likely that a full inspection, including divers' assessment, will be undertaken during July 2017.

Coral Bay Redevelopment

In consultation with industry stakeholders, the Commission developed a Business Case in 2016 to address essential infrastructure needs in Coral Bay including upgrades to roads, paths, visitor facilities and foreshore conservation to improve visitor amenity and enable an increase in visitor accommodation.

The Project is consistent with recommendations in the Coral Bay Settlement Structure Plan (2014) and ensures tourism at Coral Bay can grow sustainably in keeping with UNESCO's World Heritage listing of the Ningaloo Reef.

Suitable sources of funding for the project are yet to be secured, however the Commission is continuing to work closely with stakeholders including the Shire of Carnarvon Baiyungu Aboriginal Corporation and the Department of Parks and Wildlife.

Baiyungu Track

The Commission has been working with the Baiyungu Aboriginal Corporation on the planning for the Baiyungu Track. The completed Baiyungu Track is a proposed trail which will stretch 350 kilometres from Carnarvon to Exmouth and incorporate walking, mountain bike riding and kayaking. The Commission has been focusing on developing the first two stages of track near Coral Bay. The Track is an important opportunity for the Baiyungu Aboriginal people to become more involved in tourism and to increase their management role in their traditional land and waters of the Ningaloo Coast.

Outcomes

- The Commission funded a consultant to develop a business, governance and marketing plan for Stages 1 and 2 of the Track. A Track Design Plan has also been completed for Stage 1 from the boat ramp to Bill's Bay Lookout.
- The Commission has incorporated Stage 1 into a broader Coral Bay Development project that includes an extension to Banksia Drive, implementation of the Coral Bay Foreshore Management Plan and changes to Robinson Street. Funding is currently being sought to progress the project.

Provide information and advice to promote business development

This program area is designed to ensure that the Gascoyne business community is not disadvantaged due to the isolation and distance from major population centres by way of providing business development opportunities

Gascoyne Aboriginal Land and Sea Management Strategy

The Commission's investment in a consultative process to develop an Aboriginal Land and Sea Management Strategy was a direct outcome of the Gascoyne Aboriginal Business Development Forum held in March 2016.

The initiative culminated in the development of a living document that can be used as a framework for the implementation of a Gascoyne specific Aboriginal Ranger and Land and Sea management program. The Aboriginal Land and Sea Management Strategy and framework for the Aboriginal Ranger program was finalised in November 2016, by consultants Aboriginal Biodiversity Conservation (ABC) Foundation.

The ABC Foundation has progressed several initiatives from the Strategy without the support of government funding. The Aboriginal Ranger program is well underway, and the Commission continues to work with the ABC Foundation, to support the continued implementation of the Gascoyne Aboriginal Land and Sea Management Strategy.

There is much recent evidence to support programs such as these. Evidence suggests that Aboriginal Ranger programs directly result in a significant decrease in social disadvantage and unemployment for Aboriginal people where they are implemented.

GascoyneConnect

GascoyneConnect is a free online directory which has been developed by the Commission to promote building, construction and associated services in the Gascoyne and to increase their exposure to contract opportunities in the Gascoyne, Pilbara and Midwest regions. Project managers within and outside of the Gascoyne can access GascoyneConnect to search for local suppliers who can provide quotations on goods and services.

Outcome

- Forty four Gascoyne businesses have registered online, enhancing their profile and capability and connecting tender opportunities.

Business Development

The Commission is continually seeking initiatives that will enhance business development in the region and has an information sharing and liaison role with key bodies such as Business Local, Exmouth and Carnarvon Chambers of Commerce and Industry groups, and collaborates on initiatives to promote and support training.

Likewise the Commission participates in reference and consultation groups, which includes liaison with air service providers, oil and gas companies and Department

of Defence.

Carnarvon was selected as a new Regional Centre for development in 2016, and therefore the Shire of Carnarvon, the Carnarvon Chamber of Commerce and Industry and the Commission continue to develop the Carnarvon Regional Centres Development Plan, which outlines areas of future development and focus, to grow the economic capacity of the region.

Aboriginal economic development has been a major focus during the last twelve months, with the development of the Gascoyne Aboriginal Land and Sea Management Strategy, developed in partnership with the Aboriginal Biodiversity Conservation (ABC) Foundation. This strategy details several opportunities for Aboriginal business development through land management and cultural tourism opportunities.

Areas of other business development include agriculture, aquaculture, tourism and mining. The Commission is facilitating as necessary to provide opportunities for local business development, including the preparation of Expressions of Interest for specific activities.

Outcomes

- The Commission supported the Shire of Shark Bay to assist local businesses to maximise their potential from the Dirk Hartog 400th Anniversary Celebrations through a series of meetings to ensure their readiness for this event.
- The Commission co-partnered with the Carnarvon and Exmouth Chambers of Commerce and Industry in events to promote business collaboration in the region.
- The Commission co-partnered with Tourism Western Australia to promote discussion on economic and social prosperity within the Tourism industry.
- The Commission was the Platinum sponsor of the inaugural Gascoyne Regional Business Awards.
- The Commission continues to advocate for business development opportunities in the region including the development of berthing facilities for cruise ships in Exmouth.
- The Commission has co-partnered with the Carnarvon Chamber of Commerce and Industry and the Shire of Carnarvon to develop a Regional Centres Development Plan.

Seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area

The Commission is a link in the consultation process between State Government, local government, community and special interest groups. The Commission advocates for fair and accessible services that are of a standard equivalent to those of the metropolitan area. This program area is focussed on consultation, planning and liaison.

Old Police and Justice Site Development

Following the opening and relocation of the new Carnarvon Police and Justice Complex in 2015, the Commission took the lead role in overseeing the future development of the old justice precinct site. As part of this role the Commission coordinated consultation and liaison with relevant stakeholders to provide advice on future interim use and management of the site, identify parties responsible for land management and building maintenance costs, and investigate future available options for the old justice site through the development of a detailed site master plan.

In mid 2016, the Shire of Carnarvon secured \$20,000 under the Northern Planning Program to prepare a Civic Precinct Revitalisation Plan to guide redevelopment of land surrounding vacant civic buildings in Carnarvon. Primarily this will focus on zoning changes for the Civic Precinct, including the Site. The Shire have preliminarily indicated their preference for the Site to be rezoned commercial which is supported by the Commission as it provides a wider range of options for future development.

Department of Lands (DoL), via the Land Asset Sale Program (LASP), is currently investigating the future land use of the Site, subject to the existing infrastructure being identified as surplus to the State Government's requirements.

Outcomes

- Key role in the progression of divestment through the Department of Lands.
- Continuing liaison and participation on planning for the Site.

Ageing in Place and Aged Care

The Commission is working with the Shire of Carnarvon, Department of Health, Department of Housing, Gascoyne Memorial Foundation, Silver Chain and other stakeholders to complete a feasibility study, detailed design report and investment prospectus to ascertain the viability, and costs involved in constructing, maintaining and servicing an "ageing in place" facility, including independent living units. All studies will be completed and the project will be "shovel ready" to seek private funding for construction of the facility.

Outcome

- An allocation of \$250,000 was secured from the RFR Regional Community Services Fund program towards the feasibility and detailed design stage of the Carnarvon Ageing In Place project in partnership with the Shire of Carnarvon.

Generally take steps to encourage, promote, facilitate and monitor economic developments in the Gascoyne region

This program highlights the activities the Commission undertakes to encourage, promote, facilitate and monitor economic development in the Gascoyne region.

Shark Bay, Exmouth, Upper Gascoyne and Carnarvon Liaison Program

The Commission's officers undertake liaison roles to assist local government authorities, small business and communities in the Gascoyne with economic, social, and cultural development. Commission officers continue to be a point of contact and undertake regular scheduled visits to the regional centres.

Outcomes

- Support was provided to the Shire of Shark Bay and community groups in the preparations of Dirk Hartog 2016 400 Year Celebrations, grant funding applications and capacity building.
- The Commission has an office and staff member in Exmouth who provides the Commission's services to the Exmouth community, and partners with Shire of Exmouth to exchange information that will contribute to the economic and social development of the region.
- The Commission are assisting with the facilitation of the Gascoyne Master Plan, a Water for Food Initiative. We continue to assist local organisations to implement recommendations from the plan and build capacity in Primary industries of the region.
- Commission support for the Shire of Upper Gascoyne has focused on developing a new Gascoyne River bridge at Gascoyne Junction, Kennedy Range National Park Loop Road development, realignment of the Mt Augustus to Paraburdoo Road; sealing of the road from Gascoyne Junction to Landor and water infrastructure.
- Located in the Shire of Carnarvon, support is provided to Coral Bay Settlement's development through a Commission liaison officer role. Projects currently being developed in Coral Bay include the Baiyungu Track Stages 1 and 2, extension of Banksia Drive, pedestrianisation of Robinson Street and the Coral Bay Foreshore Management Plan's implementation.

Gascoyne Regional Grants Scheme and Community Chest Fund

RfR is a State Government program designed to promote long-term development in Western Australia's regions. It aims to help local communities grow and prosper through the promotion of local decision-making and is specifically designed to help regions attract the resources needed to support development. The Gascoyne Regional Grants Scheme (RGS) and the Gascoyne Community Chest Fund (CCF) are administered by the Commission as part of RfR. The Gascoyne RGS and CCF's broad objectives are to:

1. Increase capacity for local strategic planning and decision-making.
2. Retain and build the benefits of regional communities;
3. Promote relevant and accessible local services;
4. Assist communities to plan for a sustainable economic and social future;
5. Enable communities to expand social and economic opportunities; and
6. Assist regional communities to prosper through increased employment opportunities, business and industry development opportunities, and improved local services.

In 2016-17, the Commission conducted a grant round of which nine projects were recommended through the Gascoyne RGS and 16 projects through the Gascoyne CCF for funding after 30 June 2017.

The Commission continues to work with all outstanding grant proponents to ensure the finalisation of all funded projects.

Dirk Hartog 400 Year Celebrations

The 25 October 2016 marked the 400th anniversary of Dirk Hartog landing on Dirk Hartog Island. The Commission assisted and supported the Department of Premier and Cabinet to deliver the State funded initiatives that included a commemorative event on Dirk Hartog Island.

The Shire of Shark Bay held a five-day festival to celebrate the anniversary between 21 to the 25 October 2016. The Commission assisted the Shire and a number of community groups to identify and apply for funding, resulting in \$570,621 of RfR funding being secured for the event. The successful festival attracted over 7,500 people and drawing interstate and international attention to the region.

Actual Performance Compared to Resource Agreement Targets

Government Goal

Ensuring that regional Western Australia is strong and vibrant.

Effectiveness Indicators

The activities of the Commission are focused on the attainment of an environment conducive to the balanced economic and social development of the Gascoyne region.

The Commission relies on strategic forward planning and specific projects to achieve economic and social development of the region. Projects vary widely to encompass developing policies, strategic plans and their implementation, encouraging business investment, identifying social and cultural infrastructure to improve business growth and quality of life, and regional promotion.

Key Effectiveness Indicators

The Commission is successful in addressing key performance indicators and makes a positive contribution to the economic and social development of the Gascoyne region.

Customer Survey

A Customer Survey of the Commission's database of contacts was undertaken in April-May 2017 to solicit responses relating to the achievement of the Commission's service.

Out of the 131 questionnaires sent, the Commission received 19 responses.

Respondents were asked if the Commission is effective and makes a positive contribution to the economic and social development of the Gascoyne region. Nearly 90 per cent of respondents thought the Commission was average or better in this regard.

The effectiveness indicator below is the average of the results of the question asked above.

Key Performance Indicators	Target 2017	Actual 2017	Actual 2016	Actual 2015	Actual 2014	Actual 2013	Actual 2012	Variance
Key Effectiveness Indicator: An environment conducive to the balanced economic and social development of the Gascoyne region	90%	89%	79%	94%	98%	86%	93%	1%

The Commission's focus during 2016/17 was directed towards the completion of numerous output focused projects, and the development of relationships with regional and State partners in order to achieve long term strategic goals; as being identified and developed within the Gascoyne Regional Investment Blueprint.

Service: Regional Development.

Key Efficiency Indicators

Cost per project hour

The following table records the total cost of services per project hour as an audited key efficiency indicator.

Key Performance Indicators	Target 2017	Actual 2017	Actual 2016	Actual 2015	Actual 2014	Actual 2013	Actual 2012	Variance
Key Efficiency Indicator: Cost per project hour	\$104	\$140	\$114	\$114	\$108	\$118	\$152	\$36

The Commission's budget is directed to numerous output focused projects supporting the economic and social development of the Gascoyne region. External funding sources and networking partners are continually sought to enhance project scope and effectiveness. The attraction of additional funding (or the withdrawal of anticipated funding) can result in wide variations between expectations and actual results. Additional external funding will increase expenditure and result in a higher cost per project hour and vice versa. To help counter some distortion, the figures for this year and prior years have been adjusted to exclude grant expenditure. The Commission continues to recognise that the total FTE of the Commission supports its role in the economic and social development of the Gascoyne region.

Ministerial Directives

No Ministerial directives were received during the financial year.

Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Gascoyne Development Commission's performance, and fairly represent the performance of the Gascoyne Development Commission for the financial year ended 30 June 2017



Mr Anthony Beard
Chairman
20 August 2017



Mr Gavin Robins
Chief Executive Officer
20 August 2017

Significant Issues Impacting the Agency

On 28 April 2017, the Premier of Western Australia announced significant changes to the public sector aimed at creating collaborative departments focused on whole-of-Government objectives.

As of 1 July 2017, the departments of Agriculture and Food, Fisheries, and Regional Development amalgamated to establish the Department of Primary Industries and Regional Development (DPIRD). Staff (excluding the CEO's and Board Members) from the nine Regional Development Commissions transferred to the new Department, although the Regional Development commissions remain as legal entities.

Disclosures and Legal Compliance

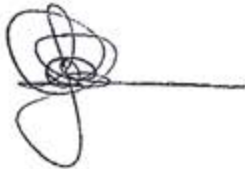
Financial Statements

Certification of Financial Statements

For the year ended 30 June 2017

The accompanying financial statements of the Gascoyne Development Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2017 and the financial position as at 30 June 2017.

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



Julie-Anne Collins
Acting Chief Finance Officer
22 August 2017



Gavin Robins
Chief Executive Officer
22 August 2017



Anthony Beard
Chairman
22 August 2017



Statement of Comprehensive Income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	1,491,846	1,515,663
Supplies and services	7	801,720	736,093
Depreciation and amortisation expense	8	1,590	4,942
Accommodation expenses	9	153,013	149,127
Grants and subsidies	10	1,298,539	770,316
Other expenses	11	9,689	9,969
Total cost of services		3,756,397	3,186,110
Income			
Revenue			
User charges and fees	12	18,388	36,751
Other revenue	13	37,059	7,443
Total Revenue		55,447	44,194
Total income other than income from State Government		55,447	44,194
NET COST OF SERVICES		3,700,950	3,141,916
Income from State Government			
Service appropriation	14	261,000	256,000
Services received free of charge		9,590	9,262
Royalties for Regions Fund	14	3,454,457	2,684,121
Total income from State Government		3,725,047	2,949,383
SURPLUS / (DEFICIT) FOR THE PERIOD		24,097	(192,533)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		24,097	(192,533)

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



Statement of Financial Position
As at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	26	65,086	93,905
Restricted cash and cash equivalents	15,26	742,374	576,374
Receivables	16	31,365	76,751
Amounts receivable for services	17	34,000	34,000
Other assets	18	-	53,336
Total Current Assets		872,825	834,366
Non-Current Assets			
Plant and equipment	19	6,232	7,822
Total Non-Current Assets		6,232	7,822
TOTAL ASSETS		879,057	842,188
LIABILITIES			
Current Liabilities			
Payables	22	15,158	45,491
Provisions	23	112,864	72,576
Other liabilities	24	5,144	8,249
Total Current Liabilities		133,166	126,316
Non-Current Liabilities			
Provisions	23	79,665	73,743
Total Non-Current Liabilities		79,665	73,743
TOTAL LIABILITIES		212,831	200,059
NET ASSETS		666,226	642,129
EQUITY			
Contributed Equity	25	90,000	90,000
Accumulated surplus		576,226	552,129
TOTAL EQUITY		666,226	642,129

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



Statement of Changes in Equity
For the year ended 30 June 2017

	Note	Contributed equity \$	Accumulated surplus/(deficit) \$	Total equity \$
Balance at 1 July 2015	25	90,000	744,662	834,662
Surplus for the year		-	(192,533)	(192,533)
Balance at 30 June 2016		90,000	552,129	642,129
Balance at 1 July 2016		90,000	552,129	642,129
Deficit for the year		-	24,097	24,097
Balance at 30 June 2017		90,000	576,226	666,226

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

Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		261,000	256,000
Royalties for Regions Fund		3,454,457	2,684,121
Net cash provided by State Government		3,715,457	2,940,121
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,455,133)	(1,742,956)
Supplies and services		(772,424)	(774,238)
Accommodation		(153,013)	(149,127)
Grants and subsidies		(1,298,539)	(770,316)
GST payments on purchases		(221,197)	(140,407)
Receipts			
User charges and fees		18,388	36,751
GST receipts on sales		4,654	12,773
GST receipts from taxation authority		241,720	127,634
Other receipts		57,268	20,536
Net cash used in operating activities	26	(3,578,276)	(3,379,350)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		-	(7,952)
Net cash used in investing activities		-	(7,952)
Net (decrease)/increase in cash and cash equivalents		137,181	(447,181)
Cash and cash equivalents at the beginning of the period		670,279	1,117,460
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	26	807,460	670,279

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

Notes to the Financial Statements

For the year ended 30 June 2017

Note 1. Australian Accounting Standards

General

The Commission's financial statements for the year ended 30 June 2017 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Commission has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2017.

Note 2. Summary of significant accounting policies

(a) General statement

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

The *Financial Management Act 2006* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

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

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

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

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

(c) Reporting entity

The reporting entity comprises the Commission.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

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

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

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

Service appropriations

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

Grants, donations, gifts and other non-reciprocal contributions

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

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

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

Gains

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

(f) Property, plant and equipment and infrastructure

Capitalisation/expensing of assets

Items of property, plant and equipment and infrastructure costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

Property, plant and equipment and infrastructure are initially recognised at cost.

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

Subsequent measurement

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

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets.

Depreciation

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

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

Furniture and Fittings	8 years
Office equipment and Integrated Software	3 to 5 years

(g) Impairment of assets

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Authority is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(h) Leases

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

(i) Financial instruments

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

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

Financial instruments have been disaggregated into the following classes:

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

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

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

(j) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand.

(k) Accrued salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

(l) Amounts receivable for services (holding account)

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

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(n) Payables

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

(o) Provisions

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

Provisions - employee benefits

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

Annual leave

The liability for annual leave that is expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Long service leave

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Superannuation

The Government Employees Superannuation Board (GESB) and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

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

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Commission makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Commission's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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

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

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

Provisions – other

Employment on-costs

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

Remediation costs

A provision is recognised where the Commission has a legal or constructive obligation to undertake remediation work. Estimates are based on the present value of expected future cash outflows.

(p) Superannuation expense

The superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to GSS (concurrent contributions), WSS, the GESBS and other superannuation funds.

(q) Assets and services received free of charge or for nominal cost

Assets or services received free of charge for nominal cost that the Commission would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

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

(r) Comparative figures

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

Note 3. Judgements made by management in applying accounting policies

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

Operating lease commitments

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

Note 4. Key sources of estimation uncertainty

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

Long Service Leave

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

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective, or adopted, for annual reporting periods beginning on or after 1 July 2016 that impacted on the Commission.

AASB 1057	<i>Application of Australian Accounting Standards</i> This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.
AASB 2014-3	<i>Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]</i> The Commission establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.
AASB 2014-4	<i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</i> The adoption of this Standard has no financial impact for the Commission as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.
AASB 2014-9	<i>Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</i> This Standard amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. As the Commission has no joint ventures and associates, the application of the Standard has no financial impact.
AASB 2015-1	<i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i> These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. The Commission has determined that the application of the Standard has no financial impact.
AASB 2015-2	<i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i> This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.

AASB 2015-6 *Amendments to Australian Accounting Standards – Extending related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]*

The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.

AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 & 128*

This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & AASB 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. By virtue of a limited exemption, the Commission has early adopted AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value of Not-for-Profit Public Sector Entities. Where applicable, the Commission plans to apply the following Australian Accounting Standards from their application date.

Operative for reporting periods beginning on/after

AASB 9 *Financial Instruments*
This Standard supersedes AASB 139 *Financial Instruments: Recognition and Measurement*, introducing a number of changes to accounting treatments.

1 Jan 2018

The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and AASB 2014-1 Amendments to Australian Accounting Standards. The Authority has not yet determined the application or the potential impact of the Standard.

AASB 15 *Revenue from Contracts with Customers*
This Standard establishes the principles that the Authority shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

1 Jan 2019

The Commission's income is principally derived from appropriations which will be measured under AASB 1058 Income of Not-for-Profit Entities and will be unaffected by this change. However, the Commission has not yet determined the potential impact of the Standard on "User charges and fees" and "Sales" revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Commission has discharged its performance obligations.

		Operative for reporting periods beginning on/after
AASB 16	<p><i>Leases</i></p> <p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
AASB 1058	<p><i>Income for Not-for-Profit Entities</i></p> <p>This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, or a performance obligation (a promise to transfer a good or service), or, an obligation to acquire an asset. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-1	<p><i>Amendments to Australian Accounting Standards</i></p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Commission to determine the application or potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-5	<p><i>Amendments to Australian Accounting Standards arising from AASB 15</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018

		Operative for reporting periods beginning on/after
AASB 2014-10	<p><i>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]</i></p> <p>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The mandatory effective date (application date) for the Standard has been deferred to 1 January 2018 by AASB 2015-10. The Commission has determined that the Standard has no financial impact.</p>	1 Jan 2018
AASB 2015-8	<p><i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i></p> <p>This Standard amends the mandatory effective date (application date) of AASB 15 revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. For Not-for-Profit entities, the mandatory effective date has subsequently been amended to 1 January 2019 by AASB 2016-7. The Commission has not yet determined the application or the potential impact of AASB 15.</p>	1 Jan 2019
AASB 2016-2	<p><i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</i></p> <p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.</p>	1 Jan 2017
AASB 2016-3	<p><i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i></p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has not yet determined the application or the potential impact.</p>	1 Jan 2018
AASB 2016-4	<p><i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i></p> <p>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Commission has not yet determined the application or the potential impact.</p>	1 Jan 2017

		Operative for reporting periods beginning on/after
AASB 2016-7	<p><i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</i></p> <p>This Standard amends the mandatory effective date (application date) of AASB 15 and defers the consequential amendments that were originally set out in AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 for not-for-profit entities to annual reporting periods beginning on or after 1 January 2019, instead of 1 January 2018. There is no financial impact.</p>	1 Jan 2017
AASB 2016-8	<p><i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i></p> <p>This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>	1 Jan 2019
AASB 2017-2	<p><i>Amendments to Australian Accounting Standards – Further Annual Improvements 2014 – 2016 Cycle</i></p> <p>This Standard clarifies the scope of AASB 12 by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale; held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5. There is no financial impact.</p>	1 Jan 2017

	2017	2016
	\$	\$
Note 6. Employee benefits expense		
Wages and salaries (a)	1,177,555	1,177,696
Superannuation - defined contribution plans (b)	112,783	106,324
Long service leave (c)	22,962	36,092
Annual Leave (c)	112,000	119,919
Board fees and allowances including superannuation	66,546	75,632
	1,491,846	1,515,663

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

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

(c) Includes a superannuation contribution component, employment on-costs such as workers compensation insurance are included as note 11 'Other expenses'. The employment on-costs liability is included at note 23 'Provisions'.

Note 7. Supplies and services

Communications	27,358	38,164
Consumables	14,297	53,414
Consultants and contractors	509,718	268,701
Repairs and Maintenance	12,983	35,569
Vehicle Costs	66,802	66,862
Travel	96,064	91,143
Other	74,498	182,240
	801,720	736,093

Note 8. Depreciation expense and amortisation expense

Depreciation		
Office equipment	1,590	4,942
	1,590	4,942

Note 9. Accommodation expenses

Lease rentals	143,631	136,386
Cleaning	9,382	12,741
	153,013	149,127

Note 10. Grants and subsidies

Royalties for Regions - Regional Community Services Fund	1,298,539	770,316
	1,298,539	770,316

	2017	2016
	\$	\$
Note 11. Other expenses		
Other	2,724	-
Employment on-costs	6,965	9,969
	<u>9,689</u>	<u>9,969</u>

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 23 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs (see note 6)

Note 12. User charges and fees

Office Space Rental	8,820	17,640
Recoupment of Staff Costs (a)	9,568	19,111
	<u>18,388</u>	<u>36,751</u>

(a) Includes charges to staff for rental accommodation and recoupment of staff expenses.

Note 13. Other revenue

Other revenue	<u>37,059</u>	<u>7,443</u>
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Note 14. Income from State Government

Appropriation received during the year:

Service appropriation (a)	<u>261,000</u>	<u>256,000</u>
Royalties for Regions - Regional Workers Incentives	32,569	32,788
Royalties for Regions - Other Initiatives (c)	2,033,000	1,818,000
Royalties for Regions - Regional Community Services (b)	1,388,888	833,333
	<u>3,454,457</u>	<u>2,684,121</u>

(a) Service appropriations include funding received from Salaries and Allowances Tribunal and \$1,000 received for Treasury account continuity.

(b) This is a sub - fund within the over -arching "Royalties for Regions Fund". The recurrent funds are committed to programs in WA regional areas.

(c) This is a sub - fund within the over -arching "Royalties for Regions Fund". The fund is committed to operational costs for the Commission.

	2017	2016
	\$	\$
Note 15. Restricted cash and cash equivalents		
Current		
Royalties for Regions	319,357	151,479
Externally Funded Projects	99,986	93,608
Regional Development Scheme	36,472	36,472
Leave Entitlements	140,607	141,815
Asset Replacement	141,952	150,000
Treasury	4,000	3,000
Total	742,374	576,374

This represents cash held at bank quarantined for the specified purpose. Royalties for Regions funds are for projects and programs in WA Regional areas.

Note 16. Receivables

Current Receivables	-	1,519
GST Receivable	24,639	49,817
Other debtors	6,726	25,415
Total	31,365	76,751

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

Note 17. Amounts receivable for services

Current	34,000	34,000
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Represents the non-cash component of service appropriations (see note 2(l) "Holding Account"). It is restricted in that it can only be used for asset replacement or payment of leave liability.

Note 18. Other assets

Prepayments	-	53,336
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The Commission does not have any prepayments for the year ended 30 June 2017. The 2016 balance is represented by a contribution to the Department of Regional Development for the implementation of the Regional Development Action Plan for 2017 of \$52,000 and a prepayment of \$1,336 to Statefleet for the July portion of vehicle lease costs.

	2017	2016
	\$	\$

Note 19. Plant and equipment

Office equipment

At cost	62,911	54,959
Add: Additions	-	7,952
Less: Accumulated depreciation	(56,679)	(55,089)
Total	6,232	7,822

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

Office Equipment

Carrying amount at start of year	7,822	4,812
Additions	-	7,952
Depreciation	(1,590)	(4,942)
Carrying amount at end of year	6,232	7,822

Note 20. Net gain or loss on disposal of non-current assets

There were no disposals of non-current assets during the reporting period.

Note 21. Impairment of assets

There were no indications of impairment to plant and equipment at 30 June 2017.

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

Note 22. Payables

Current

Other payables	4,979	8,626
Accrued expenses	9,357	36,865
GST Payable	822	-
Total	15,158	45,491

	2017 \$	2016 \$
Note 23. Provisions		
Current		
Employee benefits provision		
Annual leave (a)	62,274	33,319
Long service leave (b)	36,909	30,715
Purchased Salary Scheme	2,771	2,139
	<u>101,954</u>	<u>66,173</u>
Other provision		
Employment on-costs current (c)	10,910	6,403
	<u>112,864</u>	<u>72,576</u>
Non-current		
Employee benefits provision		
Long service leave (b)	71,770	67,039
Other provision		
Employment on-costs non-current (c)	7,895	6,704
	<u>79,665</u>	<u>73,743</u>

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

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

Within 12 months of the end of the reporting period	14,270	17,379
More than 12 months after the end of the reporting period	108,891	90,148
	<u>123,161</u>	<u>107,527</u>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from unwinding of the discount (finance cost), is disclosed in note 11 'Other expenses'.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

<u>Employment on-cost provision</u>		
Carrying amount at start of period	13,107	28,885
Additional provisions recognised	15,530	596
Payments	(9,832)	(16,374)
Carrying amount at end of period	<u>18,805</u>	<u>13,107</u>

	2017	2016
	\$	\$
Note 24. Other current liabilities		
Accrued Salaries, for Employees and Board Members	4,360	4,952
Other Liability	784	3,297
	5,144	8,249

Note 25. Equity

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

Contributed equity		
Balance at start of period	90,000	90,000
Capital Contribution	-	-
Balance at end of period	90,000	90,000
Accumulated surplus/(deficit)		
Balance at start of period	552,129	744,662
Result for the period	24,097	(192,533)
Balance at end of period	576,226	552,129

Note 26. Notes to the Statement of Cash Flows

Reconciliation of cash

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

Cash and cash equivalents	65,086	93,905
Restricted cash and cash equivalents (refer to note 16)	742,374	576,374
Total cash assets	807,460	670,279

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

Net cost of services	(3,700,950)	(3,141,916)
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Non-cash items:

Depreciation expense	1,590	4,942
Resources received free of charge	9,590	9,262

(Increase)/decrease in operating assets:

Receivables	45,386	13,093
Other assets	53,336	(53,336)

Increase/(decrease) in operating liabilities:

Payables	(30,333)	26,556
Provisions	46,210	(167,016)
Other liabilities	(3,105)	(70,935)
Net cash used in operating activities	(3,578,276)	(3,379,350)

2017	2016
\$	\$

Note 27. Commitments

Operating lease commitments

The Commission has two office buildings, three staff accommodation units and four vehicles under operating leases. Commitments for minimum lease payments are payable as follows:

Within 1 year	35,762	47,566
Later than 1 year and not later than 5 years	29,397	31,407
	<u>65,159</u>	<u>78,973</u>

The Commission has entered into various property leases which are non-cancellable, with rent payable monthly in advance. Contingent rent provisions within the lease agreements require that the minimum lease payments shall increase annually with a CPI Adjustment (except for periodic tenancy). These commitments are all inclusive of GST.

Note 28. Contingent liabilities and contingent assets

No contingent liabilities and contingent assets exist as at 30 June 2017.

Note 29. Events occurring after the balance sheet date

On 28 April 2017, the Premier of Western Australia announced significant changes to the public sector aimed at creating collaborative departments focused on whole-of-Government objectives. As of the 1 July 2017, the departments of Agriculture and Food, Fisheries, and Regional Development amalgamated to establish the Department of Primary Industries and Regional Development (DPIRD). Staff (excluding the CEO's and Board Members) from the nine Regional Development Commissions transferred to the new Department, although the Regional Development commissions remain as legal entities.

Note 30. Compensation of Key Management Personnel

The Commission has determined that key management personnel include Ministers, members, and, senior officers of the Commission. However, the Commission is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances.

Total compensation for key management personnel, comprising members and senior officers, of the Commission for the reporting period are presented within the following bands:

Compensation of Members of the Accountable Authority

<u>Compensation Band (\$)</u>	2017	2016
0 - 10,000	8	9
10,001 - 20,000	-	1
40,001 - 50,000	-	1
50,001 - 60,000	1	-

Compensation of Senior Officers

<u>Compensation Band (\$)</u>	2017	2016
0 – 10,000	1	
70,001 – 80,000	1	
100,001 – 110,000	1	-
250,001 – 260,000		1
280,001 – 290,000	1	-
370,001 – 380,000	-	1

	2017	2016
	\$	\$
Short Term employee benefits	575,218	345,619
Termination Benefits	-	303,111
Total compensation of key management personnel	575,218	648,730

Note 31. Remuneration of auditor

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

Auditing the accounts, financial statements and key performance indicators	<u>37,000</u>	<u>37,000</u>
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Note 32. Write Offs

Write-off receivables	<u>2,289</u>	<u>-</u>
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Note 33. Financial instruments

(a) Financial risk management objectives and policies

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

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 33 (c) 'Financial instrument disclosures'.

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. The commission does not make sales of services. In addition, receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

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

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

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

Market risk

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

(b) Categories of financial instruments

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

	2017 \$	2016 \$
<u>Financial Assets</u>		
Cash and cash equivalents	65,086	93,905
Restricted cash and cash equivalents	742,374	576,374
Receivables (a)	40,726	60,934
Other assets	-	53,336
<u>Financial Liabilities</u>		
Payables and other liabilities (a)	14,502	43,244

(a) The amount excludes GST owing to or from ATO.

(c) Financial instrument disclosures

Liquidity risk and interest rate exposure

The following table details the Commission's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	<u>Interest rate exposure</u>					<u>Maturity Dates</u>				
	Weighted average effective interest rate %	Carrying Amount \$	Fixed interest rate \$	Variable interest rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 1 months \$	1 - 3 months \$	3 months to 1 year \$	More than 5 years \$
2017										
<u>Financial Assets</u>										
Cash and cash equivalents	-	65,086	-	-	65,086	65,086	65,086	-	-	-
Restricted cash and cash equivalents	-	742,374	-	-	742,374	742,374	742,374	-	-	-
Receivables	-	6,726	-	-	6,726	6,726	6,726	-	-	-
Amounts receivable for services	-	34,000	-	-	34,000	34,000	34,000	-	-	-
	-	848,186	-	-	848,186	848,186	848,186	-	-	-
<u>Financial Liabilities</u>										
Payables	-	14,502	-	-	14,502	14,502	14,502	-	-	-
	-	14,502	-	-	14,502	14,502	14,502	-	-	-

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate %	Interest rate exposure				Nominal Amount	Maturity Dates				
		Carrying Amount	Fixed interest rate	Variable interest rate	Non-Interest Bearing		Up to 1 months	1 - 3 months	3 months to 1 year	1 - 5 years	More than 5 years
2016											
Financial Assets											
Cash and cash equivalents	-	93,905	-	-	93,905	93,905	93,905	-	-	-	-
Restricted cash and cash equivalents	-	576,374	-	-	576,374	576,374	576,374	-	-	-	-
Receivables	-	26,934	-	-	26,934	26,934	25,415	-	-	1,519	-
Amounts receivable for services	-	34,000	-	-	34,000	34,000	34,000	-	-	-	-
Other assets	-	53,336	-	-	53,336	53,336	53,336	-	-	-	-
	-	784,549	-	-	784,549	784,549	783,030	-	-	1,519	-
Financial Liabilities											
Payables	-	43,244	-	-	43,244	43,244	43,244	-	-	-	-
	-	43,244	-	-	43,244	43,244	43,244	-	-	-	-

Interest rate sensitivity analysis

The Commission is not exposed to interest rate risk because all cash and cash equivalents and restricted cash are non-interest bearing and the Commission does not have any borrowings

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Credit risk

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

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

	Carrying Amount	Not past due and not impaired	Aged analysis of financial assets					Impaired financial assets
			Up to 1 months	1-3 months	3 months to 1 years	1-5 Years	More than 5 Years	
	\$	\$	\$	\$	\$	\$	\$	\$
2017								
Cash and cash equivalents	65,086	65,086	-	-	-	-	-	-
Restricted cash and cash equivalents	742,374	742,374	-	-	-	-	-	-
Receivables	6,726	6,726	-	-	-	-	-	-
Amounts receivable for services	34,000	34,000	-	-	-	-	-	-
	848,186	848,186						
2016								
Cash and cash equivalents	93,905	93,905	-	-	-	-	-	-
Restricted cash and cash equivalents	576,374	576,374	-	-	-	-	-	-
Receivables	26,934	25,415	-	-	-	1,519	-	-
Amounts receivable for services	34,000	34,000	-	-	-	-	-	-
Other assets	53,336	53,336	-	-	-	-	-	-
	784,549	783,030				1,519		

Note 34. Related Parties

The department is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Department is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the state and entities related to State.

Related parties of the Commission include:

- All Ministers and their close family members, and their controlled or jointly controlled entities;
- All senior officers and their close family members, and their controlled or jointly controlled entities;
- Other departments and public sector entities, including related bodies included in the whole of government consolidated financial;
- Associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- The Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

Significant transactions include:

- Service appropriations (note 14);
- Royalties for Regions Fund (note 14);
- Royalties for Regions funds provided to recipients (note 10);
- Lease rentals payments to the Department of Finance (note 9);
- Services and contracts payments to the Department of Regional Development (note 7);
- Lease payments for vehicles to Department of Finance State Fleet (note 7);
- Staff housing costs payments to the Department of Housing (note 6); and
- Superannuation payments to GESB (note 6).

Material Transactions with related parties

The Commission had no material related party transactions with Ministers/Senior Officer or their close family members or their controlled (or jointly controlled) entities for disclosure.

Note 35. Explanatory statement

Significant variances between estimates and actual results for 2017 and between the actual results for 2017 and 2016 are shown below. Significant variances are considered to be those greater than 5% and 2% of Net cost of services (\$74,019) for the Statement of Comprehensive Income and Statement of Cash Flows and greater than 5% and 2% of total assets (\$17,581) for the Statement of Financial Position.

**Statement of Comprehensive Income
for the year ended 30 June 2017**

	Variance Note	Budget	2017	2016	Variance between estimate and actual	Variance between actual results for 2017 and 2016
		\$	\$	\$	\$	\$
COST OF SERVICES						
Expenses						
Employee benefits expense	1	1,861,000	1,491,846	1,515,663	(369,154)	(23,817)
Supplies and services	2	296,000	801,720	736,093	505,720	65,627
Depreciation and amortisation expense		-	1,590	4,942	1,590	(3,352)
Accommodation expenses		137,000	153,013	149,127	16,013	3,886
Grants and subsidies	3,A	1,416,000	1,298,539	770,316	(117,461)	528,223
Other expenses	4	107,000	9,689	9,969	(97,311)	(280)
Total Cost of Services		3,817,000	3,756,397	3,186,110	(60,603)	570,287
Income						
Revenue						
User charges and fees		18,000	18,388	36,751	388	(18,363)
Other revenue		62,000	37,059	7,443	(24,941)	29,616
Total Revenue		80,000	55,447	44,194	(24,553)	11,253
NET COST OF SERVICES		3,737,000	3,700,950	3,141,916	(36,050)	559,034

Gascoyne Development Commission - 30 June 2017

Income from State Government					
Service appropriation	261,000	261,000	256,000	-	5,000
Resources received free of charge	7,000	9,590	9,262	2,590	328
Royalties for Regions Fund	3,460,000	3,454,457	2,684,121	(5,543)	770,336
Total income from State Government	3,728,000	3,725,047	2,949,383	(2,953)	775,664
SURPLUS/(DEFICIT) FOR THE PERIOD		24,097	(192,533)	33,097	216,630

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

Statement of Financial Position
as at 30 June 2017

	Variance Note	Budget	2017	2016	Variance between estimate and actual	Variance between actual results for 2017 and 2016
		\$	\$	\$	\$	\$
ASSETS						
Current Assets						
Cash and cash equivalents	5, C	949,000	807,460	670,279	(141,540)	137,181
Receivables	6, D	97,000	31,365	76,751	(65,635)	(45,386)
Amounts receivable for services		34,000	34,000	34,000	-	-
Other assets	E	-	-	53,336	-	(53,336)
Total Current Assets		1,080,000	872,825	834,366	(207,175)	38,459
Non-Current Assets						
Plant and equipment		6,000	6,232	7,822	232	(1,590)
Total Non-Current Assets		6,000	6,232	7,822	232	(1,590)
TOTAL ASSETS		1,086,000	879,057	842,188	(206,943)	36,869
LIABILITIES						
Current Liabilities						
Payables	F	32,000	15,158	45,491	(16,842)	(30,333)
Provisions	7, G	271,000	112,864	72,576	(158,136)	40,288
Other current liabilities	8	79,000	5,144	8,249	(73,856)	(3,105)
Total Current Liabilities		382,000	133,166	126,316	(248,834)	6,850
Non-Current Liabilities						
Provisions	9	38,000	79,665	73,743	41,665	5,922
Total Non-Current Liabilities		38,000	79,665	73,743	41,665	5,922
TOTAL LIABILITIES		420,000	212,831	200,059	(207,169)	12,772
NET ASSETS		666,000	666,226	642,129	226	24,097

Gascoyne Development Commission - 30 June 2017

EQUITY					
Contributed equity	90,000	90,000	90,000	-	-
Accumulated surplus/(deficit)	576,000	576,226	552,129	226	24,097
TOTAL EQUITY	666,000	666,226	642,129	226	24,097

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

Statement of Cash Flows
For the year ended 30 June 2017

	Variance Note	Budget	2017	2016	Variance between estimate and actual	Variance between actual results for 2016 and 2017
		\$	\$	\$	\$	\$
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		261,000	261,000	256,000	-	5,000
Royalties for Regions Fund	H	3,461,000	3,454,457	2,684,121	(6,543)	770,336
Net cash provided by State Government		3,722,000	3,715,457	2,940,121	(6,543)	775,336
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	10,I	(1,983,000)	(1,455,133)	(1,742,956)	527,867	287,823
Supplies and services	11	(313,000)	(772,424)	(774,238)	(459,424)	1,814
Accommodation		(137,000)	(153,013)	(149,127)	(16,013)	(3,886)
Grants and subsidies	12,J	(1,388,000)	(1,298,539)	(770,316)	89,461	(528,223)
GST payments on purchases	13,K	(57,000)	(221,197)	(140,407)	(164,197)	(80,790)
Receipts						
User Charges and fees		18,000	18,388	36,751	388	(18,363)
Other receipts		62,000	4,654	20,536	(57,346)	(15,882)
GST receipts from taxation authority		68,000	241,720	127,634	173,720	114,086
GST receipts on sales	14,L	-	57,268	12,773	57,268	44,495
Net cash provided used in operating activities		(3,730,000)	(3,578,276)	(3,379,350)	151,724	(198,926)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		-	-	(7,952)	-	(7,952)
Net cash provided used in investing activities		-	-	(7,952)	-	(7,952)

Gascoyne Development Commission - 30 June 2017

Net increase/(decrease) in cash and cash equivalents	(8,000)	137,181	(447,181)	145,181	584,362
Cash and cash equivalents at the beginning of the period	957,000	670,279	1,117,460	(286,721)	(447,181)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	949,000	807,460	670,279	(141,540)	137,181

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

Major Variances Narratives (Controlled Operations)

Variances exceeding estimate and actual

- 1 Employee benefit expense was underspend of \$369,154 (20%) was due to the corporate services restructure being finalized towards the end of the calendar year and the Department of Regional development imposing a recruitment freeze on all RDCs at the turn of the calendar year, which was maintained post-election, and then through Machinery of Government changes, thereby leaving vacancies open during the financial year.
- 2 Supplies and services exceeded estimates by \$505,720 (171%) due to the government releasing GRGS funds for 2 consecutive years in 2016-17. Receipt of this funding for the first year required the use of specialist consultants and an increase in the engagement of contractors to fill capacity gaps created by the recruitment freeze. Further, expenses previously captured under "other expenses" category are now being reported under "supplies and services".
- 3 Grant and subsidies under spent by \$117,461 (8%) was due to the 2015-16 Community Chest Fund (CCF) being paid the 2015-16 financial year, however, it was budgeted for in 2016-17.
- 4 Other expenses was underspent by \$97,311 (91%) reflects the change in coding as the "other expenses" code transitioned to the new code "supplies and services".
- 5 Cash and cash equivalents is \$141,540 (15%) is less when compared with 2016-17 due to the Community Chest Fund (CCF) being paid in 2016-17, but budgeted for payment in 2015-16.
- 6 Receivables decreased by \$65,635 (68%) due to the return of grant funds arising from terminated projects.
- 7 The decrease in provisions by \$158,136 (58%) occurred due to the resignation of 2 long serving employees in the 2015-16; these have been budgeted for in 2016-17.
- 8 Other current liability have decreased by \$73,856 (93%) as liabilities previously reported under other the "current liabilities" cost code are now being coded under "payables".
- 9 The increase in provisions by \$41,665 (110%) was due to new employee entitlement to accrue long service which was not budgeted for in 2016-17 estimate.
- 10 Payments for employees was underspent by \$527,867 (27%) due to the corporate services restructure being finalized towards the end of the financial year, and staff freeze from late 2016 through to 30 June 2017, hereby resulting in open vacancies throughout the financial year.
- 11 Supplies and services increased by \$459,424 (147%) as grant funding that necessitated the use of consultants and an increase in engagement of contractors to perform work ordinarily performed by staff members.
- 12 Grant and subsidies were under spent by \$89,461 (6%), this was a result of that portion of the 2016-17 CCF grants, which were budgeted for payment in the 2016-17 financial year, being paid in the 2015-16 financial year
- 13 GST payments on purchases increased by \$164,197 (288%) due to the accelerated payment of grants and subsidies to grant recipient.
- 14 GST receipts from taxation authority increased by \$173,720 (255%) due primarily to additional Regional Grants Scheme Round and Gascoyne CCF.

Variances between actual results for 2017 and 2016

- A. Grants and subsidies was over spent by \$528,223 (69%) as a result of 2015-16 grant payments being delayed until the 2016-17 financial year.
- B. Receipts from Royalties for Region Funds have increased by \$770,336 (29%) as a result of receiving the full allocation of operational funding for the 2016-17 financial year as there was no carryover of funds from the 2015-16 financial year. In the 2015-16 financial year the carryover was \$148,000. The remaining \$621,336 relates to the receipt of grant funding for the Regional Grant Scheme, which was not received in the prior year as a result of a timing issue
- C. Cash and cash equivalents increased by \$137,181 (20%) due to the return of grant funding from various recipients, FBT refund and \$30,000 being received for specific projects.
- D. Receivables decreased by \$45,386 (59%) due to GST that was recoverable from grant recipients and that an amount was receivable from the Department of Finance for the leave entitlement for one of the staff members. This was a once off event in 2015-16 and did not occur in 2016-17.
- E. The decrease in prepayments of \$53,336 (100%) is due to the Department of Regional Development for the implementation of the Regional Development Action Plan for 2016-17 that was prepaid in 2015-16 and expensed in 2016-17.
- F. The decrease in payable of \$30,333 (67%) is attributed to the decrease in accrued expenditure compared to 2015-16. The major accrual related to the Australian Institute of Company which was for the course fees and board member training. This expense was a once-off event and only occurs in the event of a change in board members.
- G. Provisions increased by \$40,288 (56%) due to having increased staff numbers with leave balances owing to them as at year end.
- H. Receipts from Royalties for Region Funds have increased by \$770,336 (29%) as a result of receiving the full allocation of operational funding for the 2016-17 financial year as there was no carryover of funds from the 2015-16 financial year. In the 2015-16 financial year the carryover was \$148,000. The remaining \$621,336 relates to the receipt of grant funding for the Regional Grant Scheme, which was not received in the prior year as a result of a timing issue.
- I. There was a decrease of \$287,823 (17%) in payments for employee benefits, this was the result of termination payments being made in the 2015-16 financial year for two long serving staff members which were not made in the 2016-17 financial year.
- J. An increase of \$528,223 (69%) in relation to grant and subsidy payments relates to the delay of grant payments from 2015-16 financial year to the 2016-17 financial year.
- K. GST payments on purchases have increased by \$80,790 (58%) as a result in the increase of grant payments made throughout the year.
- L. GST receipts from taxation authority have increased by \$114,086 (89%) as a result in the increase of GST Payments made throughout the financial year.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

GASCOYNE DEVELOPMENT COMMISSION

Report on the Financial Statements

Opinion

I have audited the financial statements of the Gascoyne Development Commission which comprise the Statement of Financial Position as at 30 June 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Gascoyne Development Commission for the year ended 30 June 2017 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Commission for the Financial Statements

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Commission determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commission is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- Conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Gascoyne Development Commission. The controls exercised by the Commission are those policies and procedures established by the Commission to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Gascoyne Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2017.

The Commission's Responsibilities

The Commission is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2017. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Gascoyne Development Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2017.

The Commission's Responsibility for the Key Performance Indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Commission determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commission is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

This auditor's report relates to the financial statements and key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2017 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

PATRICK ARULSINGHAM
ACTING ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia

25 August 2017



Our Ref: 5572-03

Chairman
Gascoyne Development Commission
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Dear Sir

FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2017

The Office has completed the annual audit of the financial statements, controls and key performance indicators for your agency. We enclose a copy of the opinion of the Auditor General, together with a set of the audited financial statements and key performance indicators. We have forwarded the audit opinion, financial statements and key performance indicators to the Minister for Regional Development for tabling in Parliament.

Management Control Issues

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other issues that were identified during the course of the audit. These matters have been discussed with your staff and their comments have been included on the attachment for your information.

Please note that the purpose of our audit was to express an opinion on the financial statements, controls and key performance indicators. The audit included consideration of internal control relevant to the preparation of the financial statements and key performance indicators in order to design audit procedures that were appropriate in the circumstances. It also included consideration of internal control for the purpose of expressing an opinion on the effectiveness of internal control in ensuring compliance with requirements prescribed by the Financial Management Act 2006 and Treasurer's Instructions.

An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit. Further, the matters being reported are limited to those deficiencies that have been identified during the audit.

The date that agencies provided their financial statements to Audit has been recorded for purposes of reporting to Parliament. I advise that the date recorded for the receipt of your financial statements was 14 July 2017.

This letter has been provided for the purposes of the Gascoyne Development Commission and the relevant Minister and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of your agency for their cooperation with the audit team during our audit.

Feel free to contact me on 6557 7640 if you would like to discuss these matters further.

Yours faithfully



CARLY MEAGHER
ACTING DIRECTOR
FINANCIAL AUDIT

25 August 2017

Attach

GASCOYNE DEVELOPMENT COMMISSION

PERIOD OF AUDIT: 30 JUNE 2017

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
Issues identified from final audit for 30 June 2017 year-end:			
1. Insufficient review controls over transactions processed by DRD (now DPIRD)		✓	
2. Services supplied without purchase order			✓

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However even if the issue is not likely to impact the audit opinion, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

GASCOYNE DEVELOPMENT COMMISSION
PERIOD OF AUDIT: 30 JUNE 2017
FINDINGS IDENTIFIED DURING THE FINAL AUDIT

1. Insufficient review controls over transactions processed by DRD (now DPIRD)

Findings

During the audit of trade and other payables, we noted the following instances where there was insufficient review of transactions that had been processed by the Department of Regional Development (DRD), subsequently known as Department of Primary Industries and Regional Development (DPIRD):

- Fringe Benefit Tax (FBT) accrual amount of \$18,405.07 was still recognised as a liability in the Commission's general ledger at 30 June 2017, while the payment made by DRD to settle the accrual had been incorrectly expensed before year-end rather than being properly posted against the FBT accrual account in the general ledger. This resulted in the \$18,405.07 being expensed twice.
- An invoice amounting to \$2,814.44 dated 30 May 2017 was still reflected as a trade payable in the Commission's general ledger, while the payment made by DRD to settle the invoice had been incorrectly expensed before year-end rather than being properly posted against the supplier trade payable account in the general ledger. This resulted in the \$2,814.44 being expensed twice.

Although the anomalies noted above did not result in the double payment of the accounts, there is potential for accounts to be paid more than once and / or an overstatement of expenses and liabilities.

Rating: Moderate

Implication

Failure to implement effective controls over the reporting received from DRD / DPIRD, after the transactions have been processed, increases the risk of errors not being detected quickly and corrective action being taken to mitigate the risk of incorrect financial reporting or financial loss.

Recommendation

The Commission should review the processing and reports prepared by. This could take the form of reviewing the reconciliations of account balances that constitute the Commission's Statement of Financial Position and preparing independent analyses of account balances that form part of the Commission's Statement of Comprehensive Income, on a monthly basis. Where instances of misallocated transactions are noted, the Commission should communicate this with DPIRD and ensure that the necessary corrections are effected.

The Commission should also develop a system to provide evidence regarding the officer performing such reviews and the date the reviews are performed.

Management Comment

Yes, we do agree with the finding and the Commission has put a review procedure in place to ensure that all transactions processed by the DPIRD are reviewed

Responsible Person: Julie-Anne Collins

GASCOYNE DEVELOPMENT COMMISSION
PERIOD OF AUDIT: 30 JUNE 2017
FINDINGS IDENTIFIED DURING THE FINAL AUDIT

2. Services supplied without purchase order

Findings

During our testing of expenses, we identified an instance where a purchase order was not raised for an invoice from Carnarvon Cabinetmakers for \$6,700 for a fence repair carried out at the Gascoyne Aboriginal Heritage & Culture Centre.

**Rating: Minor
Implication**

The Commission's internal controls and Treasury Instruction 308 Payment Records (refer to Guidelines (3) (iv)) require that transactions for goods and services supplied to the Commission must be supported by a purchase order. Failure to prepare a purchase order increases risk of financial loss through payments being made against invalid claims and / or when goods and services have not been authorised / properly delivered.

Recommendation

The Commission should review its purchasing procedures to ensure that purchase orders are prepared and authorised prior to the incurring an expense. Certifying officers authorising payments must satisfy themselves that each payment is supported by a complete payment record representing a valid claim on the Commission in accordance with Treasury Instruction 304 (4) (i) – (vii).

Management Comment

The Commission agrees with the finding and all relevant staff members have been briefed to ensure that a purchase order accompanies all transactions for goods and services.

Responsible Person: Julie-Anne Collins

Compliance With Relevant Written Law

Enabling Legislation

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

Legislation Impacting on Commission Activities

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

Financial Management Act 2006	Salaries and Allowances Act 1975
Public Sector Management Act 1994	Industrial Relations Act 1979
Industrial Relations Act 1979	Public Disclosure Act 2003
Workers Compensation and Injury Management Act 1981	State Supply Commission Act 1991
Equal Opportunity Act 1984	Freedom of Information Act 1992
Government Employees Superannuation Act 1987	Public and Bank Holidays Act 1972
Disability Services Act 1993	State Government Electoral Act
Minimum Conditions of Employment Act 1993	Government Employees Housing Act 1964
Public Service General Agreement 2002	Public Service Award 1992
Occupational Safety and Health Act 1984	State Records Act 2000
Government Financial Responsibility Act 2000	Contaminated Sites Act 2003
Royalties for Regions Act 2009	Auditor General Act 2006

Compliance and Governance

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

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

In the administration of the Gascoyne Development Commission, we have complied with the Public Sector Standards, the Western Australian Public Service Sector Code of Ethics and our own Code of Conduct. The Commission reviewed, updated and consolidated our

work governance Policies and Financial Manual, to ensure compliance with current government policies and legislation. Staff are committed to a high standard of workplace ethics, fiduciary and social responsibility to external organisations and the public.

We have put in place procedures designed to ensure such compliance and conducted appropriate internal assessment to satisfy ourselves of our compliance. To ensure compliance, information about Standards & Codes is included on our intranet and in induction materials.

Disability Services

In accordance with the *Disability Services Act 1993*, the Commission has a Disability Access and Inclusion Plan 2017 - 2022. The Plan was updated and submitted to the Disability Services Commission in 2017. The Commission is equipped to ensure that people with disabilities have the same opportunities of access to events, premises, information, quality of service, consultations and the ability to make complaints as is afforded to all other people.

Reconciliation

The Gascoyne Development Commission is committed to reconciliation between Aboriginal and non-Aboriginal Australians. The Commission endorses a united Australia which values Aboriginal and Torres Strait Islander heritage, cultures and peoples and provides justice and equality for all citizens.

The Commission has a Reconciliation Action Plan (RAP) to assist in maintaining and building positive relationships between all Aboriginal people. The RAP was developed to formalise existing actions and initiatives as well as introducing new initiatives to act on the commitment the Commission to assist the region's Aboriginal people by capacity building, leadership, business development and ensuring equality of opportunity. The RAP was reviewed and re-endorsed in 2017.

Record Keeping

The Commission has an approved Record Keeping Plan which is reviewed periodically and in which staff are inducted and trained. The records team within the Commission reviews the efficiency and effectiveness of its record keeping program to ensure that key record systems objectives and record keeping practices are being met, and to implement improvements as identified.

Occupational Safety and Health

The Gascoyne Development Commission and its Corporate Executive are committed to vigilance concerning occupational safety, health and injury management. It is committed to assessing workplace risks and providing a work environment in which employees, contractors and visitors are not exposed to hazards.

The Commission is committed to consulting with staff on occupational safety and health (OSH) issues, and supports the following formal mechanisms for consulting with staff on OSH matters:

- regular staff meetings with OSH agenda items
- access to trained, elected OSH representatives
- OSH inspections of the work site
- reviewed and updated OSH policies and procedures available to all staff.

The Commission is committed to continuous improvement in occupational safety and health and is currently undertaking an assessment of the occupational safety and health management systems using the Work safe Plan framework.

Compliance with the injury management requirements of the *Workers Compensation and Injury Management Act 1981*

The Gascoyne Development Commission has in place a documented injury management system in accordance with the *Workers' Compensation and Injury Management Act 1981*. This system and return to work programs are managed by the corporate services department on a case-by-case basis. Work is undertaken in conjunction with RiskCover to facilitate the employee's return to work.

Public Interest Disclosure

The Commission educates on corruption and misconduct through its induction process and training regarding codes of ethics and conduct. Staff are trained in Public Interest Disclosure.

Staff Development

The Commission has a commitment to the development of its employees. Our strategies are to build a highly skilled, professional and fair workforce with the ability to adapt to changing business technology and the environment.

Staff have attended the following training opportunities in 2016-17:

- Certificate III in Business Administration
- Cluster Development
- Communications and Media
- Conflict Resolution
- Cultural Awareness
- Disability Access and Inclusion
- Executive Media Training
- Ethical Decision Making
- Fire Warden
- Fire Safety and Management
- Freedom of Information
- Injury Management
- Oracle
- RiskCover
- PFA2 First Aide
- Public Interest Disclosure

Contracts with Senior Officers

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

OSH performance for 2016-2017

Measure	Actual Results		Results against Target	
	2015-16	2016-17	Target	Comment on result
Number of fatalities	0	0	0	
Lost time injury and/or disease incidence rate	1	0	0	
Lost time injury and/or disease severity rate	0	0	0	
Percentage of injured workers returned to work:				
(i) within 13 weeks	100%	N/A	80%	
(ii) within 26 weeks	N/A	N/A	Greater than or equal to 80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	70%	70%	Greater than or equal to 80%	The GDC is committed to ongoing OSH training

Publications Produced During 2015/2016

During the 2016/17 financial year the Commission produced and released individually or jointly in partnership, the following major publications and documents:

- Gascoyne Development Commission Annual Report for the Year Ended 30 June 2016

Compliance

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

(a)	Advertising agencies	\$0
(b)	Market research organisations	\$0
(c)	Polling organisations	\$0
(d)	Direct mail organisations	\$0
(e)	Media advertising organisations	\$8,542
	Adcorp Australia	\$319
	Office of John Cheese	\$264
	WA Newspapers	\$2,927
	Market Creations Pty Ltd	\$4,416
	Tangelo Creative	\$616
	Total	\$8,542

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



Mr Anthony Beard
Chairman
20 August 2017



Mr Gavin Robins
Chief Executive Officer
20 August 2017

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