



**GASCOYNE DEVELOPMENT COMMISSION ANNUAL REPORT 2014 – 2015**



Main cover image: Mt Augustus, Upper Gascoyne (courtesy of Kylie Pears)

# Statement of Compliance

**Honourable Terry Redman MLA**  
**Minister for Regional Development; Lands;**  
**Minister Assisting the Minister for State Development**

In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Gascoyne Development Commission for the financial year ended 30 June 2015.

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



**Anthony Beard**  
Chairman  
20 August 2015



**Stephen Webster**  
Chief Executive Officer  
20 August 2015

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# Overview

## Chairman's Report

A strong focus for the Gascoyne Development Commission (the Commission) during 2014–15 was the continued development of the draft *Gascoyne Regional Investment Blueprint (the Blueprint)*. The Blueprint outlines the vision for the Gascoyne through to 2050, and establishes a strategic framework for development across the region in all facets of life. It seeks to transform the way the different levels of government coordinate infrastructure development and service delivery, while attracting an increasing level of investment from the private and not-for-profit sector to build human capacity, drive economic growth, stimulate job creation and develop community sustainability. The Blueprint was released for final public comment during a three month period; April to June 2015. It is anticipated that the final version of the Blueprint will be launched in a public forum late in 2015.

Through the economic SWOT analysis done as part of the Blueprint development process, the advantages and challenges faced by the Gascoyne were mapped, and four Regional Imperatives identified as being central to the future economic development and prosperity of the Gascoyne. These were: Food Production, Tourism – Destination of First Choice, Population Services and Resources Services and Supply Chains. These reflect the areas of the economy and industry where efforts and actions from stakeholders would likely result in the greatest effect, and allow the Vision for the Gascoyne to be achieved.

For example, within the area of Tourism – Destination First Choice, the Commission is continuing to progress the implementation of the *Gascoyne Regional Tourism Strategy* developed in 2013–14. Similarly, within the Regional Imperative of Food Production, work has also commenced on a feasibility study into the development of a Multi-Food Processing Plant to assist with value-adding to the food industry.

The Commission was allocated Royalties for Regions funding of \$1.48 million for the 2014–15 round of the Gascoyne Regional Grant Scheme and Gascoyne Community Chest Fund. The Commission Board approved 27 grants under the Gascoyne Community Chest Fund, and a further 8 grants under the Gascoyne Regional Grant Scheme. This funding will see the implementation of some great local community infrastructure and service projects in Gascoyne communities.

The region was hit by Tropical Cyclone Olwyn in March 2015 which caused extensive damage to the majority of

Gascoyne's coastal communities. To the credit of the local government authorities, government agencies, businesses, volunteers and the community, services were restored swiftly and the region was back in business ready for the tourist season. To assist with spreading the open for business message the Commission coordinated a group of business, government and tourism agencies to develop the Gascoyne Regional Promotion Strategy. The project has been very successful to date with national television exposure through Gascoyne features on both Destinations WA and WA Weekender.

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

Maintaining quality, affordable and regular aviation services throughout the region has been a priority for the Commission, and this will continue to be a focus with the development of the *Gascoyne Regional Aviation Strategy* into 2015–16.

The Commission has welcomed four new Board Members in 2014–15 with Ben Bellottie from Shark Bay, Ross Winzer from Exmouth, Max March from Carnarvon and Don Hammarquist from Upper Gascoyne joining the team. We have also farewelled two long standing Board Members in Tom Day and John Oxenham, and thank them very much for their service to the Commission and the region.

I would finally like to thank the Commission staff for their professionalism and hard work in 2014–15. The Commission has achieved some key milestones in 2014–15 and I acknowledge the collaboration and cooperation with our many partners in government, industry, business and the community in this endeavour, and look forward to continuing these partnerships into 2015–16.



**Tony Beard**  
Chairman  
Gascoyne Development Commission

# Economic and Social Profile

## Introduction

The Gascoyne region is located in the North West of Western Australia and is rich in resource and investment potential. The Gascoyne extends 600km along the Indian Ocean coastline and around 500km inland, for a total area of approximately 138,000 km<sup>2</sup>. It comprises the Shires of Carnarvon, Exmouth, Shark Bay and Upper Gascoyne with total population of approximately 10,300 people. It 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 mid 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 ideal for the production of various fruits and vegetables. Founded originally on livestock, irrigation from the Gascoyne River has seen the region,

particularly Carnarvon, transform into a major horticultural producer, supplying a large proportion of Western Australia's fruit and vegetable crops. The coastal orientation of the region also supports extensive wild capture and an emerging aquaculture-based seafood production. The pleasant climate is also a key attractor for residents and tourists alike.

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 weather.

The Commission has developed the draft *Gascoyne Regional Investment 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.

The Gascoyne 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.

## Population

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

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 the draft Blueprint, in partnership with Gascoyne local government authorities. 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) 2011 Census population statistics for the Gascoyne region were mostly positive with a rise in population from the 2006 Census Usual Resident Population (URP) of 8,674 up to 9,288 in 2011. Each local government area recorded the following URP statistics in the 2011 Census:

- Carnarvon's URP in 2006 was 5,682, which has risen to 5,787;
- Exmouth's URP in 2006 was 1,844, which has risen to 2,393;
- Shark Bay's URP in 2006 was 863, which had a slight decrease to 857; and
- Upper Gascoyne's URP in 2006 was 285, which has fallen to 251.

The Usual Resident Population 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 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 Usual Resident Population on Census day.

The latest Estimated Resident Population figures for 2014 were released in June 2015 by the Australian Bureau of Statistics. The figures are a summary of regional population growth throughout Western Australia including the Gascoyne region. The figures show positive population growth throughout the Gascoyne local government area. Table 1 shows the population growth figures from 2007 to 2014.

The Gascoyne's overall population rose from 9,897 in 2013 to 9,959 in 2014 which is an annual growth rate of 0.6 per cent. The majority of the population's residents are concentrated in the regional administrative centre of Carnarvon with 6,139 people. Carnarvon's population rose by only one person from 2013 to 2014. This was due to mining staff redundancies and the conclusion to some major infrastructure projects. Growth in the tourism and horticultural industries are expected to create good population growth into the future through increased employment and investment opportunities.

The Shire of Exmouth had an estimated resident population of 2,611 in 2014. 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 off-shore oil and gas sector involves many local businesses.

There was a resident population of 943 in 2014 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. Projects are underway or have been completed through the Royalties for Regions Gascoyne Revitalisation Plan that are expected to deliver enhanced economic development and improved visual amenity.

The Shire of Upper Gascoyne had an estimated resident population of 266 people in 2014. Gascoyne Junction is the administrative centre of the Shire with an Aboriginal resident population at Burringurrah

Aboriginal Community near Mt Augustus. Pastoral operations are the mainstay of the inland Gascoyne. The Shire has been affected in 2015 by the ongoing closure of the Gascoyne River crossing at Gascoyne Junction due to a river flow caused by Tropical Cyclone Olwyn and continued rain events and river flows. The Shire and GDC are working to have a new low level bridge built across the river which will increase accessibility to road traffic by around 92%. The Gascoyne Junction Tourism Precinct was officially opened in June 2014, and has provided new and improved facilities to attract new residents and assist with the growth of tourism.

The 2011 Census showed the Gascoyne has a number of significant minority populations with Aboriginal residents making up around 14.7 per cent and Vietnamese residents working in the horticultural sector a further 3.3 per cent. Carnarvon's Aboriginal population is 21.4 per cent and it has a European born population of 9.4 per cent.

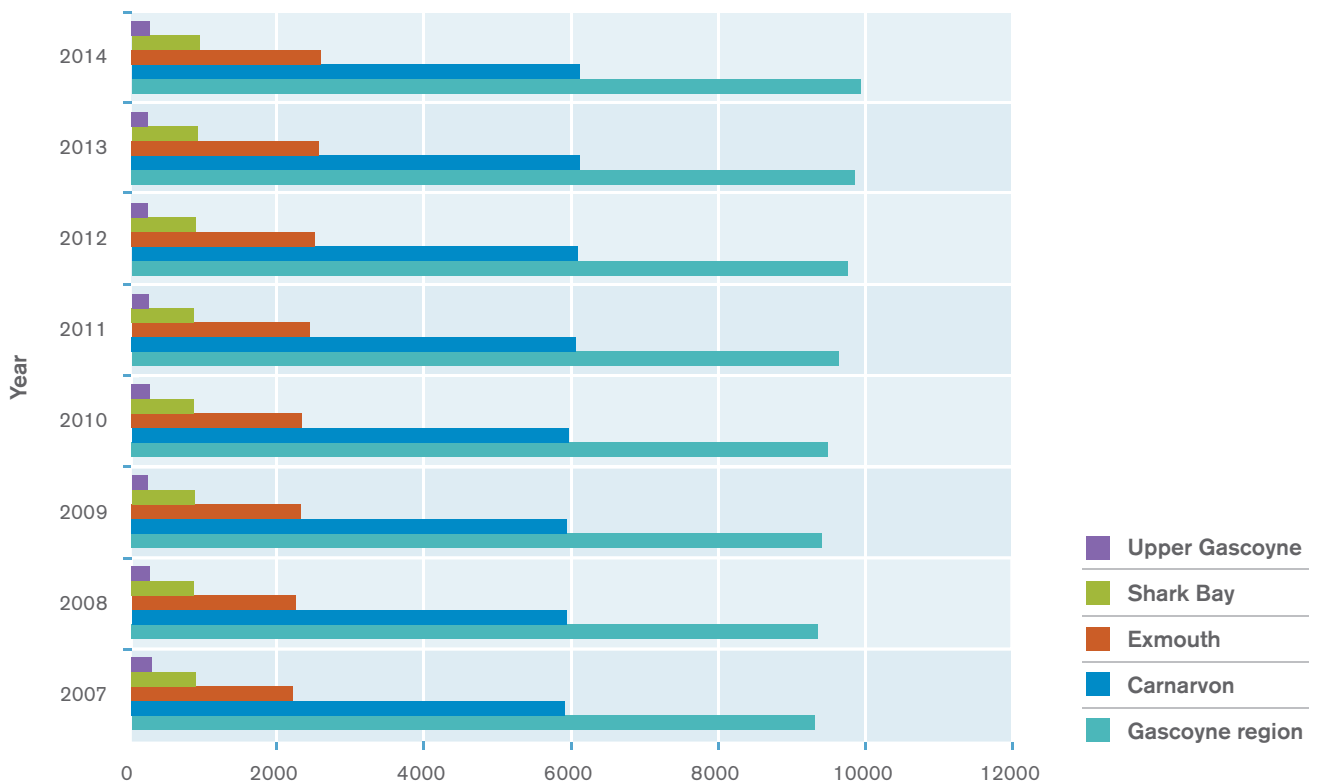


Table 1: Estimated Resident Population 2007 – 2014, Gascoyne Regional Summary. Source ABS.



## Regional Economic Activity

The Gascoyne is well known for its unique marine and terrestrial natural attractions that have seen tourism become the leading industry by value. Tourism WA has estimated average annual visitor numbers to the region to be 217,800 for the year ending 2013. Of these, 174,700 visitors were domestic and 43,100 were international. Investment opportunities continue to exist in the tourism sector throughout the region. Tourism WA statistics show tourist expenditure in the Gascoyne region was valued at \$208 million in 2013.

The main commodity mined in the Gascoyne is salt, bound for the chemical industries in Asia. Salt is mined at Rio Tinto Dampier Salt which recently reduced their staff levels at their Lake MacLeod operations. Salt is also mined at Useless Loop by the Mitsui Group Company Shark Bay Salt, which produces around 1.3 million tonnes of salt per year. Department of Mines and Petroleum statistics show that the value of mineral production in the Gascoyne was \$116.6 million for 2012/13 and is currently \$138.3 million for 2013/14.

Retail turnover was estimated at \$104 million for 2011/12. This increased to \$108.7 million in 2012/13. In 2013/14 retail turnover has remained the same at \$108.7 million. A range of national retailers are found in the towns of Carnarvon and Exmouth, both of which are supported by strong Chambers of Commerce.

Horticulture, based along the Gascoyne River in Carnarvon is a strong contributor to the economy of the region. In 2013 the Department of Agriculture and Food WA (DAFWA) estimated the Carnarvon horticultural industry to be valued at \$77.4 million. Gross value had decreased from \$104 million in 2012 due to poor market prices and additional competition from domestic and international markets. DAFWA's estimated value for 2014 has increased to \$88.23 million.

Commercial fishing is a very significant industry in the Gascoyne, with three of the State's more valuable fisheries operating in Shark Bay and the Exmouth Gulf. Department of Fisheries state that the combined catch of prawns, scallops, crabs and fish was \$31.9 million in 2012/13 which grew to \$41.6 million for 2013/14.

Tourism, salt mining, horticulture and fishing industries (including prawns and scallops) form the basis of Carnarvon's economy. The Gascoyne was severely impacted by Tropical Cyclone Olwyn on 13 March 2015 which caused extensive infrastructure and crop damage to plantations, as well as damage to town infrastructure and services, local businesses and residential housing. It is expected that the banana and other fruit growers in Carnarvon will take between 10 to 18 months to be able to harvest produce.

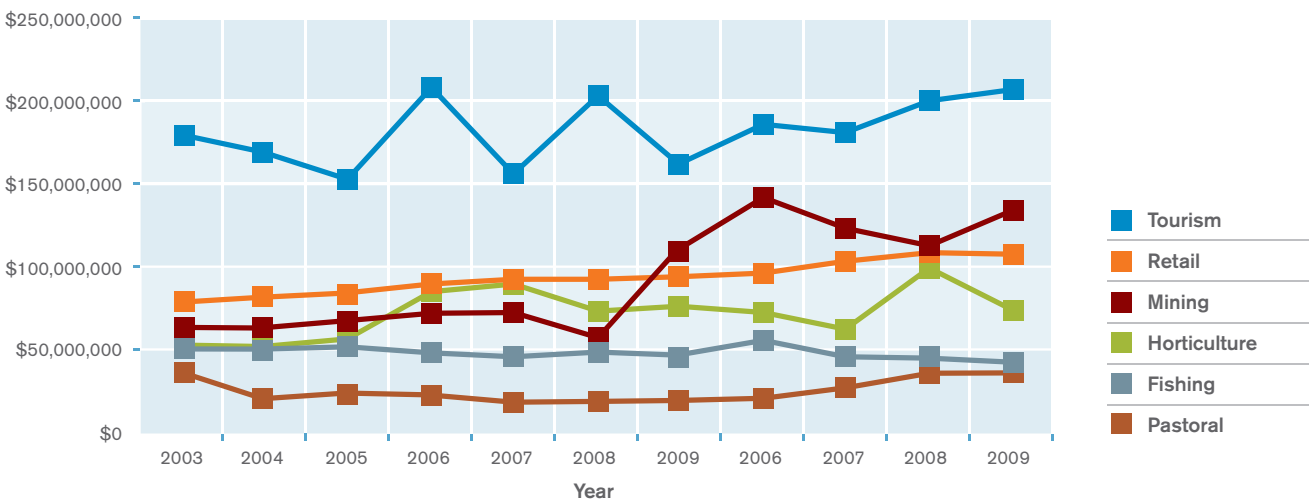


Table 2: Value Trends of Major Gascoyne Industries. Sources: ABS, Dept of Fisheries WA, Dept Agriculture and Food WA, Tourism WA and Dept of Regional Development.

The region also hosts a small pearling industry. Aquaculture ventures in prawns, tropical rock lobster, squid and live coral are in development stages. The aquaculture value has remained steady at around \$10 million in previous years. Due to there being less than three aquaculture operators in the Gascoyne, updated statistics are currently not available for publication.

DAFWA and ABS statistics state the disposal of sheep and cattle for meat was \$23.5 million and wool production was \$3.4 million for 2011/12. This has increased to \$30.9 million for disposal of sheep and cattle for meat and \$5 million for wool production in 2012/13. Total value for both livestock disposal and wool production in 2013/14 remained steady at \$35.8 million.

In March 2015 Tropical Cyclone Olwyn resulted in rainfall throughout the Gascoyne. This was followed by consistent rains and high stock prices, which has contributed to strong industry values and demand for pastoral leases.

## 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. There is a strong sporting culture with over 140 different sporting clubs and recreational facilities in the Gascoyne.

The Commission was allocated Royalties for Regions (RFR) funding of \$1.48 million for the 2014–15 round of the Gascoyne Regional Grant Scheme and Gascoyne Community Chest Fund. The Commission Board approved 27 grants under the Gascoyne Community Chest Fund, and a further 8 grants under the Gascoyne Regional Grant Scheme. This funding will see the implementation of some great local community infrastructure and service projects in Gascoyne communities. Gascoyne Revitalisation Funded projects have also continued to progress across the region.

In Carnarvon RFR Gascoyne Revitalisation Plan (GRP) funding enabled the new Police and Justice Complex to be constructed with an official opening on 21 April 2015. The Commission is currently working to develop a masterplan for the old Police and Justice site and to have the area ready for development.

The Carnarvon Health Campus is being redeveloped with \$20.8 million from RFR GRP (Total project cost is \$26.37 million). This will provide much needed health infrastructure and services to the region. Construction works are due for completion in 2015–16.

Other RFR GRP projects underway in Carnarvon include development of Carnarvon Boating Marina to improve marina facilities at the Carnarvon Yacht Club. This project is due for completion in early 2016. Also to be completed in 2016 is the Carnarvon Fascine Revitalisation project, which will see the completion of the Fascine Revitalisation projects in the CBD by the Shire of Carnarvon.

In Exmouth RFR GRP funding has been provided to construct a new community and primary health care clinic on the existing Exmouth hospital site for completion in 2015–16.

In Denham and Monkey Mia money has been received through the RFR GRP to replace the jetty at Monkey Mia, to complete construction of a replacement jetty in Denham and to commence the Denham Foreshore and Existing Marina Facility Improvements project, which will deliver revitalisation and redevelopment of the Denham foreshore and main street. The project is due for completion in 2016–17 in time for the Dirk Hartog's 400 year anniversary in October 2016.

At Gascoyne Junction the new Tourist Precinct has been operating well throughout their first year with good visitor numbers despite accessibility issues relating to the low level crossing closure.

With Royalties for Regions contributing to a range of other major projects across the region, business and industry, the local community and visitors can enjoy improved local infrastructure and services that will provide a positive experience in the Gascoyne.

# Operational Structure

## Minister Responsible

The Hon. Terry Redman MLA, Minister for Regional Development; Lands; Minister Assisting the Minister for State Development

## 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 9 members who are appointed by the Minister, and the Chief Executive Officer, by virtue of office. The Minister appoints the Chairman and the Deputy Chairman.

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

- One third will be nominated by local councils in the region.
- One third 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 2014–2015

Chairman: Mr Anthony Beard

Deputy Chairman: Mr Turk Shales

Mr Paul Kelly, Mr James Caunt, Cr Cheryl Cowell, Cr Ross Winzer, Cr Max March, Cr Don Hammarquist, Cr Laurence Bellottie, Mr Stephen Webster (Ex-officio)

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

Tony Beard is the immediate past President of the Chamber of Commerce and Industry in Carnarvon, owner of the Port Hotel Carnarvon since 2004 and Manager of the Fish and Whistle Backpackers. Tony is also a member of the Carnarvon Yacht Club, Carnarvon Bowling Club and Carnarvon Turf Club.

**Cr Turk Shales**  
**(Deputy Chairman, Ministerial Appointment, Exmouth)**

Turk Shales is a long term business owner with over 28 years experience and currently running the Exmouth Post Office. Turk is also a Councillor and President of the Shire of Exmouth and has a keen interest in local sport and recreational activities with representation on several committees in Exmouth.

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

Ben Bellottie is a long term resident of Denham and has been a business man and professional fisherman for the past 35 years. Ben is a current Councillor with the Shire of Shark Bay, Justice of the Peace and Director and Board Member of the Yadgalah Aboriginal Corporation.

**Mr Paul Kelly**  
**(Community Appointment, Carnarvon)**

Paul Kelly was appointed to the Board in July 2012. Paul is the Commercial and Agri Business Manager for the ANZ Bank and has 10 years experience driving major events and tourism related strategies for leading Gascoyne non profit organisations including the Carnarvon Chamber of Commerce and Industry Inc. and Gascoyne Off Road Racing Club Inc.

**Cr Donald Hammarquist**  
**(Ministerial Appointment, Upper Gascoyne)**

Don Hammarquist is the Owner/Manager of Mount Augustus Station and the Mount Augustus Tourist Park in the Shire of Upper Gascoyne. Don is a current Councillor with the Shire of Upper Gascoyne and holds various other positions on local committees. Don has a strong focus on improving standards of living, health and educational well being.

**Cr James Caunt**  
**(Community Appointment, Upper Gascoyne)**

James Caunt is a pastoralist with 13 years experience as the owner of the Mooloo Station in the Upper Gascoyne. He also has approximately 15 years experience running a plantation in Carnarvon and currently is a Councillor with the Shire of Upper Gascoyne. James brings a spread of knowledge to the Commission Board, particularly in the area of the important pastoral industry.

**Cr Cheryl Cowell**  
**(Local Government Appointment, Shark Bay)**

Cheryl Cowell has been on the Shire of Shark Bay Council for seven years and Shire President for five years. She has lived in Denham since 1995, and is employed full-time with the State Government holding the Commonwealth funded World Heritage Project Officer position. Cheryl is an active community member involved in many committees and organisations in Shark Bay and throughout the Gascoyne region. Cheryl is a volunteer ambulance officer and secretary of St John Ambulance in Shark Bay as well as secretary and an active member of the pistol club.

**Cr Ross Winzer**  
**(Local Government Appointment, Exmouth)**

Ross Winzer is a current Councillor with the Shire of Exmouth and has a background as a lecturer in plumbing and gas fitting. Ross is passionate about planning for a sustainable future in the Gascoyne region for the betterment of current and future generations.

**Cr Max March**  
**(Local Government Appointment, Carnarvon)**

Max March is the owner/operator of Toyworld Carnarvon, a current Councillor with the Shire of Carnarvon and holds management positions on many local sporting and community groups. As a long term resident of Carnarvon with a young family, Max is passionate about improving the quality of education and providing aged care facilities to retain and attract families to the region.

**Mr Stephen Webster**  
**(Ex-Officio)**

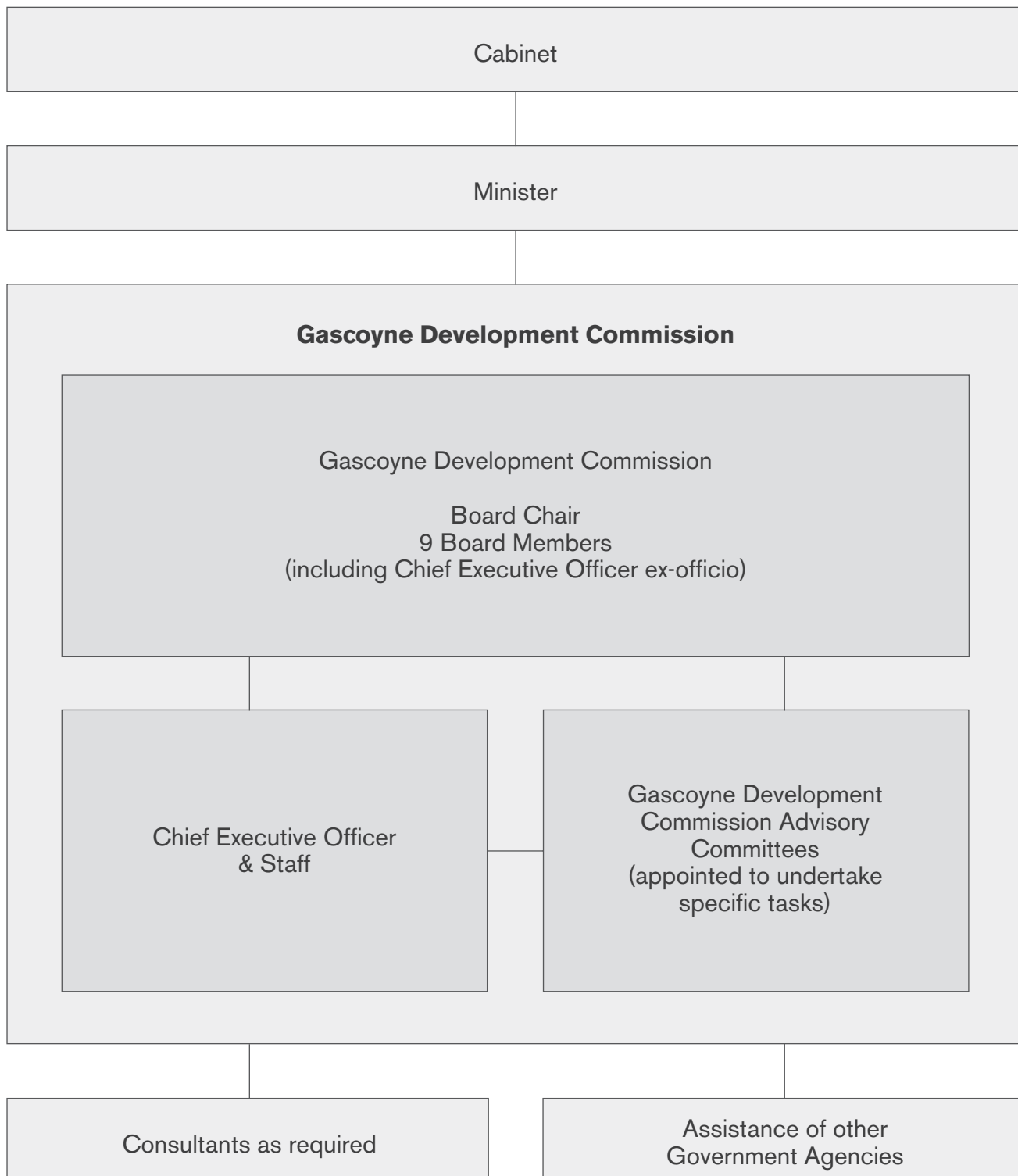
Stephen Webster lives in Carnarvon and has been the Chief Executive Officer of the Commission since October 2012. Stephen has extensive experience in regional Western Australia, particularly in the areas of tertiary education and training including involvement in the delivery of Aboriginal traineeship programs for the mining industry. As Chief Executive Officer, Stephen is committed to his role of leading the Commission in coordinating, promoting and advocating for the sustainable economic and social development of the Gascoyne.

**Board movements during the year:**

**Mr Tom Day** Term Completed

**Mr John Oxenham** Term Completed

# Organisational Flow Chart



# Staff

## Staff positions at 30 June 2015:

**Stephen Webster**

Chief Executive Officer

**Linda Gray**

Acting Regional Manager

**Ivy Klassen-Glanzer**

Acting Manager Corporate Services

**Paul Hannah**

Senior Project Officer

**Toni Hibbert**

Project Officer

**Odile May**

Project Officer Exmouth

**Jill Dwyer**

Project Officer

**Melanie Foxley**

Project Officer

**Kylie Pears**

Executive Assistant

**Carleen Ryder**

Finance and Administration Officer

**Alexandra Maslen**

Project Officer

**Cornelia Tolksdorf**

Reception & Administration Assistant

## Staff Movements from the Commission During the Year

<b>Lorraine Fitzpatrick</b>	Resigned
<b>Tami Maitre</b>	Resigned
<b>Karen Thompson</b>	Resigned
<b>Paul Niesler</b>	Resigned
<b>Anika Sweetland</b>	Contract Completed
<b>Anne Sinclair</b>	Contract Completed
<b>Julie Fullarton</b>	Contract Completed
<b>Doriana Mangili</b>	Contract Completed
<b>Tracy Pears</b>	Contract Completed
<b>Edward Hetzer</b>	Contract Completed
<b>Katrina Bellotti</b>	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

- Population retention and growth
- Infrastructure improvement
- Improvement in services to the Gascoyne community
- The development and support of business
- Promotion of the region
- Expansion of economic opportunities for Aboriginal people and the strengthening of Aboriginal culture

### Strategic Plan 2010–2020

The Gascoyne Development Commission Strategic Plan was released in April 2010 and is available on the Gascoyne Development Commission 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 Gascoyne Development 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.

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### 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.

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#### Capacity Building

In 2014–15 the Commission focused on capacity building training for its staff and Board members. 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:
  - Senior First Aid Certificate
  - Excel Spreadsheets
  - Certificate in Governance and Risk Management
  - Supporting High Level Boards
  - Personal Assistant
  - Leadership Essentials
  - Professional Document Design
  - Advanced Project Management

- Professional Executive Coaching
  - Diploma of Management
  - Bachelor of Business (units)
  - Professional Business Writing
  - Accountable and Ethical Decision Making
  - Certificate III in Accounts Administration
  - CFO Forums
  - Company Directors Course
  - The Commission delivered a series of Grant Writing Workshops to towns across the region including: Carnarvon, Exmouth, Denham, Coral Bay and Useless Loop. Over 60 people attended the workshops which included information on where to look for funding, completing applications, managing and submitting funding acquittals.
  - The Commission partnered with the Department of Finance to deliver Government Procurement Training for government personnel in Carnarvon.
- 

#### Education and Training Provision

The Gascoyne Development Commission played a lead role with the Department of Training and Workforce Development in the development of the *Gascoyne Workforce Development Plan 2015–2018*. It's overall aim is to build, attract and retain a skilled workforce to meet the economic needs of the Gascoyne region. The Plan has been designed as an important reference point for all stakeholders as it identifies the challenges, agreed solutions and organisations that have a key stake in its implementation. A series of priority actions have been developed and are identified in the Plan. The Commission is the lead agency for a number of these priority actions and will continue to plan an active role in the implementation of the Plan.

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#### 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 including food production, tourism, mining and energy, and population services.

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## Gascoyne Regional Investment Blueprint

In 2010 *Structuring Regional Development for the Future* (the Duncan Review) first identified the benefits of Regional Blueprints for Development Commission areas across the state. A Regional Blueprint is a strategy that outlines regional growth and development aspirations, transformational projects and investment opportunities and an integrated and comprehensive approach to regional planning. Blueprints provide a structure to respond to, plan and implement transformative change in a region in a strategic and comprehensive manner. They will be used to coordinate resources to address challenges and opportunities that arise, and measures to track progress towards set goals and imperatives.

### Outcomes

- The Gascoyne Development Commission has completed the process to draft the Blueprint, based on extensive research and broad consultation across Government and other key stakeholders.
- The Blueprint outlines the region's vision to 2050 and the strategic framework for development across the region in all facets of life. The Blueprint has been presented to the Minister for Regional Development for review and released for public comment.
- A review of public comment submissions was completed in June 2015 and the draft Blueprint updated where necessary. The final Blueprint is expected to be released early 2015–16 after final approval by the Minister for Regional Development.

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## Food Industry

Horticulture, pastoralism and wild capture seafood are undertaken 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 capitalize on national and international food demand through the \$300 million Seizing the Opportunity Agriculture initiative made possible by Royalties for Regions.

The Gascoyne Foodbowl initiative will see 400 hectares of additional land available for horticulture in 2016, and potentially a further 800 hectares released at a later date.

The implementation of Water for Food program in the Gascoyne, being led by the Department of Water, would 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.

### Outcome

- The Commission has provided financial support for the Gascoyne Food Council through the employment of the Executive Officer post Topical Cyclone Olwyn. The Gascoyne Food Council is 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 draft *Gascoyne Regional Investment Blueprint*. A significant contributor to the Gascoyne, both current and into the future, is food. Long term established industries such as horticulture, livestock and seafood production within the region represent a core comparative advantage of the Gascoyne.
- The Gascoyne Foodbowl Initiative has delivered additional water resources for the expansion of the Carnarvon Horticultural Area. The Commission continues to support the Gascoyne Foodbowl Initiative and other programs aimed at the expansion and diversification of the Gascoyne food industry.

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## Tourism in the Gascoyne

The tourism sector is the largest revenue earner in the Gascoyne region. The Commission plays an important leadership and co-ordination role on a regional basis. The Commission led the development of the *Gascoyne Regional Tourism Strategy* in 2014 and is continuing the process of implementation over the next two years.

Following the destruction by Cyclone Olwyn across the Gascoyne region, the Commission facilitated the development of the Gascoyne Regional Promotion Strategy project in partnership with key stakeholders to carry the message that the Gascoyne is 'open for business'. The initiative has seen the development of regional media advertising, online marketing and capacity building activities for the local industries.

## Outcomes

- Successfully securing \$250,000 through the Gascoyne Regional Grant Scheme for the implementation of the *Gascoyne Regional Tourism Strategy* over the next two years.
- Promotion of world-class experiences and an open for business message to encourage visitors to the region.
- Economic diversity and resilience.

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### 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.

### 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.

#### Outcome

- It was recently announced that the Gascoyne will receive 11 new or upgraded mobile telecommunication towers across the region through the Federal Blackspot program and Royalties for Regions Regional Telecommunications Project.

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### Infrastructure Planning Studies

Energy and Aboriginal cultural and recreational needs are the subjects of two separate studies undertaken by the Commission.

The cultural needs study identifies the cultural and recreational needs of the Gascoyne Aboriginal people, with the recommendations used to inform planning and development, including facilities and associated services/events.

The *Gascoyne Regional Energy Strategy* enables stakeholders to better understand the current regional energy infrastructure and supply needs, current and future demand, and informs the co-ordination of land-use and infrastructure planning.

#### Outcome

- The completion of the *Gascoyne Regional Energy Strategy* and the *Gascoyne Aboriginal Cultural and Recreational Needs Study*. Both reports will be shared with local government authorities, State government, investors and planners.
- Better co-ordinated and prioritised infrastructure planning and investment.

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### Gascoyne Junction Low Level Bridge

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

The completed project will provide essential infrastructure for the remote town of Gascoyne Junction and reduce road closure times down by approximately 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.

#### Outcome

- The Commission has submitted an application for funding through the Blueprint Initiative Fund for planning and construction costs and will also be seeking additional funding through the Federal National Stronger Regions Fund.

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### Regional Air Services

Improving regional accessibility and connectivity has been highlighted as one of the six Transformational Pillars in the draft *Gascoyne Regional Investment 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 attend and contribute to the Carnarvon/Monkey Mia Skippers Aviation Community Consultation Group Meetings.
- The Commission made a submission to the Department of Transport *Review of Regulated Regular Public Transport Air Routes in Western Australia* Position Paper in October 2014.
- The Commission conducted a review of an *Airline Hub* and Spoke concept to service Shark Bay and Carnarvon as an alternative to the current mode of operation.
- A Business Case was submitted for 2014–15 Royalties for Regions Blueprint Initiative Funding for the installation of airport screening in both Carnarvon and Shark Bay airports.
- A consultant has been engaged to produce the *Gascoyne Regional Aviation Strategy*, which will capture the challenges and opportunities looking forward over the next five years. The Strategy will identify specific actions that could be supported or implemented by the Commission to achieve affordable, quality and regular services. The Strategy will be produced in consultation with the Local Government Authorities, local communities and State and Federal Government agencies.
- The Commission continues to be proactive in regard to improving air services to the Gascoyne region.

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## Carnarvon Multi Food Processing Plant

The development of a multi-food processing facility in the Gascoyne region of Western Australia was identified as a high priority in the draft *Gascoyne Regional Investment Blueprint*, with the potential to create transformational long-term change for the region.

The Commission was successful in receiving \$100,000 through the 2014–15 Royalties for Regions Capacity Fund to investigate the feasibility of developing a multi-food processing plant in Carnarvon.

### Outcome

- GHD have been engaged to produce the feasibility study and have presented a Draft to the Commission for review.

- GHD has been engaged to produce an investment summary for the project with the aim of attracting private investors.
- Early recommendations indicate a multi-food processing plant is a viable opportunity for the Gascoyne region.

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## 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.

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## 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.

### Outcomes

- More than 50 Gascoyne businesses have registered online, enhancing their profile and capability and connecting tender opportunities.

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## Business Development

The Commission hosted the Gascoyne offices and staff members for the Small Business Centre, Regional Development Australia, Gascoyne in May and Disability Services Commission in 2014–15. The Commission has an information sharing and liaison role with these bodies, 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.

## Outcomes

- Mapping the Connections Carnarvon Agri Business Project is a joint initiative between the Small Business Centre, the Commission, Gascoyne Food Council, Department of Agriculture and Food, Carnarvon Growers Association and Commonwealth Department of Industry. The object of this project is to enhance the understanding of issues that are important to the future growth of agri-businesses and growers in Carnarvon.
- The Commission and the Shire of Exmouth continue to ensure that the Department of Defence is well informed of the opportunities and benefits of expanding their operations in northern Australia, into Exmouth.

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## 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 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.

## Outcome

- The Commission funded a consultant through the RFR GRGS Strategic Funds to develop a business, governance and marketing plan for Stages 1 and 2 of the Track. Stage 1 includes track design work from the boat ramp to Bill's Bay Lookout.

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## 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.

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## Carnarvon Land Group and Exmouth Land Group

The Commission participates in and/or facilitates the Carnarvon and Exmouth Land Groups (CLG, ELG), each of which is a collective of local stakeholders including Shire, Mainroads, Water, Power and LandCorp representatives, who meet to discuss land development matters within the towns. Opportunities for collaboration and constraints are recognised and pursued as appropriate.

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## Old Police and Justice Site Development

Following the opening and relocation of the new Carnarvon Police and Justice Complex, the Commission has taken the lead role in overseeing the future development of the old justice precinct site. As part of this role the Commission has established the Carnarvon Old Justice Precinct Steering Committee (COJPSG), with relevant stakeholder membership, 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.

## Outcomes

- Establishment of the Carnarvon Old Justice Precinct Steering Committee.
  - Submission of a Concept Proposal for \$645,000 funding from the 2015–16 Royalties for Regions Blueprint Initiative Fund to progress the approved option for interim management and maintenance of the site and to write a master plan.
- 

## 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, 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.

## Outcomes

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

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## Regional Price Index

The Regional Price Index is a publication produced by the Department of Regional Development, and provides an indicative insight into the differences in regional consumer costs by contrasting the cost of a common basket of goods and services at a number of regional locations to the Perth metropolitan region.

The Commission assisted with the development of costing for Gascoyne communities in 2014–15.

## Outcomes

- Gascoyne communities will be represented in the next edition of the Regional Price Index, ensuring accurate data to assist with policy decision making, setting regional wages and salaries and calculations for regional district allowances.

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## 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.

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## Regional Development Council Program

The Regional Development Council (RDCo) is the peak advisory body to the Western Australian Government on regional development issues. The Council comprises the nine Chairs of the Regional Development Commission Boards, two WA local government authority representatives, and the Director General of the Department of Regional Development.

The RDCo plays a decisive role in the implementation and allocation of Royalties for Regions funding across the State.

The Chair of the Gascoyne Development Commission attends RDCo meetings, provides advice, and promotes the Gascoyne region. The Chair is also

a member of the Gascoyne Advisory Group which allocated funding to the region from the Gascoyne Revitalisation Plan.

## Outcomes

- Gascoyne Regional Blueprint acknowledged by RDCo.
- Five projects submitted for consideration by RDCo for the 2015–16 Blueprint Initiative Fund.

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## 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 is provided to the Shire of Shark Bay in preparation of Dirk Hartog 2016 400 Year Celebrations, grant funding applications and capacity building.
- Commission support for the Upper Gascoyne has focused on developing business cases for a new Gascoyne River crossing at Gascoyne Junction and for a tourist park development at Mt Augustus.
- 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 development of the region.
- Located in the Shire of Carnarvon, support is provided to Coral Bay primarily based on the development of the Baiyungu Track.
- The Commission's consultation requirements ensures inclusion of regional centres. As such consultations have occurred in Exmouth, Coral Bay, Burringurrah, Gascoyne Junction, Carnarvon and Denham for different studies, such as the *Gascoyne Regional Energy Strategy*, and for the development of the draft *Gascoyne Regional Investment Blueprint*.

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## Flood History

The Commission allocated \$20,000 from the Royalties for Regions Strategic Fund for the preparation of a historical account of the 2010 flood

that devastated Carnarvon, Gascoyne Junction and many pastoral properties throughout these two local government areas. During 2014–15, consultant Susan Hanson collected stories from those affected and prepared a book and DVD illustrating their accounts.

### **Outcome**

- The production of *High Water and Hope; Stories of the 2010 Gascoyne Flood* book and DVD.
- 

## **Gascoyne Regional Promotions Strategy**

After Tropical Cyclone Olwyn severely impacted the Gascoyne region in March 2015, the Commission, along with the four local government authorities, Chambers of Commerce, Visitors Centres, Regional Tourism Organisations, Regional Development Australia and Tourism WA, came together to develop some short term strategies to assist the region in promoting the 'open for business' message and encourage travellers back to the region.

### **Outcome**

- Secured funding contributions from all key stakeholders to undertake the project.
  - National media attention through a Gascoyne feature on WA Weekender screened in May 2015.
  - National media attention through Gascoyne segments on Destinations WA screened in May 2015.
  - Engagement of a consultant to produced four television commercials showcasing the region to be aired nationally in mid July 2015.
  - Investigation of opportunities for social media promotion.
  - Initiated a local small business promotion initiative called the Gascoyne Heroes.
  - Engaged a Small Business Training Professional to undertake Valuing Visitors and Providing a Positive Customer Experience Training in Exmouth, Carnarvon and Shark Bay during August 2015.
- 

## **Perth Royal Show Gascoyne District Display**

The Commission took on the lead role for coordinating the Gascoyne District Display at the Perth Royal Show in 2014. In collaboration with key regional stakeholders, including the four local government authorities, Visitor Centres, Chambers of Commerce and grower groups, the 2014 Gascoyne District Display was a great success.

Building on the success of 2014, the Commission has again taken on the lead coordination role, and with input from the key regional stakeholders the plan is to revitalise the Gascoyne's display and include interactive experiences, activities and display material for 2015.

### **Outcomes**

- Regional collaboration and cooperation enabled the 2014 Gascoyne District Display to showcase the wonders from across the region. The 2014 Display won awards for Best Honey Display and Best Aquatic Products Display for the Northern Regions.
  - The District Display Committee were successful in receiving Gascoyne Community Chest Funding for the development of a regional promotions/ activity book for use at the 2015 District Display.
- 

## **Gascoyne Regional Grant Scheme (GRGS)**

The Gascoyne Regional Grants Scheme is administered by the Gascoyne Development Commission as part of the Royalties for Regions Program. Royalties for Regions 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'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.
6. Assist regional communities to prosper through increased employment opportunities, business and industry development opportunities, and improved local services.

In 2014–15 the Commission approved 27 projects through the Gascoyne Regional Grant Scheme and Community Chest Fund. The following is a list of the successful projects for 2014–15.

## Gascoyne Community Chest Fund

APPLICANT	PROJECT	FUNDING APPROVED
Shark Bay State Emergency Service Inc	Emergency Power Supply	\$19,909
Gascoyne Food Council Inc	Gascoyne Food Festival 2015	\$18,253
Shark Bay Volunteer Marine Rescue Inc	VMR Kitchen, Toilet & Tools	\$20,000
Shark Bay Community Resource Centre	Discovering Dinosaurs	\$3,900
Gascoyne In May Inc	Gascoyne Illumination II	\$20,000
Carnarvon Amateur Swimming Club Inc	Infrastructure - Dolphin Timing System	\$13,000
Shire of Exmouth	Digital LED Notice Board/Sign	\$20,000
Gascoyne Gymnastics Club Inc.	Gymnastics Equipment Upgrade	\$19,946
Ningaloo Whale Shark Festival	Community Shade Structure	\$7,653
Carnarvon Surf Lifesaving Club (auspiced by Carnarvon Chamber of Commerce and Industry)	Establishment & Development of a Surf Lifesaving Club for Carnarvon	\$10,000
Carnarvon Speedway Club Inc.	Ablution Block	\$15,000
Ausdance WA	Willy Willy Learning (Working Title)	\$14,461
Anglican Parish Shark Bay	Rectory Repair	\$5,460
St. John Ambulance Shark Bay Sub Centre	Enclosure Fencing	\$4,350
Shire of Shark Bay	Shark Bay Information Bay Upgrade	\$12,727
Gascoyne District Display Committee	2015 Gascoyne District Display Material	\$10,500
Exmouth Cultural Arts Centre	Replacement Computer	\$1,592
Carnarvon Pistol Association	Club Room Rebuild	\$15,081
Carnarvon Horse & Pony Club	New Verandah Inclusive Mounting Area	\$20,000
Carnarvon Heritage Group Inc.	Inner Mangrove Boardwalk	\$20,000
Carnarvon Space & Technology Museum	Children's Space Ship and NASA Trailer Repairs	\$20,000
Shark Bay P&C	Air Vent Fans for Shark Bay School	\$7,437
Shark Bay Speedway	Shed Construction	\$13,636
Shire of Exmouth	Promo & Education of Ningaloo WH Area	\$11,550
Shire of Exmouth	Art of making Public Art	\$20,000
Shark Bay Bowling Club	Replace Club Carpet and Greens Mower	\$15,545
Public Trustee	Improving Will Making & Financial Administration Understanding & Access among Regional WA	\$10,000
	<b>TOTAL FUNDING</b>	<b>\$370,000</b>

## Gascoyne Regional Grant Scheme

APPLICANT	PROJECT	FUNDING APPROVED
Gascoyne Tourism Board (auspiced by GDC)	Gascoyne Tourism Strategy Implementation	\$250,000
Silver Chain Group Ltd	Carnarvon Community Care Centre	\$206,111
Gascoyne Food Council	Driving Agrifood Investment Value through the Gascoyne Food Council	\$40,000
St John Ambulance WA Ltd	New St John Carnarvon Ambulance and Volunteer Training Sub Centre	\$205,000
Shire of Upper Gascoyne	Kennedy Range Loop Project – Stage 1	\$50,000
Shire of Shark Bay	Festival of Discovery	\$100,000
Shire of Upper Gascoyne	Gascoyne Junction Water Supply	\$90,000
Gascoyne In May	Gascoyne in May 2015–16	\$40,000
	<b>TOTAL FUNDING</b>	<b>\$981,111</b>



# 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 2015 to solicit responses relating to the achievement of the Commission's service.

Out of the 129 questionnaires sent, the Commission received 70 responses.

Respondents were asked if the Commission is effective and makes a positive contribution to the economic and social development of the Gascoyne region. 94 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.

<b>Key Performance Indicators</b>	<b>Target 2015</b>	<b>Actual 2015</b>	<b>Actual 2014</b>	<b>Actual 2013</b>	<b>Actual 2012</b>	<b>Actual 2011</b>	<b>Actual 2010</b>	<b>Variance</b>
Key Effectiveness Indicator: An environment conducive to the balanced economic and social development of the Gascoyne region	93%	94%	98%	86%	93%	96%	89%	1%

The Commission's focus during 2014/15 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.

	<b>Target 2015</b>	<b>Actual 2015</b>	<b>Actual 2014</b>	<b>Actual 2013</b>	<b>Actual 2012</b>	<b>Actual 2011</b>	<b>Actual 2010</b>	<b>Variance</b>
Key Efficiency Indicator: Cost per project hour	\$110	\$114	\$108	\$118	\$152	\$159	\$157	\$4

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 2015.



**Anthony Beard**  
Chairman  
20 August 2015



**Stephen Webster**  
Chief Executive Officer  
20 August 2015

# Significant Issues

## Regional development planning

Under the guidance of the Gascoyne Advisory Group, the Royalties for Regions Gascoyne Revitalisation funding of \$150 million continues to enable the achievement of regionally significant projects as originally identified within the *Gascoyne Regional Development Plan 2010–2020*. Building upon and complementary to the Regional Development Plan and the Gascoyne Planning and Infrastructure Framework is the *Gascoyne Regional Investment Blueprint*. In its final draft, the Blueprint will assist in guiding the planned, collaborative and prioritised development of the Gascoyne and enable the Commission to play a leadership and facilitation role with government, community and industry.

## Regional tourism development

Already the highest value industry in the region, the tourism industry will grow further with the implementation of the key strategies and recommendations from the *Gascoyne Regional Tourism Strategy*. A number of specific initiatives such as the commencement of the Exmouth Boat Harbour expansion, the development of the Denham Foreshore and the completion of the Carnarvon Fascine will contribute to the region's higher profile tourism. However, an important issue that will impact the opportunity for growth is the quality of aviation services provided to the region; tourism should be recognised as a critical driver in the selection of air service providers to the region.

## Significant capital and infrastructure works

Major capital and infrastructure projects such as the Carnarvon Police and Justice Complex, the electrification of the northern borefields in Carnarvon and the Gascoyne Junction Town Centre Revitalisation were completed in 2014–15. The Commission continues to work closely with local government and key stakeholders through clusters such as the Carnarvon and Exmouth Land Groups to address land and housing requirements.

## Primary industry

Through the Gascoyne Food Bowl project, the Commission is working with key stakeholders such as the Department of Agriculture and Food WA and the Department of Water to identify and release suitable land and water to the Carnarvon Horticultural District. The GDC is actively seeking innovative ways to maximise the value of primary commodity production in order to shield the region's economy from the fluctuations of the exchange rate and vagarious weather.

## Residential aged care and aging in place

The ability to provide appropriate aged care facilities in the Gascoyne region remains a priority and the Commission will be working with key stakeholders, particularly local government authorities to plan for and establish aged care facilities in the Gascoyne region, initially Carnarvon.

## Workforce development


The implementation of the *Gascoyne Regional Workforce Development Plan* with partners such as the Durack Institute of Technology will assist in economic development through addressing the diverse current and future Gascoyne workforce requirements.

# Gascoyne Development Commission Disclosures and Compliance

## Certification of Financial Statements

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 2015 and the financial position as at 30 June 2015.

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.



**Ivy Klassen-Glanzer**  
Acting Chief Finance Officer  
20 August 2015



**Stephen Webster**  
Chief Executive Officer  
20 August 2015



**Anthony Beard**  
Chairman  
20 August 2015

# Gascoyne Development Commission Statement of Comprehensive Income for the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	7	1,472,074	1,614,264
Supplies and services	8	830,209	614,282
Depreciation	9	4,811	4,978
Accommodation expenses	10	152,554	141,281
Grants and subsidies	11	1,024,806	947,645
Other expenses	14	8,319	7,961
<b>Total Cost of Services</b>		<b>3,492,773</b>	<b>3,330,411</b>
<b>Income</b>			
<b>Revenue</b>			
User charges and fees	12	52,800	137,804
Other revenue	13	63,967	13,506
<b>Total Revenue</b>		<b>116,767</b>	<b>151,310</b>
<b>Total income other than income from State Government</b>		<b>116,767</b>	<b>151,310</b>
<b>NET COST OF SERVICES</b>		<b>3,376,006</b>	<b>3,179,101</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	15	251,000	246,000
Resources received free of charge	15	10,646	7,809
Royalties for Regions Fund	15	3,278,314	2,903,271
<b>Total income from State Government</b>		<b>3,539,960</b>	<b>3,157,080</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	25	<b>163,954</b>	<b>(22,021)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>163,954</b>	<b>(22,021)</b>

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

# Gascoyne Development Commission Statement of Financial Position as at 30 June 2015

	Note	2015 \$	2014 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	265,648	301,318
Restricted cash and cash equivalents	16	851,812	761,216
Receivables	19	89,844	28,247
Amounts receivable for services	20	34,000	34,000
<b>Total Current Assets</b>		<b>1,241,304</b>	<b>1,124,781</b>
<b>Non-Current Assets</b>			
Plant and equipment	17	4,812	9,623
<b>Total Non-Current Assets</b>		<b>4,812</b>	<b>9,623</b>
<b>Total Assets</b>		<b>1,246,116</b>	<b>1,134,404</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	21	18,935	662
Provisions	22	276,274	399,246
Other current liabilities	23	79,184	43,578
<b>Total Current Liabilities</b>		<b>374,393</b>	<b>443,486</b>
<b>Non-Current Liabilities</b>			
Provisions	22	37,061	20,210
<b>Total Non-Current Liabilities</b>		<b>37,061</b>	<b>20,210</b>
<b>Total Liabilities</b>		<b>411,454</b>	<b>463,696</b>
<b>NET ASSETS</b>		<b>834,662</b>	<b>670,708</b>
<b>Equity</b>			
Contributed equity	24	90,000	90,000
Accumulated surplus	25	744,662	580,708
<b>TOTAL EQUITY</b>		<b>834,662</b>	<b>670,708</b>

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

## Gascoyne Development Commission Statement of Changes in Equity for the year ended 30 June 2015

	Note	2015 \$	2014 \$
Balance of equity at start of year	24	670,708	692,729
<b>CONTRIBUTED EQUITY</b>			
Balance at start of year	24	<u>90,000</u>	<u>90,000</u>
Balance at end of year		<u>90,000</u>	<u>90,000</u>
<b>ACCUMULATED SURPLUS</b>			
Balance at start of year	25	580,708	602,729
Surplus /(deficit) for the year		<u>163,954</u>	<u>(22,021)</u>
Balance at end of year		<u>744,662</u>	<u>580,708</u>
Balance of equity at end of year		<u><u>834,662</u></u>	<u><u>670,708</u></u>

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



# Gascoyne Development Commission Statement of Cash Flows for the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation	15	251,000	246,000
Royalties for Regions Fund	15	3,278,314	2,414,271
Other government grants		-	489,000
<b>Net cash provided by State Government</b>		<b>3,529,314</b>	<b>3,149,271</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(1,578,195)	(1,641,241)
Supplies and services		(774,003)	(906,174)
Accommodation		(152,554)	(141,281)
Grants and subsidies		(1,024,806)	(947,645)
GST payments on purchases		(133,092)	(250,840)
<b>Receipts</b>			
User charges and fees		52,800	137,804
Other revenue		2,370	257,597
GST receipts from taxation authority		123,335	210,777
GST receipts on revenue		9,757	40,063
<b>Net cash used in operating activities</b>	<b>26</b>	<b>(3,474,388)</b>	<b>(3,240,939)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>54,926</b>	<b>(91,668)</b>
<b>Cash assets and cash equivalents at the beginning of period</b>		<b>1,062,534</b>	<b>1,154,202</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>26</b>	<b>1,117,460</b>	<b>1,062,534</b>

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

# Gascoyne Development Commission

## Notes to the Financial Statements

### for the year ended 30 June 2015

#### Note 1. Australian Accounting Standards

##### General

The Commission's financial statements for the year ended 30 June 2015 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*. No Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2015.

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

##### (b) Basis of Preparation

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

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

The financial statements are presented in Australian dollars 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 administration arrangement 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 transfers 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 and 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) Plant and Equipment**

### ***Capitalisation/Expensing of assets***

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

For items of property, plant and equipment acquired at no cost or for nominal consideration, the cost is their 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, 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

Plant and equipment 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 Commission 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 and bank overdraft, 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 account 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 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 debt. 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. The carrying amount is equivalent to 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 expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Annual leave not expected to be settled within 12 months after the end of 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 of maturity that match, as closely as possible, the estimated future cash outflows.

The provision of 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 end of the reporting period.

### ***Long Service Leave***

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore 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 end of 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 have been able to choose their preferred superannuation fund provider. The Commission makes contributions to GESB or other fund providers 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 as separate 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**

Superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to the 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 or 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.

## Disclosure of changes in accounting policy and estimates

### Note 5. Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2014 that impacted on the Commission.

<i>Int 21</i>	<i>Levies</i> This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Commission at reporting date.
<i>AASB 10</i>	<i>Consolidated Financial Statements</i> This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements and int 112 Consolidation – Special Purpose Entities</i> , introducing a number of changes to accounting treatments.  The adoption of the new Standard has no financial impact for the Commission as it does not impact accounting for related bodies and the Commission has no interests in other entities.
<i>AASB 12</i>	<i>Disclosure of Interest in Other Entities</i> This Standard, issued in August 2011, supersedes disclosure requirements in AASB 127 <i>Consolidated and Separate Financial Statements</i> , AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i> . There is no financial impact.
<i>AASB 127</i>	<i>Separate Financial Statements</i> This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. There is no financial impact.
<i>AASB 128</i>	<i>Investments in Associates and Joint Ventures</i> This Standard supersedes AASB 128 <i>Investments in Associates</i> , introducing a number of clarifications for the accounting treatments of changed ownership interest.  The adoption of the new Standard has no financial impact for the Commission as it does not hold investments in associates and joint ventures.
<i>AASB 1031</i>	<i>Materiality</i> This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.



AASB 1055	<p><i>Budgetary Reporting</i></p> <p>This Standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. The Commission will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.</p>
AASB 2012-3	<p><i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i></p> <p>This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.</p>
AASB 2013-3	<p><i>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</i></p> <p>This Standard introduces editorial and disclosure changes. There is no financial impact.</p>
AASB 2013-4	<p><i>Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]</i></p> <p>This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity’s financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position. There is no financial impact.</p>
AASB 2013-8	<p><i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 &amp; 1049]</i></p> <p>The amendments, issued in October 2013, provide significant guidance in determining whether a not-for-profit entity controls another entity when financial returns are not a key attribute of the investor’s relationship. The Standard has no financial impact in its own right, rather the impact results from the adoption of the amended AASB 10.</p>
AASB 2013-9	<p><i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i></p> <p>Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014. It has no financial impact.</p>
AASB 2014-1	<p><i>Amendments to Australian Accounting Standards</i></p> <p>Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for the Commission.</p> <p>Part B of this Standard has no financial impact as the Commission contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans.</p> <p>Part C of this Standard has no financial impact as it removes references to AASB 1031 <i>Materiality</i> from a number of Accounting Standards.</p>

## Note 6. Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Commission has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Accounting Standards from their application date.

**Operative for reporting periods beginning on/after**

AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard was amended to 1 January 2018 by AASB 2014–1 Amendments to Australian Accounting Standards. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 15	<p><i>Revenue from Contracts with Customers</i></p> <p>This Standard establishes the principles that the Commission 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. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2017
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 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 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 2013–9	<p><i>Amendments to Australian Accounting Standards</i></p> <p>Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014–1. The Commission has not yet determined the application or the potential impact of AASB 9.</p>	1 Jan 2015
AASB 2014–1	<p><i>Regulatory Deferral Accounts</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

		Operative for reporting periods beginning on/after
AASB 2014-3	<p><i>Amendments to Australian Accounting Standards – 1 Jan 2016 Accounting for Acquisitions of Interests in Joint Operations [AASB 1 &amp; 11]</i></p> <p>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.</p>	1 Jan 2016
AASB 2014-4	<p><i>Amendments to Australian Accounting Standards – 1 Jan 2016 Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 &amp; 138]</i></p> <p>The adoption of this Standard has no financial impact for the Model Commission as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefit.</p>	1 Jan 2016
AASB 2014-5	<p><i>Amendments to Australian Accounting Standards – 1 Jan 2017 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 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2017
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
AASB 2014-8	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 &amp; 2010)]</i></p> <p>This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 <i>Financial Instruments</i> (December 2010), arising from the issuance of AASB 9 <i>Financial Instruments</i> in December 2014. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2015
AASB 2014-9	<p><i>Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 &amp; 128]</i></p> <p>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. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2016
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 &amp; 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 Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2016

		Operative for reporting periods beginning on/after
AASB 2015-1	<p><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 &amp; 140]</i></p> <p>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 not yet determined the application or the potential impact of the Standard</p>	1 Jan 2016
ASB 2015-2	<p><i>Amendments to Australian Accounting Standards – 1 Jan 2016 Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 &amp; 1049]</i></p> <p>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.</p>	1 Jan 2016
ASB 2015-3	<p><i>Amendments to Australian Accounting Standards – 1 Jul 2015 arising from the Withdrawal of AASB 1031 Materiality</i></p> <p>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact</p>	1 Jan 2015
ASB 2015-6	<p><i>Amendments to Australian Accounting Standards – 1 Jul 2016 Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 &amp; 1049]</i></p> <p>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. The Commission has not yet determined the application of the Standard, though there is no financial impact.</p>	1 Jan 2016

	2015	2014
	\$	\$
<b>7 Employee benefits expense</b>		
Wages and salaries (a)	1,153,130	1,272,671
Superannuation – defined contribution plans (b)	113,651	118,779
Long service leave (c)	30,712	82,225
Annual leave (c)	107,218	71,727
Board fees and allowances including superannuation	67,363	68,862
	<u>1,472,074</u>	<u>1,614,264</u>
(a) Includes the value of fringe benefit to the employee plus the fringe benefit tax component.		
(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid) and Super Choice Schemes.		
(c) Includes a superannuation contribution component, employment on-costs such as workers compensation insurance are included at note 14 'Other Expenses'. The employment on-costs liability is included at note 22 'Provisions'.		
<b>8 Supplies and services</b>		
Communications	29,117	24,113
Consumables	30,324	17,912
Vehicle Costs	64,671	71,574
Other	66,215	32,251
Consultants and contractors	539,502	378,577
Repairs and maintenance	18,536	10,493
Travel	81,844	79,362
	<u>830,209</u>	<u>614,282</u>
<b>9 Depreciation and amortisation expense</b>		
Depreciation		
Furniture and Fittings	-	167
Electronic Equipment	4,811	4,811
	<u>4,811</u>	<u>4,978</u>
<b>10 Accommodation expenses</b>		
Lease rentals	135,612	128,504
Cleaning	16,942	12,777
	<u>152,554</u>	<u>141,281</u>
<b>11 Grants and subsidies</b>		
Royalties for Regions – Regional Community Services Fund	1,024,806	771,521
Royalties for Regions – Country Local Government Fund	-	176,124
	<u>1,024,806</u>	<u>947,645</u>

	2015 \$	2014 \$
<b>12 User charges and fees</b>		
Comprises mostly of charges to staff for rental accommodation, revenue from recoupment of staff costs, office space and training course income.	52,800	137,804
<b>13 Other revenue</b>		
Comprises contributions to project funding and any returned funding for projects	63,967	13,506
<b>14 Other expenses</b>		
Employment on-costs	8,319	7,961
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 22 "Provisions". Superannuation contributions accrued as part of the provisions for leave are employee benefits and are not included in employment on-costs (see note 7).		
<b>15 Income from State Government</b>		
Appropriation received during the year:		
Service appropriation (a)	251,000	246,000
	251,000	246,000
Royalties for Regions – Regional Grant Scheme (b)	1,100,119	525,207
Royalties for Regions – Regional Workers Incentives	31,634	40,064
Royalties for Regions – Other Initiatives (c)	1,905,000	1,849,000
Royalties for Regions – Regional Community Services	241,561	-
WA Tourism (d)	-	239,000
Other revenue (e)	-	250,000
	3,278,314	2,903,271

(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." This fund is committed to operational costs for the Gascoyne Development Commission.

(d) Funding received from WA Tourism has been extinguished in 2013–14 in support of tourism in the Gascoyne Region.

(e) Funds received from the Department of Planning in support of various Gascoyne regional projects.

	2015	2014
	\$	\$
<b>16 Restricted cash and cash equivalents</b>		
Current		
Royalties for Regions – Regional Community Services Fund	154,224	63,370
Royalties for Regions – Blueprint/Capacity Building	80,261	137,439
Externally funded projects	156,745	244,310
Regional Development Scheme	75,097	75,097
Leave Entitlements	303,485	215,000
Asset Replacement	25,000	25,000
27th Pay	55,000	0
Treasury	2,000	1,000
<b>Total</b>	<b>851,812</b>	<b>761,216</b>

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

#### 17 Plant and equipment

##### Office Equipment

At cost	54,959	54,959
Less: Accumulated depreciation	(50,147)	(45,336)
	<u>4,812</u>	<u>9,623</u>

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

##### Office Equipment

Carrying amounts at the start of the year	9,623	4,601
Addition	-	-
Depreciation	(4,811)	(4,978)
Carrying amount at end of the year	<u>4,812</u>	<u>9,623</u>

#### 18 Net gain or loss on disposal of non current assets

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

##### Impairment of assets

There was no indication of impairment to plant and equipment at 30 June 2015.

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.

All surplus assets at 30 June 2015 have either been classified as assets held for sale or written-off.

#### 19 Receivables

Current receivables	1,920	12,136
GST receivable	87,924	16,111
	<u>89,844</u>	<u>28,247</u>

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

	2015	2014
	\$	\$
<b>20</b>		
<b>Amounts receivable for services</b>		
Current	34,000	34,000
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 repayment of leave liability.		
<b>21</b>		
<b>Payables</b>		
Current		
Other payables	8,952	662
Accrued expenses	9,983	-
Total Current	<u>18,935</u>	<u>662</u>
<b>22</b>		
<b>Provisions</b>		
Current		
Employee benefits provision		
Annual leave (a)	41,723	91,841
Long service leave (b)	209,035	275,702
	<u>250,758</u>	<u>367,543</u>
Other provision		
Employment on-costs current (c)	<u>25,516</u>	<u>31,703</u>
	<u>276,274</u>	<u>399,246</u>
Non Current		
Employee benefits provision		
Long service leave	<u>33,692</u>	<u>18,207</u>
Employment on-costs non current (c)	<u>3,369</u>	<u>2,003</u>
	<u>37,061</u>	<u>20,210</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 will occur as follows:

Within 12 months of the end of the reporting period	229,614	306,029
More than 12 months after the end of the reporting period	35,869	20,210

(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 the expected future payments. The associated expense, apart from the unwinding of the discount (finance costs), is included at note 14 'Other expenses'.



	2015	2014
	\$	\$
<b>Movement in other provisions</b>		
Movements in each class of provisions during the financial year, other than employee benefits, are set out below:		
<u>Employment on-cost provision</u>		
	33,706	29,809
Carrying amount at start of period		
	3,355	11,858
Additional provisions recognised		
	(8,176)	(7,961)
Payments		
Carrying amount at end of period	28,885	33,706
<b>23 Other current liabilities</b>		
Accrued Salaries, for Employees and Board Members	55,260	33,745
Other Liability	23,924	9,833
	79,184	43,578
<b>24 Equity</b>		
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.		
<b>Contributed equity</b>		
	90,000	90,000
Balance at start of period		
	-	-
Capital contribution		
Balance at end of period	90,000	90,000
<b>25 Accumulated surplus</b>		
	580,708	602,729
Balance at start of period		
	163,954	(22,021)
Result for the period		
Balance at end of period	744,662	580,708
<b>26 Notes to the Statement of Cash Flows</b>		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
	256,648	301,318
Cash and cash equivalents		
	851,812	761,216
Restricted cash and cash equivalents (see Note 16)		
Total cash assets	1,117,460	1,062,534

	2015	2014
	\$	\$
(b) Reconciliation of net cost of services to net cash flows provided by/ used in operating activities.		
Net Cost of Services	(3,376,006)	(3,179,101)
Non cash items:		
Depreciation expense	4,811	4,978
Resources received free of charge	10,646	7,809
Change in operating assets and liabilities:		
(Increase)/Decrease in receivables	(61,597)	244,092
Increase/(Decrease) in liabilities	35,606	(210,220)
Increase/(Decrease) in provision	(106,121)	(26,977)
Increase/(Decrease) in payables	18,273	(81,520)
Net cash used in operating activities	<u>(3,474,388)</u>	<u>(3,240,939)</u>

## 27 Remuneration of Members of the Accountable Authority and Senior Officers

### Remuneration of Members of the Accountable Authority

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

	2015	2014
\$0 – \$10,000	9	9
\$10,001 – \$20,000	-	-
\$40,001 – \$50,000	1	1

	2015	2014
	\$	\$
Base remuneration and superannuation	73,782	75,303
The total remuneration of members of the accountable authority is:	<u>73,782</u>	<u>75,303</u>

The total remuneration includes the superannuation expense incurred by the Commission in respect of members of the Accountable Authority.

## Remuneration of Members of the Senior Officers

	2015	2014
\$110,001 – \$120,000	-	-
\$120,001 – \$130,000	-	-
\$320,001 – \$330,000	-	-
\$380,001 – \$390,000	1	1

	2015	2014
	\$	\$
Base remuneration and superannuation	259,826	259,311
Annual leave and long service leave accruals	51,689	51,689
Other benefits	77,600	74,000
The total remuneration of senior officers	<u>389,115</u>	<u>385,000</u>

The total remuneration includes the superannuation expense incurred by the Commission in respect of senior officers other than senior officers reported as members of the Accountable Authority.

### 28 Write Offs

There were no write offs during the reporting period.

### 29 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	158,720	221,343
Later than 1 year and not later than 5 years	32,988	140,999
	<u>191,708</u>	<u>362,342</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 be increased annually with a CPI adjustment (except for periodic tenancy). These commitments are all inclusive of GST.

### 30 Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators	<u>38,500</u>	<u>35,900</u>
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### 31 Contingent liabilities and contingent assets

No contingent liabilities and contingent assets exist as at 30 June 2015.

### 32 Events occurring after the balance sheet date

There have been no events occurring after the end of the reporting period affecting the accounts.

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 reporting period in relation to each class of recognised financial assets in the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 33 (c) 'Financial instruments disclosure'.

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 the market prices such as foreign exchange rates and interest rates which will affect the Commissions Income or the value of its holding 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:

	<b>2015</b>	<b>2014</b>
Financial Assets		
Cash and cash equivalents	265,648	301,318
Restricted cash and cash equivalents	851,812	761,216
Receivables (a)	35,920	46,136
Financial Liabilities		
Payables and other liabilities (a)	89,028	44,240

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

### (c) Financial instrument disclosures

#### Credit risk

The following table discloses the Commission's maximum exposure to credit risk, and the ageing analysis of financial assets. The Commission's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Commission. The Commission does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

	Carrying Amount	Not past due and not impaired	Ageing analysis of financial assets						Impaired financial assets
			Up to 1 month	1-3 months	3 months to 1 year	2-5 years	1-5 years	More than 5 years	
	\$	\$	\$	\$	\$	\$	\$	\$	
2015									
Cash and cash equivalents	265,648	265,648	-	-	-	-	-	-	
Restricted cash and cash equivalents	851,812	851,812	-	-	-	-	-	-	
Receivables (a)	1,919	1,919	-	-	-	-	1,919	-	
Amounts receivable for services	34,000	34,000	34,000	-	-	-	-	-	
	1,153,379	1,153,379	34,000	-	-	-	1,919	-	
2014									
Cash and cash equivalents	301,318	301,318	-	-	-	-	-	-	
Restricted cash and cash equivalents	761,216	761,216	-	-	-	-	-	-	
Receivables (a)	12,136	12,136	8,316	1,164	2,656	-	-	-	
Amounts receivable for services	34,000	34,000	34,000	-	-	-	-	-	
	1,108,670	1,108,670	42,316	1,164	2,656	-	-	-	

(a) The amount of receivables excludes the GST recoverable from the 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 on the carrying amounts of each item.

	Weighted Average Effective Interest Rate	Carrying Amount	Fixed Interest rate	Variable interest rate	Interest rate exposure		Maturity date					
					Non-interest bearing	Nominal amount	Up to 1 month	1–3 months	3 months to 1 year	1–5 years	More than 5 years	
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2015</b>												
<b>Financial Assets</b>												
Cash and cash equivalents	-	265,648	-	-	265,648	265,648	-	-	-	-	-	-
Restricted cash and cash equivalents	-	851,812	-	-	851,812	851,812	-	-	-	-	-	-
Receivables	-	1,919	-	-	1,919	1,919	-	-	-	-	-	-
Amounts receivable for services	-	34,000	-	-	34,000	34,000	-	-	-	-	-	-
	-	1,153,379	-	-	1,108,670	1,153,379	1,153,379	-	-	-	-	-
<b>Financial Liabilities</b>												
Payables and other liabilities	-	89,028	-	-	89,028	89,028	-	-	-	-	-	-
	-	89,028	-	-	89,028	89,028	-	-	-	-	-	-

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

	Weighted Average Effective Interest Rate	Interest rate exposure				Maturity date					
		Carrying Amount	Fixed Interest rate	Variable interest rate	Non-interest bearing	Nominal amount	Up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years
	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>2014</b>											
<b>Financial Assets</b>											
Cash and cash equivalents		301,318			301,318	301,318					
Restricted cash and cash equivalents		761,216			761,216	761,216					
Receivables (a)		12,136			12,136	12,136					
Amounts receivable for services		34,000			34,000	34,000					
		1,108,670	-	-	1,108,670	1,108,670	-	-	-	-	-
<b>Financial Liabilities</b>											
Payables and other liabilities		44,240			44,240	44,240					
		44,240			44,240	44,240					

(a) The amount of receivables excludes the GST recoverable from the ATO.

**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 has no 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.

## Gascoyne Development Commission Statement of Comprehensive Income for the year ended 30 June 2015

	Variance Note	Budget	2015	2014	Variance between estimate and actual	Variance between results for 2015 and 2014
		\$	\$	\$	\$	\$
<b>COST OF SERVICES</b>						
<b>Expenses</b>						
Employee benefits expense	1	1,751,000	1,472,074	1,614,264	(278,926)	(142,190)
Supplies and services	2, A	299,000	830,209	614,282	531,209	215,927
Depreciation	3	-	4,811	4,978	4,811	(167)
Accommodation expenses	4	191,000	152,554	141,281	(38,446)	11,273
Grants and subsidies	5	-	1,024,806	947,645	1,024,805	77,161
Other expenses	6	187,000	8,319	7,961	(178,681)	358
<b>Total Cost of Services</b>		<b>2,428,000</b>	<b>3,492,773</b>	<b>3,330,411</b>	<b>1,064,773</b>	<b>162,362</b>
<b>Income</b>						
<b>Revenue</b>						
User charges and fees	7, B	0	52,800	137,804	52,800	(85,004)
Other revenue	7, B	80,000	63,967	13,506	(16,033)	50,461
<b>Total Revenue</b>		<b>80,000</b>	<b>116,767</b>	<b>151,310</b>	<b>36,767</b>	<b>(34,543)</b>
<b>Total income other than income from State Government</b>		<b>80,000</b>	<b>116,767</b>	<b>151,310</b>	<b>36,767</b>	<b>(34,543)</b>
<b>NET COST OF SERVICES</b>		<b>2,348,000</b>	<b>3,376,006</b>	<b>3,179,101</b>	<b>1,028,006</b>	<b>196,905</b>
<b>INCOME FROM STATE GOVERNMENT</b>						
Service appropriation		251,000	251,000	246,000	-	5,000
Resources received free of charge	8, C	7,000	10,646	7,809	3,646	2,837
Royalties for Regions Fund	9, D	2,104,000	3,278,314	2,903,271	1,174,314	375,043
<b>Total income from State Government</b>		<b>2,362,000</b>	<b>3,539,960</b>	<b>3,157,080</b>	<b>1,177,960</b>	<b>382,880</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>14,000</b>	<b>163,954</b>	<b>(22,021)</b>	<b>149,954</b>	<b>185,975</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>14,000</b>	<b>163,954</b>	<b>(22,021)</b>	<b>149,954</b>	<b>185,975</b>

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



# Gascoyne Development Commission Statement of Financial Position as at 30 June 2015

	Variance Note	Budget	2015	2014	Variance between estimate and actual	Variance between actual results for 2015 and 2014
		\$	\$	\$	\$	\$
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	10, E	220,000	265,648	301,318	45,648	(35,670)
Restricted cash and cash equivalents	11, F	233,000	851,812	761,216	618,812	90,596
Receivables	12, G	258,000	89,844	28,247	(168,156)	61,597
Amounts receivable for services		34,000	34,000	34,000	-	-
<b>Total Current Assets</b>		<b>745,000</b>	<b>1,241,304</b>	<b>1,124,781</b>	<b>496,304</b>	<b>116,523</b>
<b>Non-Current Assets</b>						
Plant and equipment	13, H	15,000	4,812	9,623	(10,188)	(4,811)
<b>Total Non-Current Assets</b>		<b>15,000</b>	<b>4,812</b>	<b>9,623</b>	<b>(10,188)</b>	<b>(4,811)</b>
<b>Total Assets</b>		<b>760,000</b>	<b>1,246,116</b>	<b>1,134,404</b>	<b>486,116</b>	<b>111,712</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Payables	14, I	120,000	18,935	662	(101,065)	18,273
Provisions	15, J	378,000	276,274	399,246	(101,726)	(122,972)
Other current liabilities	16, K	253,000	79,184	43,578	(173,816)	35,606
<b>Total Current Liabilities</b>		<b>751,000</b>	<b>374,393</b>	<b>443,486</b>	<b>(376,607)</b>	<b>(69,093)</b>
<b>Non-Current Liabilities</b>						
Provisions	L	39,000	37,061	20,210	(1,939)	16,851
<b>Total Non-Current Liabilities</b>		<b>39,000</b>	<b>37,061</b>	<b>20,210</b>	<b>(1,939)</b>	<b>16,851</b>
<b>Total Liabilities</b>		<b>790,000</b>	<b>411,454</b>	<b>463,696</b>	<b>(378,546)</b>	<b>(52,242)</b>
<b>NET ASSETS</b>		<b>(30,000)</b>	<b>834,662</b>	<b>670,708</b>	<b>864,662</b>	<b>163,954</b>
<b>Equity</b>						
Contributed equity		90,000	90,000	90,000	-	-
Accumulated surplus	17, M	(120,000)	744,662	580,708	864,662	163,954
<b>TOTAL EQUITY</b>		<b>(30,000)</b>	<b>834,662</b>	<b>670,708</b>	<b>864,662</b>	<b>163,954</b>

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

# Gascoyne Development Commission

## Statement of Changes in Equity

### for the year ended 30 June 2015

	Variance Note	Budget	2015	2014	Variance between estimate and actual	Variance between actual results for 2015 and 2014
		\$	\$	\$	\$	\$
Balance of equity at start of year		(44,000)	670,708	692,729	714,708	(22,021)
<b>CONTRIBUTED EQUITY</b>						
Balance at start of year		90,000	90,000	90,000	-	-
Balance at end of year		<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	-	-
<b>ACCUMULATED SURPLUS</b>						
Balance at start of year		(134,000)	580,708	602,729	714,708	(22,021)
Surplus/(deficit) for the year	18, N	14,000	163,954	(22,021)	149,954	185,975
Balance at end of year		<b>(120,000)</b>	<b>744,662</b>	<b>580,708</b>	<b>864,662</b>	<b>163,954</b>
Balance of equity at end of year		<b>(30,000)</b>	<b>834,662</b>	<b>670,708</b>	<b>864,662</b>	<b>163,954</b>

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

# Gascoyne Development Commission

## Statement of Cash Flows

### for the year ended 30 June 2015

	Variance Note	Budget	2015	2014	Variance between estimate and actual	Variance between actual results for 2015 and 2014
		\$	\$	\$	\$	\$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
Service appropriation		251,000	251,000	246,000	-	5,000
Royalties for Regions Fund	19, O	2,104,000	3,278,314	2,414,271	1,174,314	864,043
Other government grants	P	-	-	489,000	-	(489,000)
<b>Net cash provided by State Government</b>		<b>2,355,000</b>	<b>3,529,314</b>	<b>3,149,271</b>	<b>1,174,314</b>	<b>380,043</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee benefits	20	(1,897,000)	(1,578,195)	(1,641,241)	318,805	63,046
Supplies and services	21, Q	(170,000)	(774,003)	(906,174)	(604,003)	132,171
Accommodation	22	(191,000)	(152,554)	(141,281)	38,446	(11,273)
Grants and subsidies	23	-	(1,024,806)	(947,645)	(1,024,806)	(77,161)
GST payments on purchases	24, R	-	(133,092)	(250,840)	(133,092)	117,748
Other payments	25	(223,000)	-	-	223,000	-
<b>Receipts</b>						
User charges and fees	26	-	52,800	137,804	52,800	(85,004)
Other revenue	27, S	80,000	2,370	257,597	(77,630)	(255,227)
GST receipts from taxation authority	28, T	68,000	123,335	210,777	55,335	(87,442)
GST receipts on revenue	29, U	-	9,757	40,063	9,757	(30,306)
<b>Net cash used in operating activities</b>		<b>(2,333,000)</b>	<b>(3,474,388)</b>	<b>(3,240,939)</b>	<b>(1,141,388)</b>	<b>(233,448)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>22,000</b>	<b>54,926</b>	<b>(91,668)</b>	<b>32,926</b>	<b>146,594</b>
<b>Cash assets and cash equivalents at the beginning of period</b>		<b>431,000</b>	<b>1,062,534</b>	<b>1,154,202</b>	<b>631,534</b>	<b>(91,668)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>453,000</b>	<b>1,117,460</b>	<b>1,062,534</b>	<b>664,460</b>	<b>54,926</b>

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

## Major Variance Narratives (Controlled Operations)

### Variations exceeding 10% between estimate and actual

1. Employee benefits expense underspent by \$278,926 (16%) was due to delays in filling two vacancies.
2. Supplies and services exceeded estimates by \$531,209 (178%) due to the receipt of grant funding that necessitated the use of consultants and an increase in engagement of contractors to perform work ordinarily performed by staff members. Expenses previously captured under Other expenses are now being reported under Supplies and services.
3. Depreciation expense increased by \$4,811 because the budget for depreciation was nil.
4. Accommodation expense decreased by \$38,446 (20%) due to the reclassification of one position eliminating the need for a GROH house, as well as the delay in filling a level 7 vacancy.
5. Grants and subsidies increased by \$1,024,806 due to the introduction of new Regional Grant Scheme and Community Chest Fund grant rounds and drawdowns for previous round grant recipients that met milestones in 2014–15.
6. Other expenses underspent by \$178,681 (96%) as most other expenses are captured in Supplies and services.
7. User charges and fees and Other revenue are not separate budget items in the Budget Paper. The overall increase of \$36,767 (45%) is mainly due to grant funding received from stakeholders in the Gascoyne to manage a Gascoyne Tourism Promotion fund following Cyclone Olwyn in March 2015.
8. Resources received free of charge increased by \$3,646 (52%) due to advice sought from State Solicitor's Office in relation to human resources.
9. Royalties for Regions Fund increased by \$1,174,314 (56%) due to a new Regional Grant Scheme and Community Chest Fund grant round funding, as well as drawdowns from the previous Regional Grant Scheme.
10. Cash and cash equivalents increased by \$45,648 (21%) due to delays in filling two vacancies.
11. Restricted cash and cash equivalents increased by \$618,812 (266%) due to a low budget estimate combined with increased grant funding being held by the GDC and provisions for leave liability held within restricted cash.
12. Receivables decrease of \$168,156 (65%) is due to an inflated budget estimate.
13. Plant and equipment decreased by \$10,188 (68%) as the GDC did not purchase any new assets.
14. Payables decreased by \$101,065 (84%) mainly due to an inflated budget estimate.
15. The decrease in Provisions by \$101,726 (27%), was less than planned due to the need to maintain productivity while short two FTEs.
16. Other current liabilities were decreased by \$173,816 (69%) as budget estimate was overstated.
17. Accumulated surplus increased by \$864,662 (721%) due to a surplus for the period. Although (120,000) was estimated for 2014–15 in mid-2014, the GDC was funded an additional \$500,000 in May 2014. The additional revenue, combined with strict financial management by GDC resulted in a minimised deficit, preserving the accumulated surplus of \$580,000 in 2013–14, and a further increase of \$163,000 in 2014–15.
18. Accumulated surplus increased by \$149,954 (1071%) due to decreased operational spending in 2014–15.
19. Royalties for Regional Fund increased by \$1,174,314 (56%) mainly due to a new Regional Grant Scheme and Community Chest Fund grant round funding, as well as drawdowns from the previous Regional Grant Scheme.
20. Employee benefits decreased by \$318,805 (17%) due to delays in filling two vacancies.
21. Supplies and services increased by \$604,003 (355%) due to a change in classification of expenses from 'Other payments' to 'Supplies and services.' In addition the receipt of grant funding that necessitated the use of consultants and an increase in engagement of contractors to perform work ordinarily performed by staff members.
22. Accommodation decreased by \$38,446 (20%) due to the reclassification of one position eliminating the need for a GROH house, as well as the delay in filling a level 7 vacancy.
23. Grants and subsidies increased by \$1,024,806 as the new Regional Grants Scheme round and Community Chest Fund round had not been announced at time of budget.
24. GST payments on purchases does not have a budget line within the Budget Papers.
25. Other payments decreased by \$223,000 (100%) due to a change in the classification of expenses from 'Other payments' to 'Supplies and services.'

- 26. User charges and fees does not have a budget line within the Budget Papers.
- 27. Other revenue decreased by \$77,630 (97%), but when combined with User charges and fees it decreased by \$24,830 (16%) due to the loss of two commercial tenants and one staff member that made GROH housing contributions.
- 28. GST receipts from taxation authority increased by \$55,335 (81%) mainly due to additional Regional Grants Scheme Round and the introduction of Gascoyne Community Chest Fund.
- 29. GST receipts on sales does not have a budget line within the Budget Papers.

**Variances exceeding 10% between actual results for 2015 and 2014**

- A. Supplies and services exceeded estimates by \$215,927 (35%) due to the receipt of grant funding that necessitated the use of consultants and an increase in engagement of contractors.
- B. Other revenue decreased by \$34,543 (23%) as one employee's salary had been recouped after secondment in the 2013–14 financial year.
- C. Resources received free of charge increased by \$2,837 (36%) due to advice sought from State Solicitor's Office in relation to human resources.
- D. Royalties for Regions Fund increased by \$375,043 (13%) mainly due to a new Regional Grant Scheme and Community Chest Fund grant round funding, as well as drawdowns from the previous Regional Grant Scheme.
- E. Cash and cash equivalents decreased by \$35,670 (12%) mainly due to an increase in receivables.
- F. Restricted Cash increased by \$90,596 (12%) due to increased grant funding being held by the GDC, as well as provisions for leave liability held within restricted cash.
- G. Receivables increase of \$61,597 (218%) is due to a large volume of grants paid out in June 2015 resulting in increased GST receivable.
- H. Plant and equipment decreased by \$4,811 (50%) due to depreciation of office equipment.
- I. Payables increase of \$18,273 (276%) is mainly due to the accrual of expenses in June that were not paid until July, as well as Fringe Benefit Tax liability (FBT) recognised for the first quarter of the FBT tax year.
- J. Provisions decreased by \$122,972 (31%) as long service leave payouts for former employees were transferred to other agencies and staff cleared additional leave owing.
- K. Other current liabilities increased by \$35,606 (82%) mainly due to the credit card expenses from June being paid in July, generating additional accrued expenses.
- L. Provisions increased by \$16,851 (83%) as staff accumulated additional long service leave entitlements.
- M. Accumulated surplus increased by \$163,954 (28%) due to strict fiscal savings measures. Although (120,000) was estimated for 2014–15 in mid-2014, the GDC was funded an additional \$500,000 in late 2014. The additional revenue, combined with strict financial management by GDC resulted in a minimised deficit, preserving the accumulated surplus of \$580,000 in 2013–14, and a further increase of \$163,954 in 2014–15
- N. Accumulated surplus increased by \$185,975 (845%) due to strict fiscal savings measures.
- O. Royalties for Regional Fund increased by \$864,043 (36%) mainly due to additional Regional Grants Scheme Round and the introduction of Gascoyne Community Chest Fund.
- P. Other government grants decreased by \$489,000 as previous grants were one-off grants.
- Q. Supplies and services decreased by \$132,171 (15%) as one-off grants from previous years were mainly expended in 2013–14 financial year.
- R. GST payments on purchases decreased by \$117,748 (47%) due to decreased operational spending.
- S. Other revenue decreased by \$255,227 (99%), but when combined with User charges and fees as per the Budget Papers, it decreased by \$340,231 (161%) due to the large decrease in accounts receivables in 2013–14.
- T. GST receipts from taxation authority decreased by \$87,442 (41%) mainly due to the timing of purchases made in 2014–15 that generated increased GST receivables.
- U. GST receipts on sales decreased by \$30,306 (76%) mainly due to the receipt of GST on grant funding in 2013–14.

# Opinion of the Auditor General



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

### GASCOYNE DEVELOPMENT COMMISSION

#### Report on the Financial Statements

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

The financial statements comprise the Statement of Financial Position as at 30 June 2015, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

#### *Commission's Responsibility 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 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.

#### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Gascoyne Development Commission at 30 June 2015 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

## **Report on Controls**

I have audited the controls exercised by the Gascoyne Development Commission during the year ended 30 June 2015.

Controls exercised by the Gascoyne Development 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.

### *Commission's Responsibility for Controls*

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

### *Auditor's Responsibility*

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

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

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

## **Opinion**

In my opinion, the controls exercised by the 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 2015.

## **Report on the Key Performance Indicators**

I have audited the key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2015.

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

### *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 controls as the Commission determines necessary to ensure that the key performance indicators fairly represent indicated performance.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

## Opinion of the Auditor General Cont.

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

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

### **Opinion**

In my opinion, the key performance indicators of the 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 2015.

### **Independence**

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

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

This auditor's report relates to the financial statements and key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2015 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.



DON CUNNINGHAME  
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
27 August 2015



# 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:

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

## 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. 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 developed a Reconciliation Action Plan (RAP) as a tool to assist in maintaining and building positive relationships between all Aboriginal people. The RAP was developed with the support of a small working group that include Aboriginal representation, Commission staff and Board members. Input was also sought from internal and external stakeholders including local indigenous people involved with the Gascoyne Aboriginal Heritage and Cultural Centre (Gwoonwardu Mia), small business, private companies, government departments and non government organisations.

The RAP was developed to formalise existing actions and initiatives as well as introducing new initiatives to act on the commitment the Commission has outlined in its Strategic Plan 2010–2020 to assist the region's Aboriginal people by capacity building, leadership, business development and ensuring equality of opportunity.

## 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 over the intranet

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 Worksafe 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.

## OSH performance for 2014–2015

Measure	Actual Results		Results against Target	
	2013–14	2014–15	Target	Comment on result
Number of fatalities	0	0	0	
Lost time injury and/or disease incidence rate	0	0	0	
Lost time injury and/or disease severity rate	0	0	0	
Percentage of injured workers returned to work:				
(i) within 13 weeks	N/A	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 OSH training in 2015/16

### 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 2014–15:

- Senior First Aid Certificate
- Excel Spreadsheets
- Certificate in Governance and Risk Management
- Supporting High Level Boards
- Personal Assistant

- Leadership Essentials
- Professional Document Design
- Advanced Project Management
- Professional Executive Coaching
- Diploma of Management
- Bachelor of Business (units)
- Professional Business Writing
- Accountable and Ethical Decision Making
- Certificate III in Accounts Administration
- CFO Forums

### 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.

## Publications Produced During 2014/2015

During the 2014/15 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 2014
- Gascoyne Regional Tourism Strategy
- Draft Gascoyne Regional Investment Blueprint

### 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	\$ 10,114
Adcorp Australia	\$ 350
Concept Media	\$ 432
WA Newspapers	\$ 4,898
Market Creations Pty Ltd	\$ 558
Forge Creative	\$ 60
Hits Radio Pty Ltd	\$ 3,816
<b>Total</b>	<b>\$ 10,114</b>

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



**Anthony Beard**  
Chairman  
20 August 2015



**Stephen Webster**  
Chief Executive Officer  
20 August 2015

## Office Locations

### Street Address:

#### **Carnarvon**

Gascoyne Development Commission  
15 Stuart Street  
CARNARVON WA 6701

#### **Exmouth**

Gascoyne Development Commission  
21 Maidstone Crescent  
EXMOUTH WA 6707

### Postal Address:

#### **Carnarvon**

Gascoyne Development Commission  
PO Box 781  
CARNARVON WA 6701

#### **Exmouth**

Gascoyne Development Commission  
PO Box 266  
EXMOUTH WA 6707

### Telephone:

**Carnarvon:** (08) 9941 7000

**Exmouth:** (08) 9949 2090

Free Call: 1800 061 173

### Facsimile:

**Carnarvon:** (08) 9941 2576

**Exmouth:** (08) 9949 1618

### Email:

**Carnarvon:** [info@gdc.wa.gov.au](mailto:info@gdc.wa.gov.au)

**Exmouth:** [exmouth@gdc.wa.gov.au](mailto:exmouth@gdc.wa.gov.au)

### Website

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

