



**GASCOYNE**  
**DEVELOPMENT COMMISSION**  
Creating the climate for growth

# ANNUAL REPORT 2019-20

**Gascoyne Development Commission**  
Supported by Department of Primary Industries and Regional Development

*We're working for  
Western Australia.*

# Recognising Aboriginal and Torres Strait Islander people

The Gascoyne Development Commission acknowledges and pays respect to the past, present and future Elders and Traditional Custodians of Country across the land the Commission operates, as well as across the nation.

We celebrate the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.

Yinggarda, Baiyungu, Malgana, Thadgari and Thalanyji Ancestors have walked this Country and we acknowledge their special and unique contribution to our shared histories, cultures and languages.

We recognise the collective contribution of Aboriginal and Torres Strait Islander peoples and other Australians to the economic and social development of the Gascoyne.

## About this Report

The 2019-20 Annual Report is provided to the Minister for Regional Development and is tabled in the Parliament of Western Australia.

It also provides a brief snapshot to inform stakeholders and the wider community on our corporate performance, growth and priorities.

The Report is developed in line with the Public Sector Commission's annual reporting framework for the 2019-20 financial year and an audited financial statement is included.

### Online report

To reduce printing costs and environmental impact, this report is available to download in PDF format from our website [gdc.wa.gov.au](http://gdc.wa.gov.au).

### Feedback

To share feedback on this report please contact us; telephone +61 (0)8 9941 7000 or email [info@gdc.wa.gov.au](mailto:info@gdc.wa.gov.au).



# Statement of compliance

For the year ended 30 June 2020

**Honourable Alannah MacTiernan MLC,**

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

In accordance with Section 61 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 2020.

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



A handwritten signature in black ink, appearing to read 'Andy Munro'.

Andy Munro  
Chair  
30 August 2020

A handwritten signature in black ink, appearing to read 'Tym Duncanson'.

Tym Duncanson  
Chief Executive  
30 August 2020

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# Chair's report

The second half of the financial year ushered in a time of great uncertainty for the Gascoyne.

The early response to COVID was to 'limit' local communities to those who permanently lived there.

Then, with boundary openings, considerable effort has focused on attracting visitors back to the Gascoyne, while understanding that for some time these would predominantly be Western Australians, rather than interstate or overseas visitors.

With a drum beat of fortnightly meetings during restrictions, the Board ensured that the Commission extended its collaboration with Local Government, other State Government departments and local community groups.

This enabled the Gascoyne situation to be clearly understood and regional responses to be adequately focused.

Let me thank each of the Board members for their continued contributions.

It is a skilled, experienced and energetic group that is clear on the priorities of the Government and the interests of the Gascoyne.

Future jobs and investment opportunities remain high on the agenda, as does the finalisation of 'legacy' projects that remain on the Commission books; solar power at Gascoyne Junction and Gwoonwardu Mia re-opening have been concluded this year, with considerable work towards progressing projects to reopen the Fascine entryway, develop workers accommodation in Coraí Bay and maintain the Carnarvon flood levees.

The Commission staffing structure is now fully committed.

There has, however, remained some challenges around individual contracts and retention, which are to be resolved with a new Service Level Agreement between the Commission and Department of Primary Industries and Regional Development.

Tym Duncanson became the permanent Chief Executive and further senior staff have been appointed to the Commission, operating from both the Carnarvon and Exmouth offices.

This has greatly assisted the Commission team to continue to deliver innovative and supportive services to the broad Gascoyne community, where their project delivery and community advocacy is both acknowledged and appreciated.

On behalf of the Board, I would like to recognise and thank each of the Commission staff for their very thorough contributions during 2019-20.

I continue to be buoyant about the future for the Gascoyne region and I remain committed to leading the Board to achieve even better outcomes going forward.

Of course, we cannot do this by ourselves, and it will be important that we continue to collaborate with local businesses, community groups and Local Governments, and other State and Federal Government agencies.

**Andy Munro**  
**Chair**  
**Gascoyne Development Commission**



## Our Board



Front L-R: Tym Duncanson, Naomi McMahon, Cheryl Cowell, Alys McKeough, Sonia Beckwith. Back L-R: Dan Kuzmicich, Andy Munro.

The Commission has a Board of Management comprising of six members appointed by the Minister, and the Chief Executive Officer, by virtue of office. The Minister appoints the Chair and the Deputy Chair.

The Board is the governing body, with authority to perform the functions of the Commission, and has delegated the day-to-day management to the Chief Executive Officer. 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.

### Members 2019-20

Mr Andrew Munro	Chair
Ms Naomi McMahon	Deputy Chair
Ms Sonia Beckwith	
Ms Alys McKeough	
Mr Damir Kuzmicich	
Mrs Cheryl Cowell	
Mr Tym Duncanson	Ex-officio

Name	Position	Remuneration type	Period of membership	Gross/actual remuneration 2019-20
Andrew Munro	Chair	Stipend	3 years	\$47,099.00
Naomi McMahon	Deputy Chair	Stipend	3 years	\$0.00
Sonia Beckwith	Board member	Stipend	2 years	\$3,732.00
Alys McKeogh	Board member	Stipend	1 year	\$4,976.00
Damir Kuzmicich	Board member	Stipend	3 years	\$3,732.00
Cheryl Cowell	Board member	Stipend	2 years	\$0.00
<b>Total</b>				<b>\$59,539.00</b>

# Agency performance

## Local content

Established in 2017, the Local Content Adviser Network has been working diligently to maximise economic, business and job opportunities in the regions.

With the primary objectives of building capacity and identifying opportunities for regional businesses, 2019-20 has seen the Commission building on previous years' successes to support local businesses to secure State and Local Government tenders.

Impacts of the COVID-19 pandemic delayed a number of planned activities with project partners, including the Aboriginal economic development forum, WA Local Government tender writing workshops and Regional Development Australia's 'Taking Care of Business' forum.

With the recovery phase well underway, these projects will progress in the early stages of 2020-21.

## Key activities

- Facilitation of tender writing workshops
- Engagement with local, state and industry support networks to promote the benefits of local procurement
- Engagement with local business to develop an understanding of capacity and capability
- Identification of barriers to competitive award of regional tenders
- Facilitation and funding towards regional business awards with project partners; Carnarvon Chamber of Commerce and Industry and Regional Development Australia
- Participation in the review of the Buy Local Policy with a position of advocacy for regional businesses
- Review of Regional Economic Development (RED) grants local content outcomes in the Gascoyne region
- Securing funding for the Regional Local Content Initiative which allows the Local Content Adviser Network to facilitate capacity and capability building activities across the regions.

## Outcomes

- Connected local businesses to Crothers Construction, winning contractor of the Carnarvon Aged Care Residential Development tender. There are 25 confirmed sub-contracts with local businesses over the course of the project. Additional contracts will be made available over the project maintenance period.
- Over 180 engagements with Government Agencies, local and Aboriginal businesses, and businesses support services.
- 66% of State Government tenders advertised on Tenders WA (Gascoyne specific) awarded to regional businesses worth \$1.890M. Contracts included: cleaning services, construction, real estate services, water testing, solar installation, and crop protection.



# Agency performance

## Investment - Regional Economic Development Grants

The Regional Economic Development (RED) Grants program is a \$28.8 million (over five years) State Government initiative that invests in community driven projects to stimulate economic growth and development in regional Western Australia.

It is part of the State Government's \$4 billion job-creating Royalties for Regions investment across regional WA.

The program is delivered locally by the State's nine Regional Development Commissions.

The grants aim to boost investment in local regional projects that contribute to population and economic growth initiatives, local marketing and innovation pilots, and importantly, are driven by the community, through investment targeted to five objectives:

- Sustainable jobs
- Expanding or diversifying industry
- Developing skills or capabilities
- Attracting new investment in the region
- Maximising recovery from the COVID-19 pandemic impacts.

The Gascoyne Development Commission has invested almost \$1.6 million in 11 projects since the RED Grants program began in 2018.





## RED GRANT IN FOCUS

### Whalebone Brewing Company



Whalebone Brewing Company has successfully completed their production and canning expansion thanks to a \$216,000 Regional Economic Development Grant, awarded in late 2019.



Whilst the restaurant bar was closed due to COVID-19, Whalebone owners Paul and Liz said the product diversification the grant facilitated has offered business resilience during the crisis, and they have established secondary markets, selling into bottle shops and online.

## RED GRANT IN FOCUS

### Mount Augustus Tourist Park

Despite extensive flooding hampering day-to-day operations in early 2020, Regional Economic Development Grant recipient **Mount Augustus Tourist Park** have powered through the construction of a building to centralise their visitor experiences.

The project has reached practical completion, and will house the Tourist Park reception, regional information displays, office and bookings area for tours and workshops, a tavern, function centre and shop.



At 1,700 million years old, Mount Augustus is three times older than Uluru and twice its size, making it the largest rock in the world, but amazingly, many Australians have never heard of it.

The Tourist Park is now well positioned to capitalise on increased domestic tourism as tourists 'Wander out Yonder' during the COVID-19 recovery phase, showcasing this special part of the Gascoyne.

# Agency performance

## Investment - Regional Economic Development Grants

Recipient organisation	Funding round	Project summary	Grant amount	Status (at 30 June 2020)
Dirk Hartog Island Distilleries Pty Ltd	1	The Wirruwana Hub - incorporating a visitor centre, bar and café. The Hub will provide a central point for visitors and tour operators on Dirk Hartog Island to meet and then venture in/out of the National Park. The Hub will focus on improving the visitors experience to the island by offering a purpose-built central meeting point.	\$145,434	Ongoing
Whalebone Brewing Co Pty Ltd	1	Installation of a larger brewing and canning system, enabling the company to increase canning efficiency and widen distribution of their products.	\$203,000	Project completed June 2020
Tidal Moon	2	The Tidal Moon Sea Cucumber project is a collaboration with three Aboriginal communities Mulgana (Shark Bay), Baiyungu (Coral Bay/Exmouth) and Thalanyji (Onslow), aiming to develop a viable commercial sea cucumber business while maintaining cultural heritage and environmental stewardship.	\$250,000	Ongoing
Tasmanian Blue Water Oysters	2	The Exmouth Oysters project is a three-year oyster growing trail in the Bay of Rest near Learmonth, which aims to prove the viability of growing the naturally-occurring Saccostrea species of oysters in the Exmouth area.	\$83,500	Ongoing
Bullara Estates Pty Ltd	2	Bullara Station stay aims to expand the station's capacity to accommodate guests, including high-end glamping tent and new affordable powered camping and caravan sites, along with new amenities including and shearing shed hub.	\$203,000	Ongoing
Ngala Children's Services	2	The Shark Bay Early Years Multi-Age Complex project involves the construction of a new day care complex primarily to operate Education and Care and other community programs focusing on children up to five years, located in the heart of Denham, next to Shark Bay School.	\$150,000	Ongoing
Harvest Road Oceans	2	The Massey Bay Oyster-Farm project is a new pilot-scale oyster farm with a proposed location south of Carnarvon in Massey Bay. It will consist of four sites operating different commercial oyster farming systems to determine the most suitable systems and species for local conditions.	\$125,000	Ongoing
Danver Holdings Pty Ltd	2	Phase two of the development of Bumbak's Preserves and Ice-creams, which involves fitting out the processing plant and upgrading the commercial kitchen with new equipment to increase production.	\$75,000	Ongoing
Mandalay Holiday Resort	2	The Denham Seaside Caravan Park Enhancement and Expansion project will increase capacity and quality of caravanning and camping experiences available in Denham and the greater Shark Bay area, with additional powered caravan and camping sites, and an introduction of modern communal ablutions, games room and campers' kitchen at the Denham Seaside Caravan Park.	\$125,000	Ongoing
Mount Augustus Tourist Park	2	The Mount Augustus Tourist Park Hub project will involve the construction of a building to house the Tourism Park reception, regional information displays, office and booking area for tours and workshops, tavern, bar and function centre and shop.	\$100,000	Ongoing
Gascoyne in May Inc	2	The Gascoyne Travelling Arts project will implement the pre-production, planning and training stages of Gascoyne in May Travelling Arts Festival and contribute to the delivery of the program.	\$140,000	Ongoing

# Agency performance

## Investment - COVID-19 Emergency Funding

In March 2020, the Gascoyne Development Commission allocated \$80,000 to support business and communities respond to the impacts of the COVID-19 pandemic, including:

- Improving public information about:
  - how businesses are changing and their service offerings in response to COVID-19
  - labour markets including shortages, reducing the need for people to move around the community and reduce 'door knocking'.
- Support for developing an app promoting buy-local and accessing products and services from a distance.
- Initiatives that keep the workforce and their families active and engaged whilst socially distancing.

Recipient	Funding awarded	Description
Shire of Carnarvon	\$15,000	Signage and marketing to promote adventure tourism in the Shire of Carnarvon.
Shire of Upper Gascoyne	\$15,000	Free advertising for local business, enabling a consistent flow of information to the public; including free access to the Upper Gascoyne's local service directory and Gassy Gossip New Bulletin. This funding also supported care packages for residents in the Shire of Upper Gascoyne.
Shire of Shark Bay	\$15,000	Improved public information about how local businesses were adapting to COVID-19, and information about economic stimulus measures including grant funding, through newsletters, social media, website and SMS. The Shire worked with Shark Bay Police to communicate safety messages around social distancing.
Shire of Exmouth	\$15,000	Funding was directed to response and recovery. In response, a COVID-19 relief fund committee was established to manage requests for relief and support. The Shire also formed an Economic Recovery Committee in partnership with the Exmouth Chamber of Commerce and Industry to create strategies to assist businesses in responding to COVID-19 impacts through improving access to information via mail outs and social media updates, and a dedicated Facebook page to handle employment and business placement inquiries.
Joint local government initiative	\$10,000	Funding was allocated to develop the Gascoyne Local App to: <ul style="list-style-type: none"> <li>• Promote products and services by providing incentives for the community to shop locally</li> <li>• To evolve in line with the rapidly changing post COVID-19 economic climate</li> <li>• To provide opportunities for short term business resilience and recovery over a two-year period</li> <li>• To support businesses across all Gascoyne regional Shires and industries.</li> </ul>
Gascoyne Food Council	\$10,000	Funding was allocated to reinstate the Long Table event and cover the increased running costs due to social distancing, hygiene etc requirements.



# Agency performance

## Investment - Sponsorships

The Gascoyne Development Commission supports a range of regional activities and events which align with its strategic objectives and key priorities, through a managed sponsorship program.

Recipient	Funding awarded	Description
Gascoyne Food Council	\$3,000	Long term strategic planning for the future of the Gascoyne Food Festival
Norwest Boardriders	\$500	Equipment for youth program
Shire of Carnarvon	\$500	COVID-19 small business support
WA Newspapers	\$500	Advertising local businesses
Church of Christ	\$500	Food parcels
Gascoyne Growers Market	\$500	Marketing
Carnarvon Chamber of Commerce and Industry	\$4,000	Media campaign promoting businesses in the Gascoyne
Gascoyne schools	\$420	School awards



# Agency performance

## Primary Industries

Support for primary industries continues to be an important regional priority for the Gascoyne Development Commission.

Now with a fully staffed team, the Commission have subject leads in the areas of horticulture, natural resource management and aquaculture.

Our recent highlights include working with Department of Primary Industries and Regional Development and Carnarvon Growers Association to find a long-term, sustainable, community-based biosecurity solution.

We also played an important role in supporting the horticulture industry in responding to the impacts of COVID-19.

In March 2019, Western Australia declared a State of Emergency in response to the COVID-19 pandemic.

The impact on regional communities was significant, with intra- and interstate border closures among the many challenges affecting the Gascoyne's primary industries.

Impacts on transport networks and logistics, labour markets, access to domestic and internal markets were immediate and significant.

Enabling adequate workers to support the Carnarvon winter horticulture growing season and the Gascoyne pastoral and seafood industries has been a priority.

Despite these challenges, significant innovation gains have been made.

The Commission worked hard to bring together Carnarvon growers and other stakeholders to prepare a joint proposal for the WA Smart Farm Grants Program, with 33 pledges of support from local growers representing a total of \$33,000 in grower contributions.

After broad consultation, CipherTel were selected as the preferred proponent to submit the grant application on behalf of the alliance of growers.

The project will enable reliable high-speed business grade internet infrastructure servicing the Carnarvon horticulture district, giving growers the ability to utilise on farm digital technology and 'internet of things', not possible under the traditional internet services available to the region.

# Legal requirements

## Advertising

In accordance with section 175ZE of the *Electoral Act 1907*, the Commission incurred the following expenditure in advertising, market research, polling, direct mail and media advertising. Total expenditure for 2019-20 was \$12,129.00. Expenditure was incurred in the following areas:

Expenditure item	Spend
Advertising for employment vacancies	\$10,477.00
Marketing	\$828.00
Promotional printing	\$283.00
Publication printing	\$541.00
<b>Total</b>	<b>\$12,129.00</b>

## Disability Access and Inclusion Plan outcome

The Disability Access and Inclusion Plan 2018-23 (DAIP) outlines the ways in which the department and Regional Development Commissions, including the Gascoyne Development Commission, will ensure that people with disability, their carers and families have equal access to employment and our facilities and services. The Commission is committed to ensuring that clients and staff with disability are able to access our information, services and facilities, and aim to provide people with disability, opportunities for access and participation, consistent with that provided to other community members.

## Reconciliation Action Plan 2017-2020

The 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 equity for all citizens. The Reconciliation Action Plan outlines the vision that the Commission seeks to achieve and the specific actions to achieve the vision. The Plan is reviewed regularly and at least annually, progress on actions is considered by the Board.

## Access to buildings and facilities

The Commission holds meeting in its own offices and has installed electronic doors and dedicated ACROD parking bays. The Commission's facilities allows for people with disabilities the opportunity to participate in public consultations, grievance mechanisms and decision-making processes. The Commission remains adaptable in responding to barriers experienced by people with disabilities and where facilities are impeded, alternative arrangements are made to meet people with disabilities at premises that conform.



## Public Sector Standard and Code of Ethics

The Commission is compliant with the Public Sector Code of Conduct and Code of Ethics. The following is an overview of the Commission's activities to demonstrate compliance:

- Compliances to policies, including process of quality assurance decisions relating to recruitment, selection and employment.
- The Commission has a Code of Conduct that has incorporated the Public Sector Code of Ethics and is applicable to both staff and board members of the Commission.
- As part of the Commissions induction package, all new staff are provided with guidelines and procedures (incorporated in the Code of Conduct) to ensure compliance.
- A review of a comprehensive range of human resource policies and the adoption of policies developed by the Department of Primary Industries and Regional Development.
- Training in ethical decision-making.

The Commission had no compliance issues during the 2019-20 financial year regarding the Public Sector Standards, the WA Code of Ethics or the internal Code of Conducts.

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

<b>Number lodged</b>	Nil
<b>Number of breaches found, including details of multiple breaches per application</b>	Nil
<b>Number still under review</b>	Nil

## Reporting on record keeping

In accordance with the *State Records Act 2000*, the Commission has developed a Record Keeping Plan that is consistent with the principles defined by the State Records Commission.

An induction program for new staff addresses the responsibility of the Commission and its employees with regards to compliance in a number of areas, including record keeping practices and expenditure.

The Commission's policies relating to records keeping and computer management are reviewed annually and updated in line with current operational and compliance requirements. The effectiveness of record keeping practices has been further boosted by the policies available on the Department of Primary Industries and Regional Development intranet.

All staff have completed online training in record keeping practices.

## Occupational health and safety

The Commission is committed to the principles of occupational health and safety (OHS) and injury management and is compliant to injury management requirements of the *Workers Compensation and Injury Management Act 1981*, including the development of return to work program. OHS policies continue to be reviewed and monitored as required by the changing needs of the Commission and the broader integration with the Department of Primary Industries and Regional Development.

Staff are made aware of OHS policies and procedures at induction and there are continuing awareness sessions during monthly meetings as necessary.

The Commission has one employee who has completed the Occupational Safety and Health Training course.

### Annual performance 2019-20

Indicator	Target	Actual
Number of fatalities	Zero	Zero
Lost time injury/disease incidence rate	Zero	Zero
Lost time injury and/or disease severity rate	Zero	Zero
Percentage of injured workers returned to work: i) within 13 weeks ii) within 26 weeks	NA	NA
Percentage of managers trained in occupational safety, health and injury management responsibilities	30%	0%*

\*Due to the Machinery of Government changes, the Chief Executive Officer is the only employee of the Gascoyne Development Commission. Resources, including staff, are provided by the Department of Primary Industries and Regional Development to enable the Commission to meet its legislative objectives.

## Government Building Training Policy

As outlined in the Public Sector Commissioner's Circular 2015-02: Government Building Training Policy this reporting requirement only applies to State Government building, construction and maintenance contracts that have a labour component of \$2 million and over. The Commission did not issue contracts in scope of the policy and is therefore not required to report against the policy.

## Disclosures and legal compliance



## Disclosures and Legal Compliance

### Financial Statements

#### Certification of Financial Statements

For the reporting period ended 30 June 2020

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 reporting period ended 30 June 2020 and the financial position as at 30 June 2020.

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.



Rhett Shimmings  
Chief Finance Officer  
2 September 2020



Tym Duncanson  
Chief Executive Officer  
2 September 2020



Andy Munro  
Chairperson  
2 September 2020



**Statement of Comprehensive Income  
For the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	2.1(a)	308,048	399,273
Supplies and services	2.3	1,650,432	1,195,662
Depreciation and amortisation expense	4.1, 4.2	54,048	3,180
Finance costs	6.2	500	-
Grants and subsidies	2.2	514,727	23,874
Other expenses	2.3	147	91,618
<b>Total cost of services</b>		<b>2,527,902</b>	<b>1,713,607</b>
<b>Income</b>			
<b>Revenue</b>			
Other revenue	3.2	-	17,199
<b>Total revenue</b>		<b>-</b>	<b>17,199</b>
<b>Total income other than income from State Government</b>		<b>-</b>	<b>17,199</b>
<b>NET COST OF SERVICES</b>		<b>2,527,902</b>	<b>1,696,408</b>
<b>Income from State Government</b>			
Service appropriation	3.1	232,932	260,000
Income Received from Other State Agencies	3.1	126,878	20,000
Resources received free of charge	3.1	1,272,626	1,014,612
Royalties for Regions Fund	3.1	-	500,000
<b>Total income from State Government</b>		<b>1,632,436</b>	<b>1,794,612</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>(895,466)</b>	<b>98,204</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
<b>Total other comprehensive income/(loss)</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>(895,466)</b>	<b>98,204</b>

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

**Statement of Financial Position**  
**As at 30 June 2020**

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.3	81,713	69,086
Restricted cash and cash equivalents	6.3	804,836	1,689,605
Receivables	5.1	59,533	24,649
Other current assets	5.3	11	-
<b>Total Current Assets</b>		<b>946,093</b>	<b>1,783,340</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	5.2	34,000	34,000
Infrastructure, property, plant and equipment	4.1	4,771	7,949
Right-of-use assets	4.2	12,881	-
<b>Total Non-Current Assets</b>		<b>51,652</b>	<b>41,949</b>
<b>TOTAL ASSETS</b>		<b>997,745</b>	<b>1,825,289</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.4	86,989	53,105
Lease liabilities	6.1	23,269	-
Employee related provisions	2.1(b)	102,143	66,607
Other current liabilities	5.5	785	785
<b>Total Current Liabilities</b>		<b>213,186</b>	<b>120,497</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.1	-	-
Employee related provisions	2.1(b)	-	24,767
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>24,767</b>
<b>TOTAL LIABILITIES</b>		<b>213,186</b>	<b>145,264</b>
<b>NET ASSETS</b>		<b>784,559</b>	<b>1,680,025</b>
<b>EQUITY</b>			
Contributed equity	8.9	90,000	90,000
Accumulated surplus	8.9	694,559	1,590,025
<b>TOTAL EQUITY</b>		<b>784,559</b>	<b>1,680,025</b>



**Statement of Changes in Equity**  
For the year ended 30 June 2020

	Notes	Contributed equity \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2018</b>		90,000	1,491,821	1,581,821
Surplus		-	98,204	98,204
Total comprehensive income for the period	8.9	-	98,204	98,204
<b>Balance at 30 June 2019</b>		<u>90,000</u>	<u>1,590,025</u>	<u>1,680,025</u>
<b>Balance at 1 July 2019</b>		<b>90,000</b>	<b>1,590,025</b>	<b>1,680,025</b>
Deficit		-	(895,466)	(895,466)
Total comprehensive income for the period	8.9	-	(895,466)	(895,466)
<b>Balance at 30 June 2020</b>		<u><b>90,000</b></u>	<u><b>694,559</b></u>	<u><b>784,559</b></u>

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

**Statement of Cash Flows**  
**For the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		232,932	260,000
Income received from Other State Agencies		126,878	-
Royalties for Regions Fund		-	500,000
<b>Net cash provided by State Government</b>		<b>359,810</b>	<b>760,000</b>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(298,147)	(369,254)
Supplies and services		(349,470)	(137,362)
Finance costs		(500)	-
GST payments on purchases		(83,976)	(22,904)
GST payments to taxation authority		-	-
Grants and subsidies		(514,727)	(23,874)
Other payments		( 35,090)	(91,618)
<b>Receipts</b>			
GST receipts on sales		-	1,783
GST receipts from taxation authority		66,896	43,858
Other receipts		23,544	17,199
<b>Net cash used in operating activities</b>		<b>(1,191,470)</b>	<b>(582,172)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments</b>			
Principal elements of lease payments		(40,482)	-
<b>Net cash used in financing activities</b>		<b>(40,482)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>(872,142)</b>	<b>177,828</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,758,691</b>	<b>1,580,863</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	6.3	<b>886,549</b>	<b>1,758,691</b>

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

**Gascoyne Development Commission – 30 June 2020**

**Summary of Consolidated Account Appropriations**

For the year ended 30 June 2020

	Budget estimate 2020 \$	Supple- mentary Funding 2020 \$	Revised Budget 2020 \$	Actual 2020 \$	Variance 2020 \$
<u>Delivery of Services</u>					
Amount Authorised by Other Statutes					
- <i>Salaries and Allowances Act 1975</i>	<b>232,932</b>	-	232,932	<b>232,932</b>	(0)
Total appropriations provided to deliver services	<b>232,932</b>	-	<b>232,932</b>	<b>232,932</b>	<b>(0)</b>
<b>GRAND TOTAL</b>	<b>232,932</b>	-	<b>232,932</b>	<b>232,932</b>	<b>(0)</b>

## Notes to the financial statements

### 1. Basis of Preparation

The Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

A description of the nature of its operations and its principal activities have been included in the '**Overview**' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Commission on 31 August 2020.

### Statement of Compliance

These general purpose financial statements have been prepared in accordance with:

- 1 The *Financial Management Act 2006 (FMA)*
- 2 The Treasurer's Instructions (**the Instructions or TI**)
- 3 Australian Accounting Standards (AASs) - Reduced Disclosure Requirements
- 4 Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### Basis of Preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar.

### Judgements and Estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Significant judgements and estimates have been made to meet the requirements of the new standards AASB 16 and AASB 1058.

Refer to Note 8.2 for the impact of the initial adoption and the practical expedients applied in the initial recognition.

### Contributed Equity

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

The 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.



## Notes to the financial statements

## 2. Use of Our Funding

## Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes	2020 \$	2019 \$
Employee benefits expenses	2.1(a)	308,048	399,273
Employee benefits provisions	2.1(b)	102,143	91,374
Grants and subsidies	2.2	514,727	23,874
Other expenses	2.3	1,650,579	1,287,280

## 2.1. (a) Employee benefits expenses

	2020 \$	2019 \$
Employee Benefits	283,181	376,817
Superannuation	24,867	22,456
<b>Total employee benefits expenses</b>	<b>308,048</b>	<b>399,273</b>
Add: AASB 16 Non-monetary benefits	51,370	-
Less: Employee Contribution	-	-
<b>Net employee benefits</b>	<b>359,418</b>	<b>399,273</b>

**Employee Benefits:** Employee benefits include all costs related to employment including wages and salaries, fringe benefits tax, annual leave and long service leave entitlements, termination payments and WorkCover premiums.

**Superannuation:** The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

**AASB 16 Non-monetary benefits:** Non-monetary employee benefits expenses, predominantly relate to the provision of Vehicle and Housing benefits are measured at the cost incurred by the Commission.

## 2.1. (b) Employee Benefits Provision

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are *delivered*.

	2020 \$	2019 \$
<b>Current</b>		
<u>Employee benefits provisions</u>		
Annual leave <sup>(a)</sup>	51,998	62,974
Long service leave <sup>(b)</sup>	46,031	
Deferred salary scheme <sup>(c)</sup>	2,771	2,771
	<b>100,800</b>	<b>65,745</b>
<u>Other provisions</u>		
Employment on-costs <sup>(d)</sup>	1,343	862
<b>Total current employee related provisions</b>	<b>102,143</b>	<b>66,607</b>
<b>Non-Current</b>		
<u>Employee benefits provisions</u>		
Long service leave <sup>(b)</sup>	-	24,435
<u>Other provisions</u>		
Employment on-costs <sup>(d)</sup>	-	332
<b>Total non-current employee related provisions</b>	<b>-</b>	<b>24,767</b>
<b>Total employee related provisions</b>	<b>102,143</b>	<b>91,374</b>

Notes to the financial statements

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** 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.

The components of the long service leave liabilities are calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, 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.

(c) **Deferred salary scheme liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(d) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'other expenses, Note 2.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2020	2019
	\$	\$
<b>Employment on cost provision <sup>(e)</sup></b>		
Carrying amount at start of year	1,194	789
Additional provisions recognised	149	405
<b>Carrying amount at end of period</b>	<b>1,343</b>	<b>1,194</b>

(e) Comparatives of Annual leave (a), Employee on-costs (d), long service leave (b) and reconciliation of Employment on-cost provision (e) have changed to reflect correct classifications of employment on-costs. This reclassification does not impact total balance of provision.

**Key sources of estimation uncertainty- long service leave**

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.

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These 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.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

## Notes to the financial statements

## 2.2. Grants and Subsidies

	2020	2019
	\$	\$
<u>Recurrent</u>		
Royalties for Regions Fund	514,727	23,874
<b>Total grants and subsidies</b>	<b>514,727</b>	<b>23,874</b>

Transactions in which the Commission provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

## 2.3. Other Expenditure

	2020	2019
	\$	\$
<b>Supplies and services</b>		
Communications	3,409	1,183
Consultants and contractors	311,416	90,980
Consumables	5,428	4,275
Equipment repairs and maintenance	9,106	1,987
Operating leases - vehicles	5,108	13,633
Travel	37,250	52,580
Other	6,089	16,412
Resources provided free of charge by DPIRD <sup>(a)</sup>	1,272,626	1,014,612
<b>Total supplies and services expense</b>	<b>1,650,432</b>	<b>1,195,662</b>
<b>Other expenses</b>		
Contributions	-	-
Employment on-costs <sup>(b)</sup>	147	1,195
Return of unused grants	-	90,423
<b>Total other expenditures</b>	<b>147</b>	<b>91,618</b>
<b>Total other expenses</b>	<b>1,650,579</b>	<b>1,287,280</b>

- (a) Support Services provided by DPIRD to support the Commission's in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993. See note 3.1 Income from State Government.
- (b) 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 2.1(b) 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs (see note 2.1(a)).

**Notes to the financial statements**

**Supplies and services:**

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

**Accommodation expenses:**

Accommodation expenses are recognised as Support Services provided by DPIRD from current financial period.

Electricity and cleaning costs are recognised as expenses as incurred.

**Other:**

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

**Employee on-cost** includes workers' compensation insurance and other employment on-costs. The on costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1(b) Employee benefit provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

**3. Our Funding Sources**

**How we obtain our funding**

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes	2020 \$	2019 \$
Income from State Government	3.1	1,632,436	1,794,612
Other revenue	3.2	-	17,199
<b>3.1. Income from State Government</b>			
		2020 \$	2019 \$
Appropriations received during the period:			
Service appropriation <sup>(a)</sup>		232,932	260,000
		<u>232,932</u>	<u>260,000</u>
Income received from Other State Agencies		126,878	20,000
		<u>126,878</u>	<u>20,000</u>
Services received free of charge <sup>(b)</sup>			
Determined on the basis of the following estimates provided by agencies:			
Department of Primary Industries and Regional Developments - Support Services provided <sup>(c)</sup>		1,272,626	1,014,612
		<u>1,272,626</u>	<u>1,014,612</u>
Royalties for Regions Fund:			
Regional Workers Incentives		-	-
Other Initiatives <sup>(d)</sup>		-	-
Regional Community Services <sup>(e)</sup>		-	500,000
		<u>-</u>	<u>500,000</u>
<b>Total income from State Government</b>		<b>1,632,436</b>	<b>1,794,612</b>

(a) **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 in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

(b) **Assets or services** received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they



Notes to the financial statements

were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

- (c) **Department of Primary Industries and Regional Development** - Support Services provided by DPIRD to support the Commission in the fulfilment of its statutory functions and obligations under the Regional Development Commission Act 1993.
- (d) **The Other Initiatives** is a sub-fund within the over-arching 'Royalties for Regions Fund'. The fund is committed to operational costs for the Commission.
- (e) **The Regional Community Services** is a sub-fund within the over-arching "Royalties for Regions Fund". The fund is committed to programs in WA regional areas.

The application of AASB 15 and AASB 1058 from 1 July 2019 has no impact on the treatment of income from State Government.

**3.2. Other Revenue**

	2020	2019
	\$	\$
Other revenue	-	17,199
	<u>-</u>	<u>17,199</u>

The application of AASB 15 and AASB 1058 from 1 July 2019 has no impact on the treatment of other revenue.

**4. Key Assets**

**Assets the Commission utilises for economic benefit or service potential**

This section includes information regarding the key assets the Commission utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020	2019
		\$	\$
Infrastructure, property, plant and equipment	4.1	4,771	7,949
Right-of-use assets	4.2	12,881	-
<b>Total key assets</b>		<u>17,652</u>	<u>7,949</u>

**4.1. (a) Property, plant and equipment**

Year ended 30 June 2020	Office equipment	Total
	\$	\$
<b>1 July 2019</b>		
Gross carrying amount	40,913	40,913
Accumulated depreciation	<u>(32,964)</u>	<u>(32,964)</u>
<b>Carrying amount at start of period</b>	<u>7,949</u>	<u>7,949</u>
Additions	-	-
Disposals (written down value)	-	-
Revaluation increments/(decrements)	-	-
Depreciation	(3,178)	(3,178)
<b>Carrying amount at 30 June 2020</b>	<u>4,771</u>	<u>4,771</u>
Gross carrying amount	40,913	40,913
Accumulated depreciation	(36,142)	(36,142)
Accumulated impairment loss	-	-

**Initial recognition**

Items of property, plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the

**Notes to the financial statements**

Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

**Subsequent measurement**

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and historical cost for all other property, plant and equipment. Land is carried at fair value less accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

**4.1. (b) Depreciation and impairment**

**Charge for the period**

	2020	2019
	\$	\$
<b>Depreciation</b>		
Office equipment	3,178	3,180
<b>Total depreciation for the year</b>	<u>3,178</u>	<u>3,180</u>

As at 30 June 2020 there were no indications of impairment to property, plant and equipment or infrastructure.

**Finite useful lives**

All infrastructure, property, plant and equipment 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. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

<b>Asset</b>	<b>Useful life: years</b>
Office Equipment and Integrated Software	3 to 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

**Impairment**

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. 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 its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through 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 of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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 declining replacement costs.

Notes to the financial statements

4.2. (a) Right-of-use assets

Year ended 30 June 2020	Residential accommodation	Vehicles	Total
	\$	\$	\$
<b>1 July 2019</b>			
Gross carrying amount	-	-	-
Accumulated amortisation	-	-	-
<b>Carrying amount at start of period</b>	-	-	-
Recognition of right-of-use asset on initial application of AASB 16	<b>30,766</b>	<b>10,929</b>	<b>41,695</b>
Adjusted balance at 1 July 2019	<b>30,766</b>	<b>10,929</b>	<b>41,695</b>
Additions	<b>22,056</b>		<b>22,056</b>
Disposals			-
Transfers			-
Impairment loss			-
Depreciation	<b>(44,412)</b>	<b>(6,458)</b>	<b>(50,870)</b>
<b>Carrying amount at 30 June 2020</b>	<b>8,410</b>	<b>4,471</b>	<b>12,881</b>
Gross carrying amount	<b>22,056</b>	<b>10,929</b>	<b>32,985</b>
Accumulated depreciation	<b>(13,646)</b>	<b>(6,458)</b>	<b>(20,104)</b>
Accumulated impairment loss	-	-	-

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at the cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Commission at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment of outlined in note 4.1(b).

4.2. (b) Depreciation charge of right-of-use assets

	2020	2019
	\$	\$
Residential accommodation	<b>44,412</b>	-
Vehicles	<b>6,458</b>	-
<b>Total right-of-use asset depreciation</b>	<b>50,870</b>	-
Lease interest expense (included in Finance Cost)	<b>500</b>	-
Expenses relating to variable lease payments not included in lease liabilities (included in administrative expenses)		
Short-term leases (included in Other Expenditure)		
Low-value leases (included in Other Expenditure)		

**Notes to the financial statements**

The total cash outflow for leases in 2019-20 was \$50,795.95.

*The Commission's leasing activities for and how these are accounted for:*

The Commission has leases for vehicles.

The Commission has also entered in a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense incurred.

Up to the 30 June 2019, the Commission classified lease as either finance leases or operating leases, From the 1 July, the Commission recognised leases as right-of-assets and associated leases liabilities in the Statement of Financial Position.

The corresponding leases liabilities in relation to these right-of-use assets have been disclosed in note 6.1

**5. Other Assets and Liabilities**

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Note	2020 \$	2019 \$
Receivables	5.1	59,533	24,649
Amounts receivable for services	5.2	34,000	34,000
Other assets	5.3	11	-
Payables	5.4	86,989	53,105
Other current liabilities	5.5	785	785

**5.1. Receivables**

	2020 \$	2019 \$
<b>Current</b>		
GST receivable	19,886	3,093
Other debtors	39,647	21,556
<b>Total current</b>	<u>59,533</u>	<u>24,649</u>

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

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

**5.2. Amounts receivable for services**

	2020 \$	2019 \$
Current	-	-
Non-current	34,000	34,000
	<u>34,000</u>	<u>34,000</u>

**Amounts receivable for services** represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. Amounts receivable for services are considered not impaired (ie. there is no expected credit loss of the Holding Account).

**5.3. Other assets**

	2020 \$	2019 \$
<b>Current</b>		
Prepayments	11	-
<b>Total current</b>	<u>11</u>	<u>-</u>



Notes to the financial statements

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4. Payables

	2020	2019
	\$	\$
<b>Current</b>		
Other payables	84,837	52,237
Accrued expenses	2,152	-
Accrued salaries, for employees and board members	-	868
<b>Total current</b>	<b>86,989</b>	<b>53,105</b>

**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 settlement is generally within 30 days.

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

5.5. Other current liabilities

	2020	2019
	\$	\$
<b>Current</b>		
Employee related liabilities	785	785
<b>Balance at end of year</b>	<b>785</b>	<b>785</b>

6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Commission.

	Notes
Leases	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Commitments	6.4
Non-cancellable operating lease commitments	6.4.1

6.1. Lease Liabilities

(a) The statement of financial position shows the following amounts relating to lease liabilities:

	2020	2019
	\$	\$
Current	23,269	-
Non-current	-	-
	<b>23,269</b>	<b>-</b>

(b) The Commission's leasing activities and how these are accounted for.

*Lessees were required to classify leases as either finance leases or operating leases until 30 June 2019. From 1 July 2019, at the commencement date, lessees are required to recognise leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position*

*At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Commission uses the incremental borrowing rate provided by Western Australia Treasury Corporation .*

Notes to the financial statements

Lease payments included by the Commission as part of the present values calculation of lease liability include;

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Commission exercising an option to terminate the lease.

(c) The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

(d) Variable Lease payments

Variable lease payments that are dependent on sales are recognised in profit or loss in the period in which the condition that triggers those payment occurs.

(e) Extension and termination options

Periods covered by extension or termination options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(f) Short-term and low-value leases

Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets that are individually valued less than \$5,000 at cost. This excludes leases with another wholly-owned public sector entity lessor agency. These expenses are included within note 2.3 Other Expenditure.

**Subsequent Measurement**

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modification

**6.2. Finance costs**

	2020 \$	2019 \$
Lease interest expense	500	-
	<u>500</u>	<u>-</u>

'Finance cost' includes the interest component of lease liability repayments.

**6.3. Cash and Cash Equivalents**

	2020 \$	2019 \$
Cash and cash equivalents	81,713	69,086
Total cash and cash equivalents	<u>81,713</u>	<u>69,086</u>
Restricted cash and cash equivalents		
-Royalties for Regions	526,426	1,411,195

Notes to the financial statements

-Externally funded projects	99,986	99,986
-Regional Development Scheme	36,472	36,472
-Asset replacement	141,952	141,952
Total restricted cash and cash equivalents	804,836	1,689,605
<b>Total Current</b>	<b>804,836</b>	<b>1,689,605</b>
<b>Balance at end of period</b>	<b>886,549</b>	<b>1,758,691</b>

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

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand.

6.4. Commitments

6.4.1. Non-cancellable operating lease commitments

	2020	2019
	\$	\$
Commitments for minimum lease payments are payable as follows		
Within one year		37,889
Later than 1 year and not later than 5 years		5,570
	-	43,459

From 1 July 2019, the Commission has recognised the right-of-use assets and corresponding lease liability for all non-cancellable operating lease commitments, apart from short term and low value leases. Refer to Notes 4.2. and 6.1.

7. Financial instruments and Contingencies

	Notes
Financial instruments	7.1
Contingent assets	7.2.1
Contingent liabilities	7.2.2

7.1. 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:

	2020	2019
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	81,713	69,086
Restricted cash and cash equivalents	804,836	1,689,605
Loans and receivables <sup>(a)</sup>	73,647	55,556
<b>Total financial assets</b>	<b>960,196</b>	<b>1,814,247</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	87,774	48,912
<b>Total financial liabilities</b>	<b>87,774</b>	<b>48,912</b>

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

7.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1. Contingent assets

## Notes to the financial statements

No Contingent assets exist as at 30 June 2020.

### 7.2.2. Contingent liabilities

No Contingent liabilities exist as at 30 June 2020.

## 8. Other Disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Note
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Special purpose accounts	8.7
Remuneration of auditor	8.8
Equity	8.9
Supplementary financial information	8.10
Explanatory statement	8.11

### 8.1. Events occurring after the end of the reporting period

There were no events occurring after the reporting period date that impact on the financial statements.

### 8.2. Initial application of Australian Accounting Standards

#### **AASB 15 – Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* for annual reporting periods on or after 1 July 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Commission.

The Commission adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information will be restated under this approach and the Commission recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Refer to Note 3.1, and 3.2 for the revenue and income accounting policies adopted from 1 July 2019.

There was no impact on retained earnings on 1 July 2019 as a result of adopting AASB 15 and AASB 1058.



Notes to the financial statements

**AASB 16 – Leases**

From 1 July 2019, AASB 16 *Leases* supersedes AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases – Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The main changes introduced by the new Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as a right-of-use asset and lease liability, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than \$5,000) where the lessor is not a WA State Government agency. The operating lease and finance lease distinction for lessees no longer exists.

The Commission has applied the modified retrospective approach on initial adoption. As permitted under the specific transition provisions in the standard, comparatives have not been restated. Lease liabilities recognised are measured at present value of the remaining lease payments, discounted using the incremental borrowing rate. Upon initial application the value of leased right-of-use assets are equal to the recognised leased liabilities.

The Commission is permitted on a lease-by-lease basis to apply the following practical expedients.

- (a) A single discount rate may be applied to a portfolio of leases with reasonably similar characteristics.
- (b) Commission relies on its assessment of whether leases are onerous applying AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* immediately before 1 July 2019 as an alternative to performing an impairment review, the Commission shall adjust the right-of-use asset at the date of initial application by the amount of any provision for onerous leases recognised in the statement of financial position immediately before the date of initial application.
- (c) Exclusion of initial direct costs from the measurement of right-of-use asset at the date of initial application.
- (d) Use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

AASB 16 takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- (a) Right of use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019.
- (b) Depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income.
- (c) The total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the statement of cash flows.

Measurement of lease liabilities:

	\$
Operating lease commitments disclosed as at 30 June 2019	43,459
Discounted using incremental borrowing rate at date of initial application	41,695
Add: Finance lease liabilities recognised as at 30 June 2019	
(Less): Short-term leases not recognised as liability	
(Less): Low-value leases not recognised as liability	
<b>Lease liability recognised at 1 July 2019</b>	<u><u>41,695</u></u>
Current lease liabilities	36,670
Non-current lease liabilities	5,026

Notes to the financial statements

**8.3. Key management personnel**

The Commission has determined key management personnel to include Chief Executive Officer, members of the accountable authority, senior officers of the Commission and the Minister that the Commission assists. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the commission for the reporting period are presented within the following bands:

<b>Compensation of members of the accountable authority</b>	<b>2020</b>	<b>2019</b>
<b>Compensation band (\$)</b>		
0 - 10,000	4	3
10,001 - 20,000	-	-
30,001 - 40,000	-	-
50,001 - 60,000	1	1
<b>Compensation of senior officers (\$)</b>		
70,001 - 80,000	-	1
90,001 - 100,000	-	-
100,001 - 110,000	-	-
220,001 - 230,000	-	1
290,001 - 300,000	1	-
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	311,865	312,825
Post-employment benefits	27,089	27,107
Other long-term benefits	22,751	23,325
<b>Total compensation of key management personnel</b>	<b>361,705</b>	<b>363,257</b>

The total compensation includes the superannuation expense incurred by the Commission in respect of members of the Commission.

**8.4. Related party transactions**

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

Related parties of the commission include:

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

All related party transactions have been entered into on an arm's length basis.

**Significant transactions with other related entities**

Outside of normal citizen type transactions with the commission there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or Jointly controlled) entities.

**8.5. Related bodies**

The Gascoyne Development Commission had no related bodies.

**8.6. Affiliated bodies**

The Gascoyne Development Commission had no affiliated bodies.

Notes to the financial statements

8.7. Special purpose accounts

The Gascoyne Development Commission has no special purpose accounts.

8.8. Remuneration of auditors

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

	2020 \$	2019 \$
Auditing the accounts, financial statement controls, and key performance indicators	25,000	25,000

8.9. Equity

	2020 \$	2019 \$
<b><u>Contributed equity</u></b>		
Balance at start of year	90,000	90,000
<b>Balance at end of year</b>	<b>90,000</b>	<b>90,000</b>
<b><u>Accumulated surplus</u></b>		
Balance at start of year	1,590,025	1,491,821
Result for the year	(895,466)	98,204
<b>Balance at end of year</b>	<b>694,559</b>	<b>1,590,025</b>
<b>Total equity at end of year</b>	<b>784,559</b>	<b>1,680,025</b>

8.10. Supplementary financial information

(a) Write-offs

There were no write-offs during the financial year.

(b) Losses through theft, defaults and other causes

There were no losses of public money and public and other property during the financial year.

(c) Gift of public property

There was no gift of public property during the financial year.

8.11. Explanatory statement

The Commission is exempt from TI 945 Explanatory Statement as their Total Cost of Services is below \$10 million for the two most recent consecutive comparative periods.



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

### GASCOYNE DEVELOPMENT COMMISSION

#### Report on the financial statements

##### **Opinion**

I have audited the financial statements of the Gascoyne Development Commission which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, Summary of Consolidated Account Appropriations and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Gascoyne Development Commission for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

##### **Basis for opinion**

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

##### **Responsibility of the Board for the financial statements**

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

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

##### **Auditor's responsibility for the audit of the financial statements**

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



A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of my auditor's report.

## **Report on controls**

### ***Opinion***

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

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

In my opinion, in all material respects, the controls exercised by the Gascoyne Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

### ***The Board's responsibilities***

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

### ***Auditor General's responsibilities***

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

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

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

### ***Limitations of controls***

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



## Report on the key performance indicators

### **Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Gascoyne Development Commission are relevant and appropriate to assist users to assess the agency's performance and fairly represent indicated performance for the year ended 30 June 2020.

### **Matter of Significance**

The Commission received an exemption from the Under-Treasurer from reporting the following key effectiveness indicator in its annual report for the year ended 30 June 2020:

- The Commission is effective and makes a positive contribution to the economic and social development of the Gascoyne region.

The exemption was approved due to the difficulty in collecting information from stakeholders because of COVID-19 restrictions. Consequently, this KPI will not be reported. My opinion is not modified in respect of this matter.

### **The Board's responsibility for the key performance indicators**

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

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

### **Auditor General's responsibility**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

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

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

**My independence and quality control relating to the reports on controls and key performance indicators**

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

**Matters relating to the electronic publication of the audited financial statements and key performance indicators**

This auditor's report relates to the financial statements and key performance indicators of the Gascoyne Development Commission for the year ended 30 June 2020 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 contact the entity to confirm the information contained in the 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  
3 September 2020

## Key performance indicators

**GASCOYNE DEVELOPMENT COMMISSION  
KEY PERFORMANCE INDICATORS  
For the year ended 30 June 2020**

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**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 2020.



Andy Munro  
Chairman  
2 September 2020



Tym Duncanson  
Chief Executive Officer  
2 September 2020





**GASCOYNE DEVELOPMENT COMMISSION  
KEY PERFORMANCE INDICATORS  
For the year ended 30 June 2020**

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**SERVICE: REGIONAL DEVELOPMENT.**

**Key Efficiency Indicators**

**Cost per project hour**

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

Key Efficiency Indicator	Actual 2016	Actual 2017	Actual 2018	Actual 2019	2020 Target	2020 Actual	Variance
Average cost per hour	\$114	\$140	\$112	\$126	\$114	\$133	(\$19)

The Commissions budget is directed to numerous output focused project supporting the economic and social development of the Gascoyne region. The commission continually seeks external funding sources and networking partners to enhance project scope and effectiveness.

Note 1: Operating cost information is sourced from the Statement of Comprehensive Income total cost of service excluding grants and subsidies.

Note 2: Project hours calculated in both the 2019-20 target and actual results use a modified calculation method consistent with DPRID and other RDC's that use an hour's calculation. Hours include all paid hours of staff and contractors but exclude annual and long service leave or unpaid overtime.

Note 3: The target cost per hour is an estimated figure based on budgeted expenditure and staffing levels.

**Comments**

The commission's total operating expense was 7% above target due to higher consultation services and labour hire whereas the total hours was 8% below target. This resulted in the Average cost per project hours being 16% above target.



Gascoyne Development Commission would like to acknowledge the following individuals and organisations for the use of their photography within the Commission's Annual Report.

**Ben Reynolds Photography**

Front cover Gascoyne camping

**ohrim | Shire of Exmouth**

Back cover Kite surfing

**Blue Media**

Page 4 Tourists at sunset

Page 8 Busy Exmouth

**Department of Primary Industries and Regional Development**

Page 2 Papaya

Page 12 Capsicum

**Whalebone Brewing Company**

Page 9 Cannery upgrades

**Mount Augustus Tourist Park**

Page 9 Tourist Park progress



**GASCOYNE**  
DEVELOPMENT COMMISSION  
Creating the climate for growth