



# 2009-2010 ANNUAL REPORT



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## STATEMENT OF COMPLIANCE

HON BRENDON GRYLLES MLA  
MINISTER FOR REGIONAL DEVELOPMENT; LANDS

In accordance with Section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Goldfields-Esperance Development Commission for the financial year ended 30 June 2010.

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



Chairman  
Graham Thomson  
Goldfields Esperance Development Commission

8 September 2010



Robert Hicks  
Chief Executive Officer  
Goldfields Esperance Development Commission

8 September 2010

### Contact Details

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## CHAIRMAN'S REPORT

The past twelve months has seen many changes within the regional development arena most notably the formation of The Department of Regional Development and Lands (RDL). RDL provides support to Goldfields-Esperance Development Commission (GEDC) and we enjoy a particularly cooperative relationship with that Department.

In stark contrast to 2008/09, as the global economic crisis abates, the Goldfields-Esperance region has seen a number of gold and nickel mines either establish or reopen thereby easing labour force pressures. Moreover the state government decision to allow uranium mining to begin has added to renewed confidence and opportunity within the region.

The Royalties for Regions program has placed the GEDC in the spotlight as the pre-eminent regional organisation for the coordination of regional plans and priorities. To that end, the GEDC initiated the development of a whole of region Regional Development Plan. This Plan is expected to be completed in early 2010/11.

The GEDC continues to work closely and cooperatively with the Ministerial staff of the Minister for Regional Development and Lands.

In November 2009 the Royalties for Regions Bill successfully passed through parliament and will provide a legislative base for the Royalties for Regions program's continuing operation and ensures there is a continuing focus on regional development into the future. The Bill provides for the equivalent of 25 per cent of the State's annual mining and onshore petroleum royalties to be returned to the regions for additional investment in projects, infrastructure and community services in the regions.

It has been a privilege to work closely with the Minister for Regional Development and Lands Hon. Brendon Grylls MLA and his staff in my capacity as Regional Development Council Chairman.

The Board has seen the departure of Suzanne Williams. We welcomed to the Board two new members Lawrence Hamilton and Wayne Rodgers.

The CEO and staff are to be commended for the diligence and hard work over the last twelve months given the challenging times that the GEDC has had to endure.



**Graham Thomson**

8 September 2010

## EXECUTIVE SUMMARY

The Goldfields-Esperance Development Commission (GEDC) is a body corporate with perpetual succession and is an agent of the Crown as described in the Regional Development Commissions Act 1993. Its role is to coordinate and promote economic development within the Goldfields-Esperance region of Western Australia.

The prudent and competent financial management of the GEDC has seen it comply with the requirements of the *Financial Management Act 2006*, the *Public Sector Management Act 1994* and all other relevant law.

In stark contrast to the previous year, 2009/10 has been marked with a resurgence in mining activity within the region with new gold, nickel & lithium mines opening or reopening thereby easing labour market pressures.

The federal Department of Education, Employment and Workplace Relations has reported the Goldfields-Esperance regional unemployment rate increasing from a low of 2.9% (900) for December 2008 to a high of 4.8% (1493) for December 2009 whilst Labour Force and Employment numbers remained relatively stable.

The GEDC continues to enjoy close partnerships and working relations with community organisations, industry, local government and government agencies. Indeed the 2009/10 Client Survey reported that the results reflected very positively on the GEDC.

The project activity of the GEDC was guided by its Strategic Plan. The agency is developing a "Sustainability Framework" that will consider the 20 year+ aspirations for the region coupled with the development of a 10 year Goldfields-Esperance Regional Development Plan. The Plan will identify regional projects for development and prioritise them for funding consideration.

The GEDC continues to provide and deliver services such as:

- Regional Economic Modelling (REMPPLAN), which accurately assesses the benefits to community and government of projects.
- Grants information and Royalties for Regions Regional Grants Scheme funding
- Statistics information
- Provision of a regional perspective to Government and non-government agencies

The GEDC has been active in supporting the work of the Regional Development Council (RDC), the peak regional advisory body to the Minister for Regional Development and Lands. In October 2009 the Minister announced the GEDC's Chairman, Mr Graham Thomson's appointment to a two-year term as chair of the RDC.

I wish to thank the Board for its support of the GEDC management and staff.

The GEDC is pleased to present its Annual Report for 2009/2010.



**Robert Hicks**

8 September 2010

## **ABOUT US**

### **Enabling Legislation**

The GEDC was established as a Statutory Authority under the Regional Development Commission Act 1993.

### **Responsible Minister**

Honourable Brendon Grylls MLA

Minister for Regional Development; Lands; Minister Assisting the Minister for State Development; Minister Assisting the Minister for Transport

### **Mission**

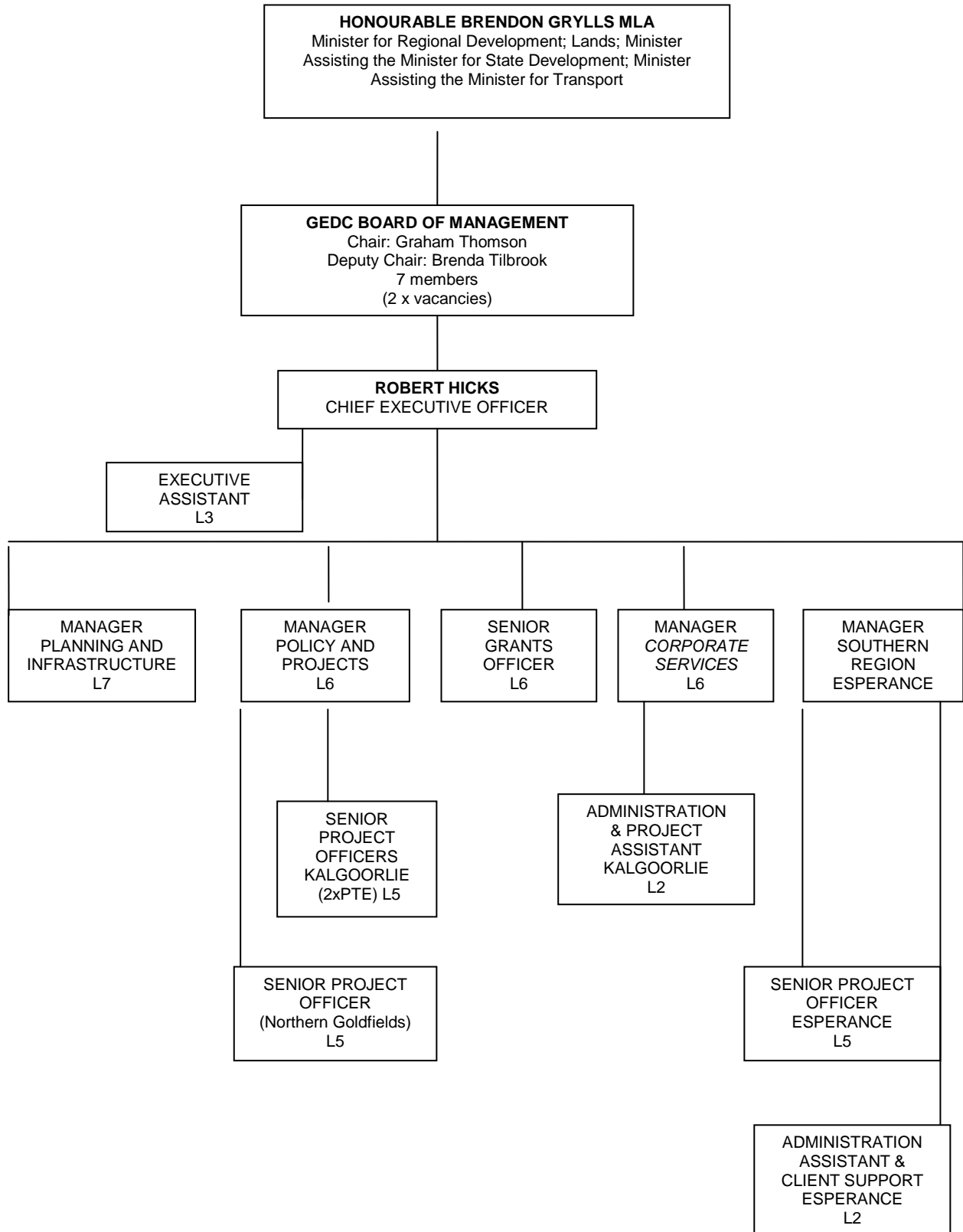
To increase investment and attract population to our Region.

### **Strategic Direction**

Our achievements for 2009-2010 have been underpinned by our revised Strategic Plan which is aligned with the State Government's commitment to working towards achieving a sustainable Western Australia. The Strategic Plan enables us to continue to meet the needs of our stakeholders, capitalise on sustainable development opportunities and provide a clear direction for our future actions and projects.

Our Strategic Plan 2005-2010 is revised by our Board of Management annually.

# ORGANISATIONAL CHART



## BOARD OF MANAGEMENT

The Board of Management is established under Part 2 Section 5 and Part 3 Sections 15 & 16 of the *Regional Development Commissions Act 1993* and comprises members who represent the following:

- Community (x3)
- Local Government (x3)
- Ministerial (x3)
- CEO/Director (x1)

### OUR BOARD

#### 1. Graham Thomson

**Position:** Chairman

**Representative:** Ministerial (Term expires 30/06/2011)

Mr Thomson is the Managing Director of Logistic Management Services Pty Ltd and the National Reconciliation Forum Pty Ltd; Chairman of LMS Ministries Ltd, Mine Chaplaincy Inc and the Family Training Institute Inc. Graham is a Director of GPC Pastoral Management Pty Ltd, Graham is also a Board Member of the Diggers and Dealers Forum and a City of Kalgoorlie-Boulder Councillor. Graham is very passionate about the region and is committed to the long-term social and economic sustainability of the region.

#### 2. Cr Brenda Tilbrook

**Position:** Deputy Chairperson

**Representative:** Local Government (Term expires 30/06/2010)

Brenda Tilbrook is a Ravensthorpe local and the President of the Shire of Ravensthorpe. Brenda is also involved in the Rural Communities Program, the South East Coastal Regional Education and Training Group, the South East Coastal Shires Alliance, the Ravensthorpe Anglican Parish Council and the Ravensthorpe Health Advisory Committee. Brenda works tirelessly behind-the-scenes to ensure positive social and economic outcomes for the Region.

#### 3. Jon Price

**Position:** Board Member

**Representative:** Community (Term expires 30/06/2011)

Jon Price is General Manager of Norton Gold Fields Limited's Paddington Gold Mine located north of the City of Kalgoorlie-Boulder. Mr Price's active involvement in the community coupled with his resource industry background adds considerable value to the GEDC Board. He understands the need for the resource sector to engage with and be involved in the local community.



#### **4. Suzanne Williams**

**Position:** Board Member

**Representative:** Community (Resigned 31 March 2010)

Suzanne Williams is a local business owner who has travelled extensively across the Goldfields-Esperance region. Ms Williams is focused on developing the region into a network of self-sustainable family communities.

#### **5. Anthony Bright**

**Position:** Board Member

**Representative:** Community (Term expires 30/06/2010)

Anthony Bright is a Regional Development Consultant. He is a past employee of the Goldfields-Esperance Development Commission. Mr Bright's expertise and insights add considerable value to the Board. He is well placed to represent the best interests of the southern parts of the region that include the Shires of Esperance and Ravensthorpe.

#### **6. Cr Jeffery Carter**

**Position:** Board Member

**Representative:** Local Government (Term expires 30/06/2010)

Jeffery Carter is currently the President of the Shire of Leonora. He is a Pastoralist within the Shire of Leonora. His knowledge of the region provides the Northern Goldfields Shires with excellent representation of their interests.

#### **7. Ron Yuryevich**

**Position:** Board Member

**Representative:** Local Government (Term expires 30/06/2011)

Ron Yuryevich is a local business owner, current City of Kalgoorlie-Boulder Mayor and chairman on the Goldfields-Esperance Area Consultative Committee (GEACC). Mr Yuryevich has lived in Kalgoorlie-Boulder all his life and is strongly committed to economic and social development in the Goldfields-Esperance region.

#### **8. VACANT**

**Position:** Board Member

**Representative:** Ministerial (Term expiry)

#### **9. VACANT**

**Position:** Board Member

**Representative:** Ministerial (Term expiry)

## COMMISSION PERFORMANCE

### Service 1 – Facilitation of the Provision of Appropriate Infrastructure and Industry

#### Major Achievements

- **Royalties for Regions Fund** is a major on-going State Government initiative that the GEDC commenced administering during 2008-2009.
- **Objectives of Royalties for Regions Fund**
  - Increase capacity for local strategic planning and decision-making
  - Retain and build the benefits of regional communities
  - Promote relevant and accessible local services
  - Assist communities to plan for a sustainable economic and social future
  - Enable communities to expand social and economic opportunities
  - Assist regional communities to prosper through increased employment opportunities, business and industry development opportunities, and improved local services.

Funding provided under the Royalties for Regions scheme has enabled the Commission to further create opportunities to build a vibrant sustainable future for our region. Of the 2009/10 \$3.5 million contestable funding available, 61 applications were received seeking \$9.2 million for projects valued at a total of \$31.1 million.

#### **Successful applicants in 2009-2010 were:-**

RECIPIENT	PROJECT	AMOUNT
Papulankutja Blackstone Community Inc	Tunnel House Pilot Project	\$130,000.00
Lamington Family Centre	Kitchen Renovations	\$10,803.35
Australia's Golden Outback	AGO Tourism Welcome Signage Project	\$20,125.00
Ravensthorpe Historical Society	Display Cabinets	\$8,076.00
Stage Left Theatre Troupe, Goldfields WA Inc	Building Purchase	\$130,000.00
Goldfields Regional Toy Library	Refurbishment of the Goldfields Regional Toy Library	\$19,710.91
IASKA	Spaced - art project	\$7,000.00
CSIRO	Nickel Technology Transfer & Laterite Processing	\$100,000.00
Full Circle Therapies Inc	Development Project for Full Therapies	\$90,000.00
Kambalda Cultural and Arts Group Inc	Kambalda Art Centre Development Project	\$49,228.00
Australian Red Cross Society	Red Cross Outdoor Learning Centre and Yarning Room	\$27,498.00
Golden Quest Trails Association inc	Goldfields Tourism Network	\$57,000.00
Laverton Sports Club Inc	Refrigeration Upgrade	\$11,500.00
Shire of Esperance	Meals on Wheels Kitchen Extension	\$80,000.00
The Cannery Arts Centre	Cannery Arts Centre Facilities Upgrade	\$28,758.25

Esperance Volunteer Sea Search & Rescue Group Inc.	Naiad 8.5	\$100,000.00
Esperance Bay Historical Society Inc.	Museum Displays	\$20,000.00
Shire of Ravensthorpe	Ravensthorpe Town Hall Redevelopment	\$200,000.00
Shire of Esperance	Esperance Reuse Shop: Wylie Bay Waste Diversion Project	\$42,300.00
South East Premium Wheat Growers Association (SEPWA)	Containerized Grain Trade from the Esperance Port – profit or pipe dream	\$52,300.00
Esperance Care Services	Esperance Care Services Relocation and Expansion Project	\$360,000.00

- Provided support, advocacy and input on the port access steering committee to progress the upgrading of the port access corridor.
- Cooperated with the Pilbara, Midwest and Wheatbelt Development Commissions in the development of an infrastructure corridor vision that envisages linking the Pilbara, Midwest, Wheatbelt and Goldfields-Esperance regions.
- Commenced development of a Regional Sustainability Framework and Ten Year Goldfields-Esperance Regional Development Plan.
- Successful in securing \$3 million resource industry funding commitment for the proposed Kalgoorlie-Boulder Intermodal Hub.
- Worked with the Goldfields Voluntary Regional Organisation of Councils in the identification of priority Local Government projects for possible Royalties for Regions funding.
- Initiated a joint region specific climate change project with CSIRO to investigate adaptation options for Australia's resource sector.
- The first Development Commission in Western Australia to sign an MoU with Regional Development Australia.
- Continued to drive major issues affecting the region through the Regional Development Council.
- Partnered regional industry in delivering forums/workshops for information sharing and development of opportunities.

## Service 2 – Promotion of the Region and its Investment Opportunities

### Major Achievements

- Provided grants information and support services to local government authorities, government agencies, industry and community groups.
- Administered the Goldfields-Esperance Regional Development Scheme (GERDS) for the outstanding agreements. This scheme was closed in 2008-2009.
- Worked closely with the State Government on the development of a financial assistance package for the Australian Prospectors and Miners Hall of Fame.
- Continued to support the Goldfields-Esperance Workforce Development Alliance in the implementation of the actions from the ten year workforce development plan.
- In cooperation with the Midwest, Wheatbelt and Great Southern Development Commissions established the Higher Education Working Group.
- Successfully advocated for the introduction of Years 11 and 12 at both the Esperance Anglican School and the Goldfields Baptist College.
- Successful completion of a Tertiary Education Survey to identify future tertiary education demands.
- Strengthened working relations with key regional stakeholders including the regional Chambers of Commerce and Industry, Chambers of Minerals and Energy, education institutions and local government authorities.
- Partnered regional education organisations in delivering forums/workshops for information sharing and development of career pathways and opportunities.
- Cooperated with the City of Kalgoorlie-Boulder in response to the Burt Street Earthquake.
- Developed close working relations with Community Resource Centres.
- Assisted in the coordination of the Ravensthorpe/Hopetoun Future Fund.
- GEDC Chairman appointed Chairman of the Regional Development Council.

## FINANCIAL TARGETS

### Actual Results Versus Budget Papers Targets

Effectiveness Indicators provide information on the extent of, or progress towards achievement of the Commission's desired outcome through the funding and delivery of services.

	<b>2009-10 Target <sup>1</sup></b>	<b>2009-10 Actual</b>	<b>Variation <sup>2</sup></b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Total Cost of Services (Statement of Comprehensive Income)	\$9,291	\$4,389	<b>\$4,902</b>
Net Cost of Services (Statement of Comprehensive Income)	\$9,260	\$4,250	<b>\$5,010</b>
Total Equity (Statement of Financial Position)	\$1,036	\$4,796	<b>\$3,760</b>
Net Increase/(decrease) in Cash Held (Statement of Cash flows)	(\$216)	(\$969)	<b>\$753</b>
Approved Full-time Equivalent (FTE) Staff Level	12	12	-

1. As specified in the *budget statements for the year 2009-2010*.

2. *Variance is attributed to Royalties for Regions funding not expended but committed to projects and budget cash-flow changes in the current year.*

## Significant Issues Impacting the Commission

- Royalties for Regions Regional Grants Scheme - Funding provided under the Royalties for Regions Scheme has enabled the Commission to further create opportunities to build a vibrant sustainable future for our region. Of the 2009/10 \$3.5 million contestable funding available, 61 applications were received seeking \$9.2 million in Regional Grants Scheme funding for projects valued at a total of \$31.1 million.
- Development of a Goldfields-Esperance Regional Development Plan and sustainability framework to provide a constructive, informed and regionally agreed vision with key stakeholders for future developments and funding thereof.
- Planning and development of current and future regional transport infrastructure in co-operation with other agencies. In particular the proposed Esperance port access corridor upgrade, Kalgoorlie intermodal hub, upgrade of critical roads and the interconnectivity of the Goldfields-Esperance region with the Wheatbelt, Mid West and Pilbara regions.
- Development of the Community Resource Centre network within the region to encourage local input to better inform regional decision making and information dissemination.
- Engaging with Local Government to develop a regional approach to project identification, prioritisation and funding.
- A resurgence and renewed confidence in the resources industry, particularly Gold, Nickel, Uranium and Iron Ore sectors within the region. Most notably was the sale of the Ravensthorpe Nickel Operations, establishment of a lithium mine and gold mine developments.
- Workforce attraction and retention challenges across the region resulting from expected resource industry developments within the Goldfields-Esperance region and the North West of Western Australia.
- Increased expectations on the Commission to deliver Regional outcomes based on local decision making will require adequate capacity for ongoing engagement with key stakeholders.



## Auditor General

### **INDEPENDENT AUDIT OPINION**

**To the Parliament of Western Australia**

### **GOLDFIELDS ESPERANCE DEVELOPMENT COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010**

I have audited the accounts, financial statements, controls and key performance indicators of the Goldfields Esperance Development Commission.

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

#### **Commission's Responsibility for the Financial Statements and Key Performance Indicators**

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

#### **Summary of my Role**

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. This document is available on the OAG website under "How We Audit".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

**Goldfields Esperance Development Commission Financial Statements and Key Performance Indicators for the year ended 30 June 2010**

**Audit Opinion**

In my opinion,

(i) the financial statements are based on proper accounts and present fairly the financial position of the Goldfields Esperance Development Commission at 30 June 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;

(ii) the controls exercised by the Commission 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; and

(iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2010.



GLEN CLARKE ACTING  
AUDITOR GENERAL 14 September  
2010



## **DISCLOSURES AND LEGAL REQUIREMENTS**

### **CERTIFICATION OF FINANCIAL STATEMENTS**

The accompanying financial statements of the Goldfields-Esperance 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 year ending 30 June 2010 and the financial position as at 30 June 2010.

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



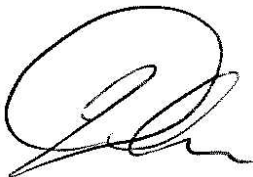
**Graham Thomson**  
Chairman

8 September 2010



**Robert Hicks**  
Chief Executive Officer

8 September 2010



**June Anderson**  
Chief Financial Officer

8 September 2010

# FINANCIAL STATEMENTS

## GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

		<u>2010</u>	<u>2009</u>
		\$	\$
<b>COST OF SERVICES</b>			
<b>Expenses</b>	<b>Note</b>		
Employee benefits expense	5	1,123,946	1,062,046
Supplies and services (a)	6	452,561	363,302
Depreciation expense	7	23,211	21,276
Accommodation expense	8	216,267	168,567
Grants and subsidies	9	2,572,887	584,046
Other expenses	10	-	-
Carrying amount of assets written off	11	-	13,844
		<u>4,388,872</u>	<u>2,213,082</u>
<b>Income</b>			
<b>Revenue</b>	12		
Other revenue		26,935	182,707
Income from State Government agencies		111,514	566,780
<b>Gains</b>			
Other gains		-	-
<b>Total income other than income from State Government</b>		<b>138,449</b>	<b>749,487</b>
<b>NET COST OF SERVICES</b>		<u><b>4,250,423</b></u>	<u><b>1,463,595</b></u>
<b>Income from State Government</b>	13		
Service appropriation		2,082,000	1,557,000
Royalties for Regions Regional Grants Scheme		1,125,000	4,440,000
Resouces received free of charge		10,823	-
<b>Total income from State Government</b>		<u><b>3,217,823</b></u>	<u><b>5,997,000</b></u>
<b>SURPLUS /(DEFICIT) FOR THE PERIOD</b>		<u><b>(1,032,600)</b></u>	<u><b>4,533,405</b></u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation surplus		-	-
Gains/(losses) recognised directly in equity		-	-
<b>Total other Comprehensive Income</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR PERIOD</b>		<u><b>(1,032,600)</b></u>	<u><b>4,533,405</b></u>

(a) Administration expenses are included in supplies and services.

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

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 30 JUNE 2010

	Note	<u>2010</u> \$	<u>2009</u> \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	25	1,072,865	1,066,224
Restricted cash and cash equivalents	14	3,786,630	4,762,723
Receivables	15	7,832	15,705
Amounts receivable for services	16	157,000	139,000
Other current assets	17	78	11,008
<b>Total Current Assets</b>		<u>5,024,405</u>	<u>5,994,660</u>
<b>Non-Current Assets</b>			
Amounts receivable for services	16	-	-
Plant and equipment	18	37,931	58,205
Intangible assets	19	3,807	6,745
<b>Total Non-Current Assets</b>		<u>41,738</u>	<u>64,950</u>
<b>TOTAL ASSETS</b>		<b>5,066,143</b>	<b>6,059,610</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	21	64,903	65,170
Provisions	22	143,362	105,963
Other current liabilities	23	-	280
<b>Total Current Liabilities</b>		<u>208,265</u>	<u>171,414</u>
<b>Non-Current Liabilities</b>			
Provisions	22	62,161	59,880
<b>Total Non-Current Liabilities</b>		<u>62,161</u>	<u>59,880</u>
<b>Total Liabilities</b>		<u>270,426</u>	<u>231,294</u>
<b>NET ASSETS</b>		<b>4,795,717</b>	<b>5,828,316</b>
<b>Equity</b>			
Contributed equity	24	54,000	54,000
Accumulated surplus/(deficit)	24	4,741,717	5,774,316
<b>TOTAL EQUITY</b>		<u>4,795,717</u>	<u>5,828,316</u>

The statement of Financial Position should be read in conjunction with the accompanying Notes.

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Contributed Equity	Reserves	Accumulated surplus/ (deficit)	Total Equity
		\$	\$	\$	\$
<b>Balance at 1 July 2008</b>	<b>24</b>	54,000	-	1,240,911	1,294,911
Total Comprehensive income for year		-	-	4,533,405	4,533,405
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Other contributions by owners		-	-	-	-
Distributions to owners		-	-	-	-
<b>Total</b>		<b>-</b>			<b>-</b>
<b>Balance at 30 June 2009</b>		<b>54,000</b>	<b>-</b>	<b>5,774,316</b>	<b>5,828,316</b>
<b>Balance at 1 July 2009</b>		<b>54,000</b>	<b>-</b>	<b>5,774,317</b>	<b>5,828,317</b>
Total Comprehensive income for year				(1,032,600)	(1,032,600)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Other contributions by owners		-	-	-	-
Distributions to owners		-	-	-	-
<b>Total</b>		<b>-</b>			<b>-</b>
<b>Balance at 30 June 2010</b>		<b>54,000</b>	<b>-</b>	<b>4,741,717</b>	<b>4,795,717</b>

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

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010

**CASH FLOWS FROM STATE GOVERNMENT**

Service appropriation	2,064,000	1,547,000
Capital contributions	-	-
Holding account draw downs	-	10,000
Royalties for Regions Regional Grants Scheme	1,125,000	4,995,772
<b>Net Cash Provided by State Government</b>	<b><u>3,189,000</u></b>	<b><u>6,552,772</u></b>

**Utilised as follows:**

**CASH FLOWS FROM OPERATING ACTIVITIES**

**Payments**

Employee benefits	(1,077,860)	(1,046,799)
Supplies and services	(447,098)	(367,348)
Grants and subsidies	(2,572,887)	(594,040)
GST payments on purchases	(307,470)	(122,182)
GST payments to taxation authority	(4,457)	(125)
Accommodation	(205,444)	(168,567)

**Receipts**

Sale of goods and services	138,372	182,707
Commonwealth grants and contributions	-	-
GST receipts on sales	3,661	72,455
GST receipts from taxation authority	314,731	-

<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>(4,158,452)</u></b>	<b><u>(2,043,900)</u></b>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of non-current physical assets	-	(38,829)
Purchase of intangible assets	-	(6,531)
<b>Net cash inflow/(outflow) from investing</b>	<b><u>-</u></b>	<b><u>(45,360)</u></b>

<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(969,452)</b>	<b>4,463,512</b>
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Cash and cash equivalents at the beginning of period	5,828,947	1,365,435
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<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>4,859,495</b>	<b>5,828,947</b>
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The above Statement of Cash Flows should be read in conjunction with the accompanying Notes.

## Index of Notes to the Financial Statements

For the year ended 30 June 2010

<b>Subject</b>	<b>Policy Note</b>	<b>Disclosure Note</b>	<b>Title of the Disclosure note</b>
General	1		Australian equivalents to international financial reporting standards
General	2		Summary of significant accounting policies
General	2(a)		General statement
General	2(b)		Basis of preparation
General	2(c)		Contributed equity
Income	2(d)		Income
Income	2(e)		Property, plant and equipment
	2(f)		Intangible assets
	2(g)		Impairment of assets
	2(h)		Leases
	2(i)		Financial instruments
	2(j)		Cash and cash equivalents
	2(k)		Accrued salaries
	2(l)		Amounts receivable for services
	2(m)		Receivables
	2(n)		Payables
	2(o)		Provisions
	2(p)		Superannuation expenses
	2(q)		Resources received free of charge
	2(r)		Comparative figures
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General	4		Disclosure of changes in accounting policy and estimates
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Expense	6		Supplies and services
Expense	7		Depreciation and amortisation expense
Expense	8		Accommodation expense
Expense	9		Grants and subsidies
Expense	10		Other expenses
Expense	11		Write off of assets
Income	12		Other revenue from ordinary activities
Income	13		Income from State Government
Asset	14		Restricted cash and cash equivalents
Asset	15		Receivables
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Asset	18		Plant and equipment
Asset	19		Intangible assets
Asset		20	Impairment of asset
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General	26	Commitments
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General	30	Explanatory statement
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General	31(a)	Financial risk management objectives and policies.
General	31(b)	Category of financial instruments
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General	31(d)	Interest rate risk exposure
General	31(e)	Interest sensitivity analysis
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General	33	Remuneration of auditor
General	34	Related bodies
External	35	Schedule of income and expenses by service

***This index does not form part of the financial statements.***

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010

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**Note 1. Australian Equivalents to International Financial Reporting Standards**

**General**

The Commission's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

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

**Early adoption of standards**

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 '*Application of Australian Accounting Standards and Other Pronouncements*'. No Australian Accounting Standards that have been issued or amended but are not yet effective have been early adopted by the Commission for the annual reporting period ended 30 June 2010.

**Note 2. Summary of significant accounting policies**

**(a) General statement**

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements, the Framework, Statements and Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

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



## **(b) Basis of preparation**

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

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

The judgements that have been made in the process of applying the Commission's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 4 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed at note 5 'Key sources of estimation uncertainty'.

## **(c) Contributed equity**

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers other than as a result of a restructure of administrative arrangements, in the nature of equity contributions 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 contributions (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.

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

## **(d) Income**

### Revenue recognition

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

### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control are transferred to the purchaser.

### *Provision of services*

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

### *Service appropriations*

Service Appropriations are recognised as revenue at a nominal value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time that those funds are deposited to the bank account or credited to the holding account held at the Department of Treasury.

### *Grants*

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

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

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

### Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets; which may have been revalued.

## **(e) Property, Plant and Equipment**

### Capitalisation/expensing of assets

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

### Initial recognition and measurement

All items of plant and equipment are initially recognised at cost.

## Subsequent measurement

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

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Fair value of infrastructure has been determined by reference to the depreciated replacement cost (existing use basis) as the assets are specialised and no market-based evidence of value is available. Land under infrastructure is included in land reported under note 27 'Property, plant and equipment'. Independent valuations are obtained every 3 to 5 years.

When infrastructure is revalued, the accumulated depreciation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

## Derecognition

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

## Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 18 'Plant and equipment'.

## Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits. Depreciation is calculated on the straight line basis, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture and fittings	10 years
Office equipment	5 years
Computer hardware	3 years

### **(f) Intangible assets**

#### Capitalisation/Expensing of assets

Acquisitions of intangible assets costing over \$5,000 are capitalized. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the Commission have a finite useful life and zero residual value. The expected useful life for the intangible assets of the Commission are:

Software	3 years
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#### Computer software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

## Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

### **(g) Impairment of assets**

Property, Plant and equipment and intangible assets are tested for any indication of impairment at each reporting date. 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. As the Commission is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

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

### **(h) Leases**

The Commission holds operating leases for its Kalgoorlie and Esperance office buildings and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased property.

## **(i) Financial Instruments**

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

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

These have been disaggregated into the following classes:

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

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

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

## **(j) Cash and cash equivalents**

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

## **(k) Accrued salaries**

Accrued salaries (see Note 22 Payables) represent the amount due to staff but unpaid at the end of the financial year as the pay day for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of the accrued salaries to be equivalent to its net fair value.

## **(l) Amounts receivable for services (holding account)**

The Commission receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (holding account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement.

## **(m) Receivables**

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

## **(n) Payables**

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

## **(o) Provisions**

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

### Provisions - employee benefits

#### *Annual Leave and Long Service Leave*

The liability for annual and long service leave expected to be settled within 12 months after the end of the reporting date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the reporting date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the reporting date.

When assessing expected future payments consideration is given to wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and 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 at least 12 months after the reporting date.

## *Superannuation*

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

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

The Authority has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Authority to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Authority makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

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

### Provisions – other

#### *Employment on-costs*

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

#### **(p) Superannuation expense**

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

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



**(q) Resources received free of charge or for nominal cost**

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

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

**(r) Comparative figures**

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

**Note 3. Judgements made by management in applying accounting policies**

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

## **Note 4. Disclosure of changes in accounting policy and estimates**

### **Initial application of an Australian Accounting Standard**

The GEDC has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the Agency.

- AASB 101*            *Presentation of Financial Statements* (September 2007). This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard.
- AASB 2007-10*      *Further Amendments to Australian Accounting Standards arising from AASB 101*. This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.
- AASB 2008-13*      *Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]*. This Standard amends AASB 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Authority where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The Authority does not expect any financial impact when the Standard is first applied prospectively.
- AASB 2009-2*        *Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments AASB 4, AASB 7, AASB 1023 & AASB 1038*. This Standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

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### **Future impact of Australian Accounting Standards not yet operative**

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

## **Operative for reporting periods beginning on/after 1 January 2013**

*AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].*

The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Authority does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.

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GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010

	<b>2,010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>5 Employee benefits expense</b>		
Wages and salaries	989,706	931,979
Superannuation – (a)	94,561	86,069
Long service leave (b)	21,655	14,309
Annual leave	18,024	29,689
	<b>1,123,946</b>	<b>1,062,046</b>
<p>(a) West State and Gold State (contributions paid).  (b) Includes a superannuation contribution component.</p>		
<b>6 Supplies and Services</b>		
Communications	30,703	31,904
Consultants and contractors	157,238	98,326
Consumables	37,264	33,100
Travel	-	-
Maintenance	14,322	13,244
Employee related expenses	85,296	86,178
Other	127,738	100,549
	<b>452,561</b>	<b>363,302</b>
<b>7 Depreciation and amortization expense</b>		
<b><i>Depreciation</i></b>		
Furniture and fittings	1,888	3,561
Office Equipment	2,714	3,606
Computing hardware	11,817	5,510
Communication Equipment	3,855	4,377
	<b>20,274</b>	<b>17,054</b>
<b><i>Amortisation</i></b>		
Intangible assets – computer software	2,938	4,223
Total depreciation and amortization	<b>23,212</b>	<b>21,276</b>
<b>8 Accommodation expenses</b>		
Lease rentals	193,996	162,152
Repairs and maintenance	664	215
Power and water	10,433	5,222
Other	11,173	978
	<b>216,267</b>	<b>168,567</b>

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>9 Grants and subsidies</b>		
<i>GERDS</i>		
City of Kalgoorlie-Boulder	-	50,000
Clontaff Foundation	-	25,143
Dept Agriculture & Food	-	2,193
Discover the Round	5,000	-
Eastern Goldfields Historical Society	-	13,910
Esperance Chamber of Commerce	8,525	-
GEDC	2,000	-
Gwalia Historical Society	-	15,420
Hopetoun Telecentre	-	17,500
Kalgoorlie-Boulder Basketball Ass	-	10,000
Kalgoorlie-Boulder PCYC	9,759	10,226
Karlkurla Language & Culture Aboriginal Corp	-	8,250
KPMG Miners Hall of Fame Viability Audit	-	79,203
Laverton Leonora Cross Cultural Ass.	-	6,364
Marsden Jacobs Adaptation Pathways	-	1,818
Miners Hall of Fame	22,450	150,000
Ngaanyatjarra Council	-	8,446
Occasional Child Care	-	7,648
Ravensthorpe & Distirct Rurall Communities	-	15,106
Ravensthorpe Regional Chamber of Commerce	-	65,000
Scaddan Pioneer Park	-	9,091
Shire of Dundas	75,000	-
Shire of Esperance	7,500	7,500
Shire of Laverton	30,000	-
Shire of Leonora	-	36,000
Shire of Menzies	604,804	-
YMCA	45,227	45,227

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010

9. Continued

	<b>2010</b>	<b>2009</b>
	<u>\$</u>	<u>\$</u>
<b>Grants and subsidies</b>		
<i>Royalties for Regions</i>		
Bay of Isles	100,000	-
Curtin University of Technology	81,000	-
Eastern Goldfields Halfway House	139,091	-
Esperance Regional Forum	97,387	-
Esperance Senior High School P&C	137,500	-
Esperance Volunteer Resource Centre	8,059	-
FE Daw & Sons	160,000	-
Kalgoorlie Central Playgroup	7,482	-
Kalgoorlie-Boulder Urban Landcare Inc	58,050	-
Laverton Leonora Cross Cultural Ass.	29,502	-
National Trust of Australia (WA)	100,350	-
Shire of Dundas	180,000	-
Shire of Esperance	90,000	-
Shire of Leonora	100,000	-
South East Forrest Foundation	38,200	-
Tectonic Resources NL	100,000	-
The Esperance CT Scanner Project	246,000	-
Wanarn Community	90,000	-
	<b><u>2,572,887</u></b>	<b><u>584,046</u></b>

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
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	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>10 Other Expenses</b>	-	-
This expense relates to workers' compensation insurance. The on-costs liability associated with the recognition of annual and long service leave liability is included at Note 22 'Provisions'. Superannuation contributions accrued as part of the provision		
	-	-
<b>11 Carrying amount of assets written off</b>		
The write-off were the result of change to accounting policy capitalisation rate		
Furniture & Office Equipment	-	13,844
	-	<b>13,844</b>
<b>12 Other revenues from ordinary activities</b>		
Other revenue/recoups	26,935	182,707
	26,935	182,707
Department Indegenous Affairs	9,514	-
Department Regional Development & Lands	102,000	500,000
Tourism WA	-	6,363
Department of Premier & Cabinet	-	50,000
Department Sport & Recreation	-	10,417
Income from State Agencies	111,514	566,780
	<b>138,449</b>	<b>749,487</b>

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		<u>2010</u>	<u>2009</u> \$
<b>13</b>	<b>Income from State Government</b>		
	Appropriation received during the year:		
	Service appropriation (a)	2,082,000	1,557,000
	Royalties for Regions Regional Grants Scheme (c)	1,125,000	4,440,000
	Resources received free of charge (b)	10,823	-
		3,217,823	5,997,000

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

(b) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenue equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contributions of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.

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



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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>14 Restricted cash and cash equivalents</b>		
Current		
Regional Development Scheme (a)	154,745	433,723
Royalties for Regions Regional Grants Scheme (a)	3,631,885	4,329,000
	<u>3,786,630</u>	<u>4,762,723</u>
<i>(a) These unspent funds are committed to projects and programs in the region.</i>		
<b>15 Receivables</b>		
Current:		
Trade debtors	-	612
GST Receivable	7,832	15,093
	<u>7,832</u>	<u>15,705</u>
<b>16 Amounts receivable for services</b>		
Current	157,000	139,000
Non-current	-	-
	<u>157,000</u>	<u>139,000</u>
Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.		
<b>17 Other Assets</b>		
Current	-	-
Prepayments	-	-
Accrued income	78	11,008
	<u>78</u>	<u>11,008</u>

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<b><u>2010</u></b>	<b><u>2009</u></b>
	\$	\$
<b>18 Plant and equipment</b>		
Furniture and fittings at cost	30,491	30,491
Accumulated depreciation	(22,047)	(20,159)
	8,443	10,332
Office equipment at cost	31,081	31,081
Accumulated depreciation	(21,056)	(18,342)
	10,025	12,739
Computing hardware at cost	79,932	79,932
Accumulated depreciation	(62,803)	(50,987)
	17,129	28,945
Communications equipment at cost	28,353	28,353
Accumulated depreciation	(26,019)	(22,165)
	2,334	6,189
Total plant and equipment	<b>37,931</b>	<b>58,205</b>

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**18 Plant and equipment (continued)**

**Reconciliations**

Reconciliations of the carrying amounts for furniture, equipment and computers, at the beginning and end of the reporting period are set out below:

	Furniture & fittings \$	Office equipment \$	Computing hardware \$	Comms. Equipment \$	TOTAL \$
<b>2009</b>					
Carrying amount at start of year	24,615	5,343	9,197	10,566	49,721
Additions	-	13,571	25,258	-	38,829
Disposals/Write-offs	10,722	2,569	-		13,291
Reclassification	-				-
Depreciation	3,561	3,606	5,510	4,377	17,053
Carrying amount at end of year	10,332	12,739	28,945	6,189	58,205

	Furniture & fittings \$	Office equipment \$	Computing hardware \$	Comms. Equipment \$	TOTAL \$
<b>2010</b>					
Carrying amount at start of year	10,332	12,739	28,945	6,189	58,205
Additions	-			-	-
Disposals/Write-offs			-		-
Reclassification	-				-
Depreciation	1,889	2,714	11,816	3,855	20,273
Carrying amount at end of year	8,443	10,025	17,129	2,334	37,931

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>19 Intangible assets</b>		
Computer software		
At cost	64,989	64,989
Accumulated amortisation	(61,182)	(58,244)
	<b>3,807</b>	<b>6,745</b>
<b>Reconciliations</b>		
Carrying amount at the start of the year	6,745	4,990
Additions	-	6,531
Disposals	-	553
Amortisation expense	2,939	4,223
	<b>3,807</b>	<b>6,745</b>
Adjustments to Equity	-	-
	<b>3,807</b>	<b>6,745</b>

**20 Impairment of Assets**

There were no impairment to plant & equipment or intangible assets at 30 June 2010

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

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>21 Payables</b>		
Trade payables	64,702	64,174
GST payable	201	996
	<b>64,903</b>	<b>65,170</b>
<b>22 Provisions</b>		
Current:		
Employee benefits provision		
Annual Leave (a)	84,645	86,317
Long Service Leave (b)	58,717	19,646
	143,362	105,963
Other provisions		
Employment on-costs	-	-
Fringe benefit tax	-	-
GST provision	-	-
	-	-
	<b>143,362</b>	<b>105,963</b>
Non-Current:		
Employee benefits provision	-	-
Long service leave (b)	62,161	59,880
Employment on-costs (c)	-	-
	<b>62,161</b>	<b>59,880</b>

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

- Within 12 months of reporting date	84,645	86,317
- More than 12 months after reporting date	-	-

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

- Within 12 months of reporting date	58,717	19,646
- More than 12 months after reporting date	-	-

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

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<u>2010</u> \$	<u>2009</u> \$
<b>23 Other liabilities</b>		
Current:		
Unearned income	-	-
Other liability	-	280
	-	280
<b>24 Equity</b>		
Equity represents the residual interest in the net assets of the Commission. The Government holds the equity interest in the Commission on behalf of the community.		
<b>Contributed equity</b>		
Balance at start of year	54,000	54,000
<b>Contributions by owners</b>		
Capital contribution (a)	-	-
Total contributions by owners	54,000	54,000
<b>Accumulated surplus</b>		
Opening balance	5,774,317	1,228,911
Change in accounting policies - capitalisation rate	-	12,000
Change in net assets	(1,032,600)	4,533,405
	4,741,717	5,774,316
Closing balance	4,795,717	5,828,316

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**24 Equity Continued**

- a) Capital Contributions (appropriations) and non-discretionary (non-reciprocal) transfers of net assets from other State Government agencies have been designated as contributions by owners in Treasurer's Instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and are credited directly to equity.
  
- b) Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires that where the transferee accounts for a transfer as a contribution by owner, the transferor must account for the transfer as a distribution to owners. Consequently, non-discretionary (non-reciprocal) transfers of net assets to other State Government agencies are distribution to owners and are debited directly to equity.
  
- c) TI955 requires non-reciprocal transfers of net assets to Government to be accounted for as distribution to owners.

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>25 Notes to the Cash Flow Statement</b>		
Cash at the end of the financial year shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents	1,072,265	1,065,624
Restricted cash assets	3,786,630	4,762,723
Petty cash	600	600
	<b>4,859,495</b>	<b>5,828,947</b>
<u>Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</u>		
Net cost of services	(4,250,423)	(2,030,375)
Non-cash Items:		
Resources received Free of Charge	10,828	
Depreciation and amortisation expense	23,211	21,276
Assets written off	-	13,844
Adjustments to accumulated surplus (deficit) account through profit and loss		(42,822)
(Increase)/decrease in assets:		
Current receivables	612	(12)
Other current assets	10,931	(12,091)
Increase/(decrease) in liabilities:		
Current payables:	(267)	5,434
Current provisions	37,398	17,195
Other current liabilities	(280)	(51,140)
Non-current provisions:	2,281	26,802
Change in GST in receivables/payables	7,257	1,457
	<b>(4,158,452)</b>	<b>(2,043,901)</b>
Net cash provided by/(used in) operating activities	<b>(4,158,452)</b>	<b>(2,043,901)</b>



GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>26 Commitments</b>		
Lease commitments		
<p>Commitments in relation to leases contracted for at the reporting date but not recognised in the financial statements are payable as follows:</p>		
Within 1 year	9,326	4,227
Later than 1 year but not later than 5 years	9,336	6,601
	18,662	10,828
Representing:		
Non-cancellable operating leases	18,662	10,828
	18,662	10,828
 <b>27 Contingent liabilities and contingent assets</b>		
At reporting date, the Commission had no contingent liabilities or contingent assets		
 <b>28 Controlled Entities</b>		
At the reporting date the Commission had no controlled entities		
 <b>29 Events occurring after the balance sheet date</b>		
No material events have occurred after June 30 <sup>th</sup> 2010		

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**30 Explanatory Statement**

(i) Significant variations between estimates and actual results for income and expense are shown below.

Significant variations are considered to be those greater than 10%.

	<b>2010 Budget</b>	<b>2010 Actual</b>	<b>Variation</b>
<b>Employee expense</b>			-
<i>Stable staff numbers, reduction in leave paid out.</i>	1,344,000	1,124,000	(220,000)
<b>Supplies and Services</b>			
<i>Administration of Royalties for Regions Grant Scheme &amp; employee related expenses due to full staffing numbers.</i>	231,000	453,000	222,000
<b>Grants and subsidies expense</b>			
<i>Grant recipients agreements not finalised, payments of grant funds not made.</i>	7,325,000	2,572,887	(4,752,113)
<b>Grants and contributions received</b>			
<i>Royalties for Regions Recashflowed.</i>	7,000,000	1,125,000	(5,875,000)

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**30 Explanatory Statement (continued)**

(ii) Significant variations between actual results for 2009 and 2010

	<b>2010</b>	<b>2009</b>	<b>Variation</b>
<b>Employee benefits expense</b> <i>All staff positions filled, salary increase.</i>	1,124,000	1,062,046	61,954
<b>Supplies and Service</b> <i>Upgrade non asset plant and equipment. Increased costs associated with full staffing.</i>	453,000	363,302	89,698
<b>Income received from State Agencies</b> <i>Recashflow of the Royalties for Regions Grants Scheme.</i>	1,225,000	5,006,780	(3,781,780)

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**31. Financial instruments**

**(a) Financial risk management objectives and policies**

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

*Credit risk*

The Commission trades only with recognised, creditworthy parties. To ensure its bad debt risk is minimal, the Commission periodically monitors its exposure to bad debts. There are no significant concentrations of credit risk.

*Liquidity risk*

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

**(b) Categories of financial instruments**

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows;

	<u>2010</u> \$'000	<u>2009</u> \$'000
<b>Financial Assets</b>		
Cash and Cash Equivalents	1,073	1,066
Restricted Cash	3,787	4,763
Loans and Receivables (a)	157	140
	<b>5,016</b>	<b>5,969</b>
<b>Financial Liabilities</b>		
Payables	65	65
	<b>65</b>	<b>65</b>

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

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**(c) Financial instrument disclosures**

Credit risk and interest rate exposures

- 1) All financial assets of the Commission are unsecured.
- 2) The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in the financial statements.
- 3) The Commission does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.
- 4) The Commission does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.
- 5) The Commission has determined that the impact of interest rate risk is not material to the financial statements and has therefore not been calculated and disclosed in these accounts.

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

<b>2010</b>	Weighted Average Effective Interest Rate \$'000	Variable Interest Rate \$'000	Less than 1 Year \$'000	1 to 5 Years \$'000	More than 5 Years \$'000	Non- Interest bearing \$'000	Total \$'000
<b>Financial Assets</b>							
Cash and cash equivalents	0.00%					1,073	1,073
Restricted cash and cash equivalents	0.00%					3,787	3,787
Receivables						-	-
Amounts receivable for services						157	157
						<b>5,016</b>	<b>5,016</b>
<b>Financial Liabilities</b>							
Payables						65	65
						<b>65</b>	<b>65</b>
<b>2009</b>							
Financial assets						5,969	5,969
Financial liabilities						65	65

GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>32 Remuneration of members and senior officers</b>		
<u>Remuneration of members of the Accountable Authority</u>		
The number of members, other than members reported as senior officers whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands:		
\$		
Under \$10,000	7	9
10,001 - 20,000	1	1
20,001 - 30,000		-
30,001 - 40,000	-	-
40,001 - 50,000	-	-
Total remuneration of the members:	31,680	38,304

The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the Accountable Authority. No members of the Accountable Authority are members of the Pension Scheme.

Remuneration of senior officers

The number of senior officers (Ti903) whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$		
20,001 – 30,000	-	-
70,001 – 80,000	-	-
80,000 – 90,000	-	-
90,001 -110,000	-	-
160,001 -170,000	1	1
Total remuneration of senior officers:	165,807	176,286

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	<u>2010</u>	<u>2009</u>
	\$	\$
<b>33 Remuneration of Auditor</b>		
Remuneration to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators	35,300	32,000

Note the payment for auditing services occurs in the following year. The fee for the 2008/09 year was paid in the 2009/10 financial year and the auditing fee for 2009/10 year will be paid in the 2010/11 year.

- 34 Related Bodies**  
The Commission has no related bodies as defined by Treasurer's Instruction 951

**GOLDFIELDS-ESPERANCE DEVELOPMENT COMMISSION  
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**35**

	Facilitation of the provision of appropriate infrastructure and industry services.		Promotion of the region and its investment opportunities.		Total	
	Service 1		Service 2			
	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09
<b>COST OF SERVICES</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>		
<b>Expenses from ordinary activities</b>						
Employee benefits expense	674,368	414,198	449,579	647,848	1,123,947	1,062,046
Supplies, Services & Admin	271,537	141,688	181,024	221,614	452,561	363,302
Depreciation and amortisation expense	13,927	8,298	9,284	12,978	23,211	21,276
Accommodation expenses	129,760	65,741	86,507	102,826	216,267	168,567
Grants and subsidies	1,543,732	228,110	1,029,155	355,936	2,572,887	584,046
Other expenses	0	5,261	-	8,583	-	13,844
<b>Total cost of services</b>	<b>2,633,324</b>	<b>863,296</b>	<b>1,755,549</b>	<b>1,349,785</b>	<b>4,388,873</b>	<b>2,213,081</b>
<b>Income</b>						
Income from State Agencies	66,494	-	44,329	3,104,204	110,823	3,104,204
Other revenue	14,817	69,429	12,810	113,278	27,627	182,707
<b>Total income other than income from State Government</b>	<b>81,311</b>	<b>-</b>	<b>57,139</b>	<b>3,217,482</b>	<b>138,450</b>	<b>3,286,911</b>
<b>NET COST OF SERVICES</b>	<b>2,552,013</b>	<b>793,867</b>	<b>1,698,410</b>	<b>(1,867,697)</b>	<b>4,250,423</b>	<b>(1,073,830)</b>
<b>INCOME FROM STATE GOVERNMENT</b>						
Service appropriation	1,249,200	591,660	832,800	965,340	2,082,000	1,557,000
Royalties for Regions	681,494	675,000	454,329	450,000	1,135,823	1,125,000
<b>Total income from State Government</b>	<b>1,930,694</b>	<b>1,266,660</b>	<b>1,287,129</b>	<b>1,415,340</b>	<b>3,217,823</b>	<b>2,682,000</b>
<b>Surplus (deficit) for the period</b>	<b>(621,319)</b>	<b>1,700,369</b>	<b>(411,281)</b>	<b>3,283,037</b>	<b>(1,032,600)</b>	<b>3,755,830</b>



## DETAILED KEY PERFORMANCE INDICATORS INFORMATION

### Certification of Key Performance Indicators

We hereby certify that the performance indicators are:

- based on proper records,
- relevant and appropriate for assisting users to assess our performance
- fairly represents our performance for the financial year ended 30 June 2010.



**Graham Thomson**  
Chairman

8 September 2010



**Robert Hicks**  
Chief Executive Officer

8 September 2010

## PERFORMANCE INDICATORS

### KEY PERFORMANCE INDICATORS

The Commission is the primary referral point in assisting people and groups working on projects, and business or industry to develop products/services that will benefit the whole Goldfields-Esperance Community.

Our desired outcome is to encourage and promote opportunities to build, increase investment, attract and retain population to the Goldfields-Esperance region.

Performance measures are defined and monitored for GEDC's strategic goals through the Western Australian Government Budget Statements.

### Relationship to Government Goals

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

Government Goal	Desired Outcome	Services
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	An environment, which is conducive to the balanced economic and social development of the Goldfields-Esperance region.	<ol style="list-style-type: none"><li>1. Facilitation of the provision of appropriate infrastructure and industry services</li><li>2. Promotion of region and its investment opportunities</li></ol>

### Changes to Outcome Based Management Framework

The GEDC's outcome based management framework did not change during the 2009-10 financial year.

### Shared Responsibilities with other Agencies

The GEDC partners with other agencies in many areas of our work and this is highlighted in our Performance section. The GEDC Resource Agreement between the Minister for Regional Development, The Chief Executive Officer, the Chairman and the Treasurer (2009-10) did not specify any major cross-agency or whole-of-government responsibilities.

## 1. KEY EFFECTIVENESS PERFORMANCE INDICATORS

The key effectiveness performance indicators measure the extent to which performance contributes to improved client satisfaction.

The GEDC's effectiveness indicators are measured by undertaking an annual survey of key clients. This survey is conducted by an independent market researcher, Asset Research. Electronic questionnaires were sent to 205 clients that had contact with the GEDC in the previous 12 month period. Asset Research received 138 completed surveys, resulting in a response rate of 67.3%.

Contact with clients and key stakeholders assists in providing opportunities to develop business and employment opportunities, reduce obstacles to economic growth and increase trade activity. Success in these areas will assist the GEDC to achieve its stated outcome – an environment conducive to the balanced economic and social development of the Goldfields-Esperance region.

***The report is available in full from our web site.***

In this years survey there has been an increase in the score for respondents who believe that the GEDC contributes to development in the region. The GEDC will continue to work towards achieving its targets. A comparison with previous years is summarised in the following table.

<b>Contributed to Development</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Target</b>
Contributed to economic development	82%	85%	87%	87%	<b>90%</b>
Contributed to social development	75%	76%	77%	78%	<b>80%</b>
Contributed to balance of the two	73%	71%	72%	72%	<b>75%</b>

## 2. KEY EFFICIENCY PERFORMANCE INDICATORS

The key efficiency performance indicators measure the overall efficiency in achieving the desired outcomes. These outcomes are linked to Government goals.

The following efficiency indicators are based on the total cost for each of the two service areas after excluding Grants expenses. The costs for each service area comprise both direct expenditure and an allocation of general costs and overheads. The total cost of the two services is reported in the GEDC's Income Statement as the Total Cost of Services.

### Service 1 – Facilitation of the Provision of Appropriate Infrastructure and Industry.

**Service Description:** Consults, advocates for and assists key stakeholders in the region to progress activities that will improve the standard of infrastructure, ensuring that it is of equal standard to that in the metropolitan area and that it caters for the regions expansion of industry.

<b>Performance Measures</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
Net cost of service	\$666,365	\$635,186	\$1,006,522
Cost per chargeable hour	\$111	\$98	\$91

### Service 2 – Promotion of the Region and its Investment Opportunities.

**Service Description:** Assists the promotion and development for a range of activities that promote the region and its services.

<b>Performance Measures</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
Net cost of service	\$814,447	\$993,850	\$671,014
Cost per chargeable hour	\$111	\$98	\$57

## **REQUIRED REPORTING**

### **Ministerial Directives**

No Ministerial directives were received during the financial year.

### **Capital Works**

No capital works were undertaken this financial year.

## **Employment and Industrial Relations**

### **Staff Profile**

	<b><u>2009/10</u></b>	<b><u>2008/09</u></b>
Full time permanent	10	11
Full time contract	1	1
Part time measured on a FTE basis	1	1
	<u>12</u>	<u>13</u>

### **Staff Development**

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

During the financial year, our employees received a broad range of training in-house and externally.

### **Contracts with Senior Officers**

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

## OTHER LEGAL REQUIREMENTS

### **Legislative Amendments and New Legislation**

There were no amendments to the Regional Development Act in 2009/2010.

### **Compliance with Public Sector Management Act 31(1)**

1. In the administration of the GEDC, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct.
2. I have in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made in 1 is correct.
3. During 2009-10 our Code of Conduct was revised and updated with all staff being kept informed.
4. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:  
Number lodged Nil  
Number of breaches found Nil  
Number still under review Nil



Robert Hicks  
Chief Executive Officer

8 September 2010

### **Advertising**

In accordance with section 175ZE of the Electoral Act 1907, the following expenditure was incurred:-

1. Total expenditure for 2009/2010 was **\$4,873**
2. Expenditure was incurred in the following areas:

<b>CLASS OF EXPENDITURE</b>	<b>ORGANIZATION</b>	<b>TOTAL EXPENDITURE</b>
Advertising Agencies	Adcorp	\$1,788
Polling Organizations		\$Nil
Direct Mailing		NIL
Market Research	Asset Research	\$3,085
Media Advertising		NIL

### **Disability Access and Inclusion Plan (DAIP)**

Through the GEDC DAIP we are committed to delivering the same level of services to people with disabilities. The plan ensures we maintain the six outcomes identified, effectively.

The DAIP will ensure that people with disabilities

- 1) have the same opportunities as other people to access the services of and any events organised by the Commission;
- 2) have the same opportunities as other people to access the agencies buildings and facilities;
- 3) receive information from the Commission in a format that will allow ready access to it;
- 4) receive the same level and quality of service from the Commission;
- 5) have the same opportunities to make complaints to us;
- 6) have the same opportunities as other people to participate in public consultation.

### **Record Keeping Plan**

Our Record Keeping Plan has been approved by the State Records Office and remains current until 2013. We continually review staff compliance with our Plan by using the following methods;

1. A checklist is performed to test the efficiency and effectiveness of the plan. No shortcomings have been identified during this process.
2. We have officers responsible for the management of records. They are available to assist all staff with any record keeping enquires they may have.
3. All staff are made aware of their role and responsibilities for record keeping and management at induction by the responsible officers for records management within the Commission.

### **Compliance with Relevant Written Laws**

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

Financial Management Act 2006	State Supply Commission Act 1991
Auditor Generals Act 2006	Equal Opportunity Act 1984
Salary & Allowances Act 1975	Gov Employees Super Act 1987
Government Employees Housing Act	Disability Services Act 1993
Public Interest Disclosure Act 2003	State Records Act 2000
Occupational Safety and Health Act 1984	Freedom of Information Act 1992
Public Sector Management Act 1994	Corruption and Crime Commission Act 2003
Disability Services Act 1993	Government Financial Responsibility Act 2000
Industrial Relations Act 1979	State Superannuation Act 2000
Royalties for Regions Act 2009	

## Public Interest Disclosures

The Public Interest Disclosure Act 2003 requires the Commission to:

- 1) Facilitate the disclosure of public interest information;
- 2) Provide protection for those who make disclosures;  
and
- 3) Provide protection for those who are the subject of a disclosure.

In accordance with the Act, the Commission has duly appointed a Public Interest Disclosure Officer and has provided awareness sessions with all staff.

Nil public interest disclosures were received during 2009/2010.

## GOVERNMENT POLICY REQUIREMENTS

### Occupational Safety, Health and Injury Management

GEDC is committed to providing and maintaining a safe and healthy work environment for all employees and other persons providing services at or visiting our premises. This includes management acknowledging its duty to provide and maintain a working environment in which employees and other persons are not exposed to hazards. The principles, procedures and guidelines underpinning this commitment are contained in GEDC's Occupational Safety and Health Policy and the Vehicle Policy.

The executive team and the workplace elected OSH coordinator are responsible for coordinating all consultations on OSH issues. Regular reviews of work environments are conducted.

Training is available to staff and this has included 4wd and defensive driving. In 2009-10 Esperance staff members completed 1<sup>st</sup> Aid training.

GEDC has an Injury Management System that contains a Return to Work Program to enable injured workers to get back in the workplace. Although GEDC has not received any Workers Compensation claims in 2009-10, it is dedicated in ensuring that safety and health management systems are in the place and reviewed regularly.

The GEDC has maintained its **NIL** Lost Time Incidence rate and Lost Time Frequency rate. The results are outlined in the table below:

<b>INDICATOR</b>	<b>2009-2010</b>
Number of fatalities	Zero
Lost time injury incident rate	Zero
Lost time injury severity rate	Zero
Percentage of injured workers returned to work within 28 weeks	No injuries reported
Percentage of managers aware of occupational safety and health management responsibilities	100%