



Wheatbelt Development Commission **ANNUAL REPORT**

2015/2016



In 2050, Wheatbelt residents enjoy time for family, friends and community. Their work is creative, rewarding and empowering. Life is affordable. Services are there when you need them and technology is a powerful enabler of innovation.



STATEMENT OF COMPLIANCE

Hon Terry Redman MLA
Minister for Regional Development

In accordance with Section 66 of the Financial Management Act, we hereby submit for your information and presentation to Parliament, the Annual Report of the Wheatbelt Development Commission for the financial year ended 30 June 2016.



Tim Shackleton
Chair of the Board
09 September 2016



Wendy Newman
Chief Executive Officer
09 September 2016

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2015/16 KEY FOCUSES



FOSTERING BRIGHT FUTURES *with* WHEATBELT SERVICE LEARNING

The Commission models and supports innovative practices to build capacity and deliver cost effective solutions across the Region.

Key to this is the Wheatbelt Service Learning program. Bringing cross discipline UWA students to the Wheatbelt to work on initiatives in selected communities continues to produce both innovative on the ground solutions and an increased understanding of the Region and its drivers.

The partnership between the Commission and UWA continues to grow, with the Centre for Regional Development providing direct input into key initiatives such as Age Friendly Communities, business case development, tourism and high value agriculture development.



BUILDING A STRONG ECONOMIC FUTURE

Economic planning has identified both economic opportunities and growth constraints caused by lack of key infrastructure.

The Commission has focused on partnerships to deliver infrastructure to key growth areas. Muchea Employment Node, supporting digital infrastructure, activating and enhancing access to the Jurien Bay Harbour and linking Great Northern Highway and Great Eastern Highway via Northam-Pithara Rd are examples of this work.

Supporting emerging industry strategies and prospectuses for high value agriculture (including horticulture and aquaculture), tourism and aged care is the short term focus for the Commission.



CREATING COMMUNITY CONNECTIONS

With 5 sub-regional centres surrounded by a variety of communities, the Wheatbelt offers diverse liveability options. The Commission continues to support both individual and groups of local governments to develop and deliver projects that:

- Grow the economy and population;
- Attract private investment; and
- Enhance liveability.

Integral to this is supporting the development of business cases for the Age Friendly Cluster Housing across groups of Local Governments. This has resulted in the development of 5 business cases across 37 Local Governments. The Age Friendly Cluster Housing Model adds a layer of supported accommodation into the Wheatbelt, enabling older adults to age-in-place and remain independent in their communities.



CREATING EFFECTIVE PARTNERSHIPS

Co-ordination is achieved by key stakeholders committing to the development of the priority initiatives.

This past year has seen strengthening relationships and engagement with Water Corporation, Department of Water, Western Power, Main Roads WA, LandCorp, University of Western Australia, Murdoch University, local members, private sector, numerous consultants, 43 Wheatbelt Local Government Authorities and the Departments of Transport, Housing, Agriculture and Food WA and Regional Development. All relationships are firmly focused on implementing priorities identified in the Wheatbelt Regional Investment Blueprint.



MARKETING WHEATBELT OPPORTUNITIES

Integral to the development of the Region, is effective marketing that highlights the benefits of living, working and investing in the Wheatbelt.

Throughout 2015/16 the Commission partnered with not for profit marketing organisation, Heartlands WA, to develop the Commission's new mobile friendly website. Heartlands WA also assists the Commission to produce its monthly e-newsletter and coordinate weekly social media Tweets to over 300 followers. The e-newsletter is emailed to over 550 subscribers including various media outlets and has an open rate of 35%, well above industry averages.

Moving forward, the Commission will be developing emerging industry strategies and prospectuses aimed at maximising growth opportunities for the Region.



ENSURING A SUSTAINABLE ENVIRONMENT

Ensuring a sustainable environment for the future is key to creating new opportunities for people to live, work and invest in the Region. Through a range of projects within the Seizing the Opportunity Initiative, risks around climate change mitigation and landuse management are being addressed.

Linked to this, increasing water efficiency through stormwater management and evaporation control is crucial for local governments to increase efficiencies and deliver community amenity and industry development. The Commission, in partnership with the Water Corporation are developing whole of region solutions through the Total Water Management initiative- Toward Zero Waste.

The next reporting period will see the Commission focus on emerging industry development in the areas of alternative energy and tourism.

CHAIR REPORT



It's not just one of the best starts to the agricultural season in many years that is creating great optimism across the Wheatbelt. It is the fact that private investors have seen the opportunities the Region offers and are investing in levels never seen before.

Whether it be agribusinesses, land developers, national franchises or business entrepreneurs, all see a strong future for the Wheatbelt region, investing in both the renewal of existing infrastructure and services and creating new.

In the Wheatbelt Regional Investment Blueprint launched last year, the Region set itself an economic growth target of 7%. This has been exceeded, with an average annual growth rate of 7.74% being achieved over the past ten years.

The focus of the Commission over the past twelve months has been to ensure that our high growth rate and new investment opportunities are maximised. To that end, we have sought Royalties for Regions investment for three key areas: key regional

settlements, land assembly to attract private investment and well-aged housing. These investment areas have been independently identified from extensive economic and regional centre growth planning as the areas that will drive major growth across the Region. Over the past 12 months, in partnership with the Western Australian Government, the Department of Regional Development (DRD) and project proponents, we have delivered \$37.8m of investment on the ground from the Growing our South, Regional Grants Scheme and Community Chest Fund programs.

Throughout the year, the Board diligently pursued a highly disciplined prioritisation process for these investment programs to ensure the highest impact projects were supported. I sincerely thank them for their professional commitment. On their behalf, our Chief Executive Officer (CEO) Wendy Newman and I have also committed many hours to the Regional Development Reform process with the ultimate aim of ensuring that dedicated investment in our regional areas continues to grow. I thank my Regional Development Council colleagues and the Director General of DRD for their commitment to the reform program.

I also offer sincere thanks to CEO Wendy Newman and staff of the Commission, who have transitioned from a focus on planning to delivering priority projects. They have worked tremendously hard to achieve great things.

Bringing priority projects to fruition also requires strong collaboration and partnerships. This has been achieved

with groups of local governments, private enterprise, government agencies and trading enterprises and I thank them all for their positive approach.

I would also like to acknowledge the Hon Terry Redman MLA, Minister for Regional Development for his ongoing pursuit of strategic growth for Western Australia's regions. Minister Redman and his staff have taken the time to understand the Wheatbelt's growth potential and how this is aligned to the broader contribution regional WA makes to our state's prosperity.



Tim Shackleton
Chairman



A PORTFOLIO APPROACH

Enabling Legislation

The Wheatbelt Development Commission, a Western Australian Statutory Authority and State Government Agency, was established in 1993 under the Regional Development Commissions Act 1993. It is one of nine Commissions governed by the same legislation.

Objects and Functions

Under the Regional Development Commission Act 1993, the objects and functions of the Commission are to:

- maximise job creation and improve career opportunities in the Region;
- develop and broaden the economic base of the Region;
- identify infrastructure services to promote business development within the Region;
- provide information and advice to promote business development within the Region;
- seek to ensure that the general standard of government services and access to those services in the Region is comparable to that which applies in the metropolitan area; and
- generally take steps to encourage, promote, facilitate and monitor the economic development of the Region.

For the purpose of achieving these objectives, the Commission is to:

- promote the Region;
- facilitate co-ordination between relevant statutory bodies and state government agencies;
- co-operate with representatives of industry and commerce, employer and employee organisations, education and training institutions and other sections of the community within the Region;
- identify opportunities for investment in the Region and encourage that investment;
- identify infrastructure needs of the Region and encourage the provision of that infrastructure in the Region; and
- co-operate with departments of the Public Service of the State and the Commonwealth, and other agencies, instrumentalities and statutory bodies of the State and Commonwealth, and local government authorities, in order to promote equitable delivery of services within the Region.



OUR MINISTER

Responsible Minister

Hon Terry Redman MLA

Minister for Regional Development

OUR BOARD

The Wheatbelt Development Commission Board consists of ten members; three local government, three community, three ministerial representatives and the CEO as an Ex-officio. Members come from diverse backgrounds and locations.

To facilitate the work of the Board, the following working parties have been established:

- **Vibrant Economy:** includes industry and business development, workforce attraction and retention, key economic infrastructure and natural resource management;
- **Clever People:** includes innovation, leadership and lifelong learning;
- **Liveable Communities:** includes connected settlements (key centres and growth areas, and service delivery reform (aged care, children's services, health services, housing and local facilities); and
- **Organisational Effectiveness:** includes finance, audit and risk management, governance, marketing and strategic partnerships.



Wheatbelt Development Commission Board Members
Backrow L to R: Leslee Holmes, Carmel Ross, Heidi Cowcher, Wendy Newman, Graham Cooper
Front L to R: Steve Pollard, Karin Day, Tim Shackleton, Val Ammon

Tim Shackleton – Chair
Term of Office June 2017

Tim has worked in the Western Australian health sector for the past 25 years and is currently Chief Executive Officer of health workforce agency Rural Health West. Tim also has extensive experience as a non-executive director and is currently a member of the Board of the Regional Australia Institute and Chairman of the Western Australian Regional Development Council. Tim is immediate past Chair of the Western Australian General Practice Education and Training Ltd.

Karin Day – Deputy Chair
Term of Office June 2017

Karin is currently the Westonia Shire President. Her background is in agriculture and regional development, and she is a Board member of the Agricultural Women – Wheatbelt East (AWWE Inc). Karin is involved in many sporting and community groups.

Steve Pollard – Board Member
Term of Office June 2016

Steve is currently the Northam Shire President and a part time financial accountant. Steve has served on several local boards and committees including Essential Personnel and until recently the C Y O'Connor Institute. As an accountant and small business owner, he has first-hand knowledge of the opportunities and challenges facing business in the Region.

Leigh Ballard – Board Member
Term of Office June 2016 (Resigned in May 2016)

Leigh is owner of a small business located in Narrogin. He has been a Narrogin Town Councillor for four years, currently as Mayor and was an inaugural graduate of the Grow Zone mentoring programme, a past President of the Narrogin Chamber of Commerce as well as a member of several local community groups.

Graham Cooper – Board Member
Term of Office June 2018

Graham currently operates Farmways in Cunderdin as a joint venture partnership with Elders Rural Services. Graham has served as a Councillor with the Cunderdin Shire including six years as Shire President and held varied community positions. He is currently Chair of Regional Development Australia Wheatbelt.

Carmel Ross – Board Member
Term of Office June 2017

Carmel is a psychologist by profession and has many years of management experience mostly in education, tourism and community organisations. Carmel runs a consultancy business and is a former CEO at the Benedictine Community of New Norcia. She is Chair of the board of Catholic Agricultural College Bindoon and Heartlands WA.

Valerie Ammon – Board Member
Term of Office June 2018

Val is currently a Councillor with the Shire of Gingin and has experience as a small business owner. With a background as a qualified psychologist, she has extensive experience in the areas of mental health and drug and alcohol abuse.

Heidi Cowcher – Board Member
Term of Office June 2018

Heidi has predominantly worked in local government for the last 20 years, with a short stint in state government. Recent qualifications include Graduate of the Australian Institute of Company Directors and a Diploma in Project Management. Heidi is the Deputy Chair of Regional Development Australia Wheatbelt.

Leslee Holmes – Board Member
Term of Office June 2017

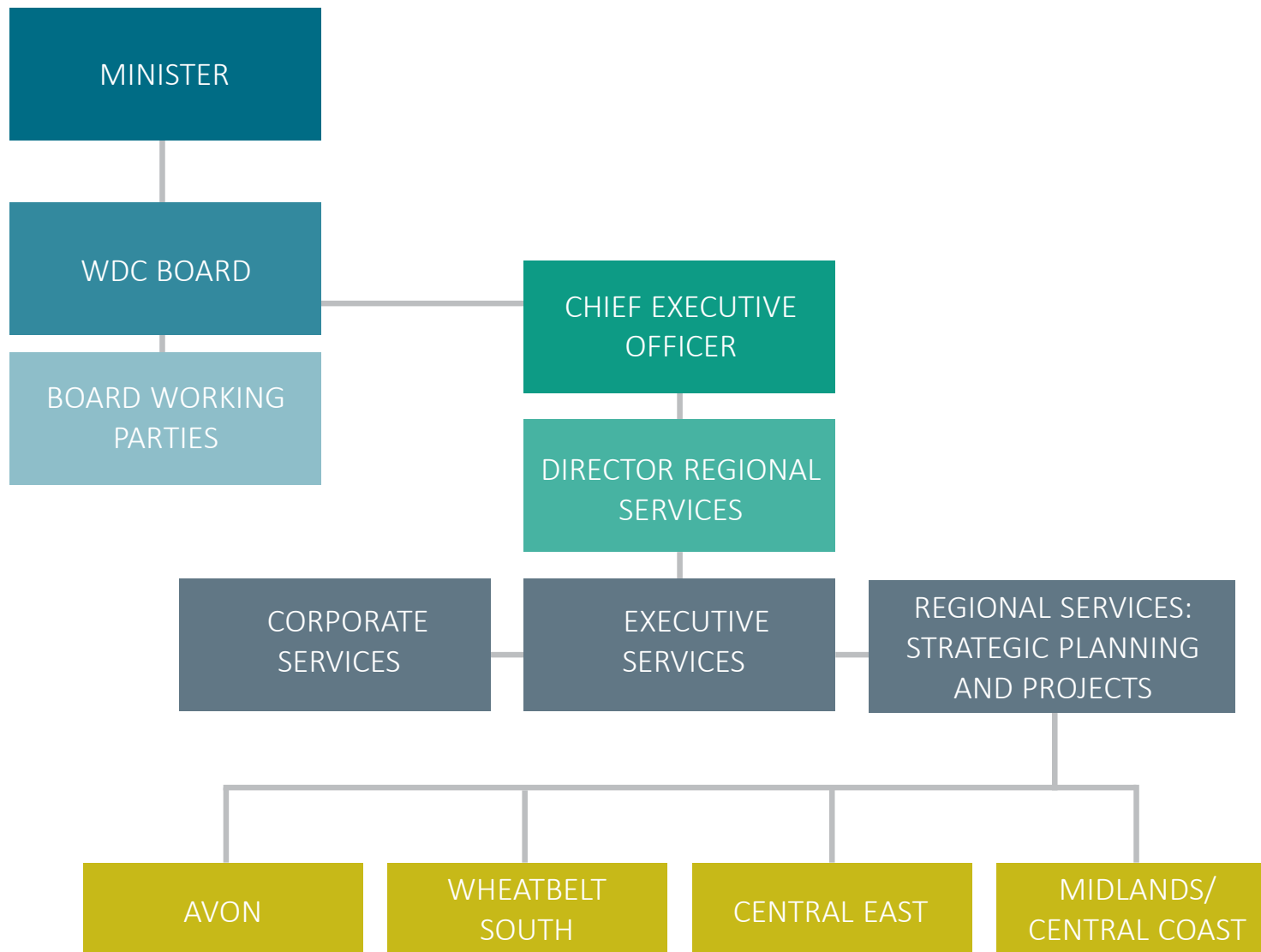
Leslee is Shire President of Dandaragan, and is a member of the Joint Chambers Alliance Cervantes/Jurien Bay as Tourism Leader. Leslee has held leadership roles at a State level, and received the Margaret Court Award for Outstanding Service to Tennis in Western Australia. Leslee has a particular interest in small business development, tourism and marketing.

Wendy Newman – Chief Executive Officer
Ex Officio

Wendy is the Chief Executive Officer of the Commission, and brings to the position a range of professional experiences across the areas of education, organisational development, human resource management, marketing and regional development. Wendy has been a member of numerous boards and advisory bodies for government and not for profit sector at a national, state and local level.



ORGANISATIONAL STRUCTURE



WORKING TOGETHER TO DELIVER BEST OUTCOMES

To meet the needs of a highly dispersed Region, the Commission delivers its services through offices located in Northam, Moora, Merredin and Narrogin. The following units exist to deliver the Commission's priorities.

Regional Services, Planning and Strategy Unit – This unit facilitates development in and across five sub-regions – Avon, Central Coast, Central Midlands, Central East and Wheatbelt South. As well as local stakeholder engagement and geographically relevant development, this unit has responsibilities for the full range of portfolio areas, including key infrastructure (land, power, water, sewerage and telecommunications), economic development and service delivery reform (health, aged care, education).

The key focus of this unit over the last twelve months has been the implementation of the Wheatbelt Regional Investment Blueprint. Effort is focused on those initiatives that:

- Grow the Region's economy and population;
- Attract private investment;
- Enhance liveability; and
- Foster effective partnerships and innovative governance.

The delivery of the Growing our South Initiative, Sub-regional Centre Growth Plans, the Wheatbelt Regional Grants Scheme, Wheatbelt Community Chest Fund and aged care planning across regional Western Australia have been priorities for the unit.

Corporate Services Unit – This unit provides financial, human resources, purchasing and information technology services to the Board and staff.

Executive Services Unit – This unit provides executive support to the Board, CEO and other organisational units. The unit undertakes Board and stakeholder liaison and marketing and also provides support to the Avon Industrial Park Advisory Board.



The Avon Descent
WA's unique paddle and power dinghy race starts from Northam

PERFORMANCE MANAGEMENT FRAMEWORK

The Wheatbelt is a key contributor to the State's prosperity. The Wheatbelt Development Commission exists to partner, plan, facilitate and promote development that results in the Wheatbelt being a place of choice to live, work, visit and invest.

The Commission delivers on its strategic intent by:

1. Planning

- Having effective information management and knowledge sharing that results in sound feasibility, planning and review.
- Ensuring our assets are identified and valued.

2. Partnering

- Maintaining effective regional networks and regional intelligence.
- Identifying and working with strategic partners.
- Promoting collaboration and partnership on identified opportunities.

3. Promoting

- Ensuring stakeholder attitudes are asset focused.
- Being seen as the peak body for Wheatbelt regional issues.

4. Project Management

- Ensuring resources are aligned to strategic priorities
- Promoting effective project identification and management
- Using best practice to achieve results
- Modelling innovative practice

Linking to Government Goals

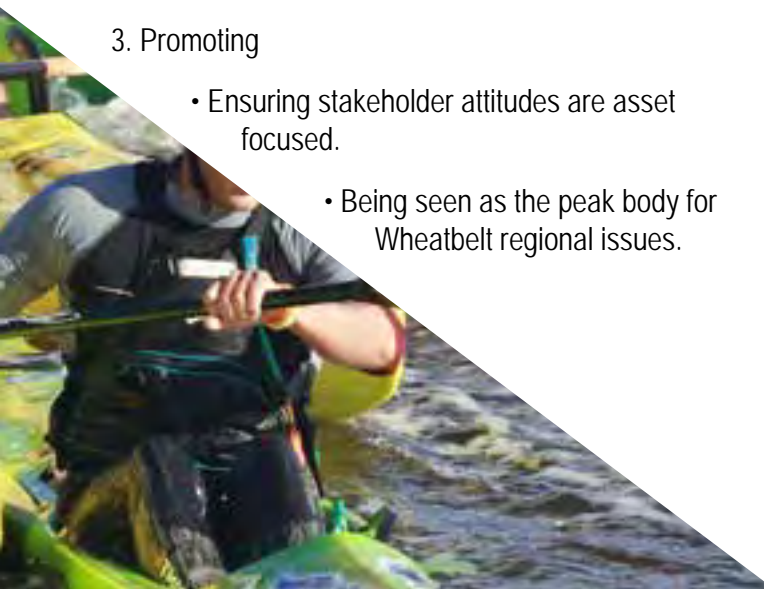
In fulfilling its Statutory Objectives and Functions, the Commission is committed to 'whole of government' approach to regional development to enhance it's contribution toward meeting the Five Government Goals:

- Results Based Service Delivery - Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.
- Financial and Economic Responsibility - Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.

- a socially and environmentally responsible manner for the long-term benefit of the State.

- 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.

- State Building – Major Projects - Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.



ORGANISATIONAL OVERVIEW

The Commission's Operational Plan is aligned to the Wheatbelt Regional Investment Blueprint and identifies specific actions the Commission will take within a financial year to deliver on priority areas for action. The Operational Plan is reviewed annually and is linked directly to the CEO's Performance Plan.





Australian National Ballooning Championships held at Northam in 2015 brought 10,000 visitors, with an economic impact of \$1.5m

VIBRANT ECONOMY

Our goal is to develop a diversified and adaptive economic base building on the Region's assets and aligned with State, national and international opportunity.

Target 2050: Average annual compound growth rate of 7%.

Industry Development

Outcome: Diverse and innovative business and industry grow the Wheatbelt's global market share.

Agriculture - High value agriculture (horticulture, aquaculture, livestock and dairy) has been identified as having significant growth potential in the Wheatbelt. The Commission has compiled industry snapshots, outlining industry value and potential growth opportunities.

As the State's largest agricultural producing Region, the Wheatbelt continues to drive growth through diversification and value-add agricultural development opportunities. The Royalties for Regions funded Seizing the Opportunity in Agriculture program has presented significant opportunity for producers and grower groups to drive productivity and efficiencies through the application of technology (e.g. Doplar Radar) and research (e.g. grower group grants).

Opportunities exist to enhance value along the supply chain, building on the Region's strong transport and logistics industry.

Lime Routes - Agricultural lime sand significantly increases agricultural productivity and value across the State. The Commission has been working to identify the strategic lime routes in need of investment to ensure the ongoing and cost effective access to this valuable resource, located on the Wheatbelt's coast. This strategy development has involved extensive public and private sector engagement. An interim report has identified short term transport solutions. The Commission will continue to work with the public and private sector to deliver investment in these strategic transport routes.

Creative Industries - Music continues to be an area of considerable growth. The WA Music touring circuit continues off the back of a Wheatbelt Regional Grant in 2014-15. Participants in the Sounds of the Wheatbelt program continue to write, record and perform their music across the Region. Sponsored by the RAC, the number of performers on the touring circuit continues to grow, all reinforcing the road safety message supported by the RAC's Elephant in the Wheatbelt initiative.

Business Development

Wheatbelt Business Database has been completed and ready for an 2016-17 launch. Maximising the number of businesses in the database is the focus of implementation. This project has resulted from a strong partnership between the Wheatbelt Business Network, Northam Chamber of Commerce and Heartlands WA.

Skilled Workers

Outcome: Skilled workers are attracted and retained to meet the needs of the Region and the State.

With low unemployment and high participation rates, workforce attraction remains a priority for the Wheatbelt.

During the financial year the Avon Community Development Foundation completed Mortlock Gardens, a worker accommodation project funded by Royalties for Regions. The Commission continues to support proponents on strategies to attract workers to the Region. Current projects under development are the Central Midlands Worker Accommodation and Northam Urban Renewal projects. Both projects aim to deliver much needed quality and diverse housing into the Region.

Key Infrastructure

Outcome: Key strategic infrastructure is identified and invested in.

Transport - Economic planning has identified gaps in transport infrastructure that inhibit the productivity of the Region's strong transport and logistics industry. The Commission has worked with the Department of Transport and Main Roads WA to develop business cases to address these gaps.

Northam-Pithara Road - Linking Great Northern Highway and Great Eastern Highway via Northam-Pithara Road will provide a heavy haulage route that benefit business and industry by improving market access and delivering transport efficiencies. The Commission will continue to work with the public and private sector to implement this infrastructure upgrade.

The Commission continues to work with Main Roads WA to determine the best design for the proposed York Bypass.

Utilities to High Growth Areas - Economic planning has identified where growth is being constrained by lack of appropriate key infrastructure. The Commission has focused on partnerships to deliver infrastructure to these growth areas.

Muchea Employment Node - The \$1.12b North Link extension to Muchea has triggered significant private investment in the area. The Commission has co-ordinated private enterprise, Water Corporation and the Shire

of Chittering to design a water solution for this high growth area.

Northern Growth Alliance - In recognition of the high growth north of Perth, the Commission has supported the Shires of Chittering, Gingin and Dandaragan to maximise growth opportunities. With LandCorp, the Commission remains committed to identifying water, power, telecommunications, transport and services infrastructure capacity issues and develop innovative solutions to ensure barriers to growth are removed.

Digital Infrastructure - The Wheatbelt was successful in receiving 8 mobile towers under the Regional Telecommunications Program (installed 15/16), and another 32 base stations under the Federal Mobile Blackspot Program (ongoing rollout). The Commission will continue to liaise with local government, the Department of Commerce and carriers to deliver telecommunications improvements across the Region and maintain an accurate database of locations for future investment potential. There is still considerable action required before the Wheatbelt secures adequate NBN bandwidth.

Waste - Identification of suitable locations for handling metropolitan waste within the Wheatbelt is required to relieve development pressure in the Avon. The Commission, in partnership with the Shire of Tammin are working with industry to identify alternative solutions.

Towards Zero Waste Water - Developed in partnership with the Department of Water and Water Corporation, this whole of Wheatbelt strategy focuses on maximising water re-use opportunities. Initial focus has been on the town sites of Narrogin, Northam and Toodyay.

Looking Forward

Emerging industry strategies and prospectuses for high value agriculture (including horticulture and aquaculture), tourism and aged care are the short term focus. The Commission will complete the following:

The Central Coast Agri-Industry Processing Hub Site Identification Study;

The Wheatbelt Lime Route Strategy;

The Waste Site Identification Study; and

Initiatives that deliver population and economic growth through the continual building of networks with private enterprise and high impact public investment that maximise private investment.



CLEVER PEOPLE

Our goal is that life-long learning - innovation and leadership drive economic growth and community vibrancy.

Target 2050: A workforce of 109,800.

Education and Life-long Learning

Outcome: Education and lifelong learning drives productivity and thus economic growth.

Workforce Alliance – supported by Department of Workforce Training and Development, CEO Wendy Newman has chaired the Alliance to focus on pathways to employment for young people in the Region. A key activity has been liaising with business to maximise participation in the VET in Schools program and examining the participation of young people in traineeships and apprenticeships.

Directions Workforce Solutions Inc. – CEO Wendy Newman is Deputy Chair of Directions Workforce Solutions Inc. Directions enhance pathways to employment through a range of programs including workforce development, traineeships and apprenticeships. Directions offer a full range of employment functions, from recruitment and selection,

occupational health and safety and training. This is a critical service to the many small businesses across the Wheatbelt. The Long Game is an innovative program aimed at linking talented footballers to training and employment opportunities in the Region.

Rural and Remote Education Advisory Council – until May 2016, CEO Wendy Newman was the Regional Development portfolio's representative on the Council. Reports were submitted to the Minister for Education and Aboriginal Affairs on Aboriginal Education, Technology in Education and the impact of VET in Schools on regional students.

TAFE Reform in WA – This reform process has resulted in significant changes to governance structures. Now part of the larger Central Regional TAFE, the Wheatbelt region is managed from Geraldton. A focus in the new financial year will be establishing relationships with the new management.



Innovation

Outcome: Innovation drives economic and environmental outcomes.

The Commission models innovative practices to build capacity and deliver cost effective solutions across the Region. The following are three initiatives that continue to provide great outcomes for the Wheatbelt.

Service Learning – Bringing cross discipline UWA students to the Wheatbelt to work on initiatives in selected communities continues to produce both innovative on the ground solutions and increased understanding of the Region and its drivers. The partnership between the Commission and University of Western Australia (UWA) continues to grow, with the Centre for Regional Development providing direct input into key initiatives such as Age Friendly Communities, business case development, tourism and high value agriculture development.

Graduate Program – from this service learning work, the Commission is able to identify the ‘best and brightest’ to offer work experience and employment opportunities. This provides an ongoing supply of young professionals to the Wheatbelt, improves capacity in the Region and develops future leaders for the public sector. Over the last twelve months, the Commission has provided **employment for five graduates**. Ongoing flexibility and funding is imperative for this program to continue.

Collaborative Consulting – key to the Wheatbelt’s growth is the capacity for groups and individuals to collect and analyse information and arrive at innovative models to maximise opportunities in a dispersed population setting. Collaborative consulting is a methodology whereby the Commission only pays for

the expertise that is required to deliver an outcome. Wherever possible, the expertise is built in the Region, external expertise is only used for those elements for which the Commission and/or the Region has no capacity. In developing business cases, instead of ‘outsourcing’ business case development in its entirety, a disciplined project management methodology has been used to design a process, identify the expertise required for different elements (e.g. research, stakeholder engagement, technical costing and design) and write the business case. It is then determined which elements will be procured and which will be conducted within the Commission. The Commission ‘buys in’ research and analysis, business case development coaching and technical design.

Innovation Central Midlands (ICM) – based on the principals of the successful Avon Community Development Foundation Inc., the Commission has supported the Shires of Moora, Dalwallinu and Wongan Hills to develop ICM. ICM is an investment vehicle that enables the three local governments to invest in agreed projects across their communities. Their priority is worker and aged accommodation, aimed at attracting a workforce and retaining their elderly residents.

Aboriginal Enterprise – throughout this financial year, the Commission has continued to support Maali Corp to implement their business plan. Focus has been on the development of tourism product to compliment the proposed Aboriginal Interpretive Centre to be built in Northam.

Leadership

Outcome: Leadership harnesses diverse capacity that delivers benefit at a local, sub-regional and regional level.

Thought leaders groups – throughout the regional centres growth planning process, the Commission identified industry and community leaders in each sub-region to guide this planning process. A network of innovative leaders committed to the growth of their sub-regions and the Wheatbelt as a whole has been the result. This leadership network will continue to be an invaluable source of guidance for the Commission.

Looking Forward

Create relationships with the Central Regional TAFE management;

Continue to support Innovation Central Midlands and other investment entities that deliver cost effective and high impact solutions across Wheatbelt communities; and

Ensure ongoing resources to drive the graduate program and service learning.

LIVEABLE COMMUNITIES

Our goal is to have diverse, safe, health and resilient communities where services and infrastructure reflect the needs and aspirations of current and future residents.

Target 2050: Population of 180,000.

Connected Settlements

Outcome: Connected settlements support economic growth and offer multiple liveability options.

Regional Centres Growth Planning and Implementation - Following the previously launched Growth Strategies for Jurien Bay, Northam and Greater Narrogin, the final two were launched in this reporting period.

Merredin Economic Development and Implementation Strategy was developed in collaboration with LandCorp, and the Merredin Community Reference Group in partnership with the Shire of Merredin. It draws on the key economic and population drivers for Merredin – Broadacre Agriculture, Mining and Support services, and Population Services including health care, education, recreation and access to government services.

Midlands Centres Economic Development and Implementation Strategy was developed in collaboration with LandCorp, and the Midlands Centres Community Reference Group in partnership with the Shires of Dalwallinu, Moora and Wongan-Ballidu. It draws on the key economic and population drivers for the Midlands Centres, as identified through the Central Midlands Sub-Regional Economic Strategy. It identified six key focus areas - Economy, Community, Built Form and Housing, Infrastructure, Natural Environment and Governance.

Regional Centre Infrastructure - The Commission has been working with the regional centres of Jurien Bay, Northam, Merredin and Narrogin to develop key infrastructure to drive economic growth. The projects include;

The Bashford Street Enhancement Project will see the provision of a safe, attractive and functional design that will enhance road safety, create pedestrian friendly linkages, stimulate private investment and enhance **business profitability** in Jurien Bay. The Project will complement the State Government's initiative to enhance tourism along the Indian Ocean Drive between Gingin and Kalbarri, with Jurien Bay being a key destination for visitors while experiencing the Coral Coast.

The Northam Central Business District (CBD) Connection which forms part of the long-term Northam CBD Enhancement Strategy through:

- Reactivation of and connection between the iconic Avon River, primary commercial streets within the CBD and the new Beamish Avenue retail precinct;
- Fitzgerald Street Underground Power installation;
- Installation of viewing platforms, boardwalks, terracing and revegetation along the river foreshore; and
- Provision of a cohesive pedestrian network to stimulate social and economic activities.

The Merredin CBD Revitalisation Project involves the renewal of Merredin's CBD to improve infrastructure capacity, replace ageing infrastructure, provide workable and pedestrian friendly open space for a range of

community purposes, stimulate private investment and enhance business profitability.

The Project seeks to build upon Merredin as the key regional centre in the eastern Wheatbelt, enhancing visitor experiences along the Great Eastern Highway and creating a vibrant economic centre along the **nationally significant transport corridor**.

The Narrogin CBD Enhancement Project involves the revitalisation of Narrogin's CBD through the;

- creation of a town centre with vibrant and functional open spaces,
- creating integrated connections between the commercial centre and key recreational and residential precincts;
- development of a vibrant cultural and visitor precinct; and
- modernising of infrastructure to enhance accessibility and increase traffic and pedestrian flow.





Service Reform

Outcome: Service Delivery Reform ensure services reflect the needs of current and future Wheatbelt residents.

Ageing in the Bush - The Commission continues to advocate to implement key recommendations of the Report. This includes providing advice to proponents, advocating with state and federal representatives and supporting other Development Commissions with their priorities.

Wheatbelt Well Aged Housing - As part of our commitment to implementing recommendations of the Wheatbelt Aged Support and Care Solutions, the Commission is currently supporting the development of business cases for the following groups of Local Governments;

Avon Aged Housing Alliance: 22 Independent Living Units (ILUs) across the Dowerin, Goomalling, Toodyay, and Victoria Plains local government areas.

Brookton, Beverley and Pingelly Alliance: 27 ILUs across the Shires of Brookton, Beverley and Pingelly local government areas.

Innovation Central Midlands Inc: 26 ILUs across the Shires of Dalwallinu, Moora and Wongan-Ballidu local government areas.

Wheatbelt South Aged Housing Alliance: 38 ILUs across the Corrigin, Cuballing, Kondinin, Kulin, Narrogin, Wandering and Wickepin local government areas.

Cunderdin, Tammin and Quairading Alliance: 12 ILUs across the Shires of Cunderdin, Tammin and Quairading and the refurbishment of an age friendly community space in the Shire of Cunderdin.

The Age Friendly Cluster Housing Model adds a layer of supported accommodation into the Wheatbelt, enabling older adults to age-in-place and remain independent in their communities.

The Business Case development has involved a comprehensive process including high level of stakeholder consultation, independent housing needs, cost benefit analysis, financial and ownership modelling, significant research into housing design and build methods, and a comprehensive review process.

The Projects will deliver at least 108 ILUs to Wheatbelt communities.

Wheatbelt Age Friendly Communities Audit, Grants and Transport Pilots:

Phase One: Development of Age Friendly Toolkit and Small Value Grant - Over 118 projects, valued at over \$1.7M are currently being finalised by 36 local governments across the Wheatbelt. The projects improve community infrastructure and enable older residents to remain more independent in their communities.

The Department of Local Governments and Communities have run a grant funding program to support the development of Age Friendly Community Plans. 84% of Wheatbelt Local Governments have been successful, either completed or in the process of completing a plan (this compares to the State average of 50%).

The Creating Age Friendly Communities in Small Towns Project has had a high profile, having been featured on the Commission website, e-newsletter, and a presentation at the Department of Local Government and Communities Age Friendly Community Conference and in the WALGA Western Councillor Magazine.

More recently the Project is set to be highlighted in a media story for the Australian Bureau of Statistics in the lead up to the Census, and in an article for the International Ageing Federation newsletter.

Phase Two: Integrated Transport Plan - Three trial transport projects, providing transport from small towns to the regional centres of Northam and Narrogin and the Perth metro area have been active since February. The Pilot routes include:

- Wheatbelt South (Fortnightly service): Shire of Kondinin (from Hyden) to Kulin, Wickepin and concluding in Narrogin;
- Central Midlands (Weekly service): Shire of Wongan Hills to Calingiri, Bolgart and concluding in Northam; and
- Coastal (Weekly Service): Jurien Bay to Joondalup, and stopping at Cervantes, Lancelin, Sovereign Hill and Woodridge.

Passenger numbers for the Wheatbelt South and Coastal Pilots have been consistent and anecdotal evidence shows high satisfaction of the services with some passengers using the service weekly and/or fortnightly. This will be evaluated further in the formal evaluation.

The Commission has also engaged the Planning and Transport Research Centre WA to undertake the development of an Integrated Transport Plan. This includes:

- Research into alternative and innovative community transport solutions that work elsewhere (nationally and internationally);
- Identification of key barriers and enablers to providing transport to older people in the Wheatbelt;
- Analysis of information gathered from the Commission and Public Transport Authority pilots.

Based on the findings in the UWA research and outcomes of the Pilot, the Integrated Transport Plan will be developed.

Community Amenity

Outcome: Community Amenity contributes to community well-being and liveability and creates economic opportunity.

A focus on key settlements – with five sub-regional centres surrounded by a variety of communities, the Wheatbelt offers diverse liveability options. The Commission continues to support both individual and groups of local governments to develop and deliver projects that:

- Grow the economy and population;
- Attract private investment; and
- Enhance liveability.

The current focus is on worker accommodation, well aged housing, land assembly and CBD revitalisations.

Wheatbelt Regional Grants Scheme and Wheatbelt Community Chest (WRGS and WCC) Round - The 2016 WRGS and WCC resulted in a range of projects that contribute to community amenity across the Region. This continues to be a critical enabling fund for communities. A full list is available on Page 24.

Looking Forward

In a Region that processes significant recreation amenity, soft infrastructure will be the key enabler to maximise the benefits for community.

Growth North of Perth necessitates planning for key services.



VALUED NATURAL AMENITY

Our goal is that the Wheatbelt's unique natural amenity is valued as an asset for social, cultural and economic development for current and future generations.

Target 2050: 30 Wheatbelt communities have off grid power and water solutions.

Climate Change Management

Outcome: Climate change risks are minimised.

Landscape Management

Outcome: Landscape management protects biodiversity and ensures compatible and profitable land use.

Through a range of projects within the Seizing the Opportunity Initiative, risks around climate change mitigation and land use management are being addressed, specifically through the following programs:

Agricultural Science Research and Development Fund - \$25.5m

Strengthening Agricultural Biodiversity Defences - \$20m

Boosting Grains Research and Development Support - 20m

Helping Grain Growers Better Manage Risk - \$10m

Infrastructure Audit and Investment Fund - \$77m

Muresk Institute Agriculture Degree and Diploma- \$10m

Sheep Industry Business Innovation - \$10m

Water for Food - \$40m

Water Security

Outcome: Water management results in water security to enable community amenity and industry development.

Water - Increasing water efficiency through stormwater management and evaporation control is crucial for local governments to increase efficiencies and deliver community amenity and industry development. The Commission, in partnership with the Water Corporation, is developing whole of region solutions through the Total Water Management initiative- Toward Zero Waste.

Groundwater availability is key to the growth of horticulture; livestock, dairy and value add sectors.

The Commission's engagement in the 'Water for Food - Midlands' project reference group for the Central Midlands and Central Coast sub-regions ensures the Region's development opportunities are proactively managed.

Industry Development

Outcome: Nature based industry utilises the Wheatbelt's natural assets.

Off Grid Power and Water - The Commission continues to develop its partnership with Murdoch University with a view to trial off grid alternative energy solutions that include water purification processes.

Tourism Development – the Region's comparative advantage is in natural and built heritage

tourism. The Commission continues to drive a collective view of the Wheatbelt tourism opportunities, with a particular focus on those initiatives that will attract public and private investment to grow visitation.

The Commission continues to liaise with Department of Parks and Wildlife to develop a comprehensive strategy to enhance access to the Region's many natural assets, while ensuring its preservation.

Looking Forward

The next reporting period will see the Commission focus on emerging industry development in the areas of alternative energy and tourism.

EFFECTIVE PARTNERSHIPS

Our goal is that cost effective investment occurs as a result of proponent partnerships, good information, quality project management and leveraged investment.

Target 2050: Infrastructure Co-ordinating Group oversees all government investment in the Region.

Outcome: High impact cost effective investment drives growth.

Infrastructure Co-ordination

Economic and growth planning processes have resulted in government and industry alignment of key drivers and the priority initiatives that will deliver that growth. Co-ordination is achieved by key stakeholders committing to the development of the priority initiatives.

Influencing Key Decision Makers

This past year has seen strengthening relationships and engagement with Water Corporation, Department of Water, Western Power, Main Roads WA, LandCorp, University of Western Australia, Murdoch University, local members, private sector, numerous consultants, 43 Wheatbelt Local Government Authorities and the Departments of Transport, Housing, Agriculture and Food WA and Regional Development. All relationships are firmly focused on implementing priorities identified in the Wheatbelt Regional Investment Blueprint.

Commission CEO, Wendy Newman, raises the profile of the Wheatbelt in her roles as Deputy Chair of the WA Country Health Service and Board Member of Regional Development Australia Wheatbelt.

The Minister for Regional Development, Hon Terry Redman, visited the Wheatbelt on numerous occasions. He opened the Dowerin Fields in August 2015. This was followed by a visit to the Central Coastal and Central Midlands Sub-regions in April 2016. The Wheatbelt hosted the Regional Development Council (RDCo), including the Director General of DRD, Mr Ralph Addis, on a visit to Jurien Bay in February 2016. Mr Tim Shackleton, Chair of the Wheatbelt Development Commission, continues his commitment to RDCo as its Chair.

Local Government Collaboration

The Commission continues to drive effective and efficient solutions across communities by supporting groups of local governments to deliver on agreed priorities. To date the Commission has supported:

- 7 groups of local government (38 LGAs in total) develop well age housing projects;
- 3 local governments form the Northern Growth Alliance; and
- 7 local governments to develop the Avon Land Assembly project.

Proponent Support

The Commission has co-ordinated the delivery of 9 business cases into the Growing our South Initiative which has included extensive stakeholder engagement, procuring technical expertise, research and project management.

The Commission continues to provide information and advice to private proponents in a diverse range of industries such as intensive agriculture, aviation and industrial development.

Looking Forward

The Commission will continue to partner with agencies, local government, and the private and not for profit sectors to deliver regional priorities.





Spectators enjoying the Lancelin Ocean Classic, Australia's longest running windsurfing event

MARKETING WHEATBELT OPPORTUNITIES

Our goal is that the Wheatbelt value proposition is clear to investors in government and private enterprise and families wishing to live and visit.

Target 2050: 105,000 new residents and investment creates 64,000 jobs.

Outcome: Workers, businesses, visitors and investors are attracted to the Region.

Targeted Marketing

Independent expert advice has continued to drive economic and growth planning across the Region. The Commission successfully completed and launched the Merredin and Midlands Centres Economic Development and Implementation Strategies. These complement the five Wheatbelt Sub-regional Economic Plans, the Greater Narrogin Region Economic Development and Implementation Strategy and the Jurien Bay and Northam Super Towns Growth Plans. These strategies will ensure development opportunities across the Region are identified, marketed and realised.

Not for profit marketing organisation, Heartlands WA, developed the Commission's new mobile friendly website. Heartlands WA also assists the Commission to produce its monthly e-newsletter and coordinate weekly social media Tweets to over 300 followers. The e-newsletter is emailed to over 550 subscribers including various media outlets and has an open rate of 35%, well above industry averages.

The Commission distributed a promotional flier on Aquaculture Opportunities in the Region. On behalf of the Northern Growth Alliance the Commission also developed a flier outlining their economic opportunities.

Influencing Key Decision Makers

The staff of the Commission continues to build their partnerships with key agencies to deliver effective regional development outcomes.

The Board of the Commission have initiated the development of a communications strategy aimed at influencing key decision makers about Wheatbelt opportunities.

Looking Forward

The Commission will be developing emerging industry strategies and prospectuses aimed at maximising growth opportunities for the Region.

GROWING OUR SOUTH FUND

Recipient	Project Name	Grant (ex GST)
Shire of Dandaragan	Jurien Bay Sewerage Project	\$1,062,051
Shire of Narrogin	Narrogin Heavy Haulage Bypass - Wanerie Road Extension (Stage 3)	\$1,039,445
Shire of Northam	Northam Townsite Drainage Improvement Works	\$1,027,386
Town of Narrogin	Dementia Specific Residential Construction and Reception Upgrade (Narrogin Cottage Homes)	\$5,137,000
Shire of Williams	4WDL Well Aged Housing Project	\$5,023,648
Shire of Merredin	CEACA Senior Housing Project (Stage 1 Land Assembly and Servicing)	\$2,075,800
Shire of Merredin	CEACA Senior Housing Project (Stage 2 Land Assembly and Housing Construction)	\$19,986,439
	TOTAL	\$35,351,769

WHEATBELT REGIONAL GRANTS SCHEME

Recipient	Project Name	Grant (ex GST)
Shire of Merredin	Merredin CBD Upgrade (Stage One)	\$150,000
St John Ambulance Merredin	Merredin Ambulance & Volunteer Training Sub Centre	\$230,000
Jurien Bay Chamber of Commerce	Jurien Bay to Cervantes Trail	\$200,000
Shire of Goomalling	Goomalling Youth Drop-in Centre	\$269,400
Shire of Northam	Aboriginal Environmental and Interpretive Centre	\$300,000
Shire of Beverley	Beverley Cornerstone	\$195,000
Fluffy Ducklings Day Care Inc	Fluffy Duckling Day Care Extensions	\$236,075
	TOTAL	\$1,530,475

WHEATBELT COMMUNITY CHEST FUND

Recipient	Project Name	Grant (ex GST)
Shire of Gingin	Lancelin Ocean Classic Party in the Park	\$4,500
Active Foundation	Activ Kellerberrin Centre	\$13,850
Meckering Sporting Club	Making Meckering Investment Ready	\$15,000
Shire of Moora	Moora Men's Shed Development	\$50,000
Merredin Museum	Cover for Railway vehicles - Merredin Railway Museum	\$18,182
NEWROC - Shire of Nungarin	NEWROC Health Strategy	\$19,240
Shire of Chittering	Brockman Centre Beautification Collaboration	\$10,860
Avon Tourism	Avon Valley Motorcycle Friendly Region	\$16,180
Koorda CRC	Wheatbelt Way Digital Marketing Project	\$32,300
Shire of Cuballing	Dryandra Regional Equestrian Centre Horse Yard Cover	\$50,000
Wheatbelt Business Network	Investing in Wheatbelt Businesses	\$15,900
New Norcia Services	New Norcia Museum & Art Gallery Lift	\$49,950
Shire of Koorda	Koorda Drive-in Revamp	\$32,934
Avon Valley Arts	Five Year Strategic Plan	\$2,200
Moore Mens's Shed	Moore men's Shed Extension	\$16,150
Seabrook Aboriginal Corporation	Boyagin Rock Day Use Area Refurbishment	\$47,640
Wheatbelt Science Hub	Wheatbelt Science Trail	\$48,779
Bejoording Volunteer Bushfire Brigade	Fire Shed/Community Centre Amenity	\$13,092
Baptistcare	Feasibility Study for Construction for 60 bed Aged Care Facility	\$36,750
Shire of Goomalling	Vintage Car Sprint and Spring Festival	\$4,500
Shire of Northam	Youth Precinct Feasibiity Study	\$19,800
Beacon Progresss Association	Movin' in the Men's Shed	\$37,101
	TOTAL	\$554,903

FUNDING PROGRAMS AND GRANTS

The Growing our South Initiative (GoS) is a five-year \$600 million Royalties for Regions program to implement major infrastructure and community projects in the Peel, Wheatbelt, South-West and Great Southern regions. The Narrogin Heavy Haulage Bypass – Wanerie Road Extension (Stage 3) was completed in 2016, with a GoS investment of \$1,039,455.



\$1,062,0512 has been invested in the Jurien Bay Sewerage (Stage 1B) Project. This involved the installation of sewerage reticulation infrastructure connecting SuperTown priority projects (Health and Aged Care Precinct and Visitor and Civic Precinct) via gravity feed to the pump station and rising pressure main.



Wheatbelt Regional Grants Scheme and Wheatbelt Community Chest Fund

Royalties for Regions is a State Government program designed to promote long-term development in Western Australia's regions.

Several of the State Government's Royalties for Regions Regional Grants Scheme (RGS) and Community Chest Fund (CCF) have been completed in the 2015-2016 year.

The Shire of Williams has developed a Precinct Plan for the Williams Lions Park area, supported by CCF funding of \$20,000. The plan will be a guiding document for future funding and budget deliberations for the Williams Lions Park which is a major stopover point for the travelling public on the Albany Highway.

Jurien Bay Volunteer Marine Rescue received \$96,000 of RGS funds towards the extension to their building. This now provides a meeting/training/wheelchair accessible radio area which will not interfere with the main radio operations upstairs. It also can be used to comfort families/friends and screen the media from the operations area.

These extensions will improve the running of training courses and meetings for the volunteers and for the public, with six courses already having been run.



COMMISSION GRANTS

The Northam Theatre Group installed a tiered and fully retractable seating system in the Link Theatre auditorium, with the assistance of \$20,000 CCF funding. The new seating allows for excellent viewing of theatre performances on comfortable well-spaced seats, with safe, well-lit access including provision for disabled access.



St John Ambulance Sub Centre in Wundowie received a boost of over \$13,000 towards the fitting out of a new ambulance with essential ambulance equipment. Purchases included stretchers and oxyflow meters.



STATEMENT OF PERFORMANCE

Certification of Key Performance Indicators for the year ended 30 June 2016

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Wheatbelt Development Commission's performance and fairly represent the performance of the Wheatbelt Development Commission for the financial year ended 30 June 2016.



Tim Shackleton
Chair of the Board
09 September 2016



Wendy Newman
Chief Executive Officer
09 September 2016

PERFORMANCE SUMMARY

Report on Operations

Performance information (financial and non-financial) is the subject of a Resource Agreement. An annual client survey and financial analysis are used to measure performance.

Relationships to Government Goals

Government Goal: 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.

Key Performance Indicators

Outcome: The benefits from sustainable development consistent with the expectations of the regional community flow to the people of the Wheatbelt.

The annual client survey is derived from all Commission contacts through the whole month of May each year. Three core questions are surveyed;

- Activities promote sustainable development;
- Activities lead to benefits for the people; and
- Activities are appropriate to community needs.

In relation to overall performance, there has been no significant change to the actual performance compared to 2014/15, with Strongly Agree and Agree both collectively sitting at 94%.

Customer satisfaction survey	Target 2015/16	Actual 2015/16	Variation	Actual 2014/15	Actual 2013/14	Actual 2012/13
Sample size	130	105		90	112	131
Strongly agree	29%	31%	2%→	22%	36%	19%
Agree	66%	63%	←3%	60%	51%	71%
Neither agree nor disagree	1%	3%	2%→	1%	4%	2%
Disagree	1%	1%	Steady	4%	4%	3%
Strongly disagree	1%	0%	←1%	1%	1%	1%
Don't know/No Response	2%	2%	Steady	12%	4%	4%

From 136 clients asked to participate in the annual client survey, 105 responded (77% response rate). The Commission has again performed well against its three performance indicators.

There has been an improvement for '*Activities of the Commission*':

- promotes sustainable development (up 2% points);
- lead to benefits for the people of the Wheatbelt (up 2% points); and
- undertaking activities which are 'appropriate to the communities needs' (up 1% point).

Key Efficiency Indicators

All of the Commission core activities contribute to two services:

Information and Promotion Services

The provision of timely and accurate information to meet client need in developing the Wheatbelt region through:

- identification and promotion of the comparative advantages of the Region;
- diversification of industry and businesses; and
- providing a central point for information and assistance.

Facilitation Services

The provision of assistance, support and encouragement to clients, based around identified regional opportunities. Central to this service are activities that relate to the facilitation of the upgrading of infrastructure, providing encouragement and support to the development of new industries and facilitating the intensification, expansion and diversification of existing industries.

The Commission uses cost per hour of service as its efficiency indicator, calculated separately for each service.

Service 1: Information and Promotion	Target	Actual 2015/16	Variation to Target	Actual 2014/15	Actual 2013/14	Actual 2012/13
Average cost p/hr of regional development service	\$124.15	\$123.51	→\$0.64	\$125.96	\$107.50	\$105.93
Average cost per program of grants conveyed	\$150,000	\$27,941	→\$122,059	\$43,995	\$82,671	\$29,085

Service 2: Facilitation	Target	Actual 2015/16	Variation to Target	Actual 2014/15	Actual 2013/14	Actual 2012/13
Average cost p/hr of regional development service	\$103.80	\$112.68	←\$8.88	\$106.70	\$98.81	\$98.15
Average cost per program of grants conveyed	\$135,000	\$63,140	→\$71,860	\$43,588	\$59,874	\$47,325

Comparison to Resource Agreement

The increase in cost per hour of service delivery in Facilitation Services is due to the increased hours by project staff and support staff in administering the Royalties for Regions Program. The increase in hourly rate is also directly attributable to an increase in annual, long service and maternity leave taken.

Cost per program of grants conveyed is under budget due to there being no new grants scheme budgeted for in 2015/16, only the payments for the balance of a previous scheme. Funding for a new scheme was received after the budget was framed and the resultant payments under that scheme have considerably reduced the average cost per program of grants conveyed.

Comparison between 2015/16 and 2014/15

There was a decrease in cost per hour for Information and Promotion Services of \$2.45 per hour and an increase of \$5.98 per hour for Facilitation Services.

The decrease in cost per hour of service delivery in Information and Promotion Services is attributable to new staff on our graduate program being utilised for research being paid at a lesser rate per hour, enabling senior staff at a higher rate per hour to be utilised in the facilitation processes.

The increase in cost per hour of service in Facilitation Services is attributable to more senior staff at higher hourly rates being utilised in the facilitation processes.

LEGAL REQUIREMENTS

Advertising

In compliance with section 175ZE of the Electoral Act 1907, the Commission is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

The following expenditures were incurred (inclusive of GST):

<i>Expenditure with Advertising Agencies</i>	
Class Total	<i>Nil</i>
<i>Expenditure with Market Research Agencies</i>	
Advantage Communications & Marketing Pty Ltd	\$4,923
Class Total	\$4,923
<i>Expenditure with Polling Agencies</i>	
<i>Nil</i>	
<i>Expenditure with Direct Mail Agencies</i>	
<i>Nil</i>	
<i>Expenditure with Media Advertising Agencies</i>	
Adcorp Australia Limited	\$2,093
Heartlands WA	\$7,068
Gingerbread Media	\$5,500
Other minor publications	<i>Nil</i>
Class Total	\$14,661
TOTAL EXPENDITURE	\$19,584

Disability Access and Inclusion Plan Outcomes

The Commission has developed a Disability Access and Inclusion Plan 2012 - 2017 which has the primary focus of improving access to the Commission's services, facilities and information.

- Existing functions, facilities and services are adapted to meet the needs of people with disabilities;
- All information produced by the Commission is available in alternative formats, large print and computer CD, upon request; and
- The Commission's website and online marketing is progressing towards compliance with Public Sector Commission policy.

Access to Buildings and Facilities

The Commission holds meetings in its own offices. The Commission covers 43 local government authorities and in excess of 150 communities. Many meetings are held at shire offices and halls, which have disabled facilities.

The Commission remains adaptable in responding to barriers experienced by people with disabilities and until improvements are made to our current premises, the Commission will make arrangements to meet people with disabilities at premises that conform.

Information about functions, facilities and services is provided in a format which meets the communication needs of people with disabilities.

All functions are arranged with consideration to access for the disabled. The Commission has a policy on communicating in plain English with customers. Staff awareness of the needs of people with disabilities and skills in delivering services is improved. All staff have participated in disability awareness training.

Opportunities are provided for people with disabilities to participate in public consultations, grievance mechanisms and decision-making processes.

Human Resource Management Standards

The Commission is fully compliant with the Public Sector Standards in Human Resource Management. The standards are applied rigorously across all specified areas of human resource management where those activities are undertaken.

No instances of transfer, redeployment, discipline, termination or grievance resolution breaches were encountered during 2015/2016.

As a small agency, the Commission encounters a limited number of human resources events that require application of the Standards, and the same person manages each such event. This structure facilitates application of the Standards to each individual event.

Claims for Breaches of the Standards – Nil

Public Sector Standards and Code of Ethics

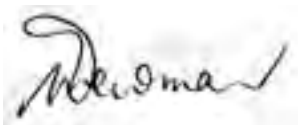
The Commission has complied fully with the 'Public Sector Standards, Code of Conduct and Code of Ethics'. The following is an overview of the Commission's activities with respect to compliance with Public Sector Standards and Ethical Codes:

- Compliance has been monitored throughout the year through a process of quality assurance decisions relating to recruitment, selection and employment.
- The Commission has developed 'Code of Conduct' policies for both staff and board members of the Commission which incorporate the Public Sector's 'Code of Ethics'.
- Guidelines and procedures to ensure compliance with the Public Sector Standards, including a code of conduct are provided to all staff on the commencement of their employment, as part of the Commission's induction package.
- The review of the Commission's 'Code of Conduct' is conducted annually.
- The Chief Executive Officer and Board have undertaken Ethical Decision Making Training.
- The Commission views the principles embodied in the 'Public Sector Standards, Code of Conduct and Code of Ethics' as paramount and as such they are reflected in the management processes practised by the agency.
- The Commission did not receive any complaints relating to its compliance with the 'Public Sector Standards, Code of Conduct and Code of Ethics' during 2015/2016.
- Development and/or review of a comprehensive range of human resource policies.
- Development of stakeholder/ customer complaint policy for the Commission.

Compliance with Public Sector Management Act Section 31(1)

1. In the administration of the Commission, 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 put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made in 1 is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number Lodged:	Nil
Number of breaches found, including details of multiple breaches per application:	Nil
Number still under review:	Nil



Wendy Newman
Chief Executive Officer

Reporting on Record Keeping Plans

The Commission is required to comply with the State Records Act 2000. In accordance with the State Records Act 2000, a Record Keeping Plan has being developed, consistent with the principles defined by the State Records Commission.

The Commission does not have a formal record keeping training program due to the small number of staff and the geographically diverse nature of the office locations. Training in record keeping practices is given to new employees at the earliest practical opportunity, with a preference for onsite training at the office that is the employee's usual base. Training for existing employees is provided as required, for example, during implementation of new technology or systems.

The effectiveness of record keeping practices is continuously monitored with site visits to offices conducted regularly. An induction program for new staff addresses the responsibilities of the Commission and its employees with regard to compliance in a number of areas, including record keeping practices and expectations. Each new employee receives an induction package containing a copy of the Commission's Document Handling Guidelines and file plan.

Policies related to record keeping and computer management are reviewed biennially and updated, if required, in line with current operational and compliance requirements. Policies are lodged on the Commission's intranet and can be accessed by all staff.

Freedom of Information

The Commission maintains a range of documents relating to its business activities in both hard copy and electronic form. Documents covering the business activities of administrative processes and procedures, corporate services, grant funding management, board functions and project work are kept in accordance with the State Records Act 2000. Publications such as reports, fact sheets and promotional material are also produced by the Commission.

The Commission does not charge for brochures and publications. No charge is levied on requests for information that are simple to service, although the Commission does reserve the right to recoup costs if a request requires significant resources to satisfy.

The Commission has a policy of providing personal information to employees and former staff when requested through the proper channels.

Applications for information not normally provided publicly or posted on the web site can be made under the provisions of the Freedom of Information Act 1992, for which the standard \$30.00 charge applies. The Commission received no Freedom of Information requests during the year. The contact details of the Freedom of Information Officer are as follows:

Manager, Finance and Corporate Services
Wheatbelt Development Commission
PO Box 250, NORTHAM WA 6401

Occupational Health and Safety

The Commission is committed to the principles of Occupational Health and Safety and Injury Management.

The Commission has adopted the Code of Practice: Occupational Safety and Health in the Western Australian Public Sector (the 'Code') and has in place an Injury Management System together with a Return to Work Program.

The Code of Practice and Injury Management System forms part of the Commission's induction package for all new and existing employees. Presently, any changes to the above are communicated to all staff via the Commission's intranet.

The Commission, being a small statutory authority, communicates with its employees by way of regular meetings, phone contact, email system and intranet, if there are any changes to legislation or policy as they occur. To date there have been no reported incidents, however the mechanism is in place should one occur.

The Commission has one employee who has completed the Occupational Safety and Health training course and acts as the Commission's representative on all related matters.

Periodic reviews of the workplace are conducted to ascertain any hazards. Should any issues be identified in the interim they are quickly addressed. An incident book is located centrally for staff to identify and report any possible hazardous situations. It is planned to have an independent assessment of the Commission's occupational health and safety management system by an external accredited assessor in 2015-2016. As part of the review process, all electrical connections have been assessed by a qualified external assessor and all cords have been tagged appropriately. This process is ongoing and will be carried out annually.

Statement of Compliance

As stated above, the Commission has adopted the Code of Practice: Occupational Safety and Health in the Western Australian Public Sector (the 'Code') and has in place an Injury Management System together with a Return to Work Program. These are in accordance with the Worker's Compensation and Injury Management Act 1981.

Report of Annual Performance 2015/2016

Indicator	Target 2015'16	Actual 2015'16
Number of Fatalities	Zero (0)	Zero (0)
Lost time injury/diseases (LTI/D) incidence rate	Zero (0)	Zero (0)
Lost time injury severity rate	Zero (0)	Zero (0)
Percentage of injured workers returned to work within 28 weeks		100%
Percentage of managers trained in occupational safety, health and injury management responsibilities	Greater than or equal to 50%	33%

Flexible Working Arrangements

The Commission is committed to providing a working environment that takes into consideration the needs of employees and their families. The approach taken by the Commission is to provide flexible working arrangements that include the opportunity for employees to adjust their working hours through the use of flexi-time and to work from home.

Ministerial Directives

No Ministerial Directives were received during the financial year.

Evaluations

No formal program evaluations were undertaken during the 2015-2016 financial year.

Unauthorised Use of Credit Cards

Officers of the Commission hold corporate credit cards where their functions warrant usage of this facility.

For the year ended 30 June 2016, there were no instances of any personal use on the credit cards.

Aggregate amount of personal use expenditure for the reporting period	\$0
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	\$0
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	\$0
Aggregate amount of personal use expenditure outstanding at balance date	\$0
Number of referrals for disciplinary action instigated by the Commission during the reporting period	\$0

CERTIFICATE OF FINANCIAL STATEMENTS

Statement of Financial Statements

For the year ended 30 June 2016

The accompanying financial statements of the Wheatbelt Development Commission have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2016 and the financial position as at the 30 June 2016.

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



Tim Shackleton
Chair of the Board
09 September 2016



Wendy Newman
Chief Executive Officer
09 September 2016



Norm Brierley
Chief Finance Officer
09 September 2016



INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

WHEATBELT DEVELOPMENT COMMISSION

Report on the Financial Statements

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

The financial statements comprise the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Wheatbelt Development Commission at 30 June 2016 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Commission's Responsibility for the Financial Statements

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

Report on Controls

I have audited the controls exercised by the Wheatbelt Development Commission during the year ended 30 June 2016.

Controls exercised by the Wheatbelt Development Commission are those policies and procedures established by the Commission to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Opinion

In my opinion, in all material respects, the controls exercised by the Wheatbelt Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2016.

Commission's Responsibility for Controls

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

Auditor's Responsibility for the Audit of Controls

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

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

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

Report on the Key Performance Indicators

I have audited the key performance indicators of the Wheatbelt Development Commission for the year ended 30 June 2016.

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

Opinion

In my opinion, in all material respects, the key performance indicators of the Wheatbelt Development Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2016.

Commission's Responsibility for the Key Performance Indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Commission determines necessary to ensure that the key performance indicators fairly represent indicated performance

Auditor's Responsibility for the Audit of Key Performance Indicators
 As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

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

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

Independence

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

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

This auditor's report relates to the financial statements and key performance indicators of the Wheatbelt Development Commission for the year ended 30 June 2016 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAM
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
 Delegate of the Auditor General for Western Australia
 Perth, Western Australia
 14 September 2016

FINANCIAL STATEMENTS

	Note	2016 \$	2015 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6.	1,807,542	1,842,474
Supplies and services	7.	1,805,675	764,694
Depreciation and amortisation expense	8.	45,972	50,149
Accommodation expenses	9.	159,360	121,444
Grants & subsidies	10.	1,220,342	2,664,955
Other expenses	11.	8,035	6,373
Total cost of services		5,046,926	5,450,089
Income			
<i>Revenue</i>			
Other revenue	12.	187,372	34,397
Profit on disposal of non-current assets	13.	-	545
Total Revenue		187,372	34,942
Total income other than income from State Government		187,372	34,942
NET COST OF SERVICES		4,859,554	5,415,147
Income from State Government	14.		
Service Appropriation		224,000	219,000
Resources received free of charge		27,786	26,515
Royalties for Regions Fund			
Regional Initiatives Fund		1,819,000	1,768,000
Community Services Fund		1,057,555	3,303,556
Infrastructure & Headworks Fund		1,139,500	-
Total income from State Government		4,267,841	5,317,071
SURPLUS/(DEFICIT) FOR THE PERIOD		(591,713)	(98,076)
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(591,713)	(98,076)

See also the 'Schedule of Income and Expenses by Service'.

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

FINANCIAL POSITION

	Note	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	26.	18,111	17,115
Restricted cash and cash equivalents	15.	402,091	1,093,815
Receivables	16.	69,071	255,120
Amounts receivable for services	17.	19,000	19,000
Other current assets	18.	11,226	11,703
Total Current Assets		519,499	1,396,753
Non-Current Assets			
Amounts receivable for services	17.	80,000	80,000
Plant and equipment	19.	106,273	115,148
Intangible assets	20.	-	-
Total Non-Current Assets		186,273	195,148
TOTAL ASSETS		705,772	1,591,901
LIABILITIES			
Current Liabilities			
Payables	22.	348,521	644,354
Provisions	23.	264,810	225,888
Other current liabilities	24.	2,015	18,693
Total Current Liabilities		615,346	888,935
Non-Current Liabilities			
Provisions	23.	144,892	165,719
Total Non-Current Liabilities		144,892	165,719
TOTAL LIABILITIES		760,238	1,054,654
NET ASSETS/(LIABILITIES)		(54,466)	537,247
EQUITY			
Contributed Equity	25.	75,000	75,000
Accumulated surplus/(deficit)		(129,466)	462,247
TOTAL EQUITY/(NET EQUITY)		(54,466)	537,247

CHANGES IN EQUITY

	Note	Contributed equity \$	Reserves \$	Accumulated surplus/(deficit) \$	Total/ Net equity \$
Balance at 1 July 2014	25.	75,000	-	560,323	635,323
Surplus/(deficit)		-	-	(98,076)	(98,076)
Total comprehensive income for the period		-	-	(98,076)	(98,076)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2015		75,000	-	462,247	537,247
Balance at 1 July 2015		75,000	-	462,247	537,247
Surplus/(deficit)		-	-	(591,713)	(591,713)
Total comprehensive income for the period		-	-	(591,713)	(591,713)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2016		75,000	-	(129,466)	(54,466)

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

CASH FLOW

	Note	2016	2015
		\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		224,000	219,000
Royalties for Regions Fund			
Regional Initiatives Fund		1,819,000	1,768,000
Community Services Fund		1,057,555	3,040,556
Infrastructure & Headworks Fund		1,139,500	-
Net cash provided by State Government		4,240,055	5,027,556
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,855,242)	(1,831,245)
Supplies and services		(1,602,811)	(634,649)
Accommodation		(160,864)	(121,444)
Grants & subsidies		(1,579,214)	(2,669,220)
GST payments on purchases		(334,326)	(345,875)
GST payments to taxation authority		(20,114)	-
Receipts			
Other receipts		188,656	34,761
GST receipts on sales		57,990	4,629
GST receipts from taxation authority		412,239	118,065
Net cash provided by/(used in) operating activities	26.	(4,893,686)	(5,444,978)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(37,097)	(12,902)
Net cash provided by/(used in) investing activities		(37,097)	(12,902)
Net increase/(decrease) in cash and cash equivalents		(690,728)	(430,324)
Cash and cash equivalents at the beginning of the period		1,110,930	1,541,254
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	26.	420,202	1,110,930

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

NOTES OF FINANCIAL STATEMENTS

Note 1. Australian equivalents to International Financial Reporting Standards

General

The Wheatbelt Development Commission's financial statements for the year ended 30 June 2016 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 standards

The Wheatbelt Development Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Partial exemption permitting early adoption of AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities* has been granted. Aside from AASB 2015-7, there has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2016.

Note 2. Summary of significant accounting policies

(a) General Statement

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

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

(b) Basis of Preparation

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

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

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

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

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

(c) Reporting Entity

The reporting entity is the Wheatbelt Development Commission.

NOTES OF FINANCIAL STATEMENTS

(d) Contributed Equity

AASB Interpretation 1038 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" requires transfers 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 are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration, received or receivable. The following specific recognition criteria must also be met before revenue is recognised for the major business activities as follows:

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Service Appropriations

Service Appropriations are recognised as revenues at 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 those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. (See note 14 Income from State Government).

Grants, donations, gifts and other non-reciprocal contributions

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

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

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

Gains

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

(f) Property Plant and Equipment

Capitalisation/Expensing of assets

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

Initial recognition and measurement

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

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

Depreciation of non-current assets

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

Computing Equipment and software	2 to 7 Years
Office Equipment	3 to 6 Years
Furniture	5 to 7 years
Other Assets - Leasehold	10-15 years

(g) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more are capitalised. The cost of utilising assets is expensed (amortised) over their useful lives. Costs incurred below this threshold are immediately expensed direct to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

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

Amortisation for intangible assets with finite 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 lives of each class of intangible assets are:

Software	3 to 5 years
Licences	Up to 10 years

Computer Software

Software that is an integral part of 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.

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

(h) Impairment of Assets

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance date irrespective of whether there is any indication of impairment,

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

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where the 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 is measured. Surplus assets at cost are tested for indications of impairment at each reporting period.

Refer to **note 21 'Impairment of assets'** for the outcome of impairment reviews and testing.

Refer also to **note 16 'Receivables' and 2(n) 'Receivables' for impairment of receivables.**

(i) Leases

The Commission has entered into a number of operating lease arrangements for office buildings and vehicles where the lessors effectively retain all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Income Statement over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

(j) Financial Instruments

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

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
- Cash and 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.

(k) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value and bank overdrafts.

(l) 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 end of 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 accrued salaries to be equivalent to its net fair value.

(m) 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.

See also **note 14 'Income from State Government'** and **note 17 ' Amounts Receivable for services'.**

(n) 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.

See **note 31 'Financial Instruments'** and **note 16 'Receivables'.**

(o) 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.

See **note 31 ' Financial Instruments'** and **note 22 'Payables'.**

(p) 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 measured reliably. made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

See **note 23 'Provisions'.**

(i) Provisions - Employee Benefits

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

Annual Leave

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer super contributions. In addition, the long service liability also considers the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

NOTES OF FINANCIAL STATEMENTS

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

Long Service Leave

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer super contributions. In addition, the long service liability also considers the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Superannuation

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

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

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

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, apart from the transfer benefit, 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.

The Commission 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 Commission to the GESB.

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

See also **note 6 'Employee benefits'**.

(ii) Provisions - Other

Employment on-costs

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

The related liability is included in 'Employment on-costs provision'.

See **note 23 'Provisions'**.

(q) Superannuation Expense

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

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

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

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

See **note 14 'Income from State Government'**.

(s) Comparative Figures

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

(t) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation Commission. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation Commission is included with receivables or payables in the balance sheet. The GST component of a receipt or payment is recognised on a gross basis in the statement of cash flows.

Note 3. Judgements Made by Management in Applying Accounting Policies

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

Operating lease commitments

The Commission has entered into commercial leases and has determined that it retains all the significant risks and rewards of ownership of the property. Accordingly, the lease has been classified as an operating lease.

NOTES OF FINANCIAL STATEMENTS

Note 4. Key Sources of Estimation Uncertainty

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

Employee provisions estimation

In the calculations for employee provisions there are several estimations which are made. These include future salary rates and the discount rates used. The salary rates used for the valuation at 30 June reflect the then current employer offer. There is uncertainty in the outcome of the negotiations that could further increase the employee provisions (and a subsequent increase in expense in the Income Statement).

Long Service Leave

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

Note 5. Disclosure of Changes in Accounting Policy and Estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2015 that impacted on the Commission

AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments

Part C of this Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Commission has not yet determined the application or the potential impact of AASB 9.

AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB (December 2010) [AASB 9 (2009 & 2010)].

This Standard makes amendments to AASB 9 *Financial Instruments* (December 2009) and AASB 9 *Financial Instruments* (December 2010) arising from the issuance of AASB 9 *Financial Instruments* in December 2014. The Commission has not yet determined the application or the potential impact of AASB 9.

AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality.

This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

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

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

AASB 9	<i>Financial Instruments</i>	1-Jan-18
	<p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard was amended to 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. The Commission has not yet determined the application or the potential impact of the Standard</p>	
AASB 15	<i>Revenue from Contracts with Customers</i>	1-Jan-18
	<p>This Standard establishes the principles the the Commission shall not apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Commission has not yet determined the application or the potential impact of the Standard.</p>	
AASB 16	<i>Leases</i>	1-Jan-19
	<p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Commission has not yet determined the application or the potential impact of the Standard.</p>	
AASB 1057	<i>Application of Australian Accounting Standards</i>	1-Jan-16
	<p>This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.</p>	
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i> [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19, & 127]	1-Jan-18
	<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by ASASB 2012-6 and AASB 2014-1 to January 2018. The Commission has not yet determined the application or the potential impact of this Standard</p>	

NOTES OF FINANCIAL STATEMENTS

<p><i>AASB 2014-1 Amendments to Australian Accounting Standards</i></p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has yet been assessed by the Commission to determine the application or potential impact of the Standard.</p>	1-Jan-18
<p><i>AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]</i></p> <p>The Commission establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in joint operations. Therefore, there is no financial impact on application of the Standard.</p>	1-Jan-16
<p><i>AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</i></p> <p>The adoption of this Standard has no financial impact for the Commission as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.</p>	1-Jan-16
<p><i>AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1-Jan-18
<p><i>AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including interpretations) arising from AASB 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.</p>	1-Jan-18
<p><i>AASB 2014-9 Amendments to Australian Accounting Standards – Equity, Method in Separate Financial Statements [AASB 1, 127 & 128]</i></p> <p>This Standard amends AASB 127, and consequentially amends ASSB 1 and ASSB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. The Commission has not yet determined the application or potential impact of the Standard.</p>	1-Jan-16
<p><i>AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an investor and its Associate or Joint Venture [ASSB 10 & 128]</i></p> <p>This Standard amends ASSB 10 and AASB 128 to address an inconsistency between the requirements in AASSB 10 and those in ASSB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1-Jan-16

AASB 2015-1	<i>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i>	1-Jan-16
	<i>These amendments arise from the issuance of International Financial Reporting Annual improvements to IFRS 2012-2014 Cycle in September 2014, and editorial corrections. The Commission has not yet determined the application or potential impact of the Standard.</i>	
AASB 2015-2	<i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i>	1-Jan-16
	<i>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.</i>	
AASB 2015-6	<i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</i>	1-Jul-16
	<i>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. The Commission has not yet determined the application of the Standard, though there is no financial impact.</i>	
AASB 2015-8	<i>Amendments to Australian Accounting Standards - Effective Date of AASB 15</i>	1-Jan-17
	<i>This Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. The Commission has not yet determined the application or the potential impact of AASB 15.</i>	
AASB 2015-10	<i>Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 & 128</i>	1-Jan-16
	<i>This Standard defers the mandatory effective date (application date) of AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. The Commission has not yet determined the application or the potential impact of AASB 2014-10.</i>	
AASB 2016-2	<i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107</i>	1-Jan-17
	<i>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.</i>	
AASB 2016-3	<i>Amendments to Australian Accounting Standards - Clarifications to AASB 15</i>	1-Jan-18
	<i>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Commission has not yet determined the application</i>	
AASB 2016-4	<i>Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for Profit Entities</i>	1-Jan-17
	<i>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Commission has not yet determined the application or the potential impact.</i>	

NOTES OF FINANCIAL STATEMENTS

Note 6. Employee benefits expense

	2016	2015
	\$	\$
Wages and salaries ^(a)	1,428,075	1,471,756
Superannuation - defined contribution plans ^(b)	149,435	148,691
Long service leave	65,930	46,488
Annual leave	124,825	134,685
Other related expenses	39,277	40,854
	1,807,542	1,842,474

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

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

Employment on-costs expenses, such as workers' compensation insurance, are included at note 11 'Other

Employment on-costs liability is included at note 23 'Provisions'.

Note 7. Supplies and services

	2016	2015
	\$	\$
Consultants and contractors	1,396,031	292,290
Advertising costs	13,883	35,804
Travel interstate and overseas	4,287	6,412
Communications	33,221	37,524
Consumables	58,731	85,024
Maintenance	41,204	43,957
Other staff costs	35,616	31,121
Operating lease - motor vehicles	56,342	59,184
Service level agreement fees	58,710	57,000
Other administration expenses	107,650	116,378
	1,805,675	764,694

Note 8. Depreciation and amortisation expense

	2016	2015
	\$	\$
Depreciation		
Office equipment	4,142	2,892
Communications	2,961	-
Computer hardware	15,938	27,323
Furniture fixtures and fittings	22,931	19,934
Total depreciation	45,972	50,149
Amortisation		
Licenses	-	-
Computer software	-	-
Total amortisation	-	-
Total depreciation and amortisation	45,972	50,149

Note 9. Accommodation expenses

	2016	2015
	\$	\$
Lease rentals	66,278	77,978
Repairs and maintenance	20,772	16,684
Utility charges	18,335	11,711
Rates and charges	9,135	7,986
Other venue hire	4,537	4,649
Other accommodation expense	40,303	2,436
	159,360	121,444

NOTES OF FINANCIAL STATEMENTS

Note 11. Other expenses

	2016	2015
	\$	\$
Workers compensation insurance and other employment on-costs (a)	8,035	6,373
	<u>8,035</u>	<u>6,373</u>

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

Note 12. Other Revenue

	2016	2015
	\$	\$
Other revenue	187,372	34,397
	<u>187,372</u>	<u>34,397</u>

Note 13. Net gain/(loss) on disposal of non-current assets

	2016	2015
	\$	\$
<u>Proceeds from disposal of non-current assets</u>		
Office Equipment	-	545
<u>Costs of disposal of non-current assets</u>		
Computer software	-	-
Net gain/(loss)	<u>-</u>	<u>545</u>

Note 14. Income from State Government

	2016	2015
	\$	\$
Appropriation received during the period:		
Service appropriation ^(a)	224,000	219,000
	<u>224,000</u>	<u>219,000</u>
Resources received free of charge		
Determined on the basis of the following estimates provided by agencies:		
Department of Finance	27,786	26,515
	<u>27,786</u>	<u>26,515</u>
Royalties for Regions - Regional Infrastructure & Headworks Fund (b)	1,139,500	-
Royalties for Regions - Regional Initiative Fund (b)	1,819,000	1,768,000
Royalties for Regions - Community Services Fund (b)	1,057,555	3,303,556
	<u>4,016,055</u>	<u>5,071,556</u>
Total Income from State Government	<u>4,267,841</u>	<u>5,317,071</u>

(a) Service appropriations and Royalties for Regions fund the net cost of services delivered.

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

NOTES OF FINANCIAL STATEMENTS

Note 15. Restricted cash and cash equivalents

	2016	2015
	\$	\$
Royalties for Regions - Operational funds	-	34,681
Royalties for Regions - Strategic Reserve	32,737	32,737
Royalties for Regions - Round 4	-	207,633
Royalties for Regions - Community Chest Fund	-	58,263
Royalties for Regions - Administration support	-	72,928
Growing Our South (SII)	253,975	-
Central Coast Agri-business Precinct	-	250,000
Technical/Detailed Design Priority Projects	-	100,000
Wheatbelt Regional Development Scheme - Non-contestable	682	12,882
Avon Water Re-use	-	241,747
Unspent Capital Expenditure carried over	165,041	150,167
GST payment awaiting recoup from ATO	(58,939)	(211,607)
Regional Investment Blueprint & Database	-	277
Whole Of Wheatbelt Aged Care Planning	-	7,930
Statewide Ageing in Place Strategy	-	27,305
Creating Aged Friendly Communities	8,595	108,872
	402,091	1,093,815

(a) These funds represent the unexpended portion of grants received which are required to used for specific projects, and to which conditions are attached.

Note 16. Receivables

	2016	2015
	\$	\$
<u>Current</u>		
Receivables	-	1,284
GST Receivable	69,071	253,836
Total current	69,071	255,120

Note 17. Amounts receivable for services (Holding Account)

	2016	2015
	\$	\$
Current	19,000	19,000
Non-Current	80,000	80,000
	99,000	99,000

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.

Note 18. Other assets

	2016	2015
	\$	\$
<u>Current</u>		
Accrued income	-	-
Prepayments	11,226	11,703
Total current	11,226	11,703

NOTES OF FINANCIAL STATEMENTS

Note 19. Plant and equipment

	2016 \$	2015 \$
<u>Office equipment</u>		
At cost	48,055	47,702
Accumulated depreciation	(34,605)	(30,463)
	13,450	17,239
<u>Plant & Machinery</u>		
At cost	8,696	8,696
Accumulated depreciation	(8,696)	(8,696)
	-	-
<u>Communications</u>		
At cost	20,434	10,518
Accumulated depreciation	(2,961)	(10,518)
	17,473	-
<u>Furniture fixtures and fittings</u>		
At cost	235,936	219,626
Accumulated depreciation	(160,586)	(137,655)
	75,350	81,971
<u>Computer Hardware</u>		
At cost	87,625	87,625
Accumulated depreciation	(87,625)	(71,687)
	-	15,938
	106,273	115,148

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

	\$	\$
<u>Office equipment</u>		
Carrying amount at start of year	17,239	7,229
Transfer	-	-
Additions	353	12,902
Work in Progress	-	-
Disposals	-	(13,591)
Depreciation expense	(4,142)	10,699
Carrying amount at end of period	13,450	17,239
<u>Communications</u>		
Carrying amount at start of year	-	-
Transfer	-	-
Additions	20,434	-
Disposals	-	-
Work in Progress	-	-
Depreciation expense	(2,961)	-
Carrying amount at end of period	17,473	-

Furniture, fixtures & fittings

	\$	\$
Carrying amount at start of year	81,971	101,904
Transfer	-	-
Additions	16,310	-
Work in Progress	-	-
Loss on disposal of other assets	-	-
Depreciation expense	(22,931)	(19,933)
Carrying amount at end of period	75,350	81,971

Computer hardware

	\$	\$
Carrying amount at start of year	15,938	43,262
Transfer	-	-
Additions	-	-
Work in Progress	-	-
Depreciation expense	(15,938)	(27,324)
Carrying amount at end of period	-	15,938
	106,273	115,148

NOTES OF FINANCIAL STATEMENTS

Note 20. Intangible asset	2016 \$	2015 \$
<u>Computer software</u>		
At cost	13,636	13,636
Accumulated amortisation	(13,636)	(13,636)
	<u>-</u>	<u>-</u>
<u>Licenses</u>		
At cost	20,391	20,391
Accumulated amortisation	(20,391)	(20,391)
	<u>-</u>	<u>-</u>
Total intangible asset	<u>-</u>	<u>-</u>
Reconciliations:		
	2016	2015
	\$	\$
<u>Computer Software</u>		
Carrying amount at start of year	-	-
Transfer	-	-
Additions	-	-
Loss on disposal of other assets	-	-
Work in Progress	-	-
Amortisation expense	-	-
Carrying amount at end of period	<u>-</u>	<u>-</u>
<u>Licenses</u>		
Carrying amount at start of year	-	-
Transfer	-	-
Additions	-	-
Disposals	-	-
Amortisation expense	-	-
Carrying amount at end of period	<u>-</u>	<u>-</u>

Note 21 Impairment of assets

There were no indications of impairment to plant and equipment, and intangible assets at 30 June 2016.

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

Note 22. Payables

	2016 \$	2015 \$
<u>Current</u>		
Accrued salaries	1,089	47,108
Accrued expenses	311,127	570,600
Trade payables	36,305	26,646
Total current	<u>348,521</u>	<u>644,354</u>

(a) Grants internally administered by the Commission

Note 23. Provisions

	2016 \$	2015 \$
<u>Current</u>		
<u>Employee benefits provision</u>		
Annual leave ^(a)	130,208	144,456
Long service leave ^(b)	112,397	62,581
Purchased leave ^(c)	(9)	(10)
	<u>242,596</u>	<u>207,027</u>
<u>Other provisions</u>		
Employment on-costs ^(d)	22,214	18,861
	<u>22,214</u>	<u>18,861</u>
	<u>264,810</u>	<u>225,888</u>
<u>Non-current</u>		
<u>Employee benefits provision</u>		
Long service leave ^(b)	127,585	146,605
	<u>127,585</u>	<u>146,605</u>

NOTES OF FINANCIAL STATEMENTS

Other provisions

Employment on-costs ^(d)	17,307	19,114
	<u>17,307</u>	<u>19,114</u>
	144,892	165,719
Total employee entitlements	<u>409,702</u>	<u>391,607</u>

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

	2016	2015
	\$	\$
Within 12 months of the end of the reporting period	130,208	144,456
More than 12 months after the end of the reporting period	-	-
	<u>130,208</u>	<u>144,456</u>

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

	2016	2015
	\$	\$
Within 12 months of the end of the reporting period	112,397	62,581
More than 12 months after the end of the reporting period	127,585	146,605
	<u>239,982</u>	<u>209,186</u>

(c) Purchased leave scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of liabilities is expected to occur as follows:

	2016	2015
	\$	\$
Within 12 months of the end of the reporting period	(9)	(10)
	<u>(9)</u>	<u>(10)</u>

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

Movements in other provisions

	2016	2015
	\$	\$
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
Employment on-cost provision		
Carrying amount at start of period	37,975	39,947
Additional provisions recognised	18,513	22,317
Payments/other sacrifices of economic benefits	(16,967)	(24,289)
Carrying amount at end of period	<u>39,521</u>	<u>37,975</u>

Note 24. Other liabilities

Accrued superannuation	175	1,460
Board Members' annual sitting fees and allowances	1,840	17,233
	<u>2,015</u>	<u>18,693</u>

Note 25. Equity

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

Contributed equity

	2016	2015
	\$	\$
Balance at start of period	75,000	75,000
<i>Contributions by owners</i>		
Capital appropriation	-	-
Total contributions by owners	<u>-</u>	<u>-</u>
Balance At End Of Period	<u>75,000</u>	<u>75,000</u>

Accumulated surplus/(deficit)

	2016	2015
	\$	\$
Balance at start of period	462,247	560,323
Result for the period	(591,713)	(98,076)
Balance at end of period	<u>(129,466)</u>	<u>462,247</u>

Total Equity at end of period

	<u>(54,466)</u>	<u>537,247</u>
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NOTES OF FINANCIAL STATEMENTS

Note 26. Notes to the Statement of Cash Flows

Reconciliation of cash

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

	2016 \$	2015 \$
Cash and cash equivalents	18,111	17,115
Restricted cash and cash equivalents (refer to note 15 'Restricted cash and cas	402,091	1,093,815
	<u>420,202</u>	<u>1,110,930</u>

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

	2016 \$	2015 \$
Net cost of services	(4,859,554)	(5,415,147)
<u>Non-cash items:</u>		
Depreciation and amortisation expense	45,972	50,149
Resources received free of charge	27,786	26,515
<u>(Increase)/decrease in assets:</u>		
Current receivables ^(a)	1,284	4,448
Other current assets	477	3,675
<u>Increase/(decrease) in liabilities:</u>		
Current payables ^(a)	(295,833)	75,521
Current provisions	38,922	(51,084)
Other current liabilities	(16,678)	7,248
Non-current provisions	(20,827)	46,929
Net GST receipts/(payments) ^(b)	(95,675)	223,181
Change in GST in receivables/payables ^(c)	280,440	(416,413)
Net cash provided by/(used in) operating activities	<u>(4,893,686)</u>	<u>(5,444,978)</u>

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e cash transaction.

(c) This reverses out the GST in receivables and payables.

Note 27. Commitments

The commitments below are inclusive of GST where relevant.

Non-cancellable operating lease commitments

	2016 \$	2015 \$
Commitments for minimum lease payments are payable as follows:		
Within 1 year	35,131	45,573
Later than 1 year and not later than 5 years	13,786	14,673
	<u>48,917</u>	<u>60,246</u>

The Commission has entered into a property lease which is a non-cancellable lease with a five year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that the minimum lease payments shall increase by the lower of CPI or 4% per annum. An option exists to renew the lease at the end of the five year term for an additional term of five years.

Capital expenditure commitment

Capital expenditure commitment, being contracted capital expenditure additional to the amounts reported in the financial statements, is payable as follows:

	2016 \$	2015 \$
Within 1 year	132,474	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>132,474</u>	<u>-</u>

Note 28. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets as at 30 June 2016.

Note 29. Event occurring after the end of the reporting period

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

NOTES OF FINANCIAL STATEMENTS

Note 30. Explanatory Statement

Wheatbelt Development Commission - 30 June 2016

Significant variations between estimates and actual results for income and expense. Significant variations are considered to be 5% and 2% (\$63,600) of Total Cost of Services based on lower of budget for current year or actuals for 2015 for Comprehensive Income Statement and Statement of Cash Flows. Significant variance for Statement of Financial Position is 5% and 2% (\$7,180) based on the lower of budget for current year or actuals for 2015 for Total Assets of Statement of Financial Position.

	Variance Note	Original Budget \$	Actual 2016 \$	Actual 2015 \$	Variance between estimate and actual \$	Variance between actual results for 2016 and 2015 \$
Statement of Comprehensive Income (Controlled Operations)						
Employee benefits expense	1	1,703,000	1,807,542	1,842,474	(104,542)	(34,932)
Supplies and services	2, A	389,000	1,805,675	764,694	(1,416,675)	1,040,981
Depreciation and amortisation expense		51,000	45,972	50,149	5,028	(4,177)
Accommodation expenses		123,000	159,360	121,444	(36,360)	37,916
Grants & subsidies	3, B	706,000	1,220,342	2,664,955	(514,342)	(1,444,613)
Other expenses	4	208,000	8,035	6,373	199,965	1,662
Loss on disposal of non-current assets		-	-	-	-	-
Total cost of services		3,180,000	5,046,926	5,450,089	(1,866,926)	(403,163)
Income						
Other Revenue	5, C	25,000	187,372	34,397	(162,372)	152,975
Profit on disposal of non-current assets		-	-	545	-	(545)
Total Income		25,000	187,372	34,942	(162,372)	152,430
Income from State Government						
Service appropriations		224,000	224,000	219,000	-	5,000
Resources received free of charge		20,000	27,786	26,515	(7,786)	1,271
Royalties for Regions Fund						
Regional Initiatives Fund		1,820,000	1,819,000	1,768,000	1,000	51,000
Community Services Fund	D	1,058,000	1,057,555	3,303,556	445	(2,246,001)
Infrastructure & Headworks Fund	6, E	-	1,139,500	-	(1,139,500)	1,139,500
Total Income from State Government		3,122,000	4,267,841	5,317,071	(1,145,841)	(1,049,230)
		(33,000)	(591,713)	(98,076)	558,713	(493,637)
Total Comprehensive Income for the Period						

NOTES OF FINANCIAL STATEMENTS

	Variance Note	Original Budget	Actual 2016	Actual 2015	Variance between estimate and actual	Variance between actual results for 2016 and 2015
Statement of Financial Position (Controlled Operations)						
ASSETS						
Current Assets						
Cash and cash equivalents	7	128,000	18,111	17,115	(109,889)	996
Restricted cash and equivalents	8, F	-	402,091	1,093,815	402,091	(691,724)
Receivables	9, G	-	69,071	255,120	69,071	(186,049)
Amounts receivable for services		19,000	19,000	19,000	-	-
Other current assets	10	-	11,226	11,703	11,226	(477)
Total Current Assets		147,000	519,499	1,396,753	372,499	(877,254)
Non-Current Assets						
Amounts receivable for services		80,000	80,000	80,000	-	-
Plant & equipment	11, H	124,000	106,273	115,148	(17,727)	(8,875)
Intangible assets	12	8,000	-	-	(8,000)	-
Other non-current assets		-	-	-	-	-
Total Non-Current Assets		212,000	186,273	195,148	(25,727)	(8,875)
TOTAL ASSETS		359,000	705,772	1,591,901	346,772	(886,129)
LIABILITIES						
Current Liabilities						
Payables	13, I	537,000	348,521	644,354	(188,479)	(295,833)
Provisions	14, J	136,000	264,810	225,888	128,810	38,922
Other current liabilities	15, K	39,000	2,015	18,693	(36,985)	(16,678)
Total Current Liabilities		712,000	615,346	888,935	(96,654)	(273,589)
Non-Current Liabilities						
Provisions	L	146,000	144,892	165,719	(1,108)	(20,827)
Total Non-Current Liabilities		146,000	144,892	165,719	(1,108)	(20,827)
TOTAL LIABILITIES		858,000	760,238	1,054,654	(97,762)	(294,416)
EQUITY						
Contributed equity		75,000	75,000	75,000	-	-
Accumulated surplus/(deficit)		(574,000)	(129,466)	462,247	444,534	(591,713)
TOTAL EQUITY		(499,000)	(54,466)	537,247	444,534	(591,713)
TOTAL LIABILITIES AND EQUITY		359,000	705,772	1,591,901	346,772	(886,129)

NOTES OF FINANCIAL STATEMENTS

	Variance Note	Original Budget	Actual 2016	Actual 2015	Variance between estimate and actual	Variance between actual results for 2016 and 2015
Statement of Cash Flows (Controlled Operations)						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		224,000	224,000	219,000	-	5,000
Grants received from other State Government Agencies		-	-	-	-	-
Royalties for Regions						
Regional Initiatives Fund		1,820,000	1,819,000	1,768,000	(1,000)	51,000
Community Services Fund	M	1,058,000	1,057,555	3,040,556	(445)	(1,983,001)
Infrastructure & Headworks Fund	16, N	-	1,139,500	-	1,139,500	1,139,500
		3,102,000	4,240,055	5,027,556	1,138,055	(787,501)
Net Cash Provided from State Government						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	17	(1,742,000)	(1,855,242)	(1,831,245)	(113,242)	(23,997)
Supplies and services	18, O	(650,000)	(1,602,811)	(634,649)	(952,811)	(968,162)
Accommodation		(116,000)	(160,864)	(121,444)	(44,864)	(39,420)
Grants and subsidies	19, P	(706,000)	(1,579,214)	(2,669,220)	(873,214)	1,090,006
GST payments on purchases	20	-	(334,326)	(345,875)	(334,326)	11,549
GST payments to taxation authority		-	(20,114)	-	(20,114)	(20,114)
Receipts						
GST receipts		65,000	57,990	4,629	(7,010)	53,361
GST receipts from taxation authority	21, Q		412,239	118,065	412,239	294,174
Other receipts	22, R	25,000	188,656	34,761	163,656	153,895
		(3,124,000)	(4,893,686)	(5,444,978)	(1,769,686)	551,292
CASH FLOWS FORM INVESTING ACTIVITIES						
Purchase of non-current assets		(41,000)	(37,097)	(12,902)	3,903	(24,195)
		(41,000)	(37,097)	(12,902)	3,903	(24,195)
Net increase/(decrease) in cash and cash equivalents		(63,000)	(690,728)	(430,324)	(627,728)	(260,404)
Cash and cash equivalents at the beginning of the period		191,000	1,110,930	1,541,254	919,930	(430,324)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		128,000	420,202	1,110,930	292,202	(690,728)

NOTES OF FINANCIAL STATEMENTS

	Variance Note	Original Budget	Actual 2016	Actual 2015	Variance between estimate and actual	Variance between actual results for 2016 and 2015
Major Variance Narratives (Controlled Operations)						
<i>Variances between estimate and actual</i>						
1)						
Employee benefits expense over budget due to unbudgeted external funds received, being expended on projects such as Royalties for Regions administration support and the Creating Age Care Friendly Communities project.						
2)						
Increase in unbudgeted external funds received and utilised on consultancies for various Royalties for Regions projects, in particular, Growing Our South (Southern Inland Initiative)						
3)						
Increases in grants & subsidies due to payments made for the Creating Aged Care Friendly Communities project, \$37,510, Community Chest Fund \$58,263, Regional Grant Scheme \$217,388 and a payment made to complete the Avon Water re-use project, \$201,181 were the reasons for the increase of actual expenditure over budget in 2015'16						
4)						
Over-budgetted expenditure in "Other Expenses" compared to actual worker's compensation premiums.						
5)						
Unbudgeted monies received to administer funds for the Central Coast Agri-business and Lime Strategy projects.						
6)						
Unbudgetted funds received from Royalties for Regions - Headworks and Infrastructure Fund for the Growing Our South project.						
7)						
Decrease in cash and equivalents due to completion of projects depleting funds on hand.						
8)						
Increase in Restricted Cash and Equivalents due to monies received from Royalties for Regions - Headworks & Infrastructure Fund for the Growing Our South projects and unspent capital expenditure carried over.						
9)						
Unbudgetted receivables compared to actual for 2015'16 comprising mainly of GST receivables.						
10)						
Unbudgetted other current assets (Prepayments) versus actual of \$11,226						
11)						
Shortfall in actual capital expenditure resulting in reduction of plant and equipment compared to budget.						
12)						
Budgetted capital expenditure on intangible assets which did not eventuate and resulted in zero movement in intangible assets.						
13)						
Decrease in actual as a result of a decrease accrued expenses compared to 2014'15 due to the previous year having a high number of accrued grant payments.						
14)						
Increase in current provisions is due to a transfer of 5 staff from non-current to current as a result of those staff attaining 55 years of age and their respective accruals eligible for full payout.						
15)						
Budgetted Board sitting fees and superannuation did not eventuate due to Board claims being processed in June 2016 payroll and not being accrued.						
16)						
Unbudgetted funds received from Royalties for Regions - Headworks and Infrastructure Fund for the Growing Our South project.						
17)						
Employee benefits expense over budget due to unbudgeted external funds received, being expended on projects such as Royalties for Regions administration support and the Central Coast Agri-business and Lime Route Strategy projects.						
18)						
Unbudgetted funds received from Royalties for Regions - Headworks and Infrastructure Fund for the Growing Our South project and consequent payments to consultants.						
19)						
Unbudgetted payment of accrued grants from 2014'15 \$359,000 + payment of Creating Aged Care Friendly Communities grants \$187,000 and payment from Avon Water re-use project (previously budgetted as a consultant cost) of \$201,000.						
20)						
Unbudgetted GST expense compounded by increase in consultant's fees against unbudgetted payments for the Growing Our South project and GST paid against this years grants and subsidies plus accrued grant payments from 2014'15.						
21)						
Increase in this line item due to there being no budget item allocated						
22)						
Unbudgetted monies received from the Shire of Gingin (\$175,000) to administer two projects; 1) Central Coast Agri-business and b) Lime Route Strategy.						
<i>Variances between actual results for 2016 and 2015</i>						
A)						
Unbudgetted external funds received and utilised on consultancies for various Royalties for Regions projects						
B)						
Decrease in grants and subsidies due to a 2014'15 being inflated by a round of the Regional Grant Scheme and Community Chest Fund together with grant payments to Local Government through the Creating Aged Care Friendly Communities project.						
C)						
Unbudgetted monies received to administer funds for the Central Coast Agri-business and Lime Strategy projects.						
D)						
Decrease in grant funding for the Regional Grants Scheme and the Creating Aged Care Communities project.						
E)						
Unbudgetted monies from Royalties for Regions - Headworks & Infrastructure Fund for the Growing Our Regions project.						
F)						
Unbudgetted monies from Royalties for Regions - Headworks & Infrastructure Fund for the Growing Our Regions project carried over in restricted cash.						
G)						
Decrease in this line item due to 2015 having \$253,000 of GST receivable compared to \$60,000 for 2016 .						
H)						
Shortfall in actual capital expenditure resulting in reduction of anticipated plant and equipment compared to 2015.						
I)						
Decrease due to 2014'15 being inflated by accrued grant payments.						
J)						
Increase in current provisions due to re=classification of several staff members to current from non-current long service leave due to those staff members being over 55 years of age and entitled to pro-rata leave at 100% of value.						
K)						
Reduction of accrued Board sitting fees and superannuation compared to 2015.						
L)						
Reduction in non-current liabilities due to transfer of staff long service leave and superannuation from non-current to current due to those staff being in excess of 55 years of age and entitled to 100% of pro-rated funds.						
M)						
Decrease in grant funding due to 2014'15 being inflated by the project - Creating Aged Care Friendly Communities - grant component \$1,765m						
N)						
Unbudgetted monies for Royalties for Regions - Headworks & Infrastructure fund - Growing Our South project.						
O)						
Unbudgetted consultants expenditure due to payments for the Growing Our South project						
P)						
Reduction of grant payments for the Creating Aged Care Friendly Communities project compared to 2014'15						
Q)						
Increase in GST receipts due to large re-imburement from 2014'15 payables.						
R)						
Monies received from the Shire of Gingin (\$175,000) to have two project funds administered, a) Central Coast Agri-business and b) lime Route Strategy.						

NOTES OF FINANCIAL STATEMENTS

15/16 FINANCIALS

Note 31 Financial instruments

(a) Financial risk management objectives and policies

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

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 31 (c) 'Financial instrument disclosures' and Note 16 'Receivables'.

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. The Commission has policies in place to ensure that services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

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

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

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

Market risk

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

(b) Categories of financial instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2016	2015	2014
	\$	\$	\$
<u>Financial Assets</u>			
Cash and cash equivalents	18,111	17,115	36,860
Restricted cash and cash equivalents	402,091	1,093,815	1,504,394
Receivables ^(a)	-	1,284	5,732
Amounts receivable for services	99,000	99,000	99,000
<u>Financial Liabilities</u>			
Payables	348,521	644,354	831,833
Other current liabilities	2,015	18,693	11,445

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

NOTES OF FINANCIAL STATEMENTS

Note 31 continued

(c) Financial instrument disclosures

Credit risk

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

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

Aged analysis of financial assets

	Carrying Amount	Not past due and not impaired	Past due but not impaired					Impaired financial assets
			Up to 3 months	3 - 12 months	1-2 Years	2-5 Years	More than 5 Years	
	\$	\$			\$	\$	\$	\$
2016								
Cash and cash equivalents	18,111	18,111	-	-	-	-	-	-
Restricted cash and cash equivalents	402,091	402,091	-	-	-	-	-	-
Receivables ^(a)	-	-	-	-	-	-	-	-
Amounts receivable for services	99,000	99,000	-	-	-	-	-	-
	519,202	519,202	-	-	-	-	-	-
2015								
Cash and cash equivalents	17,115	17,115	-	-	-	-	-	-
Restricted cash and cash equivalents	1,093,815	1,093,815	-	-	-	-	-	-
Receivables ^(a)	1,284	1,284	-	-	-	-	-	-
Amounts receivable for services	99,000	99,000	-	-	-	-	-	-
	1,211,214	1,211,214	-	-	-	-	-	-

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

NOTES OF FINANCIAL STATEMENTS

Liquidity risk and interest rate exposure

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

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

	Interest rate exposure				Maturity analysis						
	Weighted average effective interest rate %	Carrying Amount \$	Fixed interest rate \$	Variable interest rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 1 Month \$	1-3 Months \$	3 months to one year \$	1-5 years \$	More than 5 years \$
2016											
Financial Assets											
Cash and cash equivalents	-	18,111	-	-	18,111	18,111	18,111	-	-	-	-
Restricted cash and cash equivalents	-	402,091	-	-	402,091	402,091	402,091	-	-	-	-
Receivables ^(a)	-	-	-	-	-	-	-	-	-	-	-
Amounts receivable for services	-	99,000	-	-	99,000	99,000	-	-	19,000	-	80,000
	-	519,202	-	-	519,202	519,202	420,202	-	19,000	-	80,000
Financial Liabilities											
Payables	-	348,521	-	-	348,521	348,521	348,521	-	-	-	-
Other current liabilities	-	2,015	-	-	2,015	2,015	2,015	-	-	-	-
	-	350,536	-	-	350,536	350,536	350,536	-	-	-	-

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

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

	Interest rate exposure				Maturity analysis						
	Weighted average effective interest rate %	Carrying Amount \$	Fixed interest rate \$	Variable interest rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 1 Month \$	1-3 Months \$	3 months to one year \$	1-5 years \$	More than 5 years \$
2015											
Financial Assets											
Cash and cash equivalents	-	17,115	-	-	17,115	17,115	17,115	-	-	-	-
Restricted cash and cash equivalents	-	1,093,815	-	-	1,093,815	1,093,815	1,093,815	-	-	-	-
Receivables ^(a)	-	1,284	-	-	1,284	1,284	1,284	-	-	-	-
Amounts receivable for services	-	99,000	-	-	99,000	99,000	-	-	19,000	-	80,000
	-	1,211,214	-	-	1,211,214	1,211,214	1,112,214	-	19,000	-	80,000
Financial Liabilities											
Payables	-	644,354	-	-	644,354	644,354	644,354	-	-	-	-
Other current liabilities	-	18,693	-	-	18,693	18,693	18,693	-	-	-	-
	-	663,047	-	-	663,047	663,047	663,047	-	-	-	-

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

Interest rate sensitivity analysis

None of the Commission's financial assets and financial liabilities at the end of the reporting period are sensitive to movements in interest rates, hence movements in interest rates have no bottom line impact on the Commission's surplus or equity.

Fair Values

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

NOTES OF FINANCIAL STATEMENTS

Note 32. Remuneration and Retirement Benefits of Board Members of the Accountable Authority and Senior Officers

Remuneration of Board Members of the Accountable Authority

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

	2016	2015
	\$	\$
\$		
0 - 10,000	7	6
10,001 - 20,000	1	3
20,001 - 30,000	-	-
30,001 - 40,000	-	-
40,001 - 50,000	-	-
50,001 - 60,000	1	1
Total remuneration of the members of	115,214	131,970
Base remuneration	95,535	114,681
Other benefits	19,679	17,289
	115,214	131,970

2016 2015

Gross/actual remuneration

Wheatbelt Development Commission - Board

Position	Name	Type of remuneration	Period of Membership	2016	2015
Chair	Mr Tim Shackleton	Stipend	1 July'15 - 30 June'16	53,201	52,915
Deputy chair	Ms Karin Day	Stipend & Sitting Fees	1 July'15 - 30 June'16	13,174	15,901
Member	Ms Valerie Ammon	Sitting Fees	1 July'15 - 30 June'16	7,417	9,926
Member	Ms Carmel Ross	Sitting Fees	1 July'15 - 30 June'16	6,276	8,540
Member	Mr Stephen Pollard	Sitting Fees	1 July'15 - 30 June'16	6,310	7,954
Member	Mr Leigh Ballard	Sitting Fees	1 July'15 - 3 May'16	2,110	8,835
Member	Mr Graham Cooper	Sitting Fees	1 July'15 - 30 June'16	6,503	6,768
Member	Ms Heidi Cowcher	Sitting Fees	1 July'15 - 30 June'16	7,553	8,284
Member	Ms Leslee Holmes	Sitting Fees	1 July'15 - 30 June'16	7,089	5,756
				109,633	124,879

NOTES OF FINANCIAL STATEMENTS

Wheatbelt Development Commission - Working Parties

Finance Working Party

Chair	Mr Stephen Pollard	Sitting Fees	1 July'15 - 30 June'16	2,050	1,683
Member	M Leigh Ballard	Sitting Fees	1 July'15 - 3 May'16	683	1,188
Member	Ms Valerie Ammon	Sitting Fees	3 May'16 - 30 June'16	228	-

Governance Sub-committee

Chair	Ms Carmel Ross	Sitting Fees	1 July'15 - 30 June 2016	911	-
Member	Ms Karin Day	Sitting Fees	1 July'15 - 30 June 2016	683	-

Service Delivery Reform- Health Working Party

Chair	Ms Valerie Ammon	Sitting Fees	1 July'15 - 30 June'16	342	1,651
Member	Ms Heidi Cowcher	Sitting Fees	1 July'15 - 30 June'16	-	537

Health MOU Working Party

Member	Ms Tracy Meredith	Sitting Fees	1 July'15 - 30 June'16	-	662
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Service Delivery Reform - Age Friendly Communities Oversight Working Party

Member	Ms Karin Day	Sitting Fees	1 July'15 - 30 June'16	228	396
Member	Ms Valerie Ammon	Sitting Fees	1 July'15 - 30 June'16	228	578
Member	Mr Leigh Ballard	Sitting Fees	1 July'15 - 30 June'16	228	396

5,581	7,091
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115,214	131,970
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Remuneration of Senior Officers

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

\$	2016	2015
260,001 - 270,000	-	1
270,001 - 280,000	-	-
280,001 - 290,000	-	-
290,001 - 300,000	1	-
	\$	\$
Base remuneration and superannuation	229,538	214,145
Annual leave and long service leave accruals	13,570	4,963
Other benefits	8,767	8,165
	251,875	227,273

The superannuation included here represents the superannuation expense incurred by the Commission in respect of the Senior Officers. No members of the Senior Officers are members of the Pension Scheme.

NOTES OF FINANCIAL STATEMENTS

Note 33. Remuneration of auditor¹

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

	2016	2015
	\$	\$
Auditing the accounts, financial statements and key performance indicators	21,200	21,500
	<u>21,200</u>	<u>21,500</u>

Note 34. Affiliated bodies

Avon Industrial Park Advisory Board
Balance at the end period

	2016	2015
	\$	\$
	24,395	26,241
	<u>24,395</u>	<u>26,241</u>

The Avon Industrial Park Advisory Board is a Ministerially appointed government affiliated body and it received administrative support and all administrative funding from the Wheatbelt Development Commission. The Avon Industrial Park Advisory Board is not subject to operational control by the Wheatbelt Development Commission. The expenses of the Board have been included in the financial statements as part of the Commission's operations.

Note 35. Supplementary financial information

(a) Write-offs

During the financial year, \$0 was written off the Commission's debt's under the authority of:

	2016	2,015
	\$	\$
The accountable authority	-	-
	<u>-</u>	<u>-</u>

NOTES OF FINANCIAL STATEMENTS

Schedule of Income and Expenses by Service For the year ended 30 June 2016

	Service 1		Service 2		Total	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
COST OF SERVICES						
<u>Expenses</u>						
Employee benefits expense	831,469	1,185,264	976,073	657,210	1,807,542	1,842,474
Supplies and services	830,610	491,928	975,065	272,766	1,805,675	764,694
Depreciation and amortisation expense	21,147	32,261	24,825	17,888	45,972	50,149
Accommodation expenses	73,306	78,125	86,054	43,319	159,360	121,444
Grants & subsidies	561,357	1,714,366	658,985	950,589	1,220,342	2,664,955
Other expenses	3,696	4,100	4,339	2,273	8,035	6,373
Total cost of services	2,321,585	3,506,044	2,725,341	1,944,045	5,046,926	5,450,089
<u>Income</u>						
Other revenue	86,191	22,127	101,181	12,270	187,372	34,397
Profit on disposal of non-current asset	-	351	-	194	-	545
Total income other than income from State Government	86,191	22,478	101,181	12,464	187,372	34,942
NET COST OF SERVICES	2,235,394	3,483,566	2,624,160	1,931,581	4,859,554	5,415,147
<u>Income from State Government</u>						
Service appropriation	103,040	140,883	120,960	78,117	224,000	219,000
Resources received free of charge	12,782	17,057	15,004	9,458	27,786	26,515
Royalties for Regions Fund:						
Regional Initiatives Fund	836,740	1,137,354	982,260	630,646	1,819,000	1,768,000
Community Services Fund	486,475	2,125,178	571,080	1,178,378	1,057,555	3,303,556
Infrastructure & Headworks Fund	524,170	-	615,330	-	1,139,500	-
Total income from State Government	1,963,207	3,420,472	2,304,634	1,896,599	4,267,841	5,317,071
SURPLUS/(DEFICIT) FOR THE PERIOD	(272,187)	(63,094)	(319,526)	(34,982)	(591,713)	(98,076)



Enjoying some of what the Wheatbelt has to offer.

Wheatbelt Development Commission

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