

# PILBARA DEVELOPMENT COMMISSION 2006-2007 ANNUAL REPORT



# CONTENTS

ANNUAL REPORT SUMMARY	3
CONTACT DETAILS	4
EXECUTIVE SUMMARY	5
OPERATIONAL STRUCTURE	6
PERFORMANCE MANAGEMENT FRAMEWORK	11
AGENCY PERFORMANCE - REPORT ON OPERATIONS	12
SIGNIFICANT ISSUES AND TRENDS	18
DISCLOSURES AND LEGAL COMPLIANCE	19
OTHER FINANCIAL DISCLOSURES	55
GOVERNANCE DISCLOSURES	55
OTHER LEGAL REQUIREMENTS	56
PUBLICATIONS	59

# ANNUAL REPORT SUMMARY

## MINISTER FOR KIMBERLEY, PILBARA AND GASCOYNE

The Honourable Jon Ford, JP, MLC, Minister for Regional Development; Fisheries; the Kimberley, Pilbara and Gascoyne.

In accordance with Section 61 of the *Financial Management Act (2006)*, we hereby submit, for your information and presentation to Parliament, the Annual Report of the Pilbara Development Commission for the financial year ended 30 June 2007.

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

To fulfil the responsibilities required under Section 79 (2) of the *Financial Management Act*, the Pilbara Development Commission has complied with the following relevant written law:

*Regional Development Commissions Act (1993);*  
*Financial Management Act (2006);*  
*Public Sector Management Act (1994).*



MR STAN MARTIN  
CHAIRMAN OF THE BOARD  
DATE 14<sup>TH</sup> SEPTEMBER 2007



MS PATRICIA BARRON  
ACTING CHIEF EXECUTIVE OFFICER  
DATE 14<sup>TH</sup> SEPTEMBER 2007

## CONTACT DETAILS

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# EXECUTIVE SUMMARY

This Annual Report provides a comprehensive analysis of the work undertaken by the Pilbara Development Commission during the 2006/2007 financial year.

Established under the *Regional Development Commissions Act (1993)*, the role of the Pilbara Development Commission is to foster the economic and social development of the Pilbara region of Western Australia.

The Commission conducts this work through a variety of projects which are aimed at growing the region, whilst retaining the assets that make the Pilbara a great place to live, work and invest.

The Section "Report on operations" details our work and our clients' assessment of that work. A summary of the Commission's financial performance and end of year financial position are provided in the section "Financial Statements".

# OPERATIONAL STRUCTURE

## ENABLING LEGISLATION

The Pilbara Development Commission was established under the *Regional Development Commissions Act (1993)*.

## RESPONSIBLE MINISTER

The Honourable Jon Ford, JP, MLC

Minister for Regional Development; Fisheries; the Kimberley, Pilbara and Gascoyne.

## MISSION

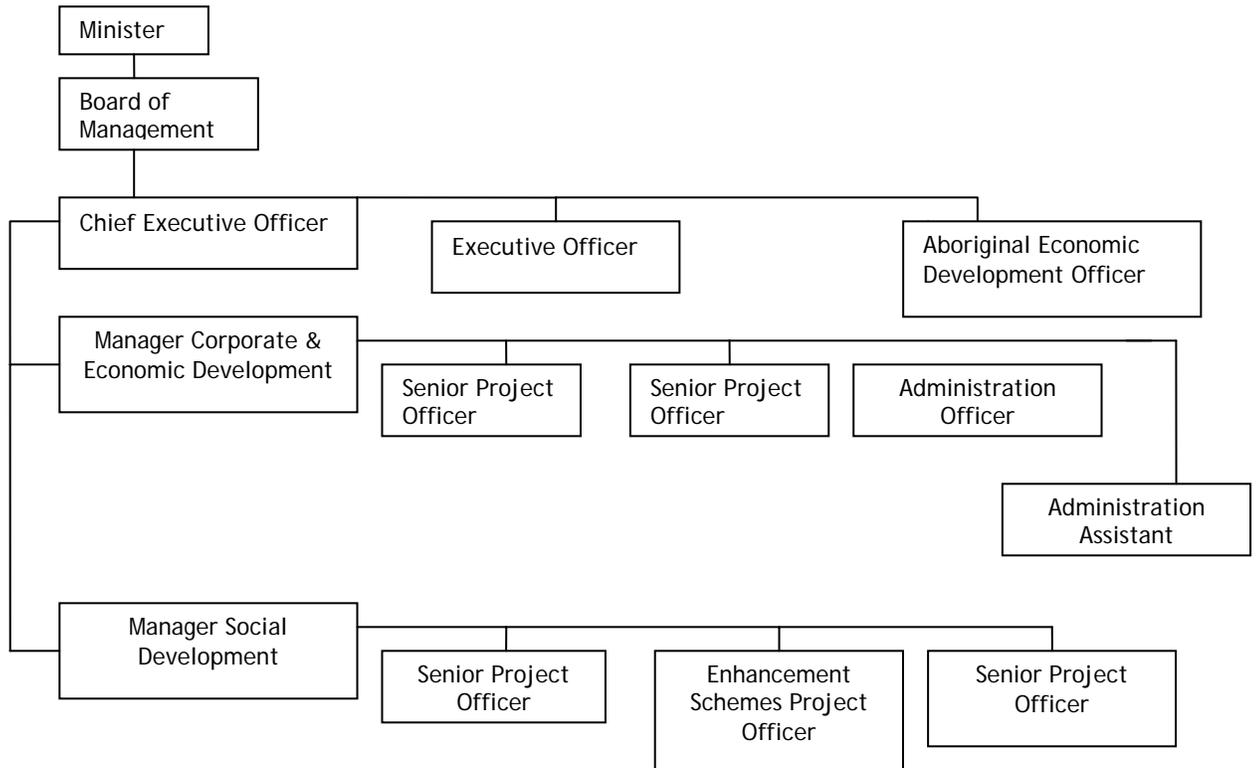
To help achieve regional growth and prosperity in the Pilbara, the Commission seeks to add value to economic opportunities and quality of life as well as supporting and enhancing the natural environment of the Pilbara Region

## ORGANISATIONAL CHART

The Commission's structure is based on five areas of operation.

1. Executive Services - Manages the organisation.
2. Corporate Services - The administrative arm of the Commission.
3. Business and Industry Development - Assists business and industry to locate and to expand in the region.
4. Infrastructure and Service Identification and Coordination - Assists with the identification and co-ordination of infrastructure development across the region.
5. Regional Promotion and Information Services - Promotes the region and provides information for regional decision making.

PILBARA DEVELOPMENT COMMISSION ORGANISATIONAL CHART AS  
AT 30 JUNE 2007



## **BOARD OF THE PILBARA DEVELOPMENT COMMISSION**

The *Regional Development Commissions Act (1993)* provides Regional Development Commissions with a Board of Management. The Pilbara Development Commission has a Board comprising a Chairman, Deputy Chairman and eight other members. Three members are chosen from community nominations, three from local government nominations, three appointed by the Minister for the Pilbara and the Chief Executive Officer of the Commission by virtue of office. Board Members are appointed for one, two or three year terms at the discretion of the Minister. A Board Member is eligible to serve on the Board for a maximum of six consecutive years.

### **RESPONSIBILITIES**

The Board is the governing body of the Pilbara Development Commission and is responsible to the Minister for the Pilbara for the efficient operations of the Commission.

The Pilbara Development Commission Board is responsible for setting the Commission's main policies and priorities. As a governing board, it guides and directs the organisation. It sets performance goals, ensures corporate compliance and management accountability, endorses strategic plans and approves operating budgets.

The Board's role is to ensure that the organisation has the resources necessary to achieve goals, monitor progress and report on outcomes.

### **CODE OF CONDUCT**

The Commission's Board abides by a code of conduct that promotes good practice and due diligence for Board Members in decision making.

### **REMUNERATION TO BOARD MEMBERS**

The following remuneration is currently paid to Board Members:

- Chairman - \$462 per full day or \$305 part day plus \$6,500 per annum - to a maximum of \$18,500 in total per annum.
- Deputy Chairman - \$385 per full day or \$254 per part day plus \$3,600 per annum.
- Members - \$308 per full day or \$203 per part day.

Motor vehicle allowance as prescribed in the *Public Service Award (1992)* is paid to Board Members on approved Commission business.

### **ADVISORY COMMITTEES**

Under the provisions of the *Regional Development Commissions Act (1993)*, the Board may, from time to time, establish a committee for the purpose of considering a particular matter specified by the Board and prescribe the membership, constitution and procedures of the committee.

In 2006/2007, the following sub-committee was in place:

Resource Industry Advisory Committee

**BOARD MEMBERS FOR 2006/2007:**

<b>MEMBER</b>	<b>REPRESENTATIVE</b>	<b>TERM EXPIRY</b>	<b>MEETINGS ATTENDED</b>
<b>CR STAN MARTIN (Commenced 2005)</b> <b>CHAIR</b> Cr Martin has been a Pilbara resident for over 30 years, having relocated to Port Hedland from Sydney in 1974. Cr Martin lives in Port Hedland with his wife Stephanie and has two daughters and two grandchildren who were all born in Port Hedland. Stan has successfully established his own construction business which he runs with his wife.  Cr Martin has served as a Town of Port Hedland Councillor for 4 years and was elected as the Mayor in 2005. Cr Martin also has over 10 years experience servicing remote aboriginal communities including Strelley, Punmu and Well 31. This experience has given him in-depth knowledge of the issues facing aboriginal communities in the Pilbara.	<b>Ministerial</b>	<b>2008</b>	<b>7 of 7</b>
<b>MR JOHN RIGDEN (Commenced 2006)</b> Mr John Rigden has been living in the Pilbara since March 2005 where he has occupied the position of General Manager Karratha, Woodside Energy Ltd. He has over 39 years experience in the continuous processing industry, principally in operations.	<b>Ministerial</b>	<b>2009</b>	<b>2 of 2</b>
<b>CR DES PIKE (Commenced 2004)</b> Cr Pike is a long term resident of the Pilbara. He has served as a Town of Port Hedland Councillor for a period of 4 years. He is a life member of the Finucane Island Sports and Recreation Club after serving 9 years on the Committee including a period as a Vice President. Cr Pike is also a member of a number of other committees in Port Hedland.	<b>Local Government</b>	<b>2007</b>	<b>5 of 7</b>
<b>CR DOUG STEAD (Commenced 2007)</b> Cr Stead has lived and worked in Newman since 1978. Cr Stead is a Mechanical Tradesperson with BHP Billiton Iron Ore and is a Councillor with the Shire of East Pilbara. He has assisted with several initiatives at Newman, including the BHP Billiton Iron Ore Housing Policy and the employment of local apprentices.	<b>Local Government</b>	<b>2010</b>	<b>5 of 7</b>
<b>CR ANNE EYRE (Commenced 2007)</b> Cr Eyre has lived in the Pilbara since 1981. Cr Eyre has been involved with many community groups during that time including Parents & Citizen associations, sporting groups and tourism. Now residing in Onslow she is very involved with the Shire of Ashburton as a Councillor and the future of Onslow and the Pilbara.	<b>Community</b>	<b>2010</b>	<b>1 of 1</b>
<b>CR BRAD SNELL (Commenced 2007)</b> Cr Brad Snell is currently employed by Rio Tinto Iron Ore as Specialist in Community Education. Cr Snell is currently the Acting Shire President of the Shire of Roebourne and holds the position of Deputy President of the Pilbara Regional Council. Cr Snell arrived in Karratha in 1990 and was formerly the Deputy Principal of various local schools including Karratha High School, Wickham District High and Roebourne Primary. Cr Snell has a strong interest in Indigenous and non - Indigenous employment, education, training and youth issues. He is currently serving as a Board Member of the Australian Technical College Pilbara as the Rio Tinto representative.	<b>Local Government</b>	<b>2010</b>	<b>1 of 1</b>

**MS VERONICA RODENBURG (Commenced 2007) Community 2010 1 of 1**

Ms Rodenburg has been living in the Pilbara since July 2005. During this time she has held executive positions with community based organisations, presently Executive Director of Yaandina Family Centre Inc in Roebourne. Ms Rodenburg has a strong interest in the development of infrastructure and programs that build social, educational and employment capacity for all people in the Pilbara region.

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**MS PATRICIA BARRON Ex-officio Member 2 of 2**

Ms Barron first came to the Pilbara in 1979 and worked in the small business sector. Ms Barron joined the Western Australian Public Sector in 1989 in Port Hedland and since that time, she has held a number of senior positions, particularly in the regional development portfolio. She has represented the State Government on a number of high level working groups and committees and has been responsible for the delivery of several major community development projects benefiting the regions.

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**MEMBERS WHO RETIRED DURING 2006/2007:**

CR JAN GILLINGHAM	LOCAL GOVERNMENT	RETIRED	APRIL 2007	5 of 7
CR JOHN MACGOWAN	COMMUNITY	RETIRED	APRIL 2007	6 of 7
MR BRIAN HAYES	LOCAL GOVERNMENT	RETIRED	APRIL 2007	4 of 7
DR LOUISE RUSSELL	COMMUNITY	RETIRED	MAY 2007	6 of 7
MR LEX MCCULLOCH	EX-OFFICIO	TRANSFERRED	FEBRUARY 2007	4 of 4

**OTHER KEY LEGISLATION IMPACTING ON THE COMMISSION'S ACTIVITIES**

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

- ❖ *Regional Development Commissions Act (1993);*
- ❖ *Auditor General Act 2006*
- ❖ *Disabilities Services Act (1993);*
- ❖ *Equal Opportunities Act (1984);*
- ❖ *Financial Management Act (2006);*
- ❖ *Freedom of Information Act (1992);*
- ❖ *Industrial Relations Act (1979)*
- ❖ *Minimum Conditions of Employment Act (1993)*
- ❖ *Occupational Health, Safety and Welfare Act (1984);*
- ❖ *Public Sector Management Act (1994);*
- ❖ *Salaries and Allowances Act (1975);*
- ❖ *State Records Act (2000) and;*
- ❖ *State Supply Commission Act (1991).*

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

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

# PERFORMANCE MANAGEMENT FRAMEWORK

## SERVICE DELIVERY

Services are delivered through three program areas: Business and Industry Development; Infrastructure and Service Identification and Coordination; and Regional Promotion and Information Services. The Commission also undertakes capital works programs on behalf of the State Government. The Commission's work is supported by the Corporate Services section which is the administrative arm of the Commission.

### 1. BUSINESS AND INDUSTRY DEVELOPMENT

The Commission seeks to ensure that across the region, business and industry operate in an economic environment which maximises opportunities for growth and creates a climate to attract investment.

### 2. INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION

The Commission works with the community to identify infrastructure and service requirements and to advocate for the development of infrastructure and equity of access to services.

### 3. REGIONAL PROMOTION AND INFORMATION SERVICES

The Commission promotes regional opportunities with the objective of attracting new residents, investors and tourists by supporting regional promotion activities and through the provision of accurate and accessible information.

## STRATEGIC APPROACH

The Commission's operations are primarily aligned to support the State Government's Strategic Planning Framework Goal 4 - The Regions. An overview of the Commission's activities and how it contributes to this Goal is provided in the report on operations.

The Pilbara Development Commission places a strong emphasis on developing a strategic and planned approach to the region's development. During the 2006/07 year the Commission aligned its project planning and reporting with the issues contained in the 2005 Pilbara Regional Priority Plan. Such an approach has ensured that the Commission retains a strategic focus on the priority issues for development as determined by the Pilbara community. During the year the Commission commenced planning for the process of revising and updating the Pilbara Regional Priority Plan in consultation with key stakeholders and the wider Pilbara community.

## CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

The Commission's Outcome Based Management Framework did not change during 2006-07.

## SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The Commission did not share any responsibilities with other agencies in 2006-07.

# AGENCY PERFORMANCE - REPORT ON OPERATIONS

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The Pilbara recorded another year of strong economic growth in 2006/07, with mineral and petroleum sales reaching \$48.4 billion in 2006, an increase of 23 per cent on the previous year. This growth is expected to continue into the foreseeable future particularly as a result of the continued demand for iron ore and petroleum products driven by industrial growth in Western Australia's major trading partners of China, Japan, South Korea and Taiwan.

Petroleum is Western Australia's biggest resource industry and was worth \$15.6 billion in sales last year with iron ore a close second with \$14.6 billion in sales. With its huge iron ore, oil and gas deposits, the Pilbara will remain the driving force of Western Australia's resources industry and the major contributor to both the state and national economies.

The growth and expansion of the resources sector has, however, presented a number of significant challenges for the region and a requirement for additional infrastructure and services to meet the growing community demand. Facilitation of sustainable development, in line with identified community objectives, is an important function that the Commission continues to perform.

As such, the Commission has continued to work with industry, business and the community to ensure that development of the resources sector is done in a manner that benefits both the State and local communities. The Commission has also undertaken to work closely with the Pilbara Industries Community Council which has been established to enable Industry, Government and the Community to work in collaboration to address priority issues impacting the region.

## THE YEAR IN REVIEW

During 2006/2007 the Commission continued to deliver services under its three key areas of:

- Business and Industry Development
- Infrastructure and Service Identification and Coordination
- Regional Promotion and Information Services

As part of its Infrastructure and Service Identification and Coordination service the State Government has given the Commission the additional responsibility of implementing Enhancement Schemes for the communities of Roebourne and Port Hedland. Both Schemes are near completion and should be wound up over the next 12 months.

## BUSINESS AND INDUSTRY DEVELOPMENT

The Commission continues to work with State Government agencies and other key stakeholders to facilitate a coordinated response to a range of social and economic issues arising from the ongoing, rapid growth of the Pilbara economy.

### Small Business

The ability of small business to deliver goods and services to the resources sector is a key component of sustainable business development in the region. The Commission, in consultation and partnership with the small business sector, has progressed a range of initiatives to support small business development and sustainability.

In January 2007, the Commission facilitated a small business workshop in Karratha to identify strategies and develop key actions to assist small business to better respond to the requirements of the resources sector in the current economic environment. The workshop was sponsored by the Small Business Development Commission and the Chamber of Commerce and Industry WA (CCIWA) and resulted in the development of a strategic action plan to address issues impacting

the sector. The Commission is establishing the Pilbara Small Business Development Taskforce to oversee the delivery of the plan over the next 12 months.

The Commission also negotiated with the Industry Capability Network (ICN) to redevelop and re-invigorate ePilbara - the Pilbara Business Capability Register. ePilbara is a free, online directory which provides Pilbara businesses an opportunity to publish their business capability to the resource sector. It is linked with ProjectConnect, a State Government funded initiative, managed by the Chamber of Commerce and Industry that provides easy access to procurement opportunities from all the major resource projects. The Commission will regularly update the ePilbara website and continue to promote it to industry as a valuable information source for the small business and resources sectors.

### **Land and Accommodation**

Land availability has been a significant barrier to development in the region in recent years and the Commission has worked consistently with relevant government agencies and other key stakeholders to address this issue. As a result and subject to ongoing demand, an estimated 1700 lots will be available for release over the next few years to overcome both residential and industrial land shortages across the Pilbara.

Whilst the demand for land will see some easing, a shortage of housing for government and small business combined with high rental costs has impacted attraction and retention of skilled staff into the region for these sectors. The Commission continues to work with key stakeholders to identify opportunities to address the shortage of accommodation in the region.

### **Regional Migration**

A shortage of skilled labour in the region has necessitated the need for the promotion and regional coordination of the Department of Immigration and Citizenship immigration visas for overseas skilled workers. The Commission is the Regional Certifying Body for the Regional Sponsored Migration Scheme (RSMS), Trade Skills Training Visa and the Temporary Business (Long Stay) (457) Visa.

The Commission has undertaken the formal assessment of 83 lodged applications and subsequently has certified 37 applications. The certification of the 37 successful applications facilitated the migration of 78 skilled workers across towns in the region.

### **Indigenous Economic Development**

In early 2007 the Commission, in partnership with the Department of Industry and Resources' Office of Aboriginal Economic Development, established a new position to facilitate Indigenous economic development and employment opportunities across the Pilbara. The Aboriginal Economic Development Officer position is assisting with the implementation of the Pilbara Regional Partnership Agreements, an initiative of the Commonwealth and State Governments and the resources sector to increase employment and economic development outcomes for Indigenous people living in the region. The officer is also working directly with Aboriginal people and local employment agencies to identify new sustainable business opportunities and to support work ready initiatives for Indigenous people.

The Commission commenced negotiations with Desert Knowledge Australia to participate in a proposal for collaboration on economic development opportunities between desert communities and non Indigenous businesses. The Cross Border Business Networks project will initially focus on four industry groups - Mining Services, Tourism, Sustainable Building and Bush Products/Local Foods, with consideration to be given to other industries such as Information Communication Technology, Education and Art once the project is established. Desert Knowledge Australia is seeking funding from the Australia Government to locate a Network Development Officer with the Commission to manage the project.

### **Clever Networks Broadband Project**

The Commission has been working in partnership with the Department of Industry and Resources to identify broadband and telecommunications needs across the region with a focus on the more remote areas of the Pilbara. Funding is currently being sought from the Australian Government's

Department for Communications, Information Technology and the Arts' Clever Networks Program to locate a Broadband Office with the Commission to manage the program.

## **INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION**

Improvements to existing infrastructure and service delivery and the identification and establishment of new infrastructure remained a strong focus for the Commission in 2006/07 to address the economic and social impacts of the continued growth of the region.

### **Childcare and Early Childhood Services**

The Commission has taken a lead role in addressing the issues impacting access to quality childcare and early childhood services in the Pilbara.

The Commission initiated the "Kids Matter" Family Day Care Program as a quick response to the lack of childcare places across the Pilbara. The program offers assistance through the licensing process and financial incentives to encourage new providers into the Family Day Care system. Originally piloted in Newman, the initiative has attracted significant financial support from the resources sector and is now operating Pilbara wide. The Program is also supported by the Department for Communities, local government authorities and local business.

The Commission also facilitated the establishment of the Pilbara Early Learning Alliance as a forum and lobby organisation for childcare organisations in the Pilbara. PELA has prepared an audit of existing childcare services in the region and is in the process of developing a strategic plan to address the issues impacting the provision of quality childcare in the Pilbara. A communications strategy is also being prepared to promote the importance of quality childcare to the early development of children, to ensure that it receives the appropriate level of support from government and to raise the profile of childcare as a profession.

### **Pilbara Volunteer Resource Centre**

The Commission has established a Working Group comprising representatives from industry, state and local government agencies and the community to investigate the need for a Volunteer Resource Centre in the Pilbara. The Commission is partnering with the Office of Senior's and Volunteering to progress the establishment of the Centre.

### **Dust Abatement Program**

The Commission has managed the distribution of the State Government's \$500,000 commitment to initiate dust suppression activities in Port Hedland. The Commission has allocated funding to the Town of Port Hedland to purchase street cleaning equipment to support a continuous dust abatement program. The Commission also initiated and managed a contract to remove dust from buildings in the Port Hedland commercial district. The success of the program has resulted in a partnership with BHP Billiton Iron Ore with funding to support the cleaning of buildings for a further three years.

### **Pilbara Fund and Pilbara Regional Development Schemes**

The Commission held a further round of the State Government's \$20m Pilbara Fund, which was established in 2004 to support community infrastructure projects in the region. The 2006/07 round of the Fund saw 43 successful submissions from local governments, industry, community groups and State Government agencies. Support for these projects resulted in more than \$37 million invested across the region to improve facilities and services.

The Commission held two rounds of the Pilbara Regional Development Scheme, a \$500,000 grant Scheme to assist local organisations to provide facilities and services across the Region.

### **Taskforces**

The Commission continued to chair the Pilbara Taskforce to ensure a coordinated approach by State government agencies to development issues arising from the expansion of the resources sector and the Nickol Bay Accommodation taskforce to monitor land availability in Karratha. These taskforces have contributed to addressing the development of residential and industrial land and have also resulted in improved delivery of childcare, health and education services.

### **Enhancement Schemes**

The Commission facilitated the completion of a major upgrade of three recreation areas worth \$2.8m as part of the Port Hedland Enhancement Scheme, an \$8m joint partnership between the State Government and BHP Billiton to improve the visual and physical amenity of the Port Hedland townsite. The Scheme also contributed to a range of other projects including \$250,000 towards the development of the Port Hedland Cultural Precinct, \$780,000 towards the undergrounding of the Port Hedland power supply and \$1m towards the redevelopment of the Spoilbank precinct.

The Commission in conjunction with the Shire of Roebourne has completed the \$2m Multi Purpose Sports facility in Roebourne which was funded primarily through the State Government's \$3.5m Roebourne Enhancement Scheme. Other substantial funding was provided by the Department for Sport and Recreation and the Shire of Roebourne. Works have commenced on a new carpark to complement the Multi Purpose facility and the relocation of the town oval to the Roebourne School is expected to be completed in the 2007/08 financial year. The Commission also worked with the Shire of Roebourne and the Ngarluma Yindjibarndi Foundation to establish a new sports and recreation development officer position for the town with a contribution of \$180,000 from the Scheme.

### **Community Infrastructure**

The Commission has worked with the Newman community, Shire of East Pilbara and BHP Billiton Iron Ore to finalise the design stage for the Newman Community Centre. The Commission, on behalf of the Shire of East Pilbara, has secured \$3.5m for the Centre, including \$1.6m from Lotterywest and negotiated the release of an allocation of land from BHP Billiton as the site for the building.

The Commission continued to manage the Port Hedland Turtle Boardwalk project which is being funded through a \$1m State Government commitment. The Commission has been working in partnership with the Town of Port Hedland to finalise the boardwalk design and complete the first stage of the project which incorporates a 500 metre dual use footpath along the foreshore. The next stage of the Boardwalk is expected to commence in the 2<sup>nd</sup> quarter of 2007/08.

The Commission has met with a number of Indigenous communities to discuss opportunities for improvements to social infrastructure. A project to provide the Jigalong community with a new facility to accommodate sport and recreation as well as a telecentre and meeting space commenced with the allocation of funding to assist the development of the project. The Commission has also commenced discussions with RAWA School at Punmu to assist with the development of a hostel for local school children.

### **REGIONAL PROMOTION AND INFORMATION SERVICES**

The Commission has continued to promote opportunities in the region through the Commission's website and other regional activities. The redevelopment of the Commission's website was completed to ensure that accessibility, its visual impact and functionality is in line with website best practice. The redeveloped site allows easy access to a range of information for the Commission's key stakeholders and the general public.

### **Pilbara Scorecard**

The Commission commenced a project with the Australian Bureau of Statistics (ABS) on a project to create a spotlight report on the Pilbara region. The "Spotlight on the Pilbara" project will be primarily based on ABS census data and other state/local government data that is continuously updated. It will include interpretation of the statistical information presented in graphs, trend diagrams, pictures and descriptive text. The Spotlight information will be made available on the Commission's website and regularly updated.

The project was initiated in February 2007 with a series of Forums hosted by the Commission where ABS representatives met with key stakeholders to identify data sets they currently develop themselves or new data sets required.

### **Housing and Land Snapshots and Price Surveillance**

The Commission continued to produce quarterly Housing and Land Snapshot documents for Karratha, Newman, Port and South Hedland. The documents are an important information source for monitoring the impact of development on local housing and residential land markets and minimising any potential for social dislocation of residents.

In addition the Commission continued to provide "cost of living" comparisons between metropolitan and regional staple food and services costs through the Price Surveillance project. This information is particularly important in assisting companies and other organisations to calculate benefits for employees. The reports are available on the Commission's website.

### **Pilbara Women in Focus Conference**

The Commission hosted an extremely successful conference for women in September 2007 which was attended by up to 150 women from across the region. The "Pilbara Women in Focus" Conference was aimed at encouraging women in the Pilbara to identify and take advantage of the many opportunities available particularly during the current expansion of the resources sector.

Key presenters included the former federal Commissioner for Sex Discrimination and Commissioner Responsible for Age Discrimination, Ms Pru Goward, WA Children's Court Magistrate Dr Sue Gordon, Minister for Planning and Infrastructure, the Hon Alannah MacTiernan MLA, the former US Consul to Perth, Mrs Robin McClellan and the former Director of the WA Women's Policy Unit, Ms Maria Osman. The Conference also provided workshops for development of personal and professional skills through a series of workshops on topics such as leadership, small business, change management, career development and diversity, women in local government, work/life balance and financial fitness.

The Conference was supported by Pilbara Iron, BHP Billiton, the Water Corporation, the Port Hedland Port Authority and Horizon Power.

### **FUTURE DIRECTIONS**

The future of the Pilbara is both exciting and rich in opportunities. Further growth is expected in the resources sector as the increasing demand from Asia, particularly China, continues to drive the expansion of the iron ore and petroleum industries and the development of new major resource projects. With a vast resource base to sustain long-term development, the Pilbara is well positioned to respond to the demand for a range of minerals and energy requirements well into the future.

This expansion and growth will continue to challenge the region and issues such as affordable accommodation, quality childcare, high level health and education services, better Indigenous social and economic outcomes, improvements to community infrastructure and amenity and attraction and retention of employees will remain critical to the ongoing sustainability of Pilbara communities.

With increasing resource activity, comes a range of opportunities for regional communities and it is vital to ensure that the Pilbara region derives long term and sustainable economic and social benefits from the rapid expansion and development of the resources sector. The Commission will continue to work with all levels of government, industry and the community to ensure that development occurs in a sustainable manner, that infrastructure and services meet community demands and expectations and that opportunities are identified and capitalised on so that all sections of the community benefit.

We would like to thank our fellow Board Members for their significant contributions to the Commission's strategic direction and in particular, Dr Louise Russell, Mr John Macgowan, Mr Brian Hayes and Mrs Jan Gillingham who completed their terms on the Board in 2007. In addition we thank the Commission's staff for their hard work and dedication in implementing the objectives determined by the Board.

The Commission would also like to recognise the contributions of the local communities and the continued support of the State, Federal and Local Government agencies, industry, small business and individuals with whom we have worked with over the 12 months to achieve our goals.

**FINANCIAL TARGETS: ACTUAL PERFORMANCE COMPARED TO BUDGET TARGETS**

	Target (1) \$	Actual \$	Variation (2) \$
Total cost of services (expense limit)	10,587	9,989	(598)
Net cost of services	3,480	7,125	(3,645)
Total Equity	1,520	1,370	(150)
Net increase/(decrease) in cash held	(1,097)	(1,013)	(84)
Approved full time equivalent (FTE) staff level	11	10.5	(0.50)

(1) As specified in the budget statements for the year in question.

(2) The net cost of services variation is due to the progression of projects that form part of the Port Hedland Enhancement Scheme.

**KEY PERFORMANCE INDICATORS: ACTUAL PERFORMANCE COMPARED TO BUDGET TARGETS**

	Target (1)	Actual	Variation (2)
<b>Key Effectiveness Indicator</b> Enhancement of the Pilbara Region's economic and social development.	80%	76%	(4%)
<b>Key Efficiency Indicators</b> Business and Industry Development	80%	85%	5%
<b>Key Efficiency Indicators</b> Infrastructure and Service Identification & Coordination	80%	85%	5%
<b>Key Efficiency Indicators</b> Regional Promotion and Information Services	80%	87%	7%

(1) As specified in the budget statements for the year in question.

(2) There are no material variations between the target and actual results for the financial year.

# SIGNIFICANT ISSUES AND TRENDS

## CURRENT AND EMERGING ISSUES AND TRENDS INCLUDING ECONOMIC AND SOCIAL TRENDS

The Pilbara is continuing to experience rapid economic growth in the resources sector. In particular the iron ore and petroleum industries continue to develop and expand to meet growth in demand from China and the rest of Asia.

The economic growth is evident in the main towns of the region which are currently experiencing population growth. However, the expansion of the resource sector has led to severe shortages of residential land and substantial increases in housing and rental costs.

Whilst there continues to be strong economic growth, a key concern for all sectors is the ability to attract and retain skilled workers. This is particularly evident in the government, non-government organisations and small business sectors.

Difficulties in attracting workers to the region have placed a strong emphasis on the need to enhance and improve community infrastructure and the physical amenity of the region's communities. High standards of community amenity and services are seen as crucial in enhancing the region's lifestyle and attracting employees to the area.

Enhanced service delivery and improvements to health, education and childcare infrastructure is seen as fundamental to the sustainable development of the region. There is a need to continue to coordinate the responses of State, Federal and local government agencies to identify issues to ensure that infrastructure and service delivery meet community demands and expectations.

Given the rapid pace of development a key strategy is to ensure that the region gains long term sustainable economic and social benefits from the expansion of the resources sector.

## CHANGES IN WRITTEN LAW

There were no changes in any written law that affected the Pilbara Development Commission during the financial year.

## LIKELY DEVELOPMENTS AND FORECAST RESULTS OF OPERATIONS

Likely developments in the operations of the Pilbara Development Commission in the 2007/2008 financial year will be impacted by the accommodation shortage and affordable accommodation in the Pilbara region. This will impact on the Commission's ability to attract and retain staff and therefore on our ability to progress projects that will improve economic and social development in the region. The Board and Staff of the Commission are addressing these issues through budgetary processes and are confident these issues can be adequately addressed.



Mr Stan Martin  
Chairman  
Date: 14<sup>th</sup> September 2007



Ms Patricia Barron  
Acting Chief Executive Officer  
Date: 14<sup>th</sup> September 2007

# DISCLOSURES AND LEGAL COMPLIANCE

## FINANCIAL STATEMENTS

### CERTIFICATION OF FINANCIAL STATEMENTS

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The accompanying financial statements of the Pilbara 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 ending 30 June 2007 and the financial position as at 30 June 2007.

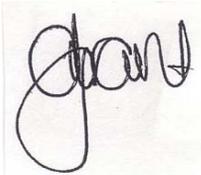
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Mr Stan Martin  
Chairman  
Dated: 14<sup>th</sup> September 2007



Ms Patricia Barron  
Acting Chief Executive Officer  
Dated: 14<sup>th</sup> September 2007



Mrs Allyson Grant  
Manager Corporate Services  
Dated: 14<sup>th</sup> September 2007



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### **PILBARA DEVELOPMENT COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2007**

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

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

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

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

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

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

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

**Pilbara Development Commission**  
**Financial Statements and Key Performance Indicators for the year ended 30 June 2007**

**Audit Opinion**

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Pilbara Development Commission at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Commission provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2007.



COLIN MURPHY  
AUDITOR GENERAL  
14 September 2007

PILBARA DEVELOPMENT COMMISSION  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007

		2007	2006
		\$000	\$000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	5	1,412	1,358
Supplies and services (a)	6	4,044	915
Depreciation expense	7	35	23
Accommodation expenses	8	137	142
Grants and subsidies	9	4,199	6,046
Capital user charge	10	124	55
Other expenses (c)	11	38	-
<b>Total cost of services</b>		<b>9,989</b>	<b>8,539</b>
<b>Income</b>			
<b>Revenue</b>			
State Grants		2,419	523
Other Revenue	12	444	1,948
<b>Total Revenue</b>		<b>2,863</b>	<b>2,471</b>
<b>Gains</b>			
Gain on disposal of non-current assets (c)	13	1	1
<b>Total Gains</b>		<b>1</b>	<b>1</b>
<b>Total income other than income from State Government</b>		<b>2,864</b>	<b>2,472</b>
<b>NET COST OF SERVICES</b>		<b>7,125</b>	<b>6,067</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	14	2,468	7,329
<b>Total income from State Government</b>		<b>2,468</b>	<b>7,329</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>(4,657)</b>	<b>1,262</b>

(a) Includes administrative expenses

(c) Subject to materiality, gains or losses may be displayed separately. Groups of similar transactions would normally be reported on a net basis.

See also note 34 'Schedule of Income and Expenses by Service'.

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

PILBARA DEVELOPMENT COMMISSION  
BALANCE SHEET  
AS AT 30 JUNE 2007

		2007	2006
		\$000	\$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		99	663
Restricted cash and cash equivalents	15	5,626	6,076
Receivables	16	94	111
Amounts receivable for services	17	49	129
Other current assets	18	17	18
<b>Total Current Assets</b>		<b>5,885</b>	<b>6,997</b>
<b>Non-Current Assets</b>			
Office equipment computer equipment and office furniture	19	71	38
Intangible assets	20	21	13
<b>Total Non-Current Assets</b>		<b>92</b>	<b>51</b>
<b>TOTAL ASSETS</b>		<b>5,977</b>	<b>7,048</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	21	111	-
Provisions	22	83	54
Other current liabilities	23	4,368	20
<b>Total Current Liabilities</b>		<b>4,562</b>	<b>74</b>
<b>Non-Current Liabilities</b>			
Provisions	22	45	37
Other non-current liabilities			-
<b>Total Non-Current Liabilities</b>		<b>45</b>	<b>37</b>
<b>Total Liabilities</b>		<b>4,607</b>	<b>111</b>
<b>NET ASSETS</b>		<b>1,370</b>	<b>6,937</b>
<b>EQUITY</b>			
Contributed equity	24	258	258
Accumulated surplus/(deficiency) (a)	24	1,112	6,679
<b>TOTAL EQUITY</b>		<b>1,370</b>	<b>6,937</b>

The Balance Sheet should be read in conjunction with the accompanying notes.

PILBARA DEVELOPMENT COMMISSION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>Balance of equity as start of period</b>	<b>6,937</b>	<b>5,675</b>
<b>CONTRIBUTED EQUITY</b>		
Balance at start of the period	258	258
Balance at the end of the period	<b>258</b>	<b>258</b>
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>		
Balance at start of period	6,679	5,417
Change in accounting policy (b)	(910)	-
Restated balance at start period	5,769	5,417
Surplus/(deficit) for the period	(4,657)	1,262
Balance at end period	<b>1,112</b>	<b>6,679</b>
<b>Balance of equity at end of period</b>	<b>1,370</b>	<b>6,937</b>
Total income and expenses for the period (a)	<b>(4,657)</b>	<b>1,262</b>

(a) *Items accounted for under AASB 139 had a transition date of 1 July 2005 in accordance with AASB 1.36A and Treasurer's instruction 1101. Authorities with any net adjustment will need to disclose net adjustment here under 2006. Any net adjustments for financial instruments on transition to AIRFS would have been disclosed in the reconciliation of AFAAP to AIFRS note in the 2005-06 Annual Report. This is the first reporting period that comparatives for AASB 139 are presented under AIFRS.*

(b) *An example of a voluntary change in accounting policy is an increase in capitalisation threshold. Refer Guidelines in TI 1101.*

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

PILBARA DEVELOPMENT COMMISSION  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>		
Service appropriation	2,343	2,286
Capital contributions	85	5,000
Holding account drawdown's	120	-
<b>Net cash provided by State Government</b>	<b>2,548</b>	<b>7,286</b>
<b>Utilised as follows:</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Payments</b>		
Employee benefits	(1,285)	(1,483)
Supplies and services	(3,982)	(881)
Capital User Charge	(124)	(57)
Accommodation	(125)	(148)
Grants and subsidies	(3,946)	(6,057)
GST payments on purchases	(776)	(696)
GST payments to taxation authority	(453)	-
Other payments	(33)	-
<b>Receipts</b>		
Other Government grants and contributions	5,517	523
GST receipts on sales	583	60
GST receipts from taxation authority	650	677
Other receipts	489	1,869
<b>Net cash provided by/(used in) operating activities</b>	<b>(3,485)</b>	<b>(6,193)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of non-current physical assets	(1)	(1)
Purchase of non-current physical assets	(75)	(13)
<b>Net cash provided by/(used in) investing activities</b>	<b>(76)</b>	<b>(14)</b>
Net increase/(decrease) in cash and Cash equivalents	(1,013)	1,079
Cash and cash equivalents at the beginning of period	6,738	5,659
<b>CASH AND CASH EQUIVALENTS AT THE END PERIOD</b>	<b>5,725</b>	<b>6,738</b>

25

PILBARA DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

## **1. Australian equivalents to International Financial Reporting Standards**

### **General**

The authority's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Authority has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

*The Australian Accounting Interpretations are adopted through AASB 1048 'Interpretation and Application of Standards' and are classified into those corresponding to IASB Interpretations and those only applicable in Australia.*

*The AASB has decided to maintain the statements of accounting concepts (SAC 1 and SAC 2) and has continued to revise and maintain accounting standards and the interpretations that are of particular relevance to the Australian environment, especially those that deal more specifically with not-for-profit entity issues and/or do not have an equivalent IASB Standard or Interpretation.*

### **Early adoption of standards**

The Authority 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'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Authority for the annual reporting period ended 30 June 2007.

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

### **(a) General Statement**

The financial statements constitute a general purpose financial report which has been prepared in accordance with the 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 application, disclosure, format and wording.

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

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

**(b) Basis of Preparation**

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

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

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgments that have been made in the process of applying the Authority's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies.'

**(c) Reporting Entity**

The reporting entity comprises the Pilbara Development Commission (Authority).

**(d) Contributed Entity**

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' require 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 Treasurer's Instruction (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. See *note 24 'Equity'*.

**(e) Income*****Revenue recognition***

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

***Sale of goods***

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

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

***Service Appropriations***

Service Appropriations are recognised as revenue at nominal value in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 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 Authority obtains control over the assets comprising the contributions, usually when cash is received.

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

Where contributions recognised as revenue during the reporting period were obtained on the condition that they are expended in a particular manner or used over a particular period, and those conditions were undercharged as at the balance sheet date, the nature of, and amounts pertaining to, those undercharged conditions are disclosed in the notes.

**(f) Property, Plant and Equipment and Infrastructure.**

*Capitalisation/Expensing of assets*

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

*Initial recognition and measurement*

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

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

*Subsequent measurement*

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

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

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

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

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

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

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

#### *Depreciation*

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

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	20 to 40 years
Plant and equipment	10 to 15 years
Office equipment	5 years
Software (a)	3 to 5 years
Motor vehicles	3 to 7 years
Infrastructure	55 to 80 years

Works of art controlled by the Authority are classified as property, plant and equipment, which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(a) Software that is integral to the operation of related hardware.

#### **(g) Intangible Assets**

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

Acquisition of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their 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 useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the

Authority have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Licenses	up to 10 years
Research and Development Costs	3 to 5 years
Software (a)	3 to 5 years
Web site costs	3 to 5 years

(a) Software that is not integral to the operation of any related hardware

*Note that intangible assets that have an indefinite useful life are not subject to amortisation but must be tested annually for impairment.*

#### **Computer Software**

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

#### **Web site costs**

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

#### **(h) Impairment of Assets**

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Authority is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

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

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

**(i) Leases**

Finance lease rights and obligations are initially recognised, at the commencement of the lease term, as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated over the period during which the Authority is expected to benefit from their use. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

The Authority holds operating leases for two office buildings. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

**(j) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement, 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.

**(k) Accrued Salaries**

The accrued salaries suspense account (see note 15 '*Restricted cash and cash equivalents*') consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (see note 23 '*Other liabilities*') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Authority considers the carrying amount of accrued salaries to be equivalent to its net fair value.

**(l) Amounts Receivable for Services (Holding Account)**

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

**(m) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority 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 16 '*Receivables*'.

**(n) Payables**

Payables are recognised at the amount payable when the Authority 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 settle with 30 days. See note 21 '*Payables*'.

## **(o) Provisions**

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See note 22 'Provisions'.

### **(i) Provisions – Employee Benefits**

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

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

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

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

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for a least 12 months aft the balance sheet date.

#### *Superannuation*

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

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

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

Employees who are not members of either the Pension or the GSS Schemes become non-contributory members of the West

State Superannuation Scheme (WSS), an accumulation scheme. The Authority makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. The WSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the WSS Scheme.

**(ii) Provisions - Other**

*Employment On-Costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Authority's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. See *note 11 'Other expenses' and note 22 'Provisions'*.

*Warranties*

Provision is made for the estimated liability on all products still under warranty at balance sheet date. The amount of the provision is the present value of the expected future cash outflows expected to settle the warranty obligations, having regard to the warranty experience over the last five years and the risks of the warranty obligations.

**(p) Superannuation Expenses**

The following elements are included in calculating superannuation expense in the Income Statement:

- (a) Defined benefit plans – Change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- (b) Defined benefit plans – Employer contributions paid to the GSS and the West State Superannuation Scheme (WSS)

Defined benefit plans – in order to reflect the true cost of services, the movements (i.e. current service cost and, actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS transfer benefits are recognised as expenses. As these liabilities are assumed by the Treasurer, a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement. See *note 14 'Income from State Government'*.

**(q) Resources Received Free of Charge or for Nominal Cost**

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

**(r) Comparative Figures**

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

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

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

#### Operating Lease Commitments

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

#### 4. Changes in Accounting Policy

The Pilbara Development Commission receives grant funding from various Federal and State Government agencies for projects with predetermined and specific outcomes. The funding conditions of the said grants may include provisions for the repayment of the grant funding where surplus funds remain at the completion of the funded project or where funds are not otherwise expended as required. In previous years no provision has been made in the balance sheet for deferred grant income or unexpended grant funding and all grant or project funding had been recognised as revenue in the income statement in the year of receipt. Unexpended grant or project funding (or deferred grant income) as at 30 June 2007 has been recognised as liability in the balance sheet of the Pilbara Development Commission where funding conditions of the particular grant or project in question may require the repayment of unexpended grant or project funding. A charge of \$909,510 was made to accumulated surpluses to reflect this change in accounting policy. The prior period adjustment relates to conditional grant funding received in a prior period which remained unexpended as at 30 June 2007.

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

The Authority 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'. Consequently, the Authority has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in ASSB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 114, AASB 117, AASB 133, AASV 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Authority's exposure to risks, enhance disclosure regarding components of the Authority's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The Authority does not expect any financial impact when they Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
2. AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023, & AASB 1038)'. The amendments areas a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the Authority, does not expect any financial impact when the Standard is first applied. The Standard is required to be applied t annual reporting periods beginning on or after 1 January 2007.

3. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The Authority is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

The following Australian Accounting Standards and Interpretations are not applicable to the Authority as they will have no impact or do not apply to not-for-profit entities.

AASB  
Standards and  
Interpretations

AASB 8	'Operating Segments'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB2]'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'
AASB 2007-3	'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'
Interpretation 10	'Interim Financial Reporting and Impairment'
Interpretation 11	'AASB 2 – Group and Treasury Share Transactions'

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>5. Employee benefits expense</b>		
Wages and salaries (a)	813	892
Superannuation	-	76
Superannuation – defined contribution plans (b)	73	-
Superannuation – defined benefit plans (c)(d)	-	-
Long Service Leave (e)	64	16
Annual Leave (e)	87	71
Other related expenses	375	303
	1,412	1,358

- (a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.
- (b) Defined contribution plans include West State and Gold State (contributions paid).
- (c) Defined benefit plans include Pension scheme and Gold State (pre-transfer benefit).
- (d) An equivalent notional income is also recognised (see note 14 'Income from State Government').
- (e) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at note 11 'Other Expenses'. The employment on-costs liability is included at note 22 'Provisions'.

**6. Supplies and services**

Communications	60	54
Consultants and contractors	3,743	533
Consumables	125	222
Travel	114	93
Other	2	13
	4,044	915

**7. Depreciation and amortisation expense**

**Depreciation**

Plant, equipment and vehicles	14	8
Computer equipment	21	15
Total depreciation	35	23

**Amortisation**

Intangible assets	-	-
Total amortisation	-	-
Total depreciation and amortisation	35	23

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>8. Accommodation expenses</b>		
Leases rentals	126	132
Repairs and maintenance	-	-
Cleaning	11	11
	137	142
	137	142

**9. Grants and subsidies**

<u>Recurrent</u>		
Donations & Subsidies	8	-
<u>Capital</u>		
Pilbara Fund & PRDS	4,191	6,039
Other	-	7
	4,199	6,046
	4,199	6,046

**10. Capital User Charge**

Capital user charge	124	55
	124	55
	124	55

**11. Other expenses**

Equipment repairs and maintenance	6	-
Employment on-costs (a) <i>(see Note 5 'Employee benefits expense')</i>	6	-
Other (b)		
Audit Fees	26	-
	38	-
	38	-

(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 22 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and not included in employment on-costs.

(b) Audit fees, see also note 32 'Remuneration of auditor'

**12. Other Revenue**

Misc including revenue for the Dust Suppression Program, Women in Management forums and Kids Matter Programs	444	1,948
	444	1,948
	444	1,948

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>13. Net gain/(loss) on disposal of non-current assets</b>		
<u>Costs of Disposal of Non-Current Assets</u>		
Plant, equipment and vehicles	-	-
<u>Proceeds from Disposal of Non-Current Assets</u>		
Plant, equipment and vehicles	1	1
Net gain/(loss)	1	1

**14. Income from State Government**

Appropriation received during the year:		
Service appropriation (a)	2,468	7,329
	2,468	7,329

The following liabilities have been assumed by the Treasurer during the financial year:

-Superannuation (b)	-	-
Total liabilities assumed by Treasurer	-	-

- (a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during they year.
- (b) The assumption of the superannuation liability by the Treasurer is a notional income to match the notional superannuation expense reported in respect of current employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme (*The notional superannuation expense is disclosed at note 5 'Employee Benefits Expense'*).
- (c) Where the Treasurer or other entity has assumed a liability, the Authority recognises revenues equivalent to the amount of the liability assumed and an expense relation to the nature of the even or events that initially gave rise to the liability. From 1 July 2002 non-discretionary non-reciprocal transfers of net assets (ie. Restructuring of administrative arrangements) have been classified as Contributions by Owners (CBOs) under TI 955 and are taken directly to equity. *Discretionary transfers of assets between State Government agencies are reported as assets assumed/(transferred) under Income from State Government.*
- (d) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Authority shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

2007  
\$000

2006  
\$000

**15. Restricted cash and cash equivalents**

**Current**

Aboriginal Economic Development Officer	25	111
DLGRD Telecentres	75	75
Dust Suppression Program	456	350
Pilbara Fund	2,996	817
Pilbara Regional Development Scheme	107	226
Roebourne Enhancement Scheme	910	940
Turtle Interpretive Centre	985	500
Pilbara Volunteer Resource Centre	9	-
Small Business Surveys	2	-
Pilbara Family Day Care Pilots	19	-
ePilbara	3	-
Capital Works	129	-
Port Hedland Enhancement Scheme	(90)	3,049
Other minor projects	-	8
Non-Current	-	-
Accrued salaries suspense account (a)	-	-
	5,626	6,076

(a) Amount held in the suspense account is only to be used for the purpose of meeting the 27<sup>th</sup> pay in a financial year that occurs every 11 years.

**16. Receivables**

**Current**

Receivables	36	98
GST Receivables	58	13
	94	111
Prepayments (see footnote in note 18 'Other Assets')	-	18
Total Current	94	129

**17. Amounts receivable for services**

Current	49	129
	49	129

**18. Other Assets**

**Current**

Debtors		
FBT Receivable	-	-
GST Receivable	-	-
Other- Prepayments	17	-
Total current	17	-

**Non-current**

	-	-
	-	-

**Other**

	-	-
Total non-current	-	-

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>19. Property, plant and equipment</b>		
Plant, equipment		
At cost	96	55
Accumulated depreciation	(51)	(37)
	45	18
 Computer equipment		
At cost	106	80
Accumulated depreciation	(80)	(59)
	26	21

Reconciliations of the carrying amount of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out below.

	Plant, Equipment & Furniture	Computer Equipment	Intangibles	Total
	\$000	\$000	\$000	\$000
<b>2007</b>				
Carrying amount at start of year	17	21	13	51
Additions	42	26	8	76
Disposals	-	-	-	-
Depreciation	(14)	(21)	-	(35)
Carrying amount at end of year	45	26	21	92
	\$000	\$000	\$000	\$000
<b>2006</b>				
Carrying amount at start of year	41	48	13	102
Additions	6	8	-	14
Disposals	-	-	-	-
Adjustment due to change in accounting policy	(21)	(15)	-	(36)
Depreciation	(8)	(20)	-	(28)
Carrying amount at end of year	18	21	13	52

- (a) Recognised in the Income Statement. *Where an asset measured at cost is written-down to recoverable amount, an impairment loss is recognised in the Income Statement. Where an asset measured at fair value is written-down to recoverable amount, the loss is accounted for as a revaluation decrement.*

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$000	2006 \$000
<b>20. Intangible assets</b>		
Computer software:		
At cost	21	13
Accumulated amortisation	-	-
	21	13
Reconciliations: Computer software		
Carrying amount at start of year	13	13
Additions	8	-
Amortisation	-	-
Carrying amount at end of year	21	13
<b>21. Payables</b>		
Current		
Trade payables	65	-
Other payables	46	-
Total current	111	-
Non-current		
Trade payables	-	-
Other ( <i>describe</i> )	-	-
Total non-current	-	-
<b>22. Provisions</b>		
Current		
Employee benefits provision		
Annual leave (a)	63	54
Long service leave (b)	20	-
	83	54
Other provisions		
Employment on-costs (c)	-	-
Warranties (d)	-	-
Restoration costs (e)	-	-
	-	-
	83	54
Non-current		
Employee benefits provision		
Long service leave (b)	45	37
Deferred salary scheme	-	-
	45	37
Other provisions		
Employment on-costs (c)	-	-
	-	-
	45	37

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$000	\$000

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

Within 12 months of balance sheet date	63	38
More than 12 months after balance sheet date	-	16
	63	54

- (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 balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	20	-
More than 12 months after balance sheet date	45	-
	65	-

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

### 23. Other liabilities

Current		
Accrued expenses	362	2
Accrued salaries	5	18
Other- Committed Grants	4,001	-
Total current	4,368	20

### 24. Equity

<b>Contributed equity</b>		
Balance at start of year	258	258
<b>Contributions by owners</b>		
Capital contribution (a)	-	-
Transfer of net assets from other agencies (a)	-	-
Total contributions by owners	258	258
Balance at the end of year	258	258

- (a) *Capital Contributions (appropriations) and non-discretionary (non-reciprocal) transfers of net assets from other State government agencies have been designated as contributions by owners in Treasurer's Instruction TI 955 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' and are credited directly to equity.*

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

2007	2006
\$000	\$000

- (b) *UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires that where the transferee accounts for transfer as a contribution by owner, the transferor must account for the transfer as a distribution to owners. Consequently, non-discretionary (non-reciprocal) transfers of net assets to other State government agencies are distribution to owners and are debited directly to equity.*

**Accumulated surplus/(deficit)/(Retained earnings)**

Balance at start of the year	6,679	5,417
Result for period	(4,657)	1,262
Income and expense recognised directly to equity	(910)	-
Balance at end of year	1,112	6,679

**25. Notes to the Cash Flow Statement**

Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to related items in the Balance Sheet as follows:

Cash and cash equivalent	111	663
Restricted cash and cash equivalents ( <i>see note 15 'Restricted cash and cash equivalents'</i> )	5,614	6,076
	5,725	6,739

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

Net cost of services	(7,125)	(6,067)
Non-cash items:		
Depreciation and amortisation expense ( <i>note 7</i> )	35	23
Write-off of minor equipment per adoption of TI 410	-	41
Net (gain)/loss on sale of property, plant and equipment ( <i>note 13</i> )	(1)	(1)
(Increase)/decrease in assets:		
Current receivables (b)	63	(91)
Other current assets	1	(7)
Increase/(decrease) in liabilities:		
Current payables (b)	101	(21)
Current provisions	30	(80)
Other current liabilities	4,346	-
Non-Current provisions	6	(32)
Change in GST in receivables/payables (a)	(35)	42
Net GST receipts/(payments)	4	-
Prior Period adjustment	(910)	-
Net cash provided by/(used in) operating Activities	3,485	(6,193)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$000	\$000

- (a) This reverses out the GST in receivables and payables  
 (b) 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.

**26. Commitments**

Capital expenditure commitments

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

Within 1 year	-	-
Later that 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

Lease commitments

Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows:

Within one year		
Later than 1 year and not later than 5 years	477	169
Later than 5 years	-	9
	<hr/>	<hr/>
	<hr/>	<hr/>

Representing:

Cancellable operating leases	53	178
	<hr/>	<hr/>
	<hr/>	<hr/>

Included in the financial statements as:

Current (note 33)	-	-
Non-current (note 33)	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

**27. Events occurring after the balance sheet date**

Nil

**28. Explanatory statement**

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$5 million.

### Significant variances between estimated and actual result for 2007

	2007 Estimate \$000	2007 Actual \$000	Variation \$000
<b>Revenue</b>			
Grants and Subsidies	7,000	2,419	(4,581)
Other revenue	107	444	337
<b>Expenditure</b>			
Supplies and services	644	4,044	(3,400)
Grants and Subsidies	8,361	4,198	4,163
Employee Benefits Expense	891	1,412	(521)
Accommodation	166	137	29
Other expenses	252	38	214

### Significant variances between actual results for 2006 and 2007

	2007 \$000	2006 \$000	Variance \$000
<b>Income</b>			
Grants and Subsidies	2,418	523	(1,895)
Service Appropriation	2,468	7,329	4,861
Other revenue from ordinary Activities	444	1,948	(1,504)
<b>Expenses</b>			
Supplies and services	4,044	915	3,129
Capital user charge	124	55	69
Grants and subsidies Grants and Subsidies	4,198	6,046	(1,848)

The variance is due funding for the Pilbara Fund being allocated from the Regional Infrastructure Funding Program as a grant in lieu of an appropriation through a service appropriation.

#### Service Appropriation

The variance is due funding for the Pilbara Fund being allocated from the Regional Infrastructure Funding Program as a grant in lieu of an appropriation through a service appropriation.

#### Other revenue from Ordinary Activities

The variance is due to the completion of funding from BHP Billiton Iron Ore for the Port Hedland Enhancement Scheme.

#### Supplies and services

The variance is due to higher use of contractors and consultants in providing services to progress the Port Hedland Enhancement Scheme during the financial year.

#### Capital user charge

The variance is due to the expansion of the asset base during the financial year.

#### Grants and Subsidies

The variance is due to the progression of the Port Hedland Enhancement Scheme utilising contractors and consultants in lieu of allocating the funds as a grant to local government authorities.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

2007  
\$000

2006  
\$000

**29. Financial instruments**

(a) Financial Risk Management Objectives and Policies

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

*Interest Rate Risk Exposure*

The following table details the Authority's exposure to interest rate risk as at the balance sheet date:

	Weighted Average Effective Interest Rate %	Variable Interest Rate	Fixed Interest Rate Maturity					Non- Interest Bearing	Total
			Within 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years		
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2007</b>									
Financial Assets									
Cash and cash equivalents	-	-	-	-	-	-	-	111	111
Restricted cash and cash equivalents	-	-	-	-	-	-	-	5,614	5,614
Receivables	-	-	-	-	-	-	-	94	94
advances	-	-	-	-	-	-	-	49	49
Amounts receivable for services	-	-	-	-	-	-	-	5,868	5,868
Financial Liabilities									
Payables	-	-	-	-	-	-	-	-	-
<b>2006</b>									
Financial Assets									
Cash and cash equivalents	-	-	-	-	-	-	-	663	663
Restricted cash and cash equivalents	-	-	-	-	-	-	-	6,076	6,076
Receivables	-	-	-	-	-	-	-	111	111
Amounts receivables for services	-	-	-	-	-	-	-	6,850	6,850
Financial Liabilities									
Payables	-	-	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

2007	2006
\$000	\$000

**30. Jointly controlled operations**

The Commission has no joint venture operations

**31. Remuneration of members of the accountable authority and senior officers**

Remuneration on Members of the accountable authority

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

	2007	2006
\$		
100,001 – 110,000	-	-
110,001 – 120,000	1	-
120,001 – 130,000	-	-
130,001 – 140,000	-	-
The total remuneration of members of the accountable authority is:	\$110,245	Nil

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

Remuneration of Senior Officers

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

	2007	2006
\$		
50,001 – 60,000	-	-
60,001 – 70,000	1	-
70,001 – 80,000	2	1
80,001 – 90,000	-	2
90,001 – 100,000	1	1
100,001 – 110,000	-	-
110,001 – 120,000	1	-
130,001 – 140,000	-	-
The total remuneration of senior officers is:	\$422,059	\$367,604

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

No senior officers are members of the Pension Scheme

**32. Remuneration of auditor**

Remuneration payable to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	17	16
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$000	\$000

**33. Supplementary financial information**

Write-Offs

Public property written-off by the Executive Council during the financial year	-	-
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*Provide details of any other write-off during the financial year, such as: bad debts and, revenue and debts due to the State, public and other property written off during the financial year.*

Losses Through Theft, Defaults and Other Causes

Losses of public moneys and, public and other property through theft or default	-	-
Amounts recovered	-	-
	-	-

### 34. Schedule of Income and Expenses by Service

	Business & Industry Development		Infrastructure, Service Identification & Coordination		Regional Promotion & Information Service		Total	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
<b>COST OF SERVICES</b>								
<b>Expenses</b>								
Employee benefits expense	318	325	795	733	299	299	1,412	1,357
Supplies and services	911	219	2,277	494	857	202	4,045	915
Depreciation & amortisation expense	8	6	20	12	7	5	35	23
Accommodation expenses	31	34	77	77	29	31	137	142
Grants and subsidies	945	-	2,364	5,632	889	415	4,198	6,047
Capital User Charge	28	13	70	29	26	12	124	55
Other expenses	8	-	21	-	8	-	37	-
<b>Total cost of services</b>	<b>2,249</b>	<b>597</b>	<b>5,624</b>	<b>6,977</b>	<b>2,115</b>	<b>964</b>	<b>9,988</b>	<b>8,539</b>
<b>Income</b>								
Other revenue	83	185	256	1,761	105	2	444	1,948
State & Local Govt Grants & Subsidies	-	-	1,775	-	643	523	2,418	523
Gain on disposal of non-current Assets	1	1					1	1
<b>Total income other than income from State Government</b>	<b>84</b>	<b>186</b>	<b>2,031</b>	<b>1,761</b>	<b>748</b>	<b>525</b>	<b>2,863</b>	<b>2,472</b>
<b>NET COST OF SERVICES</b>	<b>2,165</b>	<b>411</b>	<b>3,593</b>	<b>5,216</b>	<b>1,367</b>	<b>439</b>	<b>7,125</b>	<b>6,067</b>
<b>INCOME FROM STATE GOVERNMENT</b>								
Service appropriation	556	1,755	1,389	3,957	523	1,616	2,468	7,328
<b>Total income from State Government</b>	<b>556</b>	<b>1,755</b>	<b>1,389</b>	<b>3,957</b>	<b>523</b>	<b>1,616</b>	<b>2,468</b>	<b>7,328</b>
<b>Surplus/(deficit) for the period</b>	<b>(1,609)</b>	<b>1,344</b>	<b>(2,204)</b>	<b>(1,259)</b>	<b>(844)</b>	<b>1,177</b>	<b>(4,657)</b>	<b>1,261</b>

# KEY PERFORMANCE INDICATORS

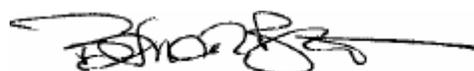
## CERTIFICATION OF PERFORMANCE INDICATORS

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We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Pilbara Development Commission's performance and fairly represent the performance of the Pilbara Development Commission for the financial year ended 30 June 2007.



Mr Stan Martin  
Chairman  
Dated: 14<sup>th</sup> September 2007



Ms Patricia Barron  
Acting Chief Executive Officer  
Dated: 14<sup>th</sup> September 2007

# PERFORMANCE INDICATORS

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## INTRODUCTION

As part of its reporting requirements, the Commission must report on key effectiveness and efficiency indicators.

The Commission's performance indicators are derived from three sources. These are;

- Financial statements and project reporting sheets
- Survey of Board Members of the Commission
- Customer Survey of Commission Clients

## METHODOLOGY

### Customer Survey of Commission Clients

As a requirement of its strategic plan, the Commission undertook an evaluation of its operations in May and June 2007. Clients were surveyed to determine their views and understanding of the Commission's role, activities and performance. Previously, similar surveys have been undertaken on an annual basis.

Key performance results from the 2007 survey, including a comparison with results from the 2006 survey, are detailed below.

The survey was sent to 112 key clients of the Commission. The key clients comprise Commonwealth and State agencies, Local Governments, business and community organisations that have had regular contact with the Commission over the last twelve months.

Customers are surveyed annually to determine the extent to which the Commission's project activities and services fulfil their needs. Specific questions relating to the outcomes of the Commission were included in the survey and are reported as Key Effectiveness Performance Indicators. The number of questions was maintained at seven. Those questions relating specifically to the effectiveness of the Commission in the delivery of its outputs were retained to enable comparison from year to year. Customers were also given the opportunity to comment on the ways in which the agency could further enhance the economic and social development of the Pilbara.

The Government's desired outcome from the activities of the Pilbara Development Commission is the enhancement of the Pilbara region's economic and social development. The Commission achieves this outcome by undertaking project activities that deliver services within the region to Pilbara people generally, and to business and community groups specifically. The Commission's outputs are structured around the project activities and services provided to these customers which in turn contribute to the desired outcome. The satisfaction of customers with Commission outputs therefore directly measures the effectiveness of the Commission in achieving the enhancement of the Pilbara region's economic and social development.

A total of 72 completed surveys were received by the Commission. This represents a key client response rate of 64.28%. The sampling error for this survey period is +/- 6.93%.

The questions related to performance indicators inform the reader how effective the Commission is in achieving its desired outcome through its contribution to business and industry development and regional promotion, as perceived by Commission customers.

Strongly Agree    Agree    Disagree    Neither one nor the other    Don't Know

The Commission's makes a positive contribution towards economic development in the Pilbara.

32%                      44%                      10%                      10%                      4%

The Commission is contributed to the development of new business opportunities, retention/expansion of employment opportunities, more trade activity and reduced obstacles to growth of businesses in the region.

0%                      52%                      48%                      0%                      0%

The Commission's staff provide a high level of services to its clients.

42%                      42%                      6%                      8%                      2%

The usefulness of the Commission's information and publications.

Very Useful 13%                      Quite useful 66%                      Neither one 17% nor the other                      Not very useful 4%

## EFFICIENCY INDICATORS

The operating costs of the Pilbara Development Commission are based on the Statement of Financial Performance total cost of services for the relevant period.

## SERVICE 1 - BUSINESS AND INDUSTRY DEVELOPMENT

### DESCRIPTION

Encourage business and industry development through the identification and coordination of projects.

### PERFORMANCE MEASURES

Performance Measures	Actual 2006/2007	Target 2006/2007	Actual 2005/2006
Total Cost of Service	\$1,303,893	\$560,000	\$596,965
Number of Projects	14	15	10
Average cost per project	\$93,135	\$37,333	\$59,696
Board satisfaction with quality of service	85%	80%	80%
Board satisfaction with timeliness of output	85%	80%	80%

## PERFORMANCE AGAINST TARGETS

The table provides details of the output measures relevant to the Business and Industry Development Output. It shows the target outcomes for 2006/2007 against the actual outcomes for the year.

During the year the Commission undertook a total of 14 projects, which represents a variance of 1 less than the target number of projects.

The variance of \$55,802 between target and actual cost per project is due to escalation of key projects undertaken by the Commission throughout the year.

Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Business and Industry Development Service.

On average, Board members reported a satisfaction level of 85% with the quality of the service produced which is equal to the target outcome. Similarly, the Board members reported an 85% level of satisfaction with the timeliness of this Service.

## SERVICE 2 - INFRASTRUCTURE AND SERVICE IDENTIFICATION AND COORDINATION

### DESCRIPTION

Identify infrastructure needs and coordinate the removal of impediments to achieve delivery of service.

### PERFORMANCE MEASURES

	Actual 2006/2007	Target 2006/2007	Actual 2005/2006
Performance Measures			
Total Cost of Service	\$3,259,859	\$9,357,000	\$6,977,305
Number of Projects	13	15	12
Average cost per project	\$250,758	\$623,800	\$581,442
Board satisfaction with quality of service	85%	80%	83%
Board satisfaction with timeliness of output	85%	80%	83%

## PERFORMANCE AGAINST TARGETS

The above table provides details of the output measures relevant to the Infrastructure and Service Identification and Coordination Service. It shows the target outcomes for 2006/2007 against the actual outcomes for the year.

The variance of 2 between target and actual number of projects is less than projected due to the progression of the Port Hedland Enhancement Scheme and other key projects undertaken by the Commission this financial year.

The variance of \$373,042 between target and actual cost per project is due to delays in the implementation of stage 2 of the Port Hedland Enhancement Scheme.

Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Infrastructure and Service Identification and Co-ordination Service.

On average, Board members reported a satisfaction level of 85% with the quality of the service produced which is 5% higher than the target outcome. Similarly, the Board members reported an 85% level of satisfaction with the timeliness of this Output.

## SERVICE 3 - REGIONAL PROMOTION AND INFORMATION SERVICES

### DESCRIPTION

Raise awareness of the advantages of both living in and visiting the Pilbara region through the provision and promotion of accurate and accessible information.

### PERFORMANCE MEASURES

Performance Measures	Actual 2006/2007	Target 2006/2007	Actual 2005/2006
Total Cost of Service	\$1,266,528	\$670,000	\$964,481
Number of Projects	12	15	14
Average cost per project	\$105,544	\$44,666	\$68,891
Board satisfaction with quality of service	87%	80%	81%
Board satisfaction with timeliness of output	87%	80%	81%

### PERFORMANCE AGAINST TARGETS

The above table provides details of the output measures relevant to the Regional Promotion and Information Provision Output. It shows the target outcomes for 2006/2007 against the actual outcomes for the year.

During the year the Commission undertook a total of 12 projects, which represents a variance of 3 less than the target number of projects.

The variance of \$60,878 between target and actual cost per project is due to the internal reallocation of projects between services during the reporting period and the progression of key projects by the Commission during this financial year.

During the year, the Commission continued its focus on promoting the region and providing an information service. This effort is reflected in the increased number of projects undertaken throughout the year.

Board members have a comprehensive knowledge of all projects and are, therefore, in a better position to judge the quality and timeliness of the Regional Promotion and Information Services Output.

On average, Board members reported a satisfaction level of 87% with the quality of the Output produced which is 7% greater than the target outcome. Similarly, the Board members reported an 87% level of satisfaction with the timeliness of this Output.

As part of its reporting requirements, the Commission must report on key effectiveness and efficiency indicators.

The Commission's performance indicators are derived from three sources. These are;

- Financial statements and project reporting sheets
- Survey of Board Members of the Commission
- Customer Survey of Commission Clients

## MINISTERIAL DIRECTIVES

No Ministerial directives were received during the financial year.

## OTHER FINANCIAL DISCLOSURES

### EMPLOYMENT AND INDUSTRIAL RELATIONS

#### STAFF PROFILE

	2006-07	2005-06
Full-time permanent	6	9
Full-timed contract	2	1
Part-time measured on a FTE basis	1.25	0
On secondment	1	1

#### STAFF DEVELOPMENT

The Pilbara Development Commission has a commitment to the development of its employees. Our strategies are to build a highly skilled, professional and fair workplace with the ability to adapt to a changing economic and social environment.

During the financial year, our employees received training in excess of \$21,000 by both in-house and external trainers. Training is identified annually during staff performance reviews. Due to the dynamic environment and variety of activities undertaken by the Commission, training is also considered on an ongoing basis throughout the year.

#### WORKERS COMPENSATION

No compensation claims were made during the 2006/07 financial year.

## GOVERNANCE DISCLOSURES

### CONTRACTS WITH SENIOR OFFICERS

As at date of reporting, other than normal contracts of employment of service, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests in existing or proposed contracts with the Pilbara Development Commission and Senior officers.

# OTHER LEGAL REQUIREMENTS

## COMPLIANCE WITH PUBLIC SECTOR MANAGEMENT ACTR SECTION 31(1)

1. In the administration of the Pilbara Development 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



Patricia Barron  
Acting Chief Executive Officer

14<sup>th</sup> September 2007

## ELECTORAL ACT 1907 SECTION 175ZE

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.

Details are as follow:

### Expenditure with Advertising Agencies

Market Force Australia	\$22,286.25
Seek	\$150.00

Expenditure with Market Research Agencies \$0

Expenditure with Polling Agencies \$0

Expenditure with Direct Mail Agencies \$0

### Expenditure with Media Advertising Agencies

Karratha & Districts Chamber of Commerce	\$600.00
On Patrol	\$395.00
Redwave Media Pty Ltd	\$840.00
Hedland Community Radio	\$503.64
Not-for Profit Organisation Guides	\$3,126.20

**TOTAL EXPENDITURE \$27,901.09**

## DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

Following amendment to the *Disability Services Act 1993*, all State Government agencies and Local Governments are required to develop and implement Disability Access and Inclusion Plans (DAIPs) previously called Disability Service Plans. The aim of DAIPs are to make a positive difference to the lives of people with disabilities, their families and carers by focussing efforts to improve access to services, information and facilities.

During 2006-2007 the Commission completed the development of its DAIP. The DAIP will provide an important mechanism for monitoring and evaluating the Commission's services to help ensure that it meets the accessibility needs of people with disabilities, their families and carers. The DAIP is currently being reviewed by the Disability Services Commission.

As part of the DAIP, an annual action plan is developed with strategies to maximise accessibility.

During 2006-2007, the Commission has:

- Adapted existing services where necessary to ensure they met the needs of people with disabilities;
- Continued to review the suitability of access to buildings and facilities and addressed the requirement for disabled access by providing access for people with disabilities in its tenancy lease renewal;
- Made information about services available in different formats to meet the communication requirements of people with disabilities;
- Made staff aware at induction of all legal requirements and Commission policies, including the Disability Services Plan; and
- Advertised all conferences, seminars and promotions in the local newspaper and on radio to ensure opportunities are provided for people with disabilities to participate in public consultations and decision making processes.

## EQUAL EMPLOYMENT OPPORTUNITY OUTCOMES

The Pilbara Development Commission is committed to the promotion of a non-discriminatory and harassment free working environment for all employees.

As at 30 June 2007 the Commission had 11 employees. Thirty six percent of employees were aged over 45.

The Commission recognises the benefits of workplace diversity and has a continued commitment to furthering these principles. The Commission has developed appropriate policies and procedures for matters relating to Equal Employment Opportunity which have been incorporated into the Commission's Code of Conduct.

The Equal Employment Opportunity (EEO) Plan was prepared in the 2005/2006 financial year. Implementation of the strategies of the plan includes EEO principles which are being incorporated into the Commission's corporate documentation and monitored through the Executive of the Commission. The application of the principles remains the responsibility of managers and is a key consideration in the recruitment, appointment and management of employees. This plan is currently under review.

## COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

The Commission has complied fully with the 'Public Sector Standards, Code of Conduct and Code of Ethics'. 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' manuals for both staff and Board Members of the Commission which incorporate the Public Sector's 'Code of Ethics'. The review of the Commission's 'Code of Conduct' is incorporated into the Commission's internal audit program.

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 2006/2007.

## **RECORD KEEPING PLAN**

The Pilbara Development Commission is required to have a Record Keeping Plan (RKP) under section 19 of the *State Records Act (2000)*. The Record Keeping Plan is to provide an accurate reflection of the record keeping program of the Commission and must be complied with by the Commission and its employees. Under Part 3, Division 4, the Commission is required to review its RKP periodically or when there is any significant change to the Commission's functions.

As required under Standard 2, Principle 6, of the *State Records Act (2000)*, the Commission confirms the following:

- The efficiency and effectiveness of the Commission's record keeping system is evaluated not less than once every five years;
- The Commission conducts record keeping training for staff through its staff induction program as well as annual refresher training;
- The efficiency and effectiveness of the record keeping training program is reviewed from time to time for continuous improvement; and
- The Commission's induction program addresses employees' roles and responsibilities in regard to their compliance with the Commission's Record Keeping Plan.

## **GOVERNMENT POLICY REQUIREMENTS**

### **CORRUPTION PREVENTION**

A major risk management program in accordance with Treasurer's Instruction 825 using the processes set out in "AS 4360 Risk Management" was completed in 2006/2007. It focussed on the risks associated with corruption and misconduct and particular attention will be paid to unauthorised access and disclosure of confidential information. The risk management assessment program will focus on the following areas:

#### **Computer Access**

Ensure that a Chief Information Officer with delegated responsibility for managing compliance with privacy requirements and computer security is appointed.

#### **Staff and Board Induction**

Induction practices for staff and Board members are revised to ensure that they are aware of their responsibilities to safeguard confidential information.

### **SUSTAINABILITY**

As a Non-SES agency, the Pilbara Development Commission is not required to comply with the Sustainability Code of Practice for Government Agencies and Resource Guide for Implementation (the 'Code'). However, the Commission does aspire to deliver its services to Pilbara communities based on the principles contained within the code. The Commission's 2007-2010 Strategic Plan is aligned with the Better Planning: Better Futures - A Framework for the Strategic Management of the Western Australian Public Sector publication.

## PUBLICATIONS

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The following publications are available from the Commission's Port Hedland and Karratha offices.

If required, the Commission can provide a publication in an alternative format.

Many of these publications are available on the Commission's website at [www.pdc.wa.gov.au](http://www.pdc.wa.gov.au)

### PRODUCED BY THE PILBARA DEVELOPMENT COMMISSION

#### *Pilbara Regional Priority Plan*

Current to October 2005. A publication that outlines the priority development actions for the sustainable development of the Pilbara in the immediate future.

#### *Pilbara Prices Surveillance*

Current to March 2007. A periodic information sheet prepared by the Commission showing the latest pricing differentials between Perth and various towns in the Pilbara.

#### *Pilbara Government Agencies Directory*

The Commission published and distributed the 2007 Pilbara Government Agencies Directory in May 2007. The Directory contains information and contact details for the Government Departments and Agencies in the Pilbara region.

#### *Pilbara Economic Perspective*

The most current version of the Pilbara Economic Perspective was released in July 2006. An update on the economy of the Pilbara region prepared by the Department for Local Government and Regional Development in conjunction with the Commission.

#### *Housing and Land Snapshot*

The Commission produces a monthly Housing and Land Snapshot (HALS) report, which outlines the accommodation situation in the Karratha, Port and South Hedland areas.

The HALS report compares figures with previous quarter's trends and provides information on the movement of the real estate market.