Statement of Compliance

Honourable Terry Redman  
Minister for Regional Development; Minister Assisting Minister for State Development

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

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

Mr Chris Gilmour  
Chairman  
DATE: 14 September 2015

Mr Terry Hill  
A/ Chief Executive Officer  
DATE: 14 September 2015

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1. OVERVIEW

Chairman’s Message

I am pleased to present the Pilbara Development Commission’s 2014/15 annual report. It has been a year of transition to the “new normal” for the powerhouse Pilbara region. A year when, at times, our resilience has been tested, but also a year when new economic opportunities have emerged that have the potential to secure our position as the engine room of the nation.

This marks almost 12 months since my appointment as Chairman of the Commission, a role that has proved more diverse, challenging and rewarding than I could have anticipated. The achievements of the Commission and transformation of the region that I have been privileged to be part of over the last 12 months are nothing short of remarkable. The only thing greater than the ever-improving quality of economic and community infrastructure, is the passion of the people living and working in the region. Our staff, our stakeholders and our residents; people who are proud of where they live and are committed to continuing to map a brighter future for the Pilbara.

The 2014/15 year saw the release of the Commission’s draft Pilbara Regional Investment Blueprint for public comment. More than 250 stakeholders attended presentations on the Pilbara Blueprint with an overwhelmingly positive response to the vision and regional pillars for growth. In preparation for the final release in late-2015 the Commission is working on a pipeline of investment-ready projects that will continue to transform the Pilbara into a vibrant and diverse region with sustainable prosperity.

Delivery of the Pilbara Cities initiative remained a priority for the Commission in 2014/15 with $1.1 billion worth project funding currently progressing. Community infrastructure, economic development, education, health and land access remain investment priority areas that are contributing to the 2035 Pilbara Cities vision.

Enabling diversification of the Pilbara’s economic landscape will define a major part of the Commission’s role in the future. Economic diversification is not something that happens overnight, it requires commitment from all levels of Government, community and the private sector to achieve. The Pilbara Blueprint sets a clear framework that will informed and influence game changing projects that will transform the region.

I would like to acknowledge the ongoing dedication of the Board, whose contribution to the strategic direction of the Commission has placed us in good stead to continue our role as the lead agency in regional and economic development.

I would also like to congratulate the Acting Chief Executive Officer and all Commission staff on their continued commitment to making the Pilbara an even better place to live, work, visit and invest.

Finally, thank you to the Minister for Regional Development, Terry Redman, and his staff, for their ongoing support and advocacy for regional Western Australia, and in particular the future of the Pilbara.

Chris Gilmour
CHAIRMAN
2014/15 Highlights

- Pilbara Regional Investment Blueprint released for public comment
- Management of key initiatives under the $1.7 billion Pilbara Cities Initiative
- 18 projects shared in $140,000 sponsorship
- Hosted 200 international leadership students undertaking strategic defence studies
- 21 media statements released resulting in 87 editorial articles
- Winner of SEGRA’s ‘Why I Love Where I Live’ short film competition
- 600% increase in entries for My Pilbara Adventure competition
- Stage two of the Pilbara Underground Power Project commenced
- Main Street Jetty project commenced in Port Hedland
- Six weeks of filming in the Pilbara for Blue Dog film completed
- Construction commenced on new Youth Learning and Development Precinct in South Hedland
- Karijini Eco Retreat Amphitheatre and accommodation completed
- Reconciliation Action Plan endorsed by Reconciliation Australia
- $1.4 million allocated to 30 projects under Royalties for Regions small grants
- Construction commenced on Dampier Community Hub
- Yaandina Aged Care Facility completed
- Karratha Trade Training Centre completed
- Stage Three of Newman Town Centre Revitalisation commenced
The Pilbara Region

The Pilbara is a globally significant region with extensive resource assets, dynamic communities, a rich Aboriginal history and stunning natural landscapes. Representing 20 per cent of Western Australia’s land mass, the Pilbara is a vast, diverse region of mountain ranges, deserts, plains and numerous offshore islands. The region’s cultural history dates back as far as 40,000 years with evidence of Aboriginal populations living off the land.

Home to a population of 66,298 enjoying a relaxed outdoor lifestyle, the Pilbara expands across 507,896 square kilometres from the Western Australian coast to the Northern Territory border. There are four local government areas – Shire of Ashburton, Shire of East Pilbara, City of Karratha and the Town of Port Hedland.

Local Government Agency Areas

The Pilbara has been at the centre of the most rapid expansion of iron ore production in the world and the construction of some of the largest gas projects in the world. The economic activity associated with these projects has driven a substantial increase in the importance of the Pilbara to both the Western Australian and Australian economies.

Snapshot of the Pilbara Economy

- Iron ore production share: 28% of world production
- Employment: 46,000 jobs
- Mineral production: $72.5 billion
- Petroleum production: $24.4 billion
- State royalties: $5.0 billion
About Us
The Pilbara Development Commission (the Commission) was established under the *Western Australian Regional Development Commissions Act (1993)*. The Governing Minister for the Commission is the Hon Terry Redman MLA Minister for Regional Development; Lands; Minister Assisting the Minister for State Development.

**Vision**
The Pilbara, Australia’s global economic hub

**Mission**
The catalyst for regional growth and development

**Key Objective**
Economic diversification

The Commission continues to play a lead role in the development of the Pilbara to broaden the economic base, improve social infrastructure and attract and sustain a rapidly growing residential population.

With a mandate to lead and support sustainable development, the Commission was amalgamated with the Pilbara Cities Office, a previous function of the Department of Regional Development, in 2012. The outcome was a coordinated whole of government approach towards investment attraction and economic diversification. As the lead agency for the region, the Commission continues to deliver projects under the Pilbara Cities initiative to stimulate economic growth and activate communities.

The future focus of the Commission will be enabling and facilitating economic diversification through Pilbara Cities investments and the Pilbara Regional Investment Blueprint.
Operational Structure

Reporting Structure

PARLIAMENT

Minister for Regional Development; Lands

Pilbara Development Commission Board
Chairman

Chief Executive Officer
Staff

Commission
Advisory Committees
(Appointed as required)

Consultants as required with the Minister’s approval

Assistance of other Government Agencies
**Commission Board**

The *Western Australian Regional Development Commissions Act (1993)* provides Regional Development Commissions with a Board of Management (the Board). Board members are appointed by the Minister for Regional Development; Lands.

The Commission’s Board is comprised of a Chairman, Deputy Chairman and up to eight other members. Three members are chosen from community nominations, three from local government nominations and three are nominated by the Minister for Regional Development; Lands. The Chief Executive Officer is a member of the Board 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 Regional Development for the efficient operation of the Commission.

The Board is responsible for setting the Commission’s strategic direction. As a governing board, it guides and directs the Commission, sets performance goals, ensures corporate compliance and management, endorses strategic plans and approves operating budgets. The Board ensures that the Commission has the resources necessary to achieve goals, monitors progress and reports on outcomes.

**Board Members 2013/2014**

<table>
<thead>
<tr>
<th>Member</th>
<th>Biography</th>
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</thead>
</table>
| Chris Gilmour | Chris Gilmour was appointed as the Chairman of the Pilbara Development Commission in October of 2014. Mr Gilmour has been tasked with spearheading the strategic direction of the Commission as the agency continues to drive the growth and development of the Pilbara. Mr Gilmour brings a wealth of experience in regional development and has previously held director roles at the Great Southern Development Commission and the Rural Business Development Corporation as well as a number of private agricultural technology businesses.  
  
  Position: Chairman  
  Appointment: Ministerial  
  Term finishes: 12 October 2017  
  Location: Perth |

| Chris Adams | Chris Adams is the Chief Executive Officer of the City of Karratha. He returned to the Pilbara, his home region, in 2005 as the CEO of the Town of Port Hedland. From 2011 as the General Manager of the Pilbara Cities initiative, Mr Adams had the management responsibility for the $1.2 billion Pilbara Cities project and was integrally involved with all Pilbara related planning and development issues. In mid-2012 Mr Adams took up the position of Chief Executive Officer of the City of Karratha.  
  
  Position: Deputy Chairman  
  Appointment: Community  
  Term finishes: 30 June 2015  
  Location: Karratha |
<table>
<thead>
<tr>
<th>Member</th>
<th>Biography</th>
<th>Position</th>
<th>Appointment</th>
<th>Term finishes</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Chris Cottier</td>
<td>Mr Chris Cottier was raised in Port Hedland and is BHP Billiton Iron Ore's Corporate Affairs Manager for the Pilbara. Mr Cottier has also worked in various State and Federal government roles across the South West, Kimberley and Pilbara. He is the current Chairperson of the North West Chamber of Minerals and Energy Committee and is an industry representative on the Hedland Senior High School Board. Mr Cottier's key focus is to ensure that strong planning informs the right investment decisions to continue to improve the liveability of the Pilbara and allow for ongoing growth across all sectors.</td>
<td>Board Member</td>
<td>Ministerial</td>
<td>30 April 2017</td>
<td>Port Hedland</td>
</tr>
<tr>
<td>Cr Lynne Craigie</td>
<td>Lynne Craigie is a long term resident of Newman and was elected to the Shire of East Pilbara Council in May 2003. Cr Craigie has held the position of Shire President since October 2009 and is involved in several small businesses in Newman in partnership with her husband Peter. Cr Craigie is involved in many community organisations and is the President of the Pilbara Regional Council in addition to being on the State Council for the West Australian Local Government Association and the Board of Horizon Power.</td>
<td>Board Member</td>
<td>Local Government</td>
<td>30 June 2015</td>
<td>Newman</td>
</tr>
<tr>
<td>Mr Neil Hartley</td>
<td>Neil Hartley began his career in local government in 1977, he has over 20 years of experience as a CEO and has enjoyed almost 40 years of working within the local government industry. Mr Hartley has been involved in the peak officer body of local government, Local Government Managers Australia, for many years and has served for 17 years on its WA State Board, was State President for two years in 2005 and 2006 and was National President in 2008. Mr Hartley commenced at the Shire of Ashburton in October 2013 and has actively encouraged a stronger partnership between the Shire and its numerous stakeholders, with the view to improving the overall wellbeing of the Ashburton community and its businesses.</td>
<td>Board Member</td>
<td>Community</td>
<td>30 April 2017</td>
<td>Tom Price</td>
</tr>
<tr>
<td>Cr Fiona White-Hartig</td>
<td>Cr Fiona White-Hartig has resided in the Pilbara for ten years and has been on the City of Karratha Council since 2007. Cr White-Hartig is also currently the Chair of Regional Development Australia - Pilbara, Deputy Chair of Pilbara Regional Council, President of the Wickham Community Association, Chair of the Karratha Emergency Relief Organisation, President of the Wickham Youth Group, President of the Karratha branch of the Make-A-Wish Foundation and a Roebourne Advisory Councillor. Cr White-Hartig is passionate about the City of Karratha and creating a brighter future for all who choose to call the City home.</td>
<td>Board Member</td>
<td>Local Government</td>
<td>30 June 2015</td>
<td>Wickham</td>
</tr>
</tbody>
</table>
Member  Biography

Cr Gloria Jacob is a leading local business woman in the Town of Port Hedland, celebrating her 26th year in the hardware industry as owner and managing director of Hedland Home Hardware & Garden.

President of the South Hedland Business Association, Cr Jacob is committed to enhancing the diversified growth and sustainability of businesses in Port Hedland and believes this to be integral to achieving the town’s vision of a vibrant and liveable Pilbara Port City. Other professional appointments include Pilbara Regional Council and the National Advisory Committee for the Home Hardware Group.

Cr Jacob is a passionate advocate for the safety, education and advancement of youth in the community and has served as Chair of the Youth Involvement Council, the peak youth organisation in Port Hedland, for the past nine years.

Position: Board Member  Appointment: Local Government  
Term finishes: 30 June 2015  Location: Port Hedland

Cr Robin Vandenberg has lived and worked in the Pilbara for over 40 years and in that time has owned and managed various businesses. Cr Vandenberg is currently a City of Karratha Councillor, the Vice President of the Karratha and Districts Chamber of Commerce as well as Secretary for the Rotary Club of Karratha.

Position: Board Member  Appointment: Community  
Term finishes: 30 June 2015  Location: Karratha

Terry Hill has held a number of senior roles in the Western Australian government and at a National level. He has carried out the role as the Deputy Chair of the Grape and Wine Research and Development Corporation and was a foundation Director of Horticulture Australia Ltd. Mr Hill has also worked internationally leading a significant project in Indonesia, industry trade missions to Asia and managing the commercialisation of intellectual property.

The opportunity to work closely with industry and businesses to ‘support their success’ has always been a strong focus in Mr Hill’s career. In recent years this includes developing partnerships with industry organisations, identification and capturing of opportunities for innovation and working to identify future options for industry growth.

Mr Hill holds a Bachelor of Science in Agriculture, a Masters in Agribusiness and is a Fellow of the Australian Institute of Company Directors.

Position: Acting Chief Executive Officer  
Location: Perth
Performance Management Framework

As a Statutory Authority, the Commission has legal responsibilities in accordance with the *Western Australian Regional Development Commissions Act 1993.*

Further, the Commission has to comply with State Government policies, hold regular Board meetings and ensure fair and transparent decision making.

The Commission is responsible for delivering a high level of governance informed by the *Public Sector Management Act 1994,* the *Western Australian Public Sector Code of Ethics* and the Public Sector Commission’s *Good Governance for Western Australian Public Sector Boards and Committees.*

The Commission operates to a code of conduct which identifies personal integrity, relationships with others and accountability has the three guiding principles identified under the *Public Sector Management Act 1994.* The Code of Conduct also includes specific standards that Commission employees adhere to, ensuring best practice in conduct and integrity. This is reviewed and updated on a regular basis.

Outcome Based Management Framework

The Commission’s Strategic Plan 2014-2017 sets the strategic direction for the agency’s activities. The Strategic Plan incorporates five outcomes listed below.

1. Broaden the economic base of the Pilbara.
2. Pilbara cities, towns and communities have access to quality human services and provide lifestyle amenity that will foster population retention and growth.
3. Land and infrastructure is available for civic, commercial, industrial and residential use.
4. National and regional policy and planning is influenced to secure additional funding and investment and supportive policy settings for regional growth and settlement.
5. The Commission is established as a knowledge hub and is recognised as the lead Pilbara integrated service delivery agency.

The Commission’s guiding framework is the *Western Australian Regional Development Commissions Act 1993* and the Government’s strategic framework. The Commission’s outcomes align with the Regional Development goal on the State Government’s strategic framework.

Changes to Outcome Based Management Framework

The Commission’s Outcome Based Management Framework did not change during 2014-2015.

Shared Responsibilities with Other Agencies

The Commission delivers on its responsibilities by working with its partners and acting as a leader, advocate, broker and innovator. In broad terms this involves:

Leader

- Articulating and promoting the Pilbara Cities Vision.
- Promoting consistency with key strategies including the Pilbara Planning and Infrastructure Framework, Karratha City of the North, Newman Revitalisation Plan, Port Hedland Growth
Plan, Onslow Expansion Plan and other local growth and implementation plans. During the 2015-2016 financial year the Pilbara Regional Investment Blueprint will become the overarching regional strategic planning document.

Advocate
- Seeking to influence local and national policy with respect to economic development, land supply, accommodation, infrastructure, community initiatives and regional development.
- Advocating for investment in land, accommodation, infrastructure and community developments.
- Facilitating and enabling community projects, land supply, accommodation and infrastructure development through investment attraction and public-private partnerships.

Broker
- Collating, producing and publishing information and analysis to improve market knowledge and support informed investment decisions.
- Managing strategic information by acting as a knowledge hub on land, accommodation and infrastructure issues.
- Coordinating a whole of government approach to delivery of Royalties for Regions funded projects on behalf of the Department of Regional Development (DRD).
- Mitigating risks to development projects through pro-actively addressing constraints and challenges.

Facilitator
- Identifying and promoting new approaches to community development, land development, accommodation and infrastructure challenges including leveraging land for innovation and economic diversification.
- Practicing continuous review and improvement of internal and external processes to improve effectiveness and efficiency and ensure processes support economic diversification.

The Commission delivers projects by fulfilling various functions outlined above according to the requirements of each individual circumstance. Where the Commission has taken the lead role in delivering a project, this is identified in the project highlights section of the annual report.
2. AGENCY PERFORMANCE

The Commission’s operations are aligned to support the Western Australian Government’s Strategic Priorities, in particular the Pilbara Cities Vision. The key planning framework that guides the Commission’s priorities is the Pilbara Planning and Infrastructure Framework which was endorsed by the WA Planning Commission in January 2012. The anticipated endorsement of the Pilbara Regional Investment Blueprint in 2015/16 will guide the future focus and priorities of the Commission.

The Commission’s Strategic Plan 2014-2017 established three Directorates based on key focus areas of infrastructure coordination, land availability and development, community projects and engagement, and economic diversification.

1. Development and Diversity
   - Community projects and engagement – education, health, community facilities, and Indigenous participation
   - Economic diversification – industry development, supply chain development, business attraction and development, and transformational projects

2. Land and Infrastructure
   - Infrastructure coordination – energy, water, waste water, roads, ports and marinas
   - Land availability and development – land preparation, developer attraction and retention, and accommodation

3. Strategy and Knowledge
   - Corporate governance and agency best practice
   - Regional advocacy, promotion and collaboration
   - Knowledge hub
   - Strategy and policy development
Projects in Focus

The following profiles highlight a selection of major projects that commenced or were completed in 2014/15 that are contributing to the Commission’s achievement of the 2014-17 Strategic Plan and the Pilbara Cities Vision.

Pilbara Regional Investment Blueprint

<table>
<thead>
<tr>
<th>Ministerial Approval of Draft:</th>
<th>April 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Consultation Completed:</td>
<td>June 2015</td>
</tr>
<tr>
<td>Estimated Final Release:</td>
<td>October 2015</td>
</tr>
</tbody>
</table>

The Pilbara Regional Investment Blueprint is a framework outlining the regional growth aspirations and investment opportunities for the Pilbara.

A draft of the Pilbara Blueprint was released for an eight week public consultation period following approval from the Minister for Regional Development in April 2015.

Consultation has included 40 one-on-one interviews with key stakeholders, a series of workshops across the region attended by more than 150 people and a total of 30 written submissions detailing feedback and comments on the Pilbara Blueprint.

The Pilbara Blueprint establishes an aspirational vision for what the region could look like in 2050 and provides a framework of transformational opportunities that will profoundly enhance regional development outcomes.

Karratha City Centre Infrastructure Works

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$77 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$66.7 million</td>
</tr>
<tr>
<td>Stage 3:</td>
<td>In progress</td>
</tr>
</tbody>
</table>

The major city centre infrastructure and revitalisation works in Karratha continued in 2014/15. The project has successfully established a main street through the realignment of roads and centralised amenities. In addition to landscaping and improved aesthetics, the project has upgraded core services, such as power and water, to the City centre to enable future growth.

The revitalised city centre will provide a welcoming retail and office precinct with activated community spaces.
Newman Town Centre Revitalisation

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$40 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$40 million</td>
</tr>
<tr>
<td>Stage Three Commenced:</td>
<td>April 2015</td>
</tr>
</tbody>
</table>

Construction of a new $19.9 million town square in Newman is the final of three stages of the major revitalisation project upgrading core infrastructure and public amenities in the town centre.

Design concepts for the projects were unveiled by the Minister for Regional Development in April 2015. The redevelopment includes a new main street, service upgrades and the creation of new commercial land for retail and accommodation development.

This major redevelopment project is realising the potential of Newman by creating liveable spaces and vibrant communities. Once complete, the new town centre will boast diverse housing, high quality public amenity and community infrastructure, access to health and education services as well as retail, entertainment and recreation choices.

Pilbara Underground Power Project

<table>
<thead>
<tr>
<th>Stage Two Commenced:</th>
<th>July 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$75 million</td>
</tr>
</tbody>
</table>

Stage Two of the Pilbara Underground Power Project (PUPP) was announced in July 2014 with a $75 million investment through Pilbara Cities to complete the transformational project.

PUPP aims to provide cyclone affected North West towns with a safe and reliable power supply, by replacing ageing overhead electricity infrastructure with underground networks.

The first phase of the project, completed in December 2013, has greatly improved the amenity of the community’s streetscapes and resulted in safer and more reliable power in the Pilbara.

To date a total of 1,422 lots have been completed in Karratha, with 1,600 lots completed in South Hedland and Wedgefield.

East Pilbara Arts Centre

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$8.5 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$3.5 million</td>
</tr>
<tr>
<td>Estimated Completion:</td>
<td>July 2015</td>
</tr>
</tbody>
</table>

Demonstrating the importance of creative pursuits and culture, the East Pilbara Arts Centre is a purpose-built facility that will become the centrepiece of Newman signifying the revitalisation of the inland town.

The needs and ideas of the local Martu people were fundamental to the design of the new Centre which will enhance the capacity of the existing 250 self-employed artists. Flexibility was key, with the design creating intimate working spaces, as well as large open areas suitable for community events and exhibits.

The residential housing component of the project was completed in May 2015, with the new Centre expected to open in July 2015.
Youth Learning and Development Precinct

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$11 million</th>
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</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$2 million</td>
</tr>
<tr>
<td>Construction Commenced:</td>
<td>March 2015</td>
</tr>
</tbody>
</table>

New headquarters are under construction for the Youth Involvement Council (YIC) in South Hedland. YIC HQ will increase the organisation’s capacity to deliver existing programs while also providing resources for new initiatives.

YIC is Port Hedland’s leading youth organisation and works with at-risk youth to deliver positive change, a service that is essential to improving the wellbeing of young people and social outcomes within the town.

The new YIC HQ will boast an education centre, workshop and service yard, multi-purpose indoor facility, social enterprise classroom and commercial kitchen.

Pilbara Health Initiative

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$38.24 million</th>
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</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$32.96 million</td>
</tr>
<tr>
<td>Project Status:</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Established in 2009 in partnership with WA Country Health and the Pilbara Industry Community’s Council, the Pilbara Health Initiative continues to improve the delivery of health services in the region.

In 2014/15 the program provided 39 paediatric specialists across the region, sexual health nurses delivered a total of 472 hours to inland and coastal districts, and an emergency specialist 20 hours per week from Royal Perth Hospital. In addition, the Outpatient Specialist Clinic at Nickol Bay Hospital was completed in November 2014.

The initiative continues to decrease emergency patient response time, the need for patients to travel outside of the region for treatment while improving technology and resources available in the Pilbara.

Dampier Community Hub

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$18 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$6.5 million</td>
</tr>
<tr>
<td>Construction Commenced:</td>
<td>February 2015</td>
</tr>
</tbody>
</table>

Funding for the Dampier Community Hub was approved in July 2014 to replace ageing infrastructure that no longer meets the needs of the community.

Identified by the City of Karratha as one of its top two priority projects for the district, the new facility will include a 70-place childcare centre, community library and multipurpose rooms and office space. In addition, the existing community hall will undergo a major refurbishment and upgrade.

Construction commenced in February 2015, with the project expected to be completed by March 2017.
### Yaandina Aged Care Facility

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$9.76 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$6.08 million</td>
</tr>
<tr>
<td>Project Completed:</td>
<td>January 2015</td>
</tr>
</tbody>
</table>

The recently-completed Yaandina Aged Care facility sets a new standard for aged care in the Pilbara, delivering support for high care needs while also providing a range of amenities for residents in their twilight years.

The facility, now offering more than double the number of beds, is one of only two aged care centres in the Pilbara and operates at 90 per cent Aboriginal occupancy.

High quality health services, particularly for senior residents, is critical in attracting an intergenerational population to boost the sustainable growth of Pilbara communities.

### Paraburdoo Childcare Centre

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$4.66 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$1.5 million</td>
</tr>
<tr>
<td>Earthworks Commenced:</td>
<td>September 2014</td>
</tr>
</tbody>
</table>

Preliminary works have commenced on the Paraburdoo Childcare Centre which will accommodate a 73-place centre with long term and after school places.

Once complete, the facility will deliver flexible operating models, improved facilities and increased support for families by addressing the current shortage of childcare places.

Offering a modern, purpose-built facility with a greater capacity will attract and retain families in the inland community.

### Blue Dog Film

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$12.13 million</th>
</tr>
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<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$1.25 million</td>
</tr>
<tr>
<td>Project Commenced:</td>
<td>May 2015</td>
</tr>
</tbody>
</table>

Funding the second instalment in the Red Dog film franchise guaranteed 80 per cent of filming and production took place in the Pilbara.

The film celebrates the rugged beauty, rich culture and unique history of the region which will contribute to the promotion of the Pilbara as an exciting and desirable tourism destination.

Part of the funding has been allocated to three legacy projects which will continue to leverage the success of the Red Dog franchise.
Karratha Trade Training Centre

**Project Cost:** $3.6 million  
**Pilbara Cities Investment:** $1.3 million  
**Project Completed:** November 2014

Completed in November 2014, the new Trade Training Centre provides a pathway for students for electrical trade qualifications.

Located at St Luke’s College, the Karratha-based training centre improves the quality of education options for secondary students and is also available to students studying at the Pilbara Institute.

Funding for this project was allocated under the Pilbara Cities Pilbara Education Partnership Fund in response to a need for access to quality, local education.

Karijini Amphitheatre and Accommodation

**Project Cost:** $2 million  
**Pilbara Cities Investment:** $1 million  
**Project Completed:** November 2014

A state-of-the-art cultural amphitheatre and four accommodation units were constructed at the Karijini Eco Retreat to increase educational and tourism activities in the iconic National Park.

The amphitheatre will support the introduction of new activities for visitors particularly during off-peak and shoulder season, increasing occupancy and the financial sustainability of the Eco Retreat.

Development of the tourism sector is an opportunity to diversify the region’s economic base, providing more jobs and locally generated wealth not related to the mining sector. The completion of this project delivers a new attraction to the popular tourist destination.

Karratha Family Centre Relocation

**Project Cost:** $1 million  
**Pilbara Cities Investment:** $1 million  
**Project Completed:** May 2015

The Karratha Family Centre was relocated to make way for the new centrally-located Karratha Health Campus which is now under construction.

Extensive refurbishment works were undertaken on an unoccupied State Government building in a residential suburb, revitalising the facility and making it suitable for the Family Centre’s needs.

The new vibrant space is conveniently located next to a public open space and primary school. The new facility will also enable an increase in the Family Centre’s capacity to deliver programs and activities for Karratha children and families.
Karratha Government Offices

| Project Cost: | $6 million |
| Pilbara Cities Investment: | $6 million |
| MOU Signed: | April 2015 |

In 2014/15 the Pilbara Development Commission facilitated the signing of a memorandum of understanding with the Department of Finance to fund the fit-out of office accommodation for ten Government agencies on level two of The Quarter development in Karratha’s city centre.

The co-location of multiple departments will enhance collaboration and resource sharing, realising efficiencies and reducing the overall cost of office accommodation.

Location Based Expenditure Review

| Project Cost: | 6 month staff secondment |
| Project Completed: | November 2014 |

A six month secondment to Department of Premier and Cabinet was undertaken by a senior Commission staff member to identify the amount of services and funding currently being directed into five predominately Aboriginal communities in the Pilbara.

The project supports the Commission’s objective to ensure Aboriginal people are benefiting from regional prosperity. The final report was presented to the Aboriginal Affairs Cabinet Subcommittee for consideration and has informed the development of the State Government’s Reform Agenda for the delivery of services to Aboriginal people in regional WA.

My Pilbara Adventure

| 2015 My Pilbara Adventure Prize | March 2015 |

My Pilbara Adventure was initiated by the Commission in 2014 to promote the region as a premier tourism location in Western Australia. In its second year, the My Pilbara Adventure tourism campaign achieved a 600 per cent increase in competition entries attracting entrants from more than 30 countries.

The 2015 competition winners from New South Wales were taken for a 12-day adventure around the Pilbara from its magnificent coastline to its rugged interior where they enjoyed an island life experience, learnt about the region’s rich cultural history and indulged in five-star accommodation and cuisine. Accompanied by a daily blog and video diary, the campaign brings together tourism operators and visitor centres to showcase what the Pilbara has to offer visitors to the region.
Reconciliation Action Plan

Project Completed: July 2014

The Pilbara Development Commission’s Reconciliation Action Plan (RAP) was approved by Reconciliation Australia in 2015. The RAP affirms in writing the Pilbara Development Commission’s commitment to supporting improved economic and social outcomes for Aboriginal and Torres Strait Islander people in the Pilbara.

The RAP identifies three key theme areas; relationships, respect and opportunities, where the Commission can undertake actions to ensure Aboriginal and Torres Strait islander residents are benefitting from the significant investments in the region.

Royalties for Regions Grants

<table>
<thead>
<tr>
<th>Regional Grants Scheme:</th>
<th>$1.06 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Chest Fund</td>
<td>$0.37 million</td>
</tr>
</tbody>
</table>

In 2014/15, the Pilbara Development Commission allocated more than $1.4 million in Royalties for Regions grants for community and not-for-profit initiatives.

Under the $1.06m 2014/15 Pilbara Region Grant Scheme six projects from a total of 30 applications received funding, supporting projects totalling $7.7 million in the Pilbara.

A total of 24 community projects received a funding boost under the Pilbara Community Chest Fund. From Onslow to Roebourne, Pannawonica to Marble Bar, 11 towns across the Pilbara shared in $370,000 from the funding program.

Quarterly Property Snapshots

<table>
<thead>
<tr>
<th>Project Status:</th>
<th>Quarterly Reports</th>
</tr>
</thead>
</table>

The Commission continued to record the supply and price of commercial and residential housing, land and commercial properties across the Pilbara to evaluate the State Government’s investments which are aimed at normalising the property market.

During 2014/15 the advertised price of leasing retail property decreased by eight percent, office space decreased by seven percent and established industrial warehouse space decreased by 31 per cent.

Prices also continued to drop in the residential property market with Port Hedland’s average advertised rental price at a seven-year low while Karratha was at its lowest since 2011. Average listed sale prices in Karratha, Port and South Hedland and Newman continue to decrease, making it more affordable for families to choose to live in the region.
Department of Lands Staff Support

<table>
<thead>
<tr>
<th>Project Cost:</th>
<th>$1.7 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilbara Cities Investment:</td>
<td>$1.7 million</td>
</tr>
<tr>
<td>MoU Signed:</td>
<td>December 2014</td>
</tr>
</tbody>
</table>

The Pilbara Development Commission initiated a staff support project to fast track land availability in response to the complex land administration work required for the Pilbara.

Funding supports the engagement of 4.3 full time staff over three years. Supporting the Department of Lands expands their capacity to de-constrain land in the Pilbara to aid in normalising land availability.

Studies and Research

Accurate, quality data and research is essential to informing regional planning and investment strategies. In 2014/15 the following studies were funded or completed by the Commission in partnership with key stakeholders.

**Pilbara Tourism Product Development Plan**

<table>
<thead>
<tr>
<th>Status:</th>
<th>Completed November 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners:</td>
<td>Pilbara Regional Council, Tourism WA, local Government authorities</td>
</tr>
</tbody>
</table>

The Pilbara Tourism Product Development Plan identifies the infrastructure and resourcing requirements needed to support the revitalisation of tourism in the region. A number of short and long term product development opportunities have been identified under three key pillars of product development, marketing and promotion, and training and support. A steering committee comprising key stakeholders has been established to drive the implementation of the priority projects.

**Ashburton Accommodation Needs Study**

<table>
<thead>
<tr>
<th>Status:</th>
<th>In progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners:</td>
<td>Shire of Ashburton, Rio Tinto</td>
</tr>
</tbody>
</table>


**Pilbara Waste Priorities Study**

<table>
<thead>
<tr>
<th>Status:</th>
<th>Due for release July 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners:</td>
<td>Waste Authority</td>
</tr>
</tbody>
</table>

Reusing, recycling and recovering waste materials presents the Pilbara with a number of opportunities to improve environmental sustainability while also creating new employment opportunities. The Pilbara Waste Priorities Assessment identifies a number of opportunities for new facilities and processing systems that would divert material from landfill.
Pilbara Water Resource Assessment Report

Status: Due for release September 2015
Partners: CSIRO, Department of Water, BHP Billiton

Detailing data and modelling not previously conducted in the region, the Pilbara Water Resource Assessment Report provides an overview of the current and future climate water resources in the region for future planning. With new industries such as agriculture and aquaculture being investigated as economic diversification opportunities, as well as existing mining operations’ planned expansions, this data will provide critical information for future industry planning and investment.

Matching Climate, Soils and Plants for Agricultural Production

Status: Ongoing
Partners: Curtin University

The scoping report will produce an initial, region-wide assessment of food crops and other plants that could potentially be trialled and cultivated under the existing and future conditions of climate, soils and water in the Pilbara region.

Study on Agriculture and Aquaculture Precinct Sites in the Pilbara

Status: Commenced April 2015

The objective of the study is to undertake a detailed technical and economic assessment of the viability of establishing commercial algae and aquaculture industries in the Pilbara. The outcome of the study will form part of the knowledge base that will attract private sector investment in the establishment of algae and aquaculture commercial facilities in the Pilbara.
Report on Operations
Actual Results versus Budgeted Targets

Financial Targets

<table>
<thead>
<tr>
<th></th>
<th>2014-15 Target (1) $000</th>
<th>2014-15 Actual $000</th>
<th>Variation (2) $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost of services (expense limit) (sourced from Statement of Comprehensive Income)</td>
<td>6,903</td>
<td>8,021</td>
<td>1,118</td>
</tr>
<tr>
<td>Net cost of services (sourced from Statement of Comprehensive Income)</td>
<td>6,903</td>
<td>7,916</td>
<td>1,013</td>
</tr>
<tr>
<td>Total equity (sourced from Statement of Financial Position)</td>
<td>1,177</td>
<td>2,249</td>
<td>1,072</td>
</tr>
<tr>
<td>Net increase / (decrease) in cash held (sourced from Statement of Cash Flows)</td>
<td>(29)</td>
<td>73</td>
<td>102</td>
</tr>
<tr>
<td>Approved full time equivalent (FTE) staff level</td>
<td>22</td>
<td>22</td>
<td>0</td>
</tr>
</tbody>
</table>

(1) As specified in the Budget Statements.
(2) Further explanations are contained in Note 27 ‘Explanatory statement’ to the financial statements.
   (a) The increase in 2014-15 actual Total cost of services and Net cost of services as compared to 2014-15 target are predominantly due to the increase in approved Royalties for Regions’ funding and grant expenditure relating to Regional grants scheme and Community chest grants.
   (b) The variance in the Total Equity is due to the increase in cash balance in 2014-15 predominantly due to delays in spending in the Regional grants scheme.

Summary of Key Performance Indicators

<table>
<thead>
<tr>
<th>Outcome: Enhancement of the Pilbara Region’s economic and social development</th>
<th>2014-15 Target (1)</th>
<th>2014-15 Actual</th>
<th>Variation (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effectiveness Indicator Customers satisfied that the Commission is effective in meeting its service obligations.</td>
<td>80%</td>
<td>95%</td>
<td>15%</td>
</tr>
<tr>
<td>Efficiency Indicators Service 1: Facilitation, coordination and Governance Average operational costs (excluding grants) per working hour</td>
<td>$221</td>
<td>$237</td>
<td>$16</td>
</tr>
<tr>
<td>Service 2: Regional promotion and information services Average operational costs (excluding grants) per working hour</td>
<td>$147</td>
<td>$158</td>
<td>$11</td>
</tr>
</tbody>
</table>

(1) As specified in the Budget Statements.
(2) Explanations for the variations between targeted and actual results are presented in Note 30 ‘Explanatory Statement’ to the financial statements.
   (a) The cost per service in Service 1 has increased due to increase in operational cost spent towards facilitation and coordination of infrastructure and industry services, as well as progression of the Regional blueprints.
   (b) The cost per service in Service 2 has decreased due to decrease in operational cost spent in the promotion of the region and information services in this region, as well as the administration of the Regional Grants.
3. SIGNIFICANT ISSUES AND TRENDS

- The Pilbara economy is in transition with a shift from mining construction to production and export. The Pilbara economy will continue to be underpinned by resource production and investment with opportunities for attracting new industries. The Pilbara will remain a significant contributor to state and national economies. The region’s share of Australia’s Gross Domestic Product (GDP) has risen from 2% in the late 1990’s and early 2000’s, to 6.2% in 2014. The Pilbara produces 95% ($62 billion) of the value Western Australia’s iron ore production. The region also services the north-west shelf oil and gas fields, which produce approximately two thirds of Australia’s oil and gas, worth $27 billion2.
- The State Government continues its investment in supporting local jobs and economy through the allocation of over $650 million in community and essential infrastructure over the next four years. The Pilbara economy is strong and is in a much better position than most regions in Australia to grow in the future.
- With the Pilbara Regional Investment Blueprint nearing completion, the Commission’s attention will now turn to its implementation. The Commission will be working closely with stakeholders to deliver the Pilbara Blueprint vision and objectives.
- As the immediate needs of residential land have been addressed and the urban areas of the Pilbara mature, the residents’ and businesses’ expectations begin to diversify. Land needs to be de-constrained and zoned to accommodate these needs. As the Pilbara Blueprint pillars are implemented, the need for de-constrained and appropriately zoned lands becomes increasingly imperative. The Commission has a role to ensure the planning, prioritisation, and implementation of land release projects and activities are appropriate for a whole of Pilbara approach.
- Closely aligned with these maturing land use diversification demands is the need for infrastructure to service land parcels and new industries. The Commission has a role to ensure the planning, prioritisation, and implementation of infrastructure projects is appropriate for a whole of Pilbara approach.
- The recycling and/or future proofing of mining infrastructure beyond its mining life is a potential economic diversification opportunity. To achieve this the Commission will need to engage with mining companies and relevant State Government departments and agencies.
- The Pilbara’s fledgling tourism sector will continue to grow and revitalise after a long period of stagnation due to being crowded out by the recent massive resource and energy expansion program. The Commission is assisting its revitalisation through its continuing facilitation of the implementation of the Pilbara Tourism Strategy and support of initiatives such as My Pilbara Adventure.
- The Commission will continue to provide quality information about the Pilbara’s economy and people to ensure well informed decision making by government, industry and the community in prioritising investment opportunities.
4. DISCLOSURES AND LEGAL COMPLIANCE

Opinion of the Auditor General

INDEPENDENT AUDITOR’S REPORT

To the Parliament of Western Australia

PILBARA DEVELOPMENT COMMISSION

Report on the Financial Statements

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

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

Commission’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

As required by the Auditor General Act 2005, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Pilbara Development Commission at 30 June 2015 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer’s Instructions.
Report on Controls
I have audited the controls exercised by the Pilbara Development Commission during the year ended 30 June 2015.

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

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

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

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

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

Opinion
In my opinion, the controls exercised by the Pilbara Development Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2015.

Report on the Key Performance Indicators
I have audited the key performance indicators of the Pilbara Development Commission for the year ended 30 June 2015.

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

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

Auditor’s Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.
An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Commission’s preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion
In my opinion, the key performance indicators of the Pilbara Development Commission are relevant and appropriate to assist users to assess the Commission’s performance and fairly represent indicated performance for the year ended 30 June 2015.

Independence
In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2005 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators
This auditor’s report relates to the financial statements and key performance indicators of the Pilbara Development Commission for the year ended 30 June 2015 included on the Commission’s website. The Commission’s management is responsible for the integrity of the Commission’s website. The auditor’s report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from those financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 September 2015
Financial Statements

Certification of Financial Statements
For the year ending 30 June 2015

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 2015 and the financial position as at 30 June 2015.

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

Mr Chris Gilmour
Chairman
DATE: 14 September 2015

Mr Terry Hill
A/ Chief Executive Officer
DATE: 14 September 2015

Ms Fauziah Antonio
Chief Financial Officer
DATE: 14 September 2015
Statement of Comprehensive Income
For the year ending 30 June 2015

<table>
<thead>
<tr>
<th>COST OF SERVICES</th>
<th>Note.</th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefit expenses</td>
<td>6</td>
<td>4,022</td>
<td>3,960</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>7</td>
<td>1,970</td>
<td>1,738</td>
</tr>
<tr>
<td>Depreciation and amortisation expenses</td>
<td>8</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>Accommodation expenses</td>
<td>9</td>
<td>653</td>
<td>773</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>10</td>
<td>1,046</td>
<td>518</td>
</tr>
<tr>
<td>Other expenses</td>
<td>11</td>
<td>517</td>
<td>281</td>
</tr>
<tr>
<td><strong>Total Cost of Services</strong></td>
<td></td>
<td><strong>8,227</strong></td>
<td><strong>7,291</strong></td>
</tr>
</tbody>
</table>

Income

Revenue:

Other revenue                                           | 12    | 105       | 42        |

**Total Revenue**                                        |       | **105**   | **42**    |

**Total Income Other than Income from State Government** |       | **105**   | **42**    |

**NET COST OF SERVICES**                                 |       | **8,122** | **7,249** |

Income from State Government

Service appropriation                                    | 13    | 257       | 252       |

Other state grants                                      |       | 92        | 219       |

Resources received free of charge                       |       | 35        | 31        |

Royalties for Region Fund                               |       | 7,836     | 7,008     |

**Total Income from State Government**                  |       | **8,220** | **7,510** |

**SURPLUS (DEFICIT) FOR THE PERIOD**                    |       | **98**    | **261**   |

**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD**           |       | **98**    | **261**   |

See note 30 ‘Schedule of Income and Expenses by Service’.
The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.
Statement of Financial Position
For the year ending 30 June 2015

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Note.</th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>24</td>
<td>613</td>
<td>613</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>14; 24</td>
<td>2,185</td>
<td>2,194</td>
</tr>
<tr>
<td>Receivables</td>
<td>15</td>
<td>160</td>
<td>82</td>
</tr>
<tr>
<td>Other current assets</td>
<td>17</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td></td>
<td>2,965</td>
<td>2,889</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>14; 24</td>
<td>-</td>
<td>124</td>
</tr>
<tr>
<td>Amounts receivable for services</td>
<td>16</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>18</td>
<td>27</td>
<td>51</td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td></td>
<td>75</td>
<td>223</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td></td>
<td>3,040</td>
<td>3,112</td>
</tr>
</tbody>
</table>

| LIABILITIES                                  |       |           |           |
| Current Liabilities                          |       |           |           |
| Payables                                    | 21    | 267       | 264       |
| Provisions                                   | 22    | 425       | 553       |
| Total Current Liabilities                    |       | 692       | 817       |
| Non-Current Liabilities                      |       |           |           |
| Provisions                                   | 22    | 99        | 144       |
| Total Non-Current Liabilities                |       | 99        | 144       |
| TOTAL LIABILITIES                            |       | 791       | 961       |

NET ASSETS                                    |       | 2,249     | 2,151     |

| EQUITY                                       | 23    |           |           |
| Contributed equity                           |       | 353       | 353       |
| Accumulated surplus (deficit)                |       | 1,896     | 1,798     |
| TOTAL EQUITY                                 |       | 2,249     | 2,151     |

The statement of Financial Position should be read in conjunction with the accompanying notes.
## Statement of Change in Equity

For the year ending 30 June 2015

<table>
<thead>
<tr>
<th>Note.</th>
<th>Contributed Equity $000</th>
<th>Accumulated surplus/(deficit) $000</th>
<th>Total Equity $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 July 2013</strong></td>
<td>23</td>
<td>353</td>
<td>1,537</td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>-</td>
<td>-</td>
<td>261</td>
</tr>
<tr>
<td>Transactions with owners in their capacity as owners:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital contribution</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2014</strong></td>
<td></td>
<td>353</td>
<td>1,798</td>
</tr>
<tr>
<td><strong>Balance at 1 July 2014</strong></td>
<td>353</td>
<td></td>
<td>1,798</td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>-</td>
<td>-</td>
<td>98</td>
</tr>
<tr>
<td>Transactions with owners in their capacity as owners:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital contribution</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2015</strong></td>
<td></td>
<td>353</td>
<td>1,896</td>
</tr>
</tbody>
</table>

The statement of Change in Equity should be read in conjunction with the accompanying notes.
Statement of Cash Flow
For the year ending 30 June 2015

<table>
<thead>
<tr>
<th>Note.</th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOW FROM STATE GOVERNMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriation</td>
<td>257</td>
<td>252</td>
</tr>
<tr>
<td>State grants</td>
<td>92</td>
<td>219</td>
</tr>
<tr>
<td>Royalties for Region Fund</td>
<td>7,836</td>
<td>7,008</td>
</tr>
<tr>
<td><strong>Net Cash Provided by the State Government</strong></td>
<td>8,185</td>
<td>7,479</td>
</tr>
</tbody>
</table>

Utilised as follows

| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Payments | | |
| Employee benefits | (4,185) | (3,913) |
| Supplies and services | (1,944) | (1,771) |
| Accommodation | (653) | (773) |
| Grants and subsidies | (1,046) | (518) |
| GST payments on purchasing | (378) | (302) |
| Other payments | (517) | (281) |
| Receipts | | |
| GST receipts on sales | 7 | 8 |
| GST receipts from taxation authority | 259 | 309 |
| Other receipts | 139 | 127 |
| **Net Cash Provided by /used in) Operating Activities** | 24 | (8,318) | (7,114) |

| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Payments | | |
| Purchase of non-current physical assets | - | (17) |
| **Net Cash Provided by /used in) Investing Activities** | - | (17) |

| Net increase/(decrease) in cash and cash equivalents | (133) | 348 |
| Cash and cash equivalents at the beginning of the period | 2,931 | 2,583 |

**CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD**

| 24 | 2,798 | 2,931 |

The Statement of Cash Flow should be read in conjunction with the accompanying notes.
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Notes to the Financial Statements
For the year ending 30 June 2015

Note 1. Australian Accounting Standards

General
The Commission’s financial statements for the year ended 30 June 2015 have been prepared in accordance with Australian Accounting Standards. The term ‘Australian Accounting Standards’ includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

Early adoption of standards
The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2015.

Note 2. Summary of significant accounting policies

(a) General statement
The Commission is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer’s instructions. Several of these are modified by the Treasurer’s instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer’s instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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

(b) Basis of preparation
The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

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

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

Note 3 ‘Judgements made by management in applying accounting policies’ discloses judgements that have been made in the process of applying the Commission’s accounting policies resulting in the most significant effect on amounts recognised in the financial statements.
Note 4 ‘Key sources of estimation uncertainty’ discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting entity
The reporting entity comprises the Pilbara Development Commission (Commission).

Mission
The Commission’s mission is to be the catalyst for regional growth and development in the Pilbara.

Services
The Commission provides the following services:

Service 1: Facilitation, Coordination and Governance
Facilitates high-level stakeholder group discussion through the Pilbara Dialogue including requirements and strategies for the future development of the region. Coordinate liaison and collaboration between state government agencies. Develop, implement and review good governance models, particularly in the area of grants management and effective agency operation.

Service 2: Regional Promotion and Information Services
Provide and regularly update a range of relevant planning and community information to facilitate and support the sustainable economic and social development of the region.

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

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

(e) Income
Revenue recognition
Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

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

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

Service appropriations
Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the ‘Amounts receivable for services’ (holding account) held at Treasury.

**Net Appropriation Determination**

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Commission. In accordance with the determination specified in the 2014-15 Budget Statements, the Commission retained $0.105 million in 2015 from the following:

- a. proceeds from fees and charges;
- b. sale of goods;
- c. Commonwealth specific purpose grants and contributions;
- d. other Commission revenue.

**Grants, donations, gifts and other non-reciprocal contributions**

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

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

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

**Gains**

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

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

**Initial recognition and measurement**

Property, plant and equipment 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 the fair value at the date of acquisition.

**Subsequent measurement**

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings and infrastructure and historical cost for all other property, plant and equipment. Land, buildings and infrastructure are carried at fair value less accumulated depreciation (buildings and infrastructure only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.
Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

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

Fair value of infrastructure has been determined by reference to the depreciated replacement cost (existing use basis) as the assets are specialised and no market-based evidence of value is available. Land under infrastructure is included in land reported under note 18 ‘Property, plant and equipment’. Independent valuations are obtained every 3 to 5 years for infrastructure.

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

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

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

Asset revaluation surplus
The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 18 ‘Property, plant and equipment’.

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

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

- Plant and equipment 10 to 15 years
- Office equipment 5 years
- Software(a) 3 to 5 years

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

Land is not depreciated.
(g) **Intangible assets**

**Capitalisation/expensing of assets**

Acquisitions 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 lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is 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 which is reviewed annually) on the straight line basis. All intangible assets controlled by the Commission have a finite useful life and zero residual value.

- Software(a) 3 to 5 years
- Website costs 3 to 5 years

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

**Computer software**

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

**Website costs**

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

(h) **Impairment of assets**

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Commission is a not-for-profit entity, unless 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 the asset’s future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.
The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) **Non-current assets (or disposal groups) classified as held for sale**
Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount or fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for sale are not depreciated or amortised.

(j) **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 Commission 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.

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(k) **Financial instruments**
In addition to cash, the Commission has two categories of financial instrument:
- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:
- Financial Assets
  - Cash and cash equivalents
  - Restricted cash and cash equivalents
  - Receivables
  - Amounts receivable for services.
- Financial Liabilities
  - Payables

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

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

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

(m) Accrued salaries
Accrued salaries (see note 21 ‘Payables’) represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See note 14 ‘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 instead of the normal 26. No interest is received on this account.

(n) Amounts receivable for services (holding account)
The Commission receives income from State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(o) Receivables
Receivables are recognised 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 against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(p) Payables
Payables are recognised when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

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

Provisions – employee benefits
All annual leave and long service leave provisions are in respect of employee’s services up to the end of the reporting period.

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted
using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

**Long service leave**
The liability for long service leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

**Purchased leave**
The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

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

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

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Commission makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the Commonwealth Government’s Superannuation Guarantee (Administration) Act 1992. Contributions to these
accumulation schemes extinguish the Commission’s liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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

The Commission has no liabilities under the Pension Schemes or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESB.

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

Provisions – other

Employment on-costs

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

(r) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises of employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation fund. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

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

Assets or services received free of charge or for nominal cost are recognised as income at the fair value of the assets and/or the fair value of those services that the Commission would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

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

(t) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.
Note 3. Judgements made by management in applying accounting policies

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

Operating lease commitments
The Commission has entered into leases for buildings used for office accommodation. It has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, the leases have been classified as operating leases.

Note 4. Key sources of estimation uncertainty

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

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

Note 5. Disclosure of changes in accounting policy and estimates

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

Int 21 Levies
This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Commission at reporting date.

AASB 10 Consolidated Financial Statements
This Standard, issued in August 2011, supersedes AASB 127 Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments.

AASB 11 Joint Arrangements
This Standard, issued in August 2011, supersedes AASB 131 Interests in Joint Ventures, introduces new principles for determining the type of joint arrangement that exists, which are more aligned to the actual rights and obligations of the parties to the arrangement. There is no financial impact for the Commission as the new standard continues to require the recognition of the Commission's share of assets and share of liabilities for the unincorporated joint operation.

AASB 12 Disclosure of Interests in Other Entities
This Standard, issued in August 2011, supersedes disclosure requirements in AASB 127 Consolidated and Separate Financial Statements, AASB 128 Investments in Associates and
AASB 131 Interests in Joint Ventures. Mandatory application was deferred for not-for-profit entities by AASB 2012-10. There is no financial impact.

AASB 127 Separate Financial Statements
This Standard, issued in August 2011, supersedes AASB 127 Consolidated and Separate Financial Statements, removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. Mandatory application was deferred by one year for not-for-profit entities by AASB 2012-10. There is no financial impact.

AASB 128 Investments in Associates and Joint Ventures
This Standard, issued in August 2011, supersedes AASB 128 Investments in Associates, introducing a number of clarifications for the accounting treatments of changed ownership interest.
The adoption of the new Standard has no financial impact for the Commission as it does not hold investments in associates and joint ventures

AASB 1031 Materiality
This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no finance impact.

AASB 1055 Budgetary Reporting
This Standard requires specific budgetary disclosures in the financial statements of not-for-profit entities within the General Government Sector. The Commission will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]
This Standard gives effect to consequential changes arising from the issue of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. Mandatory application was deferred for not-for-profit entities by AASB 2012-10. The Model Statutory Authority has analysed the suite of Consolidation and Joint Arrangements Standards and determined that no financial impact arises from adopting the various Standards.

This Standard introduces editorial and disclosure changes. There is no financial impact.
AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]
This Standard permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The Commission does not routinely enter into derivatives or hedges, therefore there is no financial impact.

AASB 2013-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities [AASB 10, 12 & 1049].
The amendments, issued in October 2013, provide significant guidance in determining whether a not-for-profit entity controls another entity when financial returns are not key attribute of the investor's relationship. The Standard has no financial impact in its own right, rather the impact result from the adoption of the amended AASB 10.

Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014. It has no financial impact.

AASB 2014-1 Amendments to Australian Accounting Standards
Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for the Commission.
Part B of this Standard has no financial impact as the Commission contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans.
Part C of this Standard has no financial impact as it removes references to AASB 1031 Materiality from a number of Accounting Standards.

Future impact of Australian Accounting Standards not yet operative
The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Commission has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Accounting Standards from their application date.
**AASB 9**  
*Financial Instruments*

This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.

The mandatory application date of this Standard was amended to 1 January 2018. The Commission has not yet determined the application of the potential impact of the Standard.

**AASB 15**  
*Revenue from Contracts with Customers*

This Standard establishes the principles that the Commission shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of the revenue and the cashflows arising from a contract with a customer. The Commission has not yet determined the application or the potential impact of the Standard.

**AASB 2010-7**  
*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]*

This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.

The mandatory application date of this standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Commission has not yet determined the application or the potential impact of the Standard.

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

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

**AASB 2014-1**  
*Amendments to Australian Accounting Standards*

Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Commission to determine the application or potential impact the Standard.
AASB 2014-3  Amendments to the Australian Accounting Standards - Accounting for Acquisitions of interests in Joint Operations [AASB 1 & 11]
The Commission establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.

AASB 2014-4  Amendments to the Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [ AASB 116 & 138]
The adoption of this Standard has no financial impact for the Commission as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of the future economic benefits.

AASB 2014-5  Amendments to the Australian Accounting Standards arising from AASB 15
This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Commission has not yet determined the application or the potential impact of the Standard.

AASB 2014-7  Amendments to the Australian Accounting Standards arising from AASB 15
This Standard gives effect to the consequential amendments to the Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.

AASB 2014-8  Amendments to Australian Accounting Standards arising from AASB 9 December 2014) - Applications AASB 9 (December 2009) and AASB (December 2010) [AASB9 (2009 & 2010)
This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010), arising from the issuance of AASB 9 Financial Instruments.

AASB 2014-9  Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB1, 127 & 128]
This Standard amends AASB 127, and the consequentially amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. The Commission has not yet determined the application or the potential impact of the standard.
AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contributions of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]

This Standard amends AASB 10 and AASB 128 to address and inconsistency between the requirements on the AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The Commission has not yet determined the application or the potential impact of the Standard.

AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2014-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137, & 140]

These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. The Commission has not yet determined the application or the potential impact of the Standard.

AASB 2015-2 Amendments to Australia Accounting Statements - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]

This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about the existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.

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

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

AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to not-for-profit Public Sector Entities [AASB 10, 124 & 1049]

The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. The Commission has not yet determined the application of the Standard, though there is no financial impact.
Note 6. Employee benefits expenses

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>3,770</td>
<td>3,708</td>
</tr>
<tr>
<td>Superannuation</td>
<td>252</td>
<td>252</td>
</tr>
<tr>
<td>– defined contribution plans (b)</td>
<td>252</td>
<td>252</td>
</tr>
<tr>
<td></td>
<td><strong>4,022</strong></td>
<td><strong>3,960</strong></td>
</tr>
</tbody>
</table>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.
(b) Defined contribution plans include West State and Gold State and GESB Super Scheme (contributions paid).

Employment on-costs expenses, such as workers’ compensation insurance, are included at note 11 'Other expenses'. Employment on-cost liability is included in note 22 ‘Provisions’.

Note 7. Supplies and Services

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>256</td>
<td>159</td>
</tr>
<tr>
<td>Consultants and contractors</td>
<td>1,098</td>
<td>734</td>
</tr>
<tr>
<td>Consumables</td>
<td>117</td>
<td>206</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>2</td>
<td>70</td>
</tr>
<tr>
<td>Lease rent and hire costs</td>
<td>119</td>
<td>88</td>
</tr>
<tr>
<td>Travel</td>
<td>257</td>
<td>370</td>
</tr>
<tr>
<td>Other</td>
<td>121</td>
<td>111</td>
</tr>
<tr>
<td></td>
<td><strong>1,970</strong></td>
<td><strong>1,738</strong></td>
</tr>
</tbody>
</table>

Note 8. Depreciation and Amortisation Expenses

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Total Depreciation</td>
<td><strong>21</strong></td>
<td><strong>17</strong></td>
</tr>
</tbody>
</table>

Note 9. Accommodation Expenses

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Rentals</td>
<td>653</td>
<td>773</td>
</tr>
<tr>
<td></td>
<td><strong>653</strong></td>
<td><strong>773</strong></td>
</tr>
</tbody>
</table>
Note 10. Grants and Subsidies

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalties for Region Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional Grants</td>
<td>596</td>
<td>257</td>
</tr>
<tr>
<td>Community Chest</td>
<td>358</td>
<td></td>
</tr>
<tr>
<td>Regional Investment Blueprints</td>
<td>-</td>
<td>90</td>
</tr>
<tr>
<td>Other grants</td>
<td>67</td>
<td>171</td>
</tr>
<tr>
<td></td>
<td><strong>1,021</strong></td>
<td><strong>518</strong></td>
</tr>
<tr>
<td>Other Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minor Grants and Subsidies</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>25</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td></td>
<td><strong>1,046</strong></td>
<td><strong>518</strong></td>
</tr>
</tbody>
</table>

Note 11. Other Expenses

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fees</td>
<td>35</td>
<td>13</td>
</tr>
<tr>
<td>Donation and sponsorship</td>
<td>232</td>
<td>143</td>
</tr>
<tr>
<td>Other expenses (a) (b)</td>
<td>250</td>
<td>125</td>
</tr>
<tr>
<td></td>
<td><strong>517</strong></td>
<td><strong>281</strong></td>
</tr>
</tbody>
</table>

(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 are not included in employment on-costs.

(b) Includes $206,111 return of unspent RfR grant monies to Department of Treasury ($129,856) and to Department of Regional Development ($76,255). (Nil in 2014).

Note 12. Other Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Revenue</td>
<td>105</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td><strong>105</strong></td>
<td><strong>42</strong></td>
</tr>
</tbody>
</table>
Note 13. Income from State Government

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriations received during the period:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriations (a)</td>
<td>257</td>
<td>252</td>
</tr>
<tr>
<td>Other State grants</td>
<td>92</td>
<td>219</td>
</tr>
<tr>
<td>Services received free of charge (b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determined on the basis of the following estimates provided by agency:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Finance</td>
<td>35</td>
<td>31</td>
</tr>
</tbody>
</table>

| Royalties for Region Fund:    |        |        |
| - Regional Community Services Account (c) | 1,422  | 316    |
| - Regional and State-wide Initiatives (c) | 6,414  | 6,692  |

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

(b) Assets or services received free of charge or for nominal cost are recognised as revenues at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contribution of assets or services in the nature of contributions by owners are recognised direct to equity.

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

Note 14. Restricted Cash and Cash Equivalent

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|                              |        |        |

(a) Unspent funds are committed to projects and programs in WA regional areas.

(b) Funds held in the suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.
Note 15. Receivables

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>2</td>
<td>36</td>
</tr>
<tr>
<td>GST Receivables</td>
<td>158</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>160</td>
<td>82</td>
</tr>
</tbody>
</table>

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

Note 16. Amounts Receivable for Services (holding account)

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>48</td>
</tr>
</tbody>
</table>

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Note 17. Other current assets

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7</td>
<td>-</td>
</tr>
</tbody>
</table>

Note 18. Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plant and Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>75</td>
<td>80</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(61)</td>
<td>(49)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14</td>
<td>31</td>
</tr>
<tr>
<td><strong>Computer equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(51)</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13</td>
<td>20</td>
</tr>
</tbody>
</table>

All Plant and Equipment are measured at cost.
Reconciliations of the carrying amounts of plane and equipment at the beginning and end of the reporting period are set out in the table below.

<table>
<thead>
<tr>
<th></th>
<th>Plant &amp; Equipment $000</th>
<th>Computer Equipment $000</th>
<th>Total $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying amount at the start of the year</td>
<td>31</td>
<td>20</td>
<td>51</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other disposals</td>
<td>(5)</td>
<td>-</td>
<td>(5)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(12)</td>
<td>(7)</td>
<td>(19)</td>
</tr>
<tr>
<td>Carrying amount at the end of the year</td>
<td>14</td>
<td>13</td>
<td>27</td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying amount at the start of the year</td>
<td>44</td>
<td>11</td>
<td>55</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(13)</td>
<td>(8)</td>
<td>(21)</td>
</tr>
<tr>
<td>Carrying amount at the end of the year</td>
<td>31</td>
<td>20</td>
<td>51</td>
</tr>
</tbody>
</table>

**Note 19. Intangible Assets**

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Computer software</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(9)</td>
<td>(9)</td>
</tr>
</tbody>
</table>

There have been no movement in Intangible assets.

**Note 20. Impairment of Assets**

There were no indications of impairment to plant and equipment as at 30 June 2015.

**Note 21. Payables**

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>34</td>
<td>29</td>
</tr>
<tr>
<td>Other payables</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>168</td>
<td>180</td>
</tr>
<tr>
<td>Accrued salaries</td>
<td>65</td>
<td>55</td>
</tr>
<tr>
<td>Total Current</td>
<td>267</td>
<td>264</td>
</tr>
</tbody>
</table>
### Note 22. Provisions

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits provision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual leave (a)</td>
<td>176</td>
<td>265</td>
</tr>
<tr>
<td>Long service leave (b)</td>
<td>246</td>
<td>284</td>
</tr>
<tr>
<td></td>
<td>422</td>
<td>549</td>
</tr>
<tr>
<td>Other provisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment on-costs (C)</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>425</td>
<td>553</td>
</tr>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits provision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long service leave (b)</td>
<td>98</td>
<td>143</td>
</tr>
<tr>
<td></td>
<td>98</td>
<td>143</td>
</tr>
<tr>
<td>Other provisions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment on-costs (C)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>99</td>
<td>144</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 12 months of the end of the reporting period</td>
<td>117</td>
<td>174</td>
</tr>
<tr>
<td>More than 12 months after the reporting period</td>
<td>59</td>
<td>91</td>
</tr>
<tr>
<td></td>
<td>176</td>
<td>265</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 12 months of the end of the reporting period</td>
<td>257</td>
<td>294</td>
</tr>
<tr>
<td>More than 12 months after the reporting period</td>
<td>87</td>
<td>133</td>
</tr>
<tr>
<td></td>
<td>344</td>
<td>427</td>
</tr>
</tbody>
</table>

(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 unwinding of the discount (finance cost), is disclosed in note 11 'Other expenses'.
Movement in Other Provisions

Movements in each class of provisions during the financial year, other than employee benefits are set out below.

<table>
<thead>
<tr>
<th>Employment on-cost provision</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying amount at start of year</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Payments/other sacrifices of economic benefits</td>
<td>(1)</td>
<td>5</td>
</tr>
<tr>
<td>Carrying amount at end of year</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Note 23. Equity

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

<table>
<thead>
<tr>
<th>Contributed Equity</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the start of period</td>
<td>353</td>
<td>353</td>
</tr>
<tr>
<td>Contributions by owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital appropriation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total contributions by owners</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at the end of period</td>
<td>353</td>
<td>353</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated surplus (deficit)</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the start of period</td>
<td>1,798</td>
<td>1,537</td>
</tr>
<tr>
<td>Result for the period</td>
<td>98</td>
<td>261</td>
</tr>
<tr>
<td>Balance at the end of period</td>
<td>1,896</td>
<td>1,798</td>
</tr>
</tbody>
</table>
Note 24. Notes to the Statement of Cash Flow

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

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalent</td>
<td>613</td>
<td>613</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>2,185</td>
<td>2,318</td>
</tr>
<tr>
<td></td>
<td><strong>2,798</strong></td>
<td><strong>2,931</strong></td>
</tr>
</tbody>
</table>

Reconciliation of the net cash flows provided by/(used in) operating activities:

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cost of services</td>
<td>(8,122)</td>
<td>(7,249)</td>
</tr>
<tr>
<td>Non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation expenses</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>Resources received free of charge</td>
<td>35</td>
<td>31</td>
</tr>
<tr>
<td>Write-off of non-current assets</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/decrease in assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current receivables[^a]</td>
<td>34</td>
<td>85</td>
</tr>
<tr>
<td>Other current assets</td>
<td>(7)</td>
<td>-</td>
</tr>
<tr>
<td>Increase/(decrease) in liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current payables[^a]</td>
<td>3</td>
<td>(94)</td>
</tr>
<tr>
<td>Current provisions</td>
<td>(128)</td>
<td>13</td>
</tr>
<tr>
<td>Non-current provisions</td>
<td>(45)</td>
<td>64</td>
</tr>
<tr>
<td>Net GST receipts/(payments)[^b]</td>
<td>(112)</td>
<td>14</td>
</tr>
<tr>
<td>Change in GST in receivables/payables[^c]</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td><strong>(8,318)</strong></td>
<td><strong>(7,114)</strong></td>
</tr>
</tbody>
</table>

[^a]: Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.
[^b]: This is the net GST paid/received i.e. cash transactions.
[^c]: This reverses out the GST in receivables and payables.
Note 25. Commitments

<table>
<thead>
<tr>
<th>Non-cancellable operating lease commitments</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Commitments for minimum lease payments are payable as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within 1 year</td>
<td>911</td>
<td>1,403</td>
</tr>
<tr>
<td>Later than 1 year and not later than 5 years</td>
<td>2,516</td>
<td>4,425</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>3,427</td>
<td>5,828</td>
</tr>
</tbody>
</table>

The commission has entered into property leases and leases on its motor vehicles.

Note 26. Events occurring after the end of the reporting period.

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

Note 27. Contingent liabilities and contingent assets.

There were no contingent liabilities or contingent assets as at the end of June 2015.
Note 28. Explanatory Statement

This statement provides details of any significant variations between estimates and actual results for 2015 and between the actual result for 2014 and 2015. Significant variations are considered to be those greater than 10% or $100,000.

### Statement of Comprehensive Income

<table>
<thead>
<tr>
<th>Variance</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>1</td>
<td>4,916</td>
<td>4,022</td>
<td>3,960</td>
<td>(894)</td>
</tr>
<tr>
<td>Supplied and services</td>
<td>2, A</td>
<td>1,361</td>
<td>1,970</td>
<td>1,738</td>
<td>609</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>3, B</td>
<td>15</td>
<td>19</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td>Accommodation expenses</td>
<td>3, B</td>
<td>337</td>
<td>653</td>
<td>773</td>
<td>316</td>
</tr>
<tr>
<td>Grants and Subsidies</td>
<td>4, C</td>
<td>218</td>
<td>1,046</td>
<td>518</td>
<td>828</td>
</tr>
<tr>
<td>Other expenses</td>
<td>5, D</td>
<td>56</td>
<td>517</td>
<td>281</td>
<td>461</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td></td>
<td><strong>6,903</strong></td>
<td><strong>8,227</strong></td>
<td><strong>7,291</strong></td>
<td><strong>1,324</strong></td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Revenue</td>
<td>6</td>
<td>-</td>
<td>105</td>
<td>42</td>
<td>105</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td></td>
<td><strong>-</strong></td>
<td><strong>105</strong></td>
<td><strong>42</strong></td>
<td><strong>105</strong></td>
</tr>
<tr>
<td><strong>Total income other than income from State Government</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cost of Services</td>
<td></td>
<td><strong>6,903</strong></td>
<td><strong>8,122</strong></td>
<td><strong>7,249</strong></td>
<td><strong>1,219</strong></td>
</tr>
<tr>
<td>Income from State Government</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriation</td>
<td></td>
<td>257</td>
<td>257</td>
<td>252</td>
<td>-</td>
</tr>
<tr>
<td>Other State Grants</td>
<td>7, H</td>
<td>-</td>
<td>92</td>
<td>219</td>
<td>92</td>
</tr>
<tr>
<td>Resources received free of charge</td>
<td></td>
<td>-</td>
<td>35</td>
<td>31</td>
<td>35</td>
</tr>
<tr>
<td>Royalties for Regions Fund</td>
<td>8, E</td>
<td>6,632</td>
<td>7,836</td>
<td>7,008</td>
<td>1,204</td>
</tr>
</tbody>
</table>
### Statement of Comprehensive Income

<table>
<thead>
<tr>
<th>Variance Note.</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income from State Government</td>
<td></td>
<td>6,889</td>
<td>8,220</td>
<td>7,510</td>
<td>1,331</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the Period</td>
<td>(14)</td>
<td>98</td>
<td>261</td>
<td>112</td>
<td>(163)</td>
</tr>
</tbody>
</table>

### Statement of Financial Position

<table>
<thead>
<tr>
<th>Variance Note.</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>9</td>
<td>1,084</td>
<td>613</td>
<td>613</td>
<td>(471)</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>9</td>
<td>669</td>
<td>2,185</td>
<td>2,194</td>
<td>1,516</td>
</tr>
<tr>
<td>Receivables</td>
<td>182</td>
<td>160</td>
<td>82</td>
<td>(22)</td>
<td>78</td>
</tr>
<tr>
<td>Other current assets</td>
<td>-</td>
<td>7</td>
<td>-</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>1,935</td>
<td>2,965</td>
<td>2,889</td>
<td>1,030</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>9, F</td>
<td>-</td>
<td>-</td>
<td>124</td>
<td>-</td>
</tr>
<tr>
<td>Amounts receivable for services</td>
<td>-</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>-</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>10</td>
<td>127</td>
<td>27</td>
<td>51</td>
<td>(100)</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td></td>
<td>127</td>
<td>75</td>
<td>223</td>
<td>(52)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>2,062</td>
<td>3,040</td>
<td>3,112</td>
<td>978</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>11</td>
<td>19</td>
<td>267</td>
<td>264</td>
<td>248</td>
</tr>
</tbody>
</table>
### Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>Variance Note.</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>G</td>
<td>448</td>
<td>425</td>
<td>553</td>
<td>(23)</td>
<td>(128)</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
<td>338</td>
<td>-</td>
<td>-</td>
<td>(338)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td><strong>805</strong></td>
<td><strong>692</strong></td>
<td><strong>817</strong></td>
<td><strong>(113)</strong></td>
<td><strong>(125)</strong></td>
</tr>
<tr>
<td>Provisions</td>
<td>G</td>
<td>80</td>
<td>99</td>
<td>144</td>
<td>19</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td></td>
<td><strong>80</strong></td>
<td><strong>99</strong></td>
<td><strong>144</strong></td>
<td><strong>19</strong></td>
<td><strong>(45)</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td><strong>885</strong></td>
<td><strong>791</strong></td>
<td><strong>961</strong></td>
<td><strong>(94)</strong></td>
<td><strong>(170)</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td><strong>1,177</strong></td>
<td><strong>2,249</strong></td>
<td><strong>2,151</strong></td>
<td><strong>1,072</strong></td>
<td><strong>98</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed Equity</td>
<td></td>
<td>383</td>
<td>353</td>
<td>353</td>
<td>(30)</td>
<td>-</td>
</tr>
<tr>
<td>Accumulated surplus/(deficit)</td>
<td></td>
<td>794</td>
<td>1,896</td>
<td>1,798</td>
<td>1,102</td>
<td>98</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td><strong>1,177</strong></td>
<td><strong>2,249</strong></td>
<td><strong>2,151</strong></td>
<td><strong>1,072</strong></td>
<td><strong>98</strong></td>
</tr>
</tbody>
</table>

### Statement of Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Variance Note.</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from State Government</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriation</td>
<td>H</td>
<td>257</td>
<td>257</td>
<td>252</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>State Grants</td>
<td></td>
<td>-</td>
<td>92</td>
<td>219</td>
<td>92</td>
<td>(127)</td>
</tr>
<tr>
<td>Royalties for Regions Fund</td>
<td>12, I</td>
<td>6,632</td>
<td>7,836</td>
<td>7,008</td>
<td>1,204</td>
<td>828</td>
</tr>
<tr>
<td><strong>Net cash provided by State Government</strong></td>
<td></td>
<td><strong>6,889</strong></td>
<td><strong>8,185</strong></td>
<td><strong>7,479</strong></td>
<td><strong>1,296</strong></td>
<td><strong>706</strong></td>
</tr>
</tbody>
</table>
## Statement of Cash Flow

<table>
<thead>
<tr>
<th>Variance Note</th>
<th>Original Budget 2015 $000</th>
<th>Actual 2015 $000</th>
<th>Actual 2014 $000</th>
<th>Variance between est. and actual $000</th>
<th>Variance between actual results for 2015 and 2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilised as follows:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flows from operation activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>13, J</td>
<td>(4,359)</td>
<td>(4,185)</td>
<td>(3,913)</td>
<td>174</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>K</td>
<td>(1,245)</td>
<td>(1,944)</td>
<td>(1,771)</td>
<td>(699)</td>
</tr>
<tr>
<td>Accommodation</td>
<td>14, L</td>
<td>(363)</td>
<td>(653)</td>
<td>(773)</td>
<td>(290)</td>
</tr>
<tr>
<td>Grants and Subsidies</td>
<td>15, M</td>
<td>(218)</td>
<td>(1,046)</td>
<td>(518)</td>
<td>(828)</td>
</tr>
<tr>
<td>GST payments on purchases</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other payments</td>
<td>16, N</td>
<td>(858)</td>
<td>(517)</td>
<td>(281)</td>
<td>341</td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST receipts on sales</td>
<td>-</td>
<td>7</td>
<td>8</td>
<td>7</td>
<td>(1)</td>
</tr>
<tr>
<td>GST receipts from taxation authority</td>
<td>155</td>
<td>259</td>
<td>309</td>
<td>104</td>
<td>(50)</td>
</tr>
<tr>
<td>Other receipts</td>
<td>17</td>
<td>-</td>
<td>139</td>
<td>127</td>
<td>139</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td>(6,888)</td>
<td>(8,318)</td>
<td>(7,114)</td>
<td>(1,430)</td>
<td>(1,204)</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) investing activities</strong></td>
<td>(30)</td>
<td>-</td>
<td>(17)</td>
<td>30</td>
<td>17</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
<td>1,782</td>
<td>2,931</td>
<td>2,583</td>
<td>1,149</td>
<td>348</td>
</tr>
<tr>
<td><strong>Cash and Cash equivalents at the end of the period</strong></td>
<td>1,753</td>
<td>2,798</td>
<td>2,931</td>
<td>1,045</td>
<td>(133)</td>
</tr>
</tbody>
</table>
Major Estimate and Actual (2015) Variance Narratives for Controlled Operations

1) Employee benefits expense underspent by $0.9 million (18%) due to vacancies in permanent positions. The underspent has been offset with an increase in Supplies and Services ($0.6m) through the use of temporary personnel whilst undergoing recruitment.
2) Supplies and services expense exceeded estimates by $0.6 million (45%) due to the use of contractors being employed to temporarily fill vacant positions.
3) Accommodation expenses exceeded estimates by $0.3 million (94%) as the estimates had not accounted for the expenditure for the accommodation for Pilbara Cities Office. The budget for the next year has been adjusted.
4) Grants expense exceeded estimates by $0.8 million due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.
5) Other expenses are overspent by $0.5 million (823%) due to an increase in expenditure for sponsorships for Community, Industry, Commerce and Cultural events within the Region, and the return of unspent RfR grant monies to Department of Treasury $0.13 million and to Department of Regional Development $0.07 million.
6) Other Revenue exceeded estimates by $0.1 million (100%) due to the recoup of costs associated with staff secondment, sharing of office space and staff contributions towards housing and vehicles.
7) Other State Grants exceeded estimates by $0.09 million (100%) due to recoups for grant payment for a Community Group that has closed.
8) Royalties for Regional Fund increase of $1.2 million (18%) due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme ($0.6 million) and the Community Chest Grants Scheme ($0.4 million).
9) Cash assets (including restricted cash) were higher than estimated by $1.0 million (60%) due to higher closing cash balances in previous year than anticipated, due to unspent RfR programs.
10) Plant and Equipment was lower than the estimates by $0.1 million (79%) as no acquisition of plant and equipment was made in the financial year.
11) Payables are higher than anticipated by $0.2 million due to lower creditor and accrual balances at year end but this is offset by the anticipated balance for Other Liabilities for $0.4 million.
12) Royalties for Regional Fund received a funding increase of $1.2 million (18%) due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme ($0.6 million) and the Community Chest Grants Scheme ($0.4 million).
13) Employee benefits payments are underspent by $0.2 million (4%) due to vacancies in permanent positions. The underspent has been offset with an increase in Supplies and Services payments ($0.7m) through the use of temporary personnel whilst undergoing recruitment .
14) Accommodation payments exceeded estimates by $0.3 million (80%) as the estimates had not accounted for the expenditure for the accommodation for Pilbara Cities Office. The budget for the next year has been adjusted.
15) Grants payments exceed estimates by $0.8 million due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.
16) Other payments are underspent by $0.3 million (40%) due to an expected return of Regional Grants Scheme funds $0.5m, which is now due to occur in the 2015-16 financial year. This underspend has been offset by the return of unspent RfR grant monies to Department of Treasury $0.13 million and to Department of Regional Development $0.07 million.
17) Other Receipts exceeded estimates by $0.1 million due to the recoup of costs associated with staff secondment, sharing office space and staff contributions towards housing and vehicles.
Major Actual (2015) and Comparative (2014) Variances Narratives for Controlled Operations

A) Supplies and services have increased by $0.2 million (12%) predominantly due to expenditure with the development of the Regional Investment Blueprints.

B) Accommodation expenses have decreased by $0.1 million (18%) due to decreases in rental property rates.

C) Grants expense increased by $0.5 million (50%) due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.

D) Other expenses have increased by $0.2 million (46%) due to the return of unspent RfR grant monies to Department of Treasury $0.13 million and to Department of Regional Development $0.07 million.

E) Royalties for Regional Fund increased by $0.8 million (11%) due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.

F) Non-current Restricted cash and cash equivalents, which represent the provision for 27th pay, was lower than estimated by $0.1 million ($0%). The provision for 27th pay is due in 2015-16 and this has been transferred and recognised within the current Restricted cash and cash equivalents.

G) Total Provisions have decreased by $0.173 million due to higher levels of leave being taken and paid out during the year.

H) Other State Grants received by the Commission are usually for once off items and receipt for this financial year has decreased by $0.1 million or 6%.

I) Royalties for Regional Funds received increased by $0.8 million (11%) due to new and continuation of Royalties for Regions community grants schemes being approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.

J) Employee benefits payments have increased by $0.3 million due to increase in payout of leave during the year.

K) Supplies and services payments increased by $0.2 million (9%) due to completion of the Regional Investment Blueprints in this financial year.

L) Accommodation payments has reduced by $0.1 million (18%) due to decreases in rental property rates.

M) Grants and subsidies have increased by $0.5 million (50%) due to payments of grants for the Royalties for Regions community grants schemes that was approved during year, namely Regional Grants Scheme and the Community Chest Grants Scheme.

N) Other payments have increased by $0.2 million (46%) due to the return of unspent RfR grant monies to Department of Treasury $0.13 million and to Department of Regional Development $0.07 million.
Note 29. Financial Instruments

(a) Financial risk management objectives and policies.

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

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 29(c) 'Financial instrument disclosures' and note 15 'Receivables'.

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

Liquidity risk
Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due. The Commission is exposed to liquidity risk through its trading in the normal course of business. The Commission has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

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

(b) Categories of Financial Risk

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

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>613</td>
<td>613</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>2,185</td>
<td>2,318</td>
</tr>
<tr>
<td>Receivables ([a])</td>
<td>2</td>
<td>36</td>
</tr>
<tr>
<td>Amount receivable for services</td>
<td>48</td>
<td>48</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>267</td>
<td>264</td>
</tr>
</tbody>
</table>

[a] The amount of receivables excludes GST recoverable from the ATO (statutory receivables)
c) Financial instrument disclosures.

Credit risk

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

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

<table>
<thead>
<tr>
<th>Aged Analysis of Financial Assets</th>
<th>Carrying Amount $000</th>
<th>Not Passed due and not Impaired $000</th>
<th>Past due but not impaired</th>
<th>Impaired Financial Assets $000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Up to 1 Month $000</td>
<td>1-3 Months $000</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>613</td>
<td>613</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>2,185</td>
<td>2,185</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables (a)</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amount receivable for services</td>
<td>48</td>
<td>48</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2,848</td>
<td>2,847</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>613</td>
<td>613</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>2,318</td>
<td>2,318</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables (a)</td>
<td>36</td>
<td>36</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amount receivable for services</td>
<td>48</td>
<td>48</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>3,015</td>
<td>3,015</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivables)
Liquidity and Interest Rate Exposure

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

<table>
<thead>
<tr>
<th>Interest rate exposure and maturity analysis of financial assets and financial liabilities</th>
<th>Interest rate exposure</th>
<th>Maturity date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying amount $000</td>
<td>Fixed Interest Rate $000</td>
<td>Variable Interest Rate $000</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>613</td>
<td>-</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>2,185</td>
<td>-</td>
</tr>
<tr>
<td>Receivables (a)</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Amount receivable for services</td>
<td>48</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>2,848</td>
<td>-</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>267</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>267</td>
<td>-</td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>613</td>
<td>-</td>
</tr>
<tr>
<td>Restricted cash and cash equivalent</td>
<td>2,318</td>
<td>-</td>
</tr>
<tr>
<td>Receivables (a)</td>
<td>36</td>
<td>-</td>
</tr>
<tr>
<td>Amount receivable for services</td>
<td>48</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>3,015</td>
<td>-</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>264</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>264</td>
<td>-</td>
</tr>
</tbody>
</table>

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).
**Interest rate sensitivity analysis**

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

**Fair Values**

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.
Note 30. Schedule of income and expenses by service.

<table>
<thead>
<tr>
<th></th>
<th>Facilitation, Coordination and Governance</th>
<th>Regional Promotion and Information Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td><strong>COST OF SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefit expense</td>
<td>2,413</td>
<td>2,376</td>
<td>1,609</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>1,182</td>
<td>1,043</td>
<td>788</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>11</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Accommodation expenses</td>
<td>392</td>
<td>464</td>
<td>261</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>628</td>
<td>311</td>
<td>418</td>
</tr>
<tr>
<td>Other expenses</td>
<td>310</td>
<td>169</td>
<td>207</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td>4,936</td>
<td>4,376</td>
<td>3,291</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other revenue</td>
<td>63</td>
<td>25</td>
<td>42</td>
</tr>
<tr>
<td><strong>Total income other than income from State Government</strong></td>
<td>63</td>
<td>25</td>
<td>42</td>
</tr>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td>4,873</td>
<td>4,351</td>
<td>3,249</td>
</tr>
<tr>
<td><strong>INCOME FROM STATE GOVERNMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriation</td>
<td>154</td>
<td>151</td>
<td>103</td>
</tr>
<tr>
<td>State grants</td>
<td>55</td>
<td>131</td>
<td>37</td>
</tr>
<tr>
<td>Resources received free of charge</td>
<td>21</td>
<td>19</td>
<td>14</td>
</tr>
<tr>
<td>Royalties for Regions Fund</td>
<td>4,702</td>
<td>4,205</td>
<td>3,134</td>
</tr>
<tr>
<td><strong>Total income from State Government</strong></td>
<td>4,932</td>
<td>4,506</td>
<td>3,288</td>
</tr>
<tr>
<td><strong>Surplus/(deficit) for the period</strong></td>
<td>59</td>
<td>155</td>
<td>39</td>
</tr>
</tbody>
</table>
Note 31. Remuneration of Members of the Accountable Authority and Senior Officers.

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

<table>
<thead>
<tr>
<th>Band</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 2,001 – $ 3,000</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$ 3,001 – $ 10,000</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>$ 40,001 – $ 50,000</td>
<td>1</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$000</th>
</tr>
</thead>
<tbody>
<tr>
<td>The total remuneration of members of the accountable authority</td>
</tr>
</tbody>
</table>

The total remuneration of the members of the accountable authority comprise base remuneration only.

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:

<table>
<thead>
<tr>
<th>Band</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 50,001 – $ 60,000</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$ 100,001 – $ 110,000</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$ 110,001 – $ 120,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$ 140,001 – $ 150,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$ 160,001 – $ 170,000</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$ 180,001 – $ 190,000</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>$ 190,001 – $ 200,000</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$ 220,001 – $ 230,000</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base remuneration and superannuation</td>
</tr>
<tr>
<td>Annual leave and long service leave accruals</td>
</tr>
<tr>
<td>Other benefits</td>
</tr>
</tbody>
</table>

| Total remuneration of senior officers | 615 | 1,121 |

The total remuneration includes the superannuation expense incurred by the Commission in respect of senior officers other than senior officers reported as members of the accountable authority.
Note 32. Remuneration of auditor

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

<table>
<thead>
<tr>
<th></th>
<th>2015 $000</th>
<th>2014 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditing the accounts, financial</td>
<td>29</td>
<td>27</td>
</tr>
<tr>
<td>statements and performance indicators</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 33. Related bodies

The Pilbara Development Commission had no related bodies.

Note 34. Affiliated bodies

The Pilbara Development Commission has no affiliated bodies.

Note 35. Special purpose accounts

The Pilbara Development Commission has no special purpose accounts.

Note 36. Supplementary financial information

(a) Write-offs

There were no write-offs during the financial year.

(b) Losses through theft, defaults and other causes

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

(c) Gifts of public property

There were no gifts of public property provided by the Commission during the financial year.
Key Performance Indicators

Certification of Key Performance Indicators

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 Commission for the financial year ended 30 June 2015.

Mr Chris Gilmour
Chairman
Date: 14 September 2015

Mr Terry Hill
A/ Chief Executive Officer
Date: 14 September 2015
Detailed Information In Support Of Key Performance Indicators

Relationship to Government Goals
The Government’s desired outcome from the activities of the Pilbara Development Commission is the enhancement of the Pilbara's economic and social development. The Commission achieves this outcome by providing a coordination and facilitation function to deliver beneficial outcomes to business, community groups and to people living and working in the Pilbara.

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

<table>
<thead>
<tr>
<th>Government Goal</th>
<th>Desired Outcome</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stronger focus on the Regions:</td>
<td>Enhancement of the Pilbara Region’s economic and social development</td>
<td>1. Facilitation, Coordination and Governance</td>
</tr>
<tr>
<td>Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.</td>
<td></td>
<td>2. Regional Promotion and Information Services</td>
</tr>
</tbody>
</table>

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

The Commission’s effectiveness in achieving its government desired outcome is measured by undertaking an annual survey of key clients and stakeholders. This survey is conducted by an independent market researcher and 115 stakeholders were identified, comprising of Local, State and Commonwealth agencies, as well as private entities and non-government agencies. A total of 89 telephone surveys were obtained from this client contact list (a response rate of 77%), giving a maximum standard error ratio of +/-5.0% at the 95% confidence level.

This result exceeds the requirements of the Office of the Auditor General for state government agency annual reporting of a maximum standard error ratio of +/- 5% at the 95% confidence level. The response rate of 77% also exceeds the Office of the Auditor General’s requirements of a minimum response of 50%.

The primary objective of the research was to obtain information from clients and stakeholders to provide a measure as to whether the Commission has met its primary goals, predominately around the following key areas:

- The Pilbara Development Commission makes a positive economic and social development of the Pilbara.
- The Pilbara Development Commission’s support to industry and enterprise makes a positive contribution to regional development.
The Commission will continue to work towards achieving its targets. A comparison with previous years is summarised in the following table.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Client satisfaction that the Commission is effective in meeting its service objectives.</td>
<td>92%</td>
<td>96%</td>
<td>90%</td>
<td>95%</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Key Efficiency Indicators**

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

The following efficiency indicators are based on the total operational cost for each of the two service areas, including an allocation of general costs and overheads.

**Service 1 – Facilitation, Coordination and Governance**

*Service Description:* Facilitate high level stakeholder group discussion through the Pilbara Dialogue including requirements and strategies for the future development of the region. Coordinate liaison and collaboration between state government agencies. Develop, implement and review good governance models, particularly in the area of grants management and effective agency operation.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average operational cost (excluding grants) per working hour.</td>
<td>$180</td>
<td>$190</td>
<td>$240</td>
<td>$237</td>
<td>$221</td>
</tr>
</tbody>
</table>

The variance from target to actual for 2014-15 of an increase of $16 is due to increase in operational cost spent towards facilitation and coordination of infrastructure and industry services, as well as progression of the Regional blueprints.

**Service 2 – Regional Promotion and Information Services**

*Service Description:* Provide and regularly update a range of relevant planning and community information to facilitate and support the sustainable economic and social development of the region.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average operational cost (excluding grants) per working hour.</td>
<td>$180</td>
<td>$143</td>
<td>$160</td>
<td>$158</td>
<td>$147</td>
</tr>
</tbody>
</table>

The variance from target to actual for 2014-15 of an increase of $11 is due to increase in operational cost spent in the promotion of the region and information services in this region, as well as the administration of the Regional Grants.
Ministerial Directives
No Ministerial directives were received during the financial year.

Other Financial Disclosures

Pricing Policies of Services Provided
The Commission does not charge for its services, brochures and publications.

Major Capital Projects
The Commission has not undertaken any major capital projects in the 2014-15 financial year.

Employment and Industrial Relations

Staff Profile

<table>
<thead>
<tr>
<th>Positions</th>
<th>As at 30 June 2014</th>
<th>As at 30 June 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time permanent</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Full time contract / secondment in</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Part time measured on a FTE basis</td>
<td>1.8</td>
<td>0</td>
</tr>
<tr>
<td>Temporary</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>23.8</td>
<td>22</td>
</tr>
</tbody>
</table>

Staff Development
The Commission is committed to the continuous development of its employees with the aim of building a highly skilled and professional team with the ability to adapt to a changing economic and social environment.

Workers Compensation
One compensation claim of minor nature was recorded during the financial year. This compares with zero claims recorded in 2013-2014.
Governance Disclosures

Contracts with Senior Officers
As at the date of reporting, other than normal contracts of employment of service, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests in, had any interest in or received any benefit from any existing or proposed contracts with the Pilbara Development Commission.

Board and Committee Remuneration

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Type of Remuneration</th>
<th>Period of membership</th>
<th>Gross/actual remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Chris Gilmour</td>
<td>Annual</td>
<td>13/10/2014 – 12/10/2017</td>
<td>$ 41,175</td>
</tr>
<tr>
<td>Deputy Chair</td>
<td>Chris Adams</td>
<td>N/A</td>
<td>20/11/2012 – 30/06/2015</td>
<td></td>
</tr>
<tr>
<td>Board</td>
<td>Chris Cottier</td>
<td>N/A</td>
<td>19/05/2014 – 30/04/2017</td>
<td></td>
</tr>
<tr>
<td>Board</td>
<td>Lynne Craigie</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 3,558</td>
</tr>
<tr>
<td>Board</td>
<td>Neil Hartley</td>
<td>N/A</td>
<td>19/05/2014 – 30/04/2017</td>
<td></td>
</tr>
<tr>
<td>Board</td>
<td>Gloria Jacob</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 5,337</td>
</tr>
<tr>
<td>Board</td>
<td>Teresa Lewis</td>
<td>Per Meeting</td>
<td>19/05/2014 – 30/04/2017</td>
<td>$ 1,186</td>
</tr>
<tr>
<td>Board</td>
<td>Robin Vandenberg</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 5,337</td>
</tr>
<tr>
<td>Board</td>
<td>Fiona White-Hartig</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 5,128</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 61,721</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Type of Remuneration</th>
<th>Period of membership</th>
<th>Gross/actual remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Chris Cottier</td>
<td>N/A</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 1,536</td>
</tr>
<tr>
<td>Board</td>
<td>Chris Adams</td>
<td>N/A</td>
<td>19/05/2014 – 30/04/2017</td>
<td></td>
</tr>
<tr>
<td>Board</td>
<td>Gloria Jacob</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td>$ 768</td>
</tr>
<tr>
<td>Board</td>
<td>Maggie Lewis</td>
<td>Per Meeting</td>
<td>19/05/2014 – 30/04/2017</td>
<td>$ 1,152</td>
</tr>
<tr>
<td>Board</td>
<td>Robin Vandenberg</td>
<td>Per Meeting</td>
<td>20/11/2012 – 30/06/2015</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$ 3,456</strong></td>
</tr>
</tbody>
</table>
Other Legal Requirements

Compliance with Public Sector Management Act Section 1994 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 paragraph 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: Nil
   - Number still under review: Nil
   - Number withdrawn: Nil

The Commission strives to achieve a high level of compliance with the Code of Ethics and Conduct Guide. The Commission has a ‘Code of Conduct’ staff manual incorporating the Public Sector’s ‘Code of Ethics’. A comprehensive review of the Code of Conduct is conducted on an annual basis.

Mr Terry Hill
A/ Chief Executive Officer
Date: 14 September 2015
The Electoral Act 1907 – Section 175ze

In compliance with section 175ZE of the Electoral Act 1907 the Commission monitors expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations. The details of the Commission’s expenditure in these areas are as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>Supplier</th>
<th>Gross</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising agency services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Market research organisations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Polling agencies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Direct Mail</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Media advertising organisations</td>
<td>Micromedia Advertising - Design</td>
<td>$ 595</td>
</tr>
<tr>
<td></td>
<td>Market Creations</td>
<td>$ 4,810</td>
</tr>
<tr>
<td></td>
<td>Guru Productions</td>
<td>$ 1,500</td>
</tr>
<tr>
<td></td>
<td>AdCorp Australia Limited</td>
<td>$ 8,344</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$ 15,249</td>
</tr>
</tbody>
</table>

Disability Services Act 1993

Following amendment to the Disability Services Act 1993, all State Government agencies are required to develop and implement Disability Access and Inclusion Plans (DAIP), 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. The Commission’s DAIP provides 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. As part of the DAIP, an annual action plan is developed with strategies to maximise accessibility. The Disability Services Commission endorsed our DAIP 2011-2016 on 20 February 2012. The plan is currently under review and expected to be updated and submitted to the Disability Services Commission for endorsement by the end of 2015. Specific strategies related to the DAIP outcomes continue to be implemented on an ongoing basis and are subject the current review.

State Records Act 2000 – Section 19

In January 2009, the Commission adopted its Record Keeping Plan as required under section 19 of the State Records Act (2000). The plan is currently under review and expected to be endorsed and implemented by the end of 2015. The plan, in the form of a manual is designed to provide Commission Staff with a guide to Commission Policy, procedures and standards for handling public records. It helps ensure that all staff know that they have a responsibility to create and maintain public records in a manner which not only complies with legislative requirement, but allows for quick and easy location, identification and retrieval of such documents or electronic data.

The Commission confirms the following:

- The Record Keeping Plan and systems is aligned with the Commission’s Record Management procedures and Retention and Disposal Schedule;
- The efficiency and effectiveness of the Commission’s record keeping system is evaluated not less than once every five years; and
• The Commission conducts record keeping training for staff through its staff induction program as well as annual refresher training.

Government Policy Requirements

Accountability and Ethical Decision
New State Government employees who commence with the Commission are required to undertake Accountable and Ethical Decision Making (AEDM) training within the first three months of employment. As of 30 June 2015, two employees (9.5%) had not completed AEDM training. All employees are requested to undertake refresher training every three years.

Occupational Safety and Health
The Commission acknowledges its responsibilities under the Occupational Safety and Health Act 1984 to provide and maintain a safe and healthy environment and exercise a duty of care to ensure employees, clients and visitors to the Commission’s workplaces, as far as practical, are not exposed to hazards. Contractors or persons providing services on Commission’s premises are also required to conduct their activities in a manner that ensures the safety, health and welfare of others. The Commission’s Executive remains committed to ensuring Occupational Safety and Health (OS&H) and Injury Management policies and procedures are adhered to in accordance with the Act.

The Commission’s policy on OS&H confirms its commitment and outlines the objectives to achieve this. The Commission also acknowledges its responsibilities to comply with the injury management requirements of the Workers’ Compensation and Injury Management Act 1981. Individual ‘Return to work’ programs are developed in consultation with the employee and management in accordance with the Act.

The OS&H and Risk Management policies, guidelines, forms and related documents are accessible to all employees on the Commission’s intranet and are also disseminated at orientation and induction training programs.

Safety and Health representative elections are held every two years and nominations are called from employees across all workplaces. Elected representatives receive recognised training in accordance with the legislative requirements, with a view to empowering staff to identify and discuss issues that lead to improvements.

The Commission’s Executive and OS&H Committee actively supports and maintains a consultative environment in which management, employees and nominated OS&H representatives work together to continually improve OS&H practices and resolve issues in the workplace.

The consultation process for the development and review of OS&H policies require that all such documents be referred to the Commission’s OS&H Committee for their input and for further opportunity for consultation with employees before being endorsed by the Commission’s Executive. The OS&H committee meet regularly and report issues through a permanent open agenda item at the Commission’s Executive and team meetings.
An internal audit of the Commission’s safety management system and plans was conducted in June 2013 using the WorkSafe Plan assessment workbook. Results of the audit were presented to the Commission’s Corporate Executive and used in the review of the OH&S policy with required action plans assigned completion timelines.

The Commission’s record of performance against annual performance data requirements are tabled as follows:

<table>
<thead>
<tr>
<th>Report of Annual Performance 2014-15</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of fatalities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lost time injury/diseases incident rate</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lost time injury severity rate</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Percentage of injured workers returning to work within 13 weeks</td>
<td>N/A</td>
<td>100%</td>
</tr>
<tr>
<td>Percentage of injured workers returning to work within 26 weeks</td>
<td>N/A</td>
<td>80%</td>
</tr>
<tr>
<td>Percentage of managers and supervisors trained in OSH and injury</td>
<td>50%</td>
<td>80%</td>
</tr>
<tr>
<td>management</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>