

DISCLOSURES AND LEGAL COMPLIANCE

Certificate of Financial Statements for the Year ended 30 June 2009

The accompanying financial statements of the Peel 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 2009 and the financial position as at 30 June 2009. 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.



Kim Horne
Chairman
31 August 2009



Maree De Lacey
Chief Executive Officer
31 August 2009



Helen Slater
Manager Corporate Services
31 August 2009



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**PEEL DEVELOPMENT COMMISSION
FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2009**

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

The financial statements comprise the Balance Sheet as at 30 June 2009, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

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

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

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.pdf.

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

Peel Development Commission

Financial Statements and Key Performance Indicators for the year ended 30 June 2009

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Peel Development Commission at 30 June 2009 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Commission provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2009.



COLIN MURPHY
AUDITOR GENERAL
4 September 2009

FINANCIAL STATEMENTS

PEEL DEVELOPMENT COMMISSION

Income Statement

For the year ended 30 June 2009

	Note	2009	2008
COST OF SERVICES			
Expenses			
Employee benefits expense	5	1,055,881	1,139,997
Supplies and services	6	374,617	269,610
Depreciation and amortisation	7	20,099	20,716
Accommodation expenses	8	147,141	140,038
Grants and subsidies	9	3,249,286	3,822,888
Other expenses	10	<u>24,902</u>	<u>34,369</u>
Total cost of services		<u>4,871,926</u>	<u>5,427,618</u>
Income			
<i>Revenue</i>			
Other revenue	11	<u>61,018</u>	<u>179,876</u>
Total income other than income from State Government		<u>61,018</u>	<u>179,876</u>
NET COST OF SERVICES		<u>4,810,908</u>	<u>5,247,742</u>
INCOME FROM STATE GOVERNMENT			
	12		
Service appropriations		4,662,000	4,917,000
Grants from Government agencies		1,711,030	630,110
Royalties for Regions Fund		<u>4,440,000</u>	<u>-</u>
Total income from State Government		<u>10,813,030</u>	<u>5,547,110</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>6,002,122</u>	<u>299,368</u>

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

PEEL DEVELOPMENT COMMISSION

Balance Sheet*For the year ended 30 June 2009*

	Note	2009	2008
ASSETS			
Current Assets			
Cash and cash equivalents	22	1,327,853	532,740
Restricted cash and cash equivalents	13	5,318,999	-
Receivables	14	<u>124,360</u>	<u>45,311</u>
Total Current Assets		<u>6,771,212</u>	<u>578,051</u>
Non-Current Assets			
Amounts receivable for services	15	152,000	179,000
Plant and equipment	16	46,788	25,753
Intangible assets	17	<u>559</u>	<u>6,216</u>
Total Non-Current Assets		<u>199,347</u>	<u>210,969</u>
TOTAL ASSETS		<u>6,970,559</u>	<u>789,020</u>
LIABILITIES			
Current Liabilities			
Payables	19	375,917	243,677
Provisions	20	<u>151,730</u>	<u>108,015</u>
Total Current Liabilities		<u>527,647</u>	<u>351,692</u>
Non-Current Liabilities			
Provisions	20	<u>56,720</u>	<u>53,258</u>
Total Non-Current Liabilities		<u>56,720</u>	<u>53,258</u>
TOTAL LIABILITIES		<u>584,367</u>	<u>404,950</u>
NET ASSETS		<u>6,386,192</u>	<u>384,070</u>
EQUITY			
Contributed equity	21	137,770	137,770
Accumulated surplus/(deficit)		<u>6,248,422</u>	<u>246,300</u>
TOTAL EQUITY		<u>6,386,192</u>	<u>384,070</u>

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

Cash Flow Statement*For the year ended 30 June 2009*

	Note	2009	2008
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		4,622,000	4,872,000
Holding account drawdowns		67,000	45,000
Royalties for Regions Fund		4,440,000	-
Grants from Government agencies		<u>1,711,030</u>	<u>630,110</u>
Net cash provided by State Government		<u>10,840,030</u>	<u>5,547,110</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,011,233)	(1,010,551)
Supplies and services		(544,197)	(540,857)
Grants and subsidies		(3,147,210)	(3,733,703)
GST payments on purchases		(364,103)	(431,389)
Other payments		(24,902)	(34,369)
Receipts			
User charges and fees		76,624	212,615
GST receipts on sales		61,213	29,926
GST receipts from taxation authority		263,367	370,600
Net cash provided by/(used in) operating activities	22	<u>(4,690,441)</u>	<u>(5,137,728)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		<u>(35,477)</u>	<u>(14,462)</u>
Net cash provided by/(used in) investing activities		<u>(35,477)</u>	<u>(14,462)</u>
Net increase/(decrease) in cash and cash equivalents		6,114,112	394,920
Cash and cash equivalents at start of period		<u>532,740</u>	<u>137,820</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	22	<u><u>6,646,852</u></u>	<u><u>532,740</u></u>

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

PEEL DEVELOPMENT COMMISSION
Statement of Changes in Equity
For the year ended 30 June 2009

	Note	2009	2008
Balance of equity at start of period		<u>137,770</u>	<u>137,770</u>
CONTRIBUTED EQUITY	21		
Balance at start of period		<u>137,770</u>	<u>137,770</u>
Balance at end of period		<u>137,770</u>	<u>137,770</u>
ACCUMULATED SURPLUS/(DEFICIT)	21		
Balance at start of period		246,300	(23,857)
Change in accounting policy (b)		<u>-</u>	<u>(29,211)</u>
Restated balance at start of period		246,300	(53,068)
Surplus/(deficit) for the period		<u>6,002,122</u>	<u>299,368</u>
Balance at end of period		<u>6,248,422</u>	<u>246,300</u>
Balance of equity at end of period		<u><u>6,386,192</u></u>	<u><u>384,070</u></u>
Total income and expense for the period (a)	(a)	<u>6,002,122</u>	<u>299,368</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$6,002,122 (2008: surplus \$299,368)

(b) The asset capitalisation threshold was increased from \$1,000 to \$5,000 on 1 July 2008

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

1 Australian equivalents to International Financial Reporting Standards

General

The Commission's financial statements for the year ended 30 June 2009 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

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

Early Adoption of Standards

The Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No standards and interpretations that have been issued or amended but are not yet effective have been early adopted by the Commission for the annual reporting period ended 30 June 2009.

2 Summary of Significant Accounting Policies

(a) General Statement

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

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

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

(b) Basis of Preparation

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

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

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

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

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date do not have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting Entity

The reporting entity is the Peel Development Commission.

(d) Contributed Equity

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

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

Sale of goods

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

Rendering of services

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

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited into the Commission's bank account or credited to the holding account held at of Treasury.

Grants, donations, gifts or 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.

Gains

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

(f) Property, plant and equipment

Capitalisation/Expensing of assets

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

Initial recognition and measurement

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

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

Subsequent measurement

After recognition as an asset, the cost model is used for the measurement of plant and equipment. Items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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 periodically reviewed. Estimated useful lives for each class of depreciable asset are:

Computing hardware	3 years
Furniture, fixtures & fittings	10 years
Office equipment	5 years

(g) Intangible assets

Capitalisation/Expensing of assets

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

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost value 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 costs.

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

Software	2 to 5 years
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(h) Impairment of Assets

Plant and equipment and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Commission is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less cost 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 asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

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

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and 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 each balance sheet date.

(i) Leases

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

(j) Financial Instruments

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

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

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities

- Payables
- Bank overdraft
- WATC/Bank borrowings
- Other borrowings
- Finance lease liabilities
- Amounts due to the Treasurer

Financial Assets

- Receivables
- Cash and cash equivalents
- Amounts receivable for services

Financial Liabilities

- Payables

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

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

(k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents assets comprise cash on hand.

(l) Accrued Salaries

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

(m) Amounts Receivable for Services (Holding Account)

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

(n) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off 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.

(o) Payables

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

(p) Provisions

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

(i) Provisions - Employee Benefits

Annual Leave and Long Service Leave

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

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

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

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

Superannuation

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

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

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

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

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is

recouped by the Treasurer for the employer's share.

(ii) Provisions - Other

Employment On-Costs

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

(q) Superannuation Expense

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

(a) Defined benefit plans - For 2007-08, the change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and

(b) Defined contribution plans - Employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS)

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

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

(r) Comparative Figures

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

3 Judgements made by management in applying accounting policies

A judgement that has been made in the process of applying accounting policies that has a significant effect on the amounts recognised in the financial statements relates to:

Operating lease commitments:

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

4 Disclosure of Changes in Accounting Policy and Estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2008 that impacted on the Commission:

Review of AAS 27 'Financial Reporting by Local Governments', AAS 29 'Financial Reporting by Government Departments' and AAS 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31:

AASB 1004 'Contributions';

AASB 1050 'Administered Items';
AASB 1051 'Loand Under Roads';
AASB 1052 'Disaggregated Disclosures';
AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]; and
Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and revised topic-based Standards and Interpretation. These requirements remain substantially unchanged. AASB 1050, AASB 1051 and AASB 1052 do not apply to Statutory Authorities. The other Standards and Intepretation make some modifications to disclosures and provide additional guidance, otherwise there is no financial impact.

Voluntary changes in Accounting Policy

At the end of March 2009, the Commission rolled into the Department of Treasury and Finance's Shared Services Centre. Prior to the roll-in, the Commission maintained an asset capitalisation threshold of \$1,000. Following the roll in and in accordance with Treasurer's Instruction 1101, the asset capitalisation threshold for the Commission was raised to \$5,000.

In accordance with the requirements of AASB 108, the Commission has accounted for this change by retrospectively adjusting the opening balance of the accumulated surplus/(deficiency) account for the earliest prior period possible and by adjusting the relevant financial statement comparative amounts disclosed for the prior period presented, as if the new accounting policy had always been applied.

As a result of applying the \$5,000 capitalisation threshold to the Commission's assets as at July 1, 2007 a number of the financial statement line items presented in the 2007/08 comparative financial statements have been changed

Plant and equipment and Intangible asset balances as at July 1, 2007 were altered as follows after the capitalisation change:

	June 2007 Balances prior to change in capitalisation policy	June 2007 Balances after change incapitalisation policy
Plant & Equipment		
Office equipment		
At cost	299,826	57,209
Accumulated depreciation	<u>(250,287)</u>	<u>(33,200)</u>
	<u>49,539</u>	<u>24,009</u>
Intangible assets		
Computer software		
At cost	84,420	23,993
Accumulated amortisation	<u>(66,525)</u>	<u>(9,779)</u>
	<u>17,895</u>	<u>14,214</u>

Total	67,434	38,223
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Net Difference \$29,211

Depreciation for 2007-08 decreased from \$25,948 to \$12,718 after the capitalisation change
 Amortisation for 2007-08 decreased from \$9,375 to \$7,998 after the capitalisation change
 Supplies and Services for 2007-08 increased by \$12,421 after the capitalisation change as a result of more assets being expensed rather than capitalised

It was determined that the earliest practical period that this change in accounting policy could be applied was as at July 1, 2007. The net effect of the change in capitalisation policy was a net decrease in the Plant and equipment and Computer software asset categories of \$29,211 which is reflected in an adjustment to the accumulated surplus/(deficiency) account for this amount (refer Changes in Equity account for disclosure).

Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by T11101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Authority has not applied early the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Commission but are not yet effective. Where applicable, the Commission plans to apply these Standards and Interpretations from their application date:

Title	Operative for reporting periods beginning on/after	
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Commission does not expect any financial impact when the Standard is first applied.	2009	2008
5 Employee Benefits Expense		
Wages and salaries(a)	860,168	826,026
Superannuation – defined contribution plans(b)	88,183	119,795
Long service leave(c)	(15,131)	7,038
Annual Leave(c)	66,299	55,930
Other employee related expenses	56,362	131,208
	<u>1,055,881</u>	<u>1,139,997</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

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

(c) Includes a superannuation contribution component.

6	Supplies and Services		
	Communication	15,132	23,113
	Administration expenses	182,571	64,921
	Consumables	27,103	34,055
	Vehicle lease costs	44,127	49,954
	Other expenses	<u>105,684</u>	<u>97,567</u>
		<u>374,617</u>	<u>269,610</u>
7	Depreciation and amortisation expense		
	Depreciation		
	Computing hardware	12,627	12,487
	Furniture, fixtures & fittings	1,340	231
	Office equipment	475	-
	Total depreciation	<u>14,442</u>	<u>12,718</u>
	Amortisation		
	Computer software	5,657	7,998
	Total amortisation	<u>5,657</u>	<u>7,998</u>
	Total depreciation and amortisation	<u><u>20,099</u></u>	<u><u>20,716</u></u>
8	Accommodation expenses		
	Lease rentals	131,949	126,442
	Cleaning	15,192	13,596
		<u>147,141</u>	<u>140,038</u>
9	Grants and subsidies		
	Project Related Grants	2,921,119	3,322,888
	Regional Development Scheme	323,929	500,000
	Royalties for Regions Scheme	4,238	-
		<u>3,249,286</u>	<u>3,822,888</u>
10	Other Expenses		
	Audit costs	24,902	34,369
		<u>24,902</u>	<u>34,369</u>

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 20 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

	2009	2008
11 Other Revenue		
Recurrent	61,018	179,876
	<u>61,018</u>	<u>179,876</u>
12 Income from State Government		
Appropriation received during the year:		
Service appropriation (a)	4,662,000	4,917,000
	4,662,000	4,917,000
Grants received from Government agencies	1,711,030	630,110
Royalties for Regions Fund:		
- Regional Infrastructure and Headworks Account (b)	4,440,000	-
	<u>10,813,030</u>	<u>5,547,110</u>
<p>(a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.</p> <p>(b) 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.</p>		
13 Restricted cash and cash equivalents		
Current		
Royalties for Regions Fund	4,372,631	-
	<u>4,372,631</u>	<u>-</u>
14 Receivables		
<u>Current</u>		
Trade Debtors	29,705	45,311
GST Receivable	94,655	-
	<u>124,360</u>	<u>45,311</u>
15 Amounts Receivable for Services	\$	\$
Current		
Non-current	152,000	179,000
	<u>152,000</u>	<u>179,000</u>

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

2009 **2008**

16 Plant and equipment

Computing hardware		
At cost	72,098	58,616
Accumulated depreciation	<u>(45,490)</u>	<u>(32,863)</u>
	<u>26,608</u>	<u>25,753</u>
Furniture, fixtures & fittings		
At cost	14,864	-
Accumulated depreciation	<u>(1,340)</u>	<u>-</u>
	<u>13,524</u>	<u>-</u>
Office equipment		
At cost	7,131	-
Accumulated depreciation	<u>(475)</u>	<u>-</u>
	<u>6,656</u>	<u>-</u>
	<u>46,788</u>	<u>25,753</u>

Reconciliation

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.

2009	Computing hardware	Furniture, fixtures & fittings	Office Equipment	Total
Carrying amount at start of year	25,753	-	-	25,753
Additions	13,482	14,864	7,131	35,477
Depreciation	<u>(12,627)</u>	<u>(1,340)</u>	<u>(475)</u>	<u>(14,442)</u>
Carrying amount at end of year	<u>26,608</u>	<u>13,524</u>	<u>6,656</u>	<u>46,788</u>
2008				
Carrying amount at start of year	-	-	49,539	49,539
Derecognition of assets (change in accounting policy)	-	-	(25,530)	(25,530)
Additions	14,462	-	-	14,462
Transfers	23,778	231	(24,009)	-
Depreciation	<u>(12,487)</u>	<u>(231)</u>	<u>-</u>	<u>(12,718)</u>
Carrying amount at end of year	<u>25,753</u>	<u>-</u>	<u>-</u>	<u>25,753</u>

17 Intangible assets

Computer software		
	23,993	23,993
At cost		
	<u>(23,434)</u>	<u>(17,777)</u>
Accumulated amortisation		
	<u>559</u>	<u>6,216</u>

Reconciliation

Reconciliation of the carrying amounts of Intangible assets at the beginning and end of the reporting period are set out below.

2009	Computing software
Carrying amount at start of period	6,216
Depreciation	<u>(5,657)</u>
Carrying amount at end of period	<u><u>559</u></u>
2008	
Carrying amount at start of period	17,895
Derecognition of assets (change in accounting policy)	(3,681)
Depreciation	<u>(7,998)</u>
Carrying amount at end of period	<u><u>6,216</u></u>

18 Impairment of Assets

There were no indications of impairment of property, plant and equipment, and intangible assets as at 30 June 2009

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

All surplus assets at 30 June 2009 have either been classified as assets held for sale or written-off

19 Payables

<u>Current</u>		
Trade payables	106,284	145,201
Other payables	20,503	-
GST payable	-	28,285
Accrued expenses	238,020	56,552
Accrued salaries	<u>11,110</u>	<u>13,639</u>
	<u>375,917</u>	<u>243,677</u>
	2009	2008

20 Provisions

<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	102,968	69,549
Long service leave ^(b)	<u>36,234</u>	<u>32,207</u>
	139,202	101,756
Other provisions		
Employment on-costs (c)	<u>12,528</u>	<u>6,259</u>
	<u>12,528</u>	<u>6,259</u>
	<u>151,730</u>	<u>108,015</u>
<u>Non-current</u>		
Long service leave ^(b)	<u>52,037</u>	<u>46,201</u>
	<u>52,037</u>	<u>46,201</u>
Other provisions		
Employment on-costs (c)	<u>4,683</u>	<u>7,057</u>
	<u>4,683</u>	<u>7,057</u>
	<u>56,720</u>	<u>53,258</u>

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

Within 12 months of balance sheet date	72,078	48,663
More than 12 months after balance sheet date	<u>30,890</u>	<u>20,886</u>
	<u>102,968</u>	<u>69,549</u>

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

Within 12 months of reporting date	18,589	16,523
More than 12 months after reporting date	<u>17,645</u>	<u>15,684</u>
	<u>36,234</u>	<u>32,207</u>

^(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 is included in note 11 'Other expenses'.

Movement in Employment on-cost provision

Carrying amount at start of year	13,316	16,157
Additional provisions recognised	<u>3,895</u>	<u>(2,841)</u>
Carrying amount at end of year	<u>17,211</u>	<u>13,316</u>

17,211	13,316
--------	--------

21 Equity

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

Contributed equity		
Balance at start of period	137,770	137,770
Balance at end of period	137,770	137,770
Accumulated surplus(deficit)		
Balance at start of period	246,300	(23,857)
Change in accounting policy	-	(29,211)
Restated balance at start of period	246,300	(53,068)
Result for the period	6,002,122	299,368
Balance at end of period	6,248,422	246,300

22 Notes to the Cash Flow Statement

2009

2008

Reconciliation of cash

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

Cash and cash equivalents	6,646,852	532,740
	6,646,852	532,740

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

Net cost of services	(4,810,908)	(5,247,742)
Non-cash items:		
Depreciation expense	7,259	-
(Increase)/decrease in assets:		
Current receivables	15,606	32,739
Increase/(decrease) in liabilities:		
Current payables	160,525	13,131
Current provisions	43,715	50,562
Other current liabilities		45,191
Grants received from WA Government agencies	1,711,030	630,110
Non-current provisions	3,462	(52,325)
Net change in GST receivables/payables	(122,940)	-

23 Commitments	2009	2008
Lease Commitments		
Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows:		
Within 1 year	159,283	151,600
Later than 1 year and not later than 5 years	93,880	328,087
	<u>253,163</u>	<u>479,687</u>
Representing:		
Cancellable operating leases	38,745	27,616
Non-cancellable operating leases	214,418	452,071
	<u>253,163</u>	<u>479,687</u>
Non-cancellable operating lease commitments		
Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows:		
Within 1 year	135,422	129,163
Later than 1 year and not later than 5 years	78,996	322,908
	<u>214,418</u>	<u>452,071</u>

24 Explanatory Statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$30,000.

Significant variances between estimated and actual result for 2009

	2009 Estimate	2009 Actual	Variation
Employee benefits expenses	1,060	1,056	4
Supplies and services	534	375	159
Grants & subsidies	5,353	3,249	2,104
Other expenses	95	25	70
Other revenue	120	61	59

Supplies and services

The variance is due to increased grant delivery and some reductions in some service costs.

Grants and subsidies

The variance reflects the committed but not delivered funding in the Boddington Gold Social Infrastructure Package.

Other expenses

Variation is attributable to the costs of fleet vehicles being allocated to this item in the past. These are now allocated under Supplies and Services.

Other revenue

Variation includes the previous provision of fully recoupable expenses for PCDG that are no longer supplied.

Significant variances between actual results for 2008 and 2009

	2009	2008	Variance
Expenses			
Employee benefits expenses	1,055,881	1,139,997	(84,116)
Supplies and services	374,617	269,610	105,007
Accommodation expenses	147,141	140,038	7,103
Grants and subsidies	3,249,286	3,822,888	(573,602)
Other	24,902	34,369	(9,467)
Income			
Other	61,018	179,876	(118,858)
Service appropriation	4,662,000	4,917,000	(255,000)
Grants from Government agencies	1,711,030	630,110	1,080,920

Employee benefits expense

The reduction in employee benefits reflects the staff restructure undertaken.

Supplies and services

The variance is due to increased grant delivery and reductions in some service costs.

Grants and subsidies

Variation includes the completion of some projects in 2008 and also some committed but not delivered projects in 2009.

Other

Other income in 2008 included recoups for services supplied to PCDG that are no longer supplied.

Grants from government agencies

In 2009 this included 1,211 unspent funds from DOIR allocated to the Boddington Gold Social Infrastructure Package.

25 Financial Instruments**(a) Financial Risk Management Objectives and Policies**

Financial instruments held by the Commission are cash and cash equivalents, Treasurer's Advances, 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 a 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 balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 26(c) 'Financial Instrument Disclosures' and Note 14 '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 balance sheet date 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. Other than as detailed in the interest rate sensitivity analysis table at Note 26 (c) , the Commission is not exposed to interest rate risk because cash and cash equivalents are non-interest bearing and has no borrowings other than the Treasurer's advance (non-interest bearing).

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows

	2009	2008
	\$	\$
Financial Assets		
Cash and cash equivalents	1,327,853	532,740
Restricted cash and cash	5,318,999	

equivalents		-
Loans and receivables(a)	181,705	224,311
Financial Liabilities		
Financial liabilities measured at amortised cost	375,917	243,677

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

(c) Financial Instrument Disclosures

Credit Risk and Interest Rate Exposures

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 balance sheet date is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Commission.

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

The Commission does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Interest rate exposures and ageing analysis of financial assets

	Weighted Average Effective Interest Rate	Carrying Amount	Interest rate exposure		Past due but not impaired							Impaired financial assets
			Variable Interest Rate	Non-Interest Bearing	Up to 3 months	3-12 months	1-2 years	2-3 years	3-4 years	4 - 5 years	More than 5 years	
<u>Financial Assets</u>	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2009												
Cash and cash equivalent assets		1,327,853		1,327,853	-	-	-	-	-	-	-	-
Restricted cash and cash equivalents		5,318,999		5,318,999	-	-	-	-	-	-	-	-
Receivables		29,705		29,705	-	-	-	-	-	-	-	-
Amounts receivable for services		152,000		152,000	-	-	-	-	-	-	-	-
		6,828,557	-	6,828,557	-	-	-	-	-	-	-	-
2008												
Cash and cash equivalent assets		532,740		532,740	-	-	-	-	-	-	-	-
Receivables		45,311		45,311	-	-	-	-	-	-	-	-
Amounts receivable for services		179,000		179,000	-	-	-	-	-	-	-	-
		757,051	-	757,051	-	-	-	-	-	-	-	-

Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the balance sheet date. The table includes interest and principal cash flows. An adjustment for discounting has been made where material.

Interest rate exposures and maturity analysis of financial liabilities

	Average Effective Interest Rate %	Carrying Amount \$	Variable Interest Rate \$	Non- Interest Bearing \$	Adjustment for discounting \$	Total Nominal Amount \$	Up to 3 months \$	3-12 months \$	1-2 years \$	2 - 3 years \$	3 - 4 years \$	4 - 5 years \$	More than 5 years \$
<u>Financial Liabilities</u>													
2009													
Payables		375,917		375,917	-	375,917	4,988	-	-	-	-	-	-
		375,917		375,917	-	375,917	4,988	-	-	-	-	-	-
<u>Financial Liabilities</u>													
2008													
Payables		243,677		243,677	-	243,677	-	-	-	-	-	-	-
		243,677		243,677	-	243,677	-	-	-	-	-	-	-

Interest rate sensitivity analysis

None of the Commission's financial assets and liabilities at the balance sheet date are sensitive to movements in interest rates. In that case movements in interest rates have no impact on the surplus for the period and equity

Fair Values

All financial assets and liabilities recognised in the balance sheet, 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

26 Remuneration of members of the accountable authority and senior officers

Remuneration of Members of the accountable authority

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

\$	2009	2008
0 - 10,000	9	9
The total remuneration of members of the accountable authority is:	<u>31,547</u>	<u>22,355</u>

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

Remuneration of Senior Officers

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

160,001 - 170,000	1	1
The total remuneration of senior officers is:	<u>166,557</u>	<u>160,939</u>

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

No senior officers are members of the Pension Scheme

27 Remuneration of Auditor

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

Auditing the accounts, financial statements and performance indicators	<u>22,500</u>	<u>20,400</u>
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28. Schedule of Income and Expenses by Service

	Facilitation & Coordination		Information & Advice			TOTAL
	2009	2008	2009	2008	2009	2008
COST OF SERVICES						
Expenses						
Employee benefits expense	950,293	1,025,997	105,588	114,000	1,055,881	1,139,997
Supplies and services	337,155	242,649	37,462	26,961	374,617	269,610
Depreciation	18,089	18,644	2,010	2,072	20,099	20,716
Accommodation expenses	132,427	126,034	14,714	14,004	147,141	140,038
Grants and subsidies	2,924,357	3,440,599	324,929	382,289	3,249,286	3,822,888
Other expenses	22,412	30,932	2,490	3,437	24,902	34,369
Total cost of services	4,384,733	4,884,856	487,193	542,762	4,871,926	5,427,618
Income						
Other revenue	54,916	161,888	6,102	17,988	61,018	179,876
Total income other than income from State Government	54,916	161,888	6,102	17,988	61,018	179,876
NET COST OF SERVICES			481,091	524,774	4,810,908	5,247,742

	4,329,817	4,722,968				
INCOME FROM STATE GOVERNMENT						
Service appropriation	4,195,800	4,425,300	466,200	491,700	4,662,000	4,917,000
Grants from Government Agencies	1,539,927	567,099	171,103	63,011	1,711,030	630,110
Royalties for Regions Fund	3,996,000	-	444,000	-	4,440,000	-
Total income from State Government	<u>9,731,727</u>	<u>4,992,399</u>	<u>1,081,303</u>	<u>554,711</u>	<u>10,813,030</u>	<u>5,547,110</u>
Surplus/(deficit) for the period	5,401,910	269,431	600,212	29,937	6,002,122	299,368

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Certification of Detailed Key Performance Indicators for the Year Ended 30 June 2009


We hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Peel Development Commission's performance, and fairly represent the performance of the Commission for the financial year ending 30 June 2009.



Kim Horne
Chairman
31 August 2009



Maree De Lacey
Chief Executive Officer
31 August 2009



Helen Slater
Manager Corporate Services
31 August 2009

Overall Effectiveness Indicators

The desired outcome of the commission is the development and promotion of the Peel Region.

The effectiveness of the Commission in achieving its outcomes is determined by undertaking an annual client/stakeholder survey. In 2008-09 the Commission engaged an independent market research consultancy to undertake its Client Survey.

The Commission provided a database of their clients which included local governments, Commonwealth and State government agencies, and private organisations. The database comprised of 856 clients. Respondents from this sampling frame were sent an email which introduced the survey and, utilising email and telephone, follow-ups occurred to encourage sufficient responses to ensure statistical reliability. In order to achieve survey response randomization from the initial sampling frame, only 700 of the initial 856 clients were sent an introductory email and survey link.

A total of 311 surveys were completed. This represents an overall response rate of 44.4% of the sample that were contacted and a 36.3% response rate from all clients in the sampling frame. The response rate is sufficient to ensure that the overall results are representative of the opinions of the population of key clients within a possible sampling error of +/- 5%.

Survey respondents were asked to rate their satisfaction with the Peel Development Commission's achievement of the following key outcome:

- Satisfaction with the Commission's contribution to the Peel Region's economic base.

A percentage score has been calculated below to determine an overall satisfaction rating for this area. This historical outcome is included for the 2007-2008 client survey for comparison purposes.

Outcome: Development and Promotion of the Peel Region	2007-2008 Actual	2008-2009 Actual	2008-2009 Target
Client satisfaction with the contribution to the Region's economic base	85.8%	83.5%	90%

Satisfaction levels were slightly reduced in 2009 in comparison with previous years, although the satisfaction levels still remain high. The Commission is working with our regional partners to identify strategies for improvement in this area.

Efficiency Indicators

The Commission's key services, adopted on 1 January 1998, are:

1. Facilitation and coordination; and
2. Information and advice.

Both services are measured in cost per service hour.

	2004-05 (a)	2005-06 (a)	2006-07 (a)	2007-08 (a)	2008-09 (a)
1. Facilitation and coordination	\$83.12	\$82.92	\$49.54	\$82.05	\$74.73
2. Information and advice	\$83.96	\$88.78	\$53.44	\$45.58	\$45.67

(a) Operating cost information is sourced from the Income Statement.

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Target	Variance
1. Facilitation and coordination	\$50	\$82	\$75	\$312	\$237
2. Information and advice	\$53	\$46	\$46	\$93	\$47

The variation between the average cost per unit of service hour between 2008-09 Budget and 2008-09 Actual is due to the Commissions grants and subsidies expenditure being included in the calculation for the 2008-09 Budget. Grants and subsidies expenditure is excluded from this calculation for the Actual results for the current and prior years.