

Proud history. Exciting future.



MIDLAND
REDEVELOPMENT
AUTHORITY

ANNUAL REPORT 2000-2001





CONTENTS

<i>Statement of Compliance</i>	3
<i>The Vision for Midland</i>	4
<i>Mandate</i>	5
<i>Principles</i>	6
<i>Objectives</i>	6
<i>Highlights</i>	7
<i>Chairman's Report</i>	8
<i>Board Members</i>	10
<i>Organisation Structure</i>	12
<i>Chief Executive Officer's Report:</i>	14
- <i>Planning and Development</i>	14
- <i>Design and Construction</i>	15
- <i>Economic and Enterprise Development</i>	16
- <i>Commercial and Corporate Support Operations</i>	17
- <i>Other Legislation</i>	19
- <i>Reporting Requirements</i>	20
- <i>Freedom of Information</i>	21
- <i>Statement of Compliance with Public Sector Standards</i>	22
<i>Certification of Performance Indicators</i>	23
<i>Opinion of Auditor General</i>	24
<i>Performance Indicators</i>	25
<i>Certification of Financial Statements</i>	32
<i>Opinion of Auditor General</i>	33
<i>Financial Statements</i>	34
<i>Publications</i>	51



Proud history. Exciting future.

Statement of Compliance

Hon. Alannah MacTiernan MLA
Minister for Planning and Infrastructure
13th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

In accordance with Section 66 of the Financial Administration and Audit Act 1985, we hereby submit for your information and presentation to Parliament the Annual Report of the Midland Redevelopment Authority for the year ended 30 June 2001.

The report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.

Yours sincerely

A handwritten signature in black ink that reads 'Ian Laurance'.

Ian Laurance
Chairman

A handwritten signature in black ink that reads 'Charlie Gregorini'.

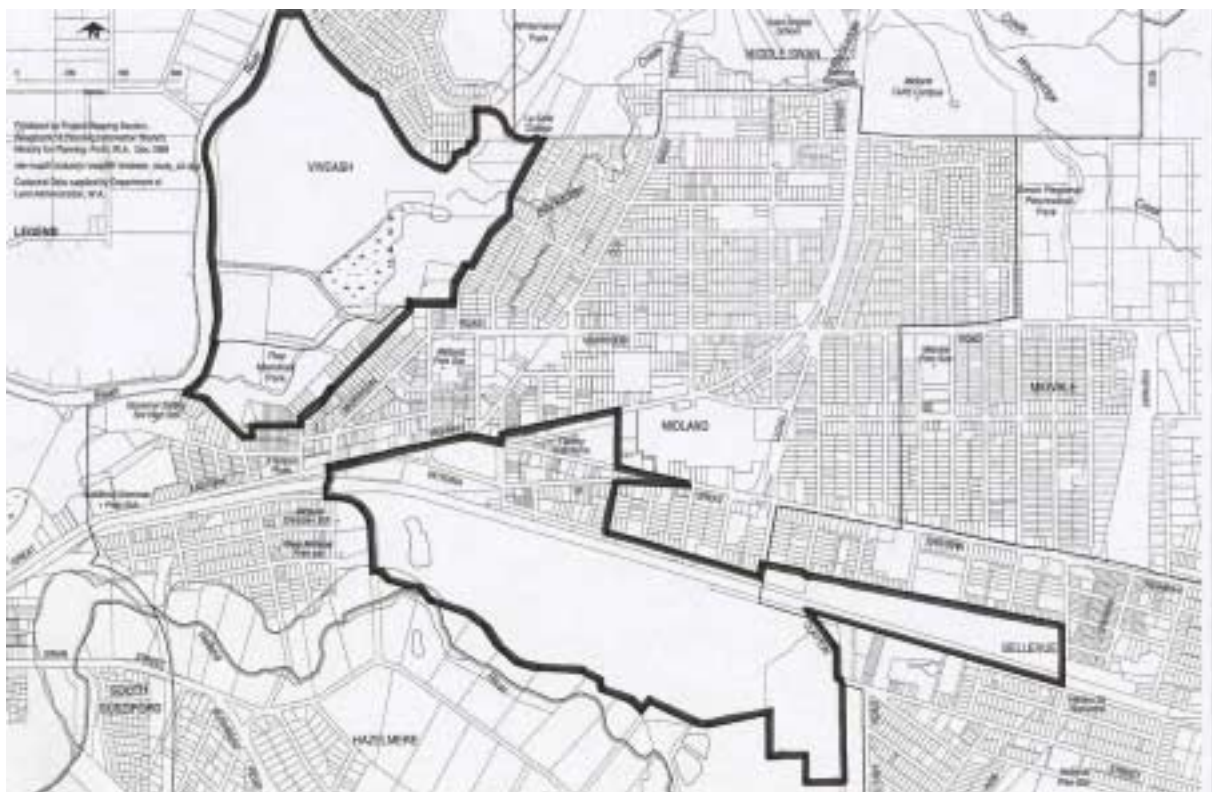
Charlie Gregorini
Member

31 August 2001

The Vision for Midland

The Midland Redevelopment Authority is a planning and development agency charged with undertaking and managing redevelopment of certain land in Midland. The Redevelopment Area is divided into two parts – ‘Midland Central’, Stage 1 of the redevelopment, and ‘Woodbridge’, which is Stage 2.

The Authority’s vision is for a revitalised and thriving Midland that is safe and attractive, a desirable place to live, work and visit. It will be recognised for its innovation, cultural heritage, knowledge-based enterprises and high amenity riverside setting.





Proud history. Exciting future.

Mandate

The Midland Redevelopment Authority is established under the Midland Redevelopment Act 1999 and is responsible to the Minister for Planning. The Authority commenced on 1 January 2000.

As provided by the Act, the functions of the Authority are to plan, undertake, promote and coordinate the development and redevelopment of land in the defined redevelopment area. The Authority is required to prepare and keep under review a Redevelopment Scheme for the area and to control developments in the area. For these purposes the Act gives the Authority powers to deal in land and other assets and to undertake works in the area.

The Authority is also subject to the Financial Administration and Audit Act 1985 and other relevant State legislation not specifically provided for in the Midland Redevelopment Act. It must also comply with all accountability and reporting requirements of the State Government.

Section 20(3) of the Midland Redevelopment Act 1999 requires Ministerial approval for the Authority to enter into contracts with a value in excess of \$1,000,000. There was no requirement for such approval in 2000/01.



Proud history. Exciting future.

Principles

The Midland Redevelopment Authority will strive to:

- create a model urban environment;
- ensure high overall community support for its activities; and
- provide the best possible financial return to the taxpayer.

Objectives

The guiding objectives for the redevelopment project are to:

- play a major role in the revitalisation of Midland and better enable it to serve as a strategic regional centre;
- integrate development in central Midland to achieve a coordinated outcome with maximum benefits for the city and its community;
- contribute to the maintenance and enhancement of environmental, social, heritage and cultural values within and around the redevelopment area; and
- maximise the long-term economic benefits to the State, the region and the city centre.

Highlights

- *Draft Concept Plan for the Midland Central Redevelopment Area released followed by an extensive three-month public consultation process.*
- *Head works infrastructure completed for the WA Police Service site.*
- *CADCOM building site delivered to Western Australian Police Service (WAPS); building nearing completion.*
- *Access Roads Stage 1 – designed, documented, tendered and awaiting Contract Award.*
- *Significant progress on the planning and design of the Helena Street rail crossing.*
- *MRA acquired Midland Railway Workshops site (approx. 70 ha) and Tuohy Gardens precinct as freehold properties.*
- *Eastern Region Enterprise and Arts Centre site transferred to the management control of the MRA.*
- *BAE Systems, provider of the CADCOM information technology contract, located on site in the Works Manager's Office.*
- *More than 6000 people attended the workshops Open Day in October.*
- *MRA assumed control of the Midland Farmers Market and licensed it to a group of existing stall holders for a three-year period.*
- *Release of report on the public consultation process on the Draft Concept Plan.*
- *Railway Institute Building repair and restoration contract awarded and works well underway, due for completion by end of August 2001.*
- *Public environmental review (PER) for the balance of the WAPS site released for public comment.*
- *Draft Scheme text for the Midland Central Stage 1, (Town Centre and Clayton Precinct) prepared and submitted to the Department of Environmental Protection (DEP).*
- *Midland Railway Workshops heritage strategy nearing completion.*



Chairman's Report

The Authority made excellent progress in all key areas in its first full year of operation.

Land assembly formalities included the MRA acquiring as freehold properties the 70-hectare Midland Railway Workshops site and the Tuohy Gardens precinct. In addition, Crown reserve land comprising the Eastern Region Enterprise and Arts Centre site was transferred to the Authority's management control.

An extensive public consultation process followed the release of the Draft Concept Plan for the Midland Central Redevelopment Area on 22 August. Overall there was great acceptance of the plan, with two areas identified for further investigation - a strong desire to see the establishment of a Rail Heritage Centre on the site, and a call for the plans for the Tuohy Gardens precinct to be reviewed.

On the railway workshops site, the head works infrastructure for the WA Police Service site was completed and the CADCOM building site delivered. By the end of the year the CADCOM building was almost completed. Work is well underway on the Railway Institute Building repair and restoration contract, due for completion at the end of August 2001. Stage 1 of the access roads project is designed, documented, tendered and awaiting contract award. As well, significant progress has been made on the planning and design of the Helena Street rail crossing.

In October, BAE Systems, provider of the CADCOM information technology contract, located on site in the Works Manager's Office.

The MRA assumed control of the Midland Farmers Market and licensed it to a group of existing stall holders for a three-year period.



Proud history. Exciting future.

The Public Environmental Review (PER) for the balance of the WAPS site was released for public comment in May. The remainder of the Clayton Precinct and the Town Centre precinct have been referred to the DEP.

The MRA prepared the draft Scheme text for Stage 1 of the redevelopment, Midland Central (the Town Centre and Clayton Precinct) and submitted it to the DEP.

Throughout the year the MRA's heritage consultants have worked to prepare a draft heritage strategy for the Midland Railway Workshops site. This huge task is now nearing completion. The consultants have also provided valuable ad hoc heritage advice on particular matters raised during the course of the year.

My sincere thanks go to my fellow Board members, all the Authority's consultants and its small staff for their dedication and hard work during an eventful year. The MRA has established itself as a diligent and credible organisation, well able to tackle the challenges and meet the opportunities of this exciting redevelopment. I know I speak for all of us when I say it is a privilege to contribute to Midland's exciting future.

A handwritten signature in black ink that reads "Ian Laurance". The signature is written in a cursive style.

Ian Laurance
Chairman



Board members

Mr Ian Laurance, Company Director

Chairman

Mr Laurance was a Cabinet Minister in the Government of Sir Charles Court, with portfolios including of Housing, Lands, Tourism and Regional Development. He went to Queensland in 1987 and was an Executive Director of the Sea World Property Trust which ran Sea World, Movie World and Sea World Nara Resort Hotel.

When Warner Bros bought these assets in the early 1990s, Mr Laurance returned to Perth. He is also Chairman of the WA Sports Centre Trust, which operates the State's main sporting facilities including Challenge Stadium, the Midvale International Speed Dome, Arena Joondalup and the Kwinana Motorsport Complex.

Ms Elizabeth Brown, Company Director

Member

Ms Brown was born in Midland and grew up in the Swan Valley, retaining community links with the area throughout her career as a teacher, farmer and business owner. She is strongly committed to involving the community in the Authority's redevelopment plans, and has a particular interest in the aesthetic and social dimensions of the revitalisation of Midland.

Cr David Fardig, City of Swan

Member

Cr Fardig was elected to Council in 1993. He is a former Chair of the Council's Policy and Planning Committee and is deputy Chairman of the Eastern Metropolitan Regional Council.

Cr Fardig was employed at the Midland Railway Workshops for 21 years before becoming Field Operations Supervisor/Site Manager with the Swan River Trust. He has extensive community knowledge, including practical experience of public housing renewal projects.



Cr Charlie Gregorini, City of Swan

Member

Cr Charlie Gregorini was elected to the Shire of Swan in 1977 and held the office of President for 16 years. In 1988 he was awarded the Medal of the Order of Australia (OAM) in recognition of his personal contribution to local government.

Cr Gregorini became the inaugural Mayor of the City of Swan in April 2000, holding the post until May 2001.

Mr Peter Bacich, Company Director

Member

Since 1971 Mr Bacich managed his own engineering and construction business, which when BOS Australia bought it in 1990 had grown to 250 staff and an annual turnover of more than \$28 million. He then focused on developing the Auto Masters Service Centre chain, as well as commercial and residential projects including the Murray Waters canal subdivision.

Mr Bacich brings to the MRA experience in civil, structural and mechanical engineering and property developments. He is a former Chairman of two public companies and the current Chairman of the Western Australian Athletics Federation (Athletes West).

Organisation structure

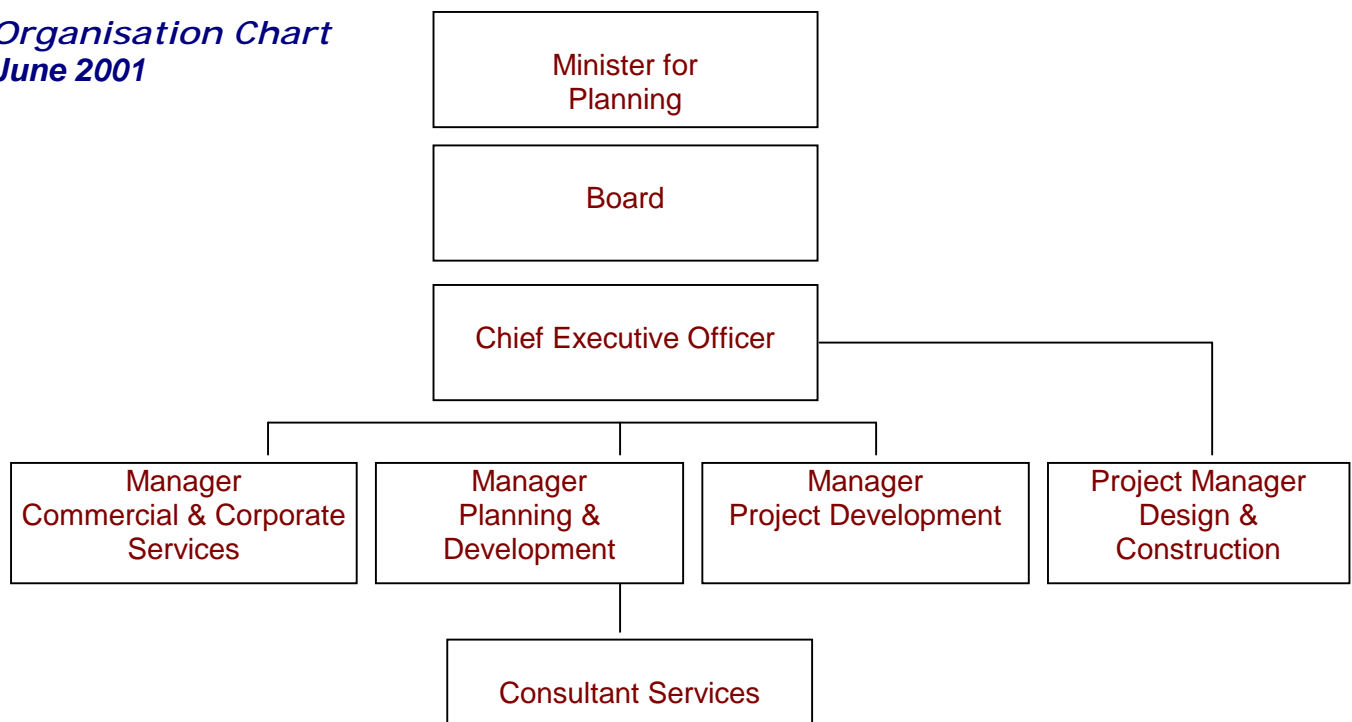
The Chief Executive Officer administers the day to day operations of the Authority and has prescribed delegated authority for particular management decisions. With the exception of the Chief Executive Officer, the Authority employs no staff directly; support is provided by staff seconded from other State Government agencies and by consultants. At 30 June 2000 three staff were on secondment to the Authority.

The organisation supporting the Authority has been structured to reflect its functional programs. The operating sections of the Authority are:

- Commercial and Corporate Services;
- Planning and Development; and
- Project Development.

Below is a diagram of the Authority's current organisational structure.

**Organisation Chart
June 2001**





Proud history. Exciting future.

The Chief Executive Officer is Kieran Kinsella.

Seconded staff mainly responsible for the operating sections of the Authority are:

Manager Commercial & Corporate Services	Chris Porter
Manager Planning & Development	Megan Bartle
Manager Project Development	Kim Hutchinson
Business Support Officer	Marina Hodda
Customer Service Officer	Christine May

Key consultants as at 30 June 2001 were:

Project Management	Clifton Coney Stevens
Heritage	Heritage & Conservation Professionals
Environment	ENV Australia
Information Technology	Denver Technology Pty Ltd
Accounting Services	PricewaterhouseCoopers
Public Relations	Turnbull Porter Novelli



Chief Executive Officer's Report

In November 2000, the Authority released its Business Directions statement for 2000/01 which identified the four key result areas that would drive the work of the Authority. The areas are:

- Planning and Development;
- Design and Construction;
- Economic and Enterprise Development; and
- Commercial and Corporate Support Operations.

The major achievements in these areas for 2000/01 are reported below.

• Planning and Development

The Authority successfully undertook a number of substantial projects associated with the planning and development of the redevelopment area.

In mid-2000 the Draft Concept Plan for Midland Central was prepared and released on 22 August for a three-month public comment period. A total of 1878 submissions were received, of which 1809 were identical form letters. The remaining 69 submissions were from individuals, organisations and agencies.

In addition to the Draft Concept Plan, the Authority compiled a draft text for Part 1 of the Central Midland Redevelopment Scheme. This text is currently before the Environmental Protection Authority for determination of the assessment level that will be required. Once the Scheme is gazetted, the Authority will have the statutory power to control and monitor development within the redevelopment area.

A number of draft policies were developed to accompany the Redevelopment Scheme and will be released for public comment in conjunction with the Scheme text. To facilitate future development within the redevelopment area, the draft policies include a framework for the development of design guidelines.



The Authority will apply these guidelines to such things as scale, form and appearance of buildings to reflect the precinct or area in which the development is to take place. The guidelines will be developed in consultation with the community.

The MRA's heritage consultants, Heritage & Conservation Professionals, are preparing a draft heritage strategy for the Midland Railway Workshops site. The strategy will take the form of eleven separate, yet integrated, papers dealing with issues such as guiding principles, cultural heritage opportunities and interpretation of former use and labour history.

The papers include policies to guide the Authority in the future conservation, use and recycling of the heritage associated with the site.

- ***Design and Construction***

In January, Clifton Coney Stevens were appointed Project Managers for the Midland Central redevelopment area, and revised and prepared the project construction budgets and program for the Authority. One of the initial projects undertaken was the design of Stage 1 of the main access roads through the Railway Workshops site, which was successfully completed and the contract issued for construction. This was an important achievement for the Authority, as it will facilitate access through the workshops site as well as providing a safer traffic environment for this part of the Midland area.

In conjunction with work on the main east-west access roads, a study began on a vehicular rail crossing at Helena Street to intersect with the access road south of the railway line. This crossing is a significant strategic development as it will allow greater accessibility to the Railway Workshops site and create an important link to the existing town centre.



Detailed investigations began on the civil engineering works associated with the extension of other major roads through the Redevelopment Area including Keane Street, Clayton Street and Lloyd Street. The investigation will provide the necessary framework for the Authority to ensure the successful progress of these works.

A major undertaking was remediation work on the Railway Workshops site to accommodate the location and development of the WA Police Services CADCOM facility, and to assist future development by the WAPS in this location. All remediation was carried out in close consultation with the Department of Environmental Protection and was highly successful.

As part of the remediation, a stormwater management plan was designed and accepted for the Railway Workshops site. The plan was designed in consultation with the DEP and the Water and Rivers Commission to work in an ecological and sustainable way with the natural environment of the Helena River.

- ***Economic and Enterprise Development***

The Authority has extensively promoted the Midland Railway Workshops site to business groups and individual organisations. Promotional events and activities were conducted and the site was made available to businesses for functions. This activity has given the site a high profile within the wider business community.

In the past, several films and television advertisements have been made on the site and the MRA is keen to encourage organisations to consider the merits of using the site for such activities.

An inaugural Open Day of the Railway Workshops site was held in October 2000 and attracted approximately 6000 visitors, who took part in site tours and associated events and activities.



The Authority has prepared financial feasibility studies for the reuse and refurbishment of heritage buildings as a component of an investment attraction package for the site. In addition, these studies prompted a process to identify and market to industry the potential of the information and technology and communication assets in the region.

As part of this process, the MRA commissioned an audit of information technology and communication networks in the Midland town centre. Audit results will be used for future planning and development opportunities that can be marketed to prospective businesses.

The MRA undertook a key role in the Swan Call Centre Working Group, which comprises a number of key State and Local Government organisations as well as the Swan Chamber of Commerce. The working group was formed to target organisations considering relocating or establishing call centres. A Call Centre strategy that includes financial feasibility and investment options was developed. The strategy was successfully marketed locally and overseas, and the Authority is following up a number of prospective organisations interested in establishing centres in the area.

- ***Commercial and Corporate Support Operations***

The Authority consolidated its major land holdings, which comprise the Midland Railway Workshops site and two sites in central Midland. In December 2000 management control over Crown Reserve 28348 was transferred to the Authority from the Department of Commerce and Trade. The 1.819 ha site houses the Eastern Region Business and Enterprise Art Centre and some of its associated business incubator units.



In May 2001 the Authority acquired two former Crown reserves transferred from the City of Swan, comprising the Tuohy Gardens and Crescent car parks. These two reserves were amalgamated to create a single 1.3329 ha freehold title site.

Work began on the preparation of a property management strategic maintenance plan and a building condition assessment report for the diverse range of buildings on the Midland Railway Workshops site.

To help the Authority manage current and future tenants on the workshops site, a generic property management lease was developed.

The key benefits include reduced cost of the preparation of lease agreements and standardised lease terms and conditions, which can be modified to suit individual occupants.

Following a fire on 31 December 2000 in the Railway Institute building on the Midland Railway Workshops site, a major refurbishment project of the building began. The project is expected to be completed in late August 2001 and will house the Authority's offices, relocated from temporary leased accommodation.

To provide direction and support, the Authority's public relations consultants Turnbull Porter Novelli prepared and implemented a public relations strategy for the Authority. The consultants also developed and implemented the public consultation strategy for the Draft Concept Plan, provided the MRA with sponsorship guidelines and assisted with events organisation and the Call Centre marketing strategy.

Appropriate financing facilities were established with the WA Treasury Corporation, enabling the Authority to optimise its required borrowings for its operations and works programs.



All necessary corporate support services were procured during the year including the key accounting bureau services provided by PricewaterhouseCoopers and internal audit services by Arthur Andersen. Firms including Skea, Hager and Co, Jackson McDonald, the Crown Solicitor's Office and Watts and Woodhouse met the Authority's requirements for legal services.

Corporate governance policies and procedures were developed and maintained. In 2000/01 the Authority took part in a State Government agencies' pilot audit of procurement and supply management practices funded by the State Supply Commission. The process proved beneficial to the Authority, with recommendations leading to improved procurement and supply management practices.

With the help of RiskCover's risk management assessment team, the Authority held a series of workshops leading to the development of appropriate risk management practices, strategies and procedures.

Other legislation

In all its programs and their delivery, the Authority recognises the right of access of the community and of individuals to services, opportunities and the Government decision-making process. It is mindful of its community service obligations and takes into consideration the impact of its programs on all groups, including disadvantaged groups within the community.

The Authority is aware of its obligations under such Acts as the Disability Discrimination Act 1992 and the WA Disability Services Act (1993). It will give close attention to disabled access in the design of refurbished and new buildings and in landscaping public areas, and to current transport access code requirements.



The financial administration of the Authority has complied with the requirements of the Financial Administration and Audit Act 1985 and associated Treasurer's Instructions.

In 2000/01 the Authority complied with the following legislation:

- Government Employees Superannuation Act 1987;
- Occupational Health, Safety & Welfare Act 1984;
- Official Corruption Act 1988;
- Principles, procedures and policies of public administration and management were applied in accordance with the Act and regulations. The Authority has developed a code of conduct to ensure it operates within the Government's Code of Ethics; and
- State Supply Commission Act 1991.

Reporting requirements

Customer group outcomes

The Authority is developing a Customer Service Charter that reflects its commitment to ensure the redevelopment has maximum benefits to the city and its community.

A Disability Services Plan has been produced and submitted to the Disability Services Commission for advice.

At this stage, specific plans for women, family and domestic violence, equal employment opportunities and language and cultural diversity are not applicable to the activities of the Authority.



- ***Advertising and sponsorship***

Expenditure incurred by the Authority during 2000/01 in relation to Section 17SZE of the Electoral Act was as follows:

Advertising agencies	Nil
Market research organisations	Nil
Polling organisations	Nil
Direct mail organisations	Nil
Media advertising organisations	\$7,332 (Marketforce Productions)

- ***Waste paper recycling***

The MRA uses Specialised Security Shredding for waste paper removal. The contractor collects all grades of paper except cardboard. The collection and destruction of confidential material is included in this contract.

Freedom of Information

The Authority is subject to the Freedom of Information Act 1992. Chris Porter is appointed Freedom of Information Coordinator and is the initial recipient of requests for information under the Act. There were no FOI requests in 2000/01.

Statement of Compliance with Public Sector Standards

1. In the administration of the Midland Redevelopment Authority, I have complied with the Public Sector Standards in Human Resource Management and the Western Australian Public Sector Code of Ethics.
2. I have put in place procedures designed to ensure such compliance and conducted appropriate internal checks to satisfy myself that the statement made in 1. above is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:
 - Number lodged: Nil
 - Number of breaches found, including details of multiple breaches per application: Nil
 - Number still under review: Nil.



Kieran Kinsella
Chief Executive Officer



Proud history. Exciting future.

Certification of Performance Indicators

In our opinion the accompanying performance indicators have been properly developed and, as applicable, fairly represent the performance of the Midland Redevelopment Authority for the year ended 30 June 2000.

Ian Laurance
Chairman

A handwritten signature in black ink that reads "Ian Laurance".

Charlie Gregorini
Member

A handwritten signature in black ink that reads "Charlie Gregorini".

31 August 2001



AUDITOR GENERAL

To the Parliament of Western Australia

MIDLAND REDEVELOPMENT AUTHORITY PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2001

Scope

I have audited the key effectiveness and efficiency performance indicators of the Midland Redevelopment Authority for the year ended June 30, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Authority is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the Authority's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

Qualification

The redevelopment project is in its early stages and as a consequence the Authority is at present unable to provide meaningful performance data for its key effectiveness indicators. The Authority has now established, and reported, baseline data against which future performance can be assessed.

Qualified Audit Opinion

In my opinion, the performance indicators are relevant to the stated outcomes of the Midland Redevelopment Authority. Except for the matter referred to in the qualification paragraph, the indicators are appropriate for assisting users to assess the Authority's performance and fairly represent the indicated performance for the year ended June 30 2001.



K O O'NEIL
ACTING AUDITOR GENERAL
November 30, 2001



Performance Indicators

The Midland Redevelopment Authority was set up to rejuvenate the land in the redevelopment area and to improve the strategic development of Midland as an important Regional Centre.

In an effort to measure the effect that the Redevelopment Authority is having on the Midland area, it was determined that a Baseline Survey should be undertaken to provide a comparable basis for future measurements, in order to quantify the progress of achievements over the life of the redevelopment project. The results of the survey for these areas are:

Outcomes

1. The revitalisation of Midland

Effectiveness Indicator – An increase in the number of people living in the area

The planning 'context area' for the Midland Redevelopment Authority is the suburbs of Midland, Midvale, Bellevue and parts of Hazelmere. An important measure of the success of the redevelopment is the amount by which the population of the area increases. The area had a total population of 8,415 at the 1996 Census and a household structure as follows:

	Occ. private dwell – fully owned	Occ. private dwell – being purch.	Occ. private dwell – being purch. rent/buy scheme	Occ. private dwell. – rented	Occ. priv dwell – rent free	Occ. priv. dwell – life tenure	Occ. priv. dwell – other	Occ. priv dwell – not stated	Occ. priv dwell – total	Un-occ. priv dwell	Total
Separate house	926	662	9	658	24	3	9	71	2362	265	2627
Semi detached, row, tce house, t/house	103	55	26	496	6	12	0	53	751	73	824
Flat, unit or apartment	6	3	0	114	0	0	0	10	133	9	142
Other dwelling	10	6	0	9	0	0	0	6	31	12	43
Not stated	12	9	0	23	0	0	0	5	49	11	60
TOTAL	1057	735	35	1300	30	15	9	145	3326	370	3696

These figures will be benchmarks against which the characteristics of the new community within the Redevelopment Area will be compared, as it becomes established.

Effectiveness Indicator – Increase in the number of people working in the area

There were 14,600 people working in the Midland area at March 2001 (Ref. DEWRSB Small Labour Markets – Australia – March Quarter 2001). It is envisaged that the population will increase when the area is fully developed, as the Concept Plan for the area indicates the building and development of commercial based business.

Effectiveness Indicator – Increase in the number of people visiting the Midland Area for Leisure and Recreation

The Concept Plan for the redevelopment area indicates a large area of public open space. It is an objective of the Authority to encourage people to use the extensive natural opportunities of the Midland area by opening up these areas and making them more accessible. The baseline survey results of this measure in the planning 'context area' were:



Number of people visiting Midland for leisure & recreation

(Ref. Asset Research – Survey of Residents and Businesses)

2000/01	Local residents using POS	4,300
2000/01	Workers using POS	2,500
2000/01	Swan Athletics Club Members	
	locals	150
	visitors	150
2000/01	Midland Sports Association	
	locals	320
	visitors	80

2. The environmental rehabilitation of the area

Effectiveness Indicator – The environmental rehabilitation of former industrial sites

A Public Environmental Review (PER) has been prepared and released for public comment as part of the environmental remediation works for the Midland Railway Workshops site. This document outlines the proposed remediation process for the site. The PER will be a benchmark against which all rehabilitation for the site will be measured in concert with the Department of Environmental Protection.

Effectiveness Indicator - Improvement in stormwater and groundwater quality in the redevelopment area

The PER includes a program and design for all stormwater disposals from the Redevelopment Area as well as measurements of groundwater quality. The PER will be a benchmark against which all rehabilitation for the site will be measured in concert with the Department of Environmental Protection.

Effectiveness Indicator – The upgrading of parks open space and the public realm

The Concept Plan for the redevelopment area has been developed as an indicative plan of the improvements that the Authority envisages for the redevelopment area.



This plan includes extensive parks and open space in addition to an emphasis on improving the public realm.

As detailed design is carried out for each of the precincts indicated in the Concept Plan, these will be established benchmarks against which the authority can measure the improvement to parks, open space and the public realm. Future surveys within the planning 'context area' will also provide a source of opinion as to public perception and use of these areas.

3. Expansion of the economic base for the area

Effectiveness Indicator – Expansion of the level and diversity of employment in the area

Statistics from the 1996 Census indicate that employment in specific business categories showed that the majority of Midland residents (15.7%) were employed in the manufacturing sector. The retail trade sector also employed a significant proportion of the Midland population (13.6%). Health and community services provided 9.8% of the employment positions, slightly more than the 7.9% occupied by residents in the wholesale trade sector. Jobs generated by these sectors clearly demonstrate the importance of the manufacturing, retail and wholesale trade sectors to the Midland economy, and the value of health services to the community.

As an objective of the Authority is to diversify the employment opportunities within the Midland area, these statistics will be a benchmark against which to measure changes in the employment sectors of the Midland area as the area is revitalised and new industries are established.



Effectiveness Indicator – The establishment of Midland as a centre for new and emerging industries

A current business listing of all commercial and government entities within the Midland area currently indicates approximately 2,000 listings. This is confirmed by statistics held by the Swan Chamber of Commerce.

A survey conducted of the Midland area indicated a profile of industry types as follows:

- retail trade;
- business services;
- manufacturing;
- construction;
- wholesale trade;
- transport and storage; and
- personal and other services.

This profile will be used as a benchmark against which to measure the establishment of new and emerging industries within the Midland area.

4. Demonstrated advanced forms of urban development

Effectiveness Indicator – The promotion of high quality medium density mixed-use development

Mixed use includes a variety of residential, retail, commercial and community uses rather than a predominance of single use development. The proximity of the uses in this form of development also acts as a catalyst for a reduction in the amount of motor vehicle use.



The record of building licences issued for the Midland area by the City of Swan is as follows:

TOTAL NUMBER OF BUILDING APPROVALS - CITY OF SWAN & MIDLAND																	
Type of Structure	City of Swan			City of Swan Midland Area													
	1998	1999	2000	Jan 01	Feb 01	Mar 01	Apr 01	May 01	Jun 01	Jul 01							
Single Dwelling	1,049	1,229	649	65	5	57	4	-	-	39	5	74	13	114	10	115	22
Grouped Dwelling	34	22	7	0	0	0	0	-	-	2	2	0	0	1	0	3	2
Multiple Dwellings	0	3	0	0	0	0	0	-	-	1	0	0	0	0	0	0	0
Commercial, Business, Factory & Additions	129	133	74	15	2	18	3	-	-	6	1	10	1	11	2	13	3
Public Buildings	8	11	7	0	0	0	0	-	-	0	0	2	1	0	0	1	0
Other	50	58	21	3	1	13	6	-	-	1	1	2	1	7	0	0	0

These figures will be a benchmark against which characteristics of the new housing stock built in the Midland Area will be compared.

Effectiveness Indicator - An increase in the diversity of housing stock

Through the development of detailed design guidelines for each of the precincts indicated in the Concept Plan, the Authority will be able to encourage diversity in housing stock in the redevelopment area.

In conjunction with a promotion of mixed-use development in the above indicator, the established benchmark of housing types will provide the Authority with a clear indicator of housing stock being approved and developed within the area upon which to measure the outcome.

Effectiveness Indicator – A lower level of car ownership and use per capita compared with other areas

A survey conducted of residents in the planning ‘context area’ showed that there is an average of 1.3 vehicles per household. This figure will be a benchmark against which future survey statistics of vehicular ownership in the Midland Area will be compared.



Output indicators

1. Efficiency

Efficiency Indicator – Comparison of total operating expenses as a percentage of land inventories

<i>Efficiency</i>	<i>1999/00</i>	<i>2000/01</i>
*Total operating expenses as a percentage of land inventories	2.1%	2.9%

As a measure of the Authority's efficiency, total operating costs are expressed as a percentage of the values of land inventories held at 30 June 2001.

(Information sourced from the MRA's financial records.)*



Certification of Financial Statements

The accompanying financial statements of the Midland Redevelopment Authority have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the year ending 30 June 2001 and the financial position at 30 June 2001.

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

A handwritten signature in black ink that reads 'Ian Laurance'.

Ian Laurance
Chairman

A handwritten signature in black ink that reads 'Charlie Gregorini'.

Charlie Gregorini
Member

A handwritten signature in black ink that reads 'Chris Porter'.

Chris Porter
Principal Accounting Officer

31 August 2001



AUDITOR GENERAL

To the Parliament of Western Australia

**MIDLAND REDEVELOPMENT AUTHORITY
FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2001**

Scope

I have audited the accounts and financial statements of the Midland Redevelopment Authority for the year ended June 30, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Authority is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Authority.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the Authority to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Authority's financial position, the results of its operations and its cash flows.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion,

- (i) the controls exercised by the Midland Redevelopment Authority provide reasonable assurance that the receipt, expenditure and investment of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions, the financial position of the Authority at June 30, 2001 and the results of its operations and its cash flows for the year then ended.



K O'NEIL
ACTING AUDITOR GENERAL
November 30, 2001



Proud history. Exciting future.

Midland Redevelopment Authority

Financial Statements

30 June 2001



Schedule 1

Midland Redevelopment Authority
Statement of Financial Performance
For the year ended 30 June 2001

	Note	For the year ended 30 June 2001 \$	For the six months ended 30 June 2000 \$
REVENUE			
Revenue from ordinary activities			
Trading profit	2	337,742	-
Interest revenue		52,582	6,855
Other revenues from ordinary activities		259,725	-
Total revenues from ordinary activities		<u>650,049</u>	<u>6,855</u>
EXPENSES			
Expenses from ordinary activities			
Employee expenses	3	330,596	133,912
Supplies and services	4	40,677	21,256
Depreciation	5	35,298	7,659
Administration expenses	6	115,365	84,088
Accommodation expenses	7	68,780	22,830
Members allowances		45,594	22,634
Other expenses from ordinary activities	8	75,956	36,393
Total expenses from ordinary activities		<u>712,266</u>	<u>328,772</u>
Loss from ordinary activities before grants from Government		(62,217)	(321,917)
Appropriation	9	350,000	1,534,285
Transfer of land to Authority	9	6,035,000	-
Net profit		<u>6,322,783</u>	<u>1,212,368</u>



Proud history. Exciting future.

Schedule 2

Midland Redevelopment Authority
Statement of Financial Position
As at 30 June 2001

	Note	30 June 2001 \$	30 June 2000 \$
CURRENT ASSETS			
Cash assets	10	4,222,015	790,470
Receivables	11	205,580	69,307
Inventories	12	1,893,610	777,616
Other assets	13	17,176	11,639
Total Current Assets		<u>6,338,381</u>	<u>1,649,032</u>
NON - CURRENT ASSETS			
Inventories	12	22,478,292	14,558,848
Plant and equipment	14	165,605	146,800
Total Non-Current Assets		<u>22,643,897</u>	<u>14,705,648</u>
Total Assets		<u>28,982,278</u>	<u>16,354,680</u>
CURRENT LIABILITIES			
Payables	15	91,034	916,676
Provisions	16	13,228	14,451
Total Current Liabilities		<u>104,262</u>	<u>931,127</u>
NON-CURRENT LIABILITIES			
Provisions	16	31,865	61,185
Interest bearing liabilities	17	7,161,000	-
Total Non-Current Liabilities		<u>7,192,865</u>	<u>61,185</u>
Total Liabilities		<u>7,297,127</u>	<u>992,312</u>
Net Assets		<u><u>21,685,151</u></u>	<u><u>15,362,368</u></u>
EQUITY			
Contributed Equity	20	14,150,000	14,150,000
Retained profits		<u>7,535,151</u>	<u>1,212,368</u>
Total Equity		<u><u>21,685,151</u></u>	<u><u>15,362,368</u></u>



Schedule 3

Midland Redevelopment Authority
Statement of Cash Flows
For the year ended 30 June 2001

	Note	For the year ended 30 June 2001 \$	For the six months ended 30 June 2000 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from customers		2,100,000	-
GST receipts on sales		4,351	-
GST receipts from taxation authority		324,351	-
Interest received		52,582	6,855
Other receipts		326,256	-
Payments			
Employee costs, supplies and services		(6,271,800)	(596,211)
GST payments on purchases		(562,595)	-
Net cash used in operating activities	18	<u>(4,026,855)</u>	<u>(589,356)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non current physical assets		(52,600)	(154,460)
Net cash used in investing activities		<u>(52,600)</u>	<u>(154,460)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of borrowings from Western Australian Treasury Corporation		7,161,000	-
Net cash provided by financing activities		<u>7,161,000</u>	<u>-</u>
CASH FLOWS FROM GOVERNMENT			
Appropriations from Government		350,000	1,534,285
Net cash provided by government		<u>350,000</u>	<u>1,534,285</u>
Net increase in cash held		3,431,545	790,470
Cash assets at the beginning of the reporting period		790,470	-
Cash assets at the end of the reporting period	19	<u><u>4,222,015</u></u>	<u><u>790,470</u></u>



Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

1. Significant Accounting Policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated the policies are consistent with those adopted in the previous year.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and UIG Consensus Views 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 Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing preparation of financial statements and take precedence over Australian Accounting Standards and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect are disclosed in individual notes to these financial statements. The statements have been prepared in the accrual basis of accounting using the historical cost convention.

(a) Grants and Other Contributions Revenue

Grants, donations, gifts and other non reciprocal contributions are recognized as revenue when the Authority obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

(b) Revenue Recognition

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognized when the Authority has passed control of the goods or other assets or delivery of the service to the customer.

(c) Inventories

Inventories are generally stated at the lower of cost or net realisable value. Other costs incurred in bringing inventories to a saleable condition are stated at cost. This includes costs associated with the design, development and other costs directly traceable to the development activities of the Authority.

(d) Receivables

Accounts receivable are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Collectability of receivables is reviewed on a regular basis.

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

1. Significant Accounting Policies (continued)

(e) Depreciation of non-current assets

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

Property, plant and equipment, other than freehold land, are depreciated over their useful lives using the straight line method at the following rates which are reviewed annually:

Furniture and equipment	10%
Computer equipment	25%
Leasehold improvements	20%

(f) Payables

Payables, including accruals not yet billed, are recognized when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. Trade creditors are generally settled within 30 days.

(g) Employee entitlements

Annual and Long service

Annual and long service leave entitlements are provided at current remuneration rates with long service leave being calculated on a pro-rata entitlement from commencement of service. The liability for annual and long service leave is measured at the amount unpaid at the reporting date in respect to employees services with the Midland Redevelopment Authority up to that date.

(h) Superannuation

Staff may contribute to the Superannuation and Family Benefits Act Scheme, a defined benefit pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992.

The liabilities for superannuation charges under the Gold State Superannuation Scheme and West State Superannuation Scheme are extinguished by monthly payment of employer contributions to the Government Employees Superannuation Board.

The note disclosure required by paragraph 51(e) of AAS30- Accounting for Employee Entitlements, (being the difference between the employer's accrued superannuation benefits and the attributable net market value of plan assets) has not been provided. State scheme deficiencies are recognised by the State in its whole of government reporting. The Government Employee Superannuation Board's records are not structured to provide the information for the Authority, accordingly, deriving the information for the Authority is impractical under current arrangements, and thus any benefits to be derived would be exceeded by the cost of obtaining the information.

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

1. Significant Accounting Policies (continued)

(i) Leases

The Authority has entered into an operating lease arrangement for motor vehicles where the lessor effectively retains all of the risk and benefits incidental to ownership of the items held under the operating lease. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(j) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The Authority considers the carrying amount approximates the net fair value.

(k) Interest Bearing Liabilities

Western Australian Treasury Corporation loans are recorded at an amount equal to the net proceeds received. Borrowing costs expense is recognised on an accrual basis.

(l) Borrowing Costs

Borrowing costs are expensed as incurred except where they relate to the financing of projects under construction where they are capitalized up to the date of commissioning.

(m) Comparatives

As the Authority was incorporated on 1 January 2000 the comparative financial information presented relates to the six month period to 30 June 2000. Accordingly, the current financial year ended 30 June 2001 and the previous financial period ended 30 June 2000 are not comparable on the grounds that the duration of the periods being reported upon are different.

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

2. Trading Profit

	For the year ended 30 June 2001	For the six months ended 30 June 2000
	\$	\$
Sales	2,100,000	-
Less Cost of goods sold	<u>(1,762,258)</u>	<u>-</u>
Trading profit	<u>337,742</u>	<u>-</u>

Sales represent a progressive payment earned from the transfer of control over the CADCOM site during the reporting period to the Western Australian Police Service. The Authority expects further sales to be earned as the site nears completion.

3. Employee Expenses

Wages and salaries	266,049	121,920
Superannuation	25,009	4,596
Long service leave	11,445	-
Annual leave	5,816	6,329
Other related expenses	<u>22,277</u>	<u>1,067</u>
	<u>330,596</u>	<u>133,912</u>

4. Supplies and Services

Consultants and contractors	<u>40,677</u>	<u>21,256</u>
	<u>40,677</u>	<u>21,256</u>

5. Depreciation

Furniture and equipment	6,761	1,503
Computer equipment	19,996	4,173
Leasehold improvements	<u>8,541</u>	<u>1,983</u>
	<u>35,298</u>	<u>7,659</u>

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

6. Administration Expenses

	For the year ended 30 June 2001	For the six months ended 30 June 2000
	\$	\$
Communications	17,499	8,832
Consumables	25,258	22,696
Maintenance	2,256	1,773
Insurance premiums	37,821	8,142
Other costs	32,531	42,645
	<u>115,365</u>	<u>84,088</u>

7. Accommodation Expenses

Lease rentals	52,800	16,698
Utilities	10,578	2,843
Cleaning	5,156	1,811
Other occupancy costs	246	1,478
	<u>68,780</u>	<u>22,830</u>

8. Other expenses from ordinary activities

Advertising, public relations and sponsorship	44,531	17,928
Motor vehicles and travel	31,425	18,465
	<u>75,956</u>	<u>36,393</u>

9. Grants from Government

State Government appropriations	350,000	1,534,285
Swan Location 14200	1,585,000	-
Crown Reserve 28348	4,450,000	-
	<u>6,035,000</u>	<u>-</u>

The values ascribed for the transfer of Swan Location 14200 and Crown Reserve 28348 have been provided by the Valuer General's Office.

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

10. Cash Assets

	30 June 2001	30 June 2000
	\$	\$
Bank account	4,221,815	790,270
Cash on hand	200	200
	<u>4,222,015</u>	<u>790,470</u>

11. Receivables

GST Receivable	203,192	-
Other debtors	2,388	69,307
	<u>205,580</u>	<u>69,307</u>

12. Inventories

Inventories consist of land held for resale and associated development expenses. The cost of inventories represents items of planning, design, project management, demolition, lease purchases, environmental studies and land grants in relation to the project development. A portion of these costs will be recovered from the development and sale of freehold land transferred to the Authority from the Government of Western Australia. Development expenses capitalised include all costs directly attributable to the development project.

Current	<u>1,893,610</u>	<u>777,616</u>
Non Current	<u>22,478,292</u>	<u>14,558,848</u>
Total Inventories	<u>24,371,902</u>	<u>15,336,464</u>
Consisting of:		
Land held for resale:		
Land transferred to Authority from Government	20,185,000	14,150,000
Development expenses capitalised (includes payments to other Government Agencies for development costs incurred during 1999/2000 prior to the establishment of the Authority)	5,949,160	1,186,464
Allocated to cost of goods sold	(1,762,258)	-
Total	<u>24,371,902</u>	<u>15,336,464</u>

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

13. Other Assets

	30 June 2001	30 June 2000
	\$	\$
Prepayments	<u>17,176</u>	<u>11,639</u>
	<u><u>17,176</u></u>	<u><u>11,639</u></u>

14. Plant and equipment

Furniture and equipment - at cost	75,972	48,787
Accumulated depreciation	<u>(8,264)</u>	<u>(1,503)</u>
	<u>67,708</u>	<u>47,284</u>
Computer equipment - at cost	89,282	62,829
Accumulated depreciation	<u>(24,169)</u>	<u>(4,174)</u>
	<u>65,113</u>	<u>58,655</u>
Leasehold improvements – at cost	43,308	42,844
Accumulated depreciation	<u>(10,524)</u>	<u>(1,983)</u>
	<u>32,784</u>	<u>40,861</u>
Net balance at 30 June	<u><u>165,605</u></u>	<u><u>146,800</u></u>

Reconciliations

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year are set out below.

For the year ended 30 June 2001

	Furniture and Equipment	Computer Equipment	Leasehold Improvement s	Total
Carrying amount at the start of the year	47,284	58,655	40,861	146,800
Additions	27,185	26,453	464	54,103
Depreciation	<u>(6,761)</u>	<u>(19,995)</u>	<u>(8,541)</u>	<u>(35,298)</u>
	<u>67,708</u>	<u>65,113</u>	<u>32,784</u>	<u>165,605</u>

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

14. Plant and equipment (continued)

For the six months ended 30 June 2000

	Furniture and Equipment	Computer Equipment	Leasehold Improvement s	Total
Carrying amount at the start of the year	-	-	-	-
Additions	48,787	62,829	42,844	154,460
Depreciation	(1,503)	(4,174)	(1,983)	(7,660)
	<u>47,284</u>	<u>58,655</u>	<u>40,861</u>	<u>146,800</u>

15. Payables

Trade payables	47,135	91,596
Audit fees	11,000	13,000
Accrued expenses	32,899	812,080
	<u>91,034</u>	<u>916,676</u>

16. Provisions

	30 June 2001 \$	30 June 2000 \$
Current liabilities		
Liability for annual leave	<u>13,228</u>	<u>14,451</u>
	13,228	14,451
Non-current liabilities		
Liability for annual leave	-	8,176
Liability for long service leave	<u>31,865</u>	<u>53,009</u>
	<u>31,865</u>	<u>61,185</u>
	<u>45,093</u>	<u>75,635</u>

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

17. Interest Bearing Liabilities

	30 June 2001	30 June 2000
	\$	\$
Borrowings from Western Australian Treasury Corporation	<u>7,161,000</u>	<u>-</u>

18. Reconciliation of net cash used in operating activities to net profit

	For the year ended 30 June 2001	For the six months ended 30 June 2000
	\$	\$
Net Profit	6,322,783	1,212,368
Non-cash items:		
Depreciation expense	35,298	7,659
Government grants	(350,000)	(1,534,285)
(Increase)/Decrease in assets:		
Current receivables	66,919	(69,307)
Current inventories	(1,115,994)	(1,186,464)
Current other assets	(5,537)	(11,639)
Non current inventories	(7,919,444)	-
Increase/(Decrease) in liabilities:		
Current payables	(827,145)	916,676
Current provisions	(1,223)	14,451
Non current provisions	(29,320)	61,185
Change in GST receivable	(203,192)	-
Net cash used in operating activities	<u>(4,026,855)</u>	<u>(589,356)</u>



Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

19. Reconciliation of Cash

For the purposes of the Statement of Cash Flows, Cash includes cash on hand and in banks and investments. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items on the statement of financial position as follows:

	30 June 2001	30 June 2000
Bank Account	4,221,815	790,270
Cash on Hand	200	200
	<u>4,222,015</u>	<u>709,470</u>

20. Equity

Contributed Equity		
Capital Contribution	<u>14,150,000</u>	<u>14,150,000</u>
Retained Profits		
Opening Balance	1,212,368	-
Net Profit	<u>6,322,783</u>	<u>1,212,368</u>
Closing Balance	<u>7,535,151</u>	<u>1,212,368</u>

21. Financing Facilities

The Authority has a borrowing facility of \$63,500,000 through the W.A. Treasury Corporation. At the reporting date the Authority had drawn \$7,161,000 on this facility.

22. Commitments for Expenditure

Capital Expenditure Commitments

The Authority's funds at 30 June 2001 were committed to the extent of \$513,000 against the outstanding components of various works contracts.

Lease Commitments

Non cancellable operating lease commitments.

	2000/01	1999/00
	\$	\$
Not later than one year	18,088	-
Later than 1 year not later than 5 years	<u>4,172</u>	<u>-</u>
	<u>22,260</u>	<u>-</u>

Schedule 4/11

Midland Redevelopment Authority
Notes to and forming part of the financial statements
For the year ended 30 June 2001

23. Financial Instruments

(a) Credit risk exposures

The credit risk of financial assets of the Authority which have been recognised on the balance sheet, is generally the carrying amount.

(b) Interest rate risk exposures

The Authority's exposure to interest rate risk and the weighted average interest for financial assets is set out below.

2001	Variable interest rate	Less than 1 Year	Fixed Interest Rate Maturity		Non-interest bearing	Total
			1 to 5 Years	More Than 5 Years		
Financial assets						
Cash assets	4,221,815				200	4,222,015
Receivables					205,580	205,580
	4,221,815				205,780	4,427,595
Weighted Average Interest Rate	4.5%					
Financial Liabilities						
Payables					91,034	91,034
Interest bearing liabilities		2,561,114	2,005,080	2,594,806	-	7,161,000
	-	2,561,114	2,005,080	2,594,806	91,034	7,252,034
Weighted Average Interest Rate		5.07%	5.87%	6.29%		
Net financial assets (liabilities)	4,221,815	(2,561,114)	(2,005,080)	(2,594,806)	114,746	2(2,824,439)

2000	Variable interest rate	Less than 1 Year	Fixed Interest Rate Maturity		Non-interest bearing	Total
			1 to 5 Years	More Than 5 Years		
Financial assets						
Cash assets	790,270				200	790,470
Receivables					69,307	69,307
	790,270				69,507	859,777
Weighted Average Interest Rate	4.10%					
Financial Liabilities						
Payables	-				916,676	916,676
Net financial assets (liabilities)	790,270				(847,169)	(56,899)

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of financial assets and financial liabilities of the Authority approximates their carrying value.

Midland Redevelopment Authority

Notes to and forming part of the financial statements

23. Financial Instruments (continued)

Reconciliation of Net Financial Assets to Net Assets	Note	\$	\$
Net financial assets as above		(2,824,439)	(56,899)
Non-financial asset and liabilities			
Other Assets	13	17,176	11,639
Inventories	12	24,371,902	15,336,464
Property, plant, equipment and vehicles	14	165,605	146,800
Provisions	16	(45,093)	(75,636)
Net assets		<u>21,685,151</u>	<u>15,362,368</u>

24. Remuneration and Retirement Benefits 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 fees, salaries and other benefits received or due and receivable for the year ended 30 June 2001, falls within the following bands:

\$1 - \$9,999	4	4
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	1	-
The total remuneration of the Members of the Accountable Authority is:	<u>45,594</u>	<u>22,634</u>

Remuneration of Senior Officers of the Accountable Authority

The total number of Senior Officers other than members of the Accountable Authority, whose total of fees, salaries and other benefits received or due and receivable for the year ended 30 June 2001, falls within the following bands:

\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	1	1
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	1	1
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	1	-
The total remuneration of the Senior Officers of the Accountable Authority is:	<u>300,341</u>	<u>138,932</u>



Midland Redevelopment Authority

Notes to and forming part of the financial statements

Retirement Benefits of Senior Officers

In respect of the Senior Officers other than members of the Accountable Authority, the following amounts were paid or became payable for the financial year:

	\$	\$
Contributions pursuant to Government Employees Superannuation Act	<u>25,009</u>	<u>4,596</u>

No Senior Officers are members of the Superannuation and Family Benefits Act Scheme.

25. Remuneration of Auditor

The total fees paid or due and payable to the Auditor General for the year ended 30 June 2001 are as follows:

	For the year ended 30 June 2001	For the six months ended 30 June 2000
	\$	\$
Fees for audit	<u>11,000</u>	<u>13,000</u>

26. Contingent Liabilities

There are no known contingent liabilities of the Authority in existence as at 30 June 2001.

27. Comparative Figures

(a) Details of significant variations (10% or \$50,000) between actual results and budget for the year ended 30 June 2001 are as follows:

- Trading Profit (budget \$nil; actual \$337,742). Land sales higher than forecast resulting in trading profit.
- Other Revenue (budget \$nil; actual \$259,725). Revenue from insurance recovery not budgeted for.
- Interest Received (budget \$nil; actual \$52,582). Due to higher than budgeted land sales the Authority maintained a higher cash balance.
- Advertising, public relations and sponsorship (budget \$35,000; actual \$44,531). Advertising, public relations and web site development costs greater than budgeted.
- Motor Vehicles and Travel (budget \$43,290; actual \$31,425). Travel and motor vehicle hire costs less than budgeted.
- Capital Works (budget \$10,427,834; actual \$4,645,257). Reduced expenditure due to delay of contractors arising from arson fire in building during year.



Publications

The principal publications of the Authority during the year were:

- ***Draft Concept Plan – Midland Central Redevelopment Area.*** This document provides a vision of the preferred type and form of development that may be achieved over the next 15 years.
- ***Midland Redevelopment Authority Annual Report 1999/2000.***
- ***Business Directions 2000/2001.*** This document sets out the Authority's core operating principles and the guiding objectives adopted for its vision for Midland.
- ***Midland – Your Call Centre Option.*** A brochure developed for inclusion in the Department of Commerce and Trade's call centre attraction folder.
- ***Draft Concept Plan – Redevelopment Stage 1: Summary of Public Submissions.*** Summaries of all issues raised in the submissions and the Authority's responses.
- ***The Midlander*** newsletter (winter 2001). Contains information about the MRA's activities for business, community and Government stakeholders.

All publications can be downloaded from the Authority's website www.mra.wa.gov.au, also developed during the year.