



Hon. Graham Kierath MLA
Minister for Planning
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 2000.

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

Yours sincerely

Ian Laurance
Chairman

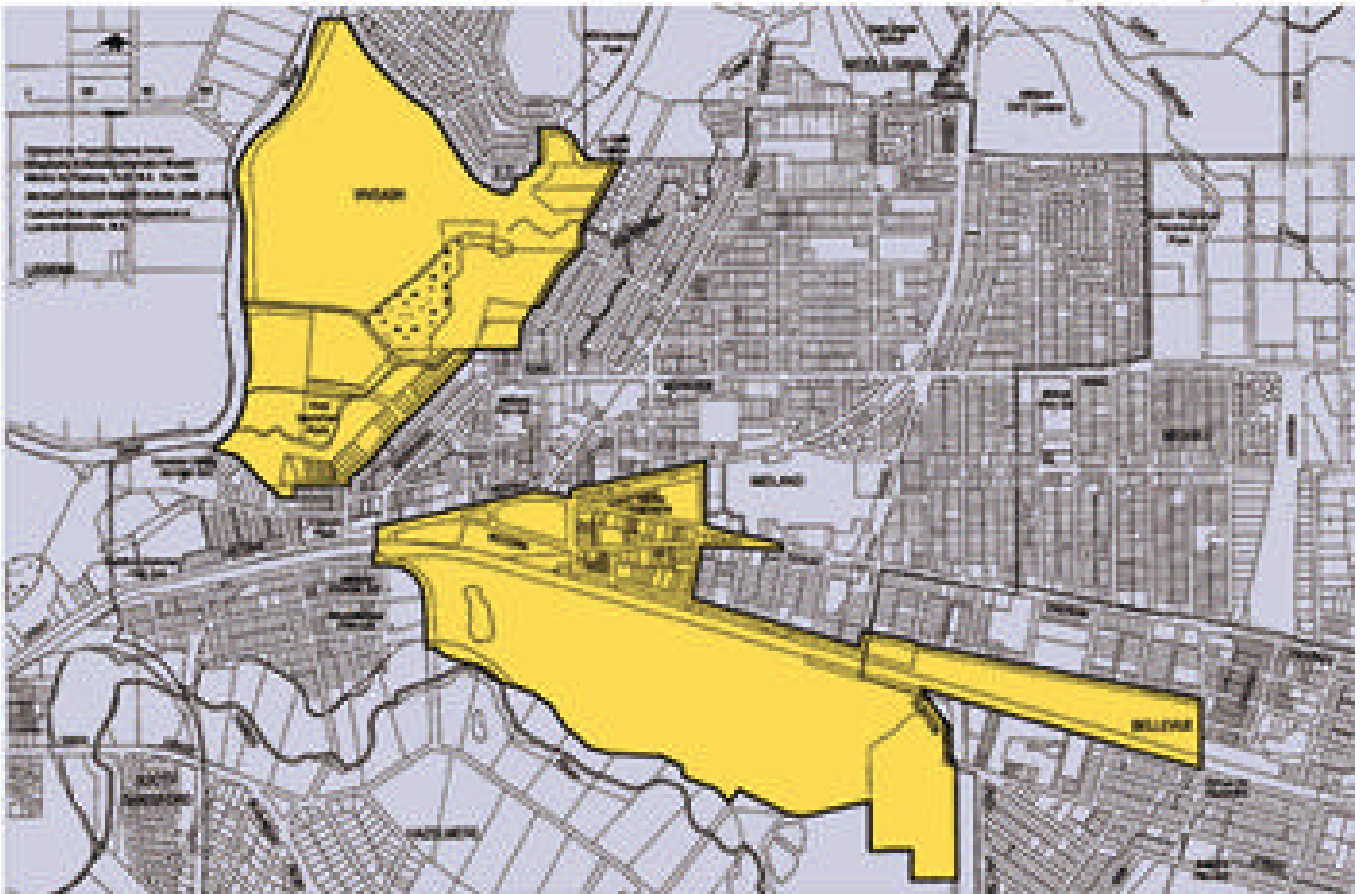
Charlie Gregorini
Member

31 August 2000

The vision for Midland

The Midland Redevelopment 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.

The MRA 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.





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Chairman's Report

The establishment of the Midland Redevelopment Authority demonstrates the strong commitment of the Western Australian Government to the future of Midland. The Authority was established on 1 January 2000 and the five-member Board was appointed at that time.

The decision to set up the MRA was strongly supported by the local community, notably the City of Swan and the Swan Chamber of Commerce. The MRA acknowledges the importance of maintaining good relationships between the Council, the Chamber and ourselves, which we see as central to the success of the redevelopment.

There has been a high level of community interest in the Authority since it began its operations in January, and a number of local groups and individuals have approached us with their own ideas for the redevelopment of the area.

The Authority's Redevelopment Area (256ha) is significantly larger than those of East Perth (140 ha) and Subiaco (80 ha). There are two separate parcels of land - Woodbridge (Ray Marshall Park/Viveash) and Midland Central.

The Authority's Act provides 15 years for it to fulfil its role as the catalyst for the revitalisation of Midland.

The Authority's formal functions are to plan, undertake, promote and coordinate the development and redevelopment of land in the redevelopment area

The Authority is both a planning agency, preparing plans and controlling development within the Redevelopment Area, and a land development agency preparing and selling land for development.

A lot has happened since the Authority was established.

We moved into interim offices in Midland on 13 March 2000 and plan to refurbish and move into the Railway Institute Building in March 2001.

Work on preparing the site for the first stage of the Police Operations Support Facility (a \$3 million contract for a 16-week period) began on 8 May 2000. The first stage of the Police



Facility will cost about \$42 million and provide facilities for about 400 staff.

Tenders for the first building, the computer aided dispatch and communication (CADCOM) centre, have been called and construction is scheduled to begin shortly. Other works in stage one include the mounted and canine facilities and the forensics building.

The WA Police Service project is a very important lead project for the Redevelopment Area. It points to great development potential for industry clusters in the information technology, telecommunications and forensic/ biotechnology industries.

I would like to pay tribute to the people that have worked so hard to get us to this point today - my fellow Board Members, the Authority's inaugural Acting CEO, Mr Jack Busch, and the Authority staff led by Acting CEO, Mr Kieran Kinsella.

Ian Laurance
Chairman



MIDLAND
REDEVELOPMENT
AUTHORITY

Proud history. Exciting Future

Organisation structure

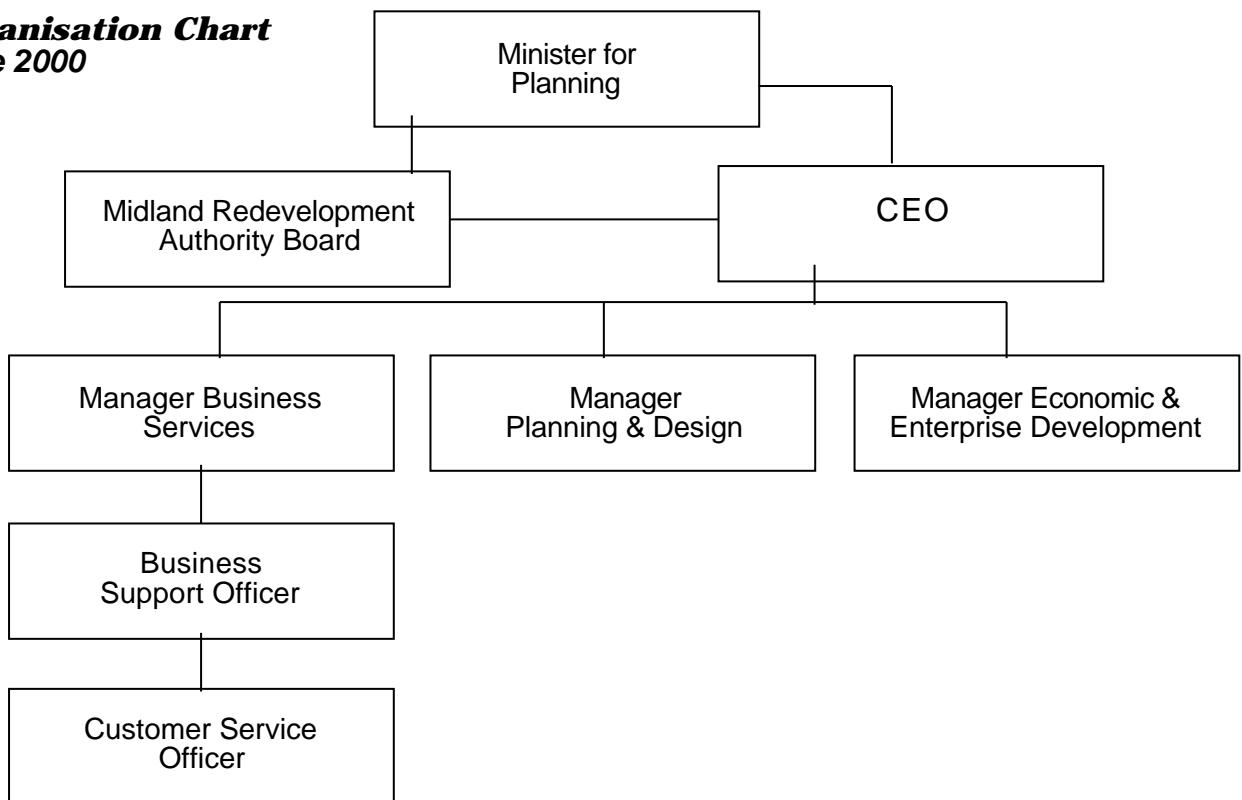
The Chief Executive Officer administers the day to day operations of the Authority and has prescribed delegated authority for particular management decisions. With the exception of the Chief Executive Officer the Authority employs no staff directly; support is provided by staff seconded from other State 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:

- ⌚ Business Services
- ⌚ Planning and Design
- ⌚ Economic and Enterprise Development.

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

Organisation Chart June 2000



The Acting Chief Executive Officer is Kieran Kinsella.

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

Manager Business Services
Manager Planning and Design

Chris Porter
David Patman



Manager Economic and Enterprise Development	vacant
Business Services Officer	Marina Hodda
Customer Services Officer	Christine May (contract position).

Key consultants as at 30 June 2000 are:

Heritage	Heritage & Conservation Professionals
Environment	Egis Consulting Australia Pty Ltd
Information technology	Denver Technology Pty Ltd
Accounting services	PricewaterhouseCoopers
Project management (interim)	Argenta Management Group.

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.

The following approval was given by the Minister for Planning:

- ⌚ To enter into an arrangement with the Minister for Works for the construction by Henry Walker Eltin of Stage 1, Forward Works for the Police Operations Support Facility site, for the consideration of \$1,948,511.

Objectives

The primary objective of the Authority is to ensure the development and redevelopment of land in the Redevelopment Area.

Its guiding objectives for the redevelopment project are to:

- ⌚ ensure the project plays a major role in the revitalisation of Midland and better enables it to serve as a strategic regional centre, providing services to a substantial part of the metropolitan area
- ⌚ integrate the project with development in other areas of central Midland to achieve a coordinated outcome with maximum benefits for the city and its community
- ⌚ ensure the project contributes to the maintenance and enhancement of environmental, social, heritage and cultural values within and around the redevelopment area
- ⌚ maximise the long-term economic benefits of the project to the State, the region and the city centre.

The strategies supporting the objectives are to:

- ⌚ develop a Draft Concept Plan and present it for public information and comment
- ⌚ produce an approved Redevelopment Scheme
- ⌚ maintain control of planning and development in accordance with the Scheme

- ⌚ manage the design and construction of the redevelopment works to be delivered on time and on budget
- ⌚ manage the property, financial and commercial operations of the project in an effective and efficient manner.

Principles

The Authority will achieve its purpose in a manner which:

- ⌚ provides a demonstration to the wider community of a model urban environment
- ⌚ enjoys high overall community support
- ⌚ provides the best possible financial return to the taxpayer
- ⌚ promotes the centre of Midland and its local, regional and metropolitan role.

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.

Other legislation the Authority has complied with in its first six months of operation:

- ⌚ 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 is in the process of developing its code of conduct to ensure it operates within the Government's Code of Ethics
- ⌚ State Supply Commission Act 1991
- ⌚ Public Sector Management Act 1994. In accordance with Section 31 of the ACT I confirm that the Authority has complied with the Public Sector Standards and the Code of Ethics. Policies and procedures are in place to ensure compliance and during the period 1 January 2000 to 30 June 2000 there were no breaches of standards.

Kieran Kinsella
Acting Chief Executive Officer

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.

Highlights 1999/2000

While the Authority has operated for only six months, substantial progress has been made in that period. Highlights include:



- ⌚ Established the Authority, recruited key staff and set up interim offices in Midland
- ⌚ Assembled a team of professionals to work with the Authority in the areas of heritage, planning, business development and project management.
- ⌚ Began work to prepare the site for the first stage of the Police Operations Support Facility
- ⌚ Planned the refurbishment of the Railway Institute Building in the redevelopment area and its move there in March 2001
- ⌚ Began work on the Draft Concept Plan for Stage 1 of the redevelopment area, Midland Central, to be released in August 2000.

Key Performance Indicators

This is the Authority's first Annual Report, covering a period of six months. The major tasks for this period have been the establishment of the operations of the Authority and preliminary project planning.

Accordingly the Authority's key performance indicators are still being developed and will be reported on fully in the 2000/2001 Annual Report.

Financial Statements

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 2000 and the financial position at 30 June 2000.

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.

Ian Laurance
Chairman

Charlie Gregorini
Member

Chris Porter
Principal Accounting Officer

31 August 2000

Midland Redevelopment Authority

Financial Statements

For the six months ended

30 June 2000

Midland Redevelopment Authority

Operating Statement

For the six months ended 30 June 2000

	Note	\$
REVENUE		
Trading profit/(loss)	2	-
Interest		6,855
Other operating revenue		-
		<u>6,855</u>
EXPENSES		
Payroll		129,316
Superannuation		4,596
Interest		-
Depreciation	4	7,659
Consultants		21,256
Administration		84,088
Advertising, public relations and sponsorship		17,928
Building occupancy		22,830
Motor vehicle and travel		18,465
Members allowances		22,634
		<u>328,772</u>
Operating profit/(loss) before grants and subsidies		(321,917)
GRANTS AND SUBSIDIES FROM GOVERNMENT		
Transfer of former Westrail Midland railway workshops site		14,150,000
Grants and subsidies	5	1,534,285
		<u>15,684,285</u>
Profit before income tax equivalent		15,362,368
Income tax equivalent (expense)/benefit	3	<u>(4,696,757)</u>
Profit/(loss) after income tax equivalent		10,665,611
Add:		
Opening balance of unappropriated profits		<u>-</u>
Closing balance of unappropriated profits		<u><u>10,665,611</u></u>

The accompanying notes form an integral part of these financial statements

Midland Redevelopment Authority

Statement of Financial Position

As at 30 June 2000

	Note	\$
CURRENT ASSETS		
Cash resources	6	790,470
Trade and other debtors	7	69,307
Prepayments	8	11,639
Inventories	10	777,616
Total current assets		<u>1,649,032</u>
NON - CURRENT ASSETS		
Property, plant and equipment	9	146,800
Inventories	10	14,558,848
Total non-current assets		<u>14,705,648</u>
Total assets		<u>16,354,680</u>
CURRENT LIABILITIES		
Trade creditors and accruals	12	916,676
Employee entitlements	11	14,451
Total current liabilities		<u>931,127</u>
NON-CURRENT LIABILITIES		
Employee entitlements	11	61,185
Provision for deferred income tax liability		4,696,757
Total non-current liabilities		<u>4,757,942</u>
Total liabilities		<u>5,689,069</u>
Net assets		<u>10,665,611</u>
EQUITY		
Unappropriated profits		<u>10,665,611</u>
Total equity		<u>10,665,611</u>

The accompanying notes form an integral part of these financial statements

Midland Redevelopment Authority

Statement of Cash Flows

For the six months ended 30 June 2000

	Note	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Receipts from customers		-
Interest received		6,855
Payments		
Payments to suppliers and employees		(596,382)
Net cash used in operating activities	13	<u>(589,527)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of land		(67)
Payments for property, plant and equipment		(154,421)
Proceeds from sale of property, plant and equipment		-
Net cash used in investing activities		<u>(154,488)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of borrowings from WA Treasury Corporation		-
Repayment of borrowings to WA Treasury Corporation		-
Net cash provided by financing activities		<u>-</u>
TOTAL CASH FLOW FROM OPERATING, INVESTING AND FINANCING ACTIVITIES		(744,015)
CASH FLOWS FROM GOVERNMENT		
Appropriations, grants and subsidies		1,534,285
Net cash provided by government		<u>1,534,285</u>
Net increase/(decrease) in cash held		790,270
Cash at the beginning of the reporting period		<u>-</u>
Cash at the end of the reporting period	14	<u><u>790,270</u></u>

The accompanying notes form an integral part of these financial statements

Midland Redevelopment Authority

Notes to and forming part of the financial statements

1. Statement of Accounting Policies

The following accounting policies have been adopted in the preparation of the financial statements.

- (a) General System of Accounting
 - i) The financial statements are prepared in accordance with the Financial Administration and Audit Act 1985.
 - ii) Subject to the exceptions noted in these accounting policies the financial statements have been drawn up on the basis of historical cost principles.
 - iii) The accrual basis of accounting is being applied.
- (b) Modification of Statements of Accounting Concepts and Statements of Accounting Standards.

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 financial effect upon the reported results in the financial statements, the statement of accounting policies or other notes to the financial statements shall include:

- i) the fact that the Australian Accounting Standard or UIG Consensus View has been modified by a Treasurer's Instruction, the nature of the modification and identification of the relevant Treasurer's Instruction; and
 - ii) the financial effects of the modification where practicable.
- (c) Inventories

Inventories are generally stated at the lower of cost or net realisable value. An exception to this is development property granted to the Authority which is stated at net realisable value. Other costs incurred include 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.

Midland Redevelopment Authority

Notes to and forming part of the financial statements

1. Statement of Accounting Policies (continued)

(d) Depreciation of non-current assets

Property, plant and equipment, other than freehold land, are depreciated over their useful lives using the diminishing value method at the following rates:

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

(e) Trade creditors and accruals

These amounts represent liabilities for goods and services provided to the Authority prior to the end of the financial year and which are unpaid.

(f) 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 Authority has recognised leave liability balances owing to staff on secondment from other government bodies on the basis of advice received that the Authority will be liable for these payments.

(g) Superannuation

Contributions are made to State superannuation funds which exist to provide benefits for employees and their dependents on retirement, disability or death.

The liability for superannuation charges under the Government Employees Superannuation Act is extinguished by quarterly payment of employer contributions to the Government Employees Superannuation Board.

Midland Redevelopment Authority

Notes to and forming part of the financial statements

1. Statement of Accounting Policies (continued)

(h) Tax equivalent regime

The Authority is subject to the State Tax Equivalent Regime which was enacted on 1 July 1996 and is exempt from the Commonwealth of Australia's Income Tax Assessment Act of 1997, however the Authority may be liable to make income tax equivalent payments to the Western Australian Government. The Authority has adopted the liability method of tax effect accounting whereby the income tax expense shown in the operating statement is based on the operating profit before income tax adjusted for any permanent differences.

Timing differences, which arise due to the different accounting periods in which items of revenue and expense are included in the determination of operating profit before income tax and taxable income, are brought to account either as a provision for deferred income tax or an asset described as future income tax benefit at the rate of income tax applicable to the period to which the benefits will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account, or which may be realised in the future, is based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Authority will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the Law.

(i) Comparatives

As this is the first reported financial period of the Authority, no comparative information exists.

Midland Redevelopment Authority

Notes to and forming part of the financial statements

2. Trading profit/loss

	\$
Sales	-
Less: Cost of sales	-
Trading profit/(loss)	<u>-</u>

3. Income Tax Equivalent

The income tax attributable to the profit is reconciled to the amount prima facie payable on that profit as follows:

Prima facie income tax on profit at 34%	<u>4,696,757</u>
Comprising:	
Provision for deferred income tax (prior to offset)	5,098,190
Less offset of future income tax benefit due to tax losses	(86,236)
Less offset of future income tax benefit due to timing differences	(33,844)
Adjustment for change in corporate tax rate	<u>(281,353)</u>
Net amount booked to provision for deferred income tax liability	<u>4,696,757</u>

4. Depreciation

Furniture	1,503
Computer equipment	4,173
Leasehold improvements	1,983
	<u>7,659</u>

5. Appropriations, grants and subsidies

State Government grants	<u>1,534,285</u>
	<u>1,534,285</u>

6. Cash Resources

Bank account	790,270
Cash on hand	200
	<u>790,470</u>

Midland Redevelopment Authority

Notes to and forming part of the financial statements

7. Trade and Other Debtors

	\$
Receivable from other Government agencies for leave liabilities transferred to the Authority	69,307
	<u>69,307</u>

8. Prepayments

	\$
Goods and Services Tax	947
Insurance premiums	10,692
Other	-
	<u>11,639</u>

9. Property, plant, equipment and vehicles

Furniture and equipment - at cost	48,787
Accumulated depreciation	(1,503)
	<u>47,284</u>
Computer equipment - at cost	62,829
Accumulated depreciation	(4,174)
	<u>58,655</u>
Leasehold improvements – at cost	42,844
Accumulated depreciation	(1,983)
	<u>40,861</u>
Net balance at 30 June	<u>146,800</u>

10. 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.

Midland Redevelopment Authority

Notes to and forming part of the financial statements

10. Inventories (continued)

	\$
Current	<u>777,616</u>
Non Current	<u>14,558,848</u>
Total Inventories	<u>15,336,464</u>
Consisting of:	
Land held for resale	
Cost of acquisition	67
Former Westrail Midland railway workshops site	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)	<u>1,186,397</u>
Total	<u>15,336,464</u>

11. Employee entitlements

Current liabilities	
Liability for annual leave	<u>14,451</u>
	14,451
Non-current liabilities	
Liability for annual leave	8,176
Liability for long service leave	<u>53,009</u>
	<u>61,185</u>
	<u>75,635</u>

Provision for long service leave is made on a pro rata basis at current remuneration rates calculated from the time of commencement of employment.

Provision for annual leave is made at current remuneration rates for annual leave due to staff.

12. Trade Creditors and Accruals

Trade creditors	91,596
Provision for audit fees	13,000
Accrued expenses	<u>812,080</u>
	<u>916,676</u>

Midland Redevelopment Authority

Notes to and forming part of the financial statements

13. Reconciliation of net cash used in operating activities to operating profit before grants and subsidies

	\$
Net cash used in operating activities	(589,527)
Add/(subtract)	
Changes in provisions	(75,636)
Depreciation	(7,659)
Change in prepayments	11,639
Change in trade creditors and accruals	(916,676)
Change in trade debtors and accruals	69,307
Change in work in progress	1,186,635
Operating (profit) before grants and subsidies	<u><u>(321,917)</u></u>

14. Reconciliation of Cash

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

Cash resources	<u><u>790,270</u></u>
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Midland Redevelopment Authority

Notes to and forming part of the financial statements

15. Financing Facilities

The Authority has a borrowing facility of \$63,152,000 through the W.A. Treasury Corporation for six months ended 30 June 2000. At the reporting date the Authority had not drawn on this facility.

16. Commitments

Capital

The Authority's funds at 30 June 2000 were committed to the extent of \$1,421,767 against the outstanding components of various works contracts.

17. 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. Exposures arise predominantly from assets bearing variable interest rates. The Authority has no exposure to interest rate risk on its financial liabilities.

2000 Financial assets	Notes	Floating interest rate	Non- interest bearing	Total
Cash resources	6	790,270	200	790,470
Trade and other Debtors	7		69,307	69,307
Prepayments	8	-	11,639	11,639
		<u>790,270</u>	<u>81,146</u>	<u>871,416</u>
Weighted Average Interest Rate		4.10%		
Financial Liabilities				
Trade creditors and accruals	12	-	916,676	916,676
Net financial assets (liabilities)		<u>790,270</u>	<u>(835,530)</u>	<u>(45,260)</u>

Midland Redevelopment Authority

Notes to and forming part of the financial statements

17. Financial Instruments (continued)

Reconciliation of Net Financial Assets to Net Assets	Note	\$
Net financial assets as above		(45,260)
Non-financial asset and liabilities		
Inventories	10	15,336,464
Property, plant, equipment and vehicles	9	146,800
Employee Entitlements	11	(75,636)
Provision for deferred income tax liability		(4,696,757)
		<u>10,665,611</u>

c) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and non interest bearing monetary financial assets and financial liabilities of the Authority approximates their carrying value.

18. Remuneration of Accountable Authority and Senior Officers

The total fees, salaries and other benefits received or due and receivable for the six months ended 30 June 2000, by members of the Accountable Authority, from the statutory authority or any related body.

22,634

The total fees, salaries and other benefits received or due and receivable for the financial year by Senior Officers other than members of the Accountable Authority, from the statutory authority or any related body.

138,932

The number of members of the Accountable Authority, whose total fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:

\$1 - \$9,999	4
\$10,000 - \$19,999	1

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 six months ended 30 June 2000, falls within the following bands:

\$10,000 - \$19,999	1
\$20,000 - \$29,999	1
\$40,000 - \$49,999	1
\$50,000 - \$59,999	1

Midland Redevelopment Authority

Notes to and forming part of the financial statements

19. Retirement Benefits

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>4,596</u>

20. Remuneration of Auditor

The total fees paid or due and payable to the Auditor General and to other auditors for the six months ended 30 June 2000 are as follows:

Fees for audit	<u>13,000</u>
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21. Contingent Liabilities

A potential liability exists for the maintenance of existing heritage buildings which are to be retained on the Midland railways workshop site. A report by Kinhill engineers in 1997 commissioned by the then site owner, Westrail, indicated that expenditure of \$564,000 could be required to appropriately secure and maintain the heritage buildings on the site.

22. Comparative Figures

(a) Details of significant variations (10% or \$50,000) between actual results and budget for the six months ended 30 June 2000 are as follows:

- ⌚ Payroll (budget \$175,972; actual \$129,316); decrease due to delayed staff appointments.
- ⌚ Consultants (budget \$58,285; actual \$21,256); decrease due to lower costs for computer and systems support and delayed appointment of internal auditor.
- ⌚ Administration (budget \$62,256; actual \$84,088) increase due to higher costs associated with establishment of Authority and use of office temporaries due to delayed staff appointments.
- ⌚ Advertising, public relations and sponsorship (budget \$25,500; actual \$17,928) decrease due to delayed appointment of public relations consultants.