



SOUTH WEST GROUP

ANNUAL REPORT

2008 – 2009

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www.southwestgroup.com.au

Introduction

The South West Group, formed in November 1983, is a Voluntary Regional Organisation of Councils (VROC). In 2008/2009 it comprised the Cities of Cockburn, Fremantle, Melville, and Rockingham, and the Towns of East Fremantle and Kwinana representing 341,162 people and with a Gross Regional Product over \$20 billion.

The Vision and Mission of the South West Group taken from the 2007 – 10 Strategic Plan are:

Local Governments in South Metropolitan Perth, through cooperation with industry, community and the other spheres of government will capture a wide range of opportunities to enhance economic growth as well as supporting a diversity of quality lifestyles whilst servicing and sustaining cohesive, productive communities in an enviable environmental setting.

The South West Group will be persuasive, forward looking and influential in representing, supporting and promoting Local Government interests that affect the growth and sustainable development of South Metropolitan Perth.

Role and Function

The South West Group acts as a regional advocate for the future development and wellbeing of South West Metropolitan Perth and seeks to position local government as a facilitator and senior partner in the future development and decision-making processes in the Region.

This approach seeks to place local government in a more influential position in determining positive outcomes for the Region and the community it serves.



Members of the September 2008 South West Group Mayoral Delegation with Greg Combet, Parliamentary Secretary for Defence



Board of Management – Chairman’s Report

The 25th anniversary of the founding of the South West Group has been a very active and productive year.

A major activity has been progressing the South West Corridor Workforce Plan. This project included the Kwinana Recruit, Train and Retain Workshop as well as two briefings on Federal Government workforce surveys carried out in the Australian Marine Complex and the Bibra Light Industrial Area. The Workforce Plan also included extensive regional consultation and 378 surveys of local businesses.

A thirteen member Mayoral Delegation travelled to Canberra in September 2008 which resulted in improved health services for the region and a \$2 million defence schools pathway initiative.

The South West Group successfully sought funds to promote trade development from the Western Australian Government. In November 2008, an agreement was signed with the City of Kota Kinabalu to establish a trade office in Sabah, Malaysia. The Sabah WA Trade Centre was opened in Kota Kinabalu on April 1, 2009.

Shared Services is another project to be supported with Western Australian Government funding. The leading academic in Australia in this field, Professor Brian Dollery, was engaged to assess opportunities for our region. The project is also being advanced by a former regional CEO, Bob Searle. It is very important for our region to assess the opportunities and the frameworks needed to access improvements in service delivery quality to assist local governments respond to the increasing demands from their communities.

In March 2009 the South West Group celebrated its 25th Anniversary with a formal dinner at the City of Melville attended by Jeff Carr who as Minister for Local Government played a key role in founding the South West Group. Also attending were former Chairs, Directors and staff who appreciated the use of quality local produce and the lively entertainment.

The South West Group also assisted the City of Cockburn in arranging the successful Prime Minister’s Work Forum held on April 21, 2009.

I wish to thank my colleagues on the Board of the South West Group for the positive approach taken to regional issues and the continuing support provided to the South West Group.

Mayor Carol Adams
Chairman



Director's Report

2008/09 sustained the high level of activity of advocacy activity of the South West Group with 13 submissions being made to the Western Australian and Federal Governments and with appearances before 12 committees and inquiries.

Major progress was made on the South West Corridor Workforce Plan and a shared services project commenced. A business plan was developed for the Catalpa Trade Coast and a funding application made to the Federal Government to develop the tourist route.

The signing of the formal agreement with DBKK Holdings in Kota Kinabalu to open the Sabah WA Trade Centre was a great milestone after many people had worked over several years to advance the project.

The South West Group website was redeveloped and new websites created for the South West Corridor Development Foundation, Sabah WA Trade Centre and Employ Kwinana. The South West Group Executive Officer, Joanna Ong, played a key role in providing content and assisting with the launch of the new websites.

Celebrating the milestone of 25 years since the foundation of the South West Group was most enjoyable particularly in meeting many of the persons responsible for its creation.

The South West Corridor Development Foundation, the Planning and Infrastructure Committee, the Environment and Services Committee are important components of the operation of the South West Group and I extend my appreciation to Cr Duncan Macphail, Cr Clive Robartson and Cr Christine Halton for their strong engagement with the South West Group throughout the year.

The regional Chambers of Commerce continue to work constructively with the South West Group and I look forward to significant progress on a range of projects in the coming months.

I thank Neil Hartley as Chair of the CEO Forum and Mayor Carol Adams as Chair of the South West Group for their enthusiastic and sustained support throughout the year.

Chris Fitzhardinge
Director South West Group

South West Group Region



South West Group Structure

BOARD OF MANAGEMENT
Six Mayors and Six Chief Executive Officers
Chair Mayor Carol Adams
(SWCDeF President Cr Duncan Macphail is an invited observer)

<p>City of Cockburn Mayor Stephen Lee (to March 2009) Mayor Logan Howlett (from March 2009) CEO – Mr Stephen Cain</p>	<p>Town of East Fremantle Mayor Alan Ferris CEO – Mr Stuart Wearne</p>	<p>City of Fremantle Mayor Peter Tagliaferri CEO - Mr Graeme Mackenzie</p>	<p>City of Melville Mayor Russell Aubrey CEO –Dr Shayne Silcox</p>	<p>Town of Kwinana Mayor Carol Adams CEO – Mr Neil Hartley</p>	<p>City of Rockingham Mayor Barry Sammels CEO – Mr Andrew Hammond</p>
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CEO FORUM
Six Chief Executive Officers
Chair Neil Hartley

Director
Chris Fitzhardinge

**South West Corridor
Development Foundation**
Chair – Cr Duncan Macphail

**South West Corridor
Planning and Infrastructure
Committee**
Chair – Cr Christine Halton

**South West Corridor
Environment and Services
Committee**
Chair – Cr Clive Robartson OAM

Goals

Regional Governance

To promote the South West Group as a key stakeholder in the decision-making processes that affect the growth and sustainable development of the South Metropolitan Region of Perth

Transport

To effectively influence the development of a regional transport network that provides safe, efficient, convenient and environmentally friendly transport options

Economic Development

To create strong, vibrant local economies and a diverse economic base that encourages opportunities for both businesses and for employment

Socio-economic Development

To create cohesive and culturally rich communities with healthy social interaction and a strong sense of community

Management of the Natural and Built Environment

To provide leadership in the recognition of the values of both the natural and the built environment whilst supporting sustainable management for the benefit of current and future generations

Coordinated Municipal Services

To facilitate delivery of effective and efficient municipal services to the community with an emphasis on initiatives that reduce waste and duplication

South West Group Management

To maintain an efficient, proactive organisation that supports and progresses the aspirations of its member councils

Regional Priorities 2008 – 2009

- ❖ Integrated regional transport planning;
- ❖ Development of an intermodal transport hub within the region;
- ❖ Sustainable development – particularly coastal areas;
- ❖ Rehabilitation, development and improved interpretation for Beeliar Regional Park
- ❖ Coordinated planning and community consultation;
- ❖ Improve the understanding of future skills needs and enhance local employment prospects;
- ❖ Increased local industry participation and content;
- ❖ Coordinated tourism development and marketing;
- ❖ A successful Marine Industry Precinct at Cockburn Sound;
- ❖ Promotion of local industry capability through Industry Direct;
- ❖ Additional government funding for regional infrastructure;
- ❖ Marketing and promotion of the region and its opportunities;
- ❖ Access to education and skills development;
- ❖ Training provision that meets employer requirements and trainee demands;
- ❖ Development of the Marine Technology Park at Henderson;
- ❖ Marine and Maritime Industry Cluster development;
- ❖ Growth of local industry support and supply to the Defence and Resources Sectors;
- ❖ Implementation of *Travelling Together*;

South West Group 2008/2009 Achievements and Highlights

- ❖ Commencement of the Workforce Development Plan 2009 -2024
- ❖ Co-covened and sponsored the Kwinana Recruit and Retain Workshop
- ❖ Assisted with the Prime Minister's Work Forum at the City of Cockburn
- ❖ Developed the Employ Kwinana website
- ❖ South West Group 25th Anniversary Dinner held with 80 guests
- ❖ \$2 million Jobs Fund Funding Application made
- ❖ \$16,000 grant from Connecting Local Governments Program approved
- ❖ Strategic Planning afternoon held for regional politicians, stakeholders and government agencies
- ❖ Western Australian Planning Commission agreeing to carry out an integrated transport plan for the South West Corridor
- ❖ Sabah Trade Facilitator appointed, Sabah Trade website developed and Trade Office opened in Kota Kinabalu
- ❖ \$0.5 m Catalpa Coast Tourist Drive Funding Submission made
- ❖ \$0.5 m Proceeds of Crime Act Funding Application made for Melville Cockburn Safer Cities Project
- ❖ Strong links maintained with Australian Industry Defence Network and sponsored AIDN Young Achiever Award
- ❖ Continuing links between the South West Group and both the Rockingham Kwinana Chambers of Commerce and the Melville Cockburn Chamber of Commerce
- ❖ Ongoing implementation of the "Travelling Together" Transport Plan
- ❖ Phase 1 of Shared Services Project completed
- ❖ South West Group website redeveloped

South West Group Submissions and Advocacy 2008/2009

- ❖ Attended community consultation and submission made on the Cockburn Coast Structure Plan
- ❖ Submission made on the Latitude 32 Intermodal Hub
- ❖ Attended hearing and made a submission to the Fremantle Ports Optimum Planning Group
- ❖ Submission made on the Senate Inquiry into Public Transport
- ❖ Attended community consultation and made submission on deepening of the Fremantle Inner Harbour
- ❖ Submission made on optimum regional boundaries for the South West Corridor as part of the Local Government Reform process
- ❖ Submission made on the waste sector and exclusion of Advanced Waste Treatment from the Carbon Pollution Reduction Scheme
- ❖ Submission made on the Murdoch University Master Plan
- ❖ Attended hearing and made a submission to the Senate Select Committee on Fuel and Energy
- ❖ Mayoral Delegation to Canberra in September 2008
- ❖ Infrastructure Priority List submitted to the Building Australia Fund
- ❖ Attended hearing and made a submission on the Defence White Paper
- ❖ Appeared before the Federal Joint Standing Committee on Treaties
- ❖ Attended workshop and made a submission to the State Natural Resource Management Strategy
- ❖ Attended inquiry, met with inquiry chair and made a submission on the Regional Development Inquiry
- ❖ Submission made to the Bradley Review of Higher Education
- ❖ Submission made on Western Australian Developer Contributions

South West Group Mayoral Delegation to Canberra September 2008



The South West Group Mayoral Delegation was led by the Mayor of Cockburn Stephen Lee and included all six regional Mayors and CEOs or acting CEOs from all regional local governments together with the Director of the South West Group, Chris Fitzhardinge.

15 Meetings were held with Ministers, Parliamentary Secretaries, ministerial staff, committee chairs and senior bureaucrats. Important issues tackled by the group included carbon pollution reduction, resolution of an AQIS position on the South Fremantle Landfill site, development offsets, defence industry skills, establishing the South West Corridor as a Federal Government region, regional infrastructure priorities, community security, unemployment, health services and small business development.

Following the Delegation visit to Canberra a number of initiatives were subsequently agreed by the Federal Government. They included:

- the development of the \$2.4 million Maritime Industry School Pathways Program in Western Australia which will provide the maths, science and technical studies students need to pursue a career in the local maritime sector
- Medicare established four Medicare Access Points within the region based on the advice of the South West Group
- funding of \$6.6 million was approved for a GP Super Clinic at Cockburn Central

South West Group Celebrating 25 years



Chris Fitzhardinge (Director) and Mayor Carol Adams (Chair) celebrating 25 years since the formation of the South West Group

The formation of the South West Group in 1983 was in the context of high regional unemployment and slow growth. Unemployment in Western Australia was 10.4% at this time. The Town of Kwinana grew only by 27 people between 1981 and 1986 and had unemployment of 15%. The region had great possibilities but had many challenges in service delivery and linking industry to the community.

The then State Minister for Local Government, Jeff Carr and the then Federal Finance Minister, John Dawkins assisted develop a concept of shared funding between State and Federal Governments to establish a local government partnership for job creation.

This concept was considered by regional local governments at a meeting at the Town of Kwinana on November 11, 1983. The meeting resolved to support the concept to cover the entire South West Corridor.

\$15,000 in Federal Funds was sourced from the Department of Territories and Local Government, through Minister Tom Uren, to initiate the South West Group.

Merv Cowan the Town Clerk of East Fremantle was elected as the inaugural Chairman and Mike Fraser, Deputy Town Clerk of Kwinana was elected as the inaugural Secretary. Rick Grounds was appointed as the inaugural Director on March 6, 1984.

On March 6, 2009 eighty people with personal connections to the South West Group gathered to acknowledge the individuals who used their expertise, networks and enthusiasm to drive the success of the South West Group as well as to celebrate the 25th anniversary of the Group.

Those present included Jeff Carr, the former State Minister for Local Government, who supported the creation of the South West Group with Garry Hunt, Bob Smillie, John McNally and Barry Sammels who had chaired the group for a combined total of 20 years. Former South West Group Directors Jan Grimoldby, Geoff Glass and John McIlhone were also at the event.

Members of the meeting that agreed to establish the South West Group on November 11, 1983 that were present were Don Miguel, Tony Armarego, Russ Candy and Bill Thomas.

Susie Langley who was the administration manager of the South West Group for over 15 years and secretary of the South West Corridor Development and Employment Foundation was another guest.

Many other organisations have spun out of the South West Group or formed as a result of advocacy from the South West Group. These organisations were represented by Cr Doug Thompson and Stuart McAll from the South West Regional Council (formed 1992) and Dr Tom Rose from the Cockburn Sound Management Council (formed 2000).



Jeff Carr (former State Minister for Local Government), John McNally (South West Group Chair 1996 – 2005) and Mayor Russell Aubrey (current South West Group Board Member) at the celebration



Garry Hunt (South West Group Chair 1989 – 1994) with Adele Silcox and Glenis Aubrey

South West Group Timeline

Year	Chair	Director	Location	Comment
1983-84	Merv Cowan from November 1983	Rick Grounds (from March 6, 1984)	Kwinana	Initial Meeting held November 11, 1983
1984-85	Merv Cowan	Rick Grounds	Kwinana	Based at Town of Kwinana CEP Projects and RCDP Project Recycling Feasibility Study
1985-86	Merv Cowan	Rick Grounds	Kwinana	City of Melville Joined in 1985 Fremantle Housing Cooperative established CEP Projects
1986-87	Merv Cowan	Rick Grounds (to February 1987) Jan Grimoldby (from April 1987)	Kwinana	SWCDEF established November 1986 Co Scope established SW Social Development Council established Regional Aged Policy officer position established
1987-88	Merv Cowan	Jan Grimoldby	Kwinana	Based at Parmelia House Kwinana Community Transport Study
1988-89	Merv Cowan to June 1989 then Gary Hunt	Jan Grimoldby	Kwinana	Community Options Project Regional Transport Committee formed Youth Development Scheme established
1989-90	Garry Hunt	Jan Grimoldby	Kwinana	Community Transport projects; Staff Development Committee established Staff exchange program established
1990-91	Garry Hunt	Jan Grimoldby Director seconded to Federal Office of Local Government September 1990 to June 1991 for 9 months. Merv Cowan acted as Director	Kwinana	First Delegation to Canberra Expansion of Defence Project Cockburn Sound Conservation Committee formed; Regional staff training program developed

1991-92	Garry Hunt	Jan Grimoldby	Kwinana	National pilot of Jobskills project Freo training program established under SWCDEF Lobbying for Kwinana Freeway Extension Economic Development Strategy Growth Zone regional identity
1992-93	Garry Hunt	Jan Grimoldby to December 6, 1993 then Peter Sherlock	Cockburn	SMRC established Regional Disability Policy Officer position established Regional Aboriginal Employment Policy Officer position established
1993-94	Garry Hunt to May 1994 then Bob Smillie	Charlotte Stockwell (from March 1994)	Cockburn	Kwinana Freeway extended to Kwinana Based at City of Cockburn Aboriginal Employment project
1994-95	Bob Smillie	Charlotte Stockwell	Cockburn	Regional Defence Industry Study concluded Facilitated funding for the Henderson Marine Precinct
1995-96	Bob Smillie to May 1996 then John McNally	Charlotte Stockwell (to July, 1996) John McIlhone acting	Cockburn	Rockingham incubator funded
1996-97	John McNally	Geoff Glass (from October 14, 1996)	Cockburn	Fun Coast brand launched Lobbying for Freeway Extension Care Options Inc formed June 1997
1997-98	John McNally	Geoff Glass	Melville	Based at City of Melville Regional Skills Audit
1998-99	John McNally	Geoff Glass	Melville	South West Group Web Site established Lobbying for Southern Suburbs Rail
1999-00	John McNally	John McIlhone	Melville	Industry Direct established Cockburn Sound Catchment Council established
2000-01	John McNally	John McIlhone	Melville	Kwinana Freeway flyovers completed
2001-02	John McNally	John McIlhone	Melville	
2002-03	John McNally	John McIlhone	Melville	Travelling Together Regional Transport Plan completed Fremantle leaves South West Group
2003-04	John McNally	John McIlhone	Melville	Cape Peron Marina Planning Study commenced Leading Practice Initiative Seminar hosted by South West Group
2004-05	John McNally	John McIlhone	Melville	West Coast Dive Park dive wreck
2005-06	John McNally to November 2005 then Mayor Barry Sammels	John McIlhone to September 2005 then Craig McClure	Melville	Collaborative Commerce Project
2006-07	Mayor Barry Sammels	Craig McClure to November 2006 then Chris Fitzhardinge	Melville	Cape Peron Marina Planning Study concluded Fremantle rejoins South West Group
2007-08	Mayor Stephen Lee	Chris Fitzhardinge	Melville	Three year MOU signed Regional Workforce Development Plan
2008-09	Mayor Carol Adams	Chris Fitzhardinge	Melville	Kwinana Employment Portal Sabah WA Trade Centre Launched Shared Services Project Catalpa Coast Tourist Drive



South West Group Sabah WA Trade Centre

Over the last two years, in conjunction with the City of Rockingham, the South West Group has sought opportunities to develop region to region bilateral trade opportunities with the Malaysian State of Sabah and more particularly Kota Kinabalu.

As part of this process reciprocal visits were organised by the City of Rockingham, on behalf of the South West Metropolitan Perth Corridor and the City of Kota Kinabalu (DBKK), representing Sabah which included business interest representation.

A Friendship City agreement between the City of Rockingham and the City of Kota Kinabalu has been signed which will underpin the necessary foundations for trade between firms in the two regions.

The South West Group and its partners have always envisaged that bilateral trade would best be enabled by the establishment of trade centres in both the South West Metropolitan Perth Corridor and Sabah. To this end meetings were held with senior government, commercial and industry officials in both Perth and Sabah, ultimately culminating in a unanimous agreement to advance the project on November 4, 2008.

Hanifah Abd Rasid has been appointed as the Trade Facilitator for the Sabah-Western Australia Trade Centre commencing on April 1, 2009.



Hanifah Abd Rasid

Hanifah possesses a Double Degree in Business Management (Major) and Fashion Marketing and Merchandising from Northwood University, Michigan (USA). She brings with her extensive marketing experience being the Assistant Manager from A&H Marketing and Services and later on at Istiland Sdn Bhd.



Signing the Sabah WA Trade Centre Agreement in the Offices of the Mayor of Kota Kinabalu on November 4, 2008



Kenny Chan (Manager DBKK Holdings), Verghese Jacob (Regional Director, WA Trade Office Kuala Lumpur), Kevin Dorotich (Economic Development City of Rockingham) and Chris Fitzhardinge (Director South West Group) in Sabah following the signing of the agreement to proceed with the Sabah WA Trade Centre

South West Group Sub-Committees

South West Corridor Planning and Infrastructure Committee

Role and Function:

- To consider transport, land release and regional planning issues and provide advice to the South West Group
- To improve the understanding of transport, land release and planning issues amongst member LGAs
- To provide a forum to develop transport, land release and regional planning policy and projects
- To implement the recommendations of “Travelling Together”

Chairperson:

Cr Christine Halton – City of Melville



2008/2009 Actions and Achievements

- Assisted the South West Group in identifying regional infrastructure priorities for the submission to Infrastructure Australia
- Convening a presentation by the CEO Fremantle Ports on Port Development
- Contributing to the South West Group submissions on Cockburn Coast Structure Plan, Developer Contributions and the Latitude 32 Intermodal Hub
- Ongoing implementation of the “Travelling Together Plan”
- Supporting the South West Group for the development of an integrated regional transport plan
- Promoted discussion on regional spatial planning and regional transport planning
- Monitored developments in Light Rail and its application to the region

South West Corridor Environment and Services Committee

Role and Function:

- To consider environment, recreation and community services issues and provide advice to the South West Group
- To improve the understanding of environment, recreation and community services amongst member LGAs
- To provide a forum to develop environment, recreation and community services policy and projects
- To implement the recommendations of the Beeliar Regional Park Management Plan

Chairperson: Cr Clive Robartson OAM – City of Melville



2008/2009 Actions and Achievements

- Beeliar – Rockingham Lakes Trust fund established
- Provided input in to the South West Group Jobs Fund Application for Regional Park improvement
- Contributed to the South West Group submission to the Perth Coastal Planning Strategy
- Participated in the South West Group Strategic Planning afternoon
- Organised a tour with the Department of Environment and Conservation of Beeliar Regional Park
- Involved in the publication Integrating NRM into Local Government Core Business
- Supported the South West Group in commenting on “A Natural Resource Management Plan for Western Australia

South West Corridor Development Foundation Inc

Role and Function:

- To facilitate and promote development of the South Metropolitan region
- Carry out projects to promote regional development and skills development
- Manage the Industry Direct web portal

2008/2009

President: Cr Duncan Macphail – City of Melville



Vice-President: Cr Ian Whitfield – City of Cockburn

Treasurer: Mr Howard Shepherd – Community Member

Secretary: Mr Chris Fitzhardinge – South West Group

The Committee meets on a bi-monthly basis with representation including:

- Municipalities in the South Metropolitan Region;
- South West Group;
- Fremantle Chamber of Commerce;
- Bridging the Gap Rockingham;
- Challenger TAFE; and
- Rockingham Kwinana Chamber of Commerce.

The Foundation works cooperatively to promote and initiate regional economic development projects.

Activities and Highlights

- Code of Conduct Developed and adopted
- Regional Economic Development Plan Implementation
Progressed projects in tourism, trade, transport and the environment
- Commenced the South West Corridor Workforce Development Plan after receiving a \$100,000 grant under the National Skills Shortages Strategy Program
- Established the Beeliar- Rockingham Lakes Trust Fund.

South West Corridor Development Foundation Inc (continued)

Regional Transport Planning

Supporting the South West Group to develop an integrated transport plan for the South West Corridor.

2008/09 Progress: Western Australian Government committed to undertaking an integrated transport plan for the Perth Metropolitan Area.

Coastal Tourism

Working with Experience Perth and Tourism Rockingham to seek tourism opportunities from investment in transport infrastructure and major development projects.

2008/09 Progress: Business Plan developed for the Catalpa Coast Tourist Drive and a funding application made under the AusIndustry TQUAL Program for funding.

Cape Peron Marina

In partnership with LandCorp and the City of Rockingham to progress the next stage of environmental studies and continue to engage with the Department of Defence over increasing the waterway through the Garden Island Causeway.

2008/09 Progress: Lobbied for priority to be given to the project.

Workforce Development Plan

Working with the Kwinana Industries Council, Kwinana Industry Education Partnership, Challenger TAFE and Murdoch University develop a 15 year Workforce Development Plan to identify industry skills needs and training pathways.

2008/09 Progress: Steering Committee established, Consultant appointed, regional employer surveys carried out and workshops held within the region.

Regional Trade Promotion

In partnership with the Department of Industry and Resources, Ausindustry, Austrade and the South Coast Economic Gateway promote opportunities for local business through the Industry Direct website and trade events.

2008/09 Progress: Trade Office opened in Sabah and Trade Facilitator appointed.

Regional Park

Working with the Department of Environment and Conservation and the LGAs of Melville, Cockburn and Kwinana improve signage, develop visitor facilities and support remediation.

2008/09 Progress: Beelias – Rockingham Lakes Trust Fund established and support for Typha spray trial continues



Industry Direct

www.industrydirect.com.au

Statement of Income and Expenditure

SOUTH WEST GROUP

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2009

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SOUTH WEST GROUP

**STATEMENT BY MEMBERS OF COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2009**

The committee has determined that the South West Group is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee, the financial report, as attached:

- (i) Presents a true and fair view of the financial position of South West Group as at 30 June 2009 and its performance for the year ended on that date.

- (ii) At the date of this statement, there are reasonable grounds to believe that South West Group will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Signed:	<u>Signed Shayne Silcox</u>	Signed	<u>Signed Chris Fitzhardinge</u>
Name:	<u>Dr Shayne Silcox</u>	Name:	<u>Christopher Fitzhardinge</u>
Place:	<u>Melville</u>	Place:	<u>Melville</u>
Date:	<u>November 5, 2009</u>	Date:	<u>November 5, 2009</u>

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF: SOUTH WEST GROUP

We have audited the accompanying financial report, being a special purpose financial report of South West Group, which comprises the Balance Sheet as at 30 June 2009, and the Income Statement, a summary of significant accounting policies, other explanatory notes and the statement by members of committee.

Committee's Responsibility for the Financial Report

The committee of the South West Group is responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of South West Group and are appropriate to meet the needs of the members. The committee's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of South West Group presents fairly, in all material respects, the financial position of South West Group as of 30 June 2009 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Signed Macri Partners

**MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
1ST FLOOR
28 THOROGOOD STREET
BURSWOOD WA 6100**

Signed A Macri

**A MACRI
PARTNER**

PERTH, DATED THIS 5th DAY OF NOVEMBER 2009.

SOUTH WEST GROUP
BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
Current Assets			
Cash and cash equivalents	2	433,460	409,220
Trade and other receivables	3	31,000	15,000
		<u>464,460</u>	<u>424,220</u>
Current Liabilities			
Trade and other payables	4	75,434	63,163
		<u>75,434</u>	<u>63,163</u>
Net Current Assets		<u>389,027</u>	<u>361,057</u>
NET ASSETS		<u><u>389,027</u></u>	<u><u>361,057</u></u>
EQUITY			
Member Councils' Equity	5	<u><u>389,027</u></u>	<u><u>361,057</u></u>

The accompanying notes form part of these financial statements

SOUTH WEST GROUP

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
Revenue from Ordinary Activities			
Contributions and Donations		355,000	255,000
Interest Received		18,106	18,934
		<u>373,106</u>	<u>273,934</u>
Expenses from Ordinary Activities			
Employee Costs		175,768	158,815
Travel Expenses	6	49,135	19,159
Secretarial & Office Costs		12,156	12,220
Consultant and Management Fees	7	69,993	13,260
Audit Fees		1,500	7,000
Other Project Costs	8	36,585	0
		<u>345,136</u>	<u>210,454</u>
Net Profit		<u>27,970</u>	<u>63,480</u>

The accompanying notes form part of these financial statements

SOUTH WEST GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report. The committee has determined that the South West Group is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031: Materiality
AASB 110: Events after the Balance Sheet Date

No other applicable Australian Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non current assets.

	2009	2008
	\$	\$
NOTE 2 CASH AND CASH EQUIVALENTS		
Cash at Bank	433,460	409,220
	<u>433,460</u>	<u>409,220</u>
NOTE 3 TRADE AND OTHER RECEIVABLES		
<u>CURRENT</u>		
Amounts Receivable from Member Councils	0	15,000
Amount due from SWCDF	31,000	
GST Recoverable	0	0
	<u>31,000</u>	<u>15,000</u>
NOTE 4 TRADE AND OTHER PAYABLES		
<u>CURRENT</u>		
Trade Creditors	64,845	53,113
GST Liability	10,589	10,050
	<u>75,434</u>	<u>63,163</u>

SOUTH WEST GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
NOTE 5 MEMBER COUNCILS' EQUITY		
Opening Funds	361,057	297,577
Current Period - Net Profit	27,970	63,480
Closing Funds	<u>389,027</u>	<u>361,057</u>
	Equity	Share
	\$	%
City of Cockburn	85,658	22.02%
Town of East Fremantle	26,257	6.75%
City of Fremantle	39,646	10.19%
Town of Kwinana	66,150	17.00%
City of Melville	85,658	22.02%
City of Rockingham	<u>85,658</u>	<u>22.02%</u>
	<u>389,027</u>	<u>100.00%</u>
NOTE 6 TRAVEL EXPENSES		
Travel Expenses in 2008/09 include expenses relating to the SWG Mayoral Delegation to Canberra in September 2008.		
NOTE 7 CONSULTANT AND MANAGEMENT FEES		
	2009	2008
	\$	\$
Accommodation Charge - City of Melville	3,000	3,260
Admin Service Charge - City of Melville	10,207	10,000
Workforce Plan	33,156	0
Business Names Renewals and Registration	172	0
Title Search Leeuwin Barracks	226	0
Sabah Trade Facilitator, first tranche	12,000	0
Shared Services Project	<u>11,232</u>	<u>0</u>
	<u>69,993</u>	<u>13,260</u>
NOTE 8 OTHER PROJECT COSTS		
Redevelopment of SWG and Industry Direct Web Sites	15,027	0
Beeliar / Rockingham Lakes Foundation Funding	10,000	0
South West Group 25th Anniversary Function	8,463	0
Contribution to SWCDF Insurance costs	635	0
Meeting Expenses	<u>2,460</u>	<u>0</u>
	<u>36,585</u>	<u>0</u>