



# WRI



## 2010 Annual Report



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# BACKGROUND



In February 1998 the Western Coordination Group resolved to support the creation of the Western Research Institute, dedicated to research and analysis aimed at developing the Western New South Wales economy. Initial financial support was provided by Charles Sturt University; NSW Department of State and Regional Development; Department of Employment, Workplace Relations and Small Business; Central Western Regional Development Board; Orana Regional Development Board; and Far West Regional Development Board.

The Western Research Institute (WRI) was launched on 23rd February 1999. WRI is a Public Company Limited by Guarantee and is controlled by a Board of Directors.

## What can WRI offer?

WRI holds a wealth of knowledge on employment, business development and investment issues affecting regional Australia. It has worked with Commonwealth, State and Local Governments and industry groups on numerous investment and development programmes in regional areas. WRI has strong credentials in business and commercial market consulting and applied economic modelling including input-output analysis, shift-share, agribusiness and regional socio-economic surveys and analysis.

WRI offers the following services:

- Economic policy development
- Market structure and assessment
- Economic impact analysis
- Cost-benefit analysis
- Industry analysis eg: competitive advantage assessment
- Economic modelling
- Market research
- Project assessment
- Education and training programmes
- Evaluation studies
- Feasibility assessments

WRI has an extensive network of associates who provide a variety of consulting services and accordingly can offer clients integrated research solutions.

WRI is a one stop economic, social and business research consulting service, matching the range of services available from multi-national consulting firms to large companies at an affordable cost.

# OBJECTIVES



WRI was established to pursue the following objectives:

1. Promoting the development of Australian agricultural resources, Australian industrial resources and Australian manufacturing resources, particularly in Western New South Wales, by providing users with a range of information, including, maintaining and providing the following services:
  - a. Assembling, updating and storing a range of relevant data in flexible retrieval form;
  - b. Regular general economic reporting for businesses and the community to facilitate informed economic decision making;
  - c. Compiling a library / bibliography of economic and related research for reference and referral; and
  - d. Conducting strategic research on key economic issues.
2. To support the objects of Charles Sturt University in the areas of regional development and applied research by providing independent, robust, relevant, credible, and high quality analysis to business, industry, government and the community in project consulting, research (including scientific research), and information delivery across all areas of economic policy.

TO BE THE COUNTRY'S  
AMBITION STATEMENT:  
LEADING THE DEVELOPMENT  
RESEARCH PROMOTES OF REGIONAL  
AND RURAL  
PROVIDER, AUSTRALIA  
BY PROVIDING RESEARCH THAT

# ORGANISATION STRUCTURE



# BOARD OF DIRECTORS



## **Mr Peter Batten—President**

*Director of the TAFE NSW – Training and Education Support – Industry Skills Unit – Orange and Granville*

Peter has over 30 years experience in vocational education and training with TAFE NSW. He has held positions as the Associate Director of the Primary Industries and Natural Resources Curriculum Centre and from 1999 to 2006, Peter was the Director, Educational and Student Support and Assistant Director, Educational Programs in TAFE NSW Western Institute.

## **Mr Michael Milston—Vice President**

*Director Human Services, Orange City Council*

Michael Milston is currently the Director Human Services at Orange City Council, with over 24 years experience at the senior management level in local government. Michael has held a number of positions including Director and in 2006-8 NSW Vice President of the professional association Local Government Managers Australia. Michael has an honours degree in Economics and a Graduate Diploma in Education from Sydney University, and an MBA from Charles Sturt University.



## **Ms Helen Overmyer – Treasurer**

*Group Manager, Telecommunications Operations, Country Energy*

Helen Overmyer has worked for Country Energy for six years after moving to the Central West from Sydney. Her roles in that time have been primarily in the area of strategy development. Previous roles have been as managing director and in general management in advertising and research organisations.

## **Ms Juliet Duffy – Secretary**

*NSW Manager, Envirohealth Pty Ltd*

Juliet brings over 20 years of experience in management, ITC, marketing, and science, in both domestic and international markets. She has held director positions in numerous regional development organisations, in the regional arts and private companies. Juliet holds a MSM (Syd Uni), and is passionate about integrating the triple bottom line principles into the culture of an organisation.



## **Mr Mark Burdack – Director**

*University Secretary, Director of Corporate Affairs and Director of Office of the Vice-Chancellor*

Mark has previously held positions within the NSW Attorney General's Office including, Assistant Director, Executive and Strategic Services and was the Chief Executive Officer of the Australian Commercial Disputes Centre Ltd. As Director, Corporate Services and University Secretary, Mark is responsible for corporate governance, alumni relations, government relations and university development. Mark is also a member of the Board of the CENTROC Health Workforce Forum and has held appointments on the boards of the Legal Information Access Centres and Australian Fossils and Minerals Museum.

## **Mr Ian Davison—Director**

*Country Advertising Agency Pty Ltd*

Ian Davison is Managing Director of The Country Advertising Agency based at Orange. He is also a primary producer and wine grape grower. He has served on various regional development boards in the central west over the last 25 years including the Central Western Regional Development Board, The Central West Area Consultative Council and the Bathurst Business Enterprise Centre.



## **Mr Jim Hackett – Director**

*Executive Director, Finance Division, Charles Sturt University*

Jim is an accountant and has been employed as Executive Director, Division of Finance at Charles Sturt University for the past 18 years. He has had experience in all aspects of accounting and financial management and currently serves on numerous boards of directors of private companies.

## **Mr Sandy Morrison – Director**

*Chairman, Regional Development Australia – Central West*

Sandy is a member of the Regional Development Advisory Council; Convenor, Regional Development Advisory Council Workplace Skills Committee; Advisory Council Member for TAFE NSW Western Institute and a member of the community advisory board for the University of Sydney's School of Rural Health. Sandy is also a partner in and Principal of, Hermes Poll Dorset Stud.



# PRESIDENT AND CEO'S REPORT



WRI has long held the view that debate and research about regional Australia needs to improve if it is to secure its fair share of government and private sector investment and services. Consequently in 2010 the WRI focused on developing more advanced research methods particularly in input-output modelling, demand and supply analysis and surveys. This focus has paid dividends with WRI successfully completing a number of complex projects that have good potential to ultimately make a difference to regional Australia.

In terms of impact, WRI reports have contributed to establishing ancillary health courses at Charles Sturt University (CSU); policy on live cattle exports; regional funding for the arts; relations between a mining company and its near neighbours; and policy on access of western NSW to Sydney.

In 2010 WRI reviewed its relationship with CSU. While WRI was a controlled entity of CSU, WRI was subject to grouping with CSU for payroll tax and auditing by the NSW Auditor General. This imposed significant costs on WRI. Consequently WRI and CSU changed WRI's relationship from controlled entity to affiliated organisation in mid 2010. In this way WRI maintains its important links with CSU without the costs.

## Research Activity

In 2010 WRI successfully completed 25 projects including 14 projects commissioned by repeat clients. New clients included Museums and Galleries NSW, Gold Coast Institute of TAFE, Newcrest Pty Ltd, Murray NOW, Queensland Farmers Federation and Airservices Australia.

A highlight of 2010 was the visit to WRI by Professor Yutian Shi and Professor Min Dan from Jilin University and Professor Wei Wang from Tianjin University. The visitors worked with WRI staff adding an energy row to the Chinese national input-output tables for 1995 and 2006. The research found considerable energy savings per unit of output in the 10 year period but also found the consumption induced energy multiplier had grown considerably as a consequence of increasing wages in China. Associate Professor Kishor Sharma is arranging for the research findings to be published in a book later in 2011.

## Promoting Regional Development

In 2010 WRI continued to provide below cost regional economic development advice and assistance to appropriate projects. These included:

- Murray Now State of the Region Dinner 2010 presentation;
- Potential partnership arrangement with RDA Central West;
- Dept. Education and Training Macquarie Tutorial Centre survey assistance;
- Bathurst Climate Action Network presentation;
- Coffs River meeting;
- Land and Property Management Authority presentation;
- Orange Historical Society presentation;
- TAFE Western, interview panels ;
- Queensland Farmers Federation presentation;
- Coonamble Health Needs Survey questionnaire assistance;
- Bathurst Business Community Consultation Session;
- Provision of statistics and multipliers to Local Government and local state MP's offices; and
- Braidwood Times feasibility of economic impact study assistance.



## Financial Performance

On an accrual basis, WRI earned \$710,823 in 2010 resulting in a surplus of \$22,791. Revenue was down 33 percent from 2009 due to a reduction of grant income of \$100,000 and a reduction in staff of 45 percent. The staff reduction was a conscious decision to manage the fall in grant income and increased competition in some low margin markets. At the time of writing WRI has already secured new work in 2011 to the value of \$250,000 on top of over \$100,000 of work carried over from 2010.

## Media Profile

According to the CSU Division of Marketing Monthly Media Summary, WRI recorded 147 references to WRI and WRI projects in both broadcast, online and print media. Tom Murphy was called upon by regional and national media throughout the year to comment on economic conditions, government policy, labour market and industry performance, in addition to media associated with research reports prepared by WRI. Tom Murphy also shouldered the major part of the media associated with the Westpac/CSU Agribusiness Index, which for a 4th year generated in excess of \$1 million of publicity for CSU and Westpac and, in fact, received the highest level of media coverage to date.

## Staff

WRI farewelled Kathy Woolley and Rachel Jackson in 2010 with Rachel taking leave without pay to work as a research officer with the NSW Police Force. By the end of 2010, WRI had 5 permanent staff reflecting a more selective strategy in the business plan. This is a shift from the flexible strategy of wide ranging projects that was the approach of the business plan in recent years.

In 2010 staff participated in a range of professional development, including Lesley Arthur and Danielle Ranshaw beginning Graduate Diplomas in Applied Economics and Policy Studies via correspondence through Murdoch University.

Kathy Sloan completed the Community Practitioner short course and Dale Curran completed short courses in Business Reporting and Analysis and Advanced Processes in MYOB.

Lesley Arthur also completed training with Adjunct Professor Guy West in creation of inter-regional input-output tables, inclusion of additional rows to measure carbon, energy consumption, water consumption etc. and methodology for turning the table produced by the ABS into a usable format, including allocation of taxes and duties.

## Outlook for 2011

WRI has made a good start to 2011 with the Westpac/CSU Agribusiness Index renewed for a fifth year and number of long standing clients commissioning work or indicating their intention to commission work. A key development is WRI's intention to move to the Flannery Centre which is due for completion in the middle of the year. The Flannery is a world-class carbon efficiency skills centre in Bathurst.

WRI would like acknowledge and thank retiring directors Jim Hackett (Director since 2007, Sandy Morrison (Director since 2003) and Treasurer Helen Overmyer (Director since 2006, Treasurer since 2008) for their invaluable contribution to WRI.

In conclusion we would like to thank WRI staff for their significant efforts in 2010, the Board of Directors for continuing advice and governance, WRI's clients and CSU's continuing support.

# THE WESTERN RESEARCH INSTITUTE

## The Research Team

WRI has built a dedicated team of professional research staff and associates with the expertise necessary to provide our clients with robust and reliable research solutions. All staff at WRI have extensive experience in data collection, analysis and reporting. WRI has a team approach to its projects and allocates work to members of the research staff as appropriate.

### Mr Tom Murphy – Chief Executive Officer

BEd. (Hons I) MSc. (Econ) Lancaster

Tom is currently Chief Executive Officer of WRI and has held this position since its inception in February 1999.

Under Tom's leadership WRI has completed over 300 projects for all levels of government and government departments, industry groups such as Australian Pork and the Tourism Taskforce, businesses such as Delta Electricity and V8 Supercars, financial institutions such as Westpac and Perpetual Regional Infrastructure Fund, regional development boards and community groups, and educational institutions including universities, TAFE and schools in NSW, Victoria and Queensland.

Tom has previously held academic positions as senior lecturer in Economics and Director of the Regional Economics Research Unit in the Faculty of Commerce, Charles Sturt University, Bathurst and positions at the University of New England and Macquarie University. He has also held the positions of Economic Analyst with the Office of National Assessments in Canberra, with responsibility for the ASEAN economies and Senior Consultant with KPMG Peat Markwick Management Consultants.

Tom's particular expertise is in regional economics and labour markets, and he has published in a wide range of economic subject areas in refereed and non-refereed articles, books and textbooks. Tom has a high local media profile in Western NSW for economic and social commentary and also features regularly on national radio particularly in connection to the quarterly agribusiness survey conducted for Westpac Australia wide.



### Ms Kathy Sloan – Research Manager

BAppSc (Geography) UC, GDip InfoSys  
CSU

Kathy is responsible for the overall management of projects for WRI, which includes allocating resources,

ensuring timeframes and budgets are met and monitoring compliance with the quality assurance system. Kathy has extensive experience in designing and conducting surveys most recently developing the national Westpac / CSU Agribusiness Index. She has a background in data analysis and research working with the ACT Government and Charles Sturt University and has developed and delivered a wide range of training for TAFENSW – Western Institute and the local community college.



### Ms Lesley Arthur – Senior Research Officer

BSc. Bio Sc (Hons), MSc Tech Ec.

Lesley is an experienced researcher with particular expertise in the areas of inter-industry modelling, including input-output analysis, statistical analysis, market analysis and forecasting. Since joining WRI Lesley has been involved in a diverse range of projects encompassing a variety of industry sectors. Her strengths are in strong analytical skills and in the preparation of concise reports. Prior to joining WRI, Lesley was a Director with KPMG Peat Marwick Management Consultants in Australia and Malaysia.



**Ms Danielle Ranshaw – Senior Research Officer**

BEC&Fin NSW

Danielle's experience in project management in the information technology sector combined with qualifications in economics and finance provides a solid background for WRI projects. With skills in systems design and development, Danielle has been able to extend WRI's capability in developing robust and increasingly complex systems to support research fieldwork. Additionally, Danielle has extensive experience in business process analysis, performance planning and review, report writing and project planning.



**Ms Kathy Woolley – Business Development Officer**

BCom (Economics), CMQ (AGSM), Cert Public Participation (IAP2)

Kathy has worked in the private and public sectors holding senior management positions for over 20 years. Her diverse career has included work within the media, events management, economics research, information management, retail and local government sectors. Kathy has an economics undergraduate degree and postgraduate qualifications in change management and public consultation.



**Ms Dale Curran – Executive Officer**

BA ANU

Dale is responsible for all administrative processes at WRI including executive support, finance, management of the Board of Directors and maintenance of policies. She has worked in a variety of roles at WRI, including Fieldwork Supervisor and Research Assistant, and has worked on several community and business surveys. Dale brings a high level of organisational skill to her role as Executive Officer.



**Ms Rachel Jackson – Research Officer**

BEquineBusMgt (Hons)

Rachel has a strong focus on regional and rural Australia with a particular interest in agribusiness. Prior experience in regional media, agriculture and hospitality industries brings a sound understanding of the unique needs of regional business to her role at WRI. Rachel's strengths lie with survey design, administration and sampling, which have been supplemented by study with the Australian Bureau of Statistics and Australian Marketing and Social Research Society.



# IMPACT ANALYSIS



WRI has a strong reputation for providing industry and economic impact analysis using input-output modelling.

An input-output model provides a very detailed picture of the structure of an economy at a particular point in time. It includes all the transactions that occur during a specific period, usually one year.

The main use of input-output tables is economic impact analysis, where the tables are used to estimate the benefits generated by new initiatives on each and every sector of an economy. One of the main attractions of input-output models is their relative ease of use and the level of detail obtained concerning the structure of the economy.

Inter-industry analysis is an effective tool for key industry bodies, educational institutions and action groups wishing to demonstrate the impact various activities or operations have on an economy.

The results from a WRI customised inter-industry analysis can be used to pursue funding opportunities and add weight to arguments for key operating decisions.

In 2010 WRI completed seven Impact Analysis projects. Details of a sample of these projects are provided below.

## Economic Impact – University of Ballarat

The University of Ballarat (UB) commissioned WRI to prepare an estimate of the economic contribution of the University, including the Higher Education and TAFE Portfolios and the University of Ballarat Technology Park, to the local government area of Ballarat and to the combined statistical divisions of Central Highlands and Wimmera.

The study provides a follow-up to an earlier economic impact assessment of the University's operations conducted by WRI for the calendar year of 2005.

## Economic Impact – Gold Coast Institute of TAFE

The Gold Coast Institute of TAFE (GCIT) commissioned WRI to prepare an estimate of the economic contribution of GCIT to the Gold Coast statistical division. This research provided estimates of the output, value added, household income and employment contributed to the Gold Coast economy by GCIT's activities in the financial year of 2008-09, including the impact of student expenditure.

## Economic Impact – Deakin University

Deakin University commissioned WRI to prepare an estimate of the economic contribution of the University to the local government areas of Greater Geelong and Surf Coast combined, Warrnambool and Moyne combined, Melbourne statistical division and to the combined statistical divisions of Barwon and Western District.

## Assessing the Economic Value of Cultural Facilities and Activities in Central West NSW

Museums and Galleries NSW commissioned WRI to conduct research into the economic value of cultural facilities and activities in Central New South Wales.

The study was conducted in partnership with Bathurst, Dubbo and Orange Councils and measured the economic impact of cultural facilities and activities in the Bathurst, Dubbo and Orange Council LGAs, both in terms of on-going facility operations and induced visitor expenditure. Twelve cultural facilities were selected to provide an indicative understanding of the economic impact of cultural facilities in the Central NSW region.

# REGIONAL AND INDUSTRY PROFILES



WRI has a growing reputation as the expert on regional economies.

In the past 10 years WRI has completed a number of economic profiles for local government and regional development organisations. WRI uses shift-share analysis, amongst other techniques to develop industry and regional profiles. Shift-share analysis identifies industries that have grown at a faster rate than state and industry averages. Other methodologies used to create an industry, skills or regional profile include; market research, cost-benefit analysis and feasibility assessments

In 2010 WRI completed six regional economic profiles. A sample of these projects are shown below.

## Orange Economic Profile

WRI updated economic indicators for the Orange Economic Profile brochure. Indicators included analysis of:

- Population statistics;
- Household expenditure;
- Education;
- Unemployment rate and labour force profile;
- Employment by industry and by occupation; and
- Economic diversity.

## Graduate Profile of CSU Social Workers

WRI conducted a graduate profile survey of social work graduates in an attempt to examine the longer term impact of CSU on regional economies. Graduate profiles of accountants and teachers was produced in 2009.

## Regional Skills and Workforce Needs for regional Victoria

The Victorian Department of Industry, Innovation and Regional Development commissioned WRI to conduct a survey of businesses in regional Victoria. The Regional Skills and Labour Needs Survey was designed to identify ongoing skill and labour gaps across regional Victoria. The Survey was conducted by telephone from a representative sample of workplaces across regional Victoria. Regional Skills and Workforce Needs survey is the largest survey ever conducted by WRI with a total of 2,907 respondents.

## Optometry workforce and optometry workforce demands in rural NSW

Based on its considerable experience with workforce studies, WRI was commissioned by CSU in conjunction with the Centre for Inland Health and the Optometrists Association Australia (NSW & ACT Division) to investigate the potential demand for vision and eye professional services in rural New South Wales.

The project aimed to provide CSU and the Optometrists Association Australia with clearer information on the changing optometry workforce and future workforce demands in rural New South Wales, to better plan for future rural workforce needs.

# BUSINESS AND COMMUNITY SENTIMENT



WRI has built a strong reputation in survey design and execution to measure business and community sentiment. Our knowledge and capability to survey businesses in regional areas has been built over 10 years.

WRI's strengths in survey design expertise has been built internally through formal training (ABS and Australian Market and Social Research Organisations (AMSRO)) and via vast survey experience.

WRI's business and community sentiment studies allow the client to get to know their industry, community, stakeholders or target market by asking direct, probing questions that result in information they can rely on for decision-making.

In 2010 WRI completed seven survey projects for a variety of organisations including local government and TAFE, financial institutions and lobby groups. Descriptions of a sample of these projects is detailed below.

## Westpac/CSU Agribusiness Index

The Index is based on a nationwide telephone survey of 1,200 businesses in the agriculture sector conducted every quarter. The aim of the survey is to provide a timely snapshot of business conditions, confidence and performance of agribusiness across Australia.

In 2010, the Index entered its fourth year and continues to inform Westpac's agribusiness sector and the wider community about how agribusinesses are fairing across Australia.

## Braidwood Heritage Survey

In 2010, WRI conducted the final in the five year series of the Braidwood Heritage Survey. The survey is intended to gauge the performance of Braidwood businesses following the heritage listing of the town in 2006. The survey uses a range of measures, including sales performance, profit, operating costs and capital expenditure, to provide a measure of overall economic performance.

## Orange City Council – Orange Function Centre Community Poll

Orange City Council commissioned WRI to conduct a community poll amongst Orange residents to gauge community sentiment towards the building and its use. The poll was conducted in two phases: the first was administered to the wider Orange community while the second phase explored key issues further with members of the Orange Community Panel.

## Bass Coast Economic Monitor

Westpac Banking Corporation commissioned WRI to monitor business performance and sentiment on the construction of the Wonthaggi Desalination Plant on the Bass Coast Shire community using a survey.

The monitor aims to identify any short run business opportunities that may arise during the construction phase of the project, the longer term opportunities from the ongoing running of the plant and any initiatives and investments that may occur during the construction phase. The monitor will also alert the community to the inevitable wind down of economic activity as the construction phase is completed.

The survey is conducted quarterly and seeks responses from a panel of 20 businesses in the Bass Coast Shire region and a minimum of 20 random businesses in the region



# PROMOTING REGIONAL DEVELOPMENT



In line with the objectives and ambition statement of the WRI, to be a leader in the provision of research for the development of regional Australia, WRI provided assistance and advice to a number of local governments and industry groups, as well as preparing and delivering presentations on the economic and social profile of regional Australia in 2010.

A sample of the assistance provided and presentations given are summarised below.

## State of the Region Dinner – Presentation

CEO Tom Murphy presented an economic snap shot of the Murray Region using an AFL analogy to RDA Murray's annual state of the region dinner.

## Department of Education and Training Macquarie Tutorial Centre: Advice on setting up evaluation and monitoring systems

Kathy Sloan provided advice to the Macquarie Tutorial Centre on surveying, monitoring and evaluation systems to better enable the program to monitor its effectiveness.

## Land and Property Management Authority – Presentation

In November 2010, Tom Murphy presented an overview of the economic performance of the Western NSW region, opportunities that exist in relation to utilising Crown Land and attracting residents to Western NSW, to an LPMA forum in Dubbo.

## The Place of Cadia in the Regional Economy – Presentation

CEO Tom Murphy presented to the Orange Historical Society, a profile of the Orange economy and the economic impact of Cadia Valley Operations on the Orange Economy.

## Queensland Farmers' Federation – Presentation

Drawing on WRI's expertise in Agribusiness performance, Tom Murphy gave a presentation to the Queensland Farmers' Federation Policy Forum on the challenges and opportunities facing Agribusiness.

## Coonamble Health Needs Survey: review of questionnaire

Utilising WRI's extensive surveying experience, Rachel Jackson provided feedback and assistance with the development of a survey tool for the Coonamble Health Needs Survey. The survey, being completed by a freelance consultant, will help to develop future strategies for the implementation of improved health services within the local area.

## Provision of statistics and multipliers

Drawing on WRI's extensive database of impact statistics in regional Australia, Lesley Arthur provided statistics and multipliers to local government and local state MP's offices.

## Provision of advice to Braidwood Times

Danielle Ranshaw assisted the Braidwood Times with understanding the feasibility of undertaking an economic impact study, on the movement of council jobs from one town in Palerang shire to another town within the shire.

# COMPLETED PROJECTS 2010



## Impact Analysis Projects:

- Economic impact of University of Ballarat
- Economic impact of the beef processing sector
- Economic impact of Gold Coast Institute of TAFE
- The future for manufacturing in Victoria
- Charles Sturt University, School of Medicine Economic Impact
- Economic impact of Deakin University
- Assessing the impact of cultural facilities and activities in Central NSW

## Industry and Regional Profiles:

- New England and Wagga Wagga profiles
- Orange economic profile
- Graduate profile of Social Workers for Charles Sturt University
- Regional Skills and Workforce Needs for the Victorian Government
- Optometry Workforce and Optometry Workforce Demands

## Business and Community Sentiment Projects:

- Westpac/CSU Agribusiness Index
- Central West Group Apprentices satisfaction with services survey
- Uptake of school based apprentices
- Bass Coast economic monitor
- Braidwood business performance survey
- Alternative pathways program evaluation
- Orange Function Centre community poll

## Presentations, Focus Groups and Other Projects:

- Input-output training for visiting Chinese Professors
- CENTROC climate change programme monitoring and evaluation
- Hepatitis C: improving treatment completion rates in the Greater Western Area Health Service

## Promoting Regional Development

- RDA Murray - Murray NOW regional economic dinner presentation
- Potential partnership arrangement with RDA Central West;
- Macquarie Tutorial Centre survey assistance
- Bathurst Climate Action Network presentation
- Cocks River meeting
- Land and Property Management Authority presentation
- The place of Cadia Valley Operations in the regional economy
- TAFE Western, interview panels
- Trends and demographics: contradictory information presentation for Queensland Farmers' Federation
- Coonamble Health Needs Survey, questionnaire assistance
- Bathurst Business Community consultation session
- Provision of statistics and multipliers to local government and local state MP's offices;
- Braidwood Times feasibility of economic impact study assistance



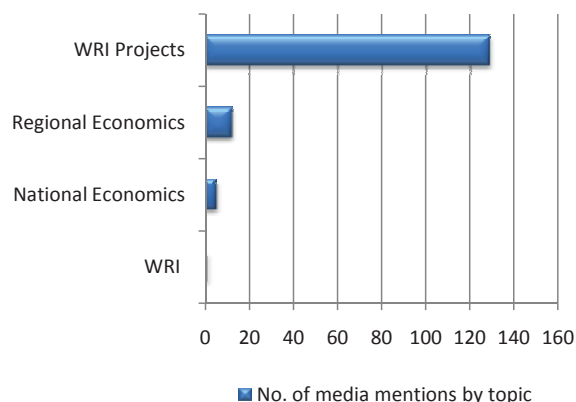
# MEDIA PROFILE

WRI has built a strong reputation as a credible source of information and commentary on local and national economic issues including interest rates, fuel prices and population statistics. Combining this commentary with plain english discussion of what these policies and issues mean for regional Australia, are reinforcing WRI as the local experts on regional economic issues.

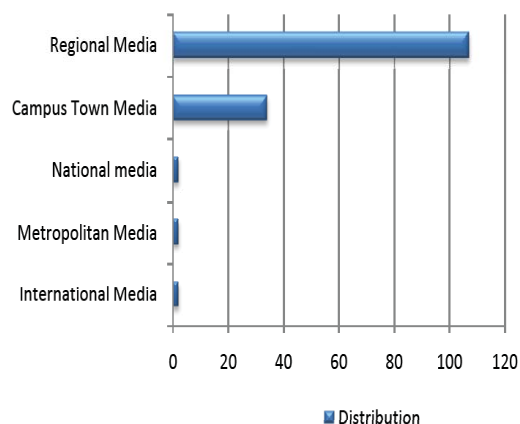
In 2010 WRI was mentioned in the media 147 times. Media hits in 2010 were predominately from regional media outlets (107) and in print media (108).

## TOPICS

- WRI was called upon to comment on national economic issues including the 2010/11 federal budget and the super profits mining tax.
- WRI projects were the main focus of media exposure. In particular the Westpac/CSU Agribusiness Index, RDA Murray - Murray Now State of the region function, CSU Social Work graduates, Orange Function Centre community poll and visiting Chinese Professors generated media coverage.
- In regard to regional economics, WRI provided commentary on the regional impacts of the GFC, Federal government stimulus packages, mining super profits tax, interest rates and population growth.



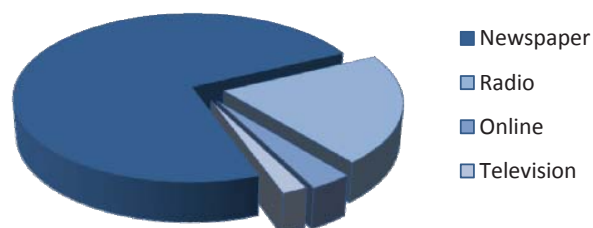
## DISTRIBUTION



- The majority of WRI's media exposure was found in regional media (107 hits) and campus town<sup>1</sup> media hits (34), followed by two hits each for national, metropolitan and international media.
- In 2010, CEO Tom Murphy was interviewed on national radio on the impact of interest rate rises.
- The Westpac/CSU Agribusiness Index again received international media exposure in 2010.

## MEDIUM

- In 2010 almost three quarters (73%) of WRI's media hits occurred in newspapers followed by 21% in radio, 3% in online media and 2% on television.
- In 2010 the Westpac/CSU Agribusiness Index featured in online articles 5 times.



<sup>1</sup> campus town media includes Bathurst, Orange, Dubbo, Wagga Wagga, Goulburn and Albury - the location of CSU campuses.

# RESEARCH LINKS: REGIONAL CHINA AND REGIONAL NSW

Through a partnership with the CSU International School of Business and AusAid, WRI hosted three Chinese Professors for two weeks in September. Professors Min Dan and Shi Yutian from Jilin University of Finance and Economics and Professor Wang Wei of Tianjin University of Commerce spent two weeks with CEO Tom Murphy and Senior Research Officer Lesley Arthur, learning input-output methodology.

## Establishing research links

### Modelling energy reduction in China

THREE Chinese professors with an interest in reducing energy use in their country are currently working with staff from the Western Region Institute based at Charles Sturt University.

The visitors are Professor Shi Yutian and Professor Min Dan from the Jilin University of Economics and Finance and Professor Wang Wei from the Tianjin University of Commerce.

Chief Executive Officer of the Western Region Institute Tom Murphy said the visitors will spend two weeks working with his staff on modelling energy use in China.

After completing their work with the WRI they will move to the Wagga campus to write up their results.

"So far they have found that between 1995 and 2005 Chinese production has tripled but energy consumption only went up a little more than one and a half times," Mr Murphy said.

"Clearly China has been making good progress in reducing the energy intensity of their industries. This joint research is further strengthening the already strong relationships between CSU and Jilin and Tianjin universities with 21 students from Jilin currently on the Bathurst campus," he said.

Mr Murphy said the visit has provided Bathurst and Charles Sturt University with a chance to establish good research links with two Chinese universities.

He said CSU already has good teaching links with China so establishing research links as well is an added bonus.

"In future they are clearly going to be our most important trading partner," Mr Murphy said.



**RESEARCH: (BACK) Prof Wang, CEO Western Region Institute Tom Murphy, Prof Shi, Stacey Whittaker, Gretchen Armitage, David Shaw, (front) Angus Edwards, Prof Min, Mayor Paul Toole and Bathurst Business Chamber president Tammy Middleton during a lunch to welcome the visiting professors. Photo: PETER GUMPERT**

"WRI has very good regional economic modelling techniques so the professors brought their data from China and we have shown them how to use modelling to get economic impact results.

"One of the next steps is to use the techniques developed over the past couple of weeks to see how Australia is effected and then get the two countries working together.

The visiting professors were welcomed to the city with a lunch attended by Mayor Paul Toole, council staff and the Bathurst Business Chamber.

Mr Murphy said a range of issues were discussed at the luncheon but a recurring theme was that the visitors found Bathurst a very attractive city.

# LINKAGES



## Local Government

- Bathurst Regional Council
- CENTROC
- Councils in the Barwon Darling Alliance
- Dubbo City Council
- Lithgow City Council
- Orange City Council
- Cowra Shire Council
- Parkes Shire Council

## Government

- Department of State and Regional Development
- Department of Planning, Heritage Office

## Industry Groups

- Australian Pork Limited
- Albury Wodonga Corporation
- Arts OutWest
- Bells Line Expressway Group
- The Water Directorate
- Applied Economics
- Community Services and Health Industry Skills Council
- Central West Group Apprentices

## Business

- Perpetual Regional Infrastructure Fund
- V8 Supercars Australia Pty Ltd

## Education

- Charles Sturt University
- Deakin University
- TAFE NSW, Western Institute
- University of Ballarat
- University of Technology—Sydney
- Bond University
- Chifley Business School
- Griffith University

## Financial Institutions

- Westpac Banking Corporation
- Reliance Credit Union
- Marketmad.com

## Regional Development Australia

- Orana
- Central West
- Far West
- Murray

## Professional Services

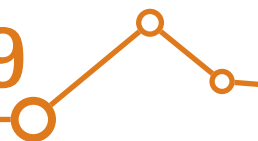
- Macintosh, MacPhillamy and Co

## Associates

- Adjunct Professor Guy West, BEcon (Hons I), MEc Stud, PhD (UQ).
- Associate Professor Geoff Bamberry, BA Dip Public Admin QLD, MA Sus.
- Mr Pat Bradbery, DipEd Mitchell CAE, Dip RE S Aust CAE, BSc MBA NSW, MACS.
- Dr Terence M Dwyer, BA (Hon) BEc (Hon) (Syd), PhD (Harvard).
- Selwyn G Heilbron BA (Kent), MSc (Univ London) PhD (Cambridge).
- Professor John Hicks, BCom, DipEd MA (Melbourne), PhD Massey.
- Associate Professor Denise Jarratt, BPharm Syd, MCom NSW, PhD NE, MAMS.
- Dr Hailu Kidane, BSc Mak, MSc Nair, PhD Hanover.
- Mr Terry Larkin, BEc (Syd), MA (Harvard), MPA (Harvard).
- Dr Kishor Sharma, PgDipMgt Iml, MEc TUNepal, PhD La Trobe.
- Adjunct Professor Greg Walker, MCom DipEd NSW, PhD Macq.

# FINANCIAL STATEMENTS – 2009

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**WESTERN RESEARCH INSTITUTE LIMITED**  
ABN 76 090 089 991  
(A COMPANY LIMITED BY GUARANTEE)

**FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

**WESTERN RESEARCH INSTITUTE LIMITED**  
ABN 76 090 089 991  
(A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT**  
For the six months ended 31 December 2010

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In accordance with the Corporations Act 2001, we, the Directors of Western Research Institute Limited, report as follows:

**OPERATING RESULTS**

The profit of the company for the year ended 31 December 2010 amounted to \$22,791. (2009: \$58,925)

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

The Company assessed its relationship with the Charles Sturt University and determined that it is not a controlled entity from 1 July 2010.

**PRINCIPAL ACTIVITIES**

The principal activity of the company continues to be the provision of research services.

**EVENTS AFTER THE REPORTING PERIOD**

The company is not aware of any matters or circumstance that have arisen since 31 December 2010 that has significantly affected or may significantly affect:

- ♦ the operations of the company;
- ♦ the results of operations; and
- ♦ the state of affairs of the company in subsequent years.

**DIVIDENDS**

Under its constitution the company is prohibited to pay dividends.

**OPTIONS**

No options over issued shares or interests in the company were granted during or since 31 December 2010 and there are no options outstanding as at the date of this report.

**ENVIRONMENTAL**

The operations of the company are not regulated by any significant environmental regulation under the law of the Commonwealth or State or Territory

**INDEMNIFICATION OF OFFICERS AND AUDITORS**

During 2010, no Director of Western Research Institute Limited has received or has become entitled to receive, a benefit because of a contract made by Western Research Institute Limited, a related company, with the Director, or with a firm of which the Director is a member, or an entity in which the Director has a substantial financial interest. The Directors are covered by the following insurance policy:

Directors' & Officers' Liability Protection Member or Affiliate Reimbursement Protection  
Unimutual Limited  
Policy No: UL CSU 10  
Expiry Date: 31st October 2010

**WESTERN RESEARCH INSTITUTE LIMITED**  
**ABN 76 090 089 991**  
**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT**

For the six months ended 31 December 2010

**PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the past six months.

**DIRECTORS**

The names of the Company Officers at the date of this report, together with their qualifications, experience and special responsibilities are as follows:

NAME	OTHER INFORMATION	QUALIFICATIONS	PERIOD AND OTHER RESPONSIBILITIES	NUMBER OF MEETINGS DURING THE PERIOD 01/07/2010 TO 31/12/2010	
				HELD WHILST A DIRECTOR	ATTENDED
<b>DIRECTORS</b>					
Peter John Batten	Director, TAFE NSW Training and Education Support - Industry Skills Unit - Orange and Granville	Bachelor of Science (Wool and Pastoral Science) (UNSW); and Diploma of Education (Technical) (Sydney Teachers College).	President since 2000	2	2
Ian Davison	Country Advertising Agency Pty Ltd	Marketing, Charles Sturt University	Director since 2001	2	2
Helen Overmyer	Telecommunications Operations Group Manager, Country Energy.	Master of Management, Macquarie Graduate School of Management	Director since 2006 Treasurer since 2008	2	1
Juliet Lee Duffy	NSW Manager – Envirohealth Pty Ltd	MSM Syd Uni	Director since 2005 Secretary since 2007	2	0
Michael Grouse Milston	Director Human Services, Orange City Council	BEd (Hons) - Univ of Sydney, Dip Ed - Univ of Sydney, MBA - CSU	Director since 2000 Vice President since 2005	2	1

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT**  
 For the six months ended 31 December 2010

NAME	OTHER INFORMATION	QUALIFICATIONS	PERIOD AND OTHER RESPONSIBILITIES	NUMBER OF MEETINGS DURING THE PERIOD 01/07/2010 TO 31/12/2010	
				HELD WHILST A DIRECTOR	ATTENDED
<b>DIRECTORS</b>					
Sandy Morrison	Chairman Regional Development Australia Central West	Btp, UNSW	Director since 2003	2	0
James Francis Hackett	Executive Director finance Division Charles Sturt University	ACIS, ACIM, PNIA	Director since 2007	2	2
Mark Burdack	Director, Corporate Affairs and University (CSU) Secretary	BA, BLegS (Hon), Macquarie University	Director since 2009	2	1

**AUDITOR'S INDEPENDENCE DECLARATION**

The Auditor's Independence Declaration as required under section 307C of the Corporations Act is set out on page 6 and forms part of the directors report for the year ended 31 December 2010.

Signed in accordance with a resolution of the Board:



Peter Batten  
 Director

Dated at Bathurst this 25th day of February 2011



Michael Milston  
 Director

Dated at Bathurst this 25th day of February 2011



**Auditor's Independence Declaration  
Under Section 307C of the Corporations Act 2001  
To the Directors of Western Research Institute Ltd**

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I declare that, to the best of my knowledge and beliefs, during the year ended 31 December 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Graff Paul & Parnell  
Chartered Accountants  
107 Bentinck Street  
BATHURST NSW 2795



Len Graff  
Partner

21 March 2011

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF COMPREHENSIVE INCOME**  
 For the year ended 31 December 2010

	Note	2010 \$	2009 \$
<b>REVENUE</b>			
Grants & Funding		25,000	125,000
Consulting	2	671,095	922,702
Interest Income		12,722	14,481
Membership		600	1,100
Other		1,406	1,479
<b>TOTAL REVENUE</b>		<b>710,823</b>	<b>1,064,762</b>
<b>EXPENSES</b>			
Administration Expenses		68,466	88,098
Consulting Expense		31,020	49,870
Employee Benefits Expense	3	578,815	859,251
Finance Costs		472	331
Depreciation & Amortisation		9,259	8,286
<b>TOTAL EXPENSES</b>		<b>688,032</b>	<b>1,005,836</b>
<b>SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<b>22,791</b>	<b>58,926</b>

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

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF FINANCIAL POSITION**  
 As at 31 December 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	4	509,589	453,728
Trade and Other Receivables	5	108,137	124,057
Other Assets	6	19,128	6,600
<b>TOTAL CURRENT ASSETS</b>		<b>636,854</b>	<b>584,385</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	7	20,118	29,377
Financial Assets	8	10	10
<b>TOTAL NON-CURRENT ASSETS</b>		<b>20,128</b>	<b>29,387</b>
<b>TOTAL ASSETS</b>		<b>656,982</b>	<b>613,771</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	51,424	72,981
Provisions	10	42,542	47,450
Income in Advance		82,950	36,065
<b>TOTAL CURRENT LIABILITIES</b>		<b>176,916</b>	<b>156,496</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>176,916</b>	<b>156,496</b>
<b>NET ASSETS</b>		<b>480,066</b>	<b>457,275</b>
<b>EQUITY</b>			
Accumulated Funds		480,066	457,275
<b>TOTAL EQUITY</b>		<b>480,066</b>	<b>457,275</b>

*The Statement of Financial Position should be read in conjunction with the accompanying notes.*

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**CASH FLOW STATEMENT**  
 For the year ended 31 December 2010

	Note	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from Operations		767,028	1,016,685
Interest Received		6,597	14,480
Payments to Suppliers & Employees		(717,292)	(956,555)
Finance Costs		(472)	-
<b>NET CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES</b>	16	<b>55,861</b>	<b>74,610</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of Plant & Equipment		-	(13,991)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>-</b>	<b>(13,991)</b>
<b>NET (DECREASE) / INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		<b>55,861</b>	<b>60,619</b>
Cash & Cash Equivalents at the beginning of the year		453,728	393,109
Cash & Cash Equivalents at the end of the year	4	<b>509,589</b>	<b>453,728</b>

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

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF CHANGES IN EQUITY**  
 For the year ended 31 December 2010

	Note	2010 \$	2009 \$
<b>TOTAL EQUITY AT THE START OF THE FINANCIAL YEAR</b>		457,275	398,349
Surplus (Deficit) for the year		22,791	58,926
<b>TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR</b>		<u>22,791</u>	<u>58,926</u>
<b>TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR</b>		<u><u>480,066</u></u>	<u><u>457,275</u></u>

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

**WESTERN RESEARCH INSTITUTE LIMITED**  
ABN 76 090 089 991  
(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1 (a) INFORMATION ABOUT REPORTING ENTITY**

Western Research Institute Limited is a not for profit entity incorporated in Australia as a company limited by guarantee on 21 December 1999. In accordance with the Constitution, the liability of each member, in the event of the company winding up, is limited to \$50.00.

The registered office for Western Research Institute Limited is Charles Sturt University, Research Station Drive, Bathurst NSW.

The principal activity of the company during the year was the provision of research services.

The financial statements have been authorised for issue to the Board of Directors on 28 January 2010.

**1 (b) BASIS OF PREPARATION**

The financial statements are a general purpose financial report and have been prepared in accordance with:

- (i) Australian Accounting Standards and Interpretations;
- (ii) Corporations Act 2001
- (iii) Public Finance and Audit Act 1983 and Regulations 2005

Judgments, key assumptions and estimates management has made are disclosed in the relevant notes to the financial report.

The financial report has been prepared in the basis of accrual accounting and in accordance with historical cost convention. All amounts are expressed in Australian dollars.

**1 (c) PROVISIONS**

- (i) Salaries and Wages, Annual Leave and On-Costs

Liabilities for salaries and wages (including non-monetary benefits) and annual leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 Employee benefits.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

**WESTERN RESEARCH INSTITUTE LIMITED**  
ABN 76 090 089 991  
(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

---

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(ii) Long Service Leave and Superannuation

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is estimated on the basis of certain factors applied to employees with number of years of service, using current rates of pay.

The defined contribution superannuation expense for the financial year is calculated as a percentage of the employees' salary.

(iii) Other Provisions

Other provisions exist when there is a present legal or constructive obligation as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

**1 (d) TAXATION**

The Income Tax Assessment Act 1997 under Sub-division 50-B, exempts the Association from income tax. Consequently no provision for income tax is required and the principles of tax effect accounting have not been adopted.

**1 (e) GOING-CONCERN**

The financial report is prepared on a going-concern basis.

**1 (f) FINANCIAL INSTRUMENTS**

Financial instruments give rise to positions that are a financial asset of either the Company or its counterparty and a financial liability (or equity instrument) of the other party. For the Company these include receivables and payables.

In accordance with AASB132 "Financial Instruments: Presentation" and AASB 7 "Financial Instruments :Disclosure" information is disclosed in Note 13 in respect of the risks associated with all financial instruments. All such amounts are carried in the accounts as fair value unless otherwise stated. The specific accounting policy in respect of each class of such financial instrument is stated hereunder.

Classes of instruments recorded at amortised cost comprise:

- ♦ receivables
- ♦ payables

All financial instruments including revenue, expenses or other cash flows arising from instruments are recognised on an accrual basis.

**1 (g) PAYABLES**

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition. Payables are carried at amortised cost and due to their short term nature they are not discounted.

**WESTERN RESEARCH INSTITUTE LIMITED**  
ABN 76 090 089 991  
(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**1 (h) RECEIVABLES**

Receivables are recognised on an accrual basis initially at fair value and subsequently measured at amortised cost using effective interest method, less allowance for impairment.

**1 (i) REVENUE RECOGNITION**

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the specific accounting policies for the recognition of revenue is discussed below.

**(i) Grants**

Grants are generally recognised as income when the Company obtains control over the assets. Control over grants is normally obtained upon the receipt of cash.

**(ii) Consultancy Services**

Consultancy service revenue is recognised when the service is provided or by reference to the stage of completion.

**(ii) Interest Revenue**

Interest revenue is recognised as it accrues.

**1 (j) ACQUISITION OF ASSETS**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Company. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

**1 (k) CAPITALISATION THRESHOLDS**

Plant and equipment and intangible assets costing \$500 and above individually (or forming part of a network costing more than \$500) are capitalised.

**1 (l) REVALUATION OF PLANT AND EQUIPMENT**

Physical non-current assets are reported at fair value in accordance AASB 116 Property, Plant and Equipment.

The Company's plant and equipment is comprised of non-specialised computer and office equipment with short useful lives. The carrying value approximates fair value.



**WESTERN RESEARCH INSTITUTE LIMITED**  
**ABN 76 090 089 991**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**1(m) DEPRECIATION**

Depreciation is provided on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

The following depreciation rates are used in calculation of depreciation.

Office Equipment	33.3%
Furniture Fittings	10%

**1(n) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS**

(i) The Company did not adopt any of the following standards early in the preparation of its financial report.

- ♦ AASB 2009-11: Amendments to Australian Accounting Standard - Business Combinations among Not-for-Profit Entities.
- ♦ AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10.
- ♦ AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12]
- ♦ AASB 2009-2: Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2]

It is considered that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial report of the Company.

**NOTE 2 CONSULTANCY REVENUE**

	2010 \$	2009 \$
Business Related	671,095	922,702
Environmental	-	-
<b>TOTAL CONSULTANCY REVENUE</b>	<b><u>671,095</u></b>	<b><u>922,702</u></b>

**WESTERN RESEARCH INSTITUTE LIMITED**  
**ABN 76 090 089 991**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2010**

<b>NOTE 3</b>	<b>EMPLOYEE RELATED EXPENSES</b>	<b>2010</b>	<b>2009</b>
		<b>\$</b>	<b>\$</b>
	Wages	519,838	742,297
	Super	46,825	58,592
	Payroll Tax	17,059	46,282
	Other	(4,907)	12,080
	<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>578,815</b>	<b>859,251</b>
<b>NOTE 4</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash at Bank	509,317	453,560
	Cash on Hand	272	168
	<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>509,589</b>	<b>453,728</b>
<b>NOTE 5</b>	<b>TRADE AND OTHER RECEIVABLES</b>		
	Trade Debtors	108,137	124,057
	<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>108,137</b>	<b>124,057</b>
<b>NOTE 6</b>	<b>OTHER ASSETS</b>		
	Accrued Income	12,257	6,600
	Prepayments	6,871	-
	<b>TOTAL OTHER ASSETS</b>	<b>19,128</b>	<b>6,600</b>
<b>NOTE 7</b>	<b>PLANT &amp; EQUIPMENT</b>		
	Office Equipment	61,502	61,502
	Less: Accumulated Depreciation	47,903	39,626
	Carrying Amount at Fair Value	13,599	21,876
	 Furniture & Fittings	18,712	18,712
	Less: Accumulated Depreciation	12,193	11,211
	Carrying Amount at Fair Value	6,519	7,501
	<b>TOTAL PLANT &amp; EQUIPMENT</b>	<b>20,118</b>	<b>29,377</b>

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
 For the year ended 31 December 2010

**NOTE 7 PLANT & EQUIPMENT (CONTINUED)**

**RECONCILIATIONS**

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

	Total Plant & Equipment \$ Year Ended 31-Dec-10	Total Plant & Equipment \$ Year Ended 31-Dec-09
Carrying amount at start of year	29,377	23,672
Additions	-	13,991
Disposals	-	-
Depreciation Expense	9,259	8,286
Carrying amount at fair value at end of year	20,118	29,377

**NOTE 8 FINANCIAL ASSETS**

	2010 \$	2009 \$
Shares in Reliance	10	10
<b>TOTAL FINANCIAL ASSETS</b>	<b>10</b>	<b>10</b>

**NOTE 9 TRADE AND OTHER PAYABLES**

Trade Creditors	-	8,112
Accrued Salaries	3,823	2,666
Accrued Audit Fees	8,250	8,800
GST Payable	15,269	11,321
Payroll Tax	-	5,470
Superannuation Payable	13,429	15,789
PAYG Withholding Payable	10,653	20,823
Other Payables	-	-
<b>TOTAL TRADE AND OTHER PAYABLES</b>	<b>51,424</b>	<b>72,981</b>

**NOTE 10 PROVISIONS**

Provision for Employee Entitlements - Annual Leave	25,002	36,330
Provision for Employee Entitlements - Long Service Leave	17,540	11,120
<b>TOTAL PROVISIONS</b>	<b>42,542</b>	<b>47,450</b>

**WESTERN RESEARCH INSTITUTE LIMITED**  
 ABN 76 090 089 991  
 (A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
 For the year ended 31 December 2010

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<b>NOTE 11 AUDITOR'S REMUNERATION</b>	2010	2009
	\$	\$
Audit of the Company's Financial Report	7,500	8,000
<b>TOTAL AUDITOR'S REMUNERATION</b>	<u><b>7,500</b></u>	<u><b>8,000</b></u>

**NOTE 12 DIRECTORS REMUNERATION**

The Directors act in an honorary capacity and do not receive remuneration in connection with the management of the affairs of the Company.

**NOTE 13 RELATED PARTIES**

(a) 2010

The names of Directors who have held office during the financial period are:

Peter John Batten	Michael Grouse Milston
Margaret Mary Collins	Sandy Morrison
Ian Davison	James Francis Hackett
Helen Overmyer	Jason Darney
Juliet Lee Duffy	Mark Burdack

(b) Remuneration

Information in remuneration of Directors is disclosed in Note 12.

(c) Controlling Entity

Charles Sturt University has been the controlling entity of the Company until 30 June 2010. The Company reassessed its relationship with the university and determined that it is not a controlled entity from July 2010.

(d) Related Party Transactions

Charles Sturt University provides a range of administrative support services. Until 30 June 2010, these services including, office accommodation facilities, electricity and other utility services and subsidies travel, were provided at no charge to the Company.

The value of these services were not quantified or reported in the financial statements in the past. However, the services will be charged to the Company from 1 July 2010.

**NOTE 14 ECONOMIC DEPENDENCY**

The company's revenue stream and operations were dependant upon the ongoing financial and other support of its controlling entity, the Charles Sturt University up to 30 June 2010.

From 01 July 2010, the company is no longer supported by Charles Sturt University.

**WESTERN RESEARCH INSTITUTE LIMITED**

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For the year ended 31 December 2010

**NOTE 15 FINANCIAL INSTRUMENTS**

The Company's principal financial instruments are outlined below. These financial instruments arise directly from the company's operations.

The Company's main risks arising from financial instruments are outlined below together with the Company's objectives, policies and processes for measuring and managing risk. The Board of Directors has overall responsibility for the establishment and oversight of risk management reviews and agrees policies for managing each of these risks.

**(a) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company exposures to market risk are minimal as it has no borrowings or other price risk associated investments. The Company has no exposure to foreign currency risk.

**(b) Interest Rate Risk**

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised at the balance sheet date are as follows:

<b>2010</b>	<i>Weighted av. Interest rate (p.a.)</i>	Floating interest rate	Non-interest bearing	Total
		\$	\$	\$
<b>FINANCIAL ASSETS</b>				
Cash	4.65%	509,317	-	509,317
Receivables		-	108,137	108,137
<b>TOTAL FINANCIAL ASSETS</b>		<b>509,317</b>	<b>108,137</b>	<b>617,454</b>
<b>FINANCIAL LIABILITIES</b>				
Payables		-	46,211	46,211
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>46,211</b>	<b>46,211</b>

<b>2009</b>	<i>Weighted av. Interest rate (p.a.)</i>	Floating interest rate	Non-interest bearing	Total
		\$	\$	\$
<b>FINANCIAL ASSETS</b>				
Cash	5.1%	453,729	-	453,729
Receivables		-	238,574	238,574
<b>TOTAL FINANCIAL ASSETS</b>		<b>453,729</b>	<b>238,574</b>	<b>692,303</b>
<b>FINANCIAL LIABILITIES</b>				
Payables		-	72,981	72,981
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>72,981</b>	<b>72,981</b>

**WESTERN RESEARCH INSTITUTE LIMITED**  
**ABN 76 090 089 991**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

**NOTE 15 FINANCIAL INSTRUMENTS (CONTINUED)**

(c) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract or financial position failing to discharge a financial obligation there under. The Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets and liabilities included in the balance sheet.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due. The Company continuously manages risk through monitoring future cash flows. The Company's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

(e) Sensitivity Analysis

A sensitivity analysis presents the effect on profit and equity due to possible change in interest rate, price and foreign exchange risks. Because the Company is not exposed to any of these risks a sensitivity analysis is not presented in this financial report.

**NOTE 16 RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES WITH SURPLUS (DEFICIT) FOR THE YEAR**

	2010	2009
	\$	\$
Surplus (Deficit) for the year	28,004	58,926
Depreciation	9,259	8,286
Decrease / (Increase) in Receivables	15,917	(61,076)
Decrease / (Increase) in Other Assets	(12,526)	(6,600)
Increase / (Decrease) in Payables	(26,770)	26,929
Increase / (Decrease) in Provisions	(4,908)	12,080
Increase / (Decrease) in Income in Advance	46,885	36,065
<b>Net Cash flows/(used in) from operating activities</b>	<b>55,861</b>	<b>74,610</b>

**NOTE 17 COMMITMENTS**

*Operating Lease Commitments*

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable - minimum lease payments

- not later than 12 months	13,500	-
- between 12 months and five years	47,250	-

The property lease is a non-cancellable lease with a five year term, with rent payable monthly in advance. Provisions within the lease agreement require that minimum lease payments shall be increased by CPI per annum. An option exists to renew the lease at the end of the five-year term for an additional term of five years.

**WESTERN RESEARCH INSTITUTE LIMITED**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2010

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**NOTE 18 CONTINGENT ASSETS OR LIABILITIES**

The Company is not aware of any contingent assets or liabilities existing at 31 December 2010 (2009:Nil)

**NOTE 19 EVENTS AFTER BALANCE SHEET DATE**

There have not been any significant events in the interval between the end of the financial year and the date of this report that may effect the operations, the results of the Company, or require disclosures.

**END OF FINANCIAL STATEMENTS**

**WESTERN RESEARCH INSTITUTE LIMITED**

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' DECLARATION**

For the year ended 31 December 2010

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In accordance with a resolution of the Directors of Western Research Institute Limited and pursuant to the Corporations Act 2001, we, the Directors of the Western Research Institute Limited state that:

- 1 The attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Company at 31 December 2010 and the results of its operations and transactions of the Company for the year then ended;
- 2 The financial statements and notes have been prepared in accordance with the provisions of Corporations Act 2001;
- 3 The financial statements and notes have been prepared in accordance with Australian Accounting Standards and Interpretations;
- 4 We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate; and
- 5 There are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

For and on Behalf of the Board in accordance with its resolution:



Peter Batten  
Director

Dated at Bathurst this 25th day of February 2011



Michael Milston  
Director

Dated at Bathurst this 25th day of February 2011



**Western Research Institute Ltd**  
**ABN 76 090 089 991**  
**Independent Audit Report**  
**to the Members of**  
**Western Research Institute Ltd**

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**Report on the Financial Report**

We have audited the accompanying financial report, being a general purpose financial report, of Western Research Institute Ltd which comprises the balance sheet as at 31 December 2010, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. The directors' responsibility also includes establishing 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. 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 judgment, 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 directors, as well as evaluating the overall presentation of the financial report.

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 Corporations Act 2001.

**Western Research Institute Ltd**  
**ABN 99 001 462 648**  
**Independent Audit Report**  
**to the Members of**  
**Western Research Institute Ltd**

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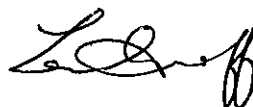
**Auditor's Opinion**

In our opinion the financial report of Western Research Institute Ltd is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2010 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



**GRAFF PAUL & PARNELL**  
Chartered Accountants  
107 Bentinck Street  
BATHURST NSW 2795



Len Graff  
Partner

21 March 2011



**Western Research Institute**  
c/- Charles Sturt University  
Research Station Drive  
Bathurst NSW 2795

Phone: 02 6338 4435

Email: [wri@csu.edu.au](mailto:wri@csu.edu.au)

Web: [www.wri.org.au](http://www.wri.org.au)