



Annual Report 2015

29th March, 2016

Disclaimer

Any representation, statement, opinion or advice, expressed or implied, in this publication is made in good faith, but on the basis that the Western Research Institute (WRI) or its employees are not liable (whether by reason of negligence, lack of care or otherwise) to any person for any damage or loss whatsoever, which has occurred or may occur in relation to that person taking (as the case may be) action in respect of any representation, statement or advice referred to above.

Contact Details:

Street Address:

Level 1
126 William St
Bathurst NSW 2795

Mailing Address:

PO Box 9374
Bathurst NSW 2795

Ph: 02 6333 4000

Email: team@wri.org.au

Website: www.wri.org.au



CONTENTS

BACKGROUND	4
OBJECTIVES	5
BOARD OF DIRECTORS	6
CHAIR'S REPORT	7
SEGRA CONFERENCE	10
WRI STAFF 2015	13
ASSOCIATES	15
RESEARCH IMPACTS	16
STRATEGIC DEVELOPMENT	19
COMPLETED PROJECTS 2015	21
LINKAGES	22
FINANCIALS	23

BACKGROUND

WRI offers the following services:

- Economic policy development
- Market structure and assessment
- Economic impact analysis and inter-industry modelling
- Cost-benefit analysis
- Industry analysis e.g: competitive advantage assessment
- Economic modelling
- Market research
- Project assessment
- Evaluation studies
- Feasibility assessments

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.

WRI is a leading not-for-profit provider of regional economic and market research, and strategic consulting services, to the government, business, education, not-for-profit and community sectors in rural and regional Australia. WRI has built a strong reputation over many years for providing high quality and reliable market and economic research to support informed decision making and investment decisions for our clients, partners and stakeholders. WRI has strong credentials in business and commercial market consulting and applied economic modelling including input-output analysis, benefit-cost analysis, program evaluation, shift-share, agribusiness and regional socio-economic surveys and analysis.

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 multinational consulting firms and other larger companies at an affordable cost.

OBJECTIVES

After a recent strategic and governance review, the Board of WRI has adopted its new strategy to expand its business into new fields and help our clients to grow.

OUR VALUES

CLIENT & STAKEHOLDER CENTRED

We listen to our clients and stakeholders and try to understand their individual needs. We go beyond collating data and information, and work to provide knowledge and advice that builds value for our clients and stakeholders. We aim to make a real difference in our communities, and to be a first-choice, front-of-mind service for our regions.

COLLABORATIVE & INCLUSIVE

We are at our best when we work together to achieve common goals. We recognise that we achieve better outcomes when we embrace and respect the different views, knowledge, cultures and abilities of all our stakeholders, internally and externally.

INTEGRITY & RELIABILITY

We are consistent, trustworthy, dependable and we have integrity. We set realistic goals and we endeavour to achieve them.

RESPONSIVE

We recognise that our environment, and the needs of our clients and stakeholders, are constantly changing and we continually refine and adapt to these differing and changing needs.

AMBITION STATEMENT:

The Western Research Institute aims to promote regional development and growth by supporting informed decision making for governments, communities and organisations. WRI aims to do this by:

- Highlighting regional trends and dynamics by publishing regular reports on key issues
- Providing independent, high quality research and consultancy services
- Providing economic research and specialised knowledge in key areas of regional activity

ANNUAL REPORT 2015

BOARD OF DIRECTORS



Michael Milston — Chair

Milston Professional Advisory

Michael Milston is currently the Principal of Milston Professional Advisory, and previously 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 between 2006 to 2008 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.



Ian Davison — Deputy Chair

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. In 2012 Ian was elected to Cabonne Shire Council.



Ian Rogan — Treasurer

Owner, Milthorpe Garden Nursery; Central Tablelands Local Land Services

Ian holds a Bachelor of Rural Science with Honours from the University of New England and has a wealth of experience in Agriculture Research and Development, having previously been General Manager of On-Farm R&D for Australian Wool Innovation and Regional Director of Research with NSW Department of Agriculture in Trangie. Complementing his experience in Agriculture R&D is Ian's experience as General Manager of Narromine Shire Council. Currently, Ian sits on the board of the Central Tablelands Local Land Services as well as operating a private rural and natural resources consulting business and the Milthorpe Garden Nursery.



Juliet Duffy — Secretary

Regional Envirosience Pty Ltd

Juliet brings over 20 years of experience in management, ICT, 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.



Ms Lesa Dunn — Director

Community Engagement Manager – CareWest Ltd

Lesia's career has spanned community engagement and financial management in regional NSW. Her current role with CareWest involves strategic responsibility for community engagement and program development and management as well as a multimillion dollar development project aimed at enabling community participation and social inclusion in Orange NSW. Lesia has a strong passion for building social capital in Regional NSW, having also managed Housing NSW's building stronger communities team.



Kate Baxter — Director

Institute Director, TAFE Western

Kate has lived and worked in rural NSW for over 25 years. She trained as a social worker and worked for ten years in a variety of roles with the health sector as well as the non-government welfare sector before commencing a career at TAFE. In May 2010 she was appointed as the Institute Director for TAFE NSW Western Institute. Kate has also served on the Central West Regional Development Board and the Board of Carewest. She holds postgraduate qualifications in social work and education.



Mark Burdack — Director

Managing Director & Principal Consultant, Cultivate Solutions Pty. Ltd.

Mark Burdack was the Director Corporate Affairs and Secretary of Charles Sturt University. In 2003 he was appointed as University Secretary at Charles Sturt University, working closely with the Chancellor and Council to implement governance reforms to align with best practice corporate governance. With a background in governance, project management, government and stakeholder relations, research and policy, and brand and communications, he has been involved with a range of major initiatives to promote development in rural and regional Australia. He is currently a member of Regional Development Australia – Central West; Engagement Australia; Regional Studies Association (UK); and the National Rural Law and Justice Council, as well as participating in a variety of working groups and committees across rural NSW focused on regional development and skills.



Peter Batten — Director (retired)

Retired Director of 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. Peter retired from his position on the WRI board in April 2015.

CHAIR'S REPORT

WRI entered 2015 focussed on strengthening WRI's core consulting business and servicing regional Australia with credible research to support decision making. Key objectives included strengthening the research team, targeting higher education providers, local councils and organisations submitting funding applications as well as leveraging previous research projects.

BOARD OF DIRECTORS

WRI was pleased to welcome a new Director to the Board in 2015. Lesa Dunn - Community Engagement Manager for CareWest joined the Board in February 2015, bringing with her a wealth of experience in the not-for-profit sector with sound management experience also in financial management, corporate services and community engagement. Lesa's previous roles include managing the Building Stronger Communities department of Housing NSW and senior executive roles in the Banking and Finance sector.

During 2015, Director Mark Burdack, stepped down from his role on the Board, as his consultancy, Cultivate Solutions, was engaged to provide services to WRI in conducting a Strategic Business Review, and to work with the Board on the development of a new long term Business Strategy, Organisation Structure and Governance Framework.

WRI TEAM

Capably lead by CEO Danielle Ranshaw, the WRI team saw some changes during the year:

- *Senior Research Officer Rebecca Hood spent 2015 heavily focussed on both Economic Impact and Benefit Cost Analysis work, in support of clients applying for government funding. Rebecca was able to further develop our expertise in undertaking high complexity modelling projects and she also commenced training two new senior researchers in these modelling techniques.*
- *Senior Research Officer Alistair MacLennan was the key researcher involved in a comprehensive program evaluation for a regional music tuition organisation. This project required significant fieldwork which saw the team travel to Deniliquin, Grafton and Armidale to conduct focus groups and in-depth interviews in addition to fieldwork conducted in Bathurst. A quantitative phase followed which saw surveys developed for the organisation's entire network across 17 locations in New South Wales.*
- *Senior Research Officer Erin Wise led a project with Charles Sturt University, to understand the perceptions of further education and online learning among Australia's youth. This project will support the further development of CSU's Major Open Online Course, which was launched in July.*
- *In late June 2015 we welcomed Administration Officer Elspeth Morris to our ranks in a relief capacity during the maternity leave of Executive Officer Dale Curran.*



From left: Blayney Shire Council General Manager Rebecca Ryan and Mayor Scott Ferguson, Western Research Institute CEO Danielle Ranshaw with the WRI Cadia Mine Impacts report in hand, Association of Mining Related Councils Chair Cr. Peter Shinton, Cabonne Shire Councillor Sharon Wilcox and CEO of the Association Don Tydd.

ANNUAL REPORT 2015

CHAIR'S REPORT - CONTINUED

- In July, Senior Researcher Erin Wise took up the role of Manager, Market Intelligence and Insights at Charles Sturt University (Orange campus). Rebecca Hood, in November 2015, took a new direction in a career with Land and Property Information, a division of the NSW Department of Finance, Service and Innovation.
- Wai Matthews commenced as a Research Officer in September 2015. Wai had previously been engaged by WRI as a part of her CSU Business Student placement. In this time Wai demonstrated solid focus in completing tasks and initiative in undertaking research and report writing tasks. Her key focus has been to develop skills in Input-Output modelling.

Danielle Ranshaw resigned as CEO in the later part of 2015, and has been engaged as a Senior Consultant. During her employment with WRI she has always been a most loyal and dedicated employee, across all levels in which she served from Research Officer through to CEO. She has been very supportive of the organisation both during its formative years and during its period of change and transition. She took up challenges as they arose in both the research field and in management. The Board was most grateful for her acceptance of the CEO role following the previous incumbent resigning after only 12 months in the role.

Danielle has overseen the changes in WRI from a University based research unit to an operational, unsubsidised not-for-profit company. It has been through her commitment to keeping the business going and enthusiasm for improvement that saw the current Business Review generate some challenging but necessary strategies for WRI's future growth and activity to support regional development. Danielle has been with WRI for many years and has contributed enormously to the output and reputation of the company. Under the new Strategy adopted Alistair was appointed Acting General Manager at the end of 2015, following Danielle's resignation, during the broader search for this new role.

PROJECT WORK

WRI completed 17 research projects in 2015. Eight of these projects were commissioned by new clients. Some highlights are presented below:

- *Local Government:* Further engagements to conduct Special Rate Variation work for local councils have benefitted from past successes in this area, and this continues to extend our profile amongst local governments.
- *Education, Employment and Evaluation:* WRI continued to support Charles Sturt University with work to understand the needs of their current and prospective students. Related follow-up work has been commissioned for 2016. In addition, the commissioning of a large statewide program evaluation project for a music education organisation, builds on our substantial experience in the education field and in program evaluation.
- *Economic Development:* Two projects seeking to understand economic opportunities were conducted in the local region, and will be of value to local government in planning where to direct their economic development efforts.
- *Environment:* A series of local government based surveys were conducted across the Central West to understand sentiment around waste collection services. This saw WRI sub-contract telephone surveying work to IRIS Research in Wollongong. WRI has a long history of this type of collaboration with IRIS.
- *Economic Impact:* Two targeted economic impact studies were undertaken for Charles Sturt University, one with a focus on event impact modelling and one for the Murray Darling Medical School. The former project saw WRI and CSU collaborate to develop a free impact modelling tool which is available from CSU's website.

BUSINESS DEVELOPMENT

"Getting out there" was the key theme driving WRI's approach to business development and profile raising in 2015. WRI's CEO went "on the road" to make presentations and meet potential clients. Activity included:

- In February, CEO Danielle Ranshaw spent time in Tamworth and Armidale meeting with educational bodies and regional development organisations.
- In July, Danielle presented two sessions at the Building Regional Australia Summit, held in Dubbo. Whilst only a small audience, feedback on the presentations was very positive.

CHAIR'S REPORT - CONTINUED

- Finally, WRI played a large part in the 2015 SEGRA conference which was held in Bathurst in October.

In addition, WRI's staff attended some key conferences during the year.

- February: Danielle was asked to present at an Association of Mining Related Councils meeting in Sydney. This provided a very worthwhile opportunity to talk about WRI's recently completed study for Cadia Valley Operations.
- July: Rebecca Hood and Alistair MacLennan attended the National Centre for Vocational Education Research "No Frills" conference in Sydney, which provided a useful opportunity to get up to speed with happenings in this very dynamic sector.

FINANCIAL WRAP

In financial terms, WRI performed relatively successfully in 2015, earning approximately \$548,000 in accrued income. WRI has reported a deficit in 2015 of \$26,852. This is largely the result of a significant reduction to leave entitlements during 2015. In addition there was also significant investment into the governance and strategic review of the organisation. Given these outlays the current financial position is still strong with a positive outlook in terms of major projects carrying over into the first quarter of 2016.

LOOKING FORWARD

Strategic Business Review

In third quarter 2015, WRI undertook a major client and stakeholder survey to inform the next stage of its business strategy. All WRI clients over the last 2 years were asked to participate, as well as selected stakeholders from across government, community and business. WRI was very pleased to find that over 96% of respondents 'preferred' WRI's services and our research was seen as 'professional', 'reliable' and 'highly valued'.

However, times have changed since WRI was formed in 1998 and our clients and stakeholders expect WRI to change as well. In response to client and stakeholder feedback, WRI has developed the Business Strategy 2016-20. Under our new Strategy, we will progressively launch a range of new initiatives in 2016 including:

- WRI Regional Consulting – a new 'one-stop-shop' for research and consulting services to support regional and business planning, stakeholder engagement and grant writing.
- WRI Public Regional Research – a new series of free public reports on major regional trends, as well as an exploration of initiatives that are worth further consideration in our regions and government.

More detail outlining the new strategy for the period 2016 - 2020 can be found at page 20 of this report.

Business Structure

To meet the needs of the new Strategy, the organisational structure involves a more hands-on Board and a staff lead by a General Manager, working to the adopted Business Plan. The Organisation will have two streams, Client Research and Content Services, and Regional Consulting and Administration. The Board, as at timing of printing the Annual Report has undertaken an exhaustive search for the new General Manager and will have made an appointment.

Continuing contribution

WRI has already secured a range of projects to take us into 2016, which will help to support the growth and development of rural and regional communities. With the launch of our new Consulting Services in 2016, and the publication of new regional reports, we expect that in 2016 WRI will continue to make a positive difference in rural and regional Australia and contribute to jobs, economic activity and growth in our communities.



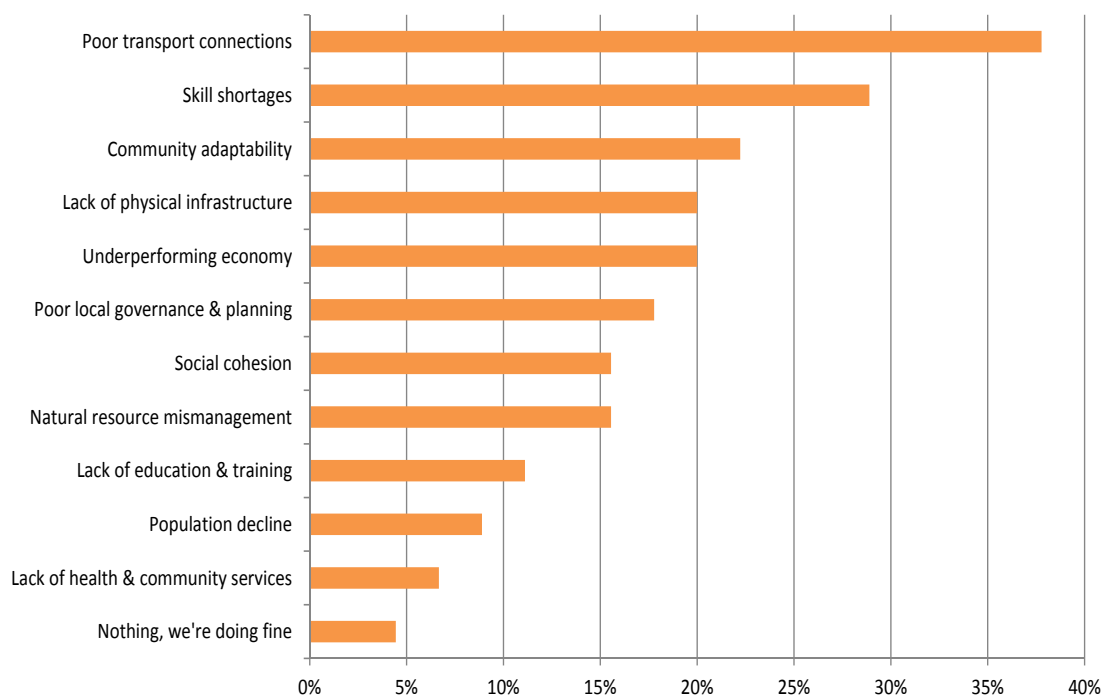
Michael Milston — Chair

ANNUAL REPORT 2015

SEGRA CONFERENCE 2015

SPONSORSHIP AND COLLABORATION

During 2015 WRI saw the opportunity to participate as a sponsor in the 2015 National Sustainable Economic Growth for Regional Australia (SEGRA) conference hosted on the Charles Sturt University (CSU) Bathurst Campus in October 2015. This opportunity allowed WRI to network with a broad cross section of organisations from local and state government departments, sustainability and infrastructure sectors to Regional Development bodies on meeting the challenges of Sustainable and Economic Growth in Regional Australia.



Left: The top responses from participants on what they saw holding back their regions (overall results).

Below: A wordle representing the challenges and opportunities for regions that were identified by survey participants (overall results).



SEGRA CONFERENCE 2015 - CONTINUED

As silver sponsors of the conference, WRI took the opportunity to conduct a brief survey of delegates seeking feedback on priority areas of development across the regions. In particular respondents were asked "What they felt was holding their region back" and "What is the one development they would like to see get off the ground in their region". This survey produced some interesting results to build on the theme of "Developing sustainability in regional Australia". Of the 200 plus delegates who attended the 3 day conference, 46 completed the survey from a broad range of locations and professions.

- *WRI attended the conference with a range of new and visually appealing, targeted marketing materials. In addition, WRI developed some audio-visual vignettes about key projects. These were presented at one of the conference lunches.*
- *All WRI staff attended some part of the conference, taking the opportunity to network with key people across the regions.*
- *Several useful contacts were made as a result of the conference, and further insight was gained into how WRI could best support its regional partners. Work is underway to translate some of these insights into future business.*

An overview of services we provide to different client groups was also highlighted in the material provided to delegates at the conference including:

EDUCATIONAL INSTITUTIONS INCLUDING UNIVERSITIES, TAFES AND OTHER TRAINING PROVIDERS

- Organisational economic impact studies
- Assessments of the impacts of specific courses using economic impact and benefit cost analysis
- Qualitative and quantitative research including surveys, in-depth interviews and focus groups to support:
 - the development of student support programs
 - course planning and marketing functions
 - course impact analysis

NOT FOR PROFIT SERVICE PROVIDERS

- Organisational economic impact studies
- Economic appraisal to support funding applications using benefit cost analysis and economic impact analysis
- Qualitative and quantitative research including surveys, in-depth interviews and focus groups to support service planning and marketing functions
- Community and demographic profiling and demand assessment
- Program evaluations

STATE AND FEDERAL GOVERNMENT

- Regional socio-economic profiling
- Economic opportunity profiling including economic impact assessments
- Program evaluations
- Regional workforce and skills surveys

LOCAL GOVERNMENT

- Community sentiment surveys
- Socio-economic assessments to support Special Rate Variation applications (NSW)
- Economic impact studies for events and facilities
- Economic appraisals in support of funding applications using benefit cost analysis and economic impact analysis
- Program evaluations
- Economic opportunity profiling

FINANCE SECTOR

- Regional business sentiment surveys
- National agribusiness surveys
- Community economic monitors

RESOURCES ORGANISATIONS

- Social and community impact assessments
- Organisational economic impact studies

REGIONAL DEVELOPMENT GROUPS

- Business performance surveys
- Regional socio-economic profiling
- Economic opportunity profiling including economic impact assessments

ANNUAL REPORT 2015

CASE STUDY PRESENTATIONS

SEGRA CONFERENCE 2015

CEO Danielle Ranshaw delivered a presentation to delegates as part of our sponsorship to highlight the breadth and depth of work, as well as the diversity of clients that WRI has assisted in recent years. Below are some of the case studies presented to conference delegates to highlight the diverse capabilities of WRI research staff, including:

BATHURST RSL CLUB COMMUNITY SURVEY

OUTCOMES

- A comprehensive survey of a representative sample of the Bathurst community.
- Preferences and perceptions reported for members versus non-members, different age groups and females versus males.
- Actionable recommendations and confirmation of management's plans to redevelop aspects of the Club.

SPECIAL RATE VARIATIONS - LOCAL GOVERNMENT

OUTCOMES

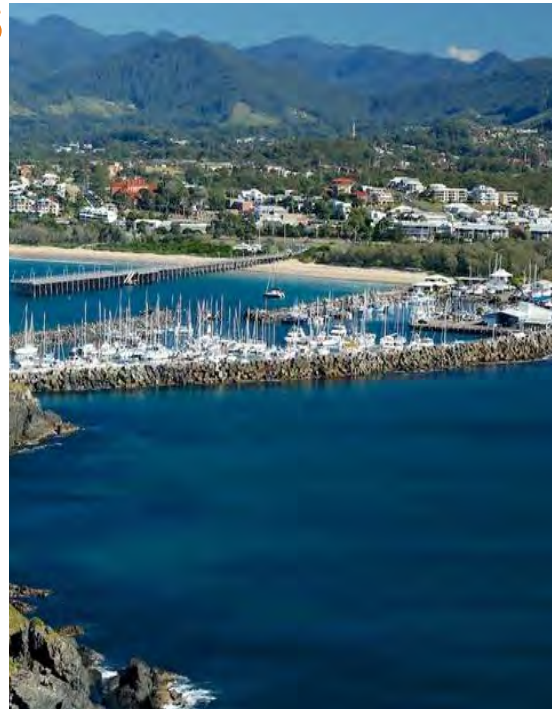
These studies produced an assessment of the community's capacity to bear the effects of a rate increase in terms of:

- How it compares to other price and cost increases experienced and forecast for the LGA;
- The impact of the proposed rates increase on household expenditure and business viability; and
- The impact of the proposed rates increase on an LGA's ranking relative to its peers in terms of personal income and socio-economic indicators.

CAREWEST - 4C DEVELOPMENT

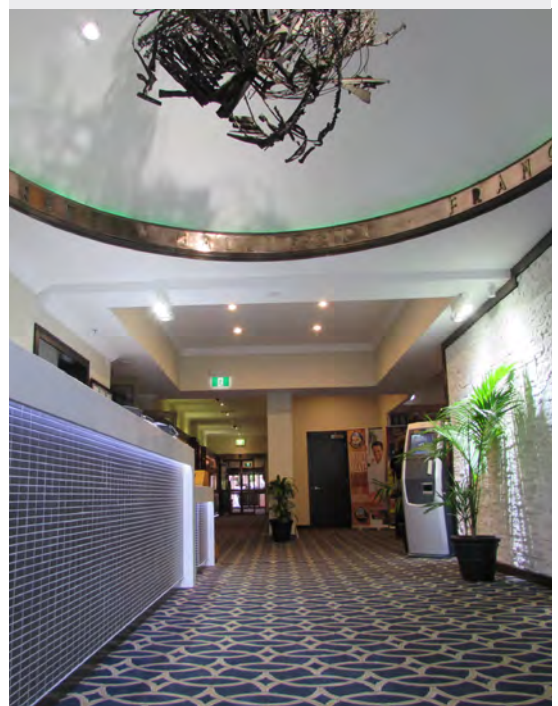
OUTCOMES

- Analysis of the community profile identified a demand for greater care facilities and services.
- The redevelopment will have significant initial and flow on impacts to the local economy as a result of the initial construction and operations of the project.
- The Benefit Cost Analysis returned a Benefit Cost Ratio well above 1, indicating that it was an efficient use of funds and highlighting strong project viability.



Above: Coffs Harbour was one of several councils to engage the services of WRI in 2015 to complete their Special Rate Variation submission.

Below: The foyer of the revamped Bathurst RSL at the conclusion of refurbishment works undertaken as a result of the WRI Community Survey conducted for the club.



WRI STAFF 2015

We are a trusted partner of business, government and communities in regional development. Our local knowledge, and strong local collaborations, ensures that our advice and support is highly sought-after. We help to grow regional businesses and services, support better decision making and help to attract investment for the benefit of our clients and stakeholders.

Ms Danielle Ranshaw – Chief Executive Officer

BEc&Fin NSW

Danielle leads the team at WRI, managing overall research output and developing the organisation's business and profile. With over eight years of experience in research with WRI, and qualifications in economics and finance, Danielle has a solid background for managing the organisation's operations. She has led projects for clients ranging from local and state government, to education institutions, not-for-profit organisations, finance and peak industry bodies. Alongside a strong focus on project planning and management, Danielle has a "hands on" approach and is often involved in roles including survey development, quantitative and qualitative data analysis, stakeholder consultation, in-depth interview, focus group facilitation and report writing.

Prior to returning to Bathurst, Danielle spent several years' as a project manager within the Information Technology sector. With strong skills in system design and development Danielle has been instrumental in extending WRI's capability for developing robust systems to support research fieldwork and data management. Additionally, Danielle has considerable experience in business process analysis.

Danielle is currently a member of the Australasian Evaluation Society and has significant experience in undertaking program evaluation, having completed both large scale and small evaluations for organisations in the Central West of NSW. She is also enrolled in postgraduate study related to community engagement work.

Ms Erin Wise – Senior Research Officer

BBus Marketing, BBus Honours Class 1 (CSU)

Erin is a passionate market researcher with over 10 years' experience in the industry. Erin joins WRI after gaining a wealth of experience in brand strategy and development, and understanding consumer sentiment from her previous role as a Research Director at Pollinate. She is a skilled quantitative researcher with a background in brand tracking, consumer segmentation, advertising testing and evaluation. Erin is proficient in multivariate data analysis techniques, project management, presenting and is dedicated to ensuring her

clients solve their research problems.

Erin is currently a member of the Australian Marketing and Social Research Society and has been certified by the society as a Qualified Practicing Market Researcher (QPMR).

Mr Alistair Maclellan – Senior Research Officer

BA Political Economy, First Class Honours (UNE)

Having served in a variety of parliamentary, public service and private sector roles, Alistair brings a wealth of research experience to WRI. Alistair has well developed skills in data analysis, economics and business, and has a wide understanding of government. In addition, Alistair also has experience in policy development in the energy sector, where he engaged with industry, government agencies and NGOs to inform policy. Alistair's experience in engaging with clients, stakeholders and the public assists WRI to fully understand its client's needs and provide tailored research.

Ms Rebecca Hood – Research Officer

BBus (Fin/Acc) With Distinction CSU

After working in the Financial Services Industry for several years coupled with a degree in Finance and Accounting from CSU, Rebecca brings strong skills in finance, economics, business and accounting to WRI projects. Rebecca's extensive experience in the finance field and her high level understanding of current market knowledge gives Rebecca a solid understanding of the financial needs of regional and rural Australia. Having prior experience with local councils and retail, Rebecca also brings a robust understanding of the needs of regional businesses to her role at WRI.

In her role as Research Officer, Rebecca has worked on a wide range of projects covering many aspects of regional economic development including; economic and social impacts of mining and mine related developments, manufacturing operations, sporting events, not for profit social housing and aged care. Rebecca plays a key role in performing high level and varied economic impact (input-output) modelling and also has strong skills in benefit-cost analysis, human capital modelling, survey questionnaire development and the preparation of socio-economic profiles.

ANNUAL REPORT 2015

WRI STAFF 2015 - CONTINUED

Ms Wai Matthews – Research Officer **BBus (Fin/Eco) CSU**

With a background in Business Administration and Bookkeeping, Wai brings to WRI strong experience and knowledge in local business operations, management and finance. Wai has great interest in economic issues affecting regional areas which led to her attaining an internship with the NSW Department of Industry as an Economic Analyst. As an intern, Wai has gained a wealth of knowledge and experience in data analytics and reporting as well as a good understanding of government. Wai will undertake Post Graduate study in Applied Statistics to further her skills.

Ms Jenni Greig – Casual Research Officer **BPsych CSU**

Jenni has assisted WRI in contract research work periodically over the last twelve months. With a Bachelor of Psychology (2004), Charles Sturt University, and Certificate in Applied Statistical Procedures (2010), Australian Consortium for Social and Political Research, Inc. Jenni brings a wealth of ideas and prospective to complement the research team. Jenni is currently a PhD student at Charles Sturt University, with her thesis topic: 'Predicting the social impacts of change: Exploring a psychological approach to capturing social impact data for cost-benefit analysis'. Jenni is also a reviewer for The Australian Journal of Agricultural and Resource Economics.

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's skills and experience in data collection contribute to WRI's projects, bringing strong skills in data collection, particularly questionnaire development, data entry and telephone and face to face interviewing techniques. Dale brings a high level of organisational skill to her role as Executive Officer.

Ms Elspeth Morris – Administration Officer **Dip. BusMgt Adv. Dip HospMgt**

Joining WRI in a maternity relief role, Elspeth brings with her over 20 years of workplace experience in hospitality, banking and administration roles including;

- Development of social media policy and profiles;
- Development of document templates and maintenance of document registers;
- Development of policies and collaboration on risk management analyses, as well as draft and publishing of internal business documents, and;
- Development of branding and marketing materials.

Her most recent relevant experience includes Executive Support, diary and appointment management, administrative and record-keeping services. Elspeth is experienced in fleet reporting and management as well as tracking and cost-centre journaling of expenses to program budgets, budget monitoring, general administrative duties and direct supervision of administration staff.

ASSOCIATES

Mr Tom Murphy – Associate

B.Ec. (Hons I) MSc. (Econ) Lancaster

Tom Murphy was WRI's founding CEO and held this position from 1999 until his retirement in December 2012. Under Tom's leadership WRI completed over 300 projects for all levels of government and government departments, industry groups, businesses, financial institutions, regional development boards and community groups, and educational institutions including universities, TAFE and schools in NSW, Victoria and Queensland.

Tom 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 Marwick 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.

Dr Guy West – Associate

Professor Guy West is experienced in regional economics with specialisation in applied quantitative economics. Current research interests include the theory and application of inter-industry models particularly in an integrated spatial econometric framework, the nature of economic structure at the regional and national levels, and regional economic projection, planning and growth. This revolves primarily around the study and identification of economic structure, involving concepts such as fundamental economic structure, structural change and evolution.

Dr. West has published extensively in international journals at both theoretical and empirical levels. He is an accomplished computer programmer and has developed a number of specialised economic models for analysing structural change, as well as more generalised software for inter-industry analysis.

Some of this software is used extensively in universities in Australia, US, UK and Europe. He has been actively involved in consulting and advisory work in the area of economic impact analysis, planning, development and economic policy for federal, state and local government and the private sector.

ANNUAL REPORT 2015

UNDERSTANDING SENTIMENT

UNDERSTANDING PERCEPTIONS OF FURTHER EDUCATION AND ONLINE LEARNING AMONG AUSTRALIA'S YOUTH

Developed by Charles Sturt University, the Massive Open Online Course (MOOC), "What's UNI like?", aims to encourage students from Low Socio Economic (LSES) backgrounds across Australia, to participate in higher education. It is a free of charge, accessible resource through which students can build pre-tertiary achievement levels and explore aspects of the transition to University in a flexible, non-threatening environment.

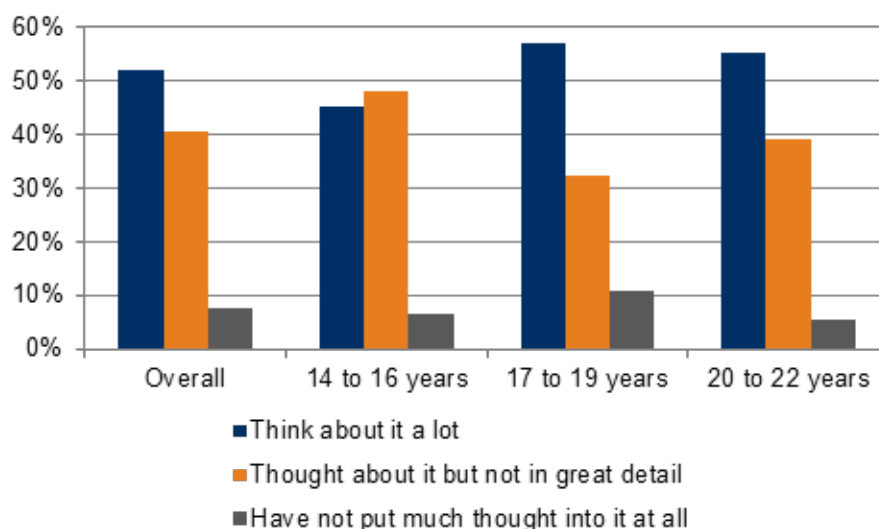
CSU commissioned the Western Research Institute (WRI) to conduct research to establish a baseline understanding of student sentiment towards online learning and post school education prior to the launch of the new MOOC in July 2015. In order to do this, WRI conducted two stages of research.

1. Qualitative research was undertaken to explore students' perceptions and awareness of post school education. WRI conducted two focus groups, one with younger students (aged 14 to 16 years) and the other with older students (aged 17 to 18 years), to understand perceptions of and thought processes around further education.
2. Quantitative research was undertaken in order to establish an understanding of student/youth sentiment towards post school education and online learning. WRI developed a 15-20 minute online survey that was completed by the target research group aged 14 to 22 years (the target youth). The online survey was designed to deliver valid and reliable insights into the perceptions of youth.

Overall, the long-term life goals of the target youth included:

- being happy (96 percent);
- earning enough money to live (94 percent); and
- being healthy (94 percent).

The long term goal to attend university was important to 61 percent of the target youth whilst 36 percent thought it was important to undertake a trade qualification. Across the various age groups, there were no significant differences in long-term life goals. Interestingly, 71 percent of the target youth from metropolitan areas had the long-term goal to attend university compared to 52 percent of regionally based target youth.



At Left: This chart shows the proportion of target youth thinking about their future long term life goals from those who participated in the survey sample.

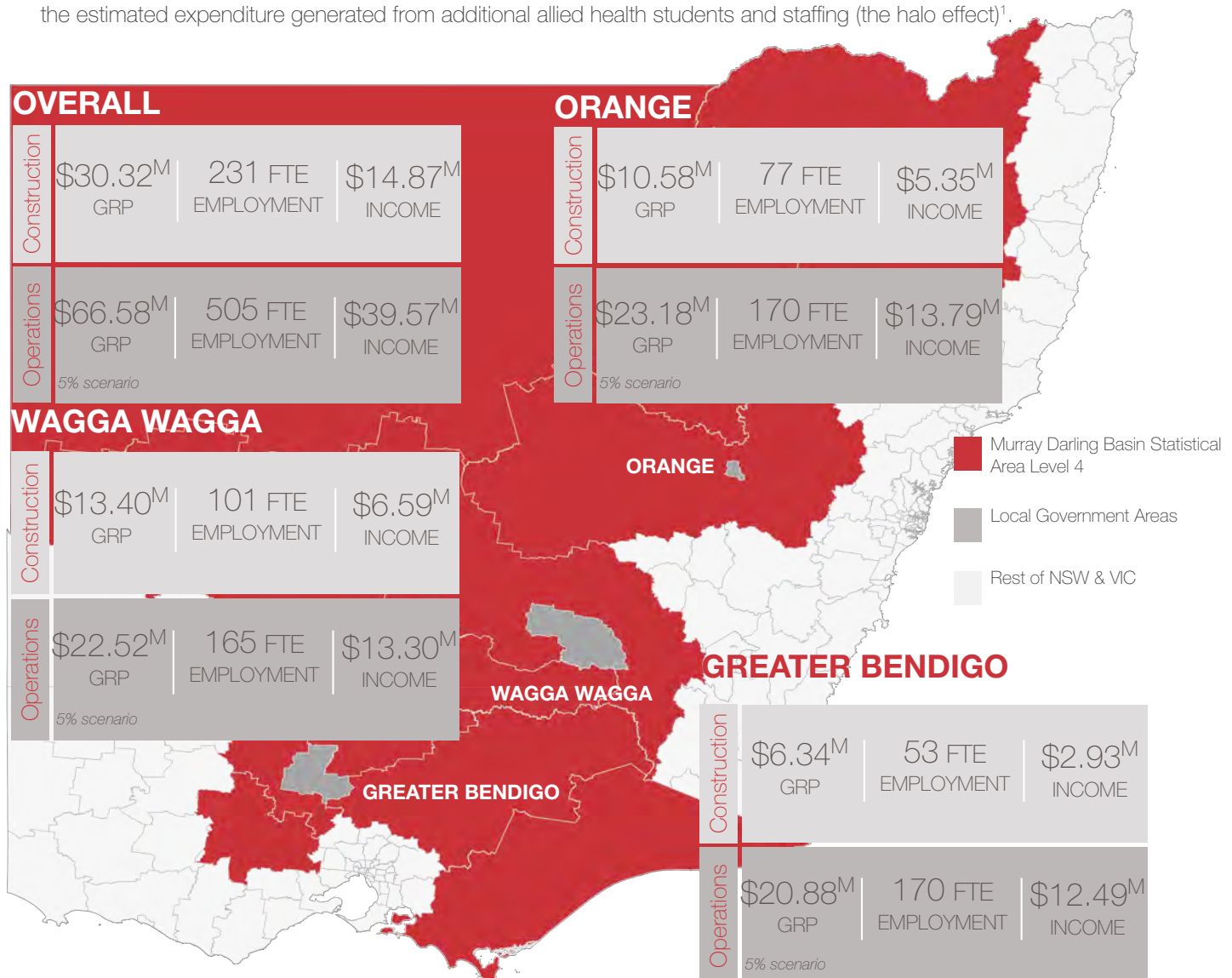
ECONOMIC, SOCIAL & COMMUNITY IMPACTS

MURRAY DARLING MEDICAL SCHOOL

WRI was commissioned by Cultivate Solutions to undertake an economic assessment of the impact of the construction and operation of the rurally based Murray Darling Medical School (MDMS). The MDMS is proposed for the Orange and Wagga Wagga campuses of Charles Sturt University (CSU) and Bendigo campus of La Trobe University (LTU), with the aim to address the chronic shortages of doctors in rural and regional Australia.

Impacts were generated for the Local Government Areas (LGAs) of Greater Bendigo, Orange and Wagga Wagga as a result of the MDMS. The impacts include:

- A one-off construction impact; and
- Operational impacts (as at year 8) incorporating the operations of the MDMS; non-local medical student expenditure and the estimated expenditure generated from additional allied health students and staffing (the halo effect)¹.



WRI applied a scenario based approach in order to account for the 'halo effect' of establishing a new rural based medical school, scenario one is based on a 5% increase in allied health students in the first year of operations, over a 5 year period, scenario 2 is based on a 10% increase in the first year. The Operational impacts shown above only include the student increase scenario of 5%.

¹ The 'halo effect' is defined as the positive impact of the establishment of a particular course on growth in student enrolments in related courses.

ANNUAL REPORT 2015

SOCIO-ECONOMIC PROFILING

BLAYNEY 2020 MASTERPLAN

During 2015 Blayney Shire Council sought to develop strategies to enhance the economic viability, growth and marketability of the Blayney Shire, including the re-vitalisation of the Blayney township CBD. The output from this will be a Masterplan (Blayney 2020 Masterplan) that identifies key initiatives to improve the overall liveability and competitive position of Blayney Shire.

Place Design Group was engaged to lead a consortium of expert consultants to undertake a study on behalf of Blayney Shire Council. WRI formed part of this consortium with the role of undertaking socio-economic profiling of the Blayney Local Government Area (Blayney LGA) and identifying and quantifying economic opportunities.

The Blayney Socio-economic Profile & Opportunities report provides a comprehensive profile of socio-economic characteristics of the Blayney LGA and identifies economic opportunities in four key industry sectors, including indicative modelling on the potential economic impact of these opportunities.

WRI analysed a range of relevant data to identify the importance of different industry sectors to the Blayney economy and to understand the key sectors driving the economy. A scoring methodology was applied to this data to identify key industry sectors within Blayney. This allowed WRI to target important industries for interviews and further analysis.

The key sectors/clusters identified for interviews, analysis and modelling in the Blayney economy include:

- Tourism
- Food & Beverage Manufacturing cluster
- Agriculture
- Manufacturing



Photo source: Millthorpevillage.com.au

ECONOMY

The GRP for Blayney in 2013/14 was estimated at \$369 million.

Key sectors in 2013/14

- Other Mining (26% of value added and 21% of FTE employment)
- Agriculture (10% of value added and 25% of FTE employment)
- Food & Beverage Manufacturing (9% of value added and 10% of FTE employment)

Changes in sectoral employment between 2006 and 2011

The most significant changes were experienced:

- in Other Mining, where employment increased by 17 percentage points;
- in Agriculture, where employment decreased by 9 percentage points; and
- Food & Beverage Manufacturing, where employment decreased by 3 percentage points.

Based on an analysis of industries at the subdivision (2-digit industry) level, the top employment sectors in 2011 were:

- Metal Ore Mining (17% of employment);
- Agriculture (14%);
- Food Product Manufacturing (9%);
- Preschool & School Education (7%); and
- Construction Services (5%).

Key Shift Share results between 2006 and 2011

Based on an analysis of industries at the subdivision level, strong local factors for employment growth were experienced in the following key sectors:

- Metal Ore Mining
- Heavy & Civil Engineering Construction
- Administrative Services

STRATEGIC GROWTH AND DEVELOPMENT



2015 has been a key transitional year for WRI, in laying foundations for future development of the way WRI supports regional communities going forward. This saw many changes and the seizing of opportunities to take the business into new territory for the sustained, long-term growth of the organisation.

February 2015 saw a move to new premises in William Street in the heart of the Bathurst CBD. This move has allowed clients easier and greater access to the business and research staff with a bigger and brighter space allowing greater facilitation of client meetings, facilitation of focus groups and more.

Inside the new offices at 126 William Street, Bathurst.

The historic building with its tastefully restored features has been a highlight for WRI in 2015.



Once settled into new premises the Board sought to undertake a Strategic Review and Assessment of the business model, and how best to take this into the next 5-10 years, as well as looking at the staffing structure required for these strategic changes. As mentioned above, the decision was taken in the third quarter of 2015 to create the role of General Manager. This will provide a sound base on which WRI can expand its services and the range of public purpose reporting it makes available for general use.

The General Manager will act as the principal executive officer of the company, and will be responsible for promoting the interests and furthering the development of the company in accordance with the Strategy, Business Plans, Financial Plans, policies and procedures approved by the Board. The General Manager will work closely with the Board to establish and realise clear and measurable objectives for the company, and accept accountability for their development and implementation.

With advertising for the General Manager role conducted across December and early January, it is anticipated that a successful candidate will be announced and ready to assume the role and next phase of business promotion, growth and development by March/April 2016.

ANNUAL REPORT 2015

WRI STRATEGY 2016 - 2020

OBJECTIVES FOR

OUR STAKEHOLDERS	OUR CLIENTS	OURSELVES
<ul style="list-style-type: none"> Will be informed about their region and the factors that are important to its development. 	<ul style="list-style-type: none"> Understand the importance of local knowledge to effective decision-making and planning. Understand how to use the right data and research to support informed decision-making. Will have access to a full range of consulting services locally that support innovation, effective planning and growth in rural and regional Australia. Look to WRI for all regional data, research, analysis, surveying, planning and evaluation needs. 	<ul style="list-style-type: none"> Understand our clients needs. Collaborate proactively with business, government, universities and the community to support regional, social and economic development. Work cohesively and be inclusive of the views and abilities of all staff and stakeholders. Measure our success based on the views of our clients, the contribution we make to regional development and the growth of our business.

WE WILL ACHIEVE THESE OBJECTIVES BY FOCUSING ON THE FOLLOWING STRATEGIC PRIORITIES OVER THE NEXT FIVE YEARS

<ul style="list-style-type: none"> Publishing short regional reports on key social and economic indicators to build community and business understanding of regional development. Engaging with local media to inform our communities and businesses about the importance of evidence based planning, and local knowledge and advice for growth. Participating in key forums and workshops to share knowledge and contribute our expertise to regional planning and decision-making 	<ul style="list-style-type: none"> Engaging with our stakeholders to develop standard products that meet their needs and help to support the development of our regions. Creating a 'one-stop-shop' for local businesses and organisations comprised of local experts and innovation professionals who can consult on research, planning, communication, stakeholder engagement and other regional and business development needs. Developing strategic partnerships with other organisations to expand and enhance services to regions to promote regional development. 	<ul style="list-style-type: none"> Implementing an outcomes-based performance framework that helps us prioritise our work and to continuously measure our success in delivering against our objectives and improve our best practice. Structuring our board, staff and office systems to ensure we are responsive to the needs of our clients and stakeholders. Contribute actively to regional development, ensuring that all staff and board are engaged and empowered to contribute to our strategy, sustainability and future.
--	---	---



Left: WRI's research team regularly meet to review the progress and status of current projects as well as discussing opportunities for future business development.

COMPLETED PROJECTS 2015

Measuring Impact

- Economic Impact of Charles Sturt University (across multiple campuses)
- Economic Impact of Regional Conferences - model development in conjunction with Charles Sturt University
- Water Consumption Regression Analysis for The Water Directorate
- Economic Impact of the HEART project for Shire of Augusta Margaret River
- Economic Impact of the Murray Darling Medical School for Cultivate Solutions

Major projects commenced in 2015

- Evaluation of Regional Conservatorium music programs for school students for the Association of NSW Regional Conservatoriums
- Low Income Energy Efficiency Program Evaluation with Skillset
- Community Consultation on Effluent Diversion Proposal for Bathurst Regional Council

Social and Economic Profiles

- Community Profile for Bland Shire Council
- Socio-Economic Profile for Cabonne Council

Understanding Sentiment

- Community Surveys on Waste Management Services for Bathurst Regional, Parkes Shire, Dubbo City and Wellington Councils
- Understand Perceptions of Post School Education Amongst Australia's Youth for Charles Sturt University

Evaluating Outcomes

- Water Services Association of Australia Data Analysis for Shoalhaven City Council

Local Government Projects

- Report on proposed special rates variation for Narromine Shire Council
- Report on proposed special rates variation for Coffs Harbour Council
- Report on proposed special rates variation for Singleton Council
- Blayney 2020 Masterplan for Place Design Group and Blayney Council
- Assessment of Residential Water Meter Sample for Dubbo City Council
- Manufacturing Sector Study for Bathurst Regional Council

ANNUAL REPORT 2015

LINKAGES

Local Government

- Bathurst Regional Council
- Bland Shire Council
- Blayney Council
- Cabonne Shire Council
- Central Darling Shire Council
- Central NSW Councils (CENTROC)
- Coffs Harbour Council
- Councils in the Barwon Darling Alliance
- Cowra Shire Council
- Dubbo City Council
- Fairfield Council
- Goulburn Mulwaree Council
- Greater Hume Shire Council
- Junee Shire Council
- Lithgow City Council
- Liverpool Council
- Maitland City Council
- Orange City Council
- Parkes Shire Council
- Shoalhaven Council
- Singleton Council
- Wellington Council

Government

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

Industry Groups

- Australian Pork Limited
- Australian Meat Industry Council
- Australian Meat Processing Council
- Albury Wodonga Corporation
- Arts OutWest
- Bells Line Expressway Group
- The Water Directorate
- Lachlan Valley Water

Business

- Applied Economics
- Australian Paper
- CareWest
- Electrolux
- Hyder Consulting
- Perpetual Regional Infrastructure Fund

- Printhie Wines
- The MAC Services Group
- The Housing Alliance
- SG Heilbron and Associates
- Simplot Australia Pty Ltd
- Skillset
- State Water Corporation
- V8 Supercars Australia Pty Ltd

Education

- Association of NSW Regional Conservatoriums
- Bond University
- Charles Sturt University
- Chifley Business School
- Deakin University
- Griffith University
- James Cook University
- TAFE WESTERN
- TAFE NSW Education and Training Support Industry Skills Unit
- University of Ballarat
- University of Technology—Sydney
- University of Wollongong

Financial Institutions

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

Regional Development Australia

- Central West
- Far West
- Murray
- Orana

Associates

- Professor John Hicks, BCom, DipEd MA (Melbourne), PhD Massey
- Dr Kishor Sharma, PgDipMgt Iml, MEc TUNepal, PhD La Trobe
- Adjunct Professor Greg Walker, MCom DipEd NSW, PhD Macq

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

For the year ended 31 December 2015

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

For the year ended 31 December 2015

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

OPERATING RESULTS

The loss of the company for the year ended 31 December 2015 amounted to \$26,852. (2014: Loss of \$3,973)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the company.

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 circumstances that have arisen since 31 December 2015 that have 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 from paying dividends.

OPTIONS

No options over issued shares or interests in the company were granted during or since 31 December 2015 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

During 2015, 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
AIG Australia Limited
Policy No: 9609 233 PVE
Expiry Date: 31st October 2016

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

For the year ended 31 December 2015

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 year.

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 01/01/2015 to 31/12/2015	
				HELD WHILST A DIRECTOR	ATTENDED
DIRECTORS					
Peter John Batten	Former 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 2000 - 2010 Treasurer 2011 - 2015 Resigned April 2015	3	3
Catherine Baxter	Institute Director, TAFE Western Institute	BA Social Work, U Syd Masters Social Administration, Flinders Uni Master of Education, University of Technology Grad Dip Counselling, MCAE Grad Dip VET; CSU	Director since 2011	8	6
Ian Davison	Country Advertising Agency Pty Ltd	Marketing, Charles Sturt University	Director since 2001 Vice President 2011 - 2015	8	7
Mark Burdack	Director, Corporate Affairs and University (CSU) Secretary	BA, BLegS (Hon), Macquarie University	Director 2009-2015 Resigned July 2015	5	3

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

For the year ended 31 December 2015

NAME	OTHER INFORMATION	QUALIFICATIONS	PERIOD AND OTHER RESPONSIBILITIES	NUMBER OF MEETINGS DURING THE PERIOD 01/01/2015 to 31/12/2015	
				HELD WHILST A DIRECTOR	ATTENDED
Juliet Lee Duffy	Director, Regional Enviroscience Pty Ltd	MSM Syd Uni	Director since 2005 Secretary since 2007	8	7
Michael Grouse Milston	Director, Milston Professional Advisory	BEd (Hons) - Univ of Sydney, Dip Ed - Univ of Sydney, MBA - CSU	Director since 2000 Vice President 2005-2011 President since 2011	8	8
Ian Rogan	Owner, Millthorpe Garden Nursery. Director, Central Tablelands Local Land Services	Bachelor of Rural Science (Hons)	Director since 2013 Treasurer since 2015	8	8
Lesa Dunn	Community Engagement Manager, Carewest Ltd	Bachelor of Business (Banking & Finance)	Director since 2015	6	6

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

For the year ended 31 December 2015

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 2015.

Signed in accordance with a resolution of the Board:



Michael Milston
President

Dated at Bathurst this **24th** day of **March** 2016



Ian Davison
Vice-President

Dated at Bathurst this **24th** day of **March** 2016

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Note	2015 \$	2014 \$
REVENUE			
Consulting	2	548,756	514,067
Interest Income		4,434	5,216
Membership		-	700
Other		268	-
TOTAL REVENUE		553,458	519,983
EXPENSES			
Administration Expenses		132,466	75,045
Consulting Expense		20,905	6,500
Employee Benefits Expense	3	418,517	425,471
Depreciation & Amortisation		6,839	16,940
TOTAL EXPENSES		578,727	523,956
LOSS FOR THE YEAR		(25,269)	(3,973)

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	4	308,817	310,917
Trade and Other Receivables	5	12,000	67,330
Other Assets	6	18,106	13,753
TOTAL CURRENT ASSETS		338,923	392,000
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	16,167	17,494
Financial Assets	8	10	10
TOTAL NON-CURRENT ASSETS		16,177	17,504
TOTAL ASSETS		355,100	409,504
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	31,302	38,257
Provisions	10	22,409	52,776
Income in Advance		14,749	13,030
TOTAL CURRENT LIABILITIES		68,460	104,063
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		68,460	104,063
NET ASSETS		286,640	305,441
EQUITY			
Accumulated Funds		286,640	305,441
TOTAL EQUITY		286,640	305,441

WESTERN RESEARCH INSTITUTE LIMITED

ABN 76 090 089 991

(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT

For the year ended 31 December 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from Operations		496,464	497,509
Interest Received		2,851	5,216
Payments to Suppliers & Employees		(495,903)	(468,538)
NET CASH FLOWS (USED IN) / FROM OPERATING ACTIVITIES	15	3,412	34,187
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Plant & Equipment		(5,512)	(632)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(5,512)	(632)
NET (DECREASE) / INCREASE IN CASH & CASH EQUIVALENTS		(2,100)	33,555
Cash & Cash Equivalents at the beginning of the year		310,917	277,362
Cash & Cash Equivalents at the end of the year	4	308,817	310,917

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 2015

	Note	2015 \$	2014 \$
TOTAL EQUITY AT THE START OF THE FINANCIAL YEAR		305,441	309,414
Surplus (Deficit) for the year		(25,269)	(3,973)
Correct prior period GST errors		6,468	-
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR		<u>(18,801)</u>	<u>(3,973)</u>
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		<u>286,640</u>	<u>305,441</u>

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 2015

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 1/126 William Street, 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 th day of 2016

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) International Financial Reporting Standards;
- (iii) Corporations Act 2001; and
- (iv) 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 2015

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 Company 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 2015

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 2015

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

	2015 \$	2014 \$
Business Related	548,756	514,067
Environmental	-	-
TOTAL CONSULTANCY REVENUE	548,756	514,067

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 2015

NOTE 3	EMPLOYEE RELATED EXPENSES	2015 \$	2014 \$
	Wages	378,686	396,116
	Super	39,831	32,301
	Other	-	-
	TOTAL EMPLOYEE RELATED EXPENSES	418,517	428,417
NOTE 4	CASH AND CASH EQUIVALENTS		
	Cash at Bank	308,564	310,888
	Cash on Hand	253	29
	TOTAL CASH AND CASH EQUIVALENTS	308,817	310,917
NOTE 5	TRADE AND OTHER RECEIVABLES		
	Trade Debtors	12,000	67,330
	TOTAL TRADE AND OTHER RECEIVABLES	12,000	67,330
NOTE 6	OTHER ASSETS		
	Accrued Income	1,583	2,034
	Prepayments	16,523	11,719
	TOTAL OTHER ASSETS	18,106	13,753
NOTE 7	PLANT & EQUIPMENT		
	Office Equipment	58,696	54,363
	Less: Accumulated Depreciation	55,656	51,132
	Carrying Amount at Fair Value	3,040	3,231
	 Furniture & Fittings	 32,940	 31,761
	Less: Accumulated Depreciation	19,813	17,498
	Carrying Amount at Fair Value	13,127	14,263
	 Software	 15,220	 15,220
	Less: Accumulated Amortisation	15,220	15,220
	Carrying Amount at Fair Value	-	-
	TOTAL PLANT & EQUIPMENT	16,167	17,494

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 2015

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-15	Total Plant & Equipment \$ Year Ended 31-Dec-14
Carrying amount at start of year	17,494	33,802
Additions	5,512	632
Disposals	-	-
Depreciation Expense	6,839	16,940
Carrying amount at fair value at end of year	16,167	17,494

NOTE 8 FINANCIAL ASSETS

	2015 \$	2014 \$
Shares in Reliance	10	10
TOTAL FINANCIAL ASSETS	10	10

NOTE 9 TRADE AND OTHER PAYABLES

Trade Creditors	266	1,589
Accrued Salaries	3,644	7,911
GST Payable	1,067	12,674
Superannuation Payable	-	2,944
PAYG Withholding Payable	24,948	9,958
Other Accruals	1,377	235
TOTAL TRADE AND OTHER PAYABLES	31,302	35,311

NOTE 10 PROVISIONS

Provision for Employee Entitlements - Annual Leave	11,545	34,981
Provision for Employee Entitlements - Long Service Leave	465	17,795
Provision for Rent Incentive	10,399	-
TOTAL PROVISIONS	22,409	52,776

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 2015

NOTE 11 AUDITOR'S REMUNERATION	2015	2014
	\$	\$
Audit of the Company's Financial Report		
- Graff, Paul & Parnell, Chartered Accountants	4,000	4,000
TOTAL AUDITOR'S REMUNERATION	4,000	4,000

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) 2015

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

Katherine Baxter	Juliet Duffy
Peter Batten	Michael Milston
Mark Burdack	Ian Rogan
Ian Davison	Lesa Dunn

(b) Remuneration

Information in remuneration of Directors is disclosed in Note 12.

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 2015

NOTE 14 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's exposure 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:

2015	<i>Weighted av. Interest rate (p.a.)</i>	Floating interest rate	Non-interest bearing	Total
		\$	\$	\$
FINANCIAL ASSETS				
Cash	2.90%	308,817	-	308,817
Receivables		-	12,000	12,000
TOTAL FINANCIAL ASSETS		<u><u>308,817</u></u>	<u><u>12,000</u></u>	<u><u>320,817</u></u>
FINANCIAL LIABILITIES				
Payables		-	31,302	31,302
TOTAL FINANCIAL LIABILITIES		<u><u>-</u></u>	<u><u>31,302</u></u>	<u><u>31,302</u></u>

2014	<i>Weighted av. Interest rate (p.a.)</i>	Floating interest rate	Non-interest bearing	Total
		\$	\$	\$
FINANCIAL ASSETS				
Cash	3.50%	310,917	-	310,917
Receivables		-	67,330	67,330
TOTAL FINANCIAL ASSETS		<u><u>310,917</u></u>	<u><u>67,330</u></u>	<u><u>378,247</u></u>
FINANCIAL LIABILITIES				
Payables		-	35,311	35,311
TOTAL FINANCIAL LIABILITIES		<u><u>-</u></u>	<u><u>35,311</u></u>	<u><u>35,311</u></u>

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 2015

NOTE 14 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 15 RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES WITH SURPLUS (DEFICIT) FOR THE YEAR

	2015 \$	2014 \$
Surplus / (Deficit) for the year	(25,269)	(3,973)
Depreciation	6,839	16,940
Decrease / (Increase) in Receivables	55,330	(27,297)
Decrease / (Increase) in Other Assets	(7,299)	4,186
Increase / (Decrease) in Payables	(4,009)	12,756
Increase / (Decrease) in Provisions	(30,367)	21,536
Increase / (Decrease) in Income in Advance	1,719	10,039
Net Cash flows/(used in) from operating activities	(3,056)	34,187

NOTE 16 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	29,289	12,118
- between 12 months and five years	32,295	61,584
	<u>61,584</u>	<u>73,702</u>

A new lease was signed commencing on 1 February 2015. The property lease is a non-cancellable lease with an initial three year term, plus an option to renew for a further two years.

NOTE 17 CONTINGENT ASSETS OR LIABILITIES

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 2015

The Company is not aware of any contingent assets or liabilities existing at 31 December 2015 (2014:Nil)

NOTE 18 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 2015

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 2015 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:



Michael Milston
Director/President

Dated at Bathurst this **24th** day of **March** 2016



Ian Davison
Director/Vice President

Dated at Bathurst this **24th** day of **March** 2016



WESTERN RESEARCH INSTITUTE

Level 1, 126 William St Bathurst NSW 2795
M | PO Box 9374 Bathurst NSW 2795 ph | 02 6333 4000

ABN 76 090 089 991
e | team@wri.org.au

www.wri.org.au