

# 2021 - 2022

## ANNUAL REPORT



**TASMAN COUNCIL**

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*Cover page photo – White Beach Sunset: Michelle McPherson*

*Table of Contents page photo – Waterfall Bay: Jess Dallas*



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## THE PURPOSE OF THE ANNUAL REPORT

The Tasman Council Annual Report for 2021 -2022 is prepared pursuant to Section 72 of the *Local Government Act 1993* and concludes the Council's reporting cycle for the year.

The Annual Report provides information to the community about the Council's activities for the preceding financial year. This includes reporting against the priority actions outlined in the Council's 2021-2022 Annual Plan. The priority actions in the Council's Annual Plan are informed by the Council's Strategic Plan, in this case the Tasman Council Ten Year Strategic Plan 2021-2031.

This Annual Report has been produced by the Tasman Council, the Tasman Council Ten Year Strategic Plan 2021-2031 is used as a reference document.

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## INVITATION FOR SUBMISSIONS

Members of the community are warmly invited to make written submissions in regard to this Draft Annual Report. All submissions will be included in the agenda for the Council's **Annual General Meeting to be held at 5:30pm on 22 February 2023**.

Submissions must be received in hard copy or by email at the Council no later than **5:00 pm on 21 February 2023**, and must include the writer's name and contact details. Submissions can be emailed directly to: [jess.dallas@tasman.tas.gov.au](mailto:jess.dallas@tasman.tas.gov.au)

or posted to:

Tasman Council  
Attention: Jess Dallas  
1713 Main Road  
**NUBEENA TAS 7184**



## INFORMATION ABOUT THE TASMAN: A NATURAL ESCAPE

The Tasman Municipality is located on Tasmania's southeast coast, and is comprised of the Forestier and Turrakan/Tasman Peninsulas. A scenic 30-minute drive from Sorell sees visitors transported to Teralina/Eaglehawk Neck, a truly Natural Escape and the isthmus that connects the two peninsulas.

With a large percentage of land included in National Parks and Reserves, the World Heritage listed sites of Port Arthur and the Coal Mines Historic Site, and an accessible and scenic coastline, the Tasman Municipality attracts many bushwalkers, photographers, artists and birdwatchers. Surfing and fishing are also popular pursuits for both visitors and residents.

Like many small communities around Tasmania, the Tasman Municipality has a dispersed population. With many residents taking advantage of our stunning coastline. The ABS estimates that the total population of the Municipality is 2643 based on the 2021 Census, an increase of around 200 people since the previous Census. Population is centred around the township of Nubeena, and the other localities of Eaglehawk Neck, White Beach, Port Arthur, Premaydena, Koonya, Taranna, Murdunna, Saltwater River, Sloping Main and Highcroft.

The Tasman Municipality prides itself on being a welcoming community.

The population is generally stable, swelling to between 8,000 – 9,000 during the summer months, particularly as a result of visitors, tourists and those with holiday homes.



*The Tasman Municipality starting at the Dunalley Bridge and stretching south across the Forestier and Turrakan/Tasman Peninsulas*

## COUNCIL'S VISION FOR 2021 – 2031

In 2021 the Council adopted a new Strategic Plan setting out the Council's goals and vision for the next ten (10) years.

This annual report is the first to be produced using the 2021 – 2023 Strategic Plan and aligns with the Vision, Mission and Strategic Objectives of the Strategic Plan.

### Our Vision:

*The Tasman is a sustainable, dynamic and liveable community founded on our people and our natural and cultural attributes.*

### Council's Mission:

*To ensure that Tasman is an attractive place to live, work, visit and invest.*

### Council's Strategic Objectives:

- *We have an emphasis on the safety and security of our communities and people, natural heritage and cultural values within an environment increasingly subject to both short term change and longer term risks such as climate change.*
- *We focus on positive, interconnected and balanced community outcomes.*
- *Our governance equitably and professionally balances resource allocation, opportunity and risk management.*
- *We encourage in a transparent manner to manage and facilitate the delivery of services, support our community and maintain and improve our assets in a responsible way.*
- *We are stewards of sustainable development and liveability, and support the development of resilience in our community.*

There are a number of actions contained in the Council's Strategic Plan, these are designed to further the above Vision, Mission and Strategic Objectives. Each year the Council produces an Annual Plan which includes actions which will be focused on in that financial year. The actions which have been the focus of the 2021 – 2022 Annual Plan are included in this document, along with the activities that Council has undertaken to progress them.

## MAYOR'S REPORT



As the 2021 – 2022 financial year comes to a close, it's good to see that our businesses and lifestyle in general was starting to return to normal, after the disruption of COVID. We are starting to see more visitors coming back to the region, supporting local business, and there is a general feeling that life is starting to return to normal.

This year Council entered the new financial year with a strong management team, focusing on moving forward with better planning for the future. We have adopted the Statewide Tasmanian Planning Scheme while this still has some challenges it will settle down over time as other Councils join the scheme and a few 'wrinkles' are ironed out in the scheme.

After many years of lobbying this year, the Tasmanian Government finalised its commitment to place a second full time officer at Nubeena Police Station. The additional resources offer security and added safety to the community and were invaluable in one incident in particular, the search for a lost child at Highcroft.

Thinking about that search, I'd like to thank everyone involved in any way, from offering assistance to helping with donations of food, supplies and other things. We also had a long list of people who were ready to attend if the search was expanded, thankfully after three days of searching the child was found safe and sound. We were extremely lucky to have additional support from Victoria Police. The search also highlighted our poor phone and internet coverage in some areas, while the NBN worked very quickly to bring in booster technology on short notice this remains an ongoing issue that Council is trying to gain traction on.

The entire search was a fine example of how our community pull together in difficult times, something that I'm very proud of.

This year's Australia Day Awards were presented at Pirates of Pirates Bay Community Celebration, and had a strong focus on our Local Volunteers. All of the winners spend endless hours volunteering individually and as part of many of our community groups around the Tasman, they are a great example of the hard working volunteers that support our community.

*Citizen of the year* - Marion Spaulding

*Young Citizen of the year* - Tyson McKean

*Community Group of the year* - Tasman Conversation Group

After the relaxing of COVID restrictions we also saw the return of many community events, such as Lufra Hill Climb a classic car event, The Peninsula Art Group held it's community exhibition at PAHSMA, Koonya Garlic Festival, Pirates of Pirates Bay at Eaglehawk Neck, ANZAC Day services organised by the Tasman RSLA, Open Mic Nights and plays at Koonya Hall and the Pear Shed function at White Beach, Tasman Business Tourism Association Breakfast with Minister Hon. Jane Howlett at Port Arthur Historic Site & Impression Bay Community Development Association Community Garden open days just some of the events I was able to attend.

Other special moments for community members included, The Queen's Birthday 2022 Honor's list recipients were announced with one of Tasman's special treasures, local resident Billie Ridler, awarded an Order of Australia Medal (OAM) in the General Division. It is wonderful to see Billie being recognised for her service and contribution to our community over many years. Mr Ronald Henry Proud was also recognised with a presentation of his Royal Australian Navy Military Service Medals held at Huon Regional Care Aged Care.



Other projects are continuing to move along, including the road widening at Eaglehawk Neck which is being undertaken by the State Government and the walking track being built by ENACT. TasWater has undertaken community consultation at Port Arthur around the possibilities of taking over the PAHSMA run Water and Sewage system, and also the possibility of providing another commercial water point available for business and household's. Hobart Airport Community Aviation Consultative Group continue their work to ensure community consultation continues with the new flight paths into Hobart airport.

This year Council's IT systems were hacked, with the loss of some data. While not a lot of data was accessed and people's personal information was accessed, it did cause significant delays in and stoppages at an administrative level.

My thanks go to Tasman Council's General Manager, Kim Hossack, for her hard work & ongoing support and commitment to the Tasman Council and this community. Without this, a lot of the above would have not been possible. I would also like to

thank Tasman Council's indoor and outdoor staff for their continuing excellence in their roles, also Tasman Councillors for their support I cannot thank you all enough.



Kelly Spaulding  
**Mayor**



*Mayor Kelly Spaulding pictured with Australia Day Award Recipients of 2022 from L-R:  
Mr Tyson McKean Young Citizen of the year  
Tasman Conversation Group for Community Group of the year (represented by Mrs Carey Sharman)  
Mrs Marion Spaulding Citizen of the year*

## GENERAL MANAGER'S REPORT

I am pleased to report Council has continued to stay firm and achieved many of our fiscal goals with minimal impact on our infrastructure and services provided. We continued focusing on the continual reviewal of our operations and improving levels of services, all whilst maintaining all legislative requirements and successfully carried our projected Capital Works Program as planned.

Tasman was successful in receiving and commencing the following as at 30 June 2022 –

- \$208,284 – Roads to Recovery funding for the replacement of Sloping Main Bridge.
- \$202,483 – Local Roads & Community Infrastructure Program for the upgrading of Judd Park, Nubeena facilities.
- \$1,556,092 of ongoing Federal Government Financial Assistance Grant.

Some of the significant decisions and achievements made during 2021-2022 are listed below –

- Agreement with Tasmanian Parks & Wildlife Service, the Tasmanian Fire Service and State Emergency Services, to investigate the co-location of these services at the site of Taranna Community Hall & surrounds.
- Become a member of the new Southern Tasmanian Regional Waste Management Joint Authority and participated in combined tendering for co-mingled recycling with the other Southern Regional Councils.
- Approved a new Tourism and Business Support Policy.
- Provided over \$23,000 worth of community grants into the local area.
- Supported the Pirates Bay 200 Years celebrations.
- Created 'A Natural Escape...Positioning the Tasman for the Future' document for providing Council's strategic direction opportunities during both State & Federal Election.
- Approval of a Stormwater System Management Plan and the new Tasmanian Stormwater Policy.
- Endorsement of the Regional Strategy – Adopting to a Changing Coastline in Tasmania.

Council once again, finished very strongly in the 2021-2022 financial year with a net surplus of **\$2,015,000** (restated 2020-2021: \$714,000) against a forecasted operating budget estimate of **\$15,651**. The adjusted underlying surplus result was

**\$527,000** (2020-2021: \$474,000) which is up on the previous year and Council continues to keep a strong resilient Cash Reserve position of **\$8.416m** (2020-2021: \$7.414m).

In the coming year, Council will again focus on strategic and long-term planning, in line with our endorsed Strategic Plan 2021-2031 to ensure an ongoing sustainable future, achieve our community expectations and current service levels be retained.

I would like to acknowledge that Council's appreciation of the efforts from all community, recreational and volunteer organisations, as well as respective individuals who continue to play vital roles that assist our operations and more importantly, keep the community vibrant, together and engaged.

I especially thank all my Staff and Councillors who by through their hard work and support, continued focus and co-operation, to ensure the longevity of the Tasman Region well into the future especially during these challenging times.<sup>1</sup>



Kim Hossack  
**General Manager**

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<sup>1</sup> Please note that this report was prepared by former Council's General Manager prior to the completion of the 2021-2022 Audit. Re-stated 2020-2021 figures are those that have been adjusted for inconsistencies found during the audit of the Tasman Council's 2021-22 Annual Financial Report.

## ELECTED MEMBERS AS AT 30 JUNE 2022

The Tasman Council is established under the provisions of the *Local Government Act 1993*. The Council consists of seven (7) elected members, with Council elections held on an 'all in all out' basis. Councillors are elected for a period of four (4) years, or until the end of the current term if replacing a Councillor who has resigned or left the Council for some reason. The Mayor and Deputy Mayor are also elected for a period of four (4) years.

As of 30 June 2022, the following representatives were elected to the Tasman Council:



Mayor Kelly Spaulding



Deputy Mayor Maria Stacey



Cr. Jan Barwick



Cr. David Beard



Cr. Casey Garrett



Cr. Alan Hull



Cr. Daniel Kelleher



## COUNCILLORS ATTENDANCE AT MEETINGS AND WORKSHOPS

Councillor Attendance at Meetings of the Tasman Council 2021-2022							
	Mayor Kelly Spaulding	Deputy Mayor Maria Stacey	Councillor Jan Barwick	Councillor David Beard	Councillor Casey Garrett	Councillor Alan Hull	Councillor Daniel Kelleher
28 July 2021	✓	✓	✓	✓	✓	x	✓
25 August 2021	✓	✓	✓	✓	✓	✓	✓
22 September 2021	✓	✓	✓	✓	✓	✓	✓
27 October 2021	✓	✓	✓	✓	✓	✓	✓
24 November 2021	✓	✓	✓	✓	✓	✓	✓
15 December 2021	✓	✓	✓	✓	✓	✓	x
27 January 2022	✓	✓	✓	✓	✓	x	✓
23 February 2022	✓	✓	x	✓	✓	✓	✓
23 March 2022	✓	✓	✓	✓	✓	✓	✓
27 April 2022	✓	✓	✓	✓	✓	✓	✓
25 May 2022	✓	✓	✓	✓	✓	✓	✓
29 June 2022	✓	✓	✓	✓	x	x	✓
Councillor Attendance at the Annual General Meeting of the Tasman Council 2021 -2022							
15 Dec 2021	✓	✓	✓	✓	✓	✓	x
Councillor Attendance at Special Meetings of the Tasman Council 2021 - 2022							
13 July 2021	✓	✓	x	✓	✓	x	✓
Councillor Attendance at Closed Special Meetings of the Tasman Council 2021 - 2022							
09 March 2022	x	✓	✓	x	✓	✓	✓

## COUNCILLORS ATTENDANCE AT WORKSHOPS

Council workshops are not required under the *Local Government Act 1993*. Council held the following workshops which were well attended by all councillors.

Workshops of the Tasman Council 2021-2022
28 July 2021
11 August 2021
27 October 2021
10 November 2021
24 November 2021
12 January 2022
09 February 2022
23 February 2022
09 March 2022
23 March 2022
27 April 2022
11 May 2022
25 May 2022
08 June 2022



Salmon Rock, Maignon Bay – photo Jess Dallas

## PARTICIPATION OF COUNCILLORS AS REPRESENTATIVES ON COMMITTEES

The Tasman Council does not have any Council Committees pursuant Section 23 or Special Committees pursuant to Section 24 of the *Local Government Act 1993*. However, Councillors are given an opportunity to represent the Tasman Council on various community committees, statutory authorities and committees external to the Tasman Municipality each year. This ensures that the views of the community are shared with Council through their Councillor representative and that Council is able to participate in discussions that may impact the Tasman Municipality through its involvement in statutory and external committees. The below table provides a summary of those committees that Councillor have nominated to participate in during the last year. Please note that due to resignations of some Councillors and the election of others on recount as a result of this, some committee names may appear more than once in the below table.

Councillor Committee Participation as at 30 June 2022	
Councillor	Committees Nominated To Attend (as at November 2021 unless otherwise noted)
Mayor Kelly Spaulding	Local Government Association of Tasmania (LGAT) Southern Tasmania Council's Authority (STCA) TasWater – Owners Representative Municipal Emergency Management Committee (Chair) South East Regional Development Association (SERDA) Destination Southern Tasmania (DST)
Deputy Mayor Maria Stacey	Local Government Association of Tasmania (LGAT) – <i>proxy</i> South East Regional Development (SERDA) – <i>proxy</i> Southern Tasmania Council's Authority (STCA) – <i>proxy</i> Taranna Hall Committee Tasman Civic Centre Committee Tasman Health & Community Services Committee
Cr. Jan Barwick	Audit Panel Committee Southern Waste Strategy Authority (SWSA) Tasman Civic Centre Committee – <i>proxy</i> Tasman Health & Community Services Advisory Committee – <i>proxy</i>

Cr. David Beard	Port Arthur Historic Site Management Authority (PAHSMA) Community Advisory Committee
Cr. Casey Garret	Audit Panel Committee Copping Refuse Disposal Site Joint Authority Taranna Hall Committee
Cr. Alan Hull <i>Please note: Cr. Hull was elected on a recount of votes on 19 April 2021 following the resignation of Cr. Fenerty.</i>	Audit Panel Committee Municipal Emergency Management Committee (Deputy Co-ordinator) Koonya Hall Committee
Cr. Daniel Kelleher	Copping Refuse Disposal Site Joint Authority – <i>proxy</i> Tasman Business and Tourism Association (TBTA)



Safety Cove Beach, Port Arthur - photo by Bill Richardson

## COUNCILLORS ALLOWANCE AND EXPENSES

Section 340A of the *Local Government Act 1993* entitles Councillors to allowances as prescribed in regulations, Mayors and Deputy Mayors receive an additional allowance to those of Councillors. The *Local Government (General) Regulations 2015* specify the allowances payable to Mayors, Deputy Mayors and Councillors. In addition, Council pays reasonable expenses or the reimbursement of expenses for all its elected members who incur a cost in undertaking Council business.

Elected members are required to provide proof of costs incurred in order to claim a reimbursement, these costs must be directly related to their role within the Council.

Councillor Allowance and Expenses for the 2021-2022 Financial Year <i>(figures rounded)</i>			
Councillor Name	Total Allowance Paid	Total Expenses Paid	Total Remuneration
Mayor Kelly Spaulding	\$34,724.00	\$2,087.00	\$36,811.00
Deputy Mayor Maria Stacey	\$20,393.00	\$752.00	\$21,145.00
Crl Jan Barwick	\$9,922.00	\$0.00	\$9,922.00
Crl David Beard	\$9,922.00	\$873.00	\$10,795.00
Crl Casey Garrett	\$9,922.00	\$932.00	\$10,854.00
Crl Alan Hull	\$9,922.00	\$293.00	\$10,215.00
Crl Daniel Kelleher	\$9,922.00	\$0.00	\$9,922.00

*The above Councillor Allowances and Expenses have been rounded in accordance with the Annual Financial Report.*

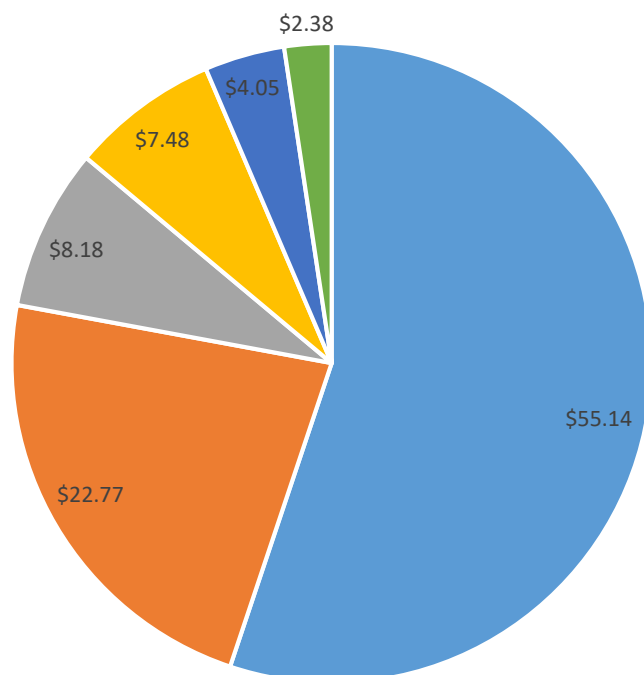
## FINANCIAL PERFORMANCE SNAP SHOT – HOW OUR RATES ARE SPENT

### WHERE TO DO MY RATES GO?

For **every \$100** Council collects in Rates & Charges, it is estimated that we spend it in the following areas:

Roads, Bridges and Other Infrastructure	\$55.14
Governance and Administration	\$22.77
Regulatory and Development Services	\$8.18
Waste Management	\$7.48
Reserves & Community Buildings	\$4.05
Councillor Allowances & Expenses	\$2.38

### WHERE DO MY RATES GO?



### INCOME

\$'000

Rates and Charges	\$5,429
Statutory Fees and Fines	\$225
User Fees	\$145
Grants	\$1,781
Contributions – Cash	\$5
Interest	\$41
Other Income	\$175
Investment Revenue (TasWater)	\$12
Capital Income	\$1,357
<b>TOTAL</b>	<b>\$9,170</b>

### EXPENDITURE

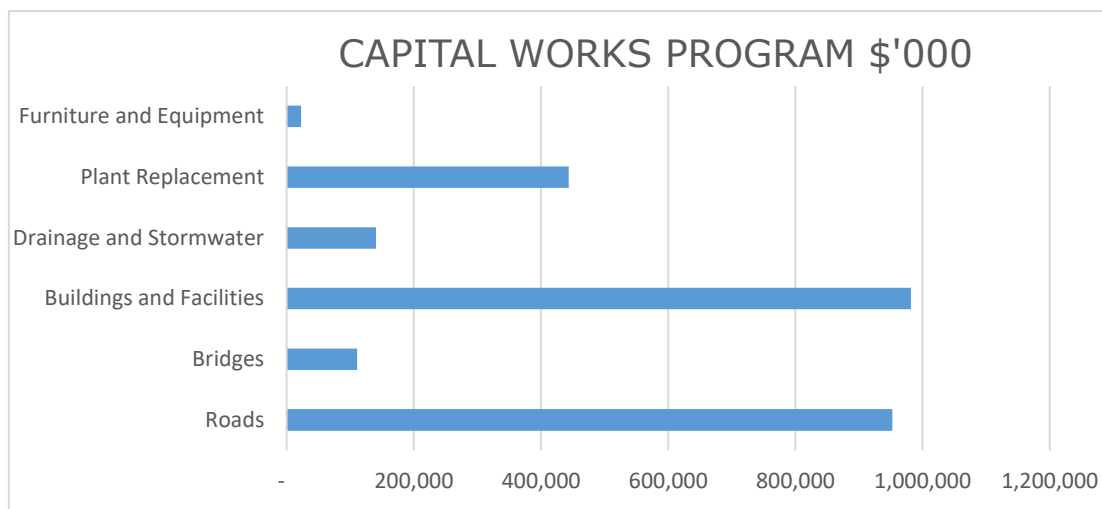
\$'000

Employee Benefits	(\$1,858)
Materials and Services	(\$2,673)
Depreciation	(\$1,882)
Finance Costs	(\$3)
Other Expenses	(\$739)
<b>TOTAL</b>	<b>(\$7,155)</b>

<b>NET RESULT FOR THE YEAR</b>	<b>\$2,015</b>
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## CAPITAL WORKS PROGRAM 2021-2022

Roads	952,696
Bridges	111,111
Buildings and Facilities	981,923
Drainage and Stormwater	140,811
Plant Replacement	443,636
Furniture and Equipment	22,690
<b>TOTAL</b>	<b>\$2,652,866</b>



## STATUTORY REPORTING

Section 72 of the *Local Government Act 1993* prescribes a number of matters that each Council in Tasmania must report on as part of its Annual Report. A number of these items are legislative matters and are reported on below.

### Enterprise Powers Statement

Council has not resolved to exercise any powers or undertaken any activities in accordance with Section 21 of the *Local Government Act 1993*.

### Donation of Land Statement

The Council has not resolved to donate any lands in accordance with Section 177 of the *Local Government Act 1993*.

### Ombudsman's Complaints

Council received notice that under the *Ombudsman Act 1978*, three (3) complaints were received by the Ombudsman Office during 2021 - 2022 which were resolved.

### Integrity Commission Complaints

Since 2017 the Integrity Commission has been providing individual Councils with bi-annual updates on the number of complaints during the financial year. The Council has not received any advice on complaints from the Integrity Commission in the last year.

### Code of Conduct Complaints

In accordance with Section 72(1)(ba) of the *Local Government Act 1993*, no Code of Conduct Complaints were lodged in relation to alleged breaches under the Act.

### Applications made pursuant to the *Right to Information Act 2009*

The Tasman Council received four (4) applications for Assessed Disclosure in accordance with Section 23 of the *Right to Information Act 2009* during this reporting period. All applications were assessed and decided within the statutory time frame. There were no appeals to decision made.

### Contracts for the supply of goods and services

In accordance with Regulation 29 of the *Local Government Act Regulations 2015*, no contracts for the purchase of Goods and Services valued at or above \$250,000 (excluding GST) were entered into in the 2021-2022 financial year.

### Key Personnel Remuneration

In accordance with Section 72 (1) (cd) of the *Local Government Act 1993*, the Council is required to report on the total annual remuneration paid to employees who hold senior positions (as defined by the Act). Tasman Council has one (1) employee who meets this threshold, that employee is in the \$155,001 - \$175,000 salary range. Total remuneration includes salary, superannuation and private use of a motor vehicle.



## GRANTS, ASSISTANCE AND BENEFITS PROVIDED UNDER SECTION 77(1) OF THE *LOCAL GOVERNMENT ACT 1993*

Councils are required to report upon any in-kind assistance, reduction of fees, rates or charges and rates remissions under this section of the Act.

### Tasman Council Community Assistance Grants 2021 – 2022

Each year the Tasman Council provides the opportunity for community organisations and other eligible entities to apply for a Tasman Council Community Assistance Grant, in the 2021 – 2022 Financial Year the following organisations received funding.

Organisations Funded	Amount
Tasman Forestier Arts Association	\$1000.00
Impression Bay Coast Care	\$1000.00
Impression Bay Community Development Association	\$1000.00
Tasman District School	\$ 890.00
Cancer Council Tasmania	\$1000.00
Eaglehawk Neck Community Hall Association Inc.	\$2000.00
Tasman Forestier History Group	\$1500.00
Tasman Conversation Group	\$1000.00
Tasman Cricket Association	\$1500.00
Rotary Club of Tasman	\$851.03
Sam Brownlow	\$2000.00
Lions of Tasman Community Swimming Pool	\$5000.00
Tasman Golf Club	\$1000.00
Dunalley Tasman Neighbourhood House Inc.	\$3000.00
Turrakana – Tasman Arts	\$600.00
<b>TOTAL</b>	<b>\$23,341.03</b>

### School Bursaries and Contributions

During the 2021 – 2022 financial year the Tasman Council supported the community through the following school bursaries, and contributions.

- School Bursaries to the total value of \$151 to the Tasman District School in the 2021 – 2022 financial year
- Contribution of \$2,000 towards the Tasmanian Parks and Wildlife Service Discovery Ranger Program.

These contributions totalled \$2,151.00 in 2021 – 2022.

### Donations

The Tasman Council did not provide any donations during the 2021 – 2022 financial year.

### Rates Remissions

There were no rates remissions actioned by the Council in 2021 – 2022.

### In-Kind Support Provided during 2021-2022

Name	Details	Approx. Value
Tasman Conversation Group	Printing	\$173.40
Rotary Club of Tasman	Council Chambers Hire	\$70.00
Tasman & Forestier Arts	Printing	\$14.00
Tasman Peninsula Arts Group	Various Printing	\$60.25
Impression Bay Community Garden	Waiver of fees for the hire of Council owned marquees	\$1,161.01
Rosedale Christmas Carol	Printing	\$460.00
Pirates of Pirates Bay	<ul style="list-style-type: none"><li>• Various Printing</li><li>• Event signage, x4 rubbish bins, drop off and pick up chairs from Port Arthur.</li><li>• Waiver of fees for the hire of Council owned marquees plus \$100.00 bond</li></ul>	<div>\$569.40</div> <div>Depot workers time</div> <div>\$315.25</div>
Koonya Garlic Festival	<ul style="list-style-type: none"><li>• Waiver of fees for the hire of Council owned marquees and generator</li><li>• Waiver of fees for Place of Assembly License</li></ul>	<div>\$2,019.07</div> <div>\$331.00</div>

SERDA	Council Chambers Hire	\$70.00
Premaydena Cricket Club	Waiver of fee for Temporary Food Business License	\$26.65
Marine & Safety Tasmania	Waiver of discretionary development application fee for work on jetty	\$457.55
CWA	Various Printing	\$38.35
Search & Rescue Operation	Hire of Council owned marquees and generator, chairs, folding beds and rubbish bins plus \$400.00 bond	\$2,419.07
Premaydena Community Garden	Waiver of fees for the hire of Council owned marquees	\$645.76
Tasman Ex-Servicemen's and Women's Club	Printing	\$36.05
1717 Main Road, Nubeena 'Doctors House'	Donation of Rent	\$18,980
Total Value Of In-Kind Support Provided		\$27,846.81

The total value of the support provided to our community under Section 77 (1) of the *Local Government Act 1993*, by the Council is listed in the table below:

Type of Support	Value
Tasman Council Community Assistance Grants	\$23,341.03
School Bursaries and Contributions	\$2,151.00
In-Kind Support	\$27,846.81
Grand Total of Support Provided to Our Community Under Section 77 (1) of the <i>Local Government Act 1993</i> . **	\$53,338.84

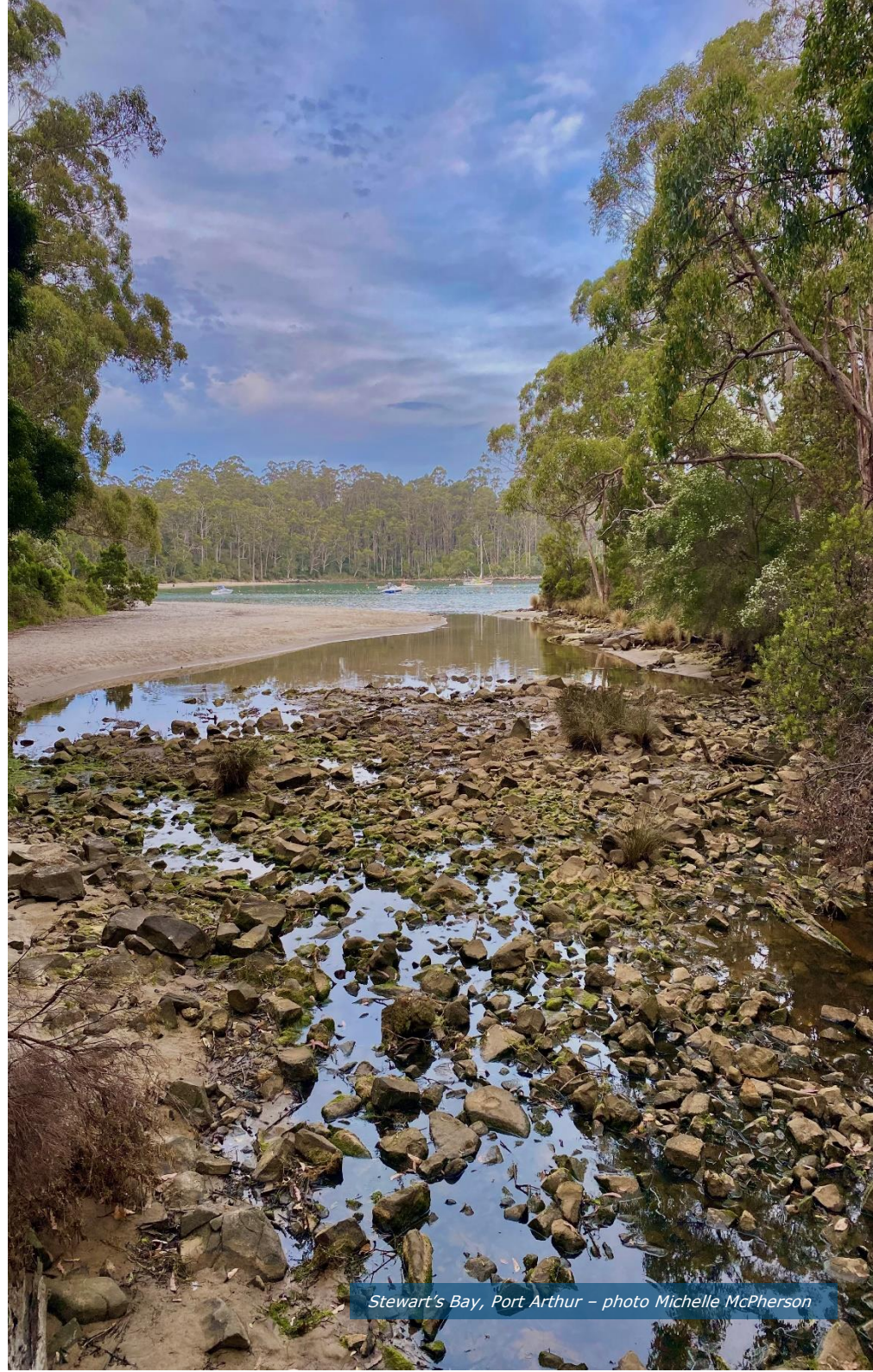
\*\* This total does not include any contributions made that fall outside Section 77 (1) of the *Local Government Act 1993*, such as Officer time, ad-hoc assistance and other contributions.

## COPPING REFUSE DISPOSAL SITE JOINT AUTHORITY

The Copping Refuse Disposal Site Joint Authority (trading as Southern Waste Solutions) was established under Section 30 of the Local Government Act 1993 on 21st March 2001 by the Tasman Council, Sorell Council and Clarence City Council; with Kingborough Council joining the Authority in 2009. Owner Councils are required to look after the health of their communities through the responsible management of waste and some of these have been delegated to this Authority.

The Copping Refuse Disposal Site Joint Authority's function is to promote and manage a putrescible landfill disposal site at the Copping and the operation and management of the Lutana Waste Transfer Station. An independent board oversees the direction and fiscal responsibilities of the business. Tasman's maintains an ownership share of this business of 8%.

Net operating result of the Authority for **2021-2022** before tax was a profit of **\$1.472m** (2020-2021 \$1.671m) which was above the budgeted profit result. Total comprehensive surplus for the year was **\$1.067m** (2020-2021 \$1.299m) which results in **\$200,143** (2020-2021 \$202,405) profit share of surplus to Tasman Council and an increasing carrying value of total investment of **\$1.445m** (2020-2021 \$1.245m).



## REPORTING AGAINST THE *PUBLIC DISCLOSURES ACT 2002*

Section 86 of the *Public Interest Disclosures Act 2002* states that Council as a public body is required by The *Local Government Act 1993* to prepare an Annual Report and therefore must report on the following:

Reporting Requirement	Outcome
Information as to how persons may obtain or access copies of the current procedures established by the public body under the Act.	Via Council's website and through direct contact to Council.
The number and types of disclosures made to the relevant public body during the year and the number of disclosures determined to be a public interest disclosure.	Nil
The number of disclosures determined by the relevant public body to be public interest disclosures that it investigated during the year.	Nil
The number and types of disclosed matters referred to the public body during the year by the Ombudsman.	Nil
The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate.	Nil
The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year.	Nil
The number and types of disclosed matters that the relevant public body has declined to investigate during the year.	Nil
The number and type of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation.	Nil
Any recommendations made by the Ombudsman that relate to the relevant public body.	Nil

## PUBLIC HEALTH STATEMENT: GOALS AND OBJECTIVES

Council has a number of statutory responsibilities with respect to public and environmental health. The principal Acts for Council in the regulatory enforcement of public and environmental health include Public Health Act 1997, Food Act 2003, Local Government Act 1993, Environmental Management and Pollution Control Act 1994 and associated subordinate legislation such as regulations and guidelines.

Council has continued to provide the community with authoritative information on all aspects of public and environmental health. This is facilitated by regular onsite inspections throughout the Municipal area, engaging with customers by providing them informative and current information, preparing and distributing documentation and fact sheets where necessary.

### Food Act 2003

Council's responsibilities in accordance with the Food Act 2003 involve licensing of food businesses and food premises inspections to ensure safe food hygiene standards are met. There were 55 food premises currently registered in the Municipality for the 2021/2022 financial year as categorised in the below table. There was one (1) temporary Food Licence issued.

*Table: Food Business categories and number of registrations.*

Type	Number
Category P1	11
Category P2	33
Category P3	7
Mobile	4
<b>TOTAL</b>	<b>55</b>



Carnarvon Bay Jetty, Port Arthur – photo Jess

## DOG MANAGEMENT

Dog Management	
Number of Dogs Registered	504
Number of Kennel Licences Issued	2
Number of Dogs Impounded	13
Number and Location of Cautions Notices Issued	8
Number and Location of Infringement Notices Issued	7
<b>Infringement Notices</b>	
A total of seven (7) Dog Infringement Notices were issued in the following locations:	Stormlea 2
	Nubeena 1
	White Beach 4
<b>Caution Notices</b>	
A total of eight (8) Caution Notices were issued in the following locations:	Port Arthur 2
	Eaglehawk Neck 3
	Koonya 1
	Nubeena 2
<b>Complaints</b>	
Number of formal complaints received & locations they relate to:	Eaglehawk Neck 1 - ongoing from previous year
<b>Financial evaluation of provisions of animal control services</b>	\$8,469.61 income from Dog Licences with an operating expense of \$753.49
<b>Declared Areas – number and locations</b>	
There are currently 37 declared areas, the location of these areas are:	Dunalley
	Eaglehawk Neck
	Murdunna
	Nubeena
	White Beach
	Sloping Main
	Taranna
<b>Number of Animal waste dispensers</b>	18
<b>Summary of Dogs declared to be dangerous</b>	0

## REPORTING AGAINST COUNCIL'S CLIMATE CHANGE STRATEGY – MITIGATION, ADAPTATION, RESILIENCE

### Council and Municipality Energy Use and Greenhouse Gas Emissions Data

As per Action 4. 28 of Council's Climate Change Strategy 'Incorporate council and municipality energy and greenhouse gas emissions data and trends in a Council reporting system, and include in the Annual Report'.

This is the second year of reporting energy use and greenhouse gas emissions data. No targets have been set for reducing greenhouse gas emissions, but this data forms the basis of setting achievable, cost effective and beneficial targets for Council and the Municipality. Note some data previously reported may have changed as emissions factors and other assumptions are updated.

Emissions are reported in tonnes CO<sub>2</sub>-e (equivalent). This includes the emissions from electricity generation, fuel use and waste sent to landfill. Greenhouse gases other than carbon dioxide (such as methane generated from landfill and nitrous oxide from fuel) are converted to an equivalent weight of CO<sub>2</sub>. Emissions from waste are estimated by the weight of material sent to landfill and the associated landfill gas and other emissions at the landfill site. The Southern Waste Solutions landfill at Copping has facilities to capture methane which is used to generate electricity greatly reducing the emissions at the site. Emissions generated through the collection and transportation of waste by contractors are not included.

### Council Electricity Use Emissions

Financial Year	Council Offices + Depot		Street Lighting		Halls + Sportsgrounds		Other Facilities		Total		% of total council emissions
	energy use (kWh)	emissions (tCO <sub>2</sub> -e)	energy use (kWh)	emissions (tCO <sub>2</sub> -e)	energy use (kWh)	emissions (tCO <sub>2</sub> -e)	energy use (kWh)	emissions (tCO <sub>2</sub> -e)	energy use (kWh)	emissions (tCO <sub>2</sub> -e)	
2019/20	35,506	5.3	25,074	3.8	24,520	3.7	27,149	4.1	112,249	16.8	2.6
2020/21	38,524	4.9	20,967	3.6	20,558	3.5	21,026	3.6	101,075	15.6	2.1
2021/22	30,310	3.4	21,007	3.4	25,857	4.1	22,469	3.6	99,642	14.5	2.0
change from 2020/21	-21.3%	-31.6%	+0.2%	-5.6%	+25.8%	+18.6%	+6.9%	+0.8%	-1.4%	-7.1%	

A 16.5kW solar panel array was installed on Council Offices and was operating from September 2020.

### Council Vehicles' Emissions

Financial Year	diesel (L)	ULP (L)	total fuel (L)	diesel (tCO <sub>2</sub> -e)	ULP (tCO <sub>2</sub> -e)	total (tCO <sub>2</sub> -e)	% of total council emissions
2019/20	52,522	3,802	56,325	142.7	8.8	151.5	23.1
2020/21	57,878	4,080	61,958	157.3	9.4	166.7	22.5
2021/22	57,136	7,675	64,810	155.3	17.7	173.0	23.9
change from 2020/21	-1.3%	+88.1%	+3.8%	-1.3%	+88.1%	+4.0%	

### Emissions from Waste sent to Landfill

Financial Year	weight (t)	emissions (tCO <sub>2</sub> -e)	% total council emissions
2019/20	988	486.5	74.3
2020/21	1,131	557.0	75.3
2021/22	1,092	537.6	74.1
change from 2020/21	-3.4%	-3.4%	

In summary Tasman Council's greenhouse gas emissions were 725 t-CO<sub>2</sub>-e in 2021/22. 74% was due to waste sent to landfill, 24% from fuel for vehicles and plant and 2% from electricity use.

### Municipality Emissions

The emissions for the Tasman Municipality as a whole have been calculated as part of a Regional Climate Change Initiative (RCCI) project on a sectoral basis. These will help inform where most of municipality's emissions originate. Whilst Council has no formal control of these emissions, it will help understand the breakdown of our emissions and determine where efforts should be concentrated to reach the ultimate goal of net-zero emissions in the future.

The assumptions in the calculations are documented in the Tasman Council Community Energy Use and Greenhouse Gas Footprint Summary Report May 2019. Public data is not available across all sectors for the last financial year so the most recent available year (2018-19) along with 2017-18 and 2008-9 are presented to show 1 year and 10 year trends.

Sector	2008-09		2017-18		2018-19		1 year change (2017-18 to 2018-19)		10 year change (2008-09 to 2018-19)	
	energy use (GJ)	emissions (tCO <sub>2</sub> -e)	energy use (GJ)	emissions (tCO <sub>2</sub> -e)	energy use (GJ)	emissions (tCO <sub>2</sub> -e)	energy use (%)	emissions (%)	energy use (%)	emissions (%)
Residential	59,923	2,713	58,886	1,977	55,635	1,649	-5.5	-16.6	-7.2	-39.2
Commercial	29,122	2,387	28,091	1,519	28,473	1,376	+1.4	-9.4	-2.2	-42.4
Transport	136,817	8,428	108,599	6,688	124,602	7,671	+14.7	+14.7	-8.9	-9.0
Industry	144,423	9,502	146,015	6,283	134,280	6,519	-8.0	+3.8	-7.0	-31.4
Agriculture & Forestry	14,311	1,002	17,488	1,224	18,776	1,314	+7.4	+7.4	+31.2	+31.1
<b>Grand Total</b>	<b>384,596</b>	<b>24,032</b>	<b>359,079</b>	<b>17,691</b>	<b>361,766</b>	<b>18,529</b>	<b>+0.7</b>	<b>+4.7</b>	<b>-5.9</b>	<b>-22.9</b>



Roaring Beach, Sand Dunes and Lagoon – Photo Michelle McPherson

## TASMAN COUNCIL AUDIT PANEL REPORT 2021-22

The Tasman Council Audit Panel is pleased to be able to present its Report for the year 2021-22.

This Audit Panel is established pursuant to Section 85 of the *Local Government Act* and the *Local Government (Audit Panels) Order 2014*.

Tasman Council Audit Panel has been established since 2014. However, due to changes in the legislation in early 2016, a panel of three independent members (including the Chair) and two Councillors was appointed in March 2016. During that year the Council changed the composition of the panel to an independent chair and two councillors when the shared audit panel arrangement with Sorell Council ceased.

During 2021-22 the Audit Panel Charter was reviewed and submitted to the Council for approval in late 2021 and it was approved. The new Audit Panel Charter includes reinstating the membership of the Audit Panel to consisting of three independent members (including Chair) and two nominated Councillors. As a result of this change two independent members joined the Panel in May 2022, Robert Hogan appointed for three years, and Peter Murfett appointed for one year.

The Panel met on five (5) occasions during the year and the attendance was:

- Mr David Strong (Independent Chair) 5/5 attended
- Cr Casey Garrett 2/3 attended
- Cr Alan Hull 5/5 attended
- Cr Jan Barwick 2/2 attended (appointed to replace Cr Garrett)
- Robert Hogan, independent member 1/1
- Peter Murfett, independent member 1/1.

As required by the *Order*, the General Manager attended three (3) meetings and the Acting General Manager attended two (2) meetings.

In terms of the *Order*, the Panel is required to consider:

- Whether the annual financial statements of the Council accurately represent the state of affairs of the Council;
- Whether and how the Part 7 plans are integrated and the processes by which, and assumptions under which those plans are prepared;
- The accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the Council has in relation to safeguarding its long term financial position;
- Whether the Council is complying with provisions of the Act and any other relevant legislation; and
- Whether the Council has taken any action in relation to previous recommendations provided by the audit panel to the Council and, if it has taken action, what that action was and its effectiveness.

The *Order* requires that an Audit Panel prepare an annual work plan, the Panel drafted an annual work plan and presented the work Plan to the Council.

In accordance with the Charter, the following matters were actioned in accordance with 2021-22 Panel's Work Plan in 2021-22 plus commentary of matters not addressed is provided.

### External Audit

- Met with the External Auditors once to discuss their audit strategy for 2021-22 and the outcomes of the financial audit for 2020-21.
- Reviewed any performance audits undertaken by external audit for impacts on the operations of the Council.
- Monitored management's implementation of audit recommendations.

### Annual Audited Financial Statements

- The Audit Panel met in August 2021 to review the draft financial statements prior to submission to the Tasmanian Audit Office.
- The Audit Panel met in November 2021 with the external auditors to discuss the audited financial statements for 2020-21 and their audit findings.

## Part 7 Plans

- The Panel was unable to review the majority of the Part 7 plans, except for the Strategic Plan 2021-2031, due to internal administrative disruptions that occurred during the year, but these plans will be reviewed early in 2023.

## Risk Management

- The risk management framework was discussed at every meeting given the maturity level within the Council.
- As previously reported the strategic risk register is an important input into the development of the Panel's annual work plan for 2022 and future years and any internal audit plan.
- It was disappointing that despite several workshops being held during the year with Councillor's the Council still does not have an approved strategic risk register. At the time of this report that still is the case.

## Internal Control

- Checking compliance with regulations, policies, best practice guidelines, instructions and contractual arrangements was discussed regularly. Again, resourcing is crucial to ensure that the Council has appropriate internal controls and that regular independent reviews are conducted.
- Monitoring the progress of any major lawsuits facing the Council.

A copy of the minutes of each Panel Meeting was submitted to Council for its information. It is disappointing again not all aspects of the Audit Panel's Work Plan were completed and, in some instances, not commenced due to administrative delays or issues.

Another change to the Audit Panel Charter was the appointed of an internal auditor and the engagement of an internal auditor had not commenced by 30 June 2022, and at the time of this report still has not been completed. The Audit Panel's Work Plan is based on the work of the internal auditor, so the non-appointment has impacted the Panel's work.

There were no specific matters referred by Council for consideration of the Panel during 2021-22. There was one matter that was referred to the Panel by a Councillor that was reviewed and a response provided.

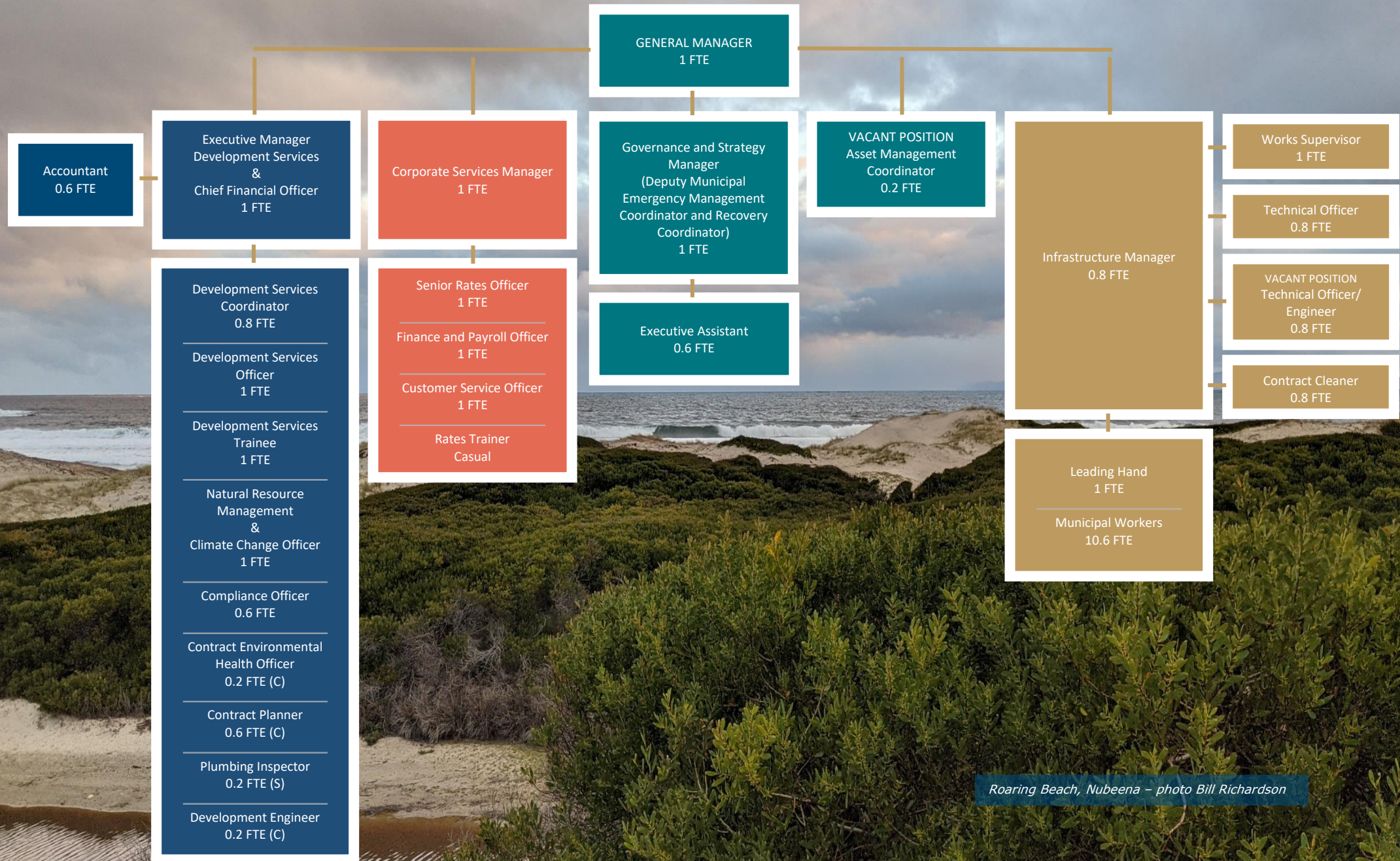
The *Order* also requires the Panel to biennially review the Audit Panel Charter, and this occurred during the year as previously detailed. The Panel must also conduct a self-assessment of its performance, and this will be conducted in June 2023.

The Panel would like to thank management and staff for their assistance in ensuring the Audit Panel meetings were held and for providing secretariat assistance.

I wish to take the opportunity to thank all Councillors for welcoming me into the role of Audit Panel Chair and to my fellow members of the Audit Panel, present and past, for your input and assistance at the meetings.

David Strong  
**Audit Panel Chairperson**  
16 October 2022

# TASMAN COUNCIL ORGANISATIONAL CHART AS AT 30 JUNE 2022



Roaring Beach, Nubeena – photo Bill Richardson

Most activities of every Council in Tasmania are governed by the *Local Government Act (Tas) 1993*, as Council's governing legislation it sets out a number of specific functions, but also broadly defines the Council as being responsible for the promoting the wellbeing and interests of the community and good government of the Municipality.

More specifically Councils are responsible for some State Government requirements such as dog control, planning and building compliance, food premises licensing and certain activities delegated to them in emergency management.

Council also works with the community and external stakeholders to deliver a range of other services, such as collaboration on and the delivery of community programs, lobbying other tiers of government and other organisations for improved services.

The Council is made up of two (2) parts, the Councillors, and staff who work for the organisation. Councillors are elected by the public and who have primary responsibility for the development of policy, the accountability of the budget and the overall direction of the organisation. Staff who work within the organisation perform a range of activities and deliver services directly to the public.

To deliver these functions to the community, the Tasman Council has four (4) broad departments, these are:

- Governance;
- Corporate Services;
- Development and Finance Services; and
- Infrastructure.

As with many small Councils, Tasman Council staff are multi skilled and often work across departments to achieve the goals of the organisation and provide service to the community. Departments work closely with each other across the functions of the organisation.

Each year the Council is required to create an Annual Plan, this outlines the key focus areas and actions of each of the above departments. Focus areas and actions contained in the Annual Plan are drawn from the Council's Strategic Plan, these are then reported on in the Annual Report provided at the Council's Annual General Meeting.

As the Strategic Plan covers a ten (10) year period it is not possible for every action in the Strategic Plan to be acted on immediately; the Annual Plan determines which actions will be a priority for the coming year.



*Pirates Bay, Eaglehawk Neck – Photo Jess Dallas*

## GOVERNANCE

The Governance activities of the Tasman Council predominantly sit with the General Manager's office and staff associated with this function. This is a small team who work on a range of activities, including but not limited to:

- Liaison with government agencies and other external stakeholders to promote the interests of the Tasman community;
- Council agendas and meetings;
- Right to Information and Public Disclosures;
- The preparation of Annual Reports and Plans, and implementation of the Council's Strategic Plan.
- Community and business development;
- Emergency Management and Recovery Coordination;
- Liaison with Councillors; and
- Overall operation and coordination of the organisation.

This department works closely with all other parts of the Council to provide general oversight and integration of the activities of Council. This challenging mix of actions is often performed 'behind the scenes' providing support for all areas of the organisation. The more visible activities include working in direct collaboration with the community, other levels of government, major stakeholders and other organisations.

In the past year there has been a strong focus on re-engaging with the community and providing support and advice (when needed) to the many volunteer and community groups in the Municipality. This communication and engagement is also reflected in the activities of the Corporate Services Department, with these parts of the Council often working very closely together. Links with external organisations and groups have been strengthened, providing opportunities to build capacity and resilience within the community, examples of this include support for community events, direct liaison with government agencies and organisations and strengthening internal policy and procedure.

It had been anticipated that Council would be introducing a Community Engagement Strategy in 2021 – 2022 financial year, however a number of factors, including upcoming Local Government elections, changes in staff and the Review of Local Government have seen this priority be reassigned. Despite this, Council is communicating more widely than before utilising social media, community networks and contacts and other means of communication. Some of the activities of the Governance Department have been touched upon in the General Manager's Report.

## Governance Focused Strategic Actions

Strategic Action No.	Description	Actions	Outcome
1.1	Increase structured public access to elected members	Initial conversations were held with elected members and some community organisations about how this could be achieved.	There will be an increased focus on this in the 2022 – 2023 Annual Plan, with a whole of organisation approach being adopted.  Ongoing
1.2	Presence in newsletter, noticeboard, website and social media	Council has increased its presence across all of these platforms. While there is still work to be done here stronger networks for information sharing have been formed. This is a collaborative action with all other Council departments.	Stronger community connections have been formed.  Ongoing
1.3	Specific issue and periodic workshop sessions with interest groups	Workshops crossing a number of departmental focus areas were run during the 2021 - 2022 financial year, these included discussions about domestic violence within the community, community resilience, operational and capital budget planning, strategic risk and updates on capital	Workshops have increased community engagement with Council and provided an opportunity for targeted discussion around specific topics.  Workshops such as these will

		works projects.	continue to be part of Councils activities.  Ongoing.
1.4	Annual survey of residents and property owners	Planning for this activity has commenced, it will be discussed further when a Community Engagement Strategy is formulated.	While it is disappointing that this did not occur this year, in order to ensure that any survey is meaningful it is important that it be included in a broader review of consultative practice.  This will continue to be a focus in the 2022 – 2023 Annual Plan
1.5	Equitable access to discuss issues and concerns	Council continues to advertise ways to engage with both the organisation and elected members through a range of platforms, including in the Gazette, on social media and via the Council website.  We recognise the need to continue to work on this, bearing in mind that there is no one way that we can reach all members of the community.	This is an ongoing activity that will continue to be a focus in the 2022 – 2023 Annual Plan, noting that while new technologies evolve quickly, not all of our community can access these, so multiple platforms will be required.
1.6	Bi-annual planning and review workshop with the Department of State Growth, Parks and Wildlife Service, State Emergency Services, Marine and Safety	Initial discussions were undertaken with these organisations. While all are very proactive in engaging with Council, current information suggests that an 'as and when needed' and more informal	It is acknowledged that the intention of this was to provide a structured approach to discussions.

	Tasmania, Tasmania Fire Service, Sustainable Timber Tasmania	<p>approach will be more valuable.</p> <p>Connections within individual organisations have been strengthened using a more informal approach.</p>	<p>Through discussion with the agencies involved it has been found that a more effective approach is to have regular communications with individual agencies around matters of importance and to bring agencies together when there are matters that effect all.</p> <p>Activities will not be noted against this action in future reports, as this forms part of the operations of the organisation.</p>
1.8	Quarterly workshops combining the Tasman Community and Health Centre, Dunalley Tasman Neighbourhood House, not for profit service providers, Tasman District School, Police and Ambulance to identify community profile changes, service gaps and lead indicators to facilitate service focus, delivery and investment	<p>As with the above action, it has been found that a more informal approach is more valuable in engaging with many organisations.</p> <p>Council Officers are in regular contact with all of these organisations and when appropriate or needed cross organisation meetings are held.</p> <p>This year has seen the development of community initiated groups, many of which Council is involved in as needed,</p>	<p>As noted above, Council is in contact with many of these organisations and agencies and when required will facilitate bringing them together to address specific needs. Council plays a facilitation role in the sharing of information and contacts between these groups.</p> <p>Activities will not be specifically noted against this action in future reports, as this form part</p>

		these groups contain members of many of the organisations listed and meet regularly.	of the operations of the organisation.
1.9	Support local business and tourism association to enhance capacity to address barriers to economic activity and to collaborate with the South East Regional Development Association (SERDA), Business Tasmania, Department of State Growth and other business orientated organisations to modernise the Tasman economy.	<p>Council has actively engaged with SERA, Department of State Growth and Business Tasmania, as well as the Tasman Business and Tourism Association.</p> <p>Council confirmed its support to the business and tourism community through the endorsement of the Tasman Business and Tourism Support Policy.</p>	This is an ongoing activity with further engagement to continue.
1.10	Structured bi-annual workshop with community organisations based on an issue/development. Agendas aimed at liveability, wellbeing and prosperity and focused on and supporting their individual and collective roles within this.	Stakeholders have been identified and meet as and when required. As with actions 1.6 and 1.8, often an informal approach to engagement has proven to be more successful. When formal engagement is required, all parties are very willing to collaborate.	This action is predominantly around knowledge sharing and collaboration. Council has worked hard this year to form a more collaborative relationship with a range of organisations and people, and will continue to do this.
2.4	Resident and visitor amenity, access to recreation, heritage and experiences. Major camping. (Coal Mines and Sloping Main)	Council has engaged with land authorities who control this area, and continues to work with them to identify possible future investment.	Council is aware that the Coal Mines and Sloping Main area is valuable to the community and continues to work with those agencies who have authority over that area.

			This action is one where Council can play a facilitation role and engage with land authorities to progress their plans when and as required.
3.4	Ensure local community groups are aware of what is accessible across the community and how to access those supports.	Considerable resources across the organisation have been utilised in strengthening and developing information sharing networks. This includes sharing information about community and other events, funding opportunities and other supports to community organisations.	This action forms part of the core role of Council and will be an ongoing focus.
3.6	In conjunction with State, other statutory and volunteer agencies to ensure risks are identified and that actionable plans are in place to ensure coordinated preparedness, prevention, response and recovery.	This action relates specifically to Emergency Management activities, and has seen Council re-engage with statutory and volunteer agencies to support the community.  Council's delegated Emergency Management Coordinator and Recovery Coordinator has actively participated in a number of initiatives and has built stronger ties with local and State organisations.	This is a statutory responsibility of the Council, which forms part of the ongoing operations of the organisation.

## CORPORATE SERVICES

The responsibilities that sit within the Corporate Services Department are extensive and while the front counter reception staff are some of Council's most visible, much of our work goes on 'behind the scenes'. The 'unseen' works performed by Corporate Services includes:

- Administration and financial services;
- Human resource services;
- Legal and insurance services;
- Records management;
- Information technology services; and
- Customer and community support services.

Increasingly as the organisation develops the Corporate Services team provides support to other departments within the Council. There is often overlap between this department and the Governance department, this increases the capacity of both departments to operate in an increasingly complex environment.

During the 2021/2022 financial year, the Corporate Services Department was challenged by the impacts of COVID-19 on staffing levels, staff movements and changes to their roles. In addition the hacking incident that occurred this year had huge impacts on the Corporate Services Department. This increased the volume of work and saw additional responsibilities sit with the department, including the provision of increased support services to other departments.

Despite these challenges Corporate Services has continued to not only provide a high level of service to the community, but also was able to start work on a number of larger scale projects and develop staff skills. Some highlights from the Corporate Serviced Department include: supporting our Customer Service Officer Trainee in continuing her traineeship, contracting a new IT company to develop Councils IT systems and recourses, continuing to provide excellent customer service and made improvements to how Council communicates with community members.

Council continues to struggle with limited NBN connection capacity, as well as perceived isolation and distance from the CBD and other locations. Continued use of Zoom and Microsoft Teams have enabled Tasman to attend courses, meetings and information sessions while not having to travelling away from the office.

Whilst the 2021/22 financial year has been challenging for everyone, as a result we are now a stronger and more connected organisation and we are looking forward working towards a brighter future.

## Corporate Services Focused Strategic Actions

Strategic Action No.	Description	Actions	Outcome
1.7	Specific purpose, project/issue workshops as required, including relevant local stakeholders and interests.	<p>Council ran several purpose specific workshops in relation to issues and projects relevant to the operations of Council and the interests of the Tasman Community during the 2021/22 financial year. These workshops included Mountain Bike Proposal at Taranna, Domestic Violence within the community, community resilience, Council operational and capital budgets, strategic risk management, and upgrades to the Tasman Civic Centre and Judd Park facilities.</p> <p>Stakeholders present during these workshops have been, elected members and Council officers, relevant community members and organisations and other relevant parties.</p>	<p>Workshops have increased community engagement with Council and provided an opportunity for targeted discussion around specific topics.</p> <p>Workshops such as these will continue to be part of Councils activities.</p> <p>Ongoing.</p>
2.1	Effective visitor entrance points and destinations, resident and visitor amenity, access to recreation, heritage and employment engine, hub for visitor distribution.	Council worked closely with community stakeholders in relation to several projects for community amenities and recreational activities. These projects have included Impression Bay Community Gardens, Convict Trail,	Council continues to remain financially sustainable now and into the future to ensure the ongoing maintenance of current amenities and to support potential investment

		<p>Soldiers Walk and improvements to the Judd Park toilet facilities and recreation playground area.</p> <p>Council held an information session in relation to the upgrades scheduled for the Tasman Civic Centre dur 2021/22. Members of the public were invited to attend and provide input into the project.</p> <p>Council continues to remain financially sustainable now and into the future to ensure the ongoing maintenance of current amenities and to support potential investment into new amenities and recreation facilities into the future.</p>	<p>into new amenities and recreation facilities into the future.</p> <p>Council's engagement with other organisations continues to grow.</p> <p>This is an ongoing activity of Council</p>
2.2	Resident and visitor amenity, access to recreation and experience	<p>Council have worked closely with the Mountain Bike Committee, discussing potential options for mountain biking within the Tasman Region, in particular the Taranna area. Conversations and workshops will continue with the hope of Council supporting this project.</p> <p>Council continued to develop a Community Infrastructure Strategy to assist Council to support and offer guidance as required to others who may</p>	<p>As with action item 2.1, Council continues to engage a variety of organisations to continue to improve amenity and recreational experiences.</p> <p>This is an ongoing activity of Council.</p>

		be looking to invest in infrastructure within the Tasman Region.	
2.3	Service Hub. Resident and visitor amenity, access to recreation and experience. Employment engine. Access to daily living and lifestyle services. (Nubeena)	<p>Council continues to support and utilise SERDA (Southeast Regional Development Association) and SeeHUB (South East Employment Hub) as they assist with employment opportunities and training in skills and development for community members. Council continues to assist and support SERDA and other employment assistance programs that bring much needed resources to the Tasman Region.</p> <p>Council continued to be financially responsible to ensure sustainability into the future. This ensures Councils continued support towards employment opportunities and access to daily living and lifestyle services for the Tasman Community.</p>	<p>Council continued to be financially responsible to ensure sustainability into the future. This ensures Councils continued support towards employment opportunities and access to daily living and lifestyle services for the Tasman Community.</p> <p>This action has a strong crossover with the Infrastructure Department in the provision of amenities and Governance Department in regard to engagement with the visitor economy and employment engine. The Governance Department has continued to engage with SERDA at a strategic level, while Corporate Services engages at a more operational level.</p>

4.1	Determine its feasibility as a key tourism and visitation attractor in conjunction with Port Arthur Historic Site and Parks & Wildlife Service based on board benefit-cost principles.	<p>Communication continued between Council and Parks and Wildlife Services in relation to shared services and joint ventures between the two organisations, with the hope of forming a synergy between the two to enable better services for the Tasman Community and visitors.</p> <p>Council continued to be a member of the Tasman Business and Tourism Association (TBTA) and provided support and assistance where necessary.</p> <p>Council continued to work closely with the Port Arthur Historic Site, promoting the Tasman Region as a key tourist and visitor destination.</p>	<p>Council continues to have strong relationships with both of these organisations. This has seen an increase in strategic, future orientated discussions.</p> <p>It should be noted that while Council is a stakeholder and facilitator for any development in area managed by these organisations it is not a decision maker in regard to land and funding allocated to other agencies.</p>
5.1	Integrate and translate policy into practice at the Council decision making and operational practice level.	Councils Senior Management Team have continued to work extensively on ensuring that Councils policies are up to date and relevant to our current requirements, as well as being relevant to Councils operational and legislative requirements.	<p>A number of policies have been reviewed and updated in this period. Council has reassessed its policy register and is continuing to update policy and practice as resources allow.</p> <p>This is an ongoing activity.</p>

5.2	<p>Promote understanding of the practical implications to enable residents and business to adapt, identify new opportunities and mitigate risk.</p>	<p>Council included a budget allocation in the 2021/22 financial year for the upgrades to the Council website. Whilst the new website wasn't implemented during this financial year, the projected was rolled over into the next financial for finalisation.</p> <p>The upgraded website will ensure that Council is providing up to date and relevant information and services to residents, businesses, and visitors. This will also ensure that Council is communicating with the Tasman Community to the best of our ability.</p> <p>Council continued to improve on providing information to the public through its social media platforms. This has been a much-utilised resource for Council and the community.</p> <p>Council continued to work towards having an approved Community Engagement Strategy, to ensure communication is a key focus of Council.</p>	<p>Council undertook to provide relevant and up to date information via Council's website and social media platforms.</p> <p>The upgrading of the Council website forms a crucial part of this, providing a contemporary 'landing point' for much of the community.</p> <p>Council has increased the volume and scope of information provided to the public.</p> <p>This is an ongoing activity of Council.</p>
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## DEVELOPMENT SERVICES

The Development and Financial Services Department of Council holds responsibility for a varied mix of development and compliance functions and activities, as well as starting to make the transition to bearing responsibility for financial services within the Council.

The development services team performs the following functions:

- Implementation of the *Tasman Interim Planning Scheme 2015* through the assessment of Development Applications for subdivisions, new buildings, extensions and additions, demolitions, vegetation clearing activities and boundary adjustments.
- Building and Development services which includes the delivery and administration of Council's building, plumbing and planning service and compliance activities.
- Environmental Health services, including the investigation of some health-related complaints, water monitoring, food licencing and ensuring compliance with Council's wastewater disposal requirements.
- Natural Resource Management services which is a broad field that includes weed management, advice on environmental issues, some aspects of waste disposal and recycling, climate change, animal management policy, Coast Care and Land Care and the provision of advice to farmers and other land users.
- Animal control services, including the impounding of lost and nuisance animals.
- Administration of Council's Regulatory Services By-law No. 1/2018.

As the transition to this Department taking on control of Financial Services continues all budget, audit and strategic financial services will also become part of this department. Financial services are not included in the Council's Strategic Plan, but form the backbone of all operations of Council. Until recently budget and strategic financial services sat with the General Manager, it is anticipated that the move to re-allocating this responsibility will take up to 12 months to achieve.

The Statewide Planning Scheme and Local Provisions Schedule was finalised this year, making the Tasman Council one of the first to adopt the new planning requirements.

Natural Resource Management (NRM) and Compliance also form a large part of the function of this Department. Some of the Council's many NRM related activities are recorded in the actions below. Compliance activities include the issuing of Abatement

Notices, enforcement of Planning Permits and investigation of dog complaints. While this is never a popular activity in the community, it is a statutory requirement that helps to ensure a safer community.

The Strategic Plan actions listed below have a strong environmental and community focus and will be commenced in the coming year. While some of this work can be achieved relatively quickly, there are other elements of the actions which will require an ongoing commitment of resources.

### Public Health Statement

Tasman Council is committed to the health and wellbeing of our community. The Development Services Department bears responsibility for ensuring that the Council's statutory obligations are met under the following Tasmanian Government Acts:

- *Public Health Act 1997*
- *Food Act 2003*
- *Environmental Management and Pollution Control Act 1994*
- *Dog Control Act 2000*
- *Local Government Act 1993*

As part of the Tasman Council's commitment to its public health goals in the coming year, the Development Services Department will seek to:

- Continue to conduct school-based immunisation clinics and promote the importance of immunisation in the community.
- Monitor onsite wastewater disposal units to ensure compliance with the relevant legislation.
- Undertake inspections of food premises, water carters, major recreational waters, private water supplies and public health risk activities to ensure compliance with relevant legislation.
- Investigate public and environmental health complaints.
- Offer Councillors and staff a free annual influenza vaccination.

### Food Act 2003

Council's responsibilities in accordance with the *Food Act 2003* involve the licensing of food businesses and food premises and inspections to ensure safe food hygiene standards are met.

There were 55 food premises registered in the Municipality in the 2021 – 2022 financial year. These are as follows:

Category P1 – 11 businesses

Category P2 – 33 businesses

Category P3 – 7 businesses

Mobile food businesses – 4

One temporary food licence was issued in the 2021 – 2022 year.

In addition to statutory health and food monitoring Development Services was involved in the following building and planning related activities:

Building Certificates – 0

Building Permits – 14

Low Risk Work – 11

Notifiable Work – 58

Permits of Substantial Completion – 5

Development Application – No Permit Required – 23

Development Application – Permitted – 31

Development Application – Discretionary -105

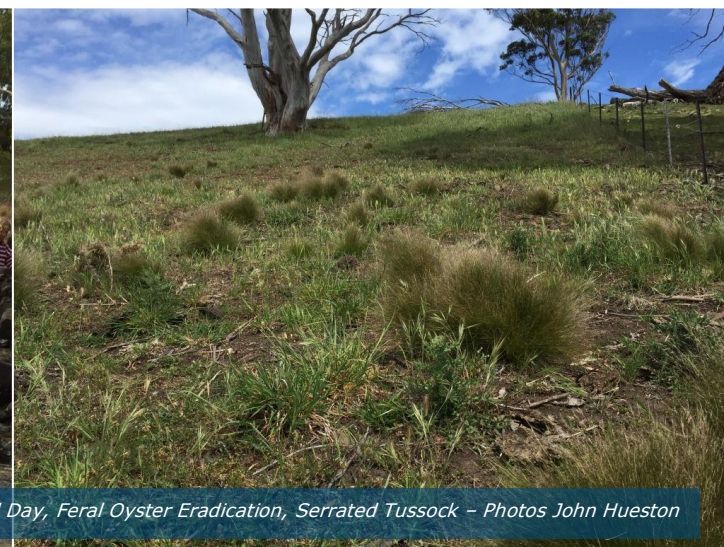
Assessments for the installation of Onsite Waste Water Management Systems -49

## Development and Financial Services Focused Strategic Actions

Strategic Action No.	Description	Actions	Outcome
3.1	Ongoing assessment of recreation and community facilities, promotion of their use and investment based on broad benefit-cost principles.	This activity was originally associated with Development Services as it was anticipated that this department would be developing a Community Infrastructure Strategy. That strategy now sits with Governance to develop	The Governance Department continues to work on finalising the strategy, work has been slowed due to the need to source check much of the information  This will continue in the 2022 – 2023 financial year
4.1	Ensuring Council, Parks and Wildlife Service, Marine and Safety Tasmania and other facilities are located at key locations, clustered in a manner that assists complementary use (e.g., ramps, toilets, tracks entry/interest points and picnic facilities) and high amenity.	Discussions commenced with Parks and Wildlife Services and other organisations about the development of a service hub at the Tasman Community Centre.	This has been slow to progress as it is not a priority for other agencies at this point.
5.3	Continue the development and support processes to ensure best practice in eco- system, catchment and receiving waters management.	Outside the ongoing and statutory work of the Development Services Team, this area of activity forms the largest part of the Department's activities.  This year that has included assisting in the development of the <i>Regional</i>	Council has endorsed the Regional Climate Change Strategy and Council Officers are now looking at practical actions to assist in implementation. This also forms part of the Council's risk analysis.

		<p><i>Strategy – Adapting to a Changing Coastline in Tasmania</i>, this document includes principles, actions and recommendations about how to respond to the effects of climate change and potential risks facing Council because of this.</p> <p>Finalisation of the Drought Weeds Grants program saw landowners treating a variety of weeds including Spanish Heath, Serrated Tussock, Ragwort, Gorse, Paterson's Curse, Pampus, Blackberry and Foxglove.</p> <p>Spot spraying of weeds continues to be undertaken.</p> <p>Council's NRM Officer supports the Impression Bay, White Beach and Eaglehawk Neck CoastCare groups and the Tasman Landcare group.</p> <p>Monitoring of the Little Penguin colony at Eaglehawk Neck continues as does the Feral Oyster Eradication Program and the Clean Up Our Patch activities.</p>	<p>All of these activities provide an opportunity for Council to facilitate processes and practices that support the local eco systems and improve catchment management.</p>
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5.4	Monitor waste generation operations, including business and residential run-off and wastewater treatment, hazard management and other key and emerging risks to ensure compliance with operating requirements in conjunction with State agencies.		
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L-R Field Day, Feral Oyster Eradication, Serrated Tussock – Photos John Hueston

## INFRASTRUCTURE SERVICES

Council owns and manages various infrastructure assets across the municipal area which are essential to residents and visitors. The Infrastructure Services Department is responsible for the maintenance and provision of these assets when owned or operated by the Council, these include:

- Roads, footpaths and bridges;
- Buildings and facilities;
- Recreation reserves, parks and gardens;
- Drains and stormwater;
- Council owned tracks and trails;
- Cemeteries;
- Plant and equipment;
- Waste Management and transfer station; and
- Delivery of new capital projects and renewal of assets, including planning and design, project management and construction.

Infrastructure Services Department experienced a very challenging year. COVID-19 was responsible for high rates of staff absenteeism, with staffing levels often down to 50%. While restrictions eased, the resulting growth in construction across the State caused difficulty in finding contractors and with the supply of goods, this proved to be almost as restrictive as the pandemic itself. State and Federal Government grants for infrastructure projects were in abundance but the people to do the work continues to be limited.

Councils Works Depot crews are staffed by passionate local people that are vested in quality outcomes for the community.

Council have invested in equipment to quickly repair our roads but high rainfalls in the region have had a negative effect on our roads from relatively minor potholes to major landslips causing roads to be closed. The unsealed roads capital program is also being scaled up to lift the underlying condition of roads through substantive re-sheeting, grading and drainage. Roads are allocated to the capital program based on highest need and like the maintenance program, capital works will be delivered through a planned cycle.

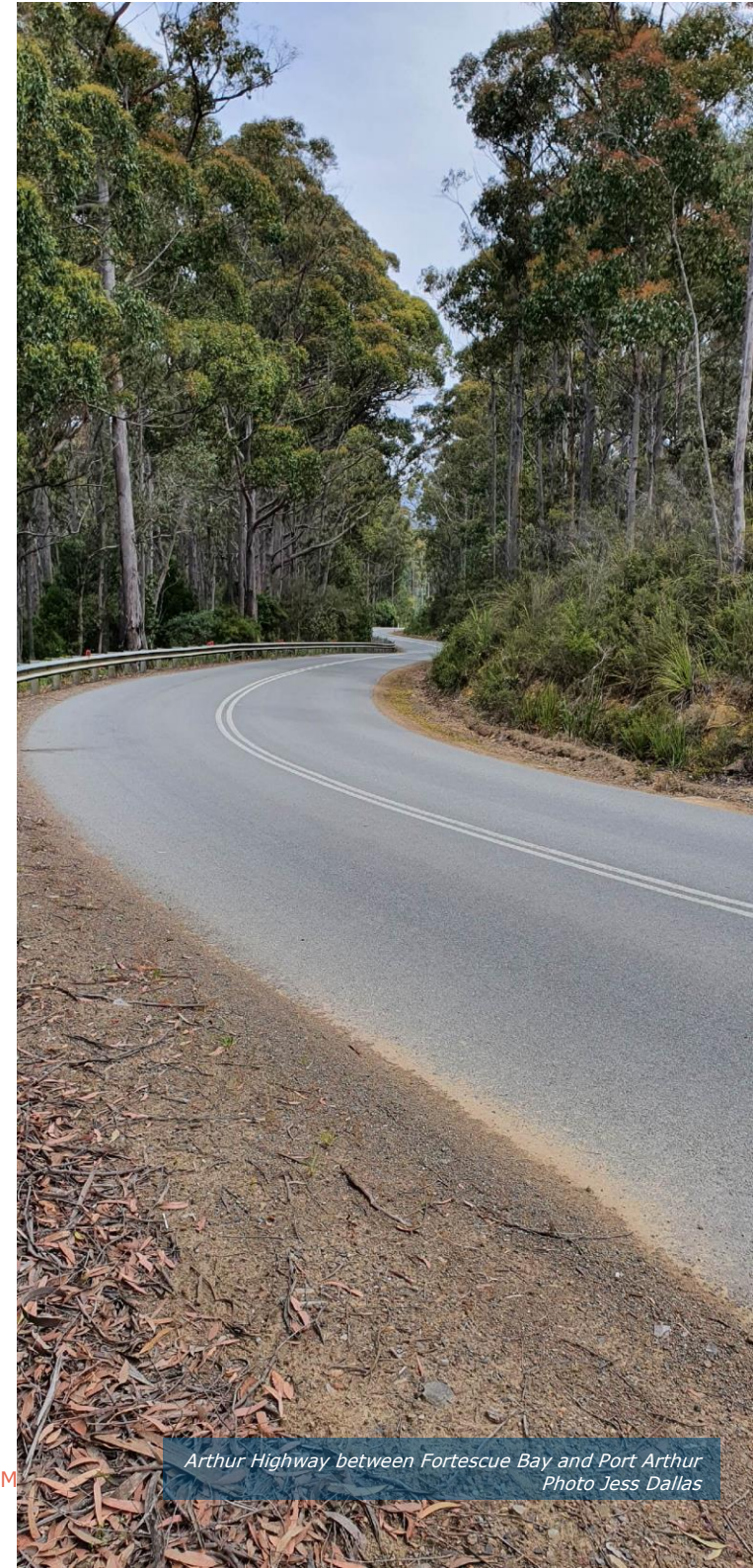
Changes to waste management and contracts for existing services coming to an end have resulted in Council revising the operation of the Nubeena Waste Transfer Station to focus on data collection, waste segregation and the implementation of the State Government container deposit scheme.

Having a good understanding of the volumes and composition data of waste that we are dealing with is crucial to making good decisions and limiting risk. With a new kerbside waste collection contract there is a focus on making adjustments to the kerbside service to drive behaviour change and the way that residents interact with our service.

While not included in the Council's Strategic Plan as such, much of the capital works done by Council have a focus on ensuring that Council's community assets meet the changing needs of our community, and in the case of the Tasman Civic Centre as an emergency evacuation centre if one is required as the result of a declared emergency.

#### Capital Works:

- Tasman Civic Centre access road and car parking improvements
- Tasman Civic Centre connection to TasWater sewerage system
- Sloping main Bridge replacement
- Taranna Hall Security Cameras
- Blowhole Road Drainage
- Various Building upgrades
- Two-way Radio upgrade
- Bayview Road Stormwater and driveway upgrades
- Pearls Court Independent Living Units refurbishment x2
- Road re-sealing
- White Beach Road
- Saltwater River Road
- Road Widening Sommers Bay Road (Stage 1)
- Hawker St South intersection



## Infrastructure Services Focused Strategic Actions

Strategic Action No.	Description	Actions	Outcome
5.4	Monitor waste generation operations, including business and residential run-off and wastewater treatment, hazard management and other key and emerging risks to ensure compliance with operating requirements in conjunction with State agencies.	Much of this has been undertaken through the Development Services Department, who share their findings with Infrastructure Services to allow information to be collated for future projects. As noted above information gathering is essential to ensure compliance with State Government requirements.	Significant information is being gathered about the amount and type of waste generated. This will ensure that future design meets the requirements of the community.  Ongoing.
5.5	Establish and combine current baseline data with monitoring across key eco-systems, catchments and the coastal environment to develop a systemic and balanced protective/adaptive strategy.	Revised the operation of Nubeena Waste Transfer Station to focus on data collection, waste segregation and the new container deposit scheme introduced by Tasmanian Government. Ongoing.	Ongoing to ensure that future design meets the requirements of the community and promotes legislative compliance.
5.6	Minimisation of waste going to landfill through community education and practice.		While specific actions have been completed this year, ongoing education will form an important part of waste reduction for the foreseeable future.
5.7	Improved solid and organic waste recycling.	Data analysis from the new kerbside waste collection service and a revised operation of the Nubeena Waste Transfer Station will allow a focus on	This will provide valuable evidence for the future operation of the Waste Transfer Station and other possible

		improved recycling and waste reduction services.	recycling activities.
5.8	Active education around promotion of legislative changes.		This is an ongoing activity that will change through time
6.1	Apply benefit-cost principles to determine both standards and the necessary level of investment to ensure that access, parks/sports grounds and buildings are fit for purpose based on their usage and future demand.		This will be one of the focus areas in the 2022 – 2023 Annual Plan, information is required to ensure that Council is meeting the needs of the community.
6.2	The Tasman's asset management program and budget are designed to maintain the asset mix to standards and prolong useful life.		Further work to be undertaken in this area in coming years.
6.3	Minor works improvement to reduce recurring, frequent maintenance intervention is aimed at optimising maintenance expenditure.		Further work utilising asset management techniques will need to be budgeted for and programmed into future works schedules to ensure that minor maintenance is carried out in a timely fashion.
6.4	Prepare a Stormwater System Management Policy and Plan, with a specific focus on critical risk locations and catchments.		Further investment is required to ensure that Council's storm water assets remain viable.

## TASMAN COUNCIL AUDITED FINANCIAL STATEMENTS FOR 2021 - 2022

ITEM 1 – Tasman Council Independent Auditors Report (opinion) 30 June 2022

ITEM 2 – Tasman Council Annual Financial Report for the year ended 30 June 2022

**Independent Auditor's Report**  
**To the Councillors of Tasman Council**  
**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Tasman Council (Council), which comprises the statement of financial position as at 30 June 2022 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2022 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

**Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit responsibility does not extend to the budget figures included in the financial report and the asset renewal funding ratio disclosed in note 10.4(f) to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager's determination that Council did not have any Significant Business Activities for inclusion in the financial report as required by Section 84(2)(da) of the *Local Government Act 1993*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<b>Valuation of infrastructure assets</b> <i>Refer to note 6.1</i>	
<p>Property and infrastructure at 30 June 2022 includes land, buildings, roads, bridges and jetties and drainage assets measured at fair value totalling \$65.25m. The fair values of these assets are based on market values and depreciated current replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value.</p> <p>Bridges and jetties and drainage assets were revalued in 2021-22 based on current replacement cost valuations determined by an external expert.</p> <p>These valuations are highly dependent upon a range of assumptions and estimated unit rates.</p>	<ul style="list-style-type: none"> <li>Assessing the scope, expertise and independence of experts engaged to assist in the valuations.</li> <li>Evaluating the appropriateness of the valuation methodology applied to determine fair values.</li> <li>Critically assessed assumptions and other key inputs into the valuation model.</li> <li>Testing, on a sample basis, the mathematical accuracy of valuation model calculations.</li> <li>Assessing the adequacy of disclosures made in the financial report, including those regarding key assumptions used.</li> </ul>

## **Responsibilities of the General Manager for the Financial Report**

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the General Manager, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Jeff Tongs  
**Assistant Auditor-General**  
**Delegate of the Auditor-General**  
Tasmanian Audit Office

16 February 2023  
Hobart

**TASMAN COUNCIL**

**ANNUAL FINANCIAL REPORT**  
*For the Year Ended 30 June 2022*

## Statement of Comprehensive Income For the Year Ended 30 June 2022

		Budget	Actual	Restated
	Note	2022	2022	Actual
		\$'000	\$'000	2021
				\$'000
<b>Income from continuing operations</b>				
<b>Recurrent income</b>				
Rates and charges	2.1	5,415	5,429	5,193
Statutory fees and fines	2.2	201	225	209
User fees	2.3	153	145	166
Grants	2.4	1,168	1,781	987
Contributions - cash	2.5	10	5	-
Interest	2.6	49	41	49
Other income	2.7	170	175	153
Investment revenue from Water Corporation	2.9, 5.2	13	12	5
		<b>7,179</b>	<b>7,813</b>	<b>6,762</b>
<b>Capital income</b>				
Capital grants received specifically for new or upgraded assets	2.4	2,070	1,151	573
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	47	6	(191)
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	5.1	265	200	202
		<b>2,382</b>	<b>1,357</b>	<b>584</b>
<b>Total income from continuing operations</b>		<b>9,561</b>	<b>9,170</b>	<b>7,346</b>
<b>Expenses from continuing operations</b>				
Employee benefits	3.1	(1,923)	(1,858)	(1,558)
Supplies and services	3.2	(2,908)	(2,673)	(2,377)
Depreciation and amortisation	3.3	(1,875)	(1,882)	(1,850)
Finance costs	3.4	(22)	(3)	(6)
Other expenses	3.5	(750)	(739)	(841)
<b>Total expenses from continuing operations</b>		<b>(7,478)</b>	<b>(7,155)</b>	<b>(6,632)</b>
<b>Result from continuing operations</b>		<b>2,083</b>	<b>2,015</b>	<b>714</b>
<b>Net result for the year</b>		<b>2,083</b>	<b>2,015</b>	<b>714</b>
<b>Other comprehensive income</b>				
<b>Items that will be reclassified subsequently to net result</b>				
		-	-	-
<b>Items that will not be reclassified subsequently to net result</b>				
Fair value adjustments on equity investment assets	5.2, 9.1	-	40	66
Net asset revaluation increment/(decrement)	9.1	-	1,248	1,238
		-	-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>1,288</b>	<b>1,304</b>
<b>Total Comprehensive result</b>		<b>2,083</b>	<b>3,303</b>	<b>2,018</b>

The above statement should be read in conjunction with the accompanying notes.

Refer to note 9.11 for Reinstatement

**Statement of Financial Position**  
**As at 30 June 2022**

	Note	2022 \$'000	Restated 2021 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4.1	6,216	5,214
Trade and other receivables	4.2	487	648
Investments	4.3	2,200	2,200
Other assets	6.3	89	110
<b>Total current assets</b>		<b>8,992</b>	<b>8,172</b>
<b>Non-current assets</b>			
Investments in Bendigo	5.3	20	20
Investments in associates accounted for using the equity method	5.1	1,445	1,245
Investment in water corporation	5.2	828	788
Property, infrastructure, plant and equipment	6.1	67,462	65,483
Right-of-use assets	6.2	-	6
<b>Total non-current assets</b>		<b>69,755</b>	<b>67,542</b>
<b>Total assets</b>		<b>78,747</b>	<b>75,714</b>
<b>Current liabilities</b>			
Trade and other payables	7.1	913	370
Trust funds and deposits	7.2	175	35
Provisions	7.3	329	314
Lease liabilities	7.4	-	5
Contract liabilities	7.5	7	956
Interest-bearing loans and borrowings	8.1	25	46
<b>Total current liabilities</b>		<b>1,449</b>	<b>1,726</b>
<b>Non-current liabilities</b>			
Provisions	7.3	77	46
Interest-bearing loans and borrowings	8.1	-	24
<b>Total non-current liabilities</b>		<b>77</b>	<b>70</b>
<b>Total liabilities</b>		<b>1,526</b>	<b>1,796</b>
<b>Net Assets</b>		<b>77,221</b>	<b>73,918</b>
<b>Equity</b>			
Accumulated surplus		30,939	28,924
Reserves	9.1	46,282	44,994
<b>Total Equity</b>		<b>77,221</b>	<b>73,918</b>

The above statement should be read in conjunction with the accompanying notes.

## Statement of Cash Flows For the Year Ended 30 June 2022

		2022 Inflows/ (Outflows) \$'000	Restated 2021 Inflows/ (Outflows) \$'000
	Note		
<b>Cash flows from operating activities</b>			
Rates		5,507	5,458
Statutory fees and fines		291	209
User charges and other fines (inclusive of GST)		184	169
Grants (inclusive of GST)		1,781	993
Contributions (inclusive of GST)	2.5	6	-
Interest received		41	49
Investment revenue from water corporation	2.9	12	5
Other receipts (inclusive of GST)		214	171
Net GST refund/(payment)		309	(109)
Payments to suppliers (inclusive of GST)		(2,421)	(3,072)
Payments to employees (including redundancies)		(1,817)	(1,544)
Other payments		(794)	(858)
<b>Net cash provided by (used in) operating activities</b>	9.2	<b>3,313</b>	<b>1,471</b>
 Payments for property, infrastructure, plant and equipment		(2,642)	(1,767)
Proceeds from sale of property, infrastructure, plant and equipment		35	
Capital grants (inclusive of GST)		208	1,523
Net proceeds from/(payments for) investments			(524)
<b>Net cash provided by (used in) investing activities</b>		<b>(2,399)</b>	<b>(768)</b>
 <b>Cash flows from financing activities</b>			
Proceeds from trust funds and deposits			
Repayment of lease liabilities (principal repayments)		(5)	-
Repayment from deposits held		139	(47)
Repayment of interest bearing loans and borrowings		(45)	(55)
<b>Net cash provided by (used in) financing activities</b>	9.3	<b>89</b>	<b>(102)</b>
 <b>Net increase (decrease) in cash and cash equivalents</b>		<b>1,003</b>	<b>601</b>
Cash and cash equivalents at the beginning of the financial year		5,214	4,613
<b>Cash and cash equivalents at the end of the financial year</b>	9.4	<b>6,217</b>	<b>5,214</b>
 Restrictions on cash assets	4.1	588	1,351

**Statement of Changes in Equity  
For the Year Ended 30 June 2022**

	Note	Accumulated Surplus 2022 \$'000	Asset Revaluation Reserve 2022 \$'000	Fair Value Reserves 2022 \$'000	Other Reserves 2022 \$'000	Total Equity 2022 \$'000
<b>2022</b>						
<b>Balance at beginning of the financial year</b>		28,924	43,974	(128)	1,148	73,918
Net result for the year		2,015	-	-	-	2,015
Fair Value adjustment on equity investment assets	5.2,9.1	-	-	40	-	40
Net asset revaluation increment/(decrement)	9.1	-	1,248	-	-	1,248
Total comprehensive income		2,015	1,248	40	-	3,303
Transfers between reserves		-	-	-	-	-
<b>Balance at end of the financial year</b>		<b>30,939</b>	<b>45,222</b>	<b>(88)</b>	<b>1,148</b>	<b>77,221</b>

	Note	Accumulated Surplus 65483 \$'000	Asset Revaluation Reserve 2021 \$'000	Fair Value Reserves 2021 \$'000	Other Reserves 2021 \$'000	Total Equity 2021 \$'000
<b>Restated 2021</b>						
Balance at beginning of the financial year		26,228	42,736	(194)	1,140	69,910
Correction of prior period error		1,982	-	-	-	1,982
Restates opening balance		28,210	42,736	(194)	1,140	71,892
Net result for the year		714	-	-	-	714
Fair Value adjustment on equity investment assets	5.2,9.1	-	1,238	66	-	1,304
Net asset revaluation increment/(decrement)	9.1	-	-	-	8	8
Actuarial gain/loss on defined benefits plans		-	-	-	-	-
Total comprehensive income		28,924	43,974	(128)	1,148	73,918
Transfers between reserves		-	-	-	-	-
<b>Balance at end of the financial year</b>		<b>28,924</b>	<b>43,974</b>	<b>(128)</b>	<b>1,148</b>	<b>73,918</b>

For prior period error correction refer to note 9.11

The above statement should be read with the accompanying notes.

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**Note 1 Overview**

**1.1 Reporting entity**

(a)

The Tasman Council was established on **6 January 1908** and is a body corporate with perpetual succession and a common seal. Council's main office is located at 1713 Main Road, Nubeena TAS 7184.

(b)

The purpose of the Council is to:

- provide for health, safety and welfare of the community;
- promote the social, economical and environmental viability and sustainability of the Municipality;
- provide for the peace, order and good government in the municipality.
- ensure that resources are used efficiently, effectively and services are provided in accordance with the best value principles to best meet the needs of the community;
- improve the overall quality of life of people in the local community;
- promote appropriate business and employment opportunities;
- ensure that the services and facilities provided by Council are assessable and equitable;
- ensure the equitable imposition of rates and charges; and
- ensure transparency and accountability in all Council decision making.

**1.2 Basis of accounting**

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993 (LGA1993) (as amended)*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 4.3, 5.2, 6.1, 7.3, 8.1 and 10.3. Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

**Taxation** - Council is exempt from a range of taxation including income tax, however is liable for fringe benefit tax, payroll tax and the goods and services tax. *Goods and Service Tax (GST)* Income, expenses and assets have been recognised net of GST where the GST is recoverable from the Australian Taxation Office (ATO). Where an amount of GST is not recoverable from the ATO, it has been recognised as part of the cost of acquisition of an asset or part of an item of expense to which it relates. Receivables and payables have been stated with the amount of GST included. The net amount of GST recoverable from the ATO has been included as part of receivable.

Cash flows are included in the Cash Flow Statements on a gross basis. The GST component of cash flows arising from investing and finance activities which is recoverable from or payable to, the ATO is classified as operating cash flows.

**1.3 Use of judgements and estimates**

*Judgements and Assumptions*

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

*Employee entitlements*

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 7.3.

*Defined benefit superannuation fund obligations*

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 9.5.

*Fair value of property, infrastructure, plant & equipment*

Assumptions and judgements are utilised in determining the fair value of Council's property, infrastructure, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

*Investment in water corporation*

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 5.2.

#### 1.4 Impact of Covid-19 on Financial Reporting for 2021-22

The COVID-19 pandemic has impacted this financial report, which may be reflected in the comparability of some line items and amounts reported in the statements and/or the notes. The financial impacts are a direct result of either Council's response to the pandemic, or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and Tasmanian Government. Further details of such impacts are discussed in the following note on material budget variations.

#### 1.5 Material Budget Variations

Council's original budget was adopted by the Council on **25 August 2021**. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

##### Revenues

##### 1 Rates and charges

Revenue was up \$14,000 (.25%) on budget due mainly to a very conservative estimate being made in the budget. Significant supplementary valuations and property adjustments during the year, resulted in additional rates and charges.

##### Statutory fees and fines

Statutory fees income was above budget by \$24,000 (12%) for the 2021-22 financial year. The Tasman municipality population has continued to grow and as a result, Council experienced higher than expected activity levels.

Interest income was below budget by \$8,000 (16%) for the 2021-2022 financial year. Due to significant reduction in interest rates.

##### 3 Grants

Operating was over \$613,000 (52%) budget due to the early receipt of Commonwealth Government Financial Assistance

Grant (FAG) funding. The Commonwealth Government provides FAG funding for local government in accordance with the Commonwealth Government's *Local Government (Financial Assistance) Act 1995* (the Australian Government Act). The FAG funding is provided to Council for general purpose use and the provision of local roads and bridges.

Capital was under \$919,000 (44%) under budget due to the budget including an amount previously recognised as a contractual liability.

##### 4 Other revenues

Other revenues were in line with the budget.

##### EXPENSES

##### 1. Supplies and Services

The decrease was mainly around overall maintenance costs - gravel roads, heavy patching, building and drainage infrastructure.

##### 2. Other Expenses

Other expenses were over budget by \$238,000 (32%) due to significant costs increases.

##### 3. Employees Benefits

Employee benefits expenses were down.

**1.6 Functions/Activities of the Council**

(a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants 000's	Other 000's	Total Revenue 000's	Total Expenditure	Surplus/ (Deficit) 000's	Assets
Government and Administration						
2021 - 2022	2,932	5,705	8,637	2,319	6,318	8,992
2020 - 2021	1,560	5,271	6,831	1,616	5,215	8,172
Regulatory and Development Services						
2021 - 2022	-	275	275	801	(526)	-
2020 - 2021	-	235	235	617	(382)	-
Works and Services						
2021 - 2022	-	258	258	4,035	(3,777)	69,755
2020 - 2021	-	280	280	4,399	(4,119)	67,542
<b>Total</b>						
<b>2021 - 2022</b>	<b>2,932</b>	<b>6,238</b>	<b>9,170</b>	<b>7,155</b>	<b>2,015</b>	<b>78,747</b>
<b>2020 - 2021</b>	<b>1,560</b>	<b>5,786</b>	<b>7,346</b>	<b>6,632</b>	<b>714</b>	<b>75,714</b>

	2022 000's	2021 000's
Current assets	8,992	8,172
Non-current assets	69,755	67,542
	<b>78,747</b>	<b>75,714</b>

*Governance and administration*

Operation and maintenance of council chambers, administration offices, and councillors. Development and promotion of tourism and economic services within the municipality including sustainable employment opportunities and improved quality of life in line with Council's strategy for the region's development and aspirations of the community.

*Regulatory & Development Services*

Administration of Planning Schemes and co-ordination of building applications, environmental health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries.

*Works & Services*

To provide an efficient and safe base for the outdoor workforce and base for the storage of plant and vehicles also with materials and supplies. Construction and maintenance of roads, parks, bridges and buildings, parking facilities and street lighting. Collection, handling, processing and disposal of all waste material.

	2022 \$'000	2021 \$'000
<b>Note 2 Revenue</b>		
<b>Note 2.1 Rates and charges</b>		
Council uses Assessed Annual Values as the basis of valuation of all properties within the municipality. The Assessed Annual Value of a property is its estimated gross annual rental value.		
The valuation base used to calculate general rates for 2021-22 was \$37.33 million (2020-21 \$38.99 million)		
General rates	4,520	4,312
Waste management charge	259	251
Waste collection levy	474	453
Fire levy	182	177
Pensioner Remissions	(6)	-
<b>Total rates and charges</b>	<b>5,429</b>	<b>5,193</b>

**Accounting policy**

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

<b>Note 2.2 Statutory fees and fines</b>		
Land	1	2
Town planning fees	129	114
Building applications and Fees	18	20
Plumbing inspections and fees	38	38
Permits and licences	39	35
	<b>225</b>	<b>209</b>

**Accounting policy**

Fees and fines (including parking fees and fines) are recognised when or as the performance obligation is completed, or when the taxable event has been applied and Council has an unconditional right to receive payment.

<b>Note 2.3 User fees</b>		
Private works charges	21	36
Land certificate fees	61	54
Dog licences	8	13
Cemetery burial fees	17	10
Leases and licences	10	13
Other fees and charges	28	40
<b>Total user fees</b>	<b>145</b>	<b>166</b>

**Accounting policy**

Council recognises revenue from user fees and charges when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided. Licences granted by Council are all either short-term or low value and all revenue is recognised when granted.

	2022 \$'000	2021 \$'000
<b>Note 2.4 Grants</b>		
Federally funded grants	1,764	1,510
State funded grants		50
Capital grants received specifically for new or upgraded assets	1,168	-
<b>Total</b>	<b>2,932</b>	<b>1,560</b>
<b>Grants - Recurrent</b>		
Commonwealth Government Financial Assistance Grants - general purpose	612	463
Commonwealth Government Financial Assistance Grants - roads	944	524
Other - Local Roads and Community Infrastructure	225	-
<b>Total recurrent grants</b>	<b>1,781</b>	<b>987</b>
<b>Capital grants received specifically for new or upgraded assets</b>		
Commonwealth Government - roads to recovery	208	208
Community Development Grants - Nubeena Civic Centre	943	-
State Government - Infrastructure (Blackspot Funding)	-	56
State Government - Department of Natural Resources and Environment	-	51
Commonwealth Government - Infrastructure (Nubeena Clubrooms Upgrade)	-	50
Commonwealth Government - Local Roads & Community Infrastructure Grant	-	208
<b>Total capital grants</b>	<b>1,151</b>	<b>573</b>
<b>Unspent grants and contributions</b>		
Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:		
<b>Capital</b>		
Balance of unspent funds at 1 July	956	-
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions		-
Add: Funds received and not recognised as revenue in the current year		
Commonwealth Government - Nubeena Clubrooms & Recreation Ground Upgrade	-	950
State Government - Drought & Weed Management Grant	-	6
Less: Funds received in prior year but revenue recognised and funds spent in current year	(949)	-
Balance of unspent funds at 30 June	<b>7</b>	<b>956</b>
<b>Total unspent funds</b>	<b>7</b>	<b>956</b>

#### Accounting policy

Council recognises untied grant revenue and those without performance obligations when received. In cases when funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income is recognised as obligations are fulfilled. For a detailed explanation of Council's total unspent funds at 30 June 2022 refer to note 7.5.

The performance obligations are varied based on the agreement, but include that the Grant must only be undertaken for the approved purpose and that the approved purpose must commence and be completed by an agreed date. Further any unexpected part of the grant must be repaid, additionally any incorrect use of the grant must be repaid and breach of other circumstances per above can result in repayment of the grant.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council, a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

In both years the Commonwealth Government has made early payment of the first two quarterly instalments of untied Financial Assistance Grant (FAG) funding for the following year. The early receipt of instalments resulted in Commonwealth Government FAG grants being above the original budget in 2021-22 by \$400,965 (2020-21 \$137,706). This has impacted the Statement of Comprehensive income resulting in the Net result for year being higher by the same amount.

	2022 \$'000	2021 \$'000
<b>Note 2.5 Contributions</b>		
<b>(a) Cash</b>		
Roads	5	-
<b>Total</b>	<b>5</b>	<b>-</b>
<b>Total contributions</b>	<b>5</b>	<b>-</b>

**Accounting policy**

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

<b>Note 2.6 Interest</b>		
Interest on Cash Equivalents and Financial Assets	22	20
Interest Rates and Charges	19	29
<b>Total</b>	<b>41</b>	<b>49</b>

**Accounting policy**

**Interest income**

Interest is recognised progressively as it is earned.

<b>Note 2.7 Other income</b>		
Rental and hire Income	113	100
Southern Waste Solutions (Profit Share & Dividends)	30	53
Public open space contribution	32	-
<b>Total other income</b>	<b>175</b>	<b>153</b>

**Accounting policy**

**Rental Income**

Rents are recognised as revenue when the payment is due. Rental payments received in advance are recognised as a payable until they are due.

**Southern Waste Solutions (Profit Share)**

Southern Waste Solutions at 30 June 2022 distribute Council's profit share which is then recognised within these financial statements.

<b>Note 2.8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment.</b>		
Proceeds of sale	35	23
Write down value of assets disposed	(29)	(214)
<b>Total</b>	<b>6</b>	<b>(191)</b>

**Accounting policy**

**Gains and losses on asset disposals**

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

<b>Note 2.9 Investment revenue from water corporation</b>		
Dividend revenue received	12	5
<b>Total investment revenue from water corporation</b>	<b>12</b>	<b>5</b>

**Accounting policy**

**Investment revenue**

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

	2022 \$'000	2021 \$'000
<b>Note 3 Expenses</b>		
<b>Note 3.1 Employee benefits</b>		
Wages and salaries	1,664	1,329
Workers compensation	4	1
Superannuation	232	154
Payroll tax	25	18
Fringe benefits tax	37	7
Training and professional development	15	24
Other Benefits	32	32
	<u>2,009</u>	<u>1,565</u>
Less amounts capitalised	(151)	(7)
<b>Total employee benefits</b>	<b><u>1,858</u></b>	<b><u>1,558</u></b>

**Accounting policy**

**Employee benefits**

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits. Fringe benefit tax has increased due to the Australian Taxation Office increase in the instalment amounts and will be reduced when the FBT return is lodged in 2022-23.

<b>Note 3.2 Suppliers and services</b>		
Waste collection and management	523	463
Maintenance and materials	818	680
Contractors	823	751
Other Expenses	509	483
<b>Total materials and services</b>	<b><u>2,673</u></b>	<b><u>2,377</u></b>

**Accounting policy**

**Materials and services expense**

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

	2022 \$'000	2021 \$'000
<b>Note 3.3 Depreciation and amortisation</b>		<b>Restated</b>
<i>Property</i>		
Buildings		
Buildings	213	169
<i>Plant and Equipment</i>		
Plant, machinery and equipment	72	73
Fixtures, fittings and furniture	9	6
Computers and telecommunications	103	115
Leased plant and equipment	11	6
<i>Infrastructure</i>		
Roads	1,041	1,028
Bridges	211	206
Drainage	78	102
General infrastructure	15	16
Other Structure	123	124
<i>Right-of-use of assets</i>		
Right-of-use of assets	6	5
<b>Total</b>	<b>1,882</b>	<b>1,850</b>

#### Accounting policy

##### Depreciation and amortisation expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Land improvements, buildings, infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.

Land, heritage, artwork and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life. Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:

	Period
<i>Property</i>	
Buildings	
Buildings	25-150 years
<i>Plant and Equipment</i>	
Plant, machinery and equipment - small	2 years
Plant, machinery and equipment - large	5-15 years
Motor Vehicles	3-5 years
Fixtures, fittings and furniture	3-5 years
Computer and telecommunications	3-5 years
<i>Roads</i>	
Roads Pavements and seals	20-60 years
Road substructure	240 years
Road formation and earthworks	100 years
Road kerb, channel and minor culverts	50 years
<i>Bridges</i>	
Bridges deck	80 years
Bridges substructure	80 years

	2022 \$'000	2021 \$'000
Other Infrastructure		
Footpaths and cycleways		40 years
Drainage		80 years
Parks, open spaces and streetscapes		20-50 years
Intangible assets		
Intangible assets		3-5 years
Right-of-use of assets		
Right-of-use of assets		3-5 years

	2022 \$'000	2021 \$'000
<b>Note 3.4 Finance costs</b>		
Interest - borrowings	3	6
<b>Total</b>	<b>3</b>	<b>6</b>
<b>Total finance costs</b>	<b>3</b>	<b>6</b>

#### Accounting policy

##### Finance expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

Finance costs are expensed as incurred using the effective interest method. Borrowing costs include interest on bank overdrafts, borrowings, leases and unwinding of discounts.

<b>Note 3.5 Other expenses</b>		
External auditors' remuneration (Tasmanian Audit Office)	30	28
Internal auditors' remuneration (internal audit services -Audit Panel Members)	-	2
Councillors' allowances	109	113
Election expenses	2	4
State fire levy payments	174	169
Insurance premiums	228	214
Subscriptions and contributions	44	40
Community grants and events	53	32
Corporate and community planning	5	26
Utilities	61	70
Other items	33	143
<b>Total</b>	<b>739</b>	<b>841</b>

#### Accounting policy

##### Other expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset, or an increase of a liability has arisen that can be measured reliably.

	2022 \$'000	2021 \$'000
<b>Note 4 Current Assets</b>		
<b>Note 4.1 Cash and cash equivalents</b>		
Cash on hand	1	1
Cash at bank	2,509	5,213
Term deposits	3,706	-
<b>Total cash and cash equivalents</b>	<b>6,216</b>	<b>5,214</b>
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
i) Trust funds and deposits (note 7.2)	175	35
ii) Unspent grant funds with conditions (note 2.4)	7	956
iii) Provisions for leave (note 7.3)	406	360
	-	-
<b>Restricted funds</b>	<b>588</b>	<b>1,351</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>5,628</b>	<b>3,863</b>

#### Accounting policy

##### Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

##### Restricted funds

- i) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.
- iii) Provisions of leave are amounts owed to employees upon termination.

	2022 \$'000	2021 \$'000
<b>Note 4.2 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	224	295
Sundry debtors	250	184
Other debtors	13	13
Provision for expected credit loss - other debtors	-	(2)
Net GST receivable	-	158
<b>Total</b>	<b>487</b>	<b>648</b>
<b>Total trade and other receivables</b>	<b>487</b>	<b>648</b>
<b>Reconciliation of movement in expected credit loss</b>		
<b>Carrying amount at 1 July</b>	<b>2</b>	<b>19</b>
Increase / (decrease) in provision recognised in profit or loss	(2)	(17)
<b>Carrying amount at 30 June</b>	<b>-</b>	<b>2</b>

For ageing analysis of the financial assets, refer to note 9.11(d)

#### Accounting policy

##### Trade and other receivables

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment.

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Council believe that the debtors are collectable and due to this have not provided a provision for doubtful debts.

#### Note 4.3 Investments

##### Current

Term deposits - more than 3 months	2,200	2,200
	<b>2,200</b>	<b>2,200</b>

#### Accounting policy

##### Investments

Investment in financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. As Council's Managed funds are actively managed and their performance is evaluated on a fair value basis, these investments are mandatorily required to be measured at fair value through profit or loss.

	2022 \$'000	2021 \$'000
<b>Note 5 Other Investments</b>		
<b>Note 5.1 Investment in associates</b>		
Investments in associates accounted for by the equity method are:		
- Waste - Southern Waste Solutions	1,445	1,245
<b>Total</b>	<b>1,445</b>	<b>1,245</b>
<b>Southern Waste Solutions</b>		
<i>Background</i>		
The Copping Refuse Disposal Site Joint Authority (Trading as Southern Waste Solutions) was established under Section 30 of the <i>Local Government Act 1993</i> by the <i>Sorell Council, Clarence City Council and Tasman Council</i> . <i>Kingborough Council</i> joined the authority in 2009. The <i>Copping Refuse Disposal Site Joint Authority's</i> function is to promote and manage a putrescible landfill disposal site which conforms to its <i>Development Proposal and Environmental Management Plan (DP&amp;EMP)</i> and permit conditions.		
<i>Council's share of accumulated surplus(deficit)</i>		
Council's share of accumulated surplus(deficit) at start of year	1,245	1,043
Reported surplus(deficit) for year	200	202
Council's share of accumulated surplus(deficit) at end of year	<b>1,445</b>	<b>1,245</b>
<i>Council's share of reserves</i>		
Council's share of reserves at start of year	-	50
Transfers (to) from reserves	-	(50)
Council's share of reserves at end of year	<b>-</b>	<b>-</b>
<i>Movement in carrying value of specific investment</i>		
Carrying value of investment at start of year	1,245	1,043
Share of surplus(deficit) for year	200	202
Carrying value of investment at end of year	<b>1,445</b>	<b>1,245</b>

#### Accounting policy

##### Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Statement of Comprehensive Income.

	2022 \$'000	2021 \$'000
<b>Note 5.2 Investment in water corporation</b>		
Opening balance	788	722
Fair Value adjustments on equity investment assets	40	66
<b>Total investment in water corporation</b>	<b>828</b>	<b>788</b>

Council has derived returns from the water corporation as disclosed at note 2.9.

#### Accounting policy

##### Equity Investment

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: *Financial Instruments* to irrevocably classify this equity investment as designated at fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. Council holds .05% ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

<b>Note 5.3 Investment in Bendigo Bank</b>		
Share investment for the Nubeena & Tasman Community Bank Branch	20	20
<b>Total Investment in Bendigo Bank</b>	<b>20</b>	<b>20</b>

Note	6	Non-current assets		Restated
Note	6.1	Property, infrastructure, plant and equipment	2022	2021
			\$'000	\$'000
		<b>Summary</b>		
		at cost	3,933	5,417
		Less accumulated depreciation	(1,717)	(3,170)
			<u>2,216</u>	<u>2,247</u>
		at fair value as at 30 June	101,676	93,499
		Less accumulated depreciation	(36,431)	(30,263)
			<u>65,245</u>	<u>63,236</u>
		<b>Total</b>	<u>67,461</u>	<u>65,483</u>
		<b>Property</b>		
		<b>Land</b>		
		at fair value as at 30 June	2,112	2,112
			<u>2,112</u>	<u>2,112</u>
		<b>Land under roads</b>		
		at fair value as at 30 June	2,571	2,571
			<u>2,571</u>	<u>2,571</u>
		<b>Total Land</b>	<u>4,683</u>	<u>4,683</u>
		<b>Buildings</b>		
		at fair value as at 30 June	12,129	12,040
		Less accumulated depreciation	(4,090)	(3,877)
		<b>Total Buildings</b>	<u>8,039</u>	<u>8,163</u>
		<b>Total Property</b>	<u>12,722</u>	<u>12,846</u>
		<b>Plant and Equipment</b>		
		<b>Plant, machinery and equipment</b>		
		at cost	1,159	1,066
		Less accumulated depreciation	(688)	(616)
			<u>471</u>	<u>450</u>
		<b>Fixtures, fittings and furniture</b>		
		at cost	268	208
		Less accumulated depreciation	(200)	(191)
			<u>68</u>	<u>17</u>
		<b>Computers and telecommunications</b>		
		at cost	180	161
		Less accumulated depreciation	(157)	(146)
			<u>23</u>	<u>15</u>
		<b>Light and Heavy Vehicles</b>		
		at cost	1162	1,023
		Less accumulated depreciation	(672)	(656)
			<u>490</u>	<u>367</u>
		<b>Total Plant and Equipment</b>	<u>1,052</u>	<u>849</u>

Note	6.1 Property, infrastructure, plant and equipment (continued)	Restated	
		2022	2021
		\$'000	\$'000
	<b>Infrastructure</b>		
	at fair value as at 30 June	61,796	60,844
	Less accumulated depreciation	(22,061)	(21,020)
		<b>39,735</b>	<b>39,824</b>
	<b>Bridges and Jetties</b>		
	at fair value as at 30 June	14,969	11,013
	Less accumulated depreciation	(6,550)	(3,413)
		<b>8,419</b>	<b>7,600</b>
	<b>General Infrastructure</b>		
	at cost value as at 30 June	603	603
	Less accumulated depreciation	(158)	(143)
		<b>445</b>	<b>460</b>
	<b>Drainage</b>		
	at fair value as at 30 June	5,255	4,919
	Less accumulated depreciation	(2,031)	(1,953)
		<b>3,224</b>	<b>2,966</b>
	<b>Other Structures</b>		
	at cost value as at 30 June	2,241	2,241
	Less accumulated depreciation	(1,541)	(1,418)
		<b>700</b>	<b>823</b>
	<b>Total Infrastructure</b>	<b>52,523</b>	<b>51,673</b>
	<b>Works in progress</b>		
	Buildings at cost	1,041	104
	Roads and Footpaths at cost	2	3
	Bridges and Jetties at cost	111	-
	Drainage at cost	10	8
	<b>Total Works in progress</b>	<b>1,164</b>	<b>115</b>
	<b>Total property, infrastructure, plant and equipment</b>	<b>67,461</b>	<b>65,483</b>

Certain numbers do not correspond to the 2020-2021 financial statements. For details regarding the restated balances please refer to Note 9.11

Note 6.1 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2022	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)  (note 9.1)	Depreciation and amortisation	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>								
Land	2,112	-	-	-	-	-	-	2,112
Land under roads	2,571	-	-	-	-	-	-	2,571
<b>Total land</b>	<b>4,683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,683</b>
Buildings	8,163	-	-	(213)	-	-	89	8,039
Total buildings	8,163	-	-	(213)	-	-	89	8,039
<b>Total property</b>	<b>12,846</b>	<b>-</b>	<b>-</b>	<b>(213)</b>	<b>-</b>	<b>-</b>	<b>89</b>	<b>12,722</b>
<b>Plant and Equipment</b>								
Plant, machinery and equipment	450	93	-	(72)	-	-	-	471
Fixtures, fittings and furniture	17	60	-	(9)	-	-	-	68
Light and heavy vehicles	367	255	-	(103)	(29)	-	-	490
Computers and telecommunications	15	19	-	(11)	-	-	-	23
<b>Total plant and equipment</b>	<b>849</b>	<b>427</b>	<b>-</b>	<b>(195)</b>	<b>(29)</b>	<b>-</b>	<b>-</b>	<b>1,052</b>
<b>Infrastructure</b>								
Roads	39,824	-	-	(1,041)	-	-	952	39,735
Bridges and Jetties at cost	7,600	-	1,030	(211)	-	-	-	8,419
Drainage	2,966	-	197	(78)	-	-	139	3,224
General Infrastructure	460	-	-	(15)	-	-	-	445
Other Infrastructure	823	-	-	(123)	-	-	-	700
<b>Total infrastructure</b>	<b>51,673</b>	<b>-</b>	<b>1,227</b>	<b>(1,468)</b>	<b>-</b>	<b>-</b>	<b>1,091</b>	<b>52,523</b>
<b>Works in progress</b>								
Buildings at cost	104	1,026	-	-	-	-	(89)	1,041
Roads & Footpaths at cost	3	951	-	-	-	-	(952)	2
Bridges and Jetties at cost	-	111	-	-	-	-	-	111
Drainage at cost	8	141	-	-	-	-	(139)	10
<b>Total works in progress</b>	<b>115</b>	<b>2,229</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,180)</b>	<b>1,164</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>65,483</b>	<b>2,656</b>	<b>1,227</b>	<b>(1,876)</b>	<b>(29)</b>	<b>-</b>	<b>-</b>	<b>67,462</b>

Note 6.1 Property, infrastructure, plant and equipment (continued)

Reconciliation of property, infrastructure, plant and equipment (continued)

Restated 2021	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
<i>Property</i>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	2,112	-	-	-	-	-	-	2,112
Land under roads	2,571	-	-	-	-	-	-	2,571
Total land	4,683	-	-	-	-	-	-	4,683
Buildings	6,985	65	1,238	(169)	-	-	44	8,163
Total buildings	6,985	65	1,238	(169)	-	-	44	8,163
<b>Total property</b>	<b>11,668</b>	<b>65</b>	<b>1,238</b>	<b>(169)</b>	<b>-</b>	<b>-</b>	<b>44</b>	<b>12,846</b>
<i>Plant and Equipment</i>								
Plant, machinery and equipment	518	5	-	(73)	-	-	-	450
Light and heavy vehicles	413	69	-	(115)	-	-	-	367
Computers and telecommunications	14	7	-	(6)	-	-	-	15
<b>Total plant and equipment</b>	<b>945</b>	<b>81</b>	<b>-</b>	<b>(194)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>832</b>
<i>Infrastructure</i>								
Roads	39,802	1,197	-	(1,028)	(178)	-	31	39,824
Bridges and jetties	7,609	233	-	(206)	(36)	-	-	7,600
Drainage	2,843	181	-	(102)	-	-	44	2,966
General infrastructure	476	-	-	(16)	-	-	-	460
Other Infrastructure	947	-	-	(124)	-	-	-	823
<b>Total infrastructure</b>	<b>51,677</b>	<b>1,611</b>	<b>-</b>	<b>(1,476)</b>	<b>(214)</b>	<b>-</b>	<b>75</b>	<b>51,673</b>
<i>Works in progress</i>								
Buildings	44	104	-	-	-	-	(44)	104
Roads	31	3	-	-	-	-	(31)	3
Drainage	44	8	-	-	-	-	(44)	8
Bridges and jetties	-	-	-	-	-	-	-	-
Parks and recreation	43	(43)	-	-	-	-	-	-
Total works in progress	162	72	-	-	-	-	(119)	115
<b>Total property, infrastructure, plant and equipment</b>	<b>64,452</b>	<b>1,829</b>	<b>1,238</b>	<b>(1,839)</b>	<b>(214)</b>	<b>-</b>	<b>-</b>	<b>65,466</b>

Note 6.1 Property, infrastructure, plant and equipment (continued)

**Accounting policy**

**Recognition and measurement of assets**

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, plant and equipment and infrastructure received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold \$'000
Land	
Land	10
Land under roads	10
Buildings	
Buildings	10
Building improvements	10
Plant and Equipment	
Plant, machinery and equipment	1
Fixtures, fittings and furniture	1
Computers and telecommunications	1
Leased plant and equipment	1
Infrastructure	
Roads	
Road pavements and seals	10
Road substructure	1
Road formation and earthworks	10
Road general structure	1
Bridges	
Bridges deck	10
Bridges substructure	10
Culverts	10
Jetties	10
Drainage	10
Recreational, leisure and community facilities	10
Parks, open space and streetscapes	10
General Infrastructure	1

Note 6.1 Property, infrastructure, plant and equipment (continued)

**Accounting policy (Cont.)**

**Revaluation**

Council has adopted the following valuation bases for its non-current assets:

Land	fair value
land under roads	fair value
Plant and machinery	cost
Furniture, fittings and office equipment	cost
Stormwater and drainage infrastructure	fair value
Roads and streets infrastructure	fair value
Bridges	fair value
Buildings	fair value
Parks, recreation facilities and community amenities	cost
Heritage	cost

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment (and <name other classes>), are measured at their fair value in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

**Impairment of assets**

Impairment losses are recognised in the statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.

**Land under roads**

Council recognised the value of land under roads it controls at fair value.

Note 6.2 Right-of-use assets  
a) Right-of-use assets

	Plant and Equipment \$'000	Other \$'000	Total \$'000
<b>2022</b>			
Opening Balance at 1 July 2021	6	-	6
Additions	-	-	-
Depreciation expense	(6)	-	(6)
<b>Balance at 30 June 2022</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2021</b>			
Opening Balance at 1 July 2020	11	-	11
Disposals	-	-	-
Amortisation expense	(5)	-	(5)
<b>Balance at 30 June 2021</b>	<u>6</u>	<u>-</u>	<u>6</u>

**Accounting policy**

**Leases - Council as Lessee**

In contracts where Council is a lessee, Council recognises a right-of use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to note 7.4 for details on accounting policy of lease liability.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in note 6.1. Also, Council applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the above said note.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

	2022 \$'000	2021 \$'000
<b>Note 6.3 Other assets</b>		
<b>Current</b>		
Accrued revenue	84	105
Other assets	5	5
<b>Total</b>	<b>89</b>	<b>110</b>

**Note 7 Current liabilities**

**Note 7.1 Trade and other payables**

Trade payables	555	32
Rates and charges in advance	184	177
Other payables	28	65
GST	37	-
Accrued expenses	109	96
<b>Total trade and other payables</b>	<b>913</b>	<b>370</b>

**Accounting policy**

**Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates.

For ageing analysis of trade and other payables refer to note 9.11

**Note 7.2 Trust funds and deposits**

**Refundable deposits**

Refundable deposits	77	15
Retention amounts	98	20
<b>Total trust funds and deposits</b>	<b>175</b>	<b>35</b>

**Accounting policy**

**Refundable deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.

**Note 7.3 Provisions**

**2022**

	Annual leave \$ '000	Long service leave \$ '000	Other \$ '000	Total \$ '000
Additional provisions	133	44	7	184
Amounts used	(94)	(44)	-	(138)
Balance at the end of the financial year	<b>39</b>	<b>-</b>	<b>7</b>	<b>46</b>
Current	159	120	50	329
Non-current	-	64	13	77
<b>Total</b>	<b>159</b>	<b>184</b>	<b>63</b>	<b>406</b>

**2021**

	Annual leave \$ '000	Long service leave \$ '000	Other \$ '000	Total \$ '000
Balance at beginning of the financial year	111	179	56	346
Additional provisions	113	51	1	165
Amounts used	(104)	(46)	(1)	(151)
Balance at the end of the financial year	<b>120</b>	<b>184</b>	<b>56</b>	<b>360</b>
Current	120	146	48	314
Non-current	-	38	8	46
<b>Total</b>	<b>120</b>	<b>184</b>	<b>56</b>	<b>360</b>

	2,022	2,021
	\$'000	\$'000
<b>(a) Employee benefits</b>		
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	4.50%	2.50%
Weighted average discount rates	3.19%	2.04%
Weighted average settlement period (days)	12	12
<b>Employee Numbers</b>	27	23

#### Accounting policy

##### Employee benefits

###### i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

###### ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

###### iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

###### iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

###### v) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

	2022 \$'000	2021 \$'000
<b>Note 7.3 Provisions (Continued)</b>		
<b>(c) Other Provisions</b>		
Provision for lease make good costs		
Current	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

<b>Note 7.4 Lease liabilities</b>		
Lease liabilities	-	5
	-	5
Current	-	5

Lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

As at 30 June 2022	Minimum lease payments due					Total
	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	After 5 Years \$ '000	
Lease payments	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-
Net present value	-	-	-	-	-	-
<b>As at 30 June 2021</b>						
Lease payments	5	-	-	-	-	5
Finance charges	-	-	-	-	-	-
Net present value	5	-	-	-	-	5

#### Accounting policy

##### Leases - Council as Lessee

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease. Where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

##### Short-Term Leases and Leases of Low-Value Assets

Council has elected not to recognise right-of-use assets for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e. when the value of the leased assets when new is \$10,000 or less. Council recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

#### Note 7.5 Contractual Liabilities

##### Current

Funds received to acquire on construct an asset controlled by Council	7	956
	7	956

##### Non-current

	-	-
--	---	---

#### Accounting policy

##### Council recognised the following contractual liabilities:

i) Grant funds received in advance includes the construction upgrade of the Nubeena Civic Centre & Recreation Grounds. The funds received are under an enforceable contract which requires Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. Revenue was recognised during the year.

Note	8	Interest bearing	2022	2021
Note	8.1	Interest-bearing loans and borrowings	\$'000	\$'000
		<b>Current</b>		
		Borrowings - secured	25	46
			<b>25</b>	<b>46</b>
		<b>Non-current</b>		
		Borrowings - secured	-	24
			<b>-</b>	<b>24</b>
		<b>Total</b>	<b>25</b>	<b>70</b>
		<b>Borrowings</b>		
		Borrowings are secured over large road upgrade		
		The maturity profile for Council's borrowings is:		
		Not later than one year	25	46
		Later than one year and not later than five years	-	24
		Later than five years	-	-
		<b>Total</b>	<b>25</b>	<b>70</b>

**Accounting policy****Interest bearing liabilities**

The borrowing capacity of Council is limited by the *Local Government Act 1993*. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreement during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

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	2022 \$'000	2021 \$'000
<b>Note 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)</b>		
Result from continuing operations	2,015	714
Depreciation/amortisation	1,876	1,850
Depreciation of right-of-use assets	6	-
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(6)	191
Share of net (profit)/loss of investment associateds accounted for by the equity method	(200)	(202)
Capital grants received specifically for new or upgraded assets	(1,151)	(573)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	163	138
Decrease/(increase) in other assets	21	(129)
Increase/(decrease) in trade and other payables	543	(538)
Increase/(decrease) in provisions	46	14
Increase/(decrease) in other liabilities	-	6
<b>Net cash provided by/(used in) operating activities</b>	<b>3,313</b>	<b>1,471</b>
<b>Note 9.3 Reconciliation of liabilities arising from financing activities</b>		
Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.		
	<b>Interest-bearing loans and borrowings</b>	<b>Lease liabilities</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Balance as at 30 June 2021</b>	70	11
Acquisitions / new leases	-	-
Changes from financing cash flows:		
Cash received		
Cash repayments	(58)	(11)
<b>Balance as at 30 June 2022</b>	<b>12</b>	<b>-</b>
<b>Balance as at 1 July 2020</b>	113	11
Acquisitions / new leases	-	-
Interest incurred	6	-
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(49)	(6)
<b>Balance as at 30 June 2021</b>	<b>70</b>	<b>5</b>
	<b>2022 \$'000</b>	<b>2021 \$'000</b>
<b>Note 9.4 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (see note 4.1)	6,216	5,214
Less bank overdraft	-	-
<b>Total reconciliation of cash and cash equivalents</b>	<b>6,216</b>	<b>5,214</b>

**Note 9.5 Superannuation**

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund). The Fund was a sub-fund of the Tasplan Superannuation Fund up to 31 March 2021. On 1 April 2021, the Tasplan Superannuation Fund merged (via a Successor Fund Transfer) into the MTAA Superannuation Fund to become Spirit Super. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2021 the Council contributed 12% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2020. The review disclosed that at that time the net market value of assets available for funding member benefits was \$51,939,000, the value of vested benefits was \$43,411,000, the surplus over vested benefits was \$8,528,000, the value of total accrued benefits was \$43,562,000, and the number of members was 95. These amounts relate to all members of the Fund at the date of valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

- Net Investment Return 3.75% p.a.
- Salary Inflation 2.75% p.a.
- Price Inflation n/a

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2020.
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2020.

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2021 to 30 June 2024.

The Actuary will continue to undertake a brief review of the financial position of the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2023 and is expected to be completed late in 2023.

Council also contributes to other accumulation superannuation schemes on behalf of a number of employees; however, the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

- The 2020 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2017.

Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Rule 27.4 (b) (A). However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Rule 26.5 identifying a deficit and the Trustee determining in terms of Rule 26.3(c) that the particular employer should make the payment required to make good any shortfall before the cessation of participation is approved.
- The application of Fund assets on Tasplan being wound-up is set out in Rule 41.4. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Tasplan. However it is likely that Rule 27.4 would be applied in this case (as detailed above).

- The Fund is a defined benefit Fund.

- The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2023.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 20210, showed that the Fund had assets of \$54.52 million and members' Vested Benefits were \$45.12 million. These amounts represented 0.21% and 0.18% respectively of the corresponding total amounts for Spirit Super.

**Note 9.5 Superannuation (Continued)**

	2022	2021
Fund	\$'000	\$'000
<b>Accumulation funds</b>		
Employer contributions to Spirit Super	165	113
Employer contributions to Other	21	39
	<b>186</b>	<b>152</b>

**Note 9.6 Commitments**

**Capital Expenditure Commitments**

Buildings - Nubeena Civil Centre & Rec Ground Upgrade	7	950
Other Grant Commitments	2	6
Share of jointly controlled entities' capital commitments		
<b>Total Capital expenditure commitments</b>	<b>9</b>	<b>956</b>

**Contractual commitments**

Contractual commitments at end of financial year but not recognised in the financial report are as follows:

Kerbside Garabage Collection Contract	56	98
Garbage Collection Contract	60	158
Cleaning Contractor	7	109
Roadside Mowing Contractor	-	117
Roadside Spraying Contractor	-	8
It Support Contractor	36	3
<b>Total contractual commitments</b>	<b>159</b>	<b>493</b>

**Note 9.7 Contingent liabilities and contingent assets**

**Contingent liabilities**

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Council as assessed contingent liabilities and found there to be no other contingent liabilities for the year ended 30 June 2022.

**Note 9.8 Events Occuring After Balance Date**

Council has no after balance events to disclose

**Note 9.9 Financial Instruments**

**(a) Interest Rate Risk**

The exposure to interest rate risk and the effective interest rates of financial assets and non-lease financial liabilities, both recognised and unrecognised, at balance date are as follows. For lease liabilities refer to note 7.4.

**2022**

		Floating interest rate	Fixed interest maturing in:			Non-interest bearing	Total
	Weighted average interest rate	\$'000	1 year or less	Over 1 to 5 years	More than 5 years	\$'000	\$'000
<b>Financial assets</b>							
Cash and cash equivalents	0.25%	6,215	-	-	-	1	6,216
Investments	0.47%	-	2,200	-	-	-	2,200
Trade and other receivables	3.65%	487	-	-	-	-	487
Investment in Bendigo Bank						20	20
Investment in water corporation		-	-	-	-	828	828
<b>Total financial assets</b>		<b>6,702</b>	<b>2,200</b>	<b>-</b>	<b>-</b>	<b>849</b>	<b>9,751</b>
<b>Financial liabilities</b>							
Trade and other payables			913	-	-	913	913
Trust funds and deposits			-	-	-	175	175
Interest-bearing loans and borrowings	4.99%	-	25	-	-	-	25
<b>Total financial liabilities</b>		<b>-</b>	<b>938</b>	<b>-</b>	<b>-</b>	<b>1,088</b>	<b>1,113</b>
<b>Net financial assets (liabilities)</b>		<b>6,702</b>	<b>1,262</b>	<b>-</b>	<b>-</b>	<b>(239)</b>	<b>8,638</b>

			Fixed interest maturing in:			Non-interest bearing	Total
	Weighted average interest rate	\$'000	1 year or less	Over 1 to 5 years	More than 5 years	\$'000	\$'000
<b>Financial assets</b>							
Cash and cash equivalents	1.69%	5,213	-	-	-	1	5,214
Investments							
	3.65%	-	2,200	-	-	-	2,200
Trade and other receivables	3.65%	490	-	-	-	158	648
Bendigo Bank Shares						20	20
Investment in water corporation		-	-	-	-	788	788
<b>Total financial assets</b>		<b>5,703</b>	<b>2,200</b>	<b>-</b>	<b>-</b>	<b>967</b>	<b>8,870</b>
<b>Financial liabilities</b>							
Trade and other payables		-	-	-	-	370	370
Trust funds and deposits		-	-	-	-	35	35
Interest-bearing loans and borrowings	5.41%	-	46	24	-	-	70
<b>Total financial liabilities</b>		<b>-</b>	<b>46</b>	<b>24</b>	<b>-</b>	<b>405</b>	<b>475</b>
<b>Net financial assets (liabilities)</b>		<b>5,703</b>	<b>2,154</b>	<b>(24)</b>	<b>-</b>	<b>562</b>	<b>8,395</b>

**Note 9.9 Financial Instruments (Continued)**

**(b) Fair Value**

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per the Statement of Financial Position		Aggregate net fair value	
	2022 \$'000		2022 \$'000	\$'000
<i>Financial assets</i>				
Cash and cash equivalents	6,216	5,214	6,216	5,214
Other financial assets	2,200	2,200	2,200	2,200
Trade and other receivables	487	648	487	648
Investment in water corporation	828	788	828	788
Investment in Bendigo Bank	20	20	20	20
<b>Total financial assets</b>	<b>9,731</b>	<b>8,870</b>	<b>9,731</b>	<b>8,870</b>
<i>Financial liabilities</i>				
Trade and other payables	913	370	913	370
Trust funds and deposits	175	35	175	35
Interest-bearing loans and borrowings	25	70	25	70
<b>Total financial liabilities</b>	<b>1,113</b>	<b>475</b>	<b>1,113</b>	<b>475</b>

**(c) Credit Risk**

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

**(d) Risks and mitigation**

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

**Market risk**

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

**Note 9.9 Financial Instruments (Continued)**  
**(d) Risks and mitigation (Continued)**

**Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our Statement of Financial Position. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.7.

**Credit quality of contractual financial assets that are neither past due nor impaired**

	<b>Financial Institutions (AAA credit rating)</b>	<b>Government agencies (BBB credit rating)</b>	<b>Other (min BBB credit rating)</b>	<b>Total</b>
<b>2022</b>				
Cash and cash equivalents	6,216	-	-	6,216
Trade and other receivables	487	-	-	487
Investments and other financial assets	2,200	-	-	2,200
<b>Total contractual financial assets</b>	<b>8,903</b>	<b>-</b>	<b>-</b>	<b>8,903</b>
<b>2021</b>				
Cash and cash equivalents	5,214	-	-	5,214
Trade and other receivables	648	-	-	648
Investments and other financial assets	2,200	-	-	2,200
<b>Total contractual financial assets</b>	<b>8,062</b>	<b>-</b>	<b>-</b>	<b>8,062</b>

**Ageing of Trade and Other Receivables**

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
Current (not yet due)	66	134
Past due by up to 30 days	2	181
Past due between 31 and 180 days	1	89
Past due between 181 and 365 days	418	103
Past due by more than 1 year	-	141
<b>Total Trade &amp; Other Receivables</b>	<b>487</b>	<b>648</b>

**Note 9.9 Financial Instruments (Continued)**

**(d) Risks and mitigation (Continued)**

**Credit risk (Continued)**

**Liquidity risk**

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial assets at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for non-lease Financial Liabilities. For lease liabilities refer to note 7.4.

These amounts represent the discounted cash flow payments (ie principal only).

2022	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	555	-	-	-	-	555	555
Trust funds and deposits		175	-	-	-	175	175
Interest-bearing loans and borrowings	25				-	25	25
<b>Total financial liabilities</b>	<b>580</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>755</b>	<b>755</b>

2021	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	370	-	-	-	-	370	370
Trust funds and deposits	-	35	-	-	-	35	35
Interest-bearing loans and borrowings	23	23	24	-	-	70	70
<b>Total financial liabilities</b>	<b>393</b>	<b>58</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>475</b>	<b>475</b>

**Note 9.9 Financial Instruments (Continued)**

**(e) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		- 1 %		+1%	
		-100 basis points		+100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2022	\$'000				
<b>Financial assets:</b>					
Cash and cash equivalents	6,216	(62)	(62)	62	62
Investments	2,200	(22)	(22)	22	22
Trade and other receivables	487	(5)	(5)	5	5
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	25	(0)	(0)	0	0

		Interest rate risk			
		- 2 %		+1%	
		-100 basis points		+100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2021	\$'000				
<b>Financial assets:</b>					
Cash and cash equivalents	5,214	(104)	(104)	52	52
Investments	2,200	(44)	(44)	22	22
Trade and other receivables	648	(13)	(13)	6	6
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	70	(1)	(1)	1	1

**Note 9.10 Fair Value Measurements**

Council measures and recognises the following assets at fair value on a recurring basis:

- Investment property
- Investment in water corporation
- Property, infrastructure plant and equipment
  - Land
  - Land under roads
  - Buildings, including footpaths & cycleways
  - Roads
  - Bridges
  - Other infrastructure

Council does not measure any liabilities at fair value on a recurring basis.

**(a) Fair Value Hierarchy**

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2022.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>					
Investment in water corporation	5.2	-	-	828	828
Land	6.1	-	2,112	-	2,112
Land under roads	6.1	-	-	2,571	2,571
Buildings	6.1	-	-	8,039	8,039
Roads, including footpaths and cyclew.	6.1	-	-	39,735	39,735
Bridges	6.1	-	-	8,419	8,419
Drainage	6.1	-	-	3,224	3,224
		-	2,112	62,816	64,928
<b>Non-recurring fair value measurements</b>					
Assets held for sale		-	-	-	-
		-	-	-	-
<b>As at 30 June 2021</b>					
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>					
Investment in water corporation	5.2	-	-	788	788
Land	6.1	-	2,112	-	2,112
Land under roads	6.1	-	-	2,571	2,571
Buildings	6.1	-	6	8,163	8,163
Roads, including footpaths and cyclew.	6.1	-	-	39,824	39,824
Bridges and jetty	6.1	-	-	7,600	7,600
Drainage	6.1	-	-	1,074	1,074
		-	2,118	60,020	62,132
<b>Non-recurring fair value measurements</b>					
Assets held for sale		5	-	5	5
		5	-	5	5

**Transfers between levels of the hierarchy**

There were no transfers between Levels 1 and 2 during the year, nor between Levels 2 and 3.

**(b) Highest and best use**

AASB 14 *Fair Value Measurement*, requires the fair value of non-financial assets to be calculated based on their "highest and best use"

(c) **Valuation techniques and significant inputs used to derive fair values**

**Investment property and Investment in water corporation**

Refer to Notes 6.2 and 5.2 respectively for details of valuation techniques used to derive fair values.

Land

Land fair values were determined by a qualified independent valuer ValueIT Pty Ltd effective 1 July 2017.

Council's land holdings have been revalued based on these figures.

Land Under Roads

Land under roads is based on the unit rate given by the Valuer-General for urban and rural areas multiplied by m2 road data held in Council's Asset Management System. These were revalued at 30 June 2022.

Infrastructure & building assets

All Council infrastructure and building assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 6.1.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

Roads, including footpaths & cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads are managed in segments - all road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price, the unit price being an estimate of labour and material inputs, services costs and overhead allocations. Council assumes that pavements are constructed to depths of at least 30cm for all traffic areas. For internal construction estimates, material and services prices based on existing supplier price lists and labour wages rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Bridges

A full valuation of bridges assets was undertaken by independent valuers, TasSpan Civil Contracting effective 30 June 2022. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

Drainage

A full valuation of drainage infrastructure was undertaken by Council's Contracted Engineer effective 30 June 2022. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

(d) **Changes in recurring level 3 fair value measurements**

The changes in Level 3 property plant and equipment assets with recurring fair value measurements are detailed in Note 6.1 (Property, infrastructure, plant and equipment). Heritage buildings, which are classified as level 3 are separately disclosed in Note 6.1. Investment in water corporation, which is classified as Level 3 has been separately disclosed in Note 5.2.

There have been no transfers between level 1, 2 or 3 measurements during the year.

(e) **Valuation processes**

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in Notes 5.2 and 6.1 respectively.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

(f) **Assets and liabilities not measured at fair value but for which fair value is disclosed**

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

**Note 9.11 Correction for prior period error**

Comparatives have been restated in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. In preparation of the 2021-22 financial statements, Council identified stormwater assets that are owned by Council but have not previously been recognised.

The written down value the assets impacted by this error have a balance as at 1 July 2020 of **\$1,982,926**. Depreciation for stormwater assets was understated in 2020-21 by **\$90,432**.

As this adjustment reflected characteristics of assets that existed in the prior period, an adjustment to the prior period balances needs to be made.

This is classified as an error in accordance with AASB108. The prior period adjustment is detailed below, with the Statement of Comprehensive Income, Statement of Financial Position and Statement of changes in Equity balances at 30 June 2021 restated as follows:

**Statement of Comprehensive Income:**

- Depreciation expense for 2020-21 was increased by **\$90,432.39** due to the impact on depreciation for the year resulting from the prior period error.
- Total expense, results from continuing operations, Net Result and Total Comprehensive income have all been subsequently updated as a result.

**Statement of Financial Position**

- Property, Infrastructure, plant and equipment assets were increased by **\$1,892,494** at 30 June 2021.
- Total non-current assets. Total Assets and Net Assets have all been subsequently updated as a result.
- Accumulated surplus and Total equity were increased by **\$1,892,494** at 30 June 2021.

**Statement of Changes in Equity**

- The opening balance of Accounting surplus and total Equity is increased by **\$1,982,926** at 1 July 2020.
- Net result for the year decreased by **\$90,432**.
- Net increase to Accumulated surplus at 30 June 2021 was **\$1,892,494**.

**Statement of Changes in Equity**

**2021**

	Restated Accumulated surplus	Asset revaluation reserve	Fair value reserve	Other Reserves	Total 2020
<b>Opening balance at the beginning of the year</b> (1 July 2020)	<b>26,228,000</b>	<b>42,736,000</b>	<b>(194,000)</b>	<b>1,140,000</b>	<b>69,910,000</b>
Correction of prior period error	1,982,000	-	-	-	1,982,000
<b>Restated opening balance</b>	<b>28,210,000</b>	<b>4,273,600</b>	<b>(194,000)</b>	<b>1,140,000</b>	<b>71,892,000</b>
Net result of the year	714,000				714,000
Fair value adjustment on equity investment	-	1,238,000	66,000	-	1,304,000
Net asset revaluation increment (decrement) reversals	-				
Other reserve increment (decrement) reversals	-			8,000	8,000
<b>Balance at end of the financial year</b> <b>(30 June 2021)</b>	<b>28,924,000</b>	<b>43,974,000</b>	<b>(128,000)</b>	<b>1,148,000</b>	<b>73,918,000</b>

**Note 9.11 Correction for prior period error**

The following tables disclose the impact on the 2020-2021 notes that have been restated for the adjustment of prior period errors discussed above.

**Adjustment Note 3.3 Depreciation and amortization**

	2021 (adjusted)	Prior period adjustment
Drainage	102,000	90,000
Subtotal	102,000	90,000
Total depreciation and amortisation	1,850,000	90,000

**Adjustment to Note 6.1 Property, infrastructure, plant and equipment**

	2021 (adjusted)	Prior period adjustment
Total infrastructure		
At fair value as at 30 June	79,620,000	3,787,000
Accumulated depreciation	(27,947,000)	(1,895,000)
Subtotal	51,673,000	1,892,000

	2021 (adjusted)	Prior period adjustment
<b>Carrying amount Drainage</b>		
Accumulated depreciation	(1,953,000)	(1,895,000)
Subtotal	2,966,000	1,892,000

Reconciliation of Property, infrastructure, plant and equipment

	2021 (adjusted)	Prior period adjustment
<b>Carrying amount Drainage</b>		
Balance at beginning of financial year 1 July 2020	2,843,000	1,982,000
Addition	181,000	0
Transfer	44,000	0
Depreciation	(102,000)	(90,000)
Balance at end of financial year 30 June 2021	2,966,000	1,892,000

Note 10.1 Related party transactions

(i) Councillor Remuneration 2022

Name	Position	Period	Short term		Total Compensation AASB 124 \$	Expenses <sup>2</sup> \$	Total allowances and expenses section 72 \$
			Allowance \$	Vehicles <sup>1</sup> \$			
Mr K Spaulding	Mayor	Full Year	34,724	-	34,724	2,087	36,811
Ms M Stacey	Deputy Mayor	Full Year	20,393	-	20,393	752	21,145
Mr D Beard	Councillor	Full Year	9,922	-	9,922	873	10,795
Ms J Barwick	Councillor	Full Year	9,922	-	9,922	0	9,922
Ms C Garrett	Councillor	Full Year	9,922	-	9,922	932	10,854
Mr A Hull	Councillor	Full Year	9,922	-	9,922	293	10,215
Mr D Kelleher	Councillor	Full Year	9,922	-	9,922	-	9,922
<b>Total</b>			<b>104,727</b>	<b>-</b>	<b>104,727</b>	<b>4,937</b>	<b>109,664</b>
<b>Councillor Remuneration 2021</b>							
Mr K Spaulding	Mayor	Full Year	33,409	-	33,409	6,730	40,139
Ms M Stacey	Deputy Mayor	Full Year	19,621	-	19,621	256	19,877
Mr D Beard	Councillor	Full Year	9,546	-	9,546	-	9,546
Ms J Barwick	Councillor	Full Year	9,546	-	9,546	-	9,546
Ms P Fenerty	Councillor	1/7/2020 to 24/3/2021	7,955	-	7,955	325	8,280
Ms C Garrett	Councillor	Full Year	9,546	-	9,546	823	10,369
Mr A Griffiths	Councillor	1/07/2020 to 23/10/2021	2,978	-	2,978	-	2,978
Ms R Tominson	Councillor	9/11/2020 to 5/5/2021	4,803	-	4,803	-	4,803
Mr A Hull	Councillor	19/4/2021 to 30/6/2021	1,874	-	1,874	-	1,874
Mr DKelleher	Councillor	7/6/2021 to 30/6/2021	625	-	625	-	625
<b>Total</b>			<b>99,903</b>	<b>-</b>	<b>99,903</b>	<b>8,134</b>	<b>108,037</b>

<sup>1</sup> Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

<sup>2</sup> Section 72(1)(b) of the Local Government Act 1993 requires the disclosure of expenses paid to Councillors.

Notes to the Financial Report  
For the Year Ended 30 June 2022

(ii) Key Management Personnel Remuneration 2022

Name	Position	Period	Remuneration band	Short term employee benefits				Post employment benefits		Non-monetary Benefits <sup>7</sup>	Total
				Salary <sup>1</sup>	Short-term Incentive Payments <sup>2</sup>	Vehicles <sup>3</sup>	Other Allowances and Benefits <sup>4</sup>	Super-annuation <sup>5</sup>	Termination Benefits <sup>6</sup>		
				\$	\$	\$	\$	\$	\$	\$	\$
Mrs K Hossack	General Manager	Full Year	\$180,001 to \$200,000	144,778	-	17,885	9,200	18,153	-	(7,498)	182,518
<b>Total</b>				<b>144,778</b>	<b>-</b>	<b>17,885</b>	<b>9,200</b>	<b>18,153</b>	<b>-</b>	<b>(7,498)</b>	<b>182,518</b>
<b>Key Management Personnel Remuneration 2021</b>											
Mrs K Hossack	General Manager	Full Year	\$180 001 - \$240 000	149,589	-	17,885	13,457	17,950	-		198,881
<b>Total</b>				<b>149,589</b>	<b>-</b>	<b>17,885</b>	<b>13,457</b>	<b>17,950</b>	<b>-</b>	<b>-</b>	<b>198,881</b>

**Note 10 Other matters**

**Note 10.1 Related party transactions (Continued)**

**(ii) Key Management Personnel Remuneration (Continued)**

<sup>1</sup> Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and

<sup>2</sup> Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. These payments are capped at 15% of base salary.

<sup>3</sup> Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe

<sup>4</sup> Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

<sup>5</sup> Superannuation means the contribution to the superannuation fund of the individual.

<sup>6</sup> Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

<sup>7</sup> Non-monetary benefits include annual and long service leave movements and non-monetary benefits (such as housing, subsidised goods or services etc)

**(iii) Remuneration Principles**

**Councillors**

Remuneration levels for Councillors are set by the Department of Premier & Cabinet and reviewed annually in November. Expense reimbursements are paid for travel costs to and from Council based meetings or accommodation when required.

**General Manager & Key Management Personnel**

Remuneration levels for key management personnel are set in accordance with Tasman Council's Enterprise Agreement 2016 (which is currently under review)

The employment terms and conditions of the General Manager is contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf.

The performance of the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of the General Manager, contain a termination clause that requires the General Manager or Council to provide a minimum notice period to termination of the contract. Whilst not automatic, contracts can be extended.

**Short term incentive payments**

Council does not have short-term incentive payments

**(iv) Transactions with subsidiaries, associates and joint ventures**

Council does not have any subsidiaries and did not enter into any transactions or joint ventures

**Note 10.2 Interests in other entities**

Apart from investments in other entities as stated in notes 5.1 & 5.2, Council has no interests in other entities.

**Notes to the Financial Report  
For the Year Ended 30 June 2022**

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**Note 10.3 Other significant accounting policies and pending accounting standards**

**(a) Taxation**

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

*Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(b) Impairment of non-financial assets**

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Other Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

**(c) Allocation between current and non-current**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

**(d) Financial guarantees**

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

**(e) Contingent assets, contingent liabilities and commitments**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

**(f) Budget**

The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent original budget amounts revised budget estimates 27 July 2022 and are not audited.

**(g) Pending Accounting Standards**

In the current year, Council has reviewed and assessed all the new accounting standards and interpretations that have been published, with future effective dates and determined they are not applicable to Council's activities or would have no material impact.

**(h) Significant Business Activities**

Council has assessed the significant business activities regulations and found there to be no activities that meet the regulations.



Note	10.4	Management indicators (cont.)	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
		<b>(f) Asset renewal funding ratio</b>				
		An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.				
		<u>Projected capital funding outlays**</u>	2,032	2,159	2,540	2,413
		<u>Projected capital expenditure funding***</u>	2,032	2,159	2,540	2,413
		Asset renewal funding ratio %	90-100%	100%	100%	100%
		<i>Transport Infrastructure</i>				
		<u>Projected capital funding outlays**</u>	16,400	21,771	23,860	21,292
		<u>Projected capital expenditure funding***</u>	16,400	21,771	23,860	21,292
		Asset renewal funding ratio %	90-100%	100%	100%	100%
		<i>Drainage</i>				
		<u>Projected capital funding outlays**</u>	1,120	1,190	1,400	1,330
		<u>Projected capital expenditure funding***</u>	1,120	1,190	1,400	1,330
		Asset renewal funding ratio %	90-100%	100%	100%	100%
		** Current value of projected capital funding outlays for an asset identified in Council's long-term financial management plan.				
		*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.				
		This ratio measures Council's capacity to fund future asset replacement requirements.				
		<a href="#">Council exceeds the benchmark</a>				

<b>(g) Asset sustainability ratio</b>						
<u>Capex on replacement/renewal of existing assets</u>		2,292	1,498	5,070	2,069	
Annual depreciation expense		1,882	1,755	1,734	1,689	
Asset sustainability ratio %	100%	122%	85%	292%	122%	

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

[Council is working in line with its current Long-Term Asset Management Plan](#)

	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
<b>2022</b>			
<i>By Asset Class</i>			
Roads	800	153	953
Bridges, Culverts and Jetties	111	-	111
Drainage	139	2	141
Buildings etc	982	-	982
Plant and Equipment	248	196	444
Furniture, Fixtures and IT Equipment	12	10	22
<b>Total</b>	<b>2,292</b>	<b>361</b>	<b>2,653</b>
<b>2021</b>			
<i>By asset class</i>			
Roads	954	273	1,227
Bridges, Culverts and Jetties	233	-	233
Drainage	143	81	224
Buildings etc	82	26	108
Plant and Equipment	70	3	73
Furniture, Fixtures and IT Equipment	16	-	16
<b>Total</b>	<b>1,498</b>	<b>383</b>	<b>1,881</b>

## **Certification of the Financial Report**

The financial report presents fairly the financial position of the Tasman Council as at 30 June 2022 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



*Jess Dallas*  
**Acting General Manager**

**Date :** 14/02/2023