

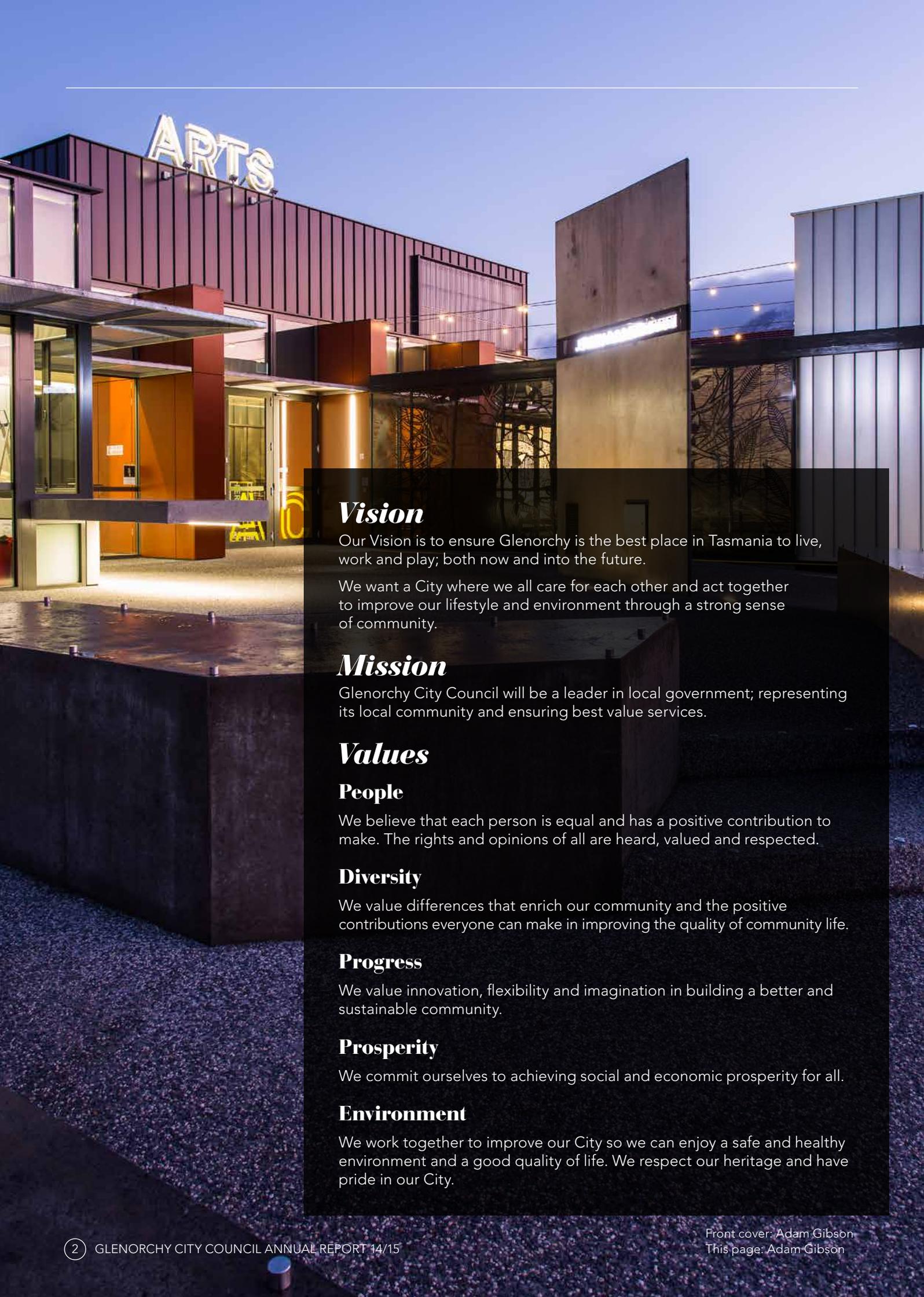
# *Glenorchy City Council*

## Annual Report



GLENORCHY CITY  
Where ideas happen





## ***Vision***

Our Vision is to ensure Glenorchy is the best place in Tasmania to live, work and play; both now and into the future.

We want a City where we all care for each other and act together to improve our lifestyle and environment through a strong sense of community.

## ***Mission***

Glenorchy City Council will be a leader in local government; representing its local community and ensuring best value services.

## ***Values***

### **People**

We believe that each person is equal and has a positive contribution to make. The rights and opinions of all are heard, valued and respected.

### **Diversity**

We value differences that enrich our community and the positive contributions everyone can make in improving the quality of community life.

### **Progress**

We value innovation, flexibility and imagination in building a better and sustainable community.

### **Prosperity**

We commit ourselves to achieving social and economic prosperity for all.

### **Environment**

We work together to improve our City so we can enjoy a safe and healthy environment and a good quality of life. We respect our heritage and have pride in our City.

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I am pleased to present to you my first annual report as Mayor of the City of Glenorchy.

Following the result of the Local Government elections in September, we bade farewell to 3 Aldermen.

I would like to recognise Peter Ridler, Richard Lowrie and Sharon Carnes for their passionate dedication to Council and the Glenorchy community. We welcomed a new Deputy Mayor in Alderman Harry Quick, and Alderman Jan Dunsby as a result of their election onto Council. I would also like to acknowledge the contributions of former Mayor Alderman Stuart Slade and former Deputy Mayor Alderman Haydyn Nielsen for their dedicated approach to leading Council. 2014 also saw the departure of another alderman. Luke Martin dedicated five years to Council and left to pursue his career and other interests.

The 2014/15 financial year saw the conclusion of the community consultation process for the City of Glenorchy Community Plan 2015 – 2040 which was adopted by Council in January. In March, we gathered at the new Moonah Arts Centre to launch it. The Plan clearly conveys the community's preferred future for the City

## *Mayor's Message*

of Glenorchy as a result of the extensive consultation process. The community said that in 2040 they want the City of Glenorchy to be: a city of arts; of opportunity; of partnerships; a city that makes exciting things happen. Council's role in making this happen is to align our strategic plan to this vision in the Community Plan. We will then work with community, business, non-government organisations and other levels of government to make this happen. Everyone in the community plays a role in the future of the City, and the Community Plan serves as a valuable resource and sense-check for us all. Council has already started reviewing the 10-year strategic plan, which builds on the momentum created by the development of the City of Glenorchy Community Plan, and will provide a renewed focus for Council's activities.

In March, the doors of the wonderful new Moonah Arts Centre officially opened! MAC was made possible by a Commonwealth grant and has become known as an iconic community arts space. We are already seeing evidence of the new MAC revitalising the Moonah business district, with more shops and restaurants opening up on Main Road. People from outside the City are now seeing Moonah as a destination, and this means more people are visiting and spending money in the City. It is an honour to have such a venue in our city, and this will certainly continue to add to the City's vision mentioned above.

Early in 2015 the Minister for Planning and Local Government, the Hon. Peter Gutwein MP, invited councils to think about

local government reforms, such as voluntary amalgamations or sharing services with other councils. As a first step, the Minister simply wanted to know whether Council was interested in exploring local government reform further. Glenorchy City Council took the unique step of consulting with the community first, to see if the idea of local government reforms were accepted. Council also drafted a set of Guiding Principles that it will use to talk to other councils and the State Government about local government reform. The Guiding Principles act as selection criteria for partnering with other councils and aim to describe the minimum benefits that the people of Glenorchy are entitled to expect from any local government reform. I expect there will be more movement in this space in the 15/16 financial year, and Council will continue to uphold its commitment to consult with the community on this important issue.

In closing, I wish to acknowledge and pay respects to the late Tom Dempsey, who passed away in September. Mr Dempsey served as an Alderman for 35 years between 1965 and 2000 including 2 years as Deputy Mayor. He was a stalwart of our City and its infrastructure and a highly respected member of the community. We extend our condolences to his family.

I wish to give my thanks to the staff of Glenorchy City Council for the dedication to their work, and to the City of Glenorchy. I would also like to thank my fellow aldermen for their continued passion for Glenorchy.

**Kristie Johnston**  
Mayor



## *General Manager's Report*

What a challenging and rewarding year this has been for Glenorchy City Council!

On behalf of the Management Team and all the staff at Glenorchy City Council I am pleased to present you with this detailed report for the financial year ending 30 June 2015.

Our Council's goal is to maintain and deliver outstanding services to our community, residents, visitors and businesses in Glenorchy. This is never easy with challenges ranging from the current Local Government Reform discussions as well as changes to our social and economic environment.

In October 2014, by Council decision, Glenorchy City Council made a strong commitment to have a financially sustainable and growing organisation in order that we can meet the changing demands of our community.

### **Financial Sustainability**

On 1st June 2015, as part of its budget, Council adopted its 10 year Long-Term Financial Plan that demonstrated how we can achieve a financially sustainable Council. Council made the decision that our operating deficit of \$4.892M as at 30th June 2015 has to be a break-even position by the end of financial year 2016-17. With net assets of \$680 million and a healthy cash flow, together with this clear direction from Council to break-even by 2016-17, our organisation is working towards this goal as sustainability is the key factor in our continued ability to provide the highest quality services and facilities to our residents, businesses and City of Glenorchy.

### **Achievements**

This year Glenorchy City Council successfully adopted and launched

its 25 year Community Plan. The results of the extensive community consultation with the residents and businesses in our City were translated into the Community Plan 2015-2040.

Council is close to completing the Derwent Park Stormwater Harvesting & Industrial Reuse Project. This Project is a unique project in Tasmania. The benefit for our community is to have better management of flood mitigation, and to enable recycling of stormwater to sell to businesses. I am proud to advise that this Project won the Australian Sustainable Cities Awards 2014 in the Water Conservation Category.

During this year, City of Glenorchy also celebrated the opening of the Moonah Arts Centre (MAC), to considerable community satisfaction and favourable comment. MAC is a world-class art centre in our City bringing together arts, culture and innovation, and raising still further the already high standard of artistic achievement in the Glenorchy community. MAC was a finalist in the Local Government Association of Tasmania Excellence Awards 2015 competition and the architects of MAC, Morrison & Breytenbach Architects, won the Public Architecture Alan C Walker Award and Colourbond Award for Steel Architecture for the 2015 Tasmania Architecture Award.

The King George V Sports & Community Facility Project is another big Council project currently approaching completion. We are expecting to finish construction of this important project for our City by the end of April 2016. The completion of this sporting and community facility will bring new opportunities to our community to both raise local

sporting participation, and also to attract major sporting events to our City as well as support community organisations.

The Derwent Entertainment Centre continues to attract the world class events for our City with 12 live ticketed events during the 2014/2015 financial year with a total of 21 shows or events during the year and the return of the renowned Cirque du Soleil in early 2016.

### **Governance**

On 1 June 2015 Council adopted its 4 Year Annual Plan which incorporated 80 plus Improvement Plan projects, most of which are well under way and will deliver improvements to the organisation as well as some savings and efficiencies.

Council's commitment to developing and implementing a strong Governance Strategy is a crucial aspect of its management focus. Good governance at all levels will lead to a more transparent, accountable and effectively performing Council in the best interests of our community. As part of Governance Strategy the new Audit Panel, mandated by the State Government, replaced Council's earlier established Audit & Risk Committee in 2014, but with this earlier experience Council had a "head start" in adopting the new requirements as not all councils in Tasmania previously had an audit & risk committee in place.

The 10 year Strategic Plan flowing from the Community Plan demonstrates our commitment to adopting community desires and wishes as part of our activities wherever possible.

This year Council commenced a Service Level Review examining what type and level of services we currently provide and what should we be providing to our community and the City. This review will give

Council a better understanding of how to provide better quality, more timely and more community focused services.

The health, safety and wellbeing of Council's employees is also a major priority for Council. Our Work Health & Safety Strategy review is well advanced and will lead to a robust policy and associated procedures to ensure a safe working environment for all our staff.

During this year Council further enhanced its Strategic Procurement Strategy which will achieve value for money and continuous improvement in the provision of services for our residents and businesses. It is intended to improve and standardise our procurement processes and this project is expected to further achieve significant cost savings.

### **Management**

Glenorchy City Council continues to be an organisation committed to having a high quality Management team. This year Council completed a major restructure at the Management level in order to strengthen our team and raise the level of leadership, team work, skills, knowledge, and range of experience, and to ensure modern management techniques are practised. The changes in the structure at the Management level were approved by Council in March 2015, resulting in a reduction in Management from 20 members to 13 members. The new Management Team comprises 3 Directors and 10 Managers.

Through blending the best local and interstate talent, Council is continuing to build a strong team which will assist to deliver better and more community-focused services to our residents, businesses and our City.

In conclusion, I would like to acknowledge the contribution

made by each of our 352 staff members during financial year 2014–2015. Council's solid results cannot be achieved without their support, enthusiasm and hard work. I also would like to thank our new elected members, the Mayor, the Deputy Mayor and the Aldermen, for their support and dedication during this challenging and rewarding year.

I look forward to continue working with our community, staff members and our elected members to provide services to our wonderful community and create a truly sustainable City of Glenorchy.

**Peter Brooks**  
General Manager

## ***Aldermen***



### **Alderman Kristie Johnston**

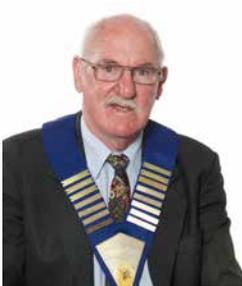
First elected 2011  
Elected Mayor 2014

#### **Council Representations as at 30 June 2015**

- Chair – Glenorchy Planning Authority
- Chair – Safer Communities Committee
- Chair – Wilkinson Point/Elwick Bay Master Plan Steering Committee
- Member – Southern Tasmanian Councils Authority (Think South)
- Member – TasWater Owner Representative
- Member – Local Government Association of Tasmania
- Member – Destination Southern Tasmania Board
- Member – Hobart-Glenorchy MOU Committee
- Member – Glenorchy Youth Taskforce
- Member – City of Glenorchy Australia Day Award Committee
- Member – Glenorchy Tourism Taskforce

#### ***Until November 2014:***

- Member – Access Committee
- Member – West Moonah Committee House
- Member – Glenorchy City Concert Brass Committee
- Member – Commercial Precincts Parking Strategy Working Group
- Member – Community Road Safety Partnership Program
- Member – Alderman Code of Conduct Panel



### **Alderman Harry Quick**

First Elected 2014  
Elected Deputy Mayor 2014

#### **Council Representations as at 30 June 2015**

- Member – Glenorchy Planning Authority
- Member – Goodwood Community Centre Management Committee
- Member – Glenorchy Youth Task Force
- Member – Cycling South



### **Alderman Jenny Branch-Allen**

First Elected                    2007  
Re-elected                        2014

#### **Council Representations as at 30 June 2015**

- Chair – Community Road Safety Committee
- Chair – Glenorchy Lawn Bowls Facility Strategy Working Group
- Chair – Glenorchy LEARN Leadership Group
- Chair – New Moonah Arts Centre Steering Committee
- Chair – Glenorchy Arts and Cultural Advisory Committee
- Member – Glenorchy Planning Authority (Proxy)
- Member – Southern Waste Strategy Authority (Proxy)
- Member – Wilkinson’s Point/Elwick Bay Master Plan Working Group
- Member – City of Glenorchy Australia Day Award Nominations Committee
- Member – Community Plan Steering Committee
- Member – Integrated Care Centre Committee
- Member – General Managers Performance Review Committee
- Member – Audit Panel

#### ***Until November 2014:***

- Member – Cultural Diversity Advisory Committee
- 



### **Alderman Jan Dunsby**

First elected                      2014

#### **Council Representations as at 30 June 2015**

- Member – Code of Conduct Committee
- Member – Glenorchy Access Advisory Committee
- Member – Glenorchy City Concert Brass Committee
- Member – Safer Communities Committee
- Member – West Moonah Community House
- Member – General Manager’s Performance Review Committee
- Member – Community Road Safety Partnership Program (Proxy)
- Member – Glenorchy Planning Authority (Proxy)



### **Alderman Steven King**

First elected                    2008  
 Re-elected                    2014

#### **Council Representations as at 30 June 2015**

- Chair – Emergency Management Committee
- Chair – Glenorchy Recreation Ground Master Plan Working Group
- Chair – Tolosa Park Master Plan Steering Committee
- Member – Glenorchy Planning Authority (Proxy)
- Member – Alderman Code of Conduct Committee
- Joint Chair – Carols by Candlelight Committee
- Member – Moonah Sports Centre – National Fitness Southern Recreation Association Committee
- Member – Hobart-Glenorchy MOU Committee
- Member – Audit Panel (Proxy)

#### ***Until November 2014:***

- Member – General Manager’s Performance Review Committee



### **Alderman Christine Lucas**

First elected                    1994 – current

#### **Council Representations as at 30 June 2015**

- Chair – Buccan Community House Committee
- Chair – Glenorchy CBD Revitalisation Committee
- Chair – Moonah Taste of the World Festival Committee
- Member – General Manager Performance Review Committee
- Member – Glenorchy Arts and Cultural Advisory Committee
- Member – Glenorchy Suicide Prevention Network
- Member – Audit Panel
- Member – Glenorchy Planning Authority (Proxy)
- Member – Glenorchy City Concert Brass Committee (Proxy)

#### ***Until November 2014:***

- Member – Glenorchy Planning Authority



### **Alderman Haydyn Nielsen OAM**

First Elected 2002  
 Elected Deputy Mayor 2011–2014  
 Re-elected 2014

#### **Council Representations as at 30 June 2015**

- Chair – Glenorchy Tracks, Trails and Cycleways Committee
- Chair and Race Director – MONA GASP Fun Run and Walk
- Member – Sport and Recreation Advisory Committee
- Member – Cycling South
- Member – Wellington Park Management Trust
- Member – Glenorchy Planning Authority (Proxy)

#### ***Until November 2014:***

- Member – 150 Years of Glenorchy Working Group
- Member – Glenorchy on the Go Steering Committee
- Member – Local Area Fire Committee



### **Alderman David Pearce OAM**

First Elected 1999  
 Re-elected 2005  
 Re-elected 2009  
 Re-elected 2014

#### **Council Representations as at 30 June 2015**

- Chair – Community Plan Steering Committee
- Chair – Glenorchy Parking Strategy Working Group
- Joint Chair – Carols by Candlelight Committee
- Member – Glenorchy Planning Authority
- Member – Glenorchy Access Advisory Committee
- Member – Safer Communities Committee
- Member – Glenorchy Youth Task Force
- Member – Alderman Code of Conduct Committee
- Alderman – Moonah Community Sports Centre Management Committee (Proxy)

#### ***Until November 2014:***

- Member – City of Glenorchy Australia Day Award Nominations Committee
- Member – Glenorchy Suicide Prevention Network



### **Alderman Stuart Slade**

First elected	1991
Elected Deputy Mayor	1996–2005
Elected Mayor	2011–2014
Re-elected	2014

#### **Council Representations as at 30 June 2015**

- Chair – Berriedale Bay Master Plan Committee
- Chair – General Manager’s Performance Review Committee
- Chair – City of Glenorchy Australia Day Award Nominations Committee
- Chair – Glenorchy Cultural Diversity Committee
- Member – Glenorchy Planning Authority (Proxy)

#### ***Until November 2014:***

- Chair – New Moonah Arts Centre Steering Committee
- Chair – Safer Communities Committee
- Chair – 150 Years of Glenorchy Working Group
- Chair – Wilkinson Point/Elwick Bay Master Plan Working Group
- Director – Destination Southern Tasmania
- Member – Local Government Association of Tasmania
- Member – Southern Tasmanian Councils Authority (Think South)
- Member – TasWater Owners Representative Committee



### **Alderman Matt Stevenson**

First elected	2010
Re-elected	2014

#### **Council Representations as at 30 June 2015**

- Member – Glenorchy Planning Authority
- Member – Cycling South
- Member – Glenorchy Tracks, Trails and Cycleways Committee
- Member – Sport and Recreation Advisory Committee
- Member – Wilkinson Point/Elwick Bay Master Plan Steering Committee
- Member – New Moonah Arts Centre Steering Committee
- Member – Audit Panel (Proxy)
- Member – Glenorchy City Concert Brass Committee (Proxy)

#### ***Until November 2014:***

- Member – Glenorchy Youth Taskforce
- Member – Moonah Sports Centre – National Fitness Southern Recreation Association Committee

# Attendance at Meetings

## July 2014 to June 2015

**A** = number of meetings held.

**B** = number of meetings attended.

### Council Meetings

<b>Alderman</b>	<b>A</b>	<b>B</b>
Johnston	17	17
Quick (from October 2014)	11	10
Branch-Allen	17	17
Dunsby (from October 2014)	11	11
King	17	16
Lucas	17	16
Nielsen	17	15
Pearce	17	17
Slade	17	17
Stevenson	17	17
Carnes (until October 2014)	6	4
Lowrie (until October 2014)	6	5
Ridler (until October 2014)	6	5

### Audit Panel

<b>Alderman</b>	<b>A</b>	<b>B</b>
Branch-Allen (from November 2014)	3	2
Lucas (from November 2014)	3	3
Lowrie (until October 2014)	2	2
Ridler (until October 2014)	2	2
Stevenson (until October 2014)	2	2
<b>Independents</b>	<b>A</b>	<b>B</b>
Oxley, Paul	3	3
Hogan, Robert	3	3
Sales, David	3	3

### Glenorchy Planning Authority

<b>Alderman</b>	<b>A</b>	<b>B</b>
Johnston (Proxy until October 2014)	3	3
Johnston (from December 2014)	13	12
Quick (from December 2014)	13	11
Pearce	21	20
Stevenson	21	20
Dunsby (Proxy) (from December 2014)	2	2
Lucas (Until October 2014)	8	8
Lucas (Proxy)(from December 2014)	1	1
Lowrie (until October 2014)	8	5
Branch-Allen (until October 2014)	8	5
King (Proxy)(until October 2014)	5	5

### Council Workshops

<b>Alderman</b>	<b>A</b>	<b>B</b>
Johnston	28	28
Quick (from October 2014)	18	16
Branch-Allen	28	24
Dunsby (from October 2014)	18	16
King	28	25
Lucas	28	27
Nielsen	28	24
Pearce	28	27
Slade	28	26
Stevenson	28	26
Carnes (until October 2014)	10	2
Lowrie (until October 2014)	10	3
Ridler (until October 2014)	10	6

## ***Aldermen's Allowances and Reimbursement of Expenses***

<b>Aldermen</b>	<b>Allowance</b>	<b>Vehicle</b>	<b>Reimbursement of travel expenses</b>	<b>Reimbursement of communication expenses</b>	<b>Other costs</b>	<b>Total</b>
Johnston	\$68,871.10	\$6,965.04	\$586.36		\$1,219.38	\$77,641.88
Quick	\$29,055.43			\$237.81		\$29,293.24
Ridler	\$9,421.99			\$702.46		\$10,124.45
Lucas	\$26,565.63		\$1,159.89	\$446.73	\$932.34	\$29,104.59
Slade	\$50,119.80	\$3,528.55		\$330.36	\$72.73	\$54,051.44
Martin	\$1,766.92					\$1,766.92
Nielson	\$33,112.07			\$912.39	\$103.64	\$34,128.10
King	\$26,565.63			\$1,889.47		\$28,455.10
Pearce	\$26,180.18		\$310.84	\$1,018.10	\$174.55	\$27,683.67
Lowrie	\$9,421.99			\$217.92		\$9,639.91
Branch-Allen	\$26,565.63			\$1,801.41	\$1,345.45	\$29,712.49
Stevenson	\$26,565.63			\$1,235.80		\$27,801.43
Carnes	\$9,421.99			\$217.92		\$9,639.91
Dunsby	\$17,143.64		\$672.77	\$225.52	\$1,086.37	\$19,128.30
	<b>\$360,777.63</b>	<b>\$10,493.59</b>	<b>\$2,729.86</b>	<b>\$9,235.89</b>	<b>\$3,715.08</b>	<b>\$388,171.43</b>

# ***Audit Panel Chairperson's Report***

In 2014, the Minister for Local Government made an order under the *Local Government Act 1993* (the Act) that required all Tasmanian councils to establish audit panels. Glenorchy City Council was ahead of the field in complying with that order: it was one of a small number of councils that already had an audit program in place under the direction of its Audit and Risk Committee.

In the second half of 2014, Council took steps to establish the new Audit Panel with a charter based on the functions outlined in the Act. The incoming Panel, which took office in early 2015, had the advantage of building that Committee's work plan that had been in place since 2010.

This report explains how the former Audit and Risk Committee and the new Audit Panel discharged their responsibilities during 2014-15. The report also outlines the Panel's plan for 2015-16.

The former Audit and Risk Committee comprised five members: three aldermen (Richard Lowrie, Peter Ridler and Matthew Stevenson) and two independent members (Nick Burrows and John Hills). The new Audit Panel also comprises five members: two Aldermen (Christine Lucas and Jenny Branch-Allen) and three independents (Paul Oxley, Robert Hogan and David Sales). The Panel has two proxies, Aldermen Steven King and Matthew Stevenson.

The primary function of the Audit and Risk Committee was to assist the Council in fulfilling its responsibilities by monitoring the integrity of financial reporting, internal control, risk management and compliance systems.

The objective of the Audit Panel is to review Council's performance under section 85A of the Act. In particular, the Panel must review:

- a) the Council's financial system, financial governance arrangements and financial management
- b) all plans of the Council (including strategic, financial management, and asset management plans)
- c) all policies, systems and controls the Council has in place to safeguard its long-term financial position
- d) any other matters specified in an order under section 85B of the Act.

These functions are set out in detail in the Audit Panel Charter that was adopted by the Council in October 2014.

Council's external auditor, the Tasmanian Audit Office (TAO), attended meetings with the Committee and the Panel during the year. The Audit and Risk Committee and the Audit Panel considered all reports from the TAO on their activities undertaken in reviewing and auditing the internal control environment. The independent audit of the financial statements of the Council is carried out under the provisions of section 18 of the *Audit Act 2008*. TAO's independent audit report had not been issued as at the date of this report. The Panel expects to consider the audit report at the September 2015 meeting.

During 2014-15, Deloitte Touche Tohmatsu continued as Council's internal auditor under a three-year contract, which is due to expire on 30 June 2016. Deloitte conducted a number of audits based on a work program agreed by the Committee in 2014, and a special audit requested by management on dog registration fees.

## **Key Activities in 2014-15**

### **Audit and Risk Committee**

- reviewed and endorsed the special purpose and general purpose financial statements and accounting policies for financial year 2013-14
- reviewed the internal audit report on fraud and corruption control
- reviewed and endorsed the internal audit plan for 2014-15
- monitored and evaluated the effectiveness of Council's risk management processes and controls, insurance portfolio, governance policies, and the Strategic Improvement Plan.

### **Audit Panel:**

- developed and approved the Panel's annual work plan for 2015
- reviewed and endorsed a number of special purpose financial statements
- reviewed the external audit strategy for financial year 2014-15
- reviewed the accounting policies and draft financial report for 2014-15
- reviewed internal audit reports and external compliance audits
- reviewed and endorsed the internal audit plan for financial year 2015-16

- monitored and evaluated the effectiveness of Council's risk management processes and controls, including a review of the insurance portfolio
- received regulatory updates to maintain current knowledge of contemporary governance practice and legislative requirements.
- attended external seminars on governance and audit.

### **Program for 2015–16**

Recently, the Audit Panel developed its work program for 2015–16. The program is based on the functions listed in the charter and on priorities drawn from Council's Annual Plan. Key functions for the year ahead include:

- monitor Council's risk management processes and controls
- monitor the 2015-16 external audit process and the internal audit work program
- review the financial statements and accounting policies for the financial year 2015-16
- evaluate the Panel's performance (self-assessment)
- evaluate the performance of internal and external auditors.

Council must be commended for its foresight in establishing an Audit and Risk Committee back in 2010. The Committee's established audit program facilitated the transition to fulfil the requirements of the ministerial order in 2014. I acknowledge the former Committee and thank our auditors, Tasmanian Audit Office and Deloitte, for their diligent work over the past year.

I commend my fellow Panel members for their intelligent and conscientious approach. Thanks also to the management team who support the Audit Panel.

**Paul Oxley**

Chairperson, Audit Panel

# Special Committees Report

## Glenorchy Arts and Culture Advisory Committee

The Glenorchy Arts and Culture Advisory Committee was established in 2010, and its role is to:

- Provide advice to the Council on the development of policy, plans, programs, partnerships, facilities and services in arts and cultural development in Glenorchy;
- Support the implementation of the Cultural Development Policy and the Cultural Plan and other related plans and policies of Council;
- Support Council in the development, promotion and implementation of arts and cultural activities, partnerships, events and opportunities;
- Encourage and facilitate networking of local arts and cultural organisations and artists within Glenorchy;
- Provide input, through a working group of the Committee, into the programming and development of the Moonah Arts Centre;
- Provide input to the arts and cultural component of the Moonah Taste of the World Festival.
- Advocate other levels of Government, business, community and philanthropic organisations for the development of arts and cultural initiatives in Glenorchy.

Over the last 12 months the Committee has been active in the following areas:

- Inviting guests to meet to provide information about arts development and projects in the City.
- Contribution to the planning of the new Moonah Arts Centre.
- Development of the Arts Heroes of Glenorchy Postcard Project as part of the celebrations of 150 Years of Glenorchy.
- Discussion of possible ways to support artists working in Glenorchy including the development of artist-run initiatives.
- Reviewing terms of reference of the Committee.
- Input into the 2015 program of the Moonah Arts Centre.
- Raising concerns in a letter to Tasmanian Senators regarding cuts to the 2015 Federal budget and its implications for arts development in Glenorchy and Tasmania.

## Cultural Diversity Advisory Committee

The Cultural Diversity Advisory Committee was established in 2003 to:

- Provide advice on cultural diversity issues to Glenorchy City Council.
- Raise cultural diversity concerns on behalf of the Glenorchy community.
- Act as a point of consultation on issues regarding Council activities and how they impact on culturally diverse communities.
- Be informed and have input to Council projects.
- Promote access and equity practices and principles to the Council.
- Undertake projects as appropriate.

The Committee currently consists of community members representing the Serbian, Croatian, Filipino, German, Italian, South Sudanese, Congolese, Sierra Leonian, Lithuanian and Ethiopian communities

During the last 12 months, the Committee has met six times and has been involved in a number of projects and activities:

- Contributed to the Council's 150 Years of Glenorchy celebrations.
- Met with Senator Concetta Fierravanti-Wells, Parliamentary Secretary to the Minister for Social Services to provide information on a range of issues. Issues included education, employment, healthcare, older and ageing migrants and settlement issues that face humanitarian entrants.
- Attended four citizenship ceremonies and provided a welcome speech to new citizens.
- Involved in planning for Moonah Taste of the World Festival and participated in cooking and cultural demonstrations and performances at the event.

## **Glenorchy Tracks Trails and Cycleways Committee**

The Glenorchy Tracks Trails and Cycleways Committee was established in 2005. It actively participates in recreational, educational and community cycling activities and is committed to coordinating and promoting safe recreational experiences.

The Committee met six times in 2014/15.

Major achievements in 2014/15 include:

- Ongoing maintenance of the InterCity cycleway.
- Promoting and providing support for community events such as the Happiness Cycle and Ride the Night.
- Providing input into the Council's Healthy Communities Plan.
- Gaining community input into Council infrastructure projects such as the proposed on-road cycle lane extension from Claremont.

## **Glenorchy City Council Access Committee**

The Glenorchy City Council Access Committee continued to meet on a bimonthly basis to provide advice to Council on matters relating to people with a disability.

Activities included:

- Providing advice on Council projects, strategies and development proposals.
- Assisting Council staff with assessing and prioritising access work identified by the community.
- Development of Disability Awareness Training package to be delivered to Glenorchy City Council employees.

## **Glenorchy Emergency Management Committee**

Committee membership is made up of Aldermen and officers of the Glenorchy City Council, State Emergency Service, Tasmania Fire Service, Tasmanian Ambulance Service, Tasmania Police, Department of Health and Human Services and Hobart District Nursing.

During this period the Committee met on two occasions; 24 July and 27 November 2014.

Activities of the Emergency Management Committee included:

- Continued support for the Southern Regional Volunteer SES Unit.

- The Glenorchy Emergency Management Plan was redrafted and approved by the Commissioner of Police on 19 May 2015.
- A review of Committee membership due to staff changes and Council elections.
- A Workplace Emergency Response Review was held on 1 October 2014.

## **Glenorchy Youth Task Force**

Glenorchy Youth Task Force (GYTF) is comprised of young people aged 12–24 years who either live or attend school in Glenorchy. The Glenorchy Youth Task Force is the oldest Council supported Youth Committee in Australia.

Major achievements for 2014/15 include:

- National Youth Week event held in April in partnership with Pulse Youth Health South and the Moonah Arts Centre.
- Youth Diversity Forum held on June 23rd in partnership with Working it Out, TasCAHRD, Family Planning to address that are affecting young people who identify with as LGBTIQ.
- GYTF Youth Leadership Camp held at Steele's Island in January 2015.

## **Precinct Committees**

The five active precincts have invited guest speakers to their meetings and have continued to pass on feedback to Council. Claremont/Austins Ferry/Granton Precinct has continued to support the Claremont Community Library, Eating with Friends and the Claremont Craft Group. They held an Australia Day events at the Claremont Recreation Ground, as well as partnering with Claremont RSL to hold an Anzac flag parade at Windermere Bay.

West Moonah Precinct held a community dinner to celebrate 150 years of Glenorchy, as well as several neighbourhood gatherings at Cooida Park.

Glenorchy Precinct hosted a Cancer Council Biggest Morning Tea and developed a newsletter with information about the 150 Years of Glenorchy.

Rosetta/Montrose held a Twilight Family Event at the Katoomba Street Reserve in November and participated in the 'Good Food for Good Living' marquee at Moonah Taste of the World Festival.

West Moonah and Claremont/Austins Ferry/Granton continued to hold Neighbourhood Watch meetings.

## **Safer Communities Committee**

The Safer Communities Committee has membership from Tasmania Police and a range of other agencies and community groups; it aims to raise awareness of local crime prevention and safety issues. The Committee employs a partnership approach to: support and strengthen all members of the community; reduce violence and crime; build confidence in public space and address offending in ways which are effective for both victims and offenders.

Major achievements of the Safer Communities Committee in 2014/15 included:

- Operation Bounce Back: A highly successful campaign at the Royal Hobart Show – over 600 community members engaged and 500 questionnaires completed; GCC was awarded the 'Best Commercial Exhibit' at the Show.
- "Our Place – Snapping Perceptions of Glenorchy": a significant, well received exhibition that raised the profile of safety and young people in the community.
- Ready Set Job: A hands-on job readiness program aimed at supporting young, unemployed, male, Glenorchy residents. Over 50 young people were engaged in basic employability skills development, with positive feedback received from participants, teachers and youth workers.

## **Sport and Recreation Advisory Committee**

The Sport and Recreation Advisory Committee meets bimonthly and has:

- Monitored a number of major sport and recreation issues including: the Glenorchy Lawn Bowls Facility Strategy; the developments at the Glenorchy Recreation Ground; the formation of the Elwick Bay Boating Cooperative and the KGV community and sports precinct.
- Provided input into monitoring and the development of the implementation of the Glenorchy Healthy Community Plan and its priority actions that directly relate to sport & recreation.
- Continued the presentation of ongoing education sessions for volunteer sport and recreation administrators and facilitated an issues forum.

## *Key outcomes for 2014/15*

The following information describes the key outcomes for the 2014/15 financial year. The action outcomes identified are based on the Glenorchy City Council Annual Plan 2014-15 and summarised around the strategies in that Plan, which are derived from Council's 2013-18 Strategic Plan (Interim). The following report is based on the structure of the Strategic Plan:

- Making Lives Better
- Valuing our Environment
- Open for Business
- Leading our Community

The key outcomes are a brief summary of the Council's main achievement in respect to each action.

## *Making Lives Better – As a Council we exist to make a positive difference in the lives of the people in our community.*

### **Building understanding and engagement of the issues, needs and expectations of communities.**

#### **Strategy**

##### **1.1.1 Identify and profile the Glenorchy community.**

#### **Key outcomes**

Council has begun implementing the Positive Ageing Strategy with emphasis on identifying and profiling the community groups in the local area that provide opportunities for engagement and participation.

#### **Strategy**

##### **1.1.2 Identify roles, responsibilities, and contributions of key stakeholders to address identified community needs.**

#### **Key outcomes**

Council adopted the City of Glenorchy Community Plan 2015-2040 on 19 January 2015 after an unprecedented community engagement process. The project involved 69 community engagement activities and events, with Council receiving nearly 2000 individual comments and 7500 ideas from the Glenorchy community and stakeholders.

#### **Strategy**

##### **1.1.3 Improve community consultation and participation processes.**

#### **Key outcomes**

Following the extensive consultation conducted in 2013/14 to review the Community Plan, the draft of that plan was developed and sent to every individual and organisation previously consulted, for comment. These comments were then considered and formed

the basis of the final plan that was adopted by Council in January 2015. Four surveys were provided to the Glenorchy Matters Community Panel: Glenorchy City Council's Youth Strategy, On-road cycling facilities, Tree Controls and Local Government Reform.

### **Support our different communities to enable them to pursue opportunities.**

#### **Strategy**

##### **1.2.1 Facilitate and enable the delivery of accessible information so our communities can pursue opportunities.**

#### **Key outcomes**

Funding for a new website has been secured, and the project commenced during the 14/15 year.

#### **Strategy**

##### **1.2.2 Facilitate the delivery of services that build community capacities and capabilities.**

#### **Key outcomes**

The Glenorchy LEARN Leadership Group was established this financial year. The group met several times since its inception.

The Glenorchy Arts & Culture Advisory Committee continues to meet every second month. The Committee has supported the Arts Heroes Postcard project and the development and programming of the new MAC.

The new Moonah Arts Centre opened on the 6th of March. Over 2000 people attended the opening weekend activities at the Centre. Since opening over 1000 people per week have visited the Centre to experience the program.

The inaugural Children's Week Awards held October 2014.

The Glenorchy Mobile Activity Centre continued to visit five primary schools per week, in conjunction with PCYC.

The "Hear Our Voices" Multicultural Women's Gathering was held in March 2014. The young women's multicultural group ceased operation in May 2014 and representatives from the group have joined the Glenorchy Youth Task Force.

Council is undertaking the development of a new Disability Discrimination Act Action Plan. The Action Plan will reflect objectives of the National Disability Strategy 2010-2020 and the Tasmanian Framework for Action. This context will allow the Council to work collaboratively across all levels of government to improve life experiences of people with disability.

The Glenorchy Volunteer Award Ceremony was held in May with 50 volunteers receiving awards. Staff have continued to support the Glenorchy Community Volunteer Program operating through the Glenorchy Volunteer Centre. This program is coordinated by volunteers who offer lawn mowing or shopping assistance to older adults and people with a disability.

The Glenorchy Healthy Communities Plan 2014–2023 has been completed. Additional funding has been sourced to identify the gaps and barriers to the implementation of the Healthy Communities Plan and to allocate key responsibilities, priorities, timeframes and KPIs to the 124 Actions identified in the Plan.

Berriedale & Benjafield Child Care Centres have both been assessed and rated against the National Quality Standard for Early Childhood Education & Care and have met the National Quality Standard, exceeding the criteria in two assessment areas. Both centres continue to work to the National Law and Regulations on a daily basis.

A working group including a number of stakeholders was convened to investigate the establishment of a regional lawn bowls facility located at Glenorchy Bowls Centre, Berriedale. Since the inception, a Memorandum of Understanding has been developed and signed. Council is currently investigating similar facilities, working with Bowls Tasmania, and developing a brief with the working group/stakeholders, which will lead to the creation of schematic designs and budgetary requirements. Council officers are assisting the working group to develop a business case study to seek opportunities for funding.

## Strategy

### 1.2.3 Identify and facilitate linkages with Council and other service providers to create opportunities for our communities.

#### Key outcomes

The Arts & Cultural Development Program delivered the annual Carols by Candlelight at Tolosa Park in December 2014. Over 4,000 people attended with strong community involvement in the development and presentation. Unfortunately, Symphony under the Stars was cancelled in February 2015 due to rain. The official opening of the new Moonah Arts Centre in March presented a weekend of arts activity and attracted significant attendance and media coverage.

A successful Moonah Taste of the World Festival was held in March with over 8000 people in attendance. The Festival featured 28 food stalls, 29 performances across two stages, three cultural cooking demonstrations and a variety of cultural and family activities. This year also saw a partnership with the Tasmanian International Arts Festival. The Cultural Diversity Advisory Committee also worked with the Migrant Resource Centre to promote positive messages about diversity in the community at the event.

Council's Youth Team worked with a number of partners and stakeholders to respond to issues including: hosting a youth service provider's forum; hosting the Happiness Cycle event and establishing a working group to promote respectful relationships, gender diversity and sexual diversity.

Meetings of the Glenorchy Suicide Prevention Network were held and implementation of the Glenorchy Community Action Plan for Suicide Prevention commenced. Council also held a Mental Health Week event.

YANG (Youth Action Network Glenorchy) continued to meet and provide a sector-wide approach to local youth issues.

GAIN (Glenorchy Action Interagency Network) met bi-monthly and collaborated to seek grants to address literacy, parenting and family violence.

The LINC continues to support the Computers, Coffee and Cake computer literacy sessions. Council's Community Development section works with LINC to promote computer literacy opportunities.

Council's Community Safety program delivered several successful campaigns including: "Operation Bounce Back"; a photography exhibition called "Our Place – Snapping the Perceptions of Glenorchy" aimed at raising the profile of safety and young people in the community; and "Ready, Set, Job" – a hands-on

job readiness program aimed at supporting young unemployed male Glenorchy residents. Over 50 young people were involved in this program.

Demolition works of the existing buildings at KGV and construction of the new building commenced in early December 2014. Construction is well underway for the Sports and Community Hub, and it is forecast that the building will be completed in March 2016.

**Lead the provision of value for money services.**

**Strategy**

**1.3.1 Identify the service expectations of our different communities and respond appropriately.**

**Key outcomes**

Major asset renewal projects included: completion of works on Ash Street in Lutana; Lampton Avenue (between Brooker Highway and Gepp Parade); Euston Street (Cleburne and Colston Streets); Coleman Street (Springfield Ave and Amy Street). Road subsidence and stormwater was repaired on Main Road Granton, and new stormwater systems were installed to service properties on Young and Brent Streets in Glenorchy.

All maintenance service levels were reviewed. Maintenance service delivery is now monitored through a maintenance management system to measure performance.

Operational Service Level Review began by having the current service level manual updated with additional tasks that are undertaken and having all tasks uploaded into a Maintenance Management system. Maintenance service delivery is monitored through the maintenance management system (MyData) to measure Council's operational performance.

Development of a nature strip management plan and street tree urban master plan has commenced to also ensure suitable levels of service for these assets are delivered. These will be presented to Council in the near future.

The development of a framework to assist implementation of the Environment Strategy has been commenced and Creek Management plans are currently under review including maintenance service levels.

Through the year improved service levels increased the protection of natural assets in Wellington Park and N.R. Pierce Reserve (Goat Hills) through monitoring, compliance and responses to incursions.

There was major improvement in weed management in Wellington Park through the efforts of the Green Army team.

Approximately 2600 older technology mercury vapour street lights were changed for energy efficient LED lights throughout the municipality. This project was funded through a Federal grant and was managed in partnership with Hobart City Council. The new street lights will deliver an improved service and ongoing savings for Council in both energy and maintenance costs, with an energy reduction of approximately 80% for each light changed over.

**Strategy**

**1.3.2 Identify and explore new income streams to maximise value for money.**

**Key outcomes**

Council officers have attended shared services meetings with other councils. These meetings resulted in some items of plant equipment being hired from Glenorchy City Council and further options to explore shared maintenance responsibilities.

**Strategy**

**1.3.3 Advocate for, partner with, or deliver services that address identified levels of community need.**

**Key outcomes**

A total of 9381 dogs were registered in the city. 1882 customer concerns were recorded during the year. 907 infringement notices were issued and 309 animals were impounded.

The Jackson Street Waste Management Facility received a total of 154,827 tonnes of waste over the year and of this total amount, 101,854 tonnes were diverted from landfill through various reuse methods (concrete crushing for reuse as road base, and mulching green waste for composting). 7958 tonnes of waste was collected and sent to landfill through kerbside garbage collection. 3298 tonnes of material was collected and sent to the recycling facility.

# ***Open for Business – A vibrant economy is important for the jobs and wealth it brings to our community. We need to strengthen the perception of Council as encouraging development.***

## **Encourage a sustainable, dynamic and prosperous economy.**

### **Strategy**

**2.1.2 Develop relationships that support key stakeholders to pursue growth opportunities.**

### **Key outcomes**

The Wilkinson's Point Masterplan Steering Committee has worked to progress the design of Wilkinson's Point and engaged a consultant to provide property advice. This will assist in refining the outcomes and final development opportunities.

Council continues to progress infrastructure improvements to the Montrose Bay area in accordance with masterplans. Over the past year, a new car park has been established, along with new pedestrian and animal safety fencing. Also Council along with the four existing aquatic clubs and GASP have established a working group called EBBCo. The working group is moving towards a unified facility to maximise use and enhance the Montrose Bay area.

Preparations for the declaration of Glenorchy Interim Planning Scheme 2015 were undertaken.

### **Strategy**

**2.1.3 Communicate and market our economic growth opportunities.**

### **Key outcomes**

A business and marketing strategy was been developed for the Derwent Entertainment Centre (DEC) venue in consultation with the elected members, management and staff. The strategy is scheduled to be endorsed, and implementation will commence during 2015/16. Key areas in the strategy are: increase the number of live entertainment events, improve patron experience, develop a DEC function centre, develop a future capital, maintenance and business model plan, major sponsorships and partnerships, and community engagement.

## **Support priority growth sectors.**

### **Strategy**

**2.2.1 Create a framework to support and encourage opportunities in priority growth sectors.**

### **Key outcomes**

Council actively participated in Destination Southern Tasmania activities over the course of the 2014/15 year.

### **Strategy**

**2.2.2 Ensure that internal processes enable coordinated priority approvals.**

### **Key outcomes**

Council assists organisations in the continued upgrade of required facilities, relocation to venues to optimise usage; and facilitate user groups with the creation of new facilities.

# ***Valuing Our Environment – Our environment underpins our way of life in Glenorchy. Council has a responsibility to manage the environment for future generation.***

## **Create liveable built environments and sustainably manage our natural and built environments.**

### **Strategy**

#### **3.1.1 Set priorities for management of our natural and built environments in partnership with our communities.**

#### **Key outcomes**

The development of a nature strip management plan and street tree urban master plan has commenced. Work commenced developing a framework to assist implementation of the Environment Strategy. A Creek Management Plan is currently under review.

### **Strategy**

#### **3.1.2 Deliver services that sustainably manage our natural environments.**

#### **Key outcomes**

Ongoing water quality monitoring was undertaken during the recreation water season (Dec – March) at Windermere Beach and Elwick Bay. Out of 14 samples at each site, 13 were successful, with only one failed sample registered at Elwick Bay. During the season, additional water quality monitoring was also undertaken at Humphrey's Rivulet Mouth, Barossa Rivulet Mouth, GASP Orange Pavilion, GASP Red Pavilion, MONA Jetty and MONA Berriedale Bay.

There has been improved protection of natural values in Wellington Park and N.R. Pierce Reserve (Goat Hills) through monitoring, compliance and responses to incursions. There has also been an improvement in weed management in Wellington Park through the efforts of the Green Army team.

### **Strategy**

#### **3.1.3 Deliver services that create sustainable and liveable built environments**

#### **Key outcomes**

Council is undertaking the development of a new Disability Discrimination Act Action Plan. This will reflect objectives of the National Disability Strategy 2010–2020 and the Tasmanian Framework for Action. This context will allow the Council to work

collaboratively across all levels of government to improve life experiences of people with disability. This work has commenced and will be concluded in the 2015/16 financial year.

Council continues to support GASP Pty Ltd. GASP has undertaken significant preparatory work towards future art events at the Glenorchy Arts and Sculpture Park.

A draft Glenorchy CBD Strategic Framework has been prepared by Inspiring Place prior to a community engagement process.

Council continues to maintain its building assets through the work of Council's Building Maintenance department.

Council continues to meet with a number of cycling bodies and committees to identify issues including potential development, extension, and opportunities for network linkages, safety, signage and barriers.

Consultancy firm Inspiring Place have completed schematic designs for the Berriedale Peninsula masterplan. The schematics will be used to create a draft masterplan upon finalisation of the Berriedale Caravan Park lease. This masterplan will encompass the Berriedale Indoor Bowls Centre and the creation of a 'Bike Hub' at Tolosa Park, enabling relocation of the bike park currently located at Berriedale.

Council officers are working with Collinsvale Community Association to implement the Community Park Master Plan. Capital works inclusive of cricket practice nets and oval drainage have been finalised with a number of smaller projects continuing through the 2015/16 financial year. Continued discussions with stakeholders will see refinement and the inclusion of additional facilities.

Council issued 355 building permits with an average time of 2.91 days. 296 plumbing permits were issued for the same period averaging 5.5 days. These approval times are within the statutory timeframes. Community engagement strategies are applied for planning processes over and above statutory requirements. The City's Heritage places continue to be protected by the Historic Heritage Code, Glenorchy Interim Planning Scheme 2015.

The key traffic/transport projects implemented within the Glenorchy area were:

- Pedestrian refuge, Springfield Avenue at Cooinda Park
- Pedestrian refuge, Hopkins Street, between Charles St and Burgess Ave
- Adelphi Road (Stage 2) road reconstruction and kerb outstands.

New, permanent high accuracy survey reference points have been established at both Rosetta and Casuarina landslips. Subsurface drainage has been improved at Rosetta slip.

Approximately 2,600 older technology mercury vapour street lights were changed for energy efficient LED lights throughout the municipality. This project was funded through a Commonwealth grant and was managed in partnership with Hobart City Council. The new street lights will deliver ongoing savings for Council in both energy and maintenance costs, with an energy reduction of approximately 80% for each light changed over. New floodlighting was also installed at the Centro car park to improve amenity and safety at this busy area of the Glenorchy CBD.

Installation and upgrade of public litter bins was completed in the Glenorchy and Moonah CBDs and will be completed in Montrose during 2015–16.

# ***Leading Our Community – the Community looks to Council to advocate for its needs and lead it into a preferred future.***

## **Govern in an open and responsible manner in the best interests of the community.**

### **Strategy**

#### **4.1.1 Provide leadership and advocacy to address issues facing our communities.**

#### **Key outcomes**

Following the Local Government elections in 2014 Council Aldermen have participated in a number of professional development workshops and seminars conducted by the Local Government Association of Tasmania and the Department of Premier and Cabinet. These professional development programs focused on matters such as the roles and responsibilities of the elected members. Programs also included training about the new Audit Panels. The professional development continued with internal workshops about the new Planning Scheme and changes to the Local Government (Meeting Procedures) Regulations 2015 and the Local Government (General) Regulations 2015. Council will continue to provide Aldermen with relevant professional development to enhance their skills in acting in the best interests of the community.

Council's Emergency Management Plan has been reviewed, updated and approved by the Tasmanian Police Commissioner.

### **Strategy**

#### **4.1.2 Ensure Council is open and transparent in its communication and dealings with our communities.**

#### **Key outcomes**

The development of a Communications Strategy has commenced and will be finalised during the 2015/16 financial year.

### **Strategy**

#### **4.1.3 Use corporate planning processes to identify and determine clear priorities for action.**

#### **Key outcomes**

The following activities occurred in corporate strategic planning over the 2014/15 year:

- Preparation and adoption of the 2015/16 to 2018/19 Annual Plan on 1st June 2015.

- Project planning and preliminary Council workshops leading to the preparation of a new ten year Strategic Plan in 2015/16.
- Commencement of quarterly annual plan progress reporting using performance management software.

## **Manage our resources to achieve community outcomes.**

### **Strategy**

#### **4.2.1 Deploy the Council's resources in a way that maximises the effectiveness of the organisation and delivers value for money.**

#### **Key outcomes**

Extensive project planning has been undertaken for major Information Communication Technology projects to take Council's computer systems to the cloud environment. This will allow improved mobility and refined business processes by updating and re-implementing core financial, property, regulatory and document management software.

Council's project team for the Derwent Park Stormwater Harvesting & Industrial Reuse scheme have achieved significant milestones during the financial year, with the construction project moving closer to its completion. Local sporting facilities have been reinstated and are fully operational providing an improved and larger sporting field for the local community. The first stage of the water treatment plant operations is supplying high-quality recycled water to Nyrstar's plant and is gradually building up its reuse water supply towards an average of 1.5 mega litres per day.

Significant milestones achieved during the year include:

- Completion of the Prince of Wales Bay sports field reinstatement and extension;
- Commissioning of the Humphreys Rivulet Pump Station and its connection to the Water Treatment Plant operations;
- Installation and commissioning of works to inject treated stormwater water into the aquifer (a groundwater storage and recovery system known as "ASR") that is used to store and provide reuse water during lower rainfall periods; and

- Commenced the commissioning phase of the second water treatment plant used to increase the supply of treated water to the ASR thereby increasing the supply of treated water to Nyrstar and other industrial users and recreational grounds.

Excess water use is now charged under Lease Agreements. New Agreements include water use charges as the responsibility of the Tenants/Lessee/Licensee.

Council has upgraded the following community facilities:

- Moonah Arts Centre
- Roseneath Park
- Shoobridge Park
- Gepp Parade, Prince of Wales Bay
- Fletcher Avenue
- Several community halls, including Chigwell Barn, Tolosa Hall, Claremont Hall, and Prince of Wales Bay sporting facilities.

Council is currently considering a Lease and Licence Review, and researching similar Council strategies to optimise use by users including co-sharing facilities, intensification, and assistance with upgrades to maximise use and value.

Council continues to implement new and existing leases and licences, creating revenue for land currently owned, and reviews and sells non-essential property.

The first stage of the Procurement Strategy is complete. The extensive review and consultation with staff and workshop for Aldermen identified Council's current procurement practices including project and contract management, risk management, policies, procedures, practices and documents including templates.

An extensive review of Council's project management was undertaken. The outcomes were presented to the Audit Panel, and Council will develop a Project Management Office in conjunction with the Procurement Strategy.

Council is reviewing the assumptions made around deterioration of some of our key assets and the way in which their replacement is funded. A detailed review of the management of stormwater pipes in 13/14 revealed that many of our older pipes are in better condition than expected. Accordingly the assumed useful life has increased and reduced the amount of depreciation we allow each year for these assets.

A review commenced to update the plant renewal policy and assess what plant items will be required in the long term.

CT Management reviewed the Improvement Plan implementation as at 31/12/2015. 31 initiatives were completed or moved to Departmental action. 34 initiatives were scheduled for completion in 2014/15. It was recommended that key areas of the organisation be supported to meet the required targets, namely HR, Governance, ICT, DEC, Corporate Services & Operations.

### Strategy

#### 4.2.2 Ensure long-term financial capacity to deliver required services.

##### Key outcomes

The long-term financial plan was updated during the 2015/16 annual budget process for any decisions with a long-term impact on financial performance. A number of financial processes were improved during 2014/15, including a change of process to include three years of budgets and forecasts in the planning process, and an integrated purchase requisition process was introduced. A productivity initiative to allocate the design salary costs to individual projects was undertaken, and technology was introduced to allow scanned images to optimise BPay and BPoint facilities.

### Strategy

#### 4.2.3 Ensure we have an appropriately skilled and capable workforce and a safe workplace.

##### Key outcomes

Development of a Human Resources Strategy has commenced including extensive internal consultation with further work to be undertaken in 2015/16. This Strategy is being developed in conjunction with the ten years Well Workforce Plan to ensure that Council has an appropriately skilled and capable workforce to enable it to serve its greater community. A Corporate Work Health and Safety Program called 'Safety Circle' was been rolled out across the organisation in 2014. This program assisted Council in developing its overall Corporate Work Health and Safety Plan and Strategy which has commenced in 2015. This plan ensures that Council provides a safe workplace for its employees, community and visitors. Council also ensured that as part of its ongoing continuous improvement initiatives, work health and safety policies and supporting documentation were reviewed in 2014/15.

With the appointment of the new Management Team new position descriptions were developed during the recruitment process to employ a more advanced Management team for Glenorchy City Council.

Currently an audit is being undertaken to identify skill and knowledge gaps across the organisation.

Proposals have been sought to give more professional and focused training to the Management team to ensure a better governance system is in place through more appropriately skilled and knowledgeable employees, and better services for the community.

### Strategy

#### 4.2.4 Maintain fair systems and processes that result in high levels of regulatory compliance in Council and the community.

##### Key outcomes

Council commenced development of a Governance Strategy to ensure that Council is complying with all the relevant statutory requirements, internal policies, procedures and processes. This strategy will ensure operations are undertaken efficiently, in line with statutory requirements, ethically in line with the organisation's strategy, and that proper authorities, delegations and job descriptions are in place. As part of the Governance Strategy extensive work has been undertaken to review Council policies, Roads By-Law, Environmental & Health Services By-Law, Council registers. This process is complemented by the establishment of the Glenorchy Audit Panel.

A review of the Environmental Health Services By-law has been undertaken.

A review commenced updating the plant renewal policy. The vehicle usage policy has been previously updated but is under review to ensure it is functioning effectively.

#### Foster relationships to deliver community outcomes.

### Strategy

#### 4.3.1 Develop and manage collaborative relationships with other levels of Government.

##### Key outcomes

Council has engaged the State government in response to the Minister for Planning and Local Government's invitation to consider local government reform through shared services and/or voluntary amalgamations.

Council participated in the state-wide review of the roles and functions of local government with the General Manager appointed to the governance working group.

Council responded to the Minister for Planning and Local Government's February 2015 local government reform invitation by preparing a set of "guiding principles" as a tool for evaluating the acceptability of local government reform proposals.

The guiding principles are based around ensuring efficient and effective service provision to meet our communities' changing needs. In May and June 2015, Council consulted with the Glenorchy community on its views about local government reform and whether amalgamations and shared services were supported. This information will inform Council's ongoing participation in the local government reform consultation.

### Strategy

#### 4.3.2 Partner with community groups, business and not for profit organisations to achieve community outcomes.

##### Key outcomes

Council officers have continued to assist sporting and community groups to progress developments. Council continually assists with grant preparation as well as the management of funds and completion of projects. Recent project assistance includes:

- Collinsvale community park precinct
- Claremont RSL Anzac Memorial
- Claremont Petanque Club
- Southern Shooters Association

### Strategy

#### 4.3.3 Partner with other councils and regional organisations to achieve community outcomes.

In April 2015 Council signed a Common Services Joint Venture Agreement with 7 other Councils in Tasmania, namely Brighton, Central Highlands, Glamorgan Spring Bay, Huon Valley, Sorell, Southern Midlands and Tasman. Every month Councils meet to discuss what services can be shared in order to provide better services to the community, ensure value for money and attract and retained skilled employees within Councils. Councils share services in planning, asset management, finance, technology and equipment.

Glenorchy City Council also has a Memorandum of Understanding with Hobart City Council in order to work together and share services to the mutual benefit and interests of both communities. Hobart City Council and Glenorchy City Council are successfully working together in the areas of waste management, procurement, work health and safety, plant and equipment.

Council actively participates in the monthly STCA meetings and regular meetings of LGAT to contribute to the development and consideration of matters of interest and concern to the City of Glenorchy.

# Public Health Statement

Section 72 (1A)(d) of the *Local Government Act 1993* requires Council to prepare a statement which describes the extent to which the Council has carried out its functions under the *Public Health Act 1997* and the *Food Act 2003*. This statement is also to outline the resources allocated to public health and the extent to which its goals, objectives, policies and programs in relation to public health met the needs of persons within its municipal area.

Council's Public and Environmental Health program is administered by the Environmental Health Office as part of the City Services and Infrastructure Department. The program performs a number of activities to support the key action 3.1.3.10 in Council's Annual Plan – to 'Promote, implement and monitor public health standards.'

The Environmental Health Office is resourced with a Coordinator Environmental Health Services, a Senior Environmental Health Officer, 2 Environmental Health Officers, 1 Technical Officer and 3 contract nurse immunisers. The Environmental Health budget allocation for the 2014/15 financial year totalled \$601,345 in expenditure and generated an income of \$187,990.

The Environmental Health section administers the following key pieces of legislation – *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003*, *Litter Act 2007*, *Environmental Management and Pollution Control Act 1994* and the associated regulations.

The key functions of these Acts include:

- Notifiable diseases (food borne illness)
- Immunisation
- Places of assembly
- Public health risk activities
- Unhealthy premises
- Private burials
- Disease prevention and control
- Public health education and promotion
- Water quality monitoring
- Food safety
- On site waste water management
- Public health and environmental nuisances
- Cooling towers and Warm Water Systems
- Pollution (air, liquid and solid).

The following table outlines the statistics for environmental health activities undertaken during the 2014/15 financial year:

<b>Food Act 2003</b>	<b>Number</b>	<b>Inspections</b>
Registered food businesses	341	628
Temporary food business	378	70
Improvement notices	17	20
Prohibition orders	2	2
Infringement notices	22	N/A
Food samples	39	N/A
<b>Public Health Act 1997</b>		
Notifiable disease notifications/ investigations	14	14
Gastroenteritis outbreak investigations in vulnerable population settings	2	2
Vaccinations administered at Council immunisation clinics	350	N/A
Vaccinations administered at school immunisation sessions	1455	N/A
Registered cooling tower and warm water systems	35	N/A
Registered public health risk activity premises (tattooing and ear/body piercing)	9	9
Licensed operators – public health risk activities (tattooing and ear/body piercing)	23	N/A
Registered water carters	2	2
Licensed permanent places of assembly	42	42
Licensed temporary places of assembly	32	6
Closure orders (unhealthy housing)	1	N/A
Water samples (pools, beaches, rivulets etc.)	164	N/A
<b>Building Act 2000</b>		
Special Plumbing Permits assessed	8	8
Food verification assessments (approval of plans for new or alterations to existing food premises)	10	10
<b>Various</b>		
Public/Environmental Health nuisances investigated	597	N/A
Development application referrals	101	N/A

The following actions were completed in accordance with Glenorchy City Council's Annual Plan:

2014/15 Actions/Initiatives	Actioned
Improve the uptake of vaccinations	Y
Undertake sampling of Faulkner's Rivulet	Y
Re-align all food business registration expiry dates to 30 June.	Y
Develop and administer food handler training twice per year.	Y
Identification/tracing of unlicensed cooling towers/warm water systems.	Y
Audit 20% of installed Aerated Wastewater Treatment Systems	Y

### **Food Safety Surveillance Program:**

During the 2014/15 Glenorchy City Council's Environmental Health section assisted with the coordination of the Tasmanian Food Safety Surveillance Program undertaken by local Councils. The program uses questionnaires and food sampling to collect information about the safety of food made and sold in Tasmania.

The objectives of this Program are to:

- assess food business compliance with relevant food safety laws
- test food for chemical or microbiological safety
- educate food business staff by highlighting key food safety messages
- identify key food safety issues that need to be promptly addressed.

The Program is designed to encourage a co-operative approach between regulators and the food industry to improve food safety within the state.

### **Faulkner's Rivulet Sampling:**

Council's Environmental Health section continued to investigate sources of pollution into the Derwent Estuary. A main focus for the 2014/15 financial year was to undertake routine sampling of Faulkner's Rivulet as this was identified as a source of pollution in 2013.

The monitoring program consisted of monthly samples at four locations based along the Rivulet, from the headwaters located in Berriedale to the mouth of the rivulet at Claremont. The information collected from these samples is being assessed by Council Officers to assist with identifying any pollution sources along the water course.

### **Public interest disclosure statement**

Glenorchy City Council did not receive, nor has been required to deal with any Public Interest Disclosures for the period covered by the report.

### **Enterprise powers**

Glenorchy City Council has not exercised any of the powers available under section 21 of the *Local Government Act 1993*.

### **Donated Land**

Council has not donated any land under section 177 of the *Local Government Act 1993*.

### **Non-application of tender process**

There have been no instances where Council has not applied a public tender process under subregulations 27(1)(a) or (h) of the *Local Government (General) Regulations 2005*.

## Major Contracts

The following is a report in relation to contracts for supply or provision of goods or services valued at or above \$100,000 (excluding GST), entered into or

extended between 1 July 2014 and 30 June 2015. This is in accordance with Regulation 23 of the *Local Government (General) Regulations 2005*.

Contract Description	Contract Start Date	Original Contract Expiry	Amended Contract Expiry	Period of any options to extend the contract	Total value of tender awarded excl GST	Business name of successful contractor	Location of contractor business
Provision of Event Security Services – DEC	1/10/14	30/9/17	N/A	2 years	≈ \$360,000 – a schedule of rates is contracted	SL Security Pty Ltd	PO Box 638, Kingston TAS 7051
Cleaning of Council Facilities	1/7/14	30/6/19	N/A	N/A	\$102,000	Kleen N Bright	PO Box 349, Glenorchy TAS 7010
ICT Master Services Agreement	1/7/14	30/6/17	N/A	N/A	\$685,000	Tasmanet	30/38 Innovation Drive, Dowsing Point TAS
Disposal and Acceptance of Recyclable Materials	1/12/14	30/11/19	N/A	N/A	\$420,000	SKM Industries Pty Ltd	94 Maffra Street, Coolaroo VIC 3048
Construction of KGV Sports & Community Centre	15/12/14	20/1/16	N/A	N/A	\$6,414,118	Macquarie Builders Pty Ltd	278 Macquarie Street, Hobart TAS 7000
Supply of Asphalt Products/Supply and Placement of Bituminous Surfacing or Roads and Footpaths	31/8/14	1/9/16	N/A	1 year	≈ \$1,200,000 – a schedule of rates is contracted	Roadways Pty Ltd	28 Jackson Street, Glenorchy TAS 7010
Completion of Rising Main no.4 Construction and Miscellaneous Works – Derwent Park Stormwater Harvesting & Industrial Reuse	20/10/14	2/1/15	N/A	N/A	\$213,741	Spectran Contracting Pty Ltd	GPO Box 1442, Hobart TAS 7001
Provision of Weed Spraying	1/11/14	31/10/15	N/A	1 year	A schedule of rates is contracted	Infrastructure & Asset Maintenance Pty Ltd	PO Box 217, Claremont TAS 7011
Provision of Vegetation Control	1/11/14	31/10/15	N/A	1 year	A schedule of rates is contracted	Infrastructure & Asset Maintenance Pty Ltd	PO Box 217, Claremont TAS 7011
Design and Construction of Sports Ground Lighting System 7 Eady Street	30/3/14	22/6/15	N/A	N/A	\$239,500	Integrated Facility Solutions Pty Ltd (Trading as) Russell Smith	PO Box 106, North Hobart TAS 7002

MAJOR CONTRACTS

<b>Contract Description</b>	<b>Contract Start Date</b>	<b>Original Contract Expiry</b>	<b>Amended Contract Expiry</b>	<b>Period of any options to extend the contract</b>	<b>Total value of tender awarded excl GST</b>	<b>Business name of successful contractor</b>	<b>Location of contractor business</b>
Design and Installation of Pipeline Repair Works – Line C and Brooker Highway Siphon	22/12/14	23/2/15	N/A	N/A	\$93,676	Abergeldie Water Pty Ltd	PO Box 500, Altona North, VIC 3025
TechnologyOne Cloud Contract	6/11/14	30/6/17	N/A	N/A	\$190,541	Technology One Limited	Level 11, Technology One HQ, 540 Wickham Street, Fortitude Valley, QLD 4006
TechnologyOne Project Support	29/6/15	30/9/16	N/A	N/A	\$347,325	Deloitte Touche Tohmatsu	Level 8 22 Elizabeth Street, Hobart TAS 7000
Montrose Foreshore Community Park – proposed New Carpark	5/5/15	11/6/15	N/A	N/A	\$353,087	Spectran Contracting Pty Ltd	GPO Box 1442, Hobart TAS 7001

*Glenorchy  
City Council*

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Financial Statements

14/15

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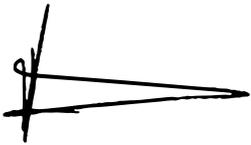
## *2015 General Purpose Financial Report*

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## ***Certification of the Financial Report***

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I certify that this financial report presents fairly the financial position of the Glenorchy City Council as at 30 June 2015, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.



**Peter Brooks**  
General Manager  
Date: 20/8/2015

# *Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2015*

	Note	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
<b>Income</b>				
<b>Recurrent income</b>				
Rates	2	30,934	31,153	29,817
User charges and licences	3	10,769	10,942	9,917
Interest		1,023	1,119	1,249
Grants	5	3,047	4,408	2,130
Contributions – cash	6(a)	87	43	80
Investment income from TasWater	7	3,258	3,256	5,416
Other income	8	731	1,011	2,508
		49,849	51,932	51,117
<b>Capital income</b>				
Contributions – non-monetary assets	6(b)	–	4,519	1,987
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	4	(128)	(1,993)	(14)
Capital grants received specifically for new or upgraded assets	5	448	1,640	841
		320	4,166	2,814
<b>Total income</b>		50,169	56,098	53,931
<b>Expenses</b>				
Employee benefits	9	21,180	21,884	19,680
Materials and services	10	16,813	16,070	14,965
Depreciation and amortisation	11(a)	16,224	15,250	14,774
State Fire Commission contribution	2	4,381	4,428	4,183
Finance costs	14	483	556	562
Assets written off	11(b)	170	2,017	1,557
Bad and doubtful debts	12	2	1	1,505
Impairment expense	18	–	152	726
Other expenses	13	576	632	585
<b>Total expenses</b>		59,829	60,990	58,537
<b>Surplus/(deficit)</b>		(9,660)	(4,892)	(4,606)
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to surplus or deficit</b>				
Net gain/(loss) on revaluation of property, plant and equipment	38	–	5,088	6,317
		–	5,088	6,317
<b>Items that may be reclassified subsequently to surplus or deficit</b>				
Financial assets available for sale reserve				
– Fair value adjustment on available for sale assets	38	–	1,284	(38,536)
		–	1,284	(38,536)
<b>Total other comprehensive income</b>		–	6,372	(32,219)
<b>Total comprehensive result</b>		(9,660)	1,480	(36,825)

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

# Statement of Financial Position

## As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	22,692	31,467
Trade and other receivables	16	3,709	1,927
Inventories	17	158	163
Non-current assets classified as held for sale	18	1,461	4,047
Other current assets	19	255	260
<b>Total current assets</b>		<b>28,275</b>	<b>37,864</b>
<b>Non-current assets</b>			
Investment in TasWater	24	161,184	159,900
Property, infrastructure, plant and equipment	25	489,022	482,639
Investment properties	34	7,975	6,231
Other non-current assets	33	16,556	16,269
<b>Total non-current assets</b>		<b>674,737</b>	<b>665,039</b>
<b>Total assets</b>		<b>703,012</b>	<b>702,903</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	20	4,157	3,968
Provisions	21(d)	4,160	4,227
Borrowings	22	779	1,103
Other current liabilities	23	2,580	2,625
<b>Total current liabilities</b>		<b>11,676</b>	<b>11,923</b>
<b>Non-current liabilities</b>			
Provisions	21(d)	5,316	5,408
Borrowings	22	6,036	7,068
<b>Total non-current liabilities</b>		<b>11,352</b>	<b>12,476</b>
<b>Total liabilities</b>		<b>23,028</b>	<b>24,399</b>
<b>Net assets</b>		<b>679,984</b>	<b>678,504</b>
<b>Equity</b>			
Accumulated surpluses		378,479	382,322
Reserves	38	301,505	296,182
<b>Total equity</b>		<b>679,984</b>	<b>678,504</b>

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

# Statement of Cash Flows for the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Cash flows from operating activities</b>			
Rates		31,124	29,832
Operational government grants (inclusive of GST)		4,421	2,156
Contributions – cash		43	81
Interest		1,119	1,249
User charges and licences (inclusive of GST)		9,629	9,209
Other income (inclusive of GST)		1,941	3,606
Investment income from TasWater		3,256	5,416
Employee benefits		(22,203)	(19,408)
Materials and services (inclusive of GST)		(17,267)	(16,344)
Finance costs		(419)	(429)
Levies paid to State Government		(4,428)	(4,183)
Other payments (inclusive of GST)		(633)	(596)
<b>Net cash provided by/(used in) operating activities</b>	36	6,583	10,589
<b>Cash flows from investing activities</b>			
Government grants (capital)		1,640	841
Payments for property, plant and equipment		(17,933)	(20,316)
Proceeds from sale of non-current assets		2,291	230
Interest paid for capital works		-	47
<b>Net cash flows provided by/(used in) investing activities</b>		(14,002)	(20,039)
<b>Cash flows from financing activities</b>			
Repayment of interest bearing loans and borrowings		(1,356)	(890)
<b>Net cash flows provided by/(used in) financing activities</b>		(1,356)	(890)
Net increase/(decrease) in cash and cash equivalents		(8,775)	(9,499)
Cash and cash equivalents at the beginning of the financial year		31,467	40,966
<b>Cash and cash equivalents at the end of the financial year</b>	15	22,692	31,467
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The above statement should be read in conjunction with the accompanying notes

## *Statement of Changes in Equity for the Year Ended 30 June 2015*

		<b>Total equity \$'000</b>	<b>Accumulated surpluses \$'000</b>	<b>Asset revaluation reserve \$'000</b>	<b>Fair value reserve \$'000</b>	<b>Other revenue reserves \$'000</b>
<b>2015</b>	<b>Note</b>					
<b>Balance at the beginning of the financial year</b>		678,504	382,322	310,291	(37,004)	22,895
Comprehensive result		1,480	(4,892)	5,088	1,284	–
Transfers to reserves	38	–	(2,782)	–	–	2,782
Transfers from reserves	38	–	3,831	–	–	(3,831)
<b>Balance at the end of the financial year</b>		<b>679,984</b>	<b>378,479</b>	<b>315,379</b>	<b>(35,720)</b>	<b>21,846</b>
<hr/>						
		<b>Total equity \$'000</b>	<b>Accumulated surpluses \$'000</b>	<b>Asset revaluation reserve \$'000</b>	<b>Fair value reserve \$'000</b>	<b>Other revenue reserves \$'000</b>
<b>2014</b>	<b>Note</b>					
<b>Balance at the beginning of the financial year</b>		715,329	380,754	303,974	1,532	29,069
Comprehensive result		(36,825)	(4,606)	6,317	(38,536)	–
Transfers to reserves	38	–	(756)	–	–	756
Transfers from reserves	38	–	6,930	–	–	(6,930)
<b>Balance at the end of the financial year</b>		<b>678,504</b>	<b>382,322</b>	<b>310,291</b>	<b>(37,004)</b>	<b>22,895</b>

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

# ***Notes to and forming part of the financial statements for the Year Ended 30 June 2015***

## **Introduction**

Glenorchy City Council ("Council") was established on 24th October 1964 and is a body corporate with perpetual succession and a common seal.

Council's main office is located at 374 Main Road, Glenorchy.

## **Statement of compliance**

This financial report is a general purpose financial report that consists of a Statement of Profit or Loss and Other Comprehensive Income, Financial Position, Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the *Local Government Act 1993 (LGA1993)* (as amended).

The financial report was certified by the General Manager on 20 August 2015.

## **Note 1 Significant accounting policies**

### **(a) The local government reporting entity**

All funds through which the Council controls resources to carry on its functions are included in the financial statements forming part of this financial report.

Amounts received as tender deposits and retention amounts controlled by Council are included in the amount disclosed as "Other current liabilities".

### **(b) Basis of accounting**

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 1(f), 1(g), 1(j), 1(k), 1(l), 1(n), 1(q).

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.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management have been included in this financial report. All transactions between these entities

and Council have been eliminated in full. Details of entities not included in this financial report based on their materiality are detailed in note 44.

## **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 1(n) and note 21(a).

### **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 45.

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

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in notes 1(e) and 1(f).

**Investment in TasWater**

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 1(l) and in note 24.

**Landfill Rehabilitation**

Assumptions and judgements are utilised in determining Council's landfill close-down and restoration costs. These are discussed in note 21(c).

**(c) Pending accounting standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below.

(i) *AASB 9 Financial Instruments* and the relevant amending standards (effective from 1 January 2018) AASB 9 is one of a series of amendments that are expected to replace *AASB 139 Financial Instruments: Recognition and Measurement*. The main impact of the standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost.

Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments.

Fair value is to be used for all other financial assets. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or an irrevocable election has been made to present in other comprehensive income changes in the fair value of an equity instrument not held for trading.

When adopted, the standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Under AASB 9 fair value gains and losses on available-for-sale assets will have to be recognised directly in profit or loss.

However, investments in equity instruments can be designated as 'fair value through other comprehensive income' assets. This designation is irrevocable. Council is likely to designate its investment in TasWater as 'fair value through other comprehensive income' and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that

are designated at fair value through profit or loss and Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

(ii) *AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* (effective from 1 January 2016)

This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this, there is limited opportunity for presumption to be overcome and clarifies that revenue-based depreciation for property, plant and equipment cannot be used.

(iii) *AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* (effective from 1 January 2016)

The amendments to AASB 101 do not require any significant change to current practice, but should facilitate improved reporting, including emphasis on only including material disclosures, clarity on the aggregation and disaggregation of line items, the presentation of subtotals, the ordering of notes and the identification of significant accounting policies.

The adoption of this standard will not impact Council's accounting policies.

(iv) *AASB 15 Revenue from Contracts with Customers, and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15* (effective from 1 January 2017). Under the new standard, a single model that applies to contracts with customers and two approaches to recognising revenue, at a point in time or over time is proposed. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The new standard will apply to contracts of not-for-profit entities that are exchange contracts. AASB 1004 Contributions will continue to apply to non-exchange transactions until the Income from Transactions of Not-for-Profit Entities project is completed.

The adoption of this standard is not anticipated to have a material impact on the financial report.

(v) *AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* (effective from 1 January 2016)

The amendments extend the scope to AASB 124 *Related Party Disclosures* to include not-for-profit public sector entities.

**(d) Revenue recognition**

Revenue is recognised when Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Council and the amount of the contribution can be measured reliably. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

***Rates, grants, and other revenue***

Rate revenue relating to the current reporting period, grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising of these receipts or the contributions. Rate revenue obtained during the reporting period which relates to future rating periods is recognised as a liability and disclosed in note 23.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property. A provision for impairment on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Where grants or contributions recognised as revenues during the financial year were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in note 5. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. Council does not currently have any reciprocal grants.

Unreceived contributions over which Council has control are recognised as receivables.

***Non-monetary contributions***

Non-monetary contributions (including developer contributions) with a value in excess of the asset capitalisation recognition thresholds, are recognised as revenue and as non-current assets. Non-monetary contributions below the thresholds are recorded as revenue.

***User fees and charges***

User fees and charges (including fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

***Sale of property, plant and equipment, infrastructure***

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

***Interest***

Interest is recognised progressively as it is earned.

***Rent***

Rents are recognised as revenue when the payment is due, or the payment is received, whichever first occurs. Rental payments received in advance are recognised as a prepayment until they are due.

***Investment revenue from TasWater***

Investment revenue from TasWater is recognised when Council's right to receive payment is established. Investment revenue from TasWater is received in the form of dividends, tax equivalent payments and guarantee fees.

***Operating leases as lessor***

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, and properties leased are predominantly used for leasing to third parties, Council records lease revenue on an accruals basis and records the associated properties as investment property in accordance with AASB 140. These properties are recognised at fair value. These leases may include incentives which have not been

recognised in the statement of financial position, on the basis the amounts are unlikely to be material and could be reliably measured at balance date.

#### (e) Expense recognition

Expenses are recognised in the Statement of Profit or Loss and Other 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

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

#### *Depreciation and amortisation of property, plant and equipment, infrastructure and intangibles*

Buildings, land improvements, plant and equipment, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets.

All non-current assets excluding land are depreciated over their useful lives (as determined by Council's officers) on a straight line basis. These are as follows:

Nature/type of asset	Class of asset	Useful life (years)
Buildings and land improvements	Freehold buildings	10 to 95
	Other land improvements	5 to 50
Equipment and furniture	Furniture, fittings and office equipment	3 to 20
	Computer systems and technical equipment	3 to 10
Other infrastructure	Signalised or roundabout intersections	15 to 50
	Islands	35 to 50
	Car parks	5 to 60
	Infrastructure plant	5 to 75
Plant and vehicles	Fleet	3 to 5
	Mobile plant	5 to 20
	Minor plant	3 to 5
Transport	Road pavement surface	10 to 50
	Road pavement base	50 to 70
	Road pavement earthwork	100
	Kerb and channel	5 to 70
	Bridges	40 to 80
Stormwater and drainage	Pipes	60 to 135
	Nodes	50 to 120
	Natural water course improvements	80
	Silt basins	120
	Concrete culverts and spoon drains	50 to 120
Valuation rolls	Valuation roll of the municipality	5 to 6

**Repairs and maintenance**

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.

**Finance costs**

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 is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period (2014: NIL).

Finance costs include interest on bank overdrafts, interest on borrowings, and unwinding of discounts.

**(f) Recognition and measurement of assets**

1. All material items were considered and an assessment made to determine if such items are assets.
2. If expenditure on an asset improved its service potential or future economic benefits (i.e. the useful life is extended) then this expenditure will be capitalised (added to the value of the asset). If not, the expenditure will be charged to the Statement of Profit or Loss and Other Comprehensive Income as repairs/maintenance.
3. Asset categories of Council are specified in the asset matrix. Asset categories will be consolidated into the following broad categories of nature or type:
  - Buildings and other land improvements;
  - Equipment and furniture;
  - Land;
  - Plant and vehicles;
  - Transport;
  - Stormwater and drainage;
  - Valuation roll; and
  - Capital work in progress.
4. All assets that have a cost or other value that can be reliably measured will be recorded in the Statement of Financial Position at the end of the reporting period. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.
5. Council adopts depreciated replacement cost or fair value for all property assets.
6. Assets are recorded by identifying separately their gross carrying value and any accumulated depreciation, other than capital work in progress.
7. The asset capitalisation threshold adopted by Council is \$1,500. Assets valued at less than \$1,500 are charged to the Statement of Profit or Loss and Other Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).
8. Where a number of like items exist with individual values below the recognition threshold for future transactions, then these items will be recognised as a group, provided their total value as a group is in excess of the capitalisation threshold for that category.
9. 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.
10. Vehicles and Plant, other than plant associated with property are recorded at cost.
11. Property, infrastructure, plant and equipment 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.
12. All property, and plant and equipment assets which relate to property assets, are revalued to their depreciated replacement cost in accordance with the asset matrix. Revaluations will be conducted with sufficient regularity, so as to ensure they represent fair value.
13. If Council believes asset values within a class have materially changed between scheduled revaluations, the asset class value will be indexed by an appropriate inflation factor.
14. All net revaluation increments for a class are credited directly to the asset revaluation reserve account. However, the increment is charged to the Statement of Profit or Loss and Other Comprehensive Income to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the income statement. Net revaluation decrements for a class of assets will be debited to any previous revaluation increments for that class of assets, with any deficiency being charged to the Statement of Profit or Loss and Other Comprehensive Income.
15. For assets acquired after a revaluation the cost method of accounting is used. Cost is

determined as the fair value of the asset given as consideration plus costs incidental to the acquisition (e.g. architects fees, engineering design fees, administration charges, direct and indirect salary costs, overheads and all other costs incurred in getting the asset ready for use) and (if applicable) the initial estimate of the cost of dismantling and removing the asset and restoring the site on which it is located. All property, plant and equipment assets that are replaced or retired are removed from the asset register. This includes the gross replacement cost of the asset and the related accumulated depreciation.

16. Capital work in progress is recorded at cost.
17. Land under roads acquired after 30 June 2008 is recognised as a non-current asset – roads where the Council holds title or a finance lease over the asset. Council does not recognise land under roads that it controlled prior to that period in its financial report.

#### **(g) 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.

#### **(h) Trade and other receivables**

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred.

Other receivables are payable within 30 days of issue of the account. No interest is added to overdue sundry receivables.

#### **(i) Inventories**

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

#### **(j) Investment properties**

Investment property, comprising car parking lots, is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to Council. Subsequent to initial recognition at cost,

investment property is carried at fair value. Changes to fair value are recorded in the Statement of Profit or Loss and Other Comprehensive Income in the period that they arise. Rental income from the leasing of investment properties is recognised in the Statement of Profit or Loss and Other Comprehensive Income on a straight line basis over the lease term.

#### **(k) Non-current assets held for sale**

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

#### **(l) Investment in TasWater**

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against TasWater's net asset value at balance date. At 30 June 2015, Council held a 10.41% (2014: 10.41%) ownership interest in TasWater which is based on schedule 2 of the Corporation Constitution which reflects the Council's voting rights. Any unrealised gains and losses are recognised through the Statement of Profit or Loss and Other Comprehensive Income to a Fair Value Reserve each year (refer note 38).

Council has classified its investment in TasWater as an Available-for-Sale financial asset as defined in AASB 139 *Financial Instruments: Recognition and Measurement* and has followed AASB 132 *Financial Instruments: Presentation* and AASB 7 *Financial Instruments: Disclosures* to value and present the asset in the financial report.

Council has derived returns from this investment as disclosed at note 7.

#### **(m) Impairment of 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 Profit or Loss and 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.

#### **(n) Provisions**

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of economic benefits is probable and can be measured reliably. Provisions are reviewed at each balance sheet reporting date.

#### **Provisions – Employee entitlements**

Employee entitlements are accrued for salaries, annual leave, sick leave and long service leave in respect of services provided by employees up to the reporting date. The sick leave accrual relates to 25.00% of the outstanding balance, which is payable upon termination.

#### **(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) Retirement benefit obligations**

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

#### **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, which is a sub fund of the Quadrant Superannuation Scheme. 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 32(b) of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

#### **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.

**Provisions – Other****Employment on-costs**

Payroll tax is not an employee benefit and it is recognised separately as a liability when the employment to which it relates has occurred. Payroll tax is included as part of the Council's 'Employee benefits' in the Statement of Profit or Loss and Other Comprehensive Income. The related liability is included in 'Employment on-costs provision'.

**Close-down and restoration costs – Landfill**

Close-down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this is during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operation, and are subject to formal review at regular intervals.

Close-down and restoration costs are a normal consequence of landfill operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operation. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the Statement of Profit or Loss and Other Comprehensive Income in each accounting period where material. The amortisation of the discount is shown as a finance cost.

**(o) Leases****Finance leases**

Council has no finance lease obligations at 30 June 2015.

**Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to

the income statement on a straight line basis over the period of the lease. Council leases vehicles and plant and equipment, operating equipment and office premises. Refer to note 35.

Council leases several parcels of Crown land under lease agreements with the State Government. These leases, in general, do not reflect commercial arrangements, are long-term and have minimal lease payments. Crown land is recognised as an asset in the Statement of Financial Position and carried at fair value when Council establishes that (i) it has control over the land and (ii) it will derive economic benefits from it.

**Operating leases as lessor**

Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations, in general, do not reflect commercial arrangements and have minimal lease payments. Land and building which are leased under these arrangements are recognised within Property, plant and equipment in the Statement of Financial Position and associated rental income is recognised in accordance with note 1(d).

Furthermore, Council leases some of its land and buildings on commercial terms. Where leasing of a property is incidental to Council's use of it, the associated land and buildings are recognised within Property, plant and equipment in the Statement of Financial Position and valued in accordance with note 1(f). Properties that are held largely to earn rental income or for capital appreciation or both are recognised as investment properties in accordance with note 1(j).

**(p) Payables**

All of Council's expenditure, both operating and capital, is brought to account at the time the invoice is processed, after the receipt of the goods and services.

Payables are settled within specific trading terms or 30 days, whichever is earlier.

**(q) 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 Profit or Loss and Other Comprehensive Income over the period of the liability using the effective interest method.

**(r) 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***

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included as part of current receivables or payables in the Statement of Financial Position.

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.

**(s) 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 12 months, being Council's operating 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.

**(t) Comparative information**

Where required by Accounting Standards or other requirements, comparative figures are adjusted to conform with changes in presentation for the current financial year.

**(u) Rounding**

Dollar amounts shown in the General Purpose Financial Report are rounded to the nearest thousand. This may result in minor variations between schedules.

**(v) Budget**

The estimated revenue and expense amounts in the Statement of Profit or Loss and Other Comprehensive Income represent revised budget amounts and are not audited.

**(w) 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 and inclusive of the GST payable.

Note	2015 \$'000	2014 \$'000
<b>2 Rates</b>		
Council uses Assessed Annual Value (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its base amount used to calculate the annual rates. The AAV is multiplied against the rate in the dollar to give the annual rates amount.		
The valuation base used to calculate general rates for 2015 was \$344,076,287 (2014: \$341,638,121). The increase in AAV from 2014 to 2015 was due to 2nd round of adjustment factors that came in June 2015 but is effective as of 1 July 2015. The 2015 rate in the dollar was \$7.5713 (2014: \$7.3385).		
Rates charge	28,136	26,984
Interest charge	63	60
Penalty charge	201	202
Recovery of legal expenses	43	71
<b>State Government charges and levies</b>		
State Fire Commission contribution	4,428	4,183
Less Government subsidies	(1,718)	(1,683)
	31,153	29,817
The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2011, and the valuation was first applied in the rating year commencing 1 July 2011.		
<b>3 User charges and licences</b>		
Parent fees and childcare	605	590
Animal registration	372	343
Food related licences	86	91
Landfill fees	2,831	2,554
Building and plumbing application fees	205	144
Plumbing inspection fees	131	92
Plumbing assessment fees	115	85
Development advertising fees	57	48
Development application fees	211	212
Engineering assessment fees	19	3
Section 132 and 337 certificates	300	263
Service provider fees	11	18
Rental of sporting grounds	147	123
Revenue from reserves	8	10
Car parking rental	110	109
Other rental revenue	361	235
Tolosa Park hire	49	46
Parking enforcement	307	279
Kerbside recycling	1,636	1,534
Garbage collection/disposal	1,507	1,450
Recycling materials	36	50
Derwent Entertainment Centre food and beverage sales	242	198
Derwent Entertainment Centre commissions and recoveries	1,103	861
General fines and infringements	135	103
Fees and licences	12	33
Certificates of completion	104	80
Stratum application fee	10	13
Road opening permits	17	18
Permits	8	12

**3 User charges and licences (continued)**

	Note	2015 \$'000	2014 \$'000
Planning scheme amendments		3	9
Aerated wastewater treatment systems		45	44
Derwent Park Reuse sales		141	157
Other (items less than \$10,000)		18	110
		10,942	9,917

**Ageing analysis of contractual receivables**

Please refer to notes 16 and 40 for the ageing analysis of trade and other receivables.

**4 Net gain/(loss) on disposal of property, infrastructure, plant and equipment**

Proceeds from disposal of property, infrastructure, plant and equipment		2,292	231
Less carrying amount of property, infrastructure, plant and equipment		(4,285)	(245)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(1,993)	(14)

During 2014/15 the sale of one property at 404–408 Main Road Glenorchy resulted in a combined net loss of over \$1 million.

**5 Grants**

Grants were received in respect of the following:

**Summary of grants**

Commonwealth funded grants		5,180	2,748
State funded grants		835	176
Others		33	47
		6,048	2,971

**Grants – recurrent**

Commonwealth Government Financial Assistance Grants – General Purpose		1,395	479
Commonwealth Government Financial Assistance Grants – Roads		2,130	680
Childcare Services		737	634
Arts and Cultural Development		100	4
Commonwealth Traineeship		-	10
Moonah Taste of the World		22	21
Youth and Safer Communities		11	13
National Binge Drinking Strategy		-	49
Claremont Cycling Facilities		-	22
Healthy Communities Initiative		-	134
Clearing the Smoke – Smoking Cessation Innovation		-	4
New Ideas		-	10
Glenorchy Flood Early Warning System & Evacuation Plan		-	7
26 Ten Literacy		-	50
Other		13	13
<b>Total recurrent grants</b>		4,408	2,130

**5 Grants (continued)**

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2014/15 the Commonwealth made early payment of the two quarterly instalments for the following year. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control.

**Capital grants received specifically for new or upgraded assets**

	Note	2015 \$'000	2014 \$'000
Blackspot		630	6
Department of Transport		433	448
Collinsvale Oval Redevelopment		69	-
Central Business District Revitalisation		250	-
Glenorchy Skate Park		250	-
Glenorchy Arts Sculpture Park – Stage 2		-	233
Glenorchy Arts Sculpture Park Ferry Adaptation		-	23
Local Government Energy Efficiency Program		-	24
Cadbury Sports Ground Cricket Net Replacement		-	26
Synthetic Bowls Green		-	80
Other		8	1
<b>Total capital grants</b>		<b>1,640</b>	<b>841</b>

**Conditions on grants**

Non-reciprocal grants recognised as revenue during the year that were obtained on condition they be expended in a specified manner that had not occurred at balance date were:

Central Business District Revitalisation		250	-
Glenorchy Skate Park		250	-
Arts and Cultural Development - Migrant Resource Centre		100	-
Collinsvale Oval Redevelopment		69	-
Glenorchy Arts Sculpture Park Ferry Adaptation		-	23
26 Ten Literacy		-	50
<b>Total</b>		<b>669</b>	<b>73</b>

**5 Grants (continued)**

Non-reciprocal grants that were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

	Note	2015 \$'000	2014 \$'000
Derwent Park Stormwater Reuse Project		1,033	3,387
Moonah Arts Centre Development		2,979	1,139
King George V Redevelopment		1,572	530
		5,584	5,056

Net increase/(decrease) in non-reciprocal grant revenues for the year

(4,915)	(4,983)
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The balance of unexpended grants at the end of the reporting period is \$8,403,614, the majority of which are King George V Redevelopment, Derwent Park Stormwater Project and the Skate Park Relocation.

**6 Contributions****(a) Cash**

Parking		-	15
Parks, open space and streetscapes		-	36
Recharge work contributions		43	29
		43	80

**(b) Non-monetary assets**

Land		760	-
Roads		668	927
Stormwater		2,694	1,060
Buildings		397	-
		4,519	1,987

A budget is not allocated to non-monetary assets as contributions are highly variable.

**Total contributions**

4,562	2,067
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**7 Investment income from TasWater**

Dividend income		2,402	3,709
Tax equivalent		601	1,429
Guarantee fee		253	278
		3,256	5,416

**8 Other income**

Sundry recoveries	12	-	1,498
Liquidated damages claim		145	82
Fuel Tax Credits		177	167
State Fire Commission contribution		35	31
Heavy vehicle motor tax		4	10
Donations		17	20
Immunisations		190	373
Contributions		72	76
Levy collection		-	49
Royalties		251	31
Refund		-	41
Mona GASP fun run		120	130
		1,011	2,508

	Note	2015 \$'000	2014 \$'000
<b>9 Employee benefits</b>			
Wages and salaries		21,650	21,967
Redundancies		2,028	-
Relief/casual staff		574	687
Fringe Benefits Tax		49	61
Other		21	30
		24,322	22,745
Less amounts capitalised		(2,438)	(3,065)
		21,884	19,680
<b>Redundancies</b>			
The following table represents payments made as a result of termination of employment due to the restructure.			
Former employees – redundancies		<b>2015</b>	<b>2014</b>
\$420,000 – \$439,999		1	-
\$400,000 – \$419,999		1	-
\$220,000 – \$239,999		1	-
\$200,000 – \$219,999		1	-
\$50,000 – \$69,999			
These redundancy payments may include:			
– current annual leave entitlements;			
– current long service leave entitlements;			
time in lieu owing;			
– three weeks pay for every completed year of service or part thereof;			
– an ex-gratia payment for long service leave (if no current entitlement owing) provided there has been five years of service; and			
– payment made for any motor vehicle entitlements.			
		<b>2015</b>	<b>2014</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>10 Materials and services</b>			
Materials and services		5,045	5,245
Contract payments		8,953	7,878
Plant and equipment maintenance		244	199
Utilities		1,068	986
Consultants		760	657
		16,070	14,965
<b>11 (a) Depreciation and amortisation</b>			
Buildings and other land improvements		2,094	2,194
Plant and vehicles		375	442
Equipment and furniture		234	169
Transport		9,570	8,911
Stormwater and drainage		2,661	2,741
Valuation roll		56	57
Restoration costs		260	260
	25	15,250	14,774

	Note	2015 \$'000	2014 \$'000
<b>(b) Assets written off</b>			
Buildings and other land improvements		-	40
Transport		1,442	1,275
Stormwater and drainage		575	242
		2,017	1,557
<b>12 Bad and doubtful debts</b>			
Bad debts related to liquidated damages claim		-	1,498
Other		1	7
		1	1,505
During the 2013/14 financial year a major contractor for Council went into liquidation prior to completing the contracted works.			
<b>13 Other expenses</b>			
Land tax		469	433
External auditor's remuneration (Tasmanian Audit Office) – Financial statements audit		50	53
External auditor's remuneration (Tasmanian Audit Office) – Other financial audits		2	4
Internal auditor's remuneration (internal audit services – Deloitte)		87	72
Grants and specific purpose benefits		24	23
		632	585
<b>14 Finance costs</b>			
Interest		411	470
Less capitalised borrowing costs on qualifying assets		-	(47)
Unwinding of discounts applied to provisions		145	139
		556	562
Rate used to capitalise finance costs		0%	10%
<b>15 Cash and cash equivalents</b>			
Current investment funds		18,529	24,041
Operating account		4,042	7,372
Glenorchy City Concert Brass account		19	5
Petty cash floats		6	6
Derwent Entertainment Centre operating cash floats		49	24
Derwent Entertainment Centre Automatic Teller Machine		47	19
		22,692	31,467
Councils 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:			
<b>Internal restrictions</b>			
Leave provisions (excluding on-costs)	21(a)	5,072	5,694
Statutory reserves	38	15,071	18,772
Derwent Entertainment Centre Automatic Teller Machine		47	19
		20,190	24,485

	Note	2015 \$'000	2014 \$'000
<b>15 Cash and cash equivalents (continued)</b>			
<b>External restrictions</b>			
Glenorchy City Concert Brass account		19	5
		19	5
Restricted funds		20,209	24,490
Total unrestricted cash and cash equivalents		2,483	6,977
<b>16 Trade and other receivables</b>			
Employees advanced salaries		35	52
Rates and charges		564	592
Debtors		4,489	797
Liquidated damages claim		-	1,597
Provision for impairment – liquidated damages claim		(1,597)	(1,597)
Provision for impairment – other debtors		(41)	(49)
		3,450	1,392
Goods and Services Tax on purchases		536	560
Goods and Services Tax on sales		(277)	(25)
Goods and Services Tax receivable		259	535
		3,709	1,927
<p>All debtors are due and payable after thirty days from the date of invoice. Council does not charge interest on debtors. Outstanding rate revenue attracts a penalty of 10% fourteen days after instalments are due. Interest of 10.02% is charged after the instalments are due and is calculated weekly on the outstanding balance.</p> <p>All outstanding trade receivables have been assessed as past due but not impaired.</p> <p>An allowance has been made for those debts considered doubtful. Council evaluates unsecured debts through its debt collection process and where applicable these debts are transferred into the allowance.</p> <p>Credit checks are completed for larger customers and all waste management customers.</p>			
<u>Ageing of past due – rates and charges</u>			
30–60 days		-	-
60–90 days		-	-
Over 90 days		564	592
		564	592
<u>Ageing of past due – debtors</u>			
30–60 days		34	23
60–90 days		26	159
Over 90 days		75	20
		135	202

<b>16 Trade and other receivables (continued)</b>	<b>Note</b>	<b>2015 \$'000</b>	<b>2014 \$'000</b>
<b>Movement in the provision for impairment – other debtors</b>			
Balance at the beginning of the year		1,646	50
Amounts transferred to the provision during the year		-	1,606
Amounts recovered during the year		(6)	(7)
Amounts written off as uncollectable		(2)	(3)
Balance at the end of the year		<u>1,638</u>	<u>1,646</u>
<b>17 Inventories</b>			
Stores and materials		<u>158</u>	<u>163</u>
<b>18 Non-current assets classified as held for sale</b>			
Property held for sale		1,613	4,047
Less impairment expense		(152)	-
		<u>1,461</u>	<u>4,047</u>
<b>19 Other current assets</b>			
Prepayments		5	68
Accrued revenue		250	192
		<u>255</u>	<u>260</u>
<b>20 Trade and other payables</b>			
Trade payables		2,993	2,649
Accrued expenses		1,151	1,303
Fringe Benefits Tax payable		13	16
		<u>4,157</u>	<u>3,968</u>

**21 Provisions**

**2015**

Balance at the beginning of the financial year  
Additional provisions  
Amounts used  
Increase in the discounted amount arising because of the time and the effect of any change in the discount rate  
Balance at the end of the financial year

	Annual leave \$ '000	Sick Leave \$ '000	On Costs \$ '000	Long Service Leave \$ '000	Landfill Restoration \$ '000	Redundancy \$ '000	Total \$ '000
	2,127	1,075	367	2,492	3,574	-	9,635
	1,171	364	96	195	-	372	2,198
	(1,484)	(553)	(143)	(315)	(7)	-	(2,502)
	-	-	-	-	145	-	145
	1,814	886	320	2,372	3,712	372	9,476

**2014**

Balance at the beginning of the financial year  
Additional provisions  
Amounts used  
Increase in the discounted amount arising because of the time and the effect of any change in the discount rate  
Balance at the end of the financial year

	Annual leave \$ '000	Sick Leave \$ '000	On Costs \$ '000	Long Service Leave \$ '000	Landfill Restoration \$ '000	Redundancy \$ '000	Total \$ '000
	2,000	1,040	344	2,400	3,475	-	9,259
	1,217	411	128	340	-	-	2,096
	(1,090)	(376)	(105)	(248)	(40)	-	(1,859)
	-	-	-	-	139	-	139
	2,127	1,075	367	2,492	3,574	-	9,635

**21 Provisions (continued)**

	Note	2015 \$'000	2014 \$'000
<b>(a) Employee entitlements provision</b>			
<b>(i) Current</b>			
Annual leave		1,814	2,127
Sick leave		886	1,075
Long service leave		870	782
<i>Other provisions</i>			
Employment on-costs:		218	243
Payroll tax		3,788	4,227
<b>(ii) Non-current</b>			
Long service leave		1,502	1,710
<i>Other provisions</i>			
Employment on-costs:		102	124
Payroll tax		1,604	1,834
Aggregate carrying amount of employee entitlements:			
Current		3,788	4,227
Non-current		1,604	1,834
		5,392	6,061
The following assumptions were adopted in measuring the present value of employee entitlements:			
Weighted average increase in employee costs		3.00%	2.90%
Weighted average discount rates		2.24%	3.35%
Weighted average settlement period		11	11
<b>(i) Current</b>			
All annual leave, sick leave and the long service leave entitlements representing 10 or more years			
– short-term employee entitlements, that fall due within 12 months after the end of the period measured at nominal value		2,488	2,449
– other long-term employee entitlements that do not fall due within 12 months after the end		1,012	1,535
		3,500	3,984
<b>(ii) Non-current</b>			
Long service leave representing less than 10 years of continuous service measured at present value		1,502	1,710
<b>(iii) Employee numbers</b>		<b>2015</b>	<b>2014</b>
Full-time equivalents		241	256
Total workforce		361	363

**21 Provisions (continued)****(b) Redundancy provision**

During 2014/15 Council undertook an organisational restructure which resulted in redundancies. The provision at 30 June represents payments to be made in early 2015/16.

**(c) Landfill restoration**

Council operates a Landfill at Jackson Street that is deemed to have a further useful life of at least 8 years. On closure of the landfill, Council will face close-down and restoration costs. Current estimates of the respective costs are based on management advice and engineering studies using current restoration standards and techniques.

Under legislation Council is obligated to rehabilitate the landfill site to a particular standard. Current projections indicate that the landfill site will cease operation in 2023. Rehabilitation is occurring progressively with major works planned in 2018 and after the landfill closes in 2023. The forecast life of the landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party.

	Note	2015 \$'000	2014 \$'000
<b>(d) Provision summary</b>			
<b>Current</b>			
Employee entitlements provision		3,788	4,227
Redundancy provision		372	-
		4,160	4,227
<b>Non-current</b>			
Employee entitlements provision		1,604	1,834
Landfill restoration provision		3,712	3,574
		5,316	5,408
<b>Total provisions</b>		9,476	9,635
<b>22 Borrowings</b>			
Borrowings at the beginning of the year		8,171	9,061
New borrowings		-	-
Repayments		(1,356)	(890)
Borrowings at the end of the year		6,815	8,171
<b>Current borrowings</b>		779	1,103
<b>Non-current borrowings</b>		6,036	7,068
		6,815	8,171
<p>The loan portfolio owed by Council to Tascorp has been reviewed by Tascorp effective 30 June 2015. Following this review it was determined that having regard to the fixed rate of interest applicable for the remaining life of each loan, that the approximate net fair value (which equates to current market value) is \$7,135,256 (2014: \$8,451,360) compared to the actual value of \$6,814,357 (2014: \$8,170,564). All loan funds are secured against future Council rate revenue.</p>			
<p>The maturity profile for Council's borrowings is:</p>			
Not later than one year		-	330
Later than one year and not later than five years		-	-
Later than five years		6,815	7,841
		6,815	8,171

	Note	2015 \$'000	2014 \$'000
<b>23 Other current liabilities</b>			
Trust monies held (Derwent Entertainment Centre)		32	14
Vehicle Funding Facility		1,062	945
Revenue received in advance		1,178	1,092
Refundable building deposits		243	281
Refundable contract deposits		26	255
Other refundable deposits		39	38
		2,580	2,625
<b>24 Investment in TasWater</b>			
Balance at the beginning of the year		159,900	198,436
Change in fair value of investment		-	-
Fair value adjustments on available-for-sale assets		1,284	(38,536)
Balance at the end of the financial year	I(l)	161,184	159,900

Council has derived returns from TasWater as disclosed at Note 7.

Council does not have significant influence to allow it to use the equity method to account for this interest.

**25 Property, infrastructure, plant and equipment**

**Reconciliation of Property, infrastructure, plant and equipment**

	Carrying amount 1/07/14	Additions	Transfer between asset classes	Assets classified as Investment Property (note 34)	Disposals	Net revaluation adjustments (note 38)	Depreciation and amortisation (note 11)	Impairment losses recognised in profit or loss (a)	Carrying amount 30/06/15
2015	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Transport	204,317	8,049	3,610	10	(1,442)	5,047	(9,570)	-	210,021
Stormwater and drainage	167,891	6,303	(1,219)	-	(575)	4,231	(2,661)	-	173,970
Land	57,708	760	2,470	(1,568)	(2,879)	-	-	-	56,491
Buildings and other land improvements	48,709	6,121	(2,427)	(186)	(1,299)	(4,190)	(2,354)	-	44,374
Plant and vehicles	1,659	550	-	-	(107)	-	(375)	-	1,727
Equipment and furniture	2,243	374	-	-	-	-	(234)	-	2,383
Valuation roll	112	-	-	-	-	-	(56)	-	56
	482,639	22,157	2,434	(1,744)	(6,302)	5,088	(15,250)	-	489,022

	Carrying amount 1/07/13	Additions	Transfer between asset classes	Assets classified as Investment Property (note 34)	Disposals	Net revaluation adjustments (note 38)	Depreciation and amortisation (note 11)	Impairment losses recognised in profit or loss (a)	Carrying amount 30/06/14
2014	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Transport	206,714	8,451	(4,425)	46	(1,281)	3,723	(8,911)	-	204,317
Stormwater and drainage	158,243	11,700	-	-	(241)	1,656	(2,741)	(726)	167,891
Land	52,098	110	4,640	1,040	(180)	-	-	-	57,708
Buildings and other land improvements	45,778	4,500	(24)	10	(39)	938	(2,454)	-	48,709
Plant and vehicles	1,008	1,172	-	-	(79)	-	(442)	-	1,659
Equipment and furniture	1,325	1,092	-	-	(5)	-	(169)	-	2,243
Valuation roll	169	-	-	-	-	-	(57)	-	112
	465,335	27,025	191	1,096	(1,825)	6,317	(14,774)	(726)	482,639

**(a) Impairment losses**

Impairment losses are recognised in the statement of profit or loss and other comprehensive income under other expenses. Reversals of impairment losses are recognised in the statement of profit or loss and other comprehensive income under other revenue.

	Note	2015 \$'000	2014 \$'000
<b>26 Transport</b>			
At valuation (1 July 2012)		462,864	439,593
Less accumulated depreciation		(252,843)	(235,276)
Roads at fair value	25	210,021	204,317
<b>27 Stormwater and drainage</b>			
At valuation (1 July 2009)		346,126	333,594
Less accumulated depreciation		(172,105)	(164,977)
Less impairment expense		(51)	(726)
Stormwater and drainage at fair value	25	173,970	167,891
This financial year a provision for an impairment has been recognised for \$50,883.75. The impairment is based on the inspection and evaluation of Stormwater assets that were damaged during their construction.			
<b>28 Land</b>			
At valuation (30 June 2011)		51,306	53,283
Land under roads (30 June 2011)		5,185	4,425
Land at fair value	25	56,491	57,708
<b>29 Buildings and other land improvements</b>			
At valuation (30 June 2015)		88,901	107,366
Less accumulated depreciation		(44,527)	(58,657)
Buildings and other land improvements at fair value	25	44,374	48,709
<b>30 Plant and vehicles</b>			
At cost		3,138	2,925
Less accumulated depreciation		(1,411)	(1,266)
Plant and vehicles at cost	25	1,727	1,659
<b>31 Equipment and furniture</b>			
At cost		7,959	7,586
Less accumulated depreciation		(5,576)	(5,343)
Equipment and furniture at cost	25	2,383	2,243
<b>32 Valuation roll</b>			
At cost		339	339
Less accumulated amortisation		(283)	(227)
Valuation roll at cost	25	56	112
<b>Total property, infrastructure, plant and equipment</b>	25	489,022	482,639
<b>33 Other non-current assets</b>			
Capital works in progress		16,556	16,269
<b>34 Investment properties</b>			
Opening Balance as at 1 July		6,231	7,327
Transfer in		1,744	-
Transfer out		-	(1,096)
Closing balance at 30 June		7,975	6,231

Note	2015 \$'000	2014 \$'000
<b>35 Commitments for expenditure</b>		
<b>(a) Operating lease commitments</b>		
At the reporting date, Council had the following obligations under non-cancellable operating leases (these obligations are not recognised as liabilities):		
Not later than one year	1,127	1,652
Later than one year and not later than five years	1,252	2,574
Later than five years	-	40
	2,379	4,266
The Council leases motor vehicles and mobile plant and equipment under operating leases, expiring from 1–5 years. Leases generally provide the entity with a right of renewal at which time all terms are renegotiated.		
Lease payments are initially established based on expected operating criteria and may adjust depending upon material variations in such operating criteria.		
The Council leases office equipment under operating leases, expiring from 1–2 years. Leases generally provide the entity with a right of renewal at which time all terms are renegotiated. Terms of the leases are fixed at the time of the lease start date.		
The Council leases office premises under operating leases, expiring within 1 year. Leases generally provide the entity with a right of renewal at which time all terms are renegotiated. Terms of the lease are fixed at the time of the lease start date.		
<b>(b) Capital commitments</b>		
Capital expenditure contracted for at the reporting date but not recognised in the financial statements as liabilities:		
Property	8,114	11,639
Transport	2,708	1,373
Stormwater	2,938	3,078
	13,760	16,090
Not later than one year	13,760	15,112
Later than one year and not later than five years	-	978
Later than five years	-	-
	13,760	16,090

	Note	2015 \$'000	2014 \$'000
<b>36 Reconciliation of net surplus/(deficit) for the period to net cash from operating activities</b>			
Net surplus/(deficit)		(4,892)	(4,606)
<b>Items not involving cash</b>			
Depreciation expense	11	15,250	14,774
Impairment expense	18	152	726
Contributions – non-monetary assets	6	(4,519)	(1,987)
Carrying value of assets sold or retired	4	4,285	245
Assets written off	11	2,017	1,557
Sale of property, plant and equipment	4	(2,292)	(231)
Government grants and external contributions (capital)	5	(1,640)	(841)
Unwinding of discounts applied to provisions	14	145	139
<b>Changes in operating assets and liabilities</b>			
(Increase)/decrease in trade and other receivables		(1,782)	434
(Increase)/decrease in other current assets		5	280
(Increase)/decrease in inventories		6	(5)
Increase/(decrease) in trade and other payables		189	(1,156)
Increase/(decrease) in other current liabilities		(44)	983
Increase/(decrease) in employee entitlement provisions		(297)	277
<b>Net cash from operating activities</b>		<b>6,583</b>	<b>10,589</b>

**37 Contingent liabilities**

There are no contingent liabilities.



**38 Reserves (continued)**

**Nature and purpose of reserves:**

**Revenue reserves**

The Car parking, Public open space and Community based programs revenue reserves reflect the statutory or third party compulsory contributions that are required to be expended for specific purposes as part of the statutory or third party agreements in future periods. On that basis, a portion of the operating result must be set aside in these reserves.

The City revaluation reserve represents funds set aside to undertake a city wide revaluation as authorised by the Valuer General. This revaluation occurs every seven years.

The Landfill future close out costs reserve is maintained for the restoration or rehabilitation of land to meet planning requirements and environmental standards.

The other reserves noted are maintained to provide for recurring, non-annual expenditure (Irregular operating expenses reserve); to provide for future property, plant and equipment requirements (Property, plant and equipment); and specific expenditure not completed in the previous year (Incomplete works). Net proceeds from asset sales are set aside to fund future property purchases.

**Fair value reserve**

The Fair value reserve includes the net revaluation increments and decrements arising from the revaluation of Council's share of the investment in TasWater.

**Asset revaluation reserves**

The Asset revaluation reserves include the net revaluation increments and decrements arising from the revaluation of property, plant and equipment assets in accordance with accounting policy (note 1(f)).

Where a revalued asset is sold that portion of the asset revaluation reserve which relates to that asset, and is effectively realised, is transferred directly to Community Equity.

**39 Financing arrangements**

Bank overdraft limit

Bank overdraft at reporting date

Council does not have an overdraft limit because Council undertakes to cover any overdraft it incurs on a regular basis with cash from Council's short term investments or operating revenues.

The credit limit with the Commonwealth Bank of Australia for the vehicle funding facility as at 30 June:

Council has access to an established line of credit to the value of \$1 million. This line of credit has been approved to purchase Council's fleet of vehicles.

The credit limit with the Commonwealth Bank of Australia for Council's purchasing card facility as at 30 June:

Note	2015 \$'000	2014 \$'000
	Nil	Nil
	Nil	Nil
	2,000	2,000
	280	280

**40 Financial instruments****(a) Accounting policy, terms and conditions**

<b>Financial instruments</b>	<b>Accounting policy</b>	<b>Terms and conditions</b>
<b>Financial assets</b>		
<b>Cash and cash equivalents</b>	Comprises cash on hand and cash in bank.  Investments are held to maximise interest returns on surplus cash.  Interest revenues are recognised as they accrue.	On call deposits returned an average interest rate of 2.12% (2014: 2.91%). The interest rate at balance date was 1.50% (2014: 2.40%).  The weighted average interest rate received for investments was 2.96% (2014: 3.45%).
<b>Trade and other receivables</b>		
<b>Receivables rates and charges</b>	Rates are carried at nominal amounts due plus interest. Rate debts are a charge attached to the rateable land and are recoverable on sale, therefore, no allowance for doubtful debts is made. Interest rates are reviewed annually.	Rates are payable by 2 instalments during the year. Arrears, including deferred rates, attract interest. The interest rate was 10.02% (2014: 9.35%) at balance date for general rates.
<b>Receivables other</b>	Receivables are carried at nominal amounts due less any allowance for doubtful debts. An allowance for doubtful debts is recognised when collection in full is no longer probable.  Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured.
<b>Financial liabilities</b>		
<b>Deposits</b>	Deposits are lodged by organisations and individuals when performing work that may adversely affect Council assets. The deposits are repayable on demand or where certain conditions have been met. Deposits are recorded at fair value.	
<b>Payables</b>	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 specific trading terms or 30 days, whichever is earlier.
<b>Interest-bearing loans and borrowings</b>	Loans are carried at amortised cost. Interest is accrued over the period it becomes due and recognised as part of payables.	All loans are secured against the future rate revenue of Council. The weighted average interest rate on borrowings was 5.12% (2014: 5.19%).

**Liquidity risk management**

Council manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities. Council monitors cash flows on a regular basis to further reduce liquidity risks.

**40 Financial instruments (continued)**

**(b) Liquidity and interest rate risk table**

The following table details the Council's remaining contractual maturity for its financial liabilities and expected maturity for financial assets:

	Weighted average interest rate %		Less than 1 year \$'000		1 to 5 years \$'000		More than 5 years \$'000		Non-bearing \$'000		Total \$'000	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Financial assets</b>												
<i>Variable interest rate</i>												
Cash and cash equivalent assets	2.96%	3.45%	22,589	31,418							22,589	31,418
<i>Non-interest bearing</i>												
Cash and cash equivalent assets			103	49							103	49
Trade and other receivables			2,886	800							2,886	800
Investment in TasWater							161,184	159,900			161,184	159,900
<i>Fixed interest rate</i>												
Trade and other receivables (rates and charges)	10.02%	9.35%	564	592							564	592
<b>Total</b>			26,142	32,859	-	-	161,184	159,900			187,326	192,759
<b>Financial liabilities</b>												
<i>Non-interest bearing</i>												
Trade and other payables			4,157	3,968							4,157	3,968
Other current liabilities			2,580	2,625							2,580	2,625
<i>Fixed interest rate</i>												
Borrowings:												
- Not later than one year	-	3.49%	-	330							-	330
- Later than one year and not later than five years												
- Later than five years	5.12%	5.26%						6,815	7,841		6,815	7,841
<b>Total</b>			6,737	6,923	-	-	-	6,815	7,841	-	13,552	14,764
<b>Net financial assets/(liabilities)</b>											173,774	177,995

**40 Financial instruments (continued)****(c) 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		Aggregate Net Fair Value	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>(1) Financial Assets</b>				
Cash and cash equivalents	22,692	31,467	22,692	31,467
Investment in TasWater	161,184	159,900	161,184	159,900
Trade and other receivables	3,709	1,927	3,709	1,927
<b>Total Financial Assets</b>	<b>187,585</b>	<b>193,294</b>	<b>187,585</b>	<b>193,294</b>
<b>(2) Financial Liabilities</b>				
Trade and other payables	4,157	3,968	4,157	3,968
Interest bearing loans and borrowings	6,815	8,171	7,135	8,451
Other liabilities	2,580	2,625	2,580	2,625
<b>Total Financial Liabilities</b>	<b>13,552</b>	<b>14,764</b>	<b>13,872</b>	<b>15,044</b>

**(d) Credit risk**

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

**(e) Risks and mitigation****Financial risk management**

Council undertakes a business risk review on a regular basis. The review evaluates Council's exposure to significant business risks with these outcomes reported to Council. The Council manages its exposure to key financial risks through this process and also through the Council Audit Panel. The Committee monitors risks and policies implemented to mitigate risk exposure.

The Council does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

**Capital risk management**

Council manages its capital to ensure that Council will be able to continue as a going concern while still being able to meet the needs of the community through the optimisation of debt and equity balance. The capital structure of Council consists of debt, which includes the borrowings disclosed in note 22, cash and cash equivalents disclosed in note 15 and equity including community equity and reserves as disclosed in the statement of changes in equity. Council is not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand Council's infrastructure and other assets, as well as to make the routine repayment of maturing debt. Council borrows from Tascorp to meet anticipated funding requirements.

**Market risk**

Market risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market prices. Council's exposure to market risk is primarily through interest rate risk with only an insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which Council is exposed are outlined 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 Council uses. Non-derivative interest bearing assets are predominantly short term liquid assets. The interest rate liability risk arises primarily from long term borrowings at fixed rates which exposes Council to fair value interest rate risk.

Council manages the interest rate exposure on the net debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from Treasury each year.

Council maintains policies to guide management in the undertaking of borrowings and the investment of short term, surplus funds.

Council's Borrowing Policy establishes a structure to ensure the organisation:

- minimises its costs of borrowings;
- minimises its liquidity risk;
- matches the characteristics of debt with those of the assets being funded, where possible;
- operates its borrowing activities within legislative and common law responsibilities.

Council's Investment of Short Term Funds Policy establishes a structure to ensure the organisation:

- maximises interest earned on surplus funds within prudent risk limits;
- minimises its liquidity risk; and
- operates its investment activities within legislative and common law responsibilities.

Maturity of investments is staggered to provide for interest rate variations and to minimise interest rate risk.

#### **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 has exposure to credit risk on all financial assets included in the Statement of Financial Position. To help manage this risk Council:

- has a policy for establishing credit limits for the entities it deals with;
- may require collateral where appropriate; and
- only invests surplus funds with financial institutions which have a recognised credit rating of A- or above.

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.

Trade and other receivables consist of a number of customers, spread across the consumer, business and government sectors. Ongoing credit evaluation is performed on the financial condition of customers and, where appropriate, an allowance for doubtful debts is raised.

#### **Liquidity risk**

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

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

To help reduce these risks Council:

- has a liquidity policy which targets a minimum level of cash and cash equivalents to be maintained;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings in accordance with Council's borrowing policy.

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

#### **(f) 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 the Commonwealth Bank of Australia):

A parallel shift of +0.25% and -0.25% in market interest rates (AUD) from year end rates of 1.50%.

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.

**40 Financial instruments (continued)**  
**2015**

	Interest Rate Risk				
	Carrying amount subject to interest	-0.25% (25 basis points)		0.25% (25 basis points)	
		Profit	Equity	Profit	Equity
<b>Market Risk Exposure</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets:</b>					
Cash and cash equivalents	22,589	(56)	(56)	56	56
Trade and other receivables	564	(1)	(1)	1	1

**2014**

	Interest Rate Risk				
	Carrying amount subject to interest	-0.25% (25 basis points)		0.25% (25 basis points)	
		Profit	Equity	Profit	Equity
<b>Market Risk Exposure</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets:</b>					
Cash and cash equivalents	31,418	(79)	(79)	79	79
Trade and other receivables	592	(1)	(1)	1	1

**(g) Fair Value Hierarchy****(i) The table below analyses financial instruments carried at fair value by valuation method**

The different levels have been defined as follows:

- 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.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>30 June 2015</b>				
Available for sale financial assets	-	-	161,184	161,184
<b>Total</b>	-	-	<b>161,184</b>	<b>161,184</b>

There were no transfers between Level 1 and Level 2 in the period

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>30 June 2014</b>				
Available for sale financial assets	-	-	159,900	159,900
<b>Total</b>	-	-	<b>159,900</b>	<b>159,900</b>

There were no transfers between Level 1 and Level 2 in the period

<b>(ii) Reconciliation of Level 3 Fair Value Movements</b>	<b>2015 \$'000</b>	<b>2014 \$'000</b>
<b>Opening balance</b>		
Investment on transfer of assets	159,900	198,436
Gain (losses) recognised in other comprehensive income:		
Change in fair value of investment in TasWater	1,284	(38,536)
<b>Closing balance</b>	<b>161,184</b>	<b>159,900</b>

**41 Register of interests**

<b>Aldermen and position</b>	<b>Interest</b>	<b>Summary of nature of interest</b>	<b>Dates interest existed</b>	<b>Nature of relevant dealings by Council</b>
Ald. Kristie Johnston (Mayor) ***	Yes	Volunteer Director with GASP Incorporated	1 November 2014 to 30 June 2015	Funding provided to GASP Incorporated Glenorchy City Council owns the Glenorchy memorial pool which YMCA operates.
Ald. Harry Quick (Deputy Mayor) ***	No	Spouse is a volunteer board member of YMCA	1 July 2014 to 30 June 2015	
Ald. Christine Lucas *	No			
Ald. David Pearce OAM *	No			
Ald. Jan Dunsby ***	No			
Ald. Jenny Branch-Allen *	No			
Ald. Matt Stevenson *	No			
Ald. Stuart Slade *	No			
Ald. Richard Lowrie **	No			
Ald. Steven King *	No			
Ald. Hayden Nielsen *	No			
Ald. Sharon Carnes **	No			
Ald. Peter Ridler RFD **	No			
Ald. Luke Martin ****	No			

\* Re-elected October 2014

\*\* Not re-elected October 2014

\*\*\* Elected October 2014

\*\*\*\* Ceased as Alderman

**42 Remuneration of Aldermen**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Total allowances paid to the Mayor, Deputy Mayor and Aldermen	360,778	404,284
Total expenses paid to all Aldermen	27,394	26,938
	388,172	431,222

Expenses include vehicle, travel, telephone, and other out of pocket expenses.

**Related party transactions:**

The usual nature of the transactions between Aldermen and Council is:

- to pay rates and other charges;
- to recoup expenses and allowances owing; and
- to meet the costs of attendance at various Council events, seminars or functions.

All of these were normal transactions. Where transactions between Council and the Aldermen are of a commercial nature, they are conducted on a normal arms length basis.

**43 Remuneration of Key Management Personnel holding senior positions**

The number of Key Management Personnel noted below represents the General Manager and the Directors. In accordance with the *Local Government Act 1993* section 72 (1) (cd), the remuneration of these employees falls within the following bands:

<b>Current employees</b>	<b>2015</b>	<b>2014</b>
\$290,000 – \$309,999**	1	-
\$250,000 – \$269,999	-	1
\$140,000 – \$159,999	1	-
\$0 – \$19,999*	2	-

\*Employees in this band commenced employment with Council in June 2015.

\*\*The General Manager has entered into a new Contract of Employment with Glenorchy City Council from 2 January 2015.

<b>Former employees#</b>	<b>2015</b>	<b>2014</b>
\$180,000 - \$199,999	-	1
\$160,000 - \$179,999	1	4
\$140,000 - \$159,999	-	-
\$120,000 - \$139,999	4	-

#These payments do not include redundancies made as a result of the restructure. Redundancies are disclosed at note 9.

**44 Special committees**

Glenorchy City Council recognises a special committee when the Committee has been adopted by Council under section 24 of the *Local Government Act 1993*. Below are the Committees supported during the reporting period:

- City of Glenorchy Australia Day Award;
- Community Precincts;
- Cultural Diversity Advisory Committee;
- General Manager Performance Review Committee;
- Glenorchy Arts and Culture Advisory Committee;
- Glenorchy City Council Access Committee;
- Glenorchy Emergency Management Committee;
- Glenorchy Planning Authority;
- Glenorchy Tourism Taskforce;
- Glenorchy Tracks, Trails and Cycleways Committee;
- Safer Communities Committee;
- Sport and Recreation Advisory Committee; and
- Youth Task Force.

All expenses associated with these Committees have been included in the accounts of Council.

Community precinct committees have been established by Council as special committees and are provided with \$50 per annum to cover expenses. These expenses have been included in the accounts of Council.

The Glenorchy Brass Band is a special Committee of Council and maintains its own books and records and operates a separate bank account.

The operations of the Glenorchy Brass Band during 2014/2015 were as follows:

	<b>Income</b>	<b>Expenditure</b>	<b>Net result</b>	<b>Cash at bank</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Glenorchy Brass Band	22	8	14	19

These results have been consolidated into Council's financial statements.

Glenorchy City Council has an Audit Panel established under section 85 of the *Local Government Act 1993*. Under section 85B of the Act, the Audit Panel complies with the requirements under the *Local Government (Audit Panels) Order 2014*. All expenses associated with the Audit Panel has been included in the accounts of Council.

## 45 Superannuation

Council makes superannuation contributions for the majority of its employees to the Quadrant Defined Benefits Fund (the Fund), which is a sub fund of the Quadrant Superannuation Scheme (the Scheme). 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 2015 Council contributed 10.5% 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 share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2014. The review disclosed that at that time the net market value of assets available for funding member benefits was \$66,310,000, the value of vested benefits was \$57,475,000, the surplus was \$8,835,000, and the value of total accrued benefits was \$58,093,000. These amounts relate to all members of the Fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Scheme's financial statements for Council employees.

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

Net investment return	7.0% p.a.
Salary inflation	4.0% p.a.
Price inflation	N/A

The actuarial review concluded that:

1. The value of assets of the Quadrant Defined Benefit Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2014.
2. 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 2014.
3. 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 2017.

The Actuary recommended that the Council contribute 11.0% of salaries in 2014/15, 9.5% of salaries thereafter.

The Actuary will continue to undertake a brief review of the financial position 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 2017 and is expected to be completed late in 2017.

Council contributes to other accumulation 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:

1. The 2014 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 different from the method used at the previous actuarial review in 2011.

Under the aggregate funding method of financing the benefits, the stability of the Council's 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 Council's contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing member's benefits.

2. In terms of Clause 1.9.2 of the Scheme 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 Clause 1.9.2(b). However in terms of Clause 1.9.2 (d), the only contributions that can be sought from the Employer and its employee Members are any arrears of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Clause 1.22.2(a) requiring the Employer to make good any shortfall before the cessation of participation is approved.

Clause 1.22.2(b) specifically provides that employers participating in the Fund will not be liable for the obligations of other Employers in other funds within the Scheme.

**45 Superannuation (continued)**

3. The application of Fund assets on the Fund or the Scheme being wound-up is set out in Clause 1.21.3. This Clause provides that expenses, pensions in payment and the Superannuation Guarantee benefits of other members should have first call on the available assets. Additional assets will initially be applied proportionately to providing Member's benefits in respect of completed service. If additional assets are available they are applied to increasing members' benefits.

The Trust Deed does not contemplate the Fund withdrawing from the Scheme. However it is likely that Clause 1.9.2 would be applied in this case (as detailed above).

4. The Fund is a defined benefit fund.

5. 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.

6. During the reporting period the amount of contributions paid to the defined benefits scheme was \$208,685 (2014, \$230,924), and the amount paid to accumulation schemes was \$1,991,168 (2014, \$2,000,131).

7. During the next reporting period the expected amount of contributions to be paid to the defined benefits scheme is \$151,953 (2014, \$233,799) and the amount to be paid to accumulation schemes is \$2,102,735 (2014, \$2,061,957).

8. As reported on the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2014. Favourable investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2017.

9. An analysis of the assets and vested benefits of funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2014, showed that the Fund had assets of \$66,310,000 and members' Vested Benefits were \$57,475,000. These amounts represented 8.4% and 7.5% respectively of the corresponding total amounts for the Scheme.

**46 Grants, donations and bursaries**

<b>Details</b>	<b>\$</b>
Cash Donations	
Glenorchy Art and Sculpture Park – Cash	95,000
Claremont College Bursaries – Cash	810
Glenorchy City Concert Brass Band Donation – Cash	7,500
Glenorchy Historical Society – Cash	2,001
The Lions Club of Glenorchy – Cash	5,000
Various minor contributions to community organisations – Cash	10,579
	<u>120,890</u>
<b>In-kind contributions</b>	
<i>Rental Subsidies</i>	
Aardvark Adventures – Rental Subsidy	11,260
Chigwell Community Garden – Rental Subsidy	1,400
Civic Centre – Rental subsidy	10,400
Cycling South – Rental subsidy	670
Glenorchy City Concert Brass Band – Rental Subsidy	3,710
Glenorchy Football Club Grandstand – Rental subsidy	11,200
Glenorchy Historical Society – Rental Subsidy	1,460
Ground hire discount to encourage sports – Licence subsidy	12,800
Lions Club of Glenorchy – Rental Subsidy	3,770
Model Makers & Collectors – Rental subsidy	14,610
Tasmanian Transport Museum – Rental subsidy	28,043
<i>Waiver of Fees</i>	
Waiving of Landfill fees for various community organisations	8,700
Waiving of Planning fees for various community organisations	2,318
Waiving of Building & Plumbing fees for various community organisations	1,213
Waiving of Environment Health fees for various community organisations	2,053
West Moonah Community Garden – Rental Subsidy	700
	<u>114,307</u>

**47 Significant business activities**

Council has identified that the Derwent Entertainment Centre and the Landfill operations are significant business activities.

**48 Functions/activities of the Council**

Income, expenses and assets have been attributed to the following functions and activities. The functions and activities are defined on the following page.

		Income \$'000	Expenses \$'000	Assets \$'000
Legislative, financial, executive and fiscal	<b>2014/15</b>	<b>39,202</b>	<b>21,783</b>	<b>188,079</b>
	2013/14	39,338	20,194	193,852
Public order, fire and safety	<b>2014/15</b>	<b>826</b>	<b>887</b>	<b>222</b>
	2013/14	746	944	228
Community and public health	<b>2014/15</b>	<b>157</b>	<b>573</b>	<b>183</b>
	2013/14	190	596	187
Welfare	<b>2014/15</b>	<b>1,497</b>	<b>2,083</b>	<b>529</b>
	2013/14	1,939	2,749	519
Nursing homes/aged care	<b>2014/15</b>	-	-	-
	2013/14	-	2	187
Housing	<b>2014/15</b>	<b>55</b>	<b>304</b>	<b>183</b>
	2013/14	4	288	187
Community amenities	<b>2014/15</b>	-	-	<b>183</b>
	2013/14	-	-	187
Household garbage/protection of the environment	<b>2014/15</b>	<b>6,174</b>	<b>3,595</b>	-
	2013/14	5,762	3,354	-
Other protection of the environment/biodiversity	<b>2014/15</b>	<b>2,735</b>	<b>3,832</b>	<b>180,057</b>
	2013/14	1,090	3,928	173,686
Community and regional development	<b>2014/15</b>	<b>1,231</b>	<b>2,342</b>	<b>183</b>
	2013/14	984	2,080	187
Recreation facilities and services	<b>2014/15</b>	<b>2,630</b>	<b>8,069</b>	<b>116,349</b>
	2013/14	1,673	8,512	118,211
Cultural facilities and services	<b>2014/15</b>	<b>771</b>	<b>1,245</b>	<b>183</b>
	2013/14	512	1,192	187
Road, bridge and street infrastructure	<b>2014/15</b>	<b>1,304</b>	<b>15,541</b>	<b>216,110</b>
	2013/14	1,484	14,189	214,538
Road, plant, parking and other road transport	<b>2014/15</b>	-	-	<b>568</b>
	2013/14	-	-	560
Other economic affairs	<b>2014/15</b>	<b>480</b>	<b>490</b>	<b>183</b>
	2013/14	-	23	187
Other purpose	<b>2014/15</b>	<b>(964)</b>	<b>246</b>	-
	2013/14	209	486	-
<b>Total</b>	<b>2014/15</b>	<b>56,098</b>	<b>60,990</b>	<b>703,012</b>
	2013/14	53,931	58,537	702,903

**48 Functions/activities of the Council (continued)****(b) Reconciliation of Assets from Note 48 with the Statement of Financial Position at 30 June:**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Current assets	28,275	37,864
Non-current assets	674,737	665,039
	<u>703,012</u>	<u>702,903</u>

**Functions/activities defined****Legislative, financial, executive and fiscal**

Aldermen expenses, election costs, public relations and strategic planning. Also other expenses such as, accounting, General Managers department, information technology and human resources not otherwise allocated.

**Public order, fire and safety**

Fire protection services, State Emergency Service contributions, enforcement of by-laws, animal and nuisance control.

**Community and public health**

Infant health services, immunisation services, environmental health - inspection and general services.

**Welfare**

Childcare, family day care, youth services, handicapped assistance programs and services that serve the social security and welfare systems.

**Nursing homes/aged care**

Nursing homes, aged care services including transport and recreation services for the aged.

**Housing**

Rental housing for council employees and others, housing information dissemination.

**Community amenities**

Crematoria and cemeteries, public conveniences, drinking fountains, public clocks, street furniture and lighting.

**Household garbage/protection of the environment**

Garbage and refuse disposal, garbage collection and recycling.

**Other protection of the environment/biodiversity**

Flood protection, street cleaning, stormwater drainage and biodiversity/habitat protection.

**Community and regional development**

Building inspections, statutory planning - town planning and development applications.

**Recreation facilities and services**

Parks and reserves, playgrounds, swimming pools, indoor and outdoor sports facilities, halls and civic centres.

**Cultural facilities and services**

Art galleries, museums, theatres and libraries.

**Road, bridge and street infrastructure**

Road, bridge and street construction and maintenance, road design and research, road and highway extensions and traffic lights.

**Road, plant, parking and other road transport**

On and off street parking, bikeway maintenance, roadside revegetation and landscaping and footbridges.

**Other economic affairs**

Saleyard and markets, development support and incentives, market and promotion - tourism events and Central Business District.

**Other purpose**

Unallocatable private works and other..

**49 Management indicators**

	Benchmark	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
<b>(a) Underlying surplus or deficit</b>					
Recurrent income*		50,766	50,762	55,799	53,420
Less recurrent expenditure#		60,690	56,327	58,433	56,930
Underlying surplus/deficit	> \$0	(9,924)	(5,565)	(2,634)	(3,510)

\*Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature.

#Recurrent expenditure excludes costs associated with the restructure and impairment expenses.

**(b) Underlying surplus ratio**

Underlying surplus or deficit		(9,924)	(5,565)	(2,634)	(3,510)
Recurrent income*		50,766	50,762	55,799	53,420
Underlying surplus ratio %	2.5% - 5.0%	-20%	-11%	-5%	-7%

This ratio serves as an overall measure of financial operating effectiveness.

Council's underlying surplus/deficit ratios reflect deficits in all four years. The negative ratios indicate that Council did not generate sufficient revenue to fulfil its operating requirements. Council is aiming to breakeven by 2016/17, which is supported by several reviews targeting service levels and service efficiencies.

**(c) Net financial liabilities**

Liquid assets		26,651	33,585	43,830	54,284
Less total liabilities		23,028	24,399	25,086	26,019
Net financial liabilities	> \$0	3,623	9,186	18,744	28,265

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.

Council recorded positive net financial liabilities ratios with liquid assets in excess of current and non-current liabilities over the four year period under review. These ratios indicate a positive liquidity position, with Council able to meet its existing commitments.

**(d) Net financial liabilities ratio**

Net financial liabilities		3,623	9,186	18,744	28,265
Recurrent income*		50,766	50,762	55,799	53,420
Net financial liabilities ratio %	<(25%)	7%	18%	34%	53%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

Council recorded positive ratios with liquid assets in excess of financial liabilities. The declining trend reflects Councils reducing cash balances that has included capital grant funding for projects close to being completed.

**49 Management indicators (continued)**

	<b>Benchmark</b>	<b>2015 \$'000</b>	<b>2014 \$'000</b>	<b>2013 \$'000</b>	<b>2012 \$'000</b>
<b>(e) Asset consumption ratio</b>					
An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
<i>Transport</i>					
Depreciated replacement cost		210,021	204,317	206,714	215,161
Current replacement cost		462,864	439,593	429,999	435,986
Asset consumption ratio %	40-60%	45%	46%	48%	49%
<i>Buildings and other land improvements</i>					
Depreciated replacement cost		44,374	48,709	45,778	42,550
Current replacement cost		88,901	107,366	100,355	94,745
Asset consumption ratio %	40-60%	50%	45%	46%	45%
<i>Stormwater and drainage</i>					
Depreciated replacement cost		173,970	167,891	158,243	156,582
Current replacement cost		346,126	333,594	312,516	305,356
Asset consumption ratio %	40-60%	50%	50%	51%	51%

This ratio indicates the level of service potential available in Council's existing asset base.

All classes reported above are within the target range.

**(f) Asset renewal funding ratio**

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.

<i>Transport</i>					
Projected capital funding outlays**		104,877	102,183	95,706	88,167
Projected capital expenditure funding***		104,877	102,183	95,706	112,970
Asset renewal funding ratio %	90-100%	100%	100%	100%	78%
<i>Buildings and other land improvements</i>					
Projected capital funding outlays**		15,455	20,414	24,441	20,340
Projected capital expenditure funding***		15,455	20,414	24,441	26,062
Asset renewal funding ratio %	90-100%	100%	100%	100%	78%
<i>Stormwater and drainage</i>					
Projected capital funding outlays**		15,290	15,384	35,803	35,469
Projected capital expenditure funding***		15,290	15,384	35,803	45,415
Asset renewal funding ratio %	90-100%	100%	100%	100%	78%

\*\*Current value of projected capital funding outlays for an asset identified in Council's long-term financial 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.

Council's funding for Roads has been within the target range as comprehensive reviews have been undertaken for this class. The Building and other land improvements and Stormwater and drainage classes have similar comprehensive reviews scheduled, which should see projected funding and projected capital expenditure more closely align.

**49 Management indicators (continued)**

	Benchmark	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
<b>(g) Asset sustainability ratio</b>					
Capital expenditure on replacement/ renewal of existing assets		9,417	9,602	9,084	6,975
Annual depreciation expense		15,250	14,774	15,462	14,747
Asset sustainability ratio %	100%	62%	65%	59%	47%

This ratio indicates whether Council is maintaining operating capacity through renewal of its existing asset base.

The ratio trend over the last four years reflects the current long-term strategy to maintain replacement and renewal capital programs for the long-term sustainability of the city assets.

Asset class	Capital renewal expenditure \$'000	Capital new/ upgrade expenditure \$'000	Total Capital expenditure \$'000
Land	-	-	-
Buildings and other land improvements	906	5,310	6,217
Transport	7,281	449	7,730
Stormwater and drainage	359	1,615	1,974
Other	871	337	1,208
<b>Total</b>	<b>9,417</b>	<b>7,711</b>	<b>17,129</b>

**50 Fair value measurements**

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

- Investment in TasWater
- Investment properties
- Property, infrastructure plant and equipment
  - Buildings and other land improvements
  - Land
  - Transport
  - Stormwater and drainage
  - Valuation roll

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. This asset category comprises land as disclosed in note 18. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Land held for sale'.

**(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 follows:

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.

**51 Fair value measurements (continued)**

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 2015. Comparative information has not been provided as allowed by the transitional provisions of AASB 13.

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.

As at 30 June 2015	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>					
Investment in TasWater	24			161,184	161,184
Investment properties	34		6,760	1,215	7,975
Buildings and other land improvements	29			88,901	88,901
Land	28		51,306		51,306
Transport	26			462,864	462,864
Stormwater and drainage	27			346,126	346,126
Valuation roll	32			339	339
		-	58,066	1,060,629	1,118,695
<b>Non-recurring fair value measurements</b>					
Assets held for sale	18		1,461		1,461
		-	1,461	-	1,461

**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**

All assets valued at fair value in this note are being used for their highest and best use.

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

Council adopted AASB 13 *Fair Value Measurement* for the first time in 2013/14 and has reviewed each valuation to ensure compliance with the requirements of the standard. There have been no changes in valuation techniques as a result of this review.

**Investment property and Investment in TasWater**

The basis of valuation of investment properties is fair value being the amounts that the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar transactions in the same location and condition and subject to similar leases. Council's investment in TasWater is valued at its fair value at balance date. Fair value is determined by Council's ownership interest against TasWater's net asset value at balance date.

**Land**

Land fair values were determined by the Valuer General effective 30 June 2011.

*Land held for sale*

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the approach described in the preceding paragraph.

*Land under roads*

Land under roads is valued at deemed cost. Council does not recognise land under roads that it controlled prior to 30 June 2008 in its financial report. Deemed cost is based on Council valuations at 30 June 2008 for land under roads in existence at that date and at the date acquired for subsequent acquisitions using site values adjusted for, the average land size and the average value, of the surrounding lots in the immediate area.

## 50 Fair value measurements (continued)

### Buildings and other land improvements

The fair value of buildings including buildings of a specialist nature (eg heritage buildings) were determined by a qualified independent valuer effective 30 June 2015. The most significant input into this valuation approach was price per square metre.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3.

As part of the revaluation, significant components were separately identified and new useful lives were assigned to each component. As a result depreciation expense is expected to increase in future periods due to shorter useful lives being applied over a number of components.

### Infrastructure assets

All Council infrastructure 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 1(e).

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.

The methods for calculating CRC are described under individual asset categories below.

#### *Transport*

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban and rural roads are managed in segments. These segments are based on intersections. An intersection is where a road intersects with another road. 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 for high traffic areas that were constructed after 1984 are constructed to depths of 40cm. All other pavements are constructed to depths of 20cm or less. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists, and labour rates are based on Council's Enterprise Bargaining Agreement (EBA) with a percentage provision for any other employee on costs.

#### *Bridges*

A full valuation of bridge assets was undertaken by independent valuers, AusSpan, effective 30 June 2014. 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.

#### *Stormwater and drainage*

A review of useful life for drainage infrastructure was undertaken by Council's Engineer and Asset Coordinator effective 30 June 2014. 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.

**50 Fair value measurements (continued)**

CRC is based on the unit price for the type of asset component. 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.

*Other Infrastructure*

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position.

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

The changes in level 3 assets with recurring fair value measurements are detailed in note 25 (Property, infrastructure, plant and equipment). There were no transfers between level 1, 2 or 3 measurements during the year.

**(e) Valuation processes**

Council uses unit rates based on internal estimating software where available or a contracted rate when the internal information is not available. Where there is no basis to provide a rate from these two sources Rawlinson's Construction Cost Guide is used.

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment properties and investment in TasWater (recurring fair value measurements) is set out in note 1(f), 1(j) and 1(l) 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 (refer note 40).

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 40 equates to the carrying amount as the carrying amount approximates fair value (Level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).



## Independent Auditor's Report

### To the Aldermen of Glenorchy City Council

### Financial Report for the Year Ended 30 June 2015

#### Report on the Financial Report

I have audited the accompanying financial report of Glenorchy City Council (Council), which comprises the statements of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

#### Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

#### *The Responsibility 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 Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those

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risk assessments, I considered internal control relevant to the General Manager's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information or the asset renewal funding ratio in Council's financial report.

### **Independence**

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

### **Tasmanian Audit Office**



E R De Santi  
**Deputy Auditor-General**  
**Delegate of the Auditor-General**

Hobart  
9 September 2015

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