



GLENORCHY CITY  
Where ideas happen



*Glenorchy*  
*City Council*  
Annual Report

12  
13

A person is seated at a piano in a room with a dark ceiling and walls. The room is illuminated by vibrant, multi-colored laser lights (red, green, blue) that create a dynamic, abstract pattern. The person is wearing a dark jacket and a white beanie, and is focused on playing the piano. The overall atmosphere is modern and artistic.

## ***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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# Mayor's Report

annually at Benjafield Park, with 30 March 2014 the next date to mark on your cultural calendar.

at Wilkinson's Point will enhance the natural and cultural experience for locals and tourists alike.

It is with pleasure that I present to you the 2012/13 Glenorchy City Council Annual Report.

This is my second report as Mayor of Glenorchy City Council. It has been another successful year for the City and its constituents. Every day I am impressed by the work of our Council officers under the leadership of General Manager Peter Brooks and the Executive Management Team.

A real highlight of 2012/13 for me was the pleasure of conducting multiple citizenship ceremonies for 150 new Australians. On Australia Day alone, we welcomed over 60 new arrivals. It is exciting to see Glenorchy blossom into a vibrant, multicultural place as we welcome people from all around the world to call our wonderful city home.

I am pleased to report that as a result of a Commonwealth grant, 16 CCTV cameras and 4 portable cameras have been installed in Glenorchy's CBD. These cameras are aimed to reduce vandalism, graffiti and other crimes to create a safer community.

The past 12 months has been very productive for Glenorchy City Council. I will use this opportunity to summarise a few of the larger projects and initiatives that have seen significant progress this year.

The development at KGV is on schedule. During the year we were pleased to complete the upgrade of the soccer field to a synthetic material and the Transport Museum upgrade was completed. This Australian Government funded project is due for completion by the end of 2014.

I would like to take this opportunity to pay tribute to the 2nd Mayor of Glenorchy City Council and father of Alderman Richard Lowrie, Mr Ken Lowrie OAM who passed away this year. Mr Lowrie served Glenorchy as Mayor from 1965–1975 and was a member of the Legislative Council from 1968 until his retirement in 1986. Ken was a highly respected member of the Glenorchy community, working as a lawyer and had heavy involvement with the service clubs in the area. I was saddened to hear of his passing.

The devastating January bushfires saw Glenorchy City Council set up the Derwent Entertainment Centre as a Fire Refuge Centre for those displaced by the fires in Collinsvale. It was the first time that Council has been required to mobilise such a centre and to have it operational within one hour of being requested to do so is a credit to the Council staff involved. We were pleased to be able to play our part to assist during a difficult time for our community.

Another Australian Government funded project which is now well under way is the \$4million redevelopment of the Moonah Arts Centre. The new community arts centre will move from its current location in Hopkins Street, to 23–27 Albert Road in Moonah. Award winning architects Morris and Breytenbach have been contracted to design the vibrant and modern community arts hub, with construction due to begin at the end of 2013.

2013/14 is sure to be another busy year for the Glenorchy City Council. 2014 marks 150 years of the municipality of Glenorchy and 50 years as a City. We will be promoting a calendar of events throughout the year to mark our growth and achievements as the best place in Tasmania to live, work and play.

Moonah Taste of the World Festival was once again held in March. 8000 people attended this wonderful event which is a celebration through food, music and entertainment of Glenorchy's rich cultural diversity. The festival will now be held

Stage 2 of GASP! has been launched and a spectacular new pavilion designed as public space is the centrepiece which acts as a destination for recreational park users. A feature is a 12 metre section suspended over the water giving magnificent, uninterrupted views of the River Derwent from MONA to the Bowen Bridge.

The year will also see the completion of many of our major projects, providing Glenorchy citizens with more community spaces and more reasons for others to come and visit.

It is very exciting to see this stage of the project completed. People will be amazed by what we have done here. Linking GASP! to MONA through the new jetty and pavilion

I would like to thank my fellow Aldermen and the staff of the Glenorchy City Council for their hard work and continued support during the year. The city is fortunate to have such a dedicated team at the helm.

**Stuart Slade**  
Mayor



## *General Manager's Report*

The year 2012/13 has been a busy and productive year, but also a year of change at Glenorchy City Council.

As an ongoing part of the organisation review process that I introduced during my first year as General Manager, we have now commenced a strategic and operational review of all areas of Council. We have contracted business improvement consultants CT Management to identify areas for process improvement, cultural change and improvements in customer focus within the organisation. From this initial review, we now have an Improvement Plan which contains a list of 79 projects and reviews for the organisation to undertake over the next three years. These changes will deliver the financial sustainability and the improvements that Glenorchy City Council requires. There is a particular focus on increased operating efficiency and savings in service delivery, efficient deployment and ownership of assets, improved customer focus and effective, clear policy and direction. The projects will also include changes in operation, systems and processes required in improving performance across Council.

Council adopted a new Strategic Planning Framework in September 2012, which has now been improved to ensure Council's efforts are focussed on strategic objectives. We can now begin work on the new Community Plan 2014–2039 and a ten year strategic plan for Council.

The strategic review process also included the introduction of 3 year annual plans and 3 year financial plans. This was born out of the development of a new 10 year Long Term Financial Plan and budget processes which replaced Council's previous Financial Sustainability

Model. This forward outlook will allow Council to be more strategic in its decision making and in the development of future budgets.

As the Mayor has highlighted in his report, there has been great progress made to some of the larger projects that Council is managing. These projects such as GASP!, the Moonah Arts Centre redevelopment and the KGV Sports and Community Precinct upgrade are important projects for the City.

I am pleased to report that the plan to become actively involved with other southern Tasmanian Councils in resource sharing has come to fruition, with the signing of a Shared Services Memorandum of Understanding with the Hobart City Council in May 2012. Mayors of both cities came together for the signing of the MOU in May with the announcement that we would be upgrading our street lighting with energy efficient lighting after a successful joint funding bid to the Australian Government. We have continued the work to identify further opportunities to resource share and are working together on a number of further opportunities to build on our relationship with other Councils for the benefit of our ratepayers.

In conclusion, I would like to thank the elected members of Council and our hard working staff for working with me in bringing about the change needed to create greater efficiencies. Operational changes can be challenging, but my team has handled the improvements seamlessly.

Thank you to our Aldermen and staff for your passion and dedication to the City and for meeting the challenges of the past year.

**Peter Brooks**  
General Manager

## ***Aldermen***

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### **Alderman Stuart Slade**

First Elected 1991  
Elected Deputy Mayor 1996–2005  
Elected Mayor 2011

#### **Council Representations as at 30 June 2013**

- City of Glenorchy Australia Day Award Nominations Committee
  - Safer Communities Committee
  - General Manager Performance Review Committee
  - Wilkinsons Point/Elwick Bay Master Plan Working Group
  - Southern Tasmania Councils Authority
  - TasWater
  - New Moonah Arts Centre Steering Committee
- 



### **Alderman Haydyn Nielsen**

First Elected 2002  
Re-elected 2006  
Elected Deputy Mayor 2011

#### **Council Representations as at 30 June 2013**

- Glenorchy Tracks, Trails and Cycleways Committee
  - Sport and Recreation Advisory Committee
  - Cycling South
  - Glenorchy on the Go Steering Committee
  - Local Area Fire Committee
  - Wellington Park Management Trust
- 



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

First Elected 2007

#### **Council Representations as at 30 June 2013**

- Cultural Diversity Advisory Committee
- Glenorchy Arts and Culture Advisory Committee
- Glenorchy Planning Authority
- Glenorchy Lawn Bowls Facility Strategy Working Group
- Southern Waste Strategy Authority (proxy)
- Wilkinsons Point/Elwick Bay Master Plan Working Group
- New Moonah Arts Centre Steering Committee
- City of Glenorchy Australia Day Award Nominations Committee



### **Alderman Sharon Carnes**

First elected 2011

#### **Council Representations as at 30 June 2013**

- Glenorchy Planning Authority
  - City of Glenorchy Australia Day Award Nominations Committee
  - Glenorchy Community Road Safety Partnership Program
  - Glenorchy Emergency Management Committee
  - Glenorchy Youth Task Force
  - Goodwood Community Centre
  - Audit and Risk Committee (proxy)
- 



### **Alderman Kristie Johnston**

First elected 2011

#### **Council Representations as at 30 June 2013**

- Safer Communities Committee
  - Access Committee
  - Glenorchy Youth Taskforce
  - West Moonah Community House
  - Glenorchy Planning Authority (proxy)
  - Glenorchy City Concert Brass Special Committee
  - Commercial Precincts Parking Strategy Working Group
  - Community Road Safety Partnership Program
  - Alderman Code of Conduct Panel
- 



### **Alderman Steven King**

First elected 2008

#### **Council Representations as at 30 June 2013**

- Glenorchy Planning Authority (proxy)
- Emergency Management Committee
- Code of Conduct Committee
- Carols by Candlelight Committee
- Moonah Sports Centre – National Fitness Southern Recreation Association Committee
- HoGlen Committee
- General Manager Performance Review Committee



### **Alderman Richard Lowrie**

First elected 2007

#### **Council Representations as at 30 June 2013**

- Audit and Risk Committee
  - Glenorchy Planning Authority
  - Wilkinsons Point and Elwick Bay Committee
- 



### **Alderman Christine Lucas**

First elected 1994

#### **Council Representations as at 30 June 2013**

- Glenorchy Planning Authority
  - General Manager Performance Review Committee
  - Glenorchy Arts and Cultural Advisory Committee
  - Moonah Taste of the World Festival Committee
  - Bucaan Community House Committee
  - Audit and Risk Committee (proxy)
  - Glenorchy Tourism Taskforce
  - Glenorchy City Concert Brass Committee (proxy)
- 



### **Alderman Luke Martin**

First elected 2009

#### **Council Representations as at 30 June 2013**

- Glenorchy Planning Authority (proxy)





### **Alderman David Pearce OAM**

First Elected                    1999  
Re-elected                        2005  
Re-elected                        2009

#### **Council Representations as at 30 June 2013**

- Glenorchy Planning Authority
  - Glenorchy City Council Access Committee
  - Code of Conduct Panel
  - Carols by Candlelight Committee
  - Safer Communities Committee
  - Glenorchy Community Fund Advisory Committee
  - City of Glenorchy Australia Day Award Nominations Committee
- 



### **Alderman Peter Ridler RFD**

First elected                      1987  
Re-elected                        1991, 1996, 2000, 2005 and 2009

#### **Council Representations as at 30 June 2013**

- General Manager Performance Review Committee
  - Audit and Risk Committee
  - Southern Waste Strategy Authority
  - Wellington Park Management Trust
- 



### **Alderman Matt Stevenson**

First elected                      2010

#### **Council Representations as at 30 June 2013**

- Audit and Risk Committee
- Glenorchy Planning Authority
- Cycling South
- Glenorchy Tracks, Trails and Cycleways Committee
- Sport and Recreation Advisory Committee
- Moonah Sports Centre – National Fitness Southern Recreation Association Committee (proxy)
- Youth Task Force

# Attendance at Meetings

## July 2012 to June 2013

A = number of meetings held.

B = number of meetings attended.

### Council Meetings

Alderman	A	B
Slade	16	15
Nielsen	16	16
Branch-Allen	16	14
Carnes	16	16
Johnston	16	16
King	16	16
Lowrie	16	16
Lucas	16	16
Martin	16	12
Pearce	16	12
Ridler	16	15
Stevenson	16	14

### Glenorchy Audit and Risk Committee

Alderman	A	B
Lowrie	5	5
Ridler	5	4
Stevenson	5	4
Lucas (Proxy)	1	1
Carnes (Proxy)	0	0

### Glenorchy Planning Authority

Alderman	A	B
Lucas	27	25
Lowrie	27	22
Carnes	27	26
Pearce	27	25
Stevenson	27	23
King (Proxy)	7	7
Branch-Allen (Proxy)	7	7
Johnston (Proxy)	3	3
Martin (Proxy)	0	0

### Council Workshops

Alderman	A	B
Slade	23	20
Nielsen	23	21
Branch-Allen	23	18
Carnes	23	22
Johnston	23	23
King	23	23
Lowrie	23	17
Lucas	23	20
Martin	23	1
Pearce	23	20
Ridler	23	16
Stevenson	23	13

### Aldermen allowances and reimbursement of expenses

Aldermen	Allowance	Vehicle	Reimbursement of travel expenses	Reimbursement of communication expenses	Other costs	Total
Slade	\$87,983.10	\$10,822.78		\$947.07		\$99,752.95
Nielsen	\$42,605.38			\$585.66	\$22.68	\$43,213.72
Branch-Allen	\$25,138.61		\$1,269.40	\$1,512.62		\$27,920.63
Carnes	\$25,138.61			\$145.28		\$25,283.89
Johnston	\$24,585.86					\$24,585.86
King	\$25,138.61			\$958.19		\$26,096.80
Lowrie	\$25,138.61			\$181.64		\$25,320.25
Lucas	\$25,138.61		\$759.21	\$145.28		\$26,043.10
Martin	\$22,969.96					\$22,969.96
Pearce	\$25,138.61		\$395.94	\$145.28		\$25,679.83
Ridler	\$25,138.61		\$1,871.24	\$1,831.39		\$28,841.24
Stevenson	\$25,138.61			\$145.38		\$25,283.99

# Precinct Committees

The Community Precinct Committees have continued to develop as important structures for planning and implementing capacity building projects.

Actions undertaken by these groups over the past 12 months are as follows:

## Berriedale/Chigwell

- Continues to support the Bucaan Community House and the Chigwell Child & Family Centre.

## Claremont, Austins Ferry and Granton

- Held an Australia Day Event with approximately 200 community members participating.
- Have had a number of guest speakers at their meetings.
- Continue to support the Claremont, Austins Ferry and Granton Eating with Friends, the Claremont Community Library and the Claremont Craft Classes.

## East Moonah

- Continues to hold weekly Craft Sessions at the Moonah Community Centre with 10 to 15 people attending each session.
- Craft session members also participated in the Goodwood Christmas Family Fun Day.

## Glenorchy

- Held a fundraising supper for the Cancer Council's "Biggest Morning Tea".
- Have had a number of guest speakers at their meetings.
- Sought and received donations to purchase a setting which was installed at the Booth Avenue Reserve.
- In collaboration with Work Centre staff and Community Corrections organised for the Guide Hall at Booth Avenue Reserve to be painted.
- In collaboration with Works Centre staff organised for planting of trees on the Booth Avenue Reserve.

## Goodwood

- Held a Christmas Family Fun Day at Giblins Reserve with approximately 400 people attending. This event included a Goodwood Primary school student colouring in competition and a politician's colouring in competition. The project was undertaken jointly with the Goodwood Community Centre and the Goodwood Primary School Parents and Friends.

- Members have continued to lobby the State Government for work to be undertaken on the Brooker Highway to make it safe for crossing the highway.

## Rosetta/Montrose

- Continued the Your Home, Your Street, Your City project with approximately 50 requests for work orders or follow up received from the community.
- Participated in a cooking event and promoted the Glenorchy Good Food for Good Living cookbook at the Moonah Taste of the World Festival.
- Assisted students from the Moonah Primary Garden Kitchen to prepare and serve lunch to VIP's including Precinct members, using recipes from the Good Food for Good Living cookbook.

## West Moonah

- Hosted a luncheon for the 48th Anniversary of Glenorchy becoming a City.
- Have had a range of guest speakers attend meetings.
- Have held a number of social events at Cooina Reserve and various clubs and hotels.
- Held raffles and sold sports cards to raise funds for the West Moonah Community Shed.
- Held a social event for Precinct members at the Moonah Primary Garden Kitchen with students cooking and serving the lunch.

# Special Committees Report

## Audit and Risk Committee

Established in 2011 as a special committee of the Glenorchy City Council, the Audit and Risk Committee has the following Objective:

*To provide independent assurance to the Council on the Council's risk, control and compliance framework, its external accountabilities, including the truth and fairness of its financial statements.*

The committee comprises the following Aldermen and independent members:

- Richard Lowrie (Chair and Alderman);
- Peter Ridler (Alderman);
- Matt Stevenson (Alderman);
- John Hills (Independent Member); and
- Nick Burrows (Independent Member).

Responsibilities of the committee are to review and provide independent assurance to Council on:

- Risk Management;
- Internal Audit;
- External Audit; and
- Annual Audited Financial Statements.

The committee met 5 times over 2012/13 period on the following dates:

- 13 August 2012
- 5 September 2012
- 7 November, 2012
- 6 March 2013
- 29 May 2013

## Cultural Diversity Advisory Committee

The Cultural Diversity Advisory Committee provides advice on cultural diversity issues to Glenorchy City Council

The Cultural Diversity Advisory Committee is made up of community members, representing the Serbian, Croatian, Filipino, German, Italian, Sudanese, Congolese, Sierra Leone, Lithuanian, Bhutanese and Ethiopian communities.

In 2012/13 the Committee was involved in a number of projects and activities:

- Contributed to the Council hosted Australia Day celebration and Citizenship ceremonies.
- Continued to work with Montrose/Rosetta Precinct to develop the Good Food For Good Living Multicultural Recipe Book. Worked with students

from Moonah Primary School to cook some recipes from the book and held a community luncheon in their Stephanie Alexander Kitchen.

- Participated on the Moonah Taste of the World Committee and held cooking demonstrations, provided a craft exhibition and promoted the recipe book at the event held in March.
- The Committee has also had the opportunity to provide advice and feedback on a number of Council programs, plans and engagement strategies such as the Strategic Plan, Recreation Plan, Glenorchy Suicide Prevention Community Action Plan, Glenorchy Planning Scheme and the draft State Government Transit Corridor Plan.

## General Manager's Performance Review Committee

This committee meets annually to review the General Manager's performance.

## Glenorchy Arts and Culture Advisory Committee

The Glenorchy Arts and Culture Advisory Committee continued to meet bi monthly through the year holding seven meetings. The Committee is currently made up of two Arts / Cultural Representatives, five Community Representatives and two Aldermanic representatives, Ald Jenny Branch-Allen, Chair and Ald Christine Lucas.

Major focus for the 2012/13 year included:

- Moonah Arts Centre Redevelopment
- 2012 Works Festival where members offered advice and direction as well as volunteering their expertise during the event
- Selection and development of the Moonah Arts Centre 2013 Annual Program
- Digital Mantelpiece project and venue and infrastructure requirements for local artists.

## 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:

- Taking a lead role in the Disability Awareness training provided to Council staff.
- Working with Tascare Society for Children and Access Committees from Hobart and Clarence City



Councils on an International Day of People with Disability event.

- Assisting Council staff with assessing and prioritising access work identified by the community.

## **Glenorchy Emergency Management Committee**

Over the past year, the committee met on one occasion on 27 June 2013. The committee also held a joint meeting with the Hobart City Council Emergency Management Committee on 14 November 2012.

Activities of the Emergency Management Committee included:

- Reviewed and endorsed the Glenorchy Emergency Management Plan 2013.
- Continued to support the Southern Regional Volunteer SES Unit.
- Established the Glenorchy Council Emergency coordination centre and community fire refuge in response to the Molesworth bushfires in February 2013.
- Finalised the report on the flood early warning system and evacuation plan for the Glenorchy CBD and surrounding areas.
- Conducted a desk top exercise with Hobart City Council on a flood scenario in New Town Rivulet.

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

The committee meets bi-monthly and during the past year met on 6 occasions.

The Glenorchy Tracks, Trails and Cycleways Committee actively participates in recreational, educational and community cycling activities and is committed to co-ordinating and promoting cycling and a safe recreational experience.

Major achievements in 2012/13 include:

- The intercity Cycleway continues to be maintained by Council and is well supported by our walking and cycling communities and now extends through to Bilton Street Claremont
- Commenced feasibility study to extend intercity cycleway to Granton. Design options progressing
- Supported the establishment and provision of the skate/educational facility at Tolosa Park
- Actively supported the establishment of the Tolosa Park cycling hub incorporating the mountain bike park, the criterium circuit, education and BMX

## **Glenorchy Youth Task Force**

The Glenorchy Youth Task Force (GYTF) currently consists of young people aged between 13 and 24 years.

The GYTF is recognised as a key consultation mechanism in Tasmania and has participated in various consultations and partnerships

Key priority issues for 2012/13 were:

- Bullying
- Access to youth services and information
- Mental Health

Major achievements for 2012/2013 include:

- Playing a key role in the development and launch of Seriously Smashed
- National Youth Week
- Developed and delivered Anti Bullying workshops in partnership with Pulse Youth Health Centre

## **Safer Communities Committee**

The Safer Communities Committee works with Tasmania Police and a range of other agencies and groups to raise awareness of local crime and safety issues. The committee employs a partnership approach to addressing community safety issues, integrating community, State Government and private enterprise.

Three major achievements of the Safer Communities Committee in 2012/13 include:

- A number of community engagement 'Action Days' at Northgate Shopping Centre
- Installation of 'Show We Care' signage in the Tolosa Street bus interchange
- Launch of the 'Safe and Sound' website which can be found at <http://safeandsound.gcc.tas.gov.au>

## **Sport and Recreation Advisory Committee**

This Committee met bimonthly and achieved the following in 2012/13:

- Had active representation on the Healthy Communities Initiative – 'Glenorchy on the Go' Steering Committee.
- Monitored a number of Sport & Recreation issues including: the development of a Cycling Hub at Tolosa Park; the development of a Lawn Bowls Facility Strategy; the proposed redevelopment of Claremont Bowls & Golf Clubs, and the Glenorchy Mobile Activity Centre program.
- Involvement in the development of the Glenorchy Healthy Communities Framework and investigation of the possible use of school facilities by Sports organisations.
- Instigated the presentation of ongoing education for volunteer sport and recreation administrators and the MONA – GASP! Fun run/walk.

# Key Outcomes for 2012/13

The following information describes the key outcomes for the 2012/13 financial year. The actions identified are from the Glenorchy City Council Strategic Plan 2012 to 2015 and each action is identified with a Strategic Plan reference. The following report is based on the structure of the Strategic Plan:

- Community – Working with and for our community

- Economy – Developing prosperity, innovation and jobs
- Environment – Protecting our quality of life now and in the future
- Governance – A sustainable, best value organisation

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

## Community – Working with and for our community

### Plan for and benefit from the opportunities associated with population change

#### Strategy

- 1.1.1 Develop and implement a plan which addresses the opportunities and challenges arising from and ageing population.

#### Key outcomes

Implementation of Council’s Positive Ageing Strategy has continued with the completion of identified milestones for 2012/2013 including activities to support the strategy such as intergenerational events.

### Provide opportunities that address social disadvantage

#### Strategy

- 1.2.2 Deliver, or partner with other stakeholders, to support programs which address social disadvantage.

#### Key outcomes

The Steps to the Future: Learning Pathways for Young Mothers project, funded by the Tasmanian Community Fund has operated in Glenorchy for 36 months. The project has worked with over 691 adult and 2,776 child participants through 70 programs and events. The project has provided supported and flexible pathways to personal learning and development, formal training, work opportunities, and enhanced health literacy and wellbeing for young mothers and their children in Glenorchy.

Following research and consultation with the Gambling Support Unit of DHHS and other key stakeholders, a draft Responsible Gambling Policy for the City of Glenorchy has been developed for consideration by Council in 2013/14.

Following 12 months of community consultation, the Building a Learning Community in Glenorchy Strategy has been developed. Through the Strategy, Council will work with the community to achieve a shared vision for Glenorchy as a learning community and encourage a culture of learning in Glenorchy.

#### Strategy

- 1.2.4 Develop and implement an early years strategy for the City

#### Key outcome

The Children and Families Strategy was adopted in December 2012 and implementation of actions has commenced to address a number of key areas, including parental tobacco smoking, support for young parents and family violence.

### Encourage a strong, diverse and inclusive community

#### Strategy

- 1.3.1 Foster and support community cultural events and projects which celebrate Glenorchy’s cultural diversity and build identity, inclusion and City pride.

#### Key outcomes

The Arts & Cultural Development Program developed: *Moonah Nights* with emerging CALD musicians; *Digital Mantelpiece* digital story telling project; the 2012 *Works Festival* including the *Flotilla* public art installation; *Carols by Candlelight*; *RACT Symphony under the Stars*; performance programming of the *Moonah Taste of the World*; supported the award winning *Generations Ensemble Theatre* and for the *Ten Days on the Island Festival*; *Little Big Shots* Film Festival and *The Other Journey* by CuriousWorks.

A Business Plan has been developed, architect's Morrison & Breytenbach have been appointed and development approval has been gained for the new Commonwealth-funded Moonah Arts Centre for completion late 2014.

### Strategy

**1.3.2** Support and promote opportunities for participation in the arts.

### Key outcome

Six meetings were held of the Glenorchy Arts & Culture Advisory Committee. Major focus included the Moonah Arts Centre Redevelopment, 2012 Works Festival, Moonah Arts Centre 2013 Annual Program, space requirements for local artists and the Digital Mantelpiece project.

Over 9,000 people participated in the annual program of over 50 events and activities at the Moonah Arts Centre.

### Strategy

**1.3.3** Ensure Glenorchy's infrastructure facilitates community access for all.

In conjunction with the Glenorchy City Council Access Committee, Disability Awareness Training has been provided for staff.

Meetings have been held with Council's Access Committee in relation to updating Council's access policies and Access Action Plan.

### Strategy

**1.3.4** Maintain Council's leadership in youth participation through ongoing development of its youth participation model and engagement with young people from specific population groups.

### Key outcomes

The Glenorchy Youth Task Force (GYTF) consisting of 15 young people aged between 13 and 24 years has continued to meet fortnightly.

The major focus of the GYTF for the past year has been the development of Seriously Smashed; organisation of National Youth week celebrations and the conduct of an anti bullying workshop in partnership with Pulse Youth Health Centre. The Young Women's Multicultural Group has also continued to meet fortnightly. The group has participated in a range of community activities including Moonah Taste of the World.

### Strategy

**1.3.5** Partner with other stakeholders to address gaps in services to the community and identified population groups.

### Key outcomes

The Glenorchy Suicide Prevention Network met bi monthly and worked with local service providers and the community to develop a Glenorchy Suicide Prevention – Community Action Plan (CAP). The CAP will provide direction on the mental health needs and issues of our community and effective suicide prevention strategies. Council has continued to partner with the Glenorchy LINC to host the Glenorchy Mental Health Week event.

The Glenorchy Linkages interagency network continued to meet bi-monthly to address gaps and issues relating to the aged and disability sectors. GAIN has also met bi-monthly to address gaps and issues for families and children. Both networks have established specific work groups in response to issues.

YANG continues to meet monthly and is recognised as the key network for youth service providers in Glenorchy.

### Strategy

**1.3.7** Maintain Council's leadership in community consultation and participation processes.

### Key outcomes

Investigations were undertaken in regard to implementation of Community Forums within the City of Glenorchy.

Recruitment of members for the Glenorchy Matters Community Panel continued with current membership of between 430 and 440. Panel members were involved in four significant surveys. These surveys were; Lowered speed limits on multiple roads and streets, Waste Management Strategy, Environment Strategy, Recreation Plan and Computer Use. Results of these surveys informed and assisted in the development of programs, projects or strategic documents.

### Strategy

**1.3.9** Promote volunteerism within the City.

### Key outcomes

Council has continued to promote and encourage volunteerism in the City through a number of activities and initiatives, including:

- Provision of the Glenorchy Volunteer Centre which operates 3 days per week. Functions of the Centre include providing information to prospective

volunteers, volunteer referral and community office facilities for volunteers and volunteer organisations.

- Maintenance of a database of volunteer opportunities within Glenorchy.
- Support of the Glenorchy Community Volunteer Program which offers "good neighbour" services to older people, people with disabilities and their carers.
- Annual Volunteer Reception recognising volunteers in the municipality.

### Strategy

- 1.3.10** Partner with others to implement crime prevention, community safety and fear of crime initiatives, in consultation with the community.

### Key outcomes

- Conducted two 'Safe and Sound' Action Days at Northgate Shopping Centre
- Developed and launched the 'Safe and Sound' website which can be found at <http://safeandsound.gcc.tas.gov.au>
- Commenced engagement with agencies working in the area of family violence
- Worked with Community Road Safety Partnership to hold a road safety display at a high profile movie launch
- Worked with Tasmania Police and the Business Crime Working Group to raise profile of the Police Business Crime Bulletin
- Launched, monitored and evaluated CCTV cameras in Glenorchy CBD

## Support and improve independence, health and wellbeing of the community

### Strategy

- 1.4.3** Promote recreational activity by maintaining and improving facilities and assisting access to funding for sporting and community groups.

### Key outcomes

Work has commenced on the development of a Healthy Communities Framework 2013–2023.

This Framework will have the goal of: *Improving the health & wellbeing of the people of Glenorchy through increased awareness of, and participation in, physical and wellness activities.*

Completed memorandum of understanding with the four participating bowls clubs. Strategy completed. Stage 1 of strategy is to install a synthetic bowls green at the current Berriedale Bowls Club. Works are

progressing with the opening scheduled for the 5th October, 2013

The redevelopment of KGV commenced including a completed soccer ground synthetic surface, Transport Museum bus shed and cricket practice facilities.

Progressed new entry gates to cricket facilities with construction to be completed prior to cricket season and progressing the design of the sport and community facility with construction programmed to commence early 2014.

Consultation with community /user groups progressing with tenancy leases expected to be finalised by the end of the calendar year.

### Strategy

- 1.4.4** Encourage healthy lifestyles through participation in active and passive recreation.

### Key outcomes

Glenorchy on the Go has expanded programs and activities to include 10 exercise groups, over 17 walking groups, 5 weekly sessions of adapted sports/games, fortnightly come and try sessions (GOLD) along with events such as walking challenges and providing opportunities to take part in local fun runs. Over 2000 people have participated in programs and or events since the projects inception.

The Mobile Activity Centre program has continued with limited Police support due to the staff availability; however there has been increased involvement with Hobart YMCA and Hobart Chargers. The program is now concentrating on working with "at risk students" at the local schools and community groups.

### Strategy

- 1.4.5** Maintain quality, affordable services for the community, including child care and Glenorchy Aged Care Packages.

Long Day Care that met the Education and Care Services National Regulations was provided from the Benjafield and Berriedale Child Care Centres.. Council ceased the operation of the Glenorchy Family Day Care Service at the end of June 2013 with all Educators registering with other Family Day Care Schemes and continuing to provide child care in the City. The Glenorchy Aged Care Packages program ceased to operate at the end of June 2013. All packages were transferred to Independent Health Care Service with no disruption to service provision to clients.



# ***Economy – Developing prosperity, innovation and jobs***

## **Attract, promote and support growth in local business, industrial and residential sectors**

### **Strategy**

**2.1.3** Promote investment by capitalising on the City's infrastructure.

### **Key outcomes**

Consultants engaged to prepare structure plan to inform project design for Main Road upgrade from Terry Street to Barry Street. Wilkinsons Point /Elwick Bay Master Plan reviewed and adopted by Council 8/4/2013.

### **Strategy**

**2.1.4** Partner with others to promote economic development in the City and the Region.

### **Key outcomes**

A Planning Scheme Review has been underway to assist the Southern Tasmania Councils Authority to develop regional provisions common across all twelve southern councils. These regional provisions will be inserted into the statewide planning scheme template. A draft interim planning scheme which is Glenorchy specific was developed incorporating regional provisions and was advertised for public consultation.

## **Facilitate sustainable employment opportunities for our community**

### **Strategy**

**2.2.1** Grow jobs through education and training.

### **Key outcomes**

The Glenorchy LEARN Project (*Learning, Engaging, Achieving, Respecting, and Networking*) is a key initiative of the *Building a Learning Community in Glenorchy Strategy*. The Project will develop and deliver a local campaign to improve school attendance and achievement for children and young people in the City of Glenorchy. The project will also promote and support learning for life in our community.

## **Realise and grow the potential of tourism in the City**

### **Strategy**

**2.3.1** Increase visitation to the City.

### **Key outcomes**

Glenorchy City Council has partnered with Destination Southern Tasmania and agreed funding contributions to Destination Management Strategy and Digital Content Generation Strategy.

### **Strategy**

**2.3.2** Promote the City as a venue for major events and conventions.

### **Key outcomes**

Strategic Marketing & Communication Plan for the Derwent Entertainment Centre was developed and adopted by Council in November 2012. This strategy is in the first 9 months of implementation and key outcomes have included; complete rebranding of the DEC including new logo, website launch & facebook page; development of new print & e-marketing collateral for the Centre, resulting in increased enquiries and bookings. The DEC marketing strategy has also resulted in diversification of the business to include conferences, meetings, seminars & dinners as a major revenue stream for the Centre.

### **Strategy**

**2.3.3** Market and promote entertainment and events within the City.

### **Key outcomes**

The DEC has actively sought to develop relationships with key industry personnel both within Tasmania and nationally. Major events being held here as part of the Dark MOFO & future MONA FOMA Festivals are key indicators of the Centre's active participation in Tasmania's widely growing events & festival industry. Future events are scheduled for other major festivals in 2014.

The Arts & Cultural Program actively promoted its activities and events including the Annual Program of the Moonah Arts Centre and events such as the Works Festival and Carols by Candlelight through its Annual Program booklet, Moonah Arts Centre website, Works Festival website and facebook, Glenorchy Arts e-newsletter, Moonah Arts Centre facebook, paid advertising and media promotion.

# ***Environment – Value, protect and benefit from our unique natural environment***

## **Strategy**

3.1.1 Protect the City's natural values including the City's vegetated hill faces, streamside areas, urban bushland reserves, Wellington Park and the Derwent River and foreshore.

## **Key outcomes**

- Completed Glenorchy Native Vegetation Mapping project.
- Completed Glenorchy Mountain Bike Park Area Vegetation Action Plan
- Completed Humphreys Rivulet multi use pathway concept.
- Contributed data on 9 trails to the Derwent Estuary Program (DEP) Greater Hobart Trails website.
- Supported 9 schools in National Tree Day
- Adopted Councils Climate Change Adaption Plan.
- Facilitated 10 reserve based activities with the Discovery Ranger Program.
- Referral of relevant planning applications through to Environment Coordinator. Inclusion of appropriate conditions and permits.
- Completed Corporate Environment Strategy
- Provided Council response to Draft Wellington Park Management Plan.
- Completed installation of DEP/Council funded Water Sensitive Urban Design storm water treatment system at Windermere Bay.

## **Strategy**

3.1.2 Minimise the risk of any adverse effect on the environmental

## **Key outcomes**

Monitoring for the 2012/2013 period was undertaken at Windermere Beach and Elwick Bay. Out of 15 samples at each site during this season, only one failed sample was recorded at Windermere, and three at Elwick Bay (which is not considered a suitable swimming beach).

Heritage assessment completed for a moderate Mountain Bike Trail (high priority trail in the Greater Hobart Mountain Bike Master Plan) alignment in Wellington Park.

Significant amendment to Planning Scheme to add 80+ properties has now been completed. Applications referred to Heritage Officer where appropriate.

Attendance and contribution to Planning Scheme Review Working Group for the Heritage Code.

## **Create a vibrant place, full of character, where people want to be**

## **Strategy**

3.3.1 Provide an animal management service which promotes the amenity and safety of the community and animal welfare.

## **Key outcomes**

A total of 8790 dogs were registered in the city. 1731 customer requests were recorded during the year. 451 infringement notices were issued in respect to 667 offences and 379 animals were impounded.

## **Strategy**

3.3.3 Improve the quality, design and appearance of the City's buildings and public spaces.

## **Key outcomes**

Fixed and mobile CCTV cameras have been installed in the Glenorchy CBD and data on incidents of graffiti is being collected through a Council developed phone application to assist in measuring the effectiveness of the cameras in reducing and preventing graffiti.

Commencement and completion of GASP Stage 2 at Wilkinsons Point. GASP Stage 1 Boardwalk winner of 'Best Urban Design Tasmania Architecture Award 2013'.

Continuation of Stage 3 concept and development.

Consultants engaged to progress Master plan for Tolosa Park. Consultation with Tas Water / community will determine the implementation plan.

Stage 1 of the Collinsvale Community Park completed.

Consultation with the Collinsvale Community Association continuing to develop the site further.

Tolosa Park cycling hub to be included in master plan for Tolosa Park. Support for relocation of BMX facility from Berriedale has been provided from participating clubs.

There are two street light upgrade projects underway. The larger Hobart/Glenorchy City Councils energy efficiency project is a result of Federal funding to a joint Councils initiative to accelerate the replacement of older technology mercury vapour street lights with newer lower wattage equivalent lights. Many of the existing street lights in our urban streets are mercury

vapour type and it is proposed to change over approximately 2,900 lights in Glenorchy. The project will run through to mid 2015.

The second project involves replacement of the decorative lights within the Glenorchy CBD, which are reaching the end of their service life (the existing decorative poles will remain).

### Strategy

**3.3.4** Meet appropriate service levels to manage Council infrastructure.

### Key outcomes

Council's asset management processes monitor the condition of our assets, such as roads, footpaths, drainage systems and buildings to ensure that available funds are spent where (and when) they are needed. Asset management and financial management work together so that funds are available to renew and maintain assets at an appropriate condition level both in the immediate term and into the future.

Replaced 7 reserve entry and interpretative signs in accordance with the Council's signage strategy.

### Promote high quality sustainable development of Glenorchy

#### Strategy

**3.4.1** Manage the orderly growth of the City in a way which maximises the take-up of existing infrastructure capacity.

### Key outcomes

A new stormwater onsite detention policy has been introduced to manage stormwater runoff from new developments so that the performance of Council's existing drainage systems is not diminished as a result of increased hard surface areas and consequent higher run off rates.

#### Strategy

**3.4.2** Ensure the construction and maintenance of safe and healthy buildings through compliance with building and plumbing codes.

### Key outcomes

Approved 292 Building Permits with an average of 3.23 days and approval of 248 Plumbing Permits with an average of 5.12 days. These approvals are well within the statutory timeframes.

#### Strategy

**3.4.3** Plan for the sustainable development of the City, ensuring compliance with the planning scheme and community involvement in the planning process.

### Key outcomes

A Planning Scheme Review has been underway to assist the Southern Tasmania Councils Authority to develop regional provisions common across all twelve southern Councils. These regional provisions will be inserted into the statewide planning scheme template. A draft interim planning scheme which is Glenorchy specific was developed incorporating regional provisions and was advertised for public consultation.

### Strategy

**3.4.5** Provide an environmentally-compliant and efficient waste management service which promotes waste minimisation.

The Jackson Street Waste Management Centre (landfill) received a total of 112,582 tonnes of waste over the year and of this total amount 62,501 tonnes were diverted from landfill through various re-use methods (e.g. concrete crushing and reuse as road base, mulching green waste for composting and reuse as rehabilitation material, clean fill reuse as landfill cover, general recycling materials and scrap metal recovery.

Through the kerbside garbage collection service 7911 tonnes of waste was collected and sent to the landfill, through the recycling service 3533 tonnes of materials were collected and sent to the recycling facility.

### Promote and provide an accessible, safe and reliable transport network that addresses current and future needs

#### Strategy

**3.5.1** Manage the City's transport network to promote sustainability, accessibility, choice, safety and amenity.

The key traffic/transport projects implemented were:

- The reduction of speed limits from 60km/h to 50km/h for a number of key urban roads, with the aim of improving overall road safety, but particularly for vulnerable road users such as pedestrians and cyclists;
- The installation of traffic lights at the junction of Main Road and Florence Street was completed as a 'Black Spot' project;
- The installation of two speed humps and a raised platform along Merton Street, Glenorchy was completed as a local traffic management scheme;
- The installation of a pedestrian crossing on Main Road, Glenorchy adjacent to Northgate Shopping Centre's entrance (north side of Regina Street) was completed to improve pedestrian safety at a location with high pedestrian movements within the Glenorchy CBD.

Completed feasibility assessment of pathway from Glenorchy CBD to Wellington Park utilising Humphrey's Rivulet. Funding to be obtained to progress.

# ***Governance – A sustainable, best value organisation***

## **Govern the City in a democratic, open and responsible manner in the best interests of the community as a whole**

### **Strategy**

- 4.1.4** Ensure preparedness for natural disaster and pandemic by ongoing review of the City's Emergency Management Strategies.

The Glenorchy Emergency Management Plan was reviewed and approved by the Police Commissioner. The consultancy project into a flood early warning system and evacuation plan for the Glenorchy CBD and surrounding areas is due for completion early in 2013–14.

- 4.1.5** Manage information in an integrated, secure, efficient, effective and user-friendly way.

There were 107,198 documents saved to ECM during 2012/13.

### **Strategy**

- 4.1.6** Manage Council's assets in way that maximises the "whole of life" benefit to current and future citizens.

Council has implemented new asset management systems that integrate with other key software systems throughout the organisation. This has greatly improved the way Council manages and reports on infrastructure assets.

This project will continue through 2013/2014 to improve the information we use to predict the future financial requirements for Council's Infrastructure assets.

### **Strategy**

- 4.1.7** Ensure integrated strategic planning across Council.

Strategic Plan 2013–18 (Interim) adopted 8/4/2013.

Annual Plan 2013–14 to 2015–16 adopted 17/6/2013

Performance indicators identified and adopted with Strategic and Annual Plans.

Strategic planning framework adopted 24/9/2012.

- 4.1.8** Manage risk throughout Council.

- Risk Management Framework and Policy reviewed and endorsed by Council
- Risk Register reviewed and updated to include operational risks
- Insurance portfolio reviewed and appropriate program of insurance is in place.

- Work Health and Safety Officer appointed to assist with the implementation of Council's WH&S project.

## **Plan and provide best value customer services to meet the needs of the community**

### **Strategy**

- 4.3.1** Provide a high standard of service to Council's customers

### **Key outcomes**

The Glenorchy City Council Customer Service Centre remains the Council's primary customer contact point. In 2012/13 the Customer Service Centre provided quality customer service to over 82,500 customers.

Two Customer Service projects were undertaken in 2012/13 reviewing organisational Customer Service. The projects initiated by Council were;

- Customer Service Improvement Project
- Business Excellence Coordination Group

Both projects identified a variety of areas where increased focus on key deliverables were required. Upcoming projects will be the review of the Customer Service Centre and the development of Council's Customer Service Strategy.



# Public Health Statement

Under section 73 (1A)(a) of the *Local Government Act 1993* Council is required to prepare a statement of its goals and objectives in relation to public health and for it to be included in the Annual Report.

Council's Public and Environmental Health program is administered by the Environmental Health Office as part of the Environment, Infrastructure and Development Department.

The program performs a number of activities to support the key strategy 1.4.2 in Council's Strategic 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, 2 contract nurse immunisers. The Environmental Health budget allocation for the 2012/2013 financial year totalled \$623,311 and generated an income of \$196,606.

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* and the *Environmental Management & Pollution Control Act 1994*. 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 & environmental nuisances
- Cooling towers
- Pollution (air, liquid and solid)

The following table outlines the statistics for environmental health activities undertaken during 2012–2013:

<b>Food Act 2003</b>	<b>Number</b>	<b>Inspections</b>
Registered food businesses	348	461
Temporary food business	433	99
Improvement notices	15	18
Prohibition orders	1	2
Infringement notices	7	7
Food samples	9	N/A
<b>Public Health Act 1997</b>		
Notifiable disease notifications/ investigations	14	N/A
Vaccinations administered at Council immunisation clinics	579	N/A
Vaccinations administered at school immunisation sessions	1652	N/A
Registered cooling tower systems	46	N/A
Registered public health risk activity premises (tattooing, acupuncture, ear/body piercing)	10	10
Licensed operators – public health risk activities (tattooing, acupuncture, ear/body piercing)	24	N/A
Registered water carters	2	2
Licensed permanent places of assembly	41	41
Licensed temporary places of assembly	30	5
Unhealthy Housing – Closure Orders	1	4
<b>Building Act 2000</b>		
Special Plumbing Permit assessed	12	3
Food verification assessments (Approval of plans for new or alterations to existing food premises)	6	6
<b>Various</b>		
Public/Environmental Health nuisances investigated	477	N/A

2013 saw the start of the new school immunisation program, which was introduced to focus on improving immunisation coverage rates for young people. The main changes to the program are that all routine school-based adolescent vaccinations are now given in Year 7. Previously the diphtheria, tetanus and pertussis (whooping cough) vaccine had been provided in Grade 10. Further to this change a two year catch-up program has been implemented for students in Year 9 and 10 in 2013 and in Year 9 in 2014.

Another change to the school based program is year seven male students being eligible to receive the HPV (human papillomavirus) vaccination for the first time. Similarly to the diphtheria, tetanus and pertussis (whooping cough) vaccine, a two year HPV catch-up program will be in place for males in Year 9 (aged 14–15 years) during 2013 and 2014.

Due to these changes in the program, the number of vaccines provided over the 2012/13 year, increased approximately 10% from the previous year. Coverage rates within the cohorts are still below the national and state average. As a result, Council's Environmental Health section will be working closely with Department of Health & Human Services to attempt to increase this over the coming years.

During the 2012/2013 year Council's Environmental Health Office once again received a large number (477) of public health and environmental nuisance complaints. The nature of these complaints was varied and significant amount of time was invested in providing educational resources to those involved in the issues etc. A number of enforcement proceedings were also commenced. This included infringement notices, Environmental Protection Notices, Abatement Notices, and Council taking action under the *Local Government Act 1993*.

### **PUBLIC INTEREST DISCLOSURE STATEMENT**

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

A copy of the Glenorchy City Council Public Interest Disclosures Procedure is available for viewing at Council Chambers during normal business hours.

### **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 Glenorchy City Council has not applied a public tender process under sub regulations 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 provisions of goods or services valued at or above \$100,000 (excluding GST), entered into or

extended between 1 July 2012 and 30 June 2013. This is in accordance with Regulation 23 of the Local Government (General) Regulations 2005.

<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>
Supply of Retail Electricity (0536)	1/7/12	31/12/14	N/A	No	≈ \$630,000 A schedule of rates is contracted	ERM Power Retail Pty Ltd	Level 5, Riverside Centre, 123 Eagle Street, Brisbane QLD 4001
Cleaning of Public Toilets (0531)	1/7/12	30/6/15	N/A	Two year option to extend	Approx \$215,000 A schedule of rates is contracted	International Cleaning Services Pty Ltd	27 King Street, Norwood SA 5067
Glenorchy Arts and Sculptural Park Stage 2 (Civil Works) (0524)	3/7/12	15/9/13	N/A	No	\$2,275,844, plus any agreed variations	Fairbrother Pty Ltd	59 Sandy Bay Road, Battery Point TAS 7004
Supply of Crushed Rock Metals (0532)	1/8/12	31/7/14	N/A	One year option to extend	≈ \$980,000 - a schedule of rates is contracted	Boral Construction Materials Group Ltd	PO Box 36 61 Lindsay Street Launceston TAS 7250
Supply and/or Laying of Bituminous Surfaces (0530)	1/9/2012	31/8/2014	N/A	One year option to extend	≈ \$1,040,000 - a schedule of rates is contracted	Downer Australia and Roadways	3 Whitestone Drive, Austins Ferry TAS 7011 103 Albert Road, Moonah TAS 7009
Replacement Asset Management System (0504)	27/9/12	27/9/13	N/A	No	\$111,210 – and an annual maintenance fee of \$21,500 ongoing	Assetic Australia Pty Ltd	Level 3, 21 Victoria Street, Melbourne VIC 3000
Derwent Park Stormwater Re-use (Crossing of Brooker Highway) (0542)	15/11/12	2/5/2013	30/6/13	No	\$217,200	Landvision Civil Pty Ltd	54 Bundalla Road, Margate TAS 7054
Derwent Park Stormwater Re-use (Mechanical Services) (0550)	19/11/12	19/5/14	N/A	No	\$199,540	Planned Irrigation Projects Pty Ltd t/a Think Water	30 Lilydale Grove, Hawthorn East VIC 3123
Derwent Park Stormwater Re-use (Storage & Filtration) (0543)	14/1/13	14/3/14	N/A	No	\$263,625	Landvision Civil Pty Ltd	54 Bundalla Road, Margate TAS 7054
KGV Soccer Pitch (0553)	12/11/12	11/2/13	N/A	No	\$1,031,556	En Tout Cas Pty Ltd t/a Grass Sports Australia	143 Herald Street, Cheltenham VIC 3192

## 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>
Vegetation Control (0554)	14/11/12	31/10/13	N/A	One year option to extend	≈ \$380,000 – a schedule of rates is agreed to	Infrastructure & Asset Maintenance	PO Box 217, Claremont TAS 7011
Derwent Park Stormwater Re-use (Steel Tanks) (0544)	19/12/12	19/6/13	N/A	No	\$118,263	Netco Pumps & Equipment	2 Austral Place, Derwent Park TAS 7009
Landfill Excavator (0545)	19/12/12	22/2/13	N/A	No	\$172,985	JF Machinery Pty Ltd	288 George Town Road, Rocherlea TAS 7248
Concrete Street Park – Tolosa Park (0555)	15/1/13	22/3/13	N/A	No	\$253,000	Concrete Skate Parks	32 Joynt Street, Hamilton QLD 4007
Abbotsfield Road Lights (0559)	7/1/13	31/3/13	N/A	No	\$202,950	BSH Electrical	PO Box 17, North Hobart TAS 7002
King George V Practice Wicket (0560)	4/2/13	5/4/13	N/A	No	\$217,963	Total Turf Care	32 Harvest Lane, Old Beach TAS 7017
Springfield Avenue Reconstruction (0561)	6/3/13	5/3/14	N/A	No	\$438,970	Andrew Walter Constructions Pty Ltd	PO Box 5, Claremont TAS 7011
Design Services Moonah Arts Centre (0558)	11/3/13	31/7/14	N/A	No	\$225,389	Morrison & Breytenbach Architects P/L	82 Warwick Street, Hobart TAS 7000
Derwent Park Stormwater Re-use (Groundwater Treatment Plant) (0562)	30/4/13	30/6/2014	N/A	No	\$1,077,150 – plus a provisional amount of \$145,500	GE Power & Water	Level 3, 99 Walker Street, North Sydney NSW 2060
Derwent Park Stormwater Re-Use (Rising Main 4) (0563)	13/5/13	30/06/14	N/A	No	\$544,200	Landvision Civil Pty Ltd	54 Bundalla Road, Margate TAS 7054
Derwent Park Stormwater Re-Use (Cogeneration of the water treatment plant) (0567)	5/4/13	5/7/13	N/A	No	\$407,439	Contact Electrical Pty Ltd	29–33 Wellington Street, North Hobart TAS 7000
Tolosa Street Road Reconstruction (0575)	12/6/13	30/9/13	N/A	No	\$519,447.85	Vernachie Contracting Pty Ltd	PO Box 1569, Eastern Shore TAS 7018
Derwent Park Stormwater Re-use (Pipe and Associated Fittings) (0577)	27/5/13	30/6/14	N/A	No	≈ \$140,000 - a schedule of rates is contracted	Irrigation Tasmania	43 Derwent Park Road, Derwent Park TAS 7009



*Glenorchy  
City Council*

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Financial Statements

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



The financial report presents fairly the financial position of the Glenorchy City Council as at 30 June 2013, 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: 14/8/2013

# Statement of Comprehensive Income for the Year Ended 30 June 2013

	Note	2013 Budget \$'000	2013 Actual \$'000	2012 Actual \$'000
<b>Income</b>				
<b>Recurrent income</b>				
Rates	2	26,841	26,848	24,843
User charges and licences	3	10,072	8,707	9,876
Interest		1,372	2,261	1,717
Grants	5	5,247	6,315	6,089
Contributions – cash	6	120	74	109
Government subsidies	2	1,619	1,658	1,619
Investment income from Southern Water	7	8,869	8,888	8,749
Other income	8	952	917	1,045
		55,092	55,668	54,047
<b>Capital income</b>				
Contributions – non-monetary assets	6	-	3,745	5,275
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	4	950	50	(300)
Capital grants received specifically for new or upgraded assets	5	3,873	4,498	20,966
		4,823	8,293	25,941
<b>Total income</b>		59,915	63,961	79,988
<b>Expenses</b>				
Employee benefits	9	19,215	19,718	18,951
Materials and services	10	17,267	16,127	15,691
Depreciation and amortisation	11	15,810	15,462	14,747
State Fire Commission contribution	2	4,023	4,023	3,859
Finance costs	13	931	556	646
Assets written off		-	1,915	2,025
Other expenses	12	654	632	711
<b>Total expenses</b>		57,900	58,433	56,630
<b>Surplus/(deficit)</b>		2,015	5,528	23,358
<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	-	(3,839)	13,729
		-	(3,839)	13,729
<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	24	-	(38)	434
		-	(38)	434
<b>Total other comprehensive income</b>		-	(3,877)	14,163
<b>Comprehensive result</b>		2,015	1,651	37,521

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

# Statement of Financial Position

## As at 30 June 2013

	Note	2013 \$'000	2012 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	14	40,966	52,512
Trade and other receivables	15	2,361	1,363
Inventories	16	158	133
Non-current assets classified as held for sale	17	4,238	3,652
Other current assets	18	540	456
<b>Total current assets</b>		<b>48,263</b>	<b>58,116</b>
<b>Non-current assets</b>			
Other financial assets	23	-	1
Investment in Southern Water	24	198,436	198,474
Property, infrastructure, plant and equipment	25	465,335	470,011
Investment properties	34	7,327	4,970
Other non-current assets	33	21,054	8,125
<b>Total non-current assets</b>		<b>692,152</b>	<b>681,581</b>
<b>Total assets</b>		<b>740,415</b>	<b>739,697</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	19	5,124	3,553
Provisions	20	4,037	3,851
Borrowings	21	133	1,482
Other current liabilities	22	1,642	1,152
<b>Total current liabilities</b>		<b>10,936</b>	<b>10,038</b>
<b>Non-current liabilities</b>			
Provisions	20	5,222	2,757
Borrowings	21	8,928	13,224
<b>Total non-current liabilities</b>		<b>14,150</b>	<b>15,981</b>
<b>Total liabilities</b>		<b>25,086</b>	<b>26,019</b>
<b>Net assets</b>		<b>715,329</b>	<b>713,678</b>
<b>Equity</b>			
Accumulated surpluses		380,754	377,265
Reserves	38	334,575	336,413
<b>Total equity</b>		<b>715,329</b>	<b>713,678</b>

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



# Statement of Cash Flows for the Year Ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
<b>Cash flows from operating activities</b>			
Rates		26,958	24,935
Government subsidies		1,658	1,619
Operational government grants (inclusive of GST)		6,404	6,593
Contributions – cash		74	109
Interest		2,261	1,717
User charges and licences (inclusive of GST)		7,962	11,681
Other income (inclusive of GST)		1,545	1,552
Investment income from Southern Water		8,888	8,749
Employee benefits		(19,479)	(19,092)
Materials and services (inclusive of GST)		(15,229)	(15,501)
Finance costs		(563)	(652)
Levies paid to State Government		(4,023)	(3,859)
Other payments (inclusive of GST)		(642)	(724)
<b>Net cash provided by/(used in) operating activities</b>	36	15,814	17,127
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(26,680)	(14,157)
Proceeds from sale of non-current assets		215	290
Interest paid for capital works		251	-
<b>Net cash flows provided by/(used in) investing activities</b>		(26,214)	(13,867)
<b>Cash flows from financing activities</b>			
Repayment of interest bearing loans and borrowings		(5,645)	(1,200)
Proceeds from interest bearing loans and borrowings		-	5,440
Government grants (capital)		4,498	20,966
Repayment of loans receivable		1	1
<b>Net cash flows provided by/(used in) financing activities</b>		(1,146)	25,207
Net increase/(decrease) in cash and cash equivalents		(11,546)	28,467
Cash and cash equivalents at the beginning of the financial year		52,512	24,045
<b>Cash and cash equivalents at the end of the financial year</b>	14	40,966	52,512
Financing arrangements	39		
Restrictions of cash assets	14		

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

## *Statement of Changes in Equity for the Year Ended 30 June 2013*

		Total equity \$'000	Accumulated surpluses \$'000	Asset revaluation reserve \$'000	Fair value reserve \$'000	Other revenue reserves \$'000	
<b>2013</b>	<b>Note</b>						
		<b>Balance at the beginning of the financial year</b>	713,678	377,265	307,813	1,570	27,030
		Comprehensive result	1,651	5,528	(3,839)	(38)	-
	38	Transfers to reserves	-	(3,039)	-	-	3,139
	38	Transfers from reserves	-	1,000	-	-	(1,000)
		<b>Balance at the end of the financial year</b>	<b>715,329</b>	<b>380,754</b>	<b>303,974</b>	<b>1,532</b>	<b>29,169</b>
<hr/>							
		Total equity \$'000	Accumulated surpluses \$'000	Asset revaluation reserve \$'000	Fair value reserve \$'000	Other revenue reserves \$'000	
<b>2012</b>	<b>Note</b>						
		<b>Balance at the beginning of the financial year</b>	676,157	371,812	294,084	1,136	9,125
		Comprehensive result	37,521	23,358	13,729	434	-
	38	Transfers to reserves	-	(18,072)	-	-	18,072
	38	Transfers from reserves	-	167	-	-	(167)
		<b>Balance at the end of the financial year</b>	<b>713,678</b>	<b>377,265</b>	<b>307,813</b>	<b>1,570</b>	<b>27,030</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 2013*

## **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.

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

The statements were authorised for issue by the General Manager on 14 August 2013.

## **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 bases.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 1(e), 1(g), 1(h), 1(j), 1(k), 1(l) and 1(m).

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, and material subsidiaries or joint ventures, have been included in this financial report. All transactions between these entities and Council have been eliminated in full.

## **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 a regular 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 20(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), 1(f) and in note 25.

**Investment in Southern Water**

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

**Landfill / Tip Rehabilitation**

Assumptions utilised in the determination of Council's landfill close-down and restoration costs are discussed in note 20.

**(c) Pending accounting standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures (effective from 1 January 2015).

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

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 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013).

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

The standard will not affect Council as it does not have any joint arrangements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013).

AASB 13 sets out a new definition of 'fair value' as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of Council's assets and liabilities (excluding leases), that are measured and/or disclosed at fair value or another measurement based on fair value.

Council has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, changes will be necessary. While Council is yet to complete this review, no substantial changes are anticipated, based on the fair value methodologies presently used. Therefore, at this stage, no consequential material impacts are expected for Council's property, plant and equipment as from 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. To the extent that any fair value measurement for an asset or liability uses data that is not 'observable' outside Council, the amount of information to be disclosed will be relatively greater.

(iv) Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013).

This revised standard on accounting for employee benefits includes significant revisions to the recognition, remeasurement, presentation and disclosure of defined benefit liabilities/assets. These changes will not affect Council as it does not have any defined benefit plans. Whilst this standard does include revision to multi-employer plans; such as Council's multi-employer sponsored plan the Quadrant Defined Benefit Fund (Refer Note 38); these are generally disclosure related and not expected to have a financial impact.

The standard also clarifies criteria for accounting for "short-term employee benefits" including treatment of terminations. Employee benefits 'expected to be settled' (as opposed to 'due to be settled' under

current standard) within 12 months after year end are short-term benefits, and therefore not discounted when calculating leave liabilities. Annual leave and other short-term benefits not expected to be used within 12 months of end of reporting period will in future be discounted when calculating the leave liability.

(v) AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7] (effective 1 January 2013).

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.

The adoption of this standard will not change the reported financial position and performance of the Council, there are no impact on disclosures as there are no offsetting arrangements currently in place.

(vi) AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014).

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of the Council, there are no impact on disclosures as there are no offsetting arrangements currently in place.

(vii) AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (effective 1 January 2013).

AASB 1 – this standard clarifies that an entity can apply AASB 1 more than once. AASB 101 – clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.

ASB 116 – clarifies the classification of servicing equipment. AASB 132 and Interpretation 2 – Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in



accordance with AASB 112 Income Taxes. AASB 134 provides clarification about segment reporting.

The amendments arising from this standard are not expected to change the reported financial position or performance of the Council.

#### **(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 22.

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 represents 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.

#### **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 and expenses.

#### **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 Southern Water**

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

#### **(e) Expense recognition**

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

#### **Employee benefits**

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.

Land is not depreciated.

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)
Roads	Road pavement surface	10 to 50
	Road pavement base	50 to 70
	Road pavement earthwork	100
	Kerb and channel	5 to 70
Stormwater and drainage	Pipes	60 to 100
	Nodes	50 to 120
	Natural water course improvements	80
	Silt basins	120
	Concrete culverts and spoon drains	50 to 120
Buildings and land improvements	Freehold buildings	10 to 95
	Other land improvements	5 to 50
Other infrastructure	Signalised or roundabout intersections	15 to 50
	Islands	35 to 50
	Car parks	5 to 60
	Bridges	40 to 80
Plant and vehicles	Infrastructure plant	5 to 75
	Fleet	3 to 5
	Mobile plant	5 to 20
	Minor plant	3 to 5
Equipment and furniture	Furniture, fittings and office equipment	3 to 20
	Computer systems and technical equipment	3 to 5
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. Borrowing costs capitalised during the period totalled \$250, 511 (2012: 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 Comprehensive Income as repairs/maintenance.

3. Asset categories of the Glenorchy City Council are specified in the asset matrix. Asset categories will be consolidated into the following broad categories of nature or type:
  - Land;
  - Buildings and other land improvements;
  - Equipment and furniture;
  - Roads;
  - Stormwater and drainage;
  - Plant and vehicles;
  - 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.
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 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. 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.
12. If Council believes asset values within a class have materially changed between scheduled revaluations, the asset classes value will be indexed by an appropriate inflation factor.
13. 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 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 Comprehensive Income.
14. 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.

15. Capital work in progress is recorded at cost.

16. 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.

#### **(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 Comprehensive Income in the period that they arise. Rental income from the leasing of investment properties is recognised in the Statement of 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) are measured at the lower of their 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 Southern Water**

Council's investment in Southern Water is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against Southern Water's net asset value at balance date based on the Final Treasurer's Allocation Order in 2011. Council has an ownership interest of 21.50% in the corporation. Any unrealised gains and losses on holdings at balance date are recognised through the Statement of Comprehensive Income to a Fair Value Reserve each year (refer note 38).

From 1 July 2013, Council's ownership interest in Southern Water will change to an ownership interest in TasWater. Refer to note 49.

Council has classified its investment in Southern Water 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 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.

#### **Annual, sick and long service leave**

The liability for annual, sick and long service leave expected to be settled within 12 months after the end of the reporting date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual, sick and long service leave expected to be settled more than 12 months after the end of the reporting date is measured at the present value of amounts expected to be paid when the liabilities are settled.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability considers the experience of employee departures and periods of service.

The interest rates attaching as at the reporting date to Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value.

The superannuation expense for the reporting period is the amount of required contributions the Council makes to the superannuation plan which provides benefits to its employees.

#### **Classification of employee entitlements**

An employee entitlement liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

#### **Provisions – Other**

##### **Employment on-costs**

Employment on-costs, workers compensation and payroll tax, are not employee benefits and are recognised separately as liabilities when the employment to which they relate has occurred. Employment on-costs are included as part of the Council's 'Employee benefits' in the Statement of 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 Comprehensive Income in each accounting period where material. The amortisation of the discount is shown as a finance cost.

#### **(o) Leases**

Council has no finance lease obligations at 30 June 2013.

In respect of operating leases, where the lessor effectively retains substantially all of the risks and benefits incident to ownership of the leased items, lease payments are recognised on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Refer to note 35.

#### **(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 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 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 twelve 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 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	2013 \$'000	2012 \$'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 2013 was \$346,370,544 (2012: \$344,860,212). The 2013 rate in the dollar was \$6.9168 (2012: \$6.4057).			
Rates charge		24,174	22,272
Interest charge		57	57
Penalty charge		173	207
Recovery of legal expenses		79	67
State Government charges and levies			
State Fire Commission contribution		4,023	3,859
Less government subsidies		(1,658)	(1,619)
		26,848	24,843
The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2011, and the valuation will be first applied in the rating year commencing 1 July 2011.			
<b>3 User charges and licences</b>			
Parent fees and childcare		718	806
Animal registration		224	303
Food related licences		107	103
Landfill fees		2,277	2,190
Building and plumbing application fees		121	145
Plumbing inspection fees		74	102
Plumbing assessment fees		64	89
Development advertising fees		41	52
Development application fees		85	67
Engineering assessment fees		5	33
Section 132 and 337 certificates		211	212
Service provider fees		20	35
Rental of sporting grounds		124	147
Revenue from reserves		14	24
Car parking rental		115	95
Other rental revenue		180	183
Tolosa Park hire		47	47
Parking enforcement		253	224
Kerbside recycling		1,460	1,379
Garbage collection/disposal		1,394	1,294
Recycling materials		65	87
Concrete crushing		-	51
Derwent Entertainment Centre Food and Beverage Sales		168	495
Derwent Entertainment Centre commissions and recoveries		492	1,257
General fines and infringements		83	76
Fees and licences		38	34
Certificates of completion		66	75
Stratum application fee		19	31
Equipment hire		5	29
Aged care client fees		29	17
Road opening permits		35	47

	Note	2013 \$'000	2012 \$'000
Court fees		1	12
Permits		9	11
Planning scheme amendments		13	8
Aerated wastewater treatment systems		38	33
Other (items less than \$10,000)		112	83
		8,707	9,876
<b>Ageing analysis of contractual receivables</b>			
Please refer to notes 15 and 40 for the ageing analysis of trade and other receivables.			
<b>4</b>	<b>Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
	Proceeds from disposal of property, infrastructure, plant and equipment	215	290
	Less carrying amount of property, infrastructure, plant and equipment	(165)	(590)
	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	50	(300)
<b>5</b>	<b>Grants</b>		
	Grants were received in respect of the following:		
	<b>Summary of grants</b>		
	Federally funded grants	10,311	26,728
	State funded grants	453	182
	Others	49	145
		10,813	27,055
	<b>Operational grants</b>		
	Commonwealth Government Financial Assistance Grants – General Purpose	906	1,133
	Commonwealth Government Financial Assistance Grants – Roads	1,188	1,866
	Childcare Services	1,764	2,009
	Hobart City Council/Glenorchy City Council Street Light Replacement Project	1,644	-
	Arts and Cultural Development	16	124
	Aged Care	364	359
	Commonwealth Traineeship	9	10
	Youth and Safer Communities	6	12
	National Binge Drinking Strategy	100	100
	Claremont Cycling Facilities – Design Consultancy	99	-
	Moonah Taste of the World	24	-
	Healthy Communities Initiative	150	-
	Clearing the Smoke – Smoking Cessation Innovation	11	-
	Older Adults Physical Activity	-	280
	Steps to the Future	-	97
	Evacuation Plan for Glenorchy Central Business District	-	59
	Other	34	40
	<b>Total operational grants</b>	6,315	6,089

The Australian Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. Since 2010 the Commonwealth has been making early payment of the first quarterly instalment for the following year. In 2012 the Government announced in the Commonwealth Budget following the downturn in the economy that, "to assist local councils with planning for the recovery and to ensure local government has maximum certainty to begin planning their 2012–13 works programs", it would bring forward for payment to all councils in June 2012, the first two instalments of the 2013 grant pool.

In the 2014 Budget the Commonwealth announced it would continue this approach and include the first two instalments of the 2014 grant pool.

In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The effects of the early receipt of instalments each year has resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2013 by \$1,143,263 and in 2012 by \$1,223,925. This has impacted the Statement of Comprehensive Income resulting in the Net surplus/(deficit) being higher in both years by these amounts. With fewer instalments due to be received in 2014, the reverse effect is expected to occur, however future payments remain at the Commonwealth's discretion.

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

Note	2013 \$'000	2012 \$'000
Blackspot	152	283
Cadbury Community Sports Ground	-	44
Derwent Park Stormwater Reuse	1,701	6,518
Department of Transport	448	448
Glenorchy Arts Sculpture Park – Stage 2	1,897	759
Tolosa Park Road Safety Track – Kids Bike	80	-
Windermere Bay Project	100	-
Closed Circuit Television Cameras	120	-
King George V Infrastructure	-	8,700
King George V Accessible Communities	-	99
Moonah Arts Centre Redevelopment	-	4,000
Regional and Local Community Infrastructure Program	-	115
<b>Total capital grants</b>	<b>4,498</b>	<b>20,966</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:

Glenorchy Arts Sculpture Park – Stage 2	-	349
Derwent Park Stormwater Reuse (1)	-	5,040
Moonah Arts Centre Redevelopment	-	4,000
Hobart City Council/Glenorchy City Council Street Light Replacement Project	1,543	-
King George V Infrastructure	-	8,692
Windermere Bay Project	42	-
Closed Circuit Television Cameras	48	-
Cadbury Community Sports Ground	-	44
<b>Total</b>	<b>1,633</b>	<b>18,125</b>

(1) Derwent Park Stormwater Reuse – note that 50% of this Grant receipt is refundable should this project be cancelled.

	Note	2013 \$'000	2012 \$'000
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:			
Glenorchy Arts Sculpture Park – Stage 2		349	-
Moonah Arts Centre Redevelopment		103	-
King George V infrastructure		1,948	-
Glenorchy Arts Sculpture Park – Stage 1		-	2,241
Tolosa Park Criterium Circuit		-	150
Derwent Park Stormwater Reuse		4,113	924
		6,513	3,315
Net increase/(decrease) in non-reciprocal grant revenues for the year		(4,880)	14,810
(2) The balance of unexpended grants at the end of the reporting period is \$13,414,353, the majority of which are King George V, Moonah Arts Centre and Street Light Replacement.			
<b>6 Contributions</b>			
<b>(a) Cash</b>			
Parking		-	-
Parks, open space and streetscapes		-	13
Recharge work contributions		74	96
		74	109
<b>(b) Non-monetary assets</b>			
Land		48	-
Roads		2,209	2,590
Parks, open space and streetscapes		-	394
Stormwater		1,488	2,291
		3,745	5,275
<b>Total contributions</b>		3,819	5,384
<b>7 Investment income from Southern Water</b>			
Dividend income		6,330	5,103
Tax equivalent		1,690	2,970
Guarantee fee		868	676
		8,888	8,749
<b>8 Other income</b>			
Fuel Tax Credits		84	75
Advertising		129	150
State Fire Commission contribution		161	154
Heavy vehicle motor tax		28	28
Donations		17	73
Immunisations		14	9
Contributions		214	153
Levy collection		102	126
Refund		28	39
Other		140	238
		917	1,045

	Note	2013 \$'000	2012 \$'000
<b>9 Employee benefits</b>			
Wages and salaries		22,576	21,885
Relief/casual staff		606	703
Fringe Benefits Tax		110	63
Other		26	28
		23,318	22,679
Less amounts capitalised		(3,600)	(3,728)
		19,718	18,951
<b>10 Materials and services</b>			
Materials and services		4,817	4,965
Contract payments		9,115	8,991
Plant and equipment maintenance		233	461
Utilities		950	924
Consultants		1,012	350
		16,127	15,691
<b>11 Depreciation and amortisation</b>			
Buildings and other land improvements		2,646	2,238
Plant and vehicles		215	222
Equipment and furniture		53	433
Roads		8,934	8,410
Stormwater and drainage		3,557	3,387
Valuation roll		57	57
	25	15,462	14,747
<b>12 Other expenses</b>			
Bad and doubtful debts		1	52
Land tax		481	453
External auditor's remuneration (Tasmanian Audit Office) – Financial statements audit		46	44
External auditor's remuneration (Tasmanian Audit Office) – Other financial audits		17	5
Internal auditor's remuneration (internal audit services – Deloitte)		68	78
Grants and specific purpose benefits	46	19	79
		632	711
<b>13 Finance costs</b>			
Interest		807	646
Less capitalised borrowing costs on qualifying assets		(251)	-
		556	646
		<b>2013</b>	<b>2012</b>
Rate used to capitalise finance costs		31%	-



	Note	2013 \$'000	2012 \$'000
<b>14 Cash and cash equivalents</b>			
Current investment funds		36,647	40,874
Operating account		4,246	11,442
Brooker Highway Beautification trust account		-	21
Derwent Entertainment Centre trust account		-	142
Glenorchy City Concert Brass account		11	3
Petty cash floats		5	7
Derwent Entertainment Centre operating cash floats		23	20
Derwent Entertainment Centre Automatic Teller Machine		34	3
		40,966	52,512
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:			
Leave provisions (excl. on-costs)	20	5,440	5,209
Revenue reserves	38	29,169	27,030
Trust account – Brooker Highway Beautification Project		-	21
Trust account – Derwent Entertainment Centre		-	142
Derwent Entertainment Centre Automatic Teller Machine		34	3
Glenorchy City Concert Brass account		11	3
Derwent Park Stormwater Reuse borrowing		4,696	5,100
Commonwealth Government Financial Assistance Grants	5	1,143	1,224
Restricted funds		40,493	38,732
Total unrestricted cash and cash equivalents		473	13,780
<b>15 Trade and other receivables</b>			
Employees advanced salaries		11	12
Rates and charges		577	468
Debtors		1,263	940
Provision for impairment – other debtors		(50)	(58)
Loans receivable	23	-	1
		1,801	1,363
Goods and Services Tax on purchases		608	-
Goods and Services Tax on sales		(48)	-
Goods & Services Tax receivable		560	-
		2,361	1,363

All debtors are due and payable after thirty days from the date of invoice. Council does not charge interest on debtors. Outstanding rates attract a penalty of 10% fourteen days after instalments are due. Interest of 9.97% is charged after the instalments are due and is calculated weekly on the outstanding balance.

All outstanding trade receivables have been assessed as past due but not impaired.

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.

Credit checks are completed for larger customers and all waste management customers.

	Note	2013 \$'000	2012 \$'000
<u>Ageing of past due – rates and charges</u>			
30–60 days		-	-
60–90 days		-	-
Over 90 days		577	468
		577	468
<u>Ageing of past due – debtors</u>			
30–60 days		26	21
60–90 days		133	144
Over 90 days		16	22
		175	187
<b>Movement in the provision for impairment – other debtors</b>			
Balance at the beginning of the year		58	7
Amounts transferred to the provision during the year		3	52
Amounts recovered during the year		-	-
Amounts written off as uncollectable		(11)	(1)
Balance at the end of the year		50	58
<b>16 Inventories</b>			
Stores and materials		158	133
<b>17 Non-current assets classified as held for sale</b>			
Land held for sale		4,238	3,652
Council intends to dispose of land it no longer utilises in the next 12 months. No impairment loss was recognised on reclassification of the land as held for sale or at reporting date.			
<b>18 Other current assets</b>			
Prepayments		37	47
Accrued revenue		503	409
		540	456
<b>19 Trade and other payables</b>			
Trade payables		3,240	2,884
Accrued expenses		1,864	530
Fringe Benefits Tax payable		20	16
		5,124	3,430
Goods and Services Tax on sales		-	500
Goods and Services Tax on purchases		-	(377)
Goods and Service Tax payable		-	123
		5,124	3,553

**20 Provisions**

**2013**

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	Total \$ '000
	2,038	1,000	328	2,171	1,071	6,608
	1,052	435	115	365	2,404	4,371
	(1,090)	(395)	(99)	(136)	-	(1,720)
	-	-	-	-	-	-
	2,000	1,040	344	2,400	3,475	9,259

**2012**

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	Total \$ '000
	2,039	1,018	455	2,150	1,071	6,733
	1,083	372	(22)	267	-	1,700
	(1,084)	(390)	(105)	(246)	-	(1,825)
	-	-	-	-	-	-
	2,038	1,000	328	2,171	1,071	6,608

	2013 \$'000	2012 \$'000
<b>(a) Employee entitlements provision</b>		
<b>(i) Current</b>		
Annual leave	2,000	2,038
Sick leave	1,040	1,000
Long service leave	806	642
<i>Other provisions</i>		
Employment on-costs:	191	171
Payroll tax	4,037	3,851
<b>(ii) Non-current</b>		
Long service leave	1,594	1,529
<i>Other provisions</i>		
Employment on-costs:	153	157
Payroll tax	1,747	1,686
Aggregate carrying amount of employee entitlements:		
Current	4,037	3,851
Non-current	1,747	1,686
	5,784	5,537
The following assumptions were adopted in measuring the present value of employee entitlements:		
	2013	2012
Weighted average increase in employee costs	3.00%	3.00%
Weighted average discount rates	2.81%	2.69%
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		
	2013 \$'000	2012 \$'000
- short-term employee entitlements, that fall due within 12 months after the end of the period measured at nominal value	3,252	2,992
- other long-term employee entitlements that do not fall due within 12 months after the end	712	688
	3,964	3,680
<b>(ii) Non-current</b>		
Long service leave representing less than 10 years of continuous service measured at present value	1,594	1,529
<b>(iii) Employee numbers</b>	376	434

**(b) Landfill restoration**

Council operates a Landfill at Jackson Street that is deemed to have a further useful life of at least 10 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	2013 \$'000	2012 \$'000
<b>(c) Provision summary</b>			
<b>Current</b>			
Employee entitlements provision		4,037	3,851
<b>Non-current</b>			
Employee entitlements provision		1,747	1,686
Landfill restoration provision		3,475	1,071
		5,222	2,757
<b>21 Borrowings</b>			
Borrowings at the beginning of the year		14,706	10,466
New borrowings		-	5,440
Repayments		(5,645)	(1,200)
Borrowings at the end of the year		9,061	14,706
Current borrowings		133	1,482
Non-current borrowings		8,928	13,224
		9,061	14,706
<p>The loan portfolio owed by Council to Tascorp has been reviewed by Tascorp effective 30 June 2013. 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 \$9,245,837 (2012: \$15,012,373) compared to the actual value of \$9,060,884 (2012: \$14,705,984). 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		133	1,482
Later than one year and not later than five years		-	1,130
Later than five years		8,928	12,094
		9,061	14,706
<b>22 Other current liabilities</b>			
Trust monies held (Derwent Entertainment Centre)		16	45
Vehicle Funding Facility		194	60
Revenue received in advance		879	681
Refundable building deposits		281	267
Refundable contract deposits		235	61
Other refundable deposits		37	38
		1,642	1,152

	Note	2013 \$'000	2012 \$'000
<b>23 Other financial assets</b>			
Loans receivable			
Balance at the beginning of the financial year		2	4
Deduct loan principal payments made		(2)	(2)
Balance at the end of the financial year		-	2
Current loans receivable	15	-	1
Non-current loans receivable		-	1
		-	2
<b>24 Investment in Southern Water</b>			
Balance at the beginning of the year		198,474	198,040
Change in fair value of investment		-	-
Fair value adjustments on Available-for-Sale Assets		(38)	434
Balance at the end of the financial year	I (k)	198,436	198,474

Council has derived returns from Southern Water as disclosed at Note 7.

Council has an ownership interest of 21.50% in Southern Water based on the Final Treasurer's Allocation Order in 2011. Council does not have significant influence to allow it to use the equity method to account for this interest.

From 1 July 2013, Council's ownership interest in Southern Water will change to ownership in TasWater. Refer to Note 49.



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

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

<b>2013</b>	<b>Note</b>	<b>Carrying amount 1/07/12 \$ '000</b>	<b>Additions \$ '000</b>	<b>Transfer between asset classes \$ '000</b>	<b>Assets classified as Investment Property (note 34) \$ '000</b>	<b>Disposals \$ '000</b>	<b>Net revaluation adjustments (note 38) \$ '000</b>	<b>Depreciation and amortisation (note 11) \$ '000</b>	<b>Carrying amount 30/06/13 \$ '000</b>
Roads	26	215,161	9,640	-	(946)	(1,011)	(7,196)	(8,934)	206,714
Stormwater and drainage	27	156,582	3,501	-	-	(820)	2,537	(3,557)	158,243
Land	28	53,378	358	(289)	(1,259)	(90)	-	-	52,098
Buildings and other land improvements	29	42,550	5,587	(298)	(150)	(85)	820	(2,646)	45,778
Plant and vehicles	30	795	503	-	-	(75)	-	(215)	1,008
Equipment and furniture	31	1,319	59	-	-	-	-	(53)	1,325
Valuation roll	32	226	-	-	-	-	-	(57)	169
		470,011	19,648	(587)	(2,355)	(2,081)	(3,839)	(15,462)	465,335

<b>2012</b>	<b>Note</b>	<b>Carrying amount 1/07/11 \$ '000</b>	<b>Additions \$ '000</b>	<b>Transfer between asset classes \$ '000</b>	<b>Assets classified as Investment Property (note 34) \$ '000</b>	<b>Disposals \$ '000</b>	<b>Net revaluation adjustments (note 38) \$ '000</b>	<b>Depreciation and amortisation (note 11) \$ '000</b>	<b>Carrying amount 30/06/12 \$ '000</b>
Roads	26	207,336	10,187	-	-	(502)	6,550	(8,410)	215,161
Stormwater and drainage	27	153,437	3,353	-	-	(1,529)	4,708	(3,387)	156,582
Land	28	53,515	394	(2,326)	1,350	(590)	1,035	-	53,378
Buildings and other land improvements	29	37,875	3,361	1,963	167	-	1,422	(2,238)	42,550
Plant and vehicles	30	2,514	472	(1,963)	-	(6)	-	(222)	795
Equipment and furniture	31	1,655	83	-	-	-	14	(433)	1,319
Valuation roll	32	283	-	-	-	-	-	(57)	226
		456,615	17,850	(2,326)	1,517	(2,627)	13,729	(14,747)	470,011

**(a) Impairment losses**

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

	Note	2013 \$'000	2012 \$'000
<b>26 Roads</b>			
At 1 July 2012 valuation		429,999	435,986
Less accumulated depreciation		(223,285)	(220,825)
Roads at fair value	25	206,714	215,161
<b>27 Stormwater and drainage</b>			
At 1 July 2009 valuation		312,516	305,356
Less accumulated depreciation		(154,273)	(148,774)
Stormwater and drainage at fair value	25	158,243	156,582
<b>28 Land</b>			
At 30 June 2011 valuation		52,098	53,378
Land at fair value	25	52,098	53,378
<b>29 Buildings and other land improvements</b>			
At 1 July 2006 valuation		100,355	94,745
Less accumulated depreciation		(54,577)	(52,195)
Buildings and other land improvements at fair value	25	45,778	42,550
<b>30 Plant and vehicles</b>			
At cost		2,035	1,974
Less accumulated depreciation		(1,027)	(1,179)
Plant and vehicles at fair value	25	1,008	795
<b>31 Equipment and furniture</b>			
At cost		6,564	6,505
Less accumulated depreciation		(5,239)	(5,186)
Equipment and furniture at fair value	25	1,325	1,319
<b>32 Valuation roll</b>			
At cost		339	339
Less accumulated amortisation		(170)	(113)
Valuation roll at cost	25	169	226
<b>Total property, infrastructure, plant and equipment</b>	25	465,335	470,011

Valuation of land (excluding land under roads) and buildings were undertaken by the Valuer General. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

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 englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.

Valuation of infrastructure assets is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Note	2013 \$'000	2012 \$'000
<b>33 Other non-current assets</b>		
Capital works in progress	21,054	8,125
<b>34 Investment properties</b>		
Opening Balance as at 1 July	4,970	6,487
Transfer in	2,357	-
Transfer out	-	(1,517)
Closing balance at 30 June	7,327	4,970
<p>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 properties in the same location and condition and subject to similar leases.</p>		
<b>35 Commitments for expenditure</b>		
<b>(a) Operating lease commitments</b>		
<p>At the reporting date, Council had the following obligations under non-cancellable operating leases (these obligations are not recognised as liabilities):</p>		
Not later than one year	1,332	1,657
Later than one year and not later than five years	2,894	3,929
Later than five years	262	24
	4,488	5,610
<p>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.</p> <p>Lease payments are initially established based on expected operating criteria and may adjust depending upon material variations in such operating criteria.</p> <p>The Council leases office equipment under operating leases, expiring from 1–4 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.</p> <p>The Council leases office premises under operating leases, expiring from 3–5 years. 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.</p>		
<b>(b) Capital commitments</b>		
<p>Capital expenditure contracted for at the reporting date but not recognised in the financial statements as liabilities:</p>		
Property	12,879	14,084
Roads	1,622	1,091
Stormwater	7,678	5,595
	22,179	20,770
Not later than one year	18,912	9,857
Later than one year and not later than five years	3,267	10,913
Later than five years	-	-
	22,179	20,770

	Note	2013 \$'000	2012 \$'000
<b>36 Reconciliation of net surplus/(deficit) for the period to net cash from operating activities</b>			
Net surplus/(deficit)		5,528	23,358
<b>Items not involving cash</b>			
Depreciation expense	11	15,462	14,747
Contributions – non-monetary assets	6	(3,745)	(5,275)
Carrying value of assets sold or retired	4	165	590
Assets written off		1,915	2,025
Sale of property, plant and equipment	4	(215)	(290)
Government grants and external contributions (capital)	5	(4,498)	(20,966)
<b>Changes in operating assets and liabilities</b>			
(Increase)/decrease in trade and other receivables		(998)	1,473
(Increase)/decrease in other assets		(84)	209
(Increase)/decrease in inventories		(25)	14
Increase/(decrease) in trade and other payables		1,571	1,325
Increase/(decrease) in other liabilities		490	42
Increase/(decrease) in provisions		248	(125)
<b>Net cash from operating activities</b>		<b>15,814</b>	<b>17,127</b>
<b>37 Contingent liabilities</b>			
There are no contingent liabilities.			

**38 Reserves**

	Balance at beginning of year		Transfers to reserves		Transfers from reserves		Balance at end of year	
	1-Jul-12 \$ '000	1-Jul-11 \$ '000	2013 \$ '000	2012 \$ '000	2013 \$ '000	2012 \$ '000	30-Jun-13 \$ '000	30-Jun-12 \$ '000
<b>Revenue reserves</b>	2,998	2,592	-	451	(802)	(45)	2,196	2,998
Asset sales	356	337	16	19	-	-	372	356
Car parking	100	-	105	100	-	-	205	100
City revaluation	25	77	71	3	-	(55)	96	25
Irregular operating expenses	1,075	922	49	153	-	-	1,124	1,075
Landfill future close out costs	1	1	-	-	-	-	1	1
Landfill plant and equipment	135	190	6	10	-	(65)	141	135
Property, plant and equipment	453	416	21	37	-	-	474	453
Public open space	21,602	4,474	2,733	17,128	-	-	24,335	21,602
Incomplete works	174	55	-	121	(198)	(2)	(24)	174
Community based programs	111	61	38	50	-	-	149	111
Strategic Asset Management Group Capital	27,030	9,125	3,039	18,072	(1,000)	(167)	29,069	27,030

	Balance at beginning of year		Transfers to reserves		Transfers from reserves		Balance at end of year	
	1-Jul-12 \$ '000	1-Jul-11 \$ '000	2013 \$ '000	2012 \$ '000	2013 \$ '000	2012 \$ '000	30-Jun-13 \$ '000	30-Jun-12 \$ '000
<b>Fair value reserve</b>	1,570	1,136	-	434	(38)	-	1,532	1,570
Investment in Southern Water revaluation reserve	1,570	1,136	-	434	(38)	-	1,532	1,570

	Balance at beginning of year		Revaluation increment		Revaluation decrement		Balance at end of year	
	1-Jul-12 \$ '000	1-Jul-11 \$ '000	2013 \$ '000	2012 \$ '000	2013 \$ '000	2012 \$ '000	30-Jun-13 \$ '000	30-Jun-12 \$ '000
<b>Asset revaluation reserves</b>	153,735	147,185	-	6,550	(7,196)	-	146,539	153,735
Asset revaluation reserve – roads	16,752	15,330	820	1,422	-	-	17,572	16,752
Asset revaluation reserve – buildings and other land improvements	44,690	43,655	-	1,035	-	-	44,690	44,690
Asset revaluation reserve – land	88,947	84,239	2,537	4,708	-	-	91,484	88,947
Asset revaluation reserve – stormwater and drainage	2,822	2,822	-	-	-	-	2,822	2,822
Asset revaluation reserve – plant and vehicles	867	853	-	14	-	-	867	867
Asset revaluation reserve – furniture and equipment	307,813	294,084	3,357	13,729	(7,196)	-	303,974	307,813

<b>Total revenue and asset revaluation reserves</b>	336,413	304,345	6,496	32,235	(8,234)	(167)	334,575	336,413
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**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 Southern Water.

**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 (d)).

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	2013 \$'000	2012 \$'000
	Nil	Nil
	Nil	Nil
	1,000	1,000
	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 of surplus cash.  Interest revenues are recognised as they accrue.	On call deposits returned an average interest rate of 3.81% (2012: 4.56%). The interest rate at balance date was 2.65% (2012: 3.40%).  The weighted average interest rate received for investments was 4.03% (2012: 4.99%).
<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 9.97% (2012: 11.47%) 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.	General debtors are unsecured.
Collectability of overdue accounts is assessed on an ongoing basis.		
<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 5.34% (2012: 5.88%).

**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.

**(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		Other \$'000		Total \$'000	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
<b>Financial assets</b>												
<i>Variable interest rate</i>												
Cash and cash equivalent assets	4.03%	4.99%	40,904	52,484	-	-	-	-	-	-	40,904	52,484
<i>Non interest bearing</i>												
Cash and cash equivalent assets			62	30							62	30
Trade and other receivables			1,824	940							1,824	940
Investment in Southern Water							198,436	198,474			198,436	198,474
<i>Fixed interest rate</i>												
Trade and other receivables (rates and charges)	9.97%	11.47%	537	423							537	423
<b>Total</b>			43,327	53,877	-	-	-	-	198,436	198,474	241,763	252,351
<b>Financial liabilities</b>												
<i>Non interest bearing</i>												
Trade and other payables			5,124	3,553							5,124	3,553
Other current liabilities			1,642	1,152							1,642	1,152
<i>Fixed interest rate</i>												
Borrowings:												
- Not later than one year	6.42%	6.32%	133	1,482							133	1,482
- Later than one year and not later than five years	-	6.40%				1,130					-	1,130
- Later than five years	5.33%	5.80%					8,928	12,094			8,928	12,094
<b>Total</b>			6,899	6,187	-	1,130	8,928	12,094	-	-	15,827	19,411
<b>Net financial assets/(liabilities)</b>												
											225,936	232,940

**(c) Net fair values**

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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>(1) Financial Assets</b>				
Cash and cash equivalents	40,966	52,514	40,966	52,514
Investment in Southern Water	198,436	198,474	198,436	198,474
Trade and other receivables	2,361	1,363	2,361	1,363
<b>Total Financial Assets</b>	<b>241,763</b>	<b>252,351</b>	<b>241,763</b>	<b>252,351</b>
<b>(2) Financial Liabilities</b>				
Trade and other payables	5,124	3,553	5,124	3,553
Interest bearing loans and borrowings	9,061	14,706	9,246	15,012
Other liabilities	1,642	1,152	1,642	1,152
<b>Total Financial Liabilities</b>	<b>15,827</b>	<b>19,411</b>	<b>16,012</b>	<b>19,717</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 and Risk Committee. 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 21, cash and cash equivalents disclosed in note 14 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 borrow 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. The Council exposures to market risk are 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 use. 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;
- where possible, that the characteristics of debt match those of the assets being funded; and
- borrowing activities operate within Council's 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
- investment activities operate within Council's 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 invest 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
- set 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 +0.50% and -0.50% in market interest rates (AUD) from year end rates of 2.65%.

The following table 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.

2013	Interest Rate Risk				
	Carrying amount subject to interest	-0.50% (50 basis points)		0.50% (50 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	40,904	(205)	(205)	205	205
Trade and other receivables	537	(3)	(3)	3	3
<b>2012</b>	<b>Interest Rate Risk</b>				
	Carrying amount subject to interest	-1.00% (100 basis points)		-1.00% (100 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	52,484	(525)	(525)	525	525
Trade and other receivables	423	(4)	(4)	4	4

**(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 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3 inputs for the asset or liability that are not based on observable market data.

30 June 2013	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Available for sale financial assets	-	-	198,436	198,436
<b>Total</b>	-	-	<b>198,436</b>	<b>198,436</b>

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

30 June 2012	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Available for sale financial assets	-	-	198,474	198,474
<b>Total</b>	-	-	<b>198,474</b>	<b>198,474</b>

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

<b>(ii) Reconciliation of Level 3 Fair Value Movements</b>	2013 \$'000	2012 \$'000
<b>Opening balance</b>		
Investment on transfer of assets		198,040
Gain (losses) recognised in other comprehensive income:		
Change in fair value of investment in Southern Water	(38)	434
<b>Closing balance</b>	<b>198,436</b>	<b>198,474</b>

**41 Register of interests**

<b>Aldermen and position</b>	<b>Interest</b>
Ald. Stuart Slade (Mayor)	No
Ald. Haydyn Nielsen (Deputy Mayor)	No
Ald. Christine Lucas	No
Ald. David Pearce OAM	No
Ald. Jenny Branch-Allen	No
Ald. Kristie Johnston	No
Ald. Luke Martin	No
Ald. Matt Stevenson	No
Ald. Peter Ridler RFD	No
Ald. Richard Lowrie	No
Ald. Sharon Carnes	No
Ald. Steven King	No

<b>42 Remuneration of Aldermen</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Total allowances paid to the Mayor, Deputy Mayor and Aldermen	379,253	364,300
Total expenses paid to all Aldermen	21,739	16,628
	<u>400,992</u>	<u>380,928</u>

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 holding senior positions whose remuneration falls within the following bands:

<b>Existing employees</b>	<b>2013</b>	<b>2012</b>
\$200,001–\$250,000	1	1
\$150,001–\$200,000	4	3
\$100,001–\$150,000	-	1
<b>Former employees</b>	<b>2013</b>	<b>2012</b>
\$350,001–\$400,000	-	1
\$300,001–\$350,000	-	1
\$80,001–\$100,000	-	1

Former employees include remuneration arising from termination of employment.



Remuneration includes:

- salary payable;
- employer contribution to employee's superannuation;
- value of the use of any motor vehicle provided; and
- the value of any other allowance or benefits paid or payable to, or provided for the benefit of the employee.

#### 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:

- the Audit and Risk Committee;
- the City of Glenorchy Australia Day Award Nominations Committee;
- the Code of Conduct Committee;
- Community Precincts;
- the Cultural Diversity Advisory Committee;
- the General Manager Performance Review Committee;
- the Glenorchy Arts and Culture Advisory Committee;
- the Glenorchy City Council Access Committee;
- the Glenorchy Emergency Management Committee;
- Glenorchy Planning Authority;
- the Glenorchy Tourism Taskforce;
- the Glenorchy Tracks, Trails and Cycleways Committee;
- the Safer Communities Committee;
- the Sport and Recreation Advisory Committee; and
- the 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 are 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 2012/2013 were as follows:

	<b>Income</b>	<b>Expenditure</b>	<b>Net result</b>	<b>Cash at bank</b>
	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>30 June</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>2013</b>
				<b>\$'000</b>
Glenorchy Brass Band	18	10	8	11

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

**45 Defined benefit superannuation plans**

The 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 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, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2013 Council contributed 9.5% 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.

Bendzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2011. The review disclosed that at that time the net market value of assets available for funding member benefits was \$57,588,247, the value of vested benefits was \$52,794,839, the surplus was \$4,793,408, and the value of total accrued benefits was \$57,330,437. These amounts relate to all members of the Fund at the date of valuation and no asset or liability has been 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	0% pa for 2011/12 and 7% pa thereafter
Salary inflation	4.0% pa
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 2011.
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 2011.
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 2014.

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2012/13, 10.5% of salaries in 2013/14, and 11% of salaries in 2014/15.

The Actuary will continue to undertake a brief review of the Fund financial position 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 2014 and is expected to be completed late in 2014 or early in 2015.

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.

During the reporting period the amount of contributions paid to defined benefits schemes was \$207,066 (2012: \$204,393), and the amount paid to accumulation schemes was \$1,912,952 (2012: \$1,988,255).

**46 Grants, donations and bursaries**

<b>Details</b>	<b>\$</b>
Claremont College Bursaries – Cash	1,604
Glenorchy City Concert Brass Band Donation – Cash	7,500
The Lions Club of Glenorchy – Cash	5,000
Various minor contributions to community organisations – Cash	5,025
	<u>19,129</u>
 <b>In-kind contributions</b>	
Anglicare – Rental subsidy	15,700
Chigwell Community Garden – In-kind	2,100
Civic Centre – Rental subsidy	9,984
Collinsvale Community Association – Bismark Park – Rental subsidy	2,000
Content Management System for Regional Planning Schemes – In-kind	13,936
Cosmos – Rental subsidy	10,500
Cycling South – Rental subsidy	600
Gerard Street Reserve (Arrogone Archers Inc) – Rental subsidy	3,700
Glenorchy City Concert Brass Band – In-kind	3,600
Glenorchy Football Club Grandstand – Rental subsidy	10,000
Glenorchy Historical Society – In-kind	1,300
Ground hire discount to encourage junior sports – Licence subsidy	6,400
King George V – Synthetic Field	39,000
Model Makers & Collectors – Rental subsidy	2,100
Tasmanian Transport Museum – Bus Display Shed	15,000
Tasmanian Transport Museum – Rental subsidy	5,000
Waiving of Landfill fees for various community organisations	8,189
Waiving of Planning fees for various community organisations	2,689
Waiving of Tolosa Park hut fees for various community organisations	355
West Moonah Community Garden – In-kind	2,100
	<u>154,253</u>

**47 Significant business activities**

Council has determined that there are no significant business activities that require disclosure.

**48 Functions/activities of the Council**

Income, expenses and assets have been attributed to the following functions/activities. Details of functions/activities are set out on the following page.

		Income \$'000	Expenses \$'000	Assets \$'000
Legislative, financial, executive and fiscal	<b>2012/13</b>	<b>43,515</b>	<b>18,926</b>	<b>242,585</b>
	2011/12	36,847	14,869	253,143
Public order, fire and safety	<b>2012/13</b>	<b>615</b>	<b>993</b>	<b>150</b>
	2011/12	4,449	4,511	143
Community and public health	<b>2012/13</b>	<b>197</b>	<b>623</b>	<b>110</b>
	2011/12	249	780	110
Welfare	<b>2012/13</b>	<b>4,985</b>	<b>3,951</b>	<b>312</b>
	2011/12	8,348	3,846	661
Nursing homes/aged care	<b>2012/13</b>	<b>422</b>	<b>488</b>	<b>110</b>
	2011/12	404	382	110
Housing	<b>2012/13</b>	<b>-</b>	<b>316</b>	<b>110</b>
	2011/12	2	298	110
Community amenities	<b>2012/13</b>	<b>-</b>	<b>-</b>	<b>110</b>
	2011/12	-	-	110
Household garbage/protection of the environment	<b>2012/13</b>	<b>5,341</b>	<b>3,643</b>	<b>-</b>
	2011/12	5,182	3,412	-
Other protection of the environment/biodiversity	<b>2012/13</b>	<b>1,588</b>	<b>4,756</b>	<b>165,502</b>
	2011/12	2,291	4,603	159,875
Community and regional development	<b>2012/13</b>	<b>706</b>	<b>2,020</b>	<b>110</b>
	2011/12	516	1,598	110
Recreation facilities and services	<b>2012/13</b>	<b>1,261</b>	<b>8,158</b>	<b>116,772</b>
	2011/12	4,690	7,740	105,955
Cultural facilities and services	<b>2012/13</b>	<b>527</b>	<b>991</b>	<b>110</b>
	2011/12	4,810	831	110
Road, bridge and street infrastructure	<b>2012/13</b>	<b>4,605</b>	<b>13,395</b>	<b>213,973</b>
	2011/12	9,460	12,875	218,455
Road, plant, parking and other road transport	<b>2012/13</b>	<b>-</b>	<b>-</b>	<b>351</b>
	2011/12	703	485	695
Other economic affairs	<b>2012/13</b>	<b>12</b>	<b>8</b>	<b>110</b>
	2011/12	10	145	110
Other purpose	<b>2012/13</b>	<b>187</b>	<b>165</b>	<b>-</b>
	2011/12	2,027	255	-
<b>Total</b>	<b>2012/13</b>	<b>63,961</b>	<b>58,433</b>	<b>740,415</b>
	2011/12	79,988	56,630	739,697

**(b) Reconciliation of Assets from Note 48 with the Statement of Financial Position at 30 June:**

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Current assets	48,263	58,116
Non-current assets	692,152	681,581
	<u>740,415</u>	<u>739,697</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 Events occurring after balance date****(a) New Water Corporation**

From 1 July 2013 a new statewide water and sewerage corporation trading as TasWater, commenced in accordance with the *Water and Sewerage Corporation Act 2012*. TasWater will take over the water and sewerage services and assets currently operated by Ben Lomond Water, Cradle Mountain Water and Southern Water. It will also manage the billing, IT and payroll functions currently managed by the industry's service firm, Onstream.

Council holds an equal representation with all other councils. No change is expected to current investment treatment, with Council receiving a proportional share in the new corporation. Council will continue to derive returns in the form of dividends, guarantee fees and tax equivalents. Any changes to Council's investment in TasWater is unquantifiable at the date of signing and will be treated as a non-adjusting event and accounted for in the next financial year.





## Independent Auditor's Report

### To the Aldermen of Glenorchy City Council

#### Financial Report for the Year Ended 30 June 2013

#### Report on the Financial Report

I have audited the accompanying financial report of Glenorchy City Council (Council), which comprises the statement of financial position as at 30 June 2013 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 2013 and financial performance, cash flows and changes in equity for the year then ended; and
- (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 the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to

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fraud or error. In making those risk assessments, the auditor considers 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 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, and
- 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  
2 September 2013

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