

# Annual Report 2018/19



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Part 1

# About Council

## SNAPSHOT OF WARATAH-WYNYARD

Sitting near the edge of the world, the municipal area of Waratah-Wynyard is a patchwork of exquisite experiences. Born from unique geological formations, sculpted by the elements and decorated with mesmerising natural beauty, the area offers physically striking diversity. Likewise, the seven communities of Waratah-Wynyard are each historically, geographically and culturally unique.

From the idyllic beach communities to the historic mining towns, all have their own story, quirky idiosyncrasies and individual community spirit. With established amenities, transport, sporting and creative recreational opportunities on our doorsteps, we're a well-connected, creative and innovative municipal area.

Life here has something for everyone and is a place of opportunity and optimism with endless possibilities for businesses, locals and visitors to craft their own unique story and be their true selves.

### In the beginning....

Members of the Tommeginer aboriginal tribe lived on the Fossil Bluff coastline until early 1841. These people did not move far inland as the area was heavily timbered, so their diet consisted mainly of seafood. The rock fish traps they used remain evident on the Fossil Bluff tidal foreshore today.

In 1798 George Bass and Matthew Flinders sailed their sloop "Norfolk" through Bass Strait, to discover that Van Diemen's Land (later Tasmania) was not connected to New Holland (later Australia) and on this voyage they named the large promontory (170 metres) Table Cape, which has now become the local landmark.

The Cape had huge stringy-bark eucalyptus gum trees with base girths of up to 12 metres which have since been stripped and the beautiful red loam uncovered has been most suitable for the growing of potatoes, peas, onions and corn and the raising of sheep and cattle and more recently the cultivation of poppies, pyrethrum and tulips.

Henry Heller surveyed the area in 1927 and named the Inglis River after a Van Diemen's Land Company Director, John Inglis. This company was then a large landholder in the north-west corner of Tasmania.

In 1853 the first of several timber mills was constructed and trade with Victorian ports became buoyant during the Victorian gold rush and the area provided much needed timber and produce, exported from Wynyard on the Inglis River and Port Maldon on the Cam River.

In 1871 James "Philosopher" Smith discovered the Mount Bischoff ore body, some 50 kilometres south of Wynyard, where, by 1877, the mining town of Waratah had become established and it prospered from the riches of the largest tin mine in the southern hemisphere until the mine's closure in 1947.

In 1993, the municipalities of Waratah and Wynyard were merged into the Waratah-Wynyard Council municipal area covering 3,532 square kilometres.



Table Cape



Fossil Bluff

## MISSION VISION VALUES

The Mission, Vision and Values statements describe the principles Council seeks to uphold in the course of pursuing best possible outcomes for the Waratah-Wynyard community. Council's Mission, Vision and Values are embedded throughout the Plan to ensure a high level of strategic alignment.



## A WORD FROM THE MAYOR AND GENERAL MANAGER

It is our pleasure to present the Annual Report to the community to summarise the performance of the Waratah-Wynyard Council over the past year.

As with the cyclical nature of Local Government, the elections in October saw a change of elected members for Council. We welcomed first time Councillors Allie House, Celisa Edwards and Andrea Courtney and look forward to their enthusiasm and contribution for the length of their term and beyond. We bid farewell to former Councillors Maureen Bradley and Alwyn Friedersdorff, acknowledge their efforts to Council over a number of years and wish them well for their future endeavours. The role of Councillor, whilst rewarding, can be challenging at times and we thank all of our elected members for their ongoing contribution to the community throughout the year. We also acknowledge the unsuccessful election candidates and thank them for their interest in undertaking this pursuit.

Council's financial performance for 2018/19 was strong, with an underlying surplus of \$0.576m achieved, compared to a budgeted position of \$0.084m. This result is particularly pleasing given that Council has incurred a reduction of approximately \$0.322m in distributions from TasWater and maintained a rates increase below the Local Government Cost Index. Cash at the end of the financial year totalled \$12.400m and the total net worth of Council was \$220.586m - up \$11.347m on the previous year due largely to asset revaluations and equity adjustments to TasWater.

It is known that Council has a comprehensive suite of strategic and operational plans and the execution of these plans is the focus for the coming years. In renewing assets and progressing these plans, Council spent \$4.616m on capital works throughout the year and most importantly secured external funding to allow for delivery of key projects in coming years. Funding was secured for the Wynyard Waterfront Project (\$3.200m), Anzac Park playground (\$1.300m) and Wynyard Recreation Ground changerooms (\$0.350m) just to name a few. The planning and construction of these projects is underway and will progress into the 2019/20 financial year.

To add to the impressive suite of Council plans, Council adopted a new Age-Friendly Community Plan 2019-2024; a new Youth Plan 2019-2024 and a new Community Health and Well-Being Plan 2019-2024 which will guide Council's community development focus over the next five years. Council also approved the Central Area Development Strategy – a comprehensive masterplan and design framework to guide sustainable development and public and private investment in the Wynyard and Somerset central areas.

Other highlights of the year included:

- ▶ The Wonders of Wynyard won Best Visitor Information Centre at the Tasmanian Tourism Awards, the third consecutive year it has achieved this feat securing entry into the Tasmanian Tourism Hall of Fame.
- ▶ A new car park was opened in Goldie Street adding more than 100 car parking spaces to the area, including bus areas and additional accessible parking bays.
- ▶ A Memorandum of Understanding was signed with neighbouring Councils and the Cradle Coast Authority to progress actions from the Sustainable Murchison 2040 Community Plan in conjunction with progression of the Regional Futures Plan.
- ▶ Accor Hotels and the television program Sunrise ran a Wintervention resulting in over 60 residents of Waratah being given a trip to Queensland.
- ▶ The Governor of Tasmania, Her Excellency Professor Kate Warner completed a tour of the municipality, including manufacturing and tourism sites.

Council staff continue to provide committed and dedicated service to the organisation and we thank them all for their support and contributions. We also thank all of Councils partners, volunteers and community members who play a part in the growth of our area. We look forward to our continued progress in 2019/20 in progressing and completing tasks in line with our broad strategic vision.



*Robby Walsh*

Robby Walsh  
**MAYOR**



*Shane Crawford*

Shane Crawford  
**GENERAL MANAGER**

## MAYOR AND COUNCILLORS



**Robby Walsh**  
**Mayor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Australia Day Committee
  - ▶ Bush Watch Western District Committee
  - ▶ Cradle Coast Authority
  - ▶ Local Government Association of Tasmania
  - ▶ TasWater Owner Representative
  - ▶ Ex-officio-all working groups



**Mary Duniam (PhD)**  
**Deputy Mayor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Australia Day Committee
  - ▶ Cradle Coast Authority (Proxy)
  - ▶ Local Government Association of Tasmania (Proxy)
  - ▶ TasWater Owner Representative (Proxy)
  - ▶ Cam River Reserve Working Group
  - ▶ Somerset Sporting Precinct Plans



**Gary Bramich**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Wynyard Showgrounds Working Group



**Andrea Courtney**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Australia Day committee
  - ▶ Environmental Plan Working Group
  - ▶ Boat Harbour Beach Masterplan Working Group



**Celisa Edwards**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Sisters Beach Working Group
  - ▶ WW Emergency Management Committee and SES Local Unit Liaison
  - ▶ Wynyard Showgrounds Working Group



**Darren Fairbrother**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Boat Harbour Beach Masterplan Working Group
  - ▶ Environmental Plan Working Group
  - ▶ SES Local Unit Liaison (Proxy)
  - ▶ Sisters Beach Working Group
  - ▶ WW Emergency Management Committee



**Allie House**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Australia Day committee
  - ▶ Boat Harbour Beach Masterplan Working Group
  - ▶ Cam River Reserve Working Group
  - ▶ Environmental Plan Working Group



**Kevin Hyland**  
**Councillor**  
**Term 2018-2022**

- Council Delegate:
- ▶ Somerset Sporting Precinct Plans
  - ▶ Waratah Community Board



**Maureen Bradley**  
**Councillor**  
**Term ended 2018**



**Alwyn Friedersdorff**  
**Councillor**  
**Retired 2018**

## COUNCILLORS ATTENDANCE, MEETINGS & ALLOWANCES

Ordinary Council Meetings are held on a monthly basis whilst Councillor Workshops are generally held on a weekly basis throughout the year.

The following table details the attendances of the Mayor, Deputy Mayor and Councillors at meetings and workshops in 2018/19:

	Ordinary Meetings # attended / # eligible to attend	Special Meetings # attended / # eligible to attend	Workshops # attended / # eligible to attend
Mayor Robert Walsh	11/12	1/1	24/31
Deputy Mayor Mary Duniam	10/12	1/1	26/31
Cr Maureen Bradley (finished 30/10/18)	4/4	0/2	9/9
Cr Gary Bramich	11/12	1/1	29/31
Cr Andrea Courtney (commenced 6/11/18)	5/8	0/1	14/22
Cr Celisa Edwards (commenced 6/11/18)	7/8	1/1	21/22
Cr Darren Fairbrother	12/12	1/1	31/31
Cr Alwyn Friedersdorff (retired 30/10/18)	4/4	0/0	5/9
Cr Allie House (commenced 6/11/18)	7/8	1/1	22/22
Cr Kevin Hyland	11/12	1/1	13/31

In accordance with section 72 (1)(cb) of the Local Government Act 1993, the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors were:

2019	Allowances \$	Vehicles <sup>1</sup> \$	Total Compensation \$	Expenses \$	Total \$
Mayor	53,566	9,654	63,220		63,220
Deputy Mayor	30,286		30,286	584	30,870
Councillors	90,856		90,856	1,524	92,381
Total	174,708	9,654	184,362	2,108	186,470

<sup>1</sup>Vehicle expenses - Mayor is provided with a vehicle, for predominately Council business. Councillors' travel expenses are reimbursed on a monthly basis, accordingly to the prevailing Australian Taxation Office specified rate.

## EXECUTIVE MANAGEMENT TEAM



**Shane Crawford**  
General Manager

**Departmental Portfolio**

- ▶ Civic & Ceremonial
- ▶ Elected Members
- ▶ Executive Management
- ▶ Human Resource Management



**Tracey Bradley**  
Director  
Community & Engagement

**Departmental Portfolio**

- ▶ Children's Services
- ▶ Communications
- ▶ Community Activation
- ▶ Customer Service groups
- ▶ Emergency Management
- ▶ Risk and Insurance
- ▶ Tourism & Marketing
- ▶ Workplace Health and Safety



**Daniel Summers**  
Director  
Infrastructure &  
Development Services

**Departmental Portfolio**

- ▶ Asset Planning
- ▶ Buildings and Compliance
- ▶ Building and Plumbing Permit Authority
- ▶ Capital Projects
- ▶ Civil Works
- ▶ Cleaning
- ▶ Environmental Health
- ▶ Infrastructure Operations
- ▶ Land Use Planning
- ▶ Natural Resource Management
- ▶ Parks and Recreation
- ▶ Plant and Vehicles
- ▶ Regulations



**Claire Smith**  
Director  
Organisational Performance  
6/11/2018-26/6/2019

**Departmental Portfolio**

- ▶ Economic Development
- ▶ GIS
- ▶ Governance
- ▶ Information Management
- ▶ Information Technology
- ▶ Strategic Financial Management
- ▶ Strategic Projects
- ▶ Strategic Services

## ENTERPRISE POWERS AND ANNUAL REPORT

The positions comprising Council's Executive Management Team and their incumbents at 30 June 2019 are as follows:

Position	Name
General Manager	Shane Crawford
Director Organisational Performance	Claire Smith (6/11/18 – 26/6/19)
Director Infrastructure & Development Services	Daniel Summers (employed by Circular Head Council and Resource Shared 0.5/0.5)
Director Community & Engagement	Tracey Bradley (Resource Shared to Circular Head Council 0.8/0.2)

In accordance with Sections 72 (1)(cd), 72(4) and 72(5) of the Local Government Act 1993 Council is to include within its Annual Report a statement detailing total annual remuneration paid to Council employees who hold positions designated as being senior positions. Total Annual remuneration includes the salary paid, contributions to superannuation, value of the use of any motor vehicle and any other allowances or benefits paid. This information is included in the attached financial statements.

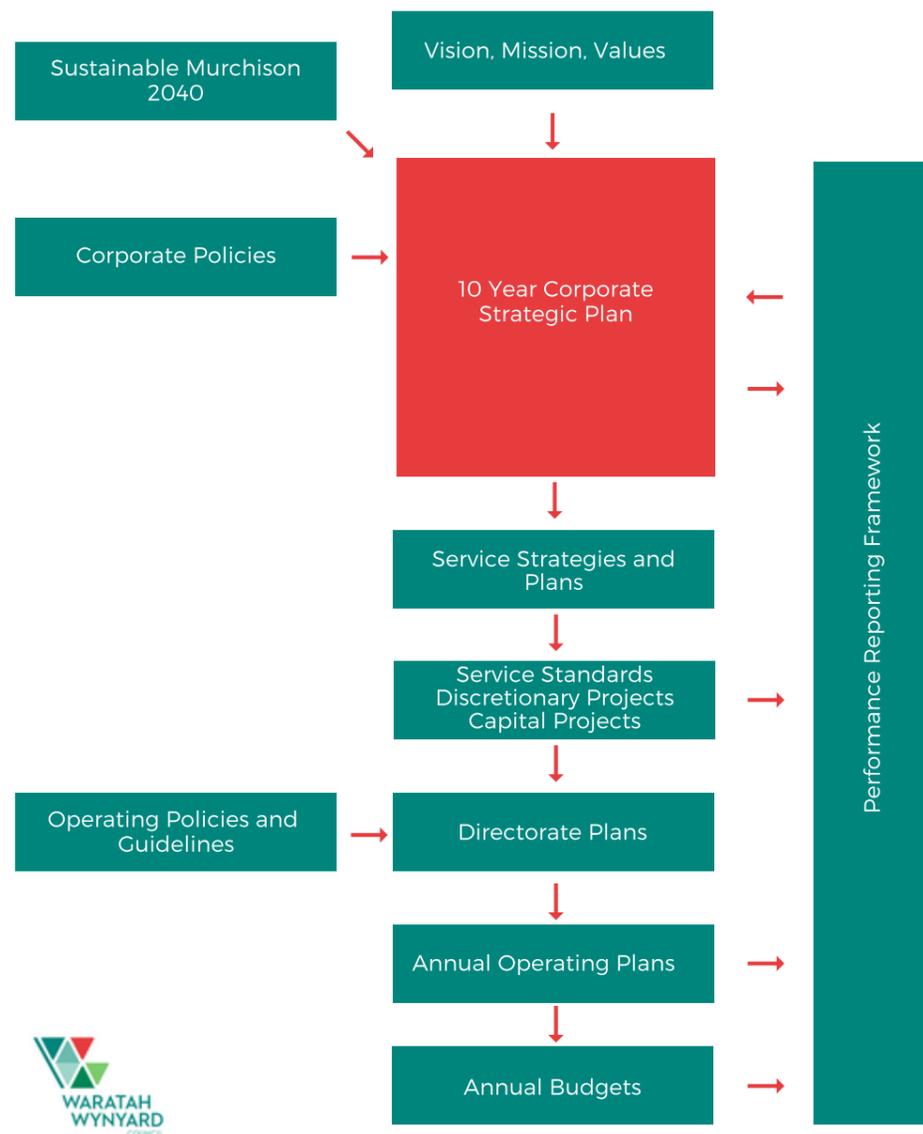


Part 2  
Reporting

## COUNCIL'S STRATEGIC PLANNING FRAMEWORK

Waratah-Wynyard Council's 10 Year Corporate Strategic Plan is a shared vision that will inform Council's actions over the next ten years. It gives Council a strong foundation from which to create and deliver more detailed service and management strategies, and to engage with the community and other stakeholders in identifying future priorities.

The Corporate Strategic Plan is not a static document. It will be periodically reviewed in accordance with Council's Performance Reporting Framework and in the context of emerging drivers of change in order to ensure Council continues to deliver best outcomes to its community.



## In 2018-19, Waratah-Wynyard Council services included:

<p><b>Infrastructure</b> \$4.6m spent on commencement of major projects, including new Boardwalk and Seawall and Wharf upgrades.</p>	<p><b>Sporting Facilities</b> Wynyard BMX track upgrades commenced, LED lighting installed at Somerset Indoor Rec. Centre.</p>	<p><b>Education</b> Warawyn Early Learning Centre Reconciliation Action Plan nominated for Reconciliation Australia 2019 Awards for ongoing commitment to reconciliation within schools and early learning sector.</p>
<p><b>Community Services</b> Almost \$50,000 to local organisations through Community Activation Grants and other funding programs.</p>	<p><b>Roads</b> \$781,500 spent on re-sheeting resealing of council roads.</p>	<p><b>Parks and Gardens</b> Stage two of Camp Creek Remediation completed.</p>
<p><b>Planning and Building</b> 197 new planning applications approved, 51 building permits granted for projects with a total value of \$13 million.</p>	<p><b>Tourism</b> Over 20,000 attendees at the annual Tulip Festival. The largest festival in the north-west and one of the largest in the north.</p>	<p><b>Environmental Health</b> More than 90 food businesses registered and 48 Temporary Food Premises Permits issued.</p>
<p><b>Customer Service</b> Increased focus on delivering outstanding customer service.</p>	<p><b>Waste</b> Draft Waste and Resource Recovery Strategy 2019-2024 developed. (Adopted July 2019)</p>	<p><b>Animals</b> 2033 dogs registered in 2018/19 78 dogs impounded 22 dog-related infringements</p>

## STRATEGIC GOAL 1

### LEADERSHIP & GOVERNANCE

Waratah-Wynyard Council will deliver an openly transparent, inclusive, community-focused governing body.

We will pride ourselves on a strong sense of belonging and fairness based on trust, honesty and approachability.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	x

Action	Comment	Progress
Support the delivery of the Waratah Community Board.	Administrative support is being provided to the Waratah Community Board by the Community Development Officer. Board members have received a payment for the year in recognition of expenses incurred in attending Board meetings and business.	✓
Develop and adopt Communication and Engagement Strategy.	Strategy was adopted at the June meeting.	✓
Conduct bi-annual Community Survey.	Survey completed, and results provided to Council.	✓
Undertake a Modern Equivalent Roads Renewal Review.	A review of asset useful lives was undertaken for sealed roads throughout the reporting period. The modern equivalent roads renewal was well underway as at 30 June and is on track for completion in the first half of 2019/20 year.	→
Review operational service levels for visitor services.	Budget complete. Operating hours reviewed. Business Plan for 2019/20 almost complete.	✓
Develop a sponsorship program for key events.	A review of the current sponsorship package has been undertaken with a view of further refinement.	✓
Review arrangement structure for SES support.	MOU with SES completed. Annual Budget allocation developed as part of the MOU. Emergency management coordination now a shared service with Circular Head Council.	✓
Continue rolling program to install cost effective LED Lighting to community facilities.	Wonders of Wynyard reception area, exhibition rooms, car hall and the Somerset Basketball Centre have been completed.	✓
Conduct internal review of the management of public halls.	Information regarding the municipal halls has been gathered and is being analysed.	→
Develop projects and governance framework for the Sustainable Murchison 2040 Plan priority projects.	A General Managers' Committee has been formed with prioritisation of projects underway for both the Sustainable Murchison 2040 Plan and the CCA Futures Plan.	→
OSSR – Develop, adopt and implement Freedom Camping Strategy and practices.	The freedom camping strategy has been adopted by Council.	✓
Review, promote and set up monitoring program for customer service charter and standards.	Customer Service Charter is being monitored. The Conquest program is being reviewed for efficiencies through an internal stakeholder group.	✓
Review and update Council Policies as per agreed schedule.	Council currently has 66 policies. During 2018/19 six policies were rescinded. At the 30 June 2019, 33 policies were under review and 33 are now current. There are a number of new policies in the development stage.	✓
Complete feasibility study for HR system to record training and qualifications to identify skills gaps.	This project has not yet commenced.	x
Complete comprehensive induction process for all Councillors following the Local Government election.	Two-day induction program completed and professional development workshops ongoing.	✓
Review and revise Council Agenda content and implement agenda compilation software.	May agenda completed using new software. Training completed.	✓
Complete Leadership Development program.	Program complete.	✓

## HIGHLIGHTS AND ACHIEVEMENTS FOR YEAR

### Audit Panel

Council established an Audit Panel in 2015 in accordance with Section 85 (1) of the Local Government Act 1993, the Local Government (Audit Panels) Order 2014 and Local Government Audit Panels – A Practice Guide (Revised March 2018).

The Audit Panel acts as an advisory committee to a council, and its broad functions are to:

- ▶ rigorously review and assess Council performance, and
- ▶ make recommendations to Council on strategic and operational matters that may require attention.

### Membership

A quorum was available for each of the four meetings held in 2018/19. Paul Arnold resigned as Chair in August 2018 and was replaced by John Howard. Samantha Searle was appointed to the Panel in September 2018. Mayor Robby Walsh attended each meeting as an observer.

Member/Role	Term of Office	Meeting Eligibility
Paul Arnold (Chair)	Sept 2015 - Aug 2018	1/1
Lisa Dixon (Independent)	Sept 2015 - Aug 2020	4/4
John Howard (Independent/Chair)	Sept 2015 - Aug 2022	4/4
Samantha Searle (Independent)	Sept 2018 - Aug 2021	3/3

There were four meetings held during 2018/19. Work undertaken included review of:

- ▶ financial management reports
- ▶ progress on Single Touch Payroll implementation
- ▶ progress on long-term financial plan update.
- ▶ general manager's risk certificate
- ▶ Annual Report and Audited Financial Statements
- ▶ Tasmanian Audit Office audit findings recommendations with Audit Office representatives
- ▶ internal controls
- ▶ policies and procedures listing and review schedule
- ▶ risk management framework, strategic and operational risk registers

- ▶ business continuity/sustainability plan
- ▶ Audit Panel Charter
- ▶ Audit Panel performance.
- ▶ Terms of Reference for the Joint Consultative Committee
- ▶ Strategic Plan key focus areas, outcomes and strategies performance
- ▶ Local Government Act 1993 compliance assessment

John Howard  
Chair - Waratah Wynyard Council Audit Panel

### Waratah Community Board

The Board met several times in its first year of operation and discussed issues of concern to the Waratah community. Priorities included the Waterfall Walk, Community Facilitator and Community Social Services and Heritage Railway Bridge restoration. All minutes of the Waratah Community Board were noted by Council.

### Significant Business Activities

In accordance with Section 84(2)(da) of the *Local Government Act 1993*:

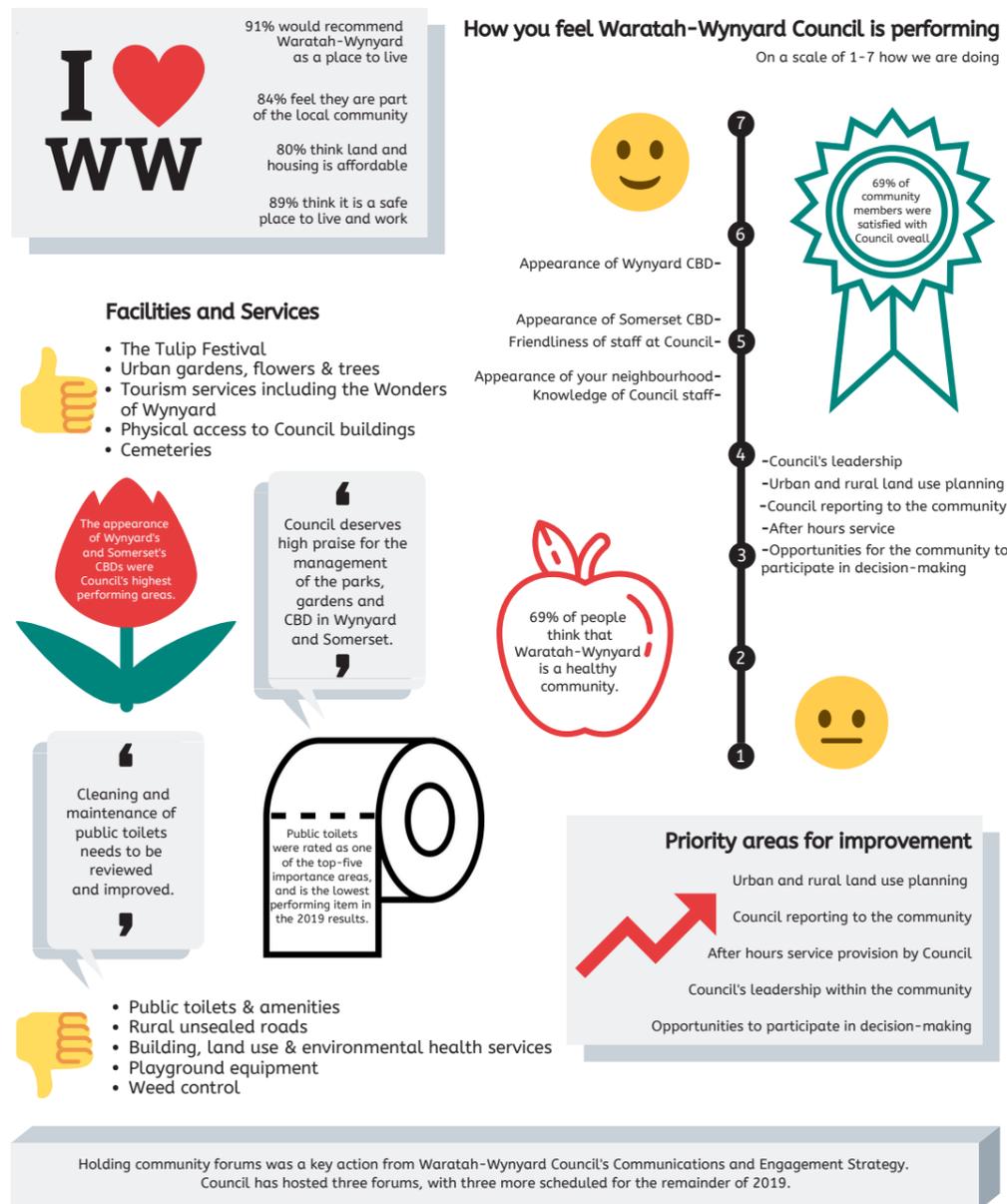
Outcome of any public benefit assessments undertaken.	Nil
SBA'S as identified by the entity or determined by the Regulator following a competitive neutrality complaint.	Nil
Any complaints received and the outcome of the investigation of those complaints.	Nil

## Community Satisfaction Survey 2019

At Waratah-Wynyard Council communication is at the core of everything we do. By engaging with our community to understand the needs and local issues we will improve our service delivery and help inform, empower and connect our community.

One initiative that Council undertakes is a bi-annual community survey. The survey measures the community's perception and satisfaction with Council services and allows us to understand how we can best serve the community. It helps us to understand where improvements are needed and where there are gaps between the community's expectations and service delivery.

The recently completed survey highlighted some key points for Council to consider. The following is a snapshot of some of the results.



## Contracts

In accordance with Section 72 (1)(e) of the *Local Government Act 1993* the following contracts over \$100,000 were awarded:

Contract	Contract Holder	Contract Acceptance Date	Contract Start Date	Contract Expiry Date	Contract Value
730 – Wynyard Waterfront Boardwalk and Seawall	Fairbrother Pty Ltd	3/5/19	20/5/19	28/10/19	\$1,807,314
728 – Wynyard Wharf Access Augmentation and Pedestrian Fence Replacement	Civilscape Contracting Tasmania	18/02/19	25/02/19	17/05/19	\$303,857
726 – Provision of Bitumen Surfacing Services 2018-2019	Harding's Hotmix Pty Ltd	18/09/18	15/01/19	29/03/19	\$302,003
731 – Provision of Cleaning/Collection Services	Kellys Waste Management	1/2/19	1/4/19	31/03/24	\$198,893
732 – Provision of Bitumen Surfacing Services 2019-2020	Roadways Pty Ltd	17/6/19	27/9/19	28/2/20	\$212,185

## Enterprise Powers & Annual Report

In accordance with Section 21 and Section 72(1)(a) of the *Local Government Act 1993* the Council has not resolved to exercise any powers or undertake any activities in accordance with Section 21 (Enterprise Powers) of the *Local Government Act 1993*.

## Model Code of Conduct

There were no Code of Conduct complaints made against Mayor and Councillors during the 2018/19 Financial Year.

## Ombudsman's Investigations

There were two formal complaints investigated by Ombudsman's Office in the 2018/19 financial year and both preliminary investigations concluded that there had been no defective administration on the behalf of Council and no further action was required.

## Sale and Disposal of Land

In accordance with Section 177 of the *Local Government Act 1993* Council sold 3 blocks of residential land as follows:

- ▶ 48 Hales Street, Wynyard
- ▶ 45 Serrata Crescent, Sisters Beach
- ▶ 10 Serrata Crescent, Sisters Beach.

## Complaints

In accordance with Section 339F(5) of the *Local Government Act 1993*, there were 29 complaints formally recorded during this reporting period.

Council recognise that a complaint is an opportunity to review current processes and identify opportunities for improvement. With this opportunity in mind Council is in the process of reviewing and updating our Customer Service Charter. Council has recently deployed additional resources to the customer service area and has made a number of internal process changes to improve software, reporting and recording systems to respond to enquiries with a high level of agility.

Council receive a large volume of contact from the public every day. On average each day the Customer Service Team receive 158 phone calls per day. Of all of these contact points, only a small percentage cannot be triaged and resolved to satisfaction by the Customer Service Team at the first point of contact.

## Resource Sharing

Circular Head and Waratah-Wynyard Councils initiated Resource Sharing in 2008. In May 2018 the formal Resource Sharing Agreement was extended for a further five year period. The Resource Sharing arrangement helps both Councils to:

- ▶ Secure future viability for their communities;
- ▶ Deliver better and relevant services;
- ▶ Retain their own unique identity;
- ▶ Maintain final decision making with each Council;
- ▶ Be proactive and choose mutually beneficial alliance;
- ▶ Make long term cost savings;
- ▶ Spend savings on more projects and resources;
- ▶ Develop economies of scale ; and
- ▶ Attract skilled staff.

As at 30 June 2019 there were 17 positions shared to varying degrees across the two Councils. Both Councils continue to pursue joint strategic tasks and projects. The scope of resource sharing activities include:

- ▶ Sharing staff;
- ▶ Integrated strategic and operational planning;
- ▶ Joint procurement and shared contract management;
- ▶ Sharing of plant and equipment; and
- ▶ Consistent policy and procedures.

Resource shared positions are shown in the following table:

Directorate	Position Resource Shared
General Manager's Office	HR Coordinator
Infrastructure & Development Services	Director Infrastructure & Development Services
	Manager Engineering & Projects
	Manager Asset & Services
	Asset Service Levels Developer
	Manager Development & Regulatory Services
Community & Engagement	Graduate Civil Engineer
	Future Projects and Delivery Coordinator
	Engineering Projects Co-ordinator
	NRM Officer
Organisational Performance	Plumbing Compliance Officer
	Director Corporate & Community Services
	Manager Community Activation
	Health and Safety Officer
	Communications Officer
	GIS Coordinator
	IT Coordinator

## Public Interest Disclosures

The *Public Interest Disclosures Act 2002* provides a mechanism to manage and regulate disclosures made to and against a public body in the public interest. It also protects those who make bona fide disclosures.

In compliance with Section 86(a) of the Act, Council has developed a policy and procedures to deal with such disclosures.

Pursuant to the requirements of Section 86 of the *Public Interest Disclosures Act 2002*, Council provides the following information relating to actions taken under the Act during the 2018/19 financial year:

Section of PID Act	Disclosure Requirement	Reportable matters in 2018/19
86(b)	Number and types of disclosures made to the public body during the year and the number of those disclosures that the public body determines to be public interest disclosures.	Nil
86(c)	Number of disclosures determined by the public body to be public interest disclosures that it investigated during the year.	Nil
86(d)	Number and types of disclosed matters referred to the public body during the year by the Ombudsman.	Nil
86(e)	Number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate.	Nil
86(f)	Number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year.	Nil
86(g)	Number and types of disclosed matters that the public body has decided not to investigate during the year.	Nil
86(h)	Number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation.	Nil
86(i)	Any recommendations of the Ombudsman under this Act that relate to the public body.	Nil

## Emergency Services

The Minister for Police Fire and Emergency Management has appointed Julie Bernhagen and Josh Fraser as Council's Emergency Management Coordinator and Deputy Coordinator.

Waratah-Wynyard Council is a member of the Western Emergency Management Committee (WEMC), with Burnie and Circular Head Councils.

Cr Celisa Edwards represents Council on the Committee.

The committee has completed a two-yearly review of the Western Emergency Management Plan.

The Committee carried out a desktop exercise based on a three-day power outage scenario and are working to mitigate the risks. This included working with local organisations to broaden their awareness of the implications of a power outage event.

The committee has developed an Emergency Risk Register using the Tasmanian Emergency Risk Assessment Guidelines.

Councillors were provided with an overview of emergency management and council's role and emergencies at a council workshop.

## Capital Works

LEGEND		
Budgeted Projects Completed		☑
Budgeted Projects still in Progress at 30 June 2019		▶
Budgeted Projects Deferred		
Budgeted Projects not Commenced		☒
Wynyard State Emergency Services - Headquarters Building Refurbishment	\$4,500	☑
Wynyard State Emergency Service Response Kit	\$6,100	☑
Somerset Basketball Centre - LED Lighting	\$30,000	☑



## STRATEGIC GOAL 2

### ORGANISATIONAL SUPPORT

Waratah-Wynyard Council will provide relevant information, training and development to our people in a timely manner, supporting great leadership to deliver services to the community.

# ANNUAL PLAN ACTIONS

## LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	x

Action	Comment	Progress
Complete Workforce Development Plan: • Skills audit to be completed; and • Skills gap analysis completed.	To be progressed following development of HR Strategy.	
Complete projects and Implement strategies identified during staff Strategic Cultural Planning Workshop (World Café): 1. Improved Communication 2. Team alignment, cohesion and role clarity 3. Improved Interpersonal Skills 4. Induction and Training; and 5. Cross-functional cohesion 6. Feedback and recognition.	A HR Strategy is under development. All actions recommended by the World Café working groups have been incorporated into this document.	→
Update the financial module of the enterprise software solution.	Will be updating to Version 7 in the new financial year, part of which will include Hierarchy Manager which will enable more workflows. Go Live date is scheduled for November 2019.	→
Complete the digitisation of records and implementation of the ECM document management system.	ECM now live on premise and good progress is being made on the Cloud transition. ECM is now being used widely within the organisation and ad-hoc in-house training is being provided as necessary. Work on Council document management policies and procedures is progressing.	→
Review all planning templates. Full review of Planning administration processes and development of an internal planning permit checklist.	Action complete, with last change made to the Development Application Form to include 2019/20 fees.	✓
Review of all Food Health templates.	All health templates are now updated and current with legislation and Council's style guide.	✓
Implement system adjustments to reflect Building Act changes and streamline building administration procedures and manuals.	Changes have been made to ensure that procedures and manuals comply with statutory changes. The review of documentation will be ongoing and undertaken on a needs basis.	✓
Participate in IT Consortium Project in accordance with adopted MOU.	Progress continues. Regular updates provided to elected members. Initial projects to commence early next financial year.	→
Implement an online employee induction system.	Draft online employee induction prepared.	→
Refine arrangements for Resource Shared employees, including development of individual MOU's.	Facilitated meeting with all resource shared employees to gain feedback. Draft MOU developed. Working through staff to place all on MOU's in order to better define and clarify the resource sharing arrangements. Risk Management function has been set up as a shared service arrangement with appropriate documentation in place. Next internal pulse survey is likely to be focused on this area.	→
Progress actions from the IT Review.	New server purchased, allowing for better data backup, hardware redundancy of Councils mission critical data. Discussions progressing as to how to better utilise existing skill sets across councils to collaborate on major IT projects (eg CCTV rollout). Preliminary discussions being had around the IT resourcing shortfall.	✓

Action	Comment	Progress
Investigate online training solutions for staff.	Not yet progressed.	
Embed LEAN practices into project management and operational procedures.	Project Management approach with LEAN practices applied to the East Wynyard Foreshore playground projects. Learnings to be shared following completion of the project.	✓
Finalise implementation of a common email platform with CHC.	The recent roll-out of Office 365 at both Waratah-Wynyard and Circular Head Councils now allows for better collaboration and easier access for all staff especially those resource shared. Ongoing actions are being undertaken to fine tune the platform to improve performance and minimise problems and enhance collaboration. Investigating the implementation of One-Drive (Cloud Storage) and One-Note to enhance inter Council collaboration.	✓
Review labour allocation process in Finance system.	Looking at different options.	✓
Investigate electronic HR time and attendance system.	Not yet commenced	

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

With Councils recent renewed commitment to resource sharing between Waratah-Wynyard and Circular Head Councils, this year Digital Innovation has been focussed around the modernisation and enhancement of the collaborative abilities between the two councils.

### Information Management

Information is a critical component of effective decision making. It must be managed in a way that ensures the right information gets to the right person at the right time.

In collaboration with Technology One (T1), Waratah Wynyard & Circular Head Councils set out to align and modernise its information management system with the implementation of ECM (Enterprise Content Management system).

The new cloud-based system provides greater accessibility to documents critical to workflow from any geographic location, further extending and complimenting Councils collaborative abilities to work offsite.

Over time the new system will enable the organisation to strengthen its information management practices ensuring that:

- ▶ Information is recognised by staff as valuable strategic and corporate resource
- ▶ Information is governed centrally, but is

- accessible and easily shared
- ▶ Information is managed in accordance with security and legislative requirements
- ▶ Information has a single and authoritative source (a core record)
- ▶ Information is managed with a focus on ensuring the right information gets to the right person at the right time.

### Office 365

Office tools such as email are critical to the effective functioning of Council and traditional delivery methods have been problematic to resource sharing between Councils.

This year Waratah Wynyard and Circular Head Councils completely migrated these tools over to Software as a Service (SaaS) embracing Office 365.

The Office 365 suite of cloud-based (SaaS) applications not only includes traditional Outlook (email & calendar), Word and Excel but also a myriad of new tools such as cloud-based storage OneDrive and powerful collaboration tools such as Teams that are being tailored to further enhance and assist in the everyday collaborations across the two organisations.

The change opens opportunities for Council to provide workers the ability to access emails and work files remotely and participate in meetings across geographical boundaries.

## New Council File Server

This year saw the installation of a new file server at Waratah Wynyard Council in an accompanying server at Circular Head Council.

The integration and utilisation of these two servers will further strengthen back end collaboration across Councils through the extension of storage headroom, faster processing, enhanced disaster recovery and backup options, data mirroring and further options to engage virtual environments. The contemporary approach to shared IT resources has the potential to further enhance Councils collaborative abilities.

## Workplace Health and Safety

In the twelve months of 2018/19 financial year several key areas were targeted. Primary focus was on maintaining the achievement of reducing workers compensation through key strategies.

Early injury intervention and a commitment to assisting employees with injury management of non-work-related injuries was paramount to this success.

Carrying on from a strong 2017/18 focus on workers compensation and injury management, workers compensation statistics continued to fall from an end of year LTI rate of 6.8 to 5.8. The success of the program continues to be largely due to early injury intervention before the injury exacerbates. This is often done with the engagement of allied health professionals.

Several employees participate in the return to work process for non-work related injuries. These employees represented indoor and outdoor departments. The return to work program for non-work related injuries continues to have a positive impact on the workplace culture through a commitment by the organisation which demonstrates that employees are valued.

The benefit for the organisation is that the skill and knowledge remains in the workplace without the need to hire labor hire staff, at the same time supporting employees in the best possible injury management and rehabilitation outcomes.

## OSHWELL Committee

Council's Occupational Safety, Health and Wellbeing Committee (OSHWELL) have continued to engage staff through various health and wellbeing initiatives which primarily focus on cultural development and providing general healthy lifestyle information, which allow employees to make better informed decisions which affect their health.

During the year the OSHWELL Committee held staff fundraiser days to raise funds to assist not for profit organisations within our community. Some of the recipients to date have been The Smith Family, Wynyard Men's Shed, Table Cape Primary School Breakfast Club and the Wynyard Adult Day Centre. This program has been well received within the community.

## Organisational Statistics

The amounts below are based on full time equivalent positions and do not reflect any resource sharing arrangements in place.

Full time equivalent (FTE) by department:

Department	Number of Staff	FTE	Male	Female
General Manager	4	4	1	3
Children's Services	22	15.15	0	22
Community and Engagement	18	11.19	4	14
Infrastructure & Development Services	51	48.09	40	11
Organisational Performance	9	8.08	3	6
<b>Total</b>	<b>104</b>	<b>86.51</b>	<b>48</b>	<b>56</b>

## Capital Works

LEGEND		
Budgeted Projects Completed		☑
Budgeted Projects still in Progress at 30 June 2019		>
Budgeted Projects Deferred		
Budgeted Projects not Commenced		☒
Chambers Sound System	28,600	☑
Rebrand Roll Out	35,000	☑
Council Chamber – Meeting Room Furniture	5,000	☑
By Law installation	25,000	☒
Office 365	20,000	☑
ECM Implementation	45,000	☑
HR Management System	30,000	
Re-install Finance Software	200,000	>
IT Replacement	45,000	>
10' Grader Blade 3 Point Linkage	10,500	
8' Hydraulic Grader Blade	5,700	
Tractor Loader 2523	135,000	
Boom Sprayer 11	8,500	☑
Trailer Tandem 4009 X2	13,500	☑
Trailer 5 Tri Axle Tipper 1611	70,000	☑
Toyota Aurion 2173	20,000	☑
Ford Ranger Utility Diesel 4X4 3070	14,000	☑
Holden Colorado Utility 4X4 3116	17,000	☑
Small Plant Replacement	30,000	☑
Subaru Forester 2107	20,460	☑
Mitsubishi Triton 4X4 2316	17,730	☑
Mitsubishi Outlander 2357	19,090	☑
Mitsubishi Triton 4X4 2129	13,640	
Ford Ranger 4X4 3520	11,640	☑
Mitsubishi Triton 2X4 SES 3428	20,000	

### STRATEGIC GOAL 3

#### CONNECTED COMMUNITIES

Waratah-Wynyard community members will feel a sense of inclusion, belonging and value within a thriving, innovative and diverse population. They will be actively engaged in developing Council facilities, services and programs, and will be encouraged to provide input to planning for community needs.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	×

Action	Comment	Progress
Complete the drafting of WWC's Tasmanian Planning Scheme Local Provisions Schedule.	Drafting of the Local Provisions Schedule (LPS) has been completed. The LPS was endorsed by Council at the June Council meeting and has been referred to the Tasmanian Planning Commission for review.	→
Commence implementation of strategies identified in the Central Area Development Strategies document.	Central Area Development Plan has been adopted by Council.	✓
Design, develop and implement the next stage of Coastal Pathway – Cooee to Wynyard.	Deferred / On Hold	
Adopt the Boat Harbour Beach Development Plan.	Plan has been adopted.	→
Review Waratah-Wynyard Council Social Recovery Plan.	The Waratah Wynyard Social Recovery Plan is now contained in the current Waratah Wynyard Emergency Management Plan forming one integrated document.	✓
Secure funding to enable implementation of CCTV System in Somerset and Wynyard CBD areas.	For many years it existed as a separate document.	✓
Review and update community databases.	For operational reasons a combined Social Recovery Plan July 2018 was developed. Burnie, Circular Head and Waratah Wynyard Councils all contributed to this.	✓
Complete development and construction of the Wynyard Waterfront Masterplan projects		→
OSSR - Complete Detailed Design for the ANZAC PARK All Ability Playgrounds.	Concept plan has been completed and staged concept designs currently being developed for broader community communication. Detailed design will be completed in the next financial year.	→
OSSR - Complete Detailed Design for the East Wynyard Foreshore Playground.	A detailed review of the area and development of the project objectives has been prepared. The timing for delivery of the design and playground has been extended into the next financial year to ensure disruption is minimised to playground users over the summer period. Community consultation on the design will commence next financial year.	→
Support establishment of Community Health and Wellbeing Hubs in Wynyard.	The Community Health and Wellbeing Hub project is now complete, and a report will be provided to Council early in the next financial year.	✓
Partner in delivery of the 7UP youth program with Rural Health Tasmania.	Wynyard 7UP opened for the first time on the 23 February. During school term time it will be open from Tuesday to Thursdays from 3pm until 5pm.	✓
Development of a business model and infrastructure proposal for Warawyn Early Learning to meet demand.	Warren Moore Consulting has completed a report recommending growth opportunities.	✓

Action	Comment	Progress
Complete Review of Tulip Festival and associated events to ensure sustainability of the event.	Internal review has been undertaken. Survey sent to relevant stakeholders. Planning for 2019 event is underway.	✓
Implement Volunteer Framework and Volunteer Recognition Program.	Deferred.	
Deliver Waratah-Wynyard Youth Leaders annual Action Plan events and activities.	The Youth Leaders have had another successful twelve months participating in fundraising activities, workshops, conferences and leadership days.	✓
Implementation of Health and Wellbeing Plan strategies and actions in conjunction with Circular Head Council.	Health and Wellbeing Plan 2018-2023 adopted.	✓
Implement Age Friendly Communities Plan strategies and actions/ activities in conjunction with Circular Head Council.	Age Friendly Plan adopted.	✓
Implement the Youth Strategy Plan actions and activities.	Youth Plan adopted.	✓
Investigate opportunities for online access to booking and payments for facilities.	Work is being undertaken to determine whether this can be integrated into web-based software. The Assets & Facilities Group is managing this ongoing project.	✓

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

### Australia Day 2019

Council hosted the Aussie Breakfast and Australia Day Awards in Gutteridge Gardens. Around 300 people were in attendance to see Chris Symonds receive the Australia Day Citizen of the Year Award. Boat Harbour Surf Life Saving Club received the Event of the Year Award.



## Cemeteries

Council's Works and Services staff maintain cemeteries in Wynyard, Somerset, Flowerdale, Yolla, Mount Hicks and Waratah. During the year Yolla High School students in conjunction with Council officers provided assistance in the maintenance of the cemeteries in Yolla, Mount Hicks and Somerset.

The total interments for the year in all seven cemeteries under Council ownership were 44 burials and 13 ashes urns were placed in the niche wall at the Wynyard Lawn Cemetery. Records of all burials including historical burials are maintained at the Council Offices. 2019 saw the completion of the new Memorial Wall in Wynyard.

## Communications

Council adopted the Communication and Engagement Strategy 2019-2021 at the June Council meeting. The following principles underpin the strategy - which has a three-year action plan.

- ▶ We will keep stakeholders informed with timely communication about Council projects, events and other newsworthy items.
- ▶ We will listen to our community by facilitating open, respectful two-way communication in order to build trust, encourage feedback and increase stakeholder understanding and support.
- ▶ With consideration for the diversity of our community, we commit to engaging with our stakeholders in innovative and meaningful ways that broaden our communication reach and increase the level of stakeholder engagement.
- ▶ We will collaborate with our stakeholders on major projects from conception to completion, incorporating feedback, advice and recommendations throughout the project lifecycle.
- ▶ We will deliver a consistent brand message and implement strategies to build awareness and advocacy amongst our stakeholders.

## Community Activation Grants

In accordance with Section 77 of the *Local Government Act 1993*, thirty-seven community clubs/organisations received financial assistance in 2018/19:

Organisation	Grant Request	Amount
<b>Community Contributions</b>		
Wynyard High Students – Brilliant Business Kids	Trip to Sydney	\$500
Michael Darby	Australian Representative	\$500
Chris Symonds	Australian Representative	\$500
Lynda Charles	Australian Representative	\$500
Joe Simpson	Australian Representative	\$500
Hellyer College	Scholarship 2 Students	\$500
School Awards Nights	End of year prizes	\$675
<b>TOTAL</b>		<b>\$3,675</b>

Wynyard Yacht Club	Hire of Disabled toilet	\$1,000
Inglis Pony Club	Upgrade of dressage Arenas	\$1,878
Wynyard/Somerset Tennis Club Inc.	Defibrillator	\$2,000
Somerset Fire Brigade Social Club	Purchase Marquee	2,000
Penguin Rehab & Release	Penguin Rehabilitation	\$2,000
Meals on Wheels Association of Tas Inc.	Office set up	\$1,000
Somerset Scout Group (Hellyer District)	Purchase Group trailer	\$2,000
Central Wynyard Neighbourhood Watch	News production	\$300
Wynyard RSL Sub-Branch	Purchase Marquee	\$1,200
North West Bird Club Inc.	Publication of newsletter office equipment	\$384
Wynyard Garden Club	Prize money for Garden Competition	\$500
Wynyard Municipal Concert Band Inc.	Purchase Conductors Podium	\$2,000
Artscape Wynyard	Cradle Coast Emerging Artists Competition	\$800
The Wynyard Chorale Inc.	Purchasing SATB sheet music	\$675
Wynyard Fire Brigade Social Club	Sponsorship North West Family Fun Day	\$1,000
G & L Rodeo Promotors	Wynyard Rodeo	\$2,000
Drought Relief	Donation	\$4,000
Wynyard Bowls & Community Club Inc.	Renew Kitchen Bench worktop	\$2,000
Waratah Wynyard Tai Chi & Qigong Group	Purchase 15 anti-fatigue mats	\$725
Wynyard Football Club Inc.	Grease trap installation Tas Water requirement	\$2,000
Wynyard Squash Racquets Association	Purchase Defibrillator	\$2,000
Wynyard Baptist Church	Christmas Carols PA Hire	\$770
Coast FM (Community Radio)	Computer upgrade	\$2,000
Wynyard Cricket Club	Purchase wicket covers	\$2,000
Alexander Technique	Plaque replacement Table cape	\$1,500
Live Well Tasmania	Purchase Pavers	\$205
<b>TOTAL</b>		<b>\$37,937</b>

### Three-year funding agreements from 2016

Sisters Beach Community Association	Australia Day	\$2,000
Tasmanian Multi Sport Adventure	Gone Nuts	\$2,000
Lion's Club of Wynyard	Christmas Parade	\$2,000
Burnie Coastal Art Group Inc.	Art prize & acquisition	\$1,000
<b>TOTAL</b>		<b>\$7,000</b>
<b>GRAND TOTAL</b>		<b>\$48,612</b>

## Seven Up Youth Centre

Seven Up has proven to be very popular with Wynyard’s young people with just over 90 students registering since the opening on 10 April 2019. Activities are held every week, with a tutor there every Tuesday.

Bunnings are there once a month to do activities and help with the veggie patch.

Some students have been participating in the JCP Empowering Youth Program teaching resilience, confidence, behavior and giving back to your community and a School holiday program. There have been many interesting guest speakers with great opportunities and skill building activities for young people.

Students are currently working on resumes with mock interviews to follow.

## Try Skills 17

In 2004 Waratah-Wynyard Council, Skilled Engineering Limited and Sport & Recreation Tasmania, in a joint partnership, initiated a National Award winning program, the aim of which was to increase the participation of grade five and six students in local community sporting groups.

The Try Skills 17 project continues to be a success, both in terms of numbers of students who chose to be involved, the flow-on to the community organisations and its national recognition. The program is held in the April school holidays.

Try Skills continues to be unique in its approach by offering students the chance to develop real skills. It is run by qualified and accredited club officials, in the home venue of the activity, at a minimal cost.

Seven schools and 68 students participated in the program in 2018/19 with 13 local groups/organisations participating.

## Waratah-Wynyard Youth Leaders

The Waratah Wynyard Youth Leaders (WWYL) have had a busy twelve months attending meetings, leadership days, TYF – youth forum, listening to guest speakers, doing a first aid course and hosting events. The “pay what you want” car wash was a huge success raising nearly \$700 to purchase gift cards for teenagers for the Christmas giving tree at WOW. Two members attended the week-long Youth Parliament in Hobart gaining valuable experience and skills.

## Capital Works

LEGEND		
Budgeted Projects Completed		☑
Budgeted Projects still in Progress at 30 June 2019		➤
Budgeted Projects Deferred		
Budgeted Projects not Commenced		☒
New Board Walk and Seawall Renewal	747,500	➤
Wynyard Wharf Entrance Augmentation	446,000	➤
Coastal Pathway	3,714,440	➤
Wynyard Lawn Cemetery New Memorial Wall	30,000	➤

## Tulip Festival 2018

The Festival attracted a crowd of over 20,000 people with visitors coming from all across Tasmania, interstate and overseas to experience this iconic event.

- ▶ An Elephant, Dream Bear, Sweet Fire, Fairy Tales & Pirate Sales, Snake Man, Colour Run and a Gopher Race entertained the crowd.
- ▶ 2 Helicopters showcased Wynyard from the air.
- ▶ Over 117 stalls showcased a wide variety of local craft, food and beverage, community, corporate and entertainment experiences.
- ▶ Seven live acts on main stage entertained the crowd all day, with thousands of people

staying to enjoy the atmosphere right up to the closing spectacular fireworks over the Inglis River.

- ▶ Accommodation was booked out over the weekend and businesses reported increased business for the day.
- ▶ Sponsorship—8 Gold, 4 Silver, 9 Bronze, 6 Event, 9 Friends of the Festival and 16 prize donations contributed almost \$25,000 in cash, prizes and in-kind support.
- ▶ Volunteers once again provided invaluable assistance with 38 volunteers contributing 158 hours of their time to help make the Festival run smoothly.



## STRATEGIC GOAL 4

### COMMUNITY RECREATION & WELLBEING

Waratah-Wynyard will be a healthy community with access to more recreational choices in safe and welcoming environments. It will enjoy programs and recreational spaces that are inclusive, thriving and energetic, and will have access to high quality facilities, services and equipment.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	*

Action	Comment	Progress
OSSR – Work with Wynyard BMX Club to design, develop and implement upgrade to facilities in line with OSSR Plan.	The BMX Track Upgrade Project is progressing well and is currently inside its projected budget. Completed as at 30 June 2019: <ul style="list-style-type: none"> <li>• Planning and compliance matters eg Development Approval, Building Permit, WHS Regulations &amp; Contractor and Volunteer inductions;</li> <li>• Site preparation including surveying and tree removal;</li> <li>• State hill earthworks and underground plumbing and electrical; and</li> <li>• Purchase of new gate and new shelter.</li> </ul>	→
Develop recreation database to effectively disseminate information regarding grants and other recreation activities.	Completed.	✓
Work with TasWater and the Waratah Community to facilitate a mutually agreed future for the Waratah Dam.	Discussions ongoing. Public meeting held Tuesday 2 April 2019. EOI process underway seeking possible dam owner.	→
Identify and Implement projects within Council's Public Art Program.	Work is underway on the Somerset Mall Project. Adjoining property owners have given approval for art works and screens to be placed on their buildings. The project is scheduled for early 2020.	✓
Develop and Implement Somerset CBD Artscape project.	Deferred to 2019	
Deliver wellbeing program in Warawyn Early Years services in partnership with The Smith Family.	The yoga and wellbeing program has been completed and meets the requirements in Quality Area 2 in the National Quality Framework.	✓
Implement Warawyn Early Learning services strategies from the Reconciliation Action Plan.	The Reconciliation Action Plan has been reviewed and updated for its second year.	✓
Implement Move Well- Eat Well healthy food provision into all Warawyn Early Learning services.	Morning and afternoon teas and lunch provision has commenced. Centre has received Move Well / Eat Well accreditation under the seven quality areas.	✓
Development of list of facilities in WWC for community use to be promoted on WWC website.	In Progress	→



*Armour Rocks placed on the Camp Creek Remediation Project*

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

### Animal Control

Council undertakes a number of animal management programs which include animal nuisance complaints, assisting Police with stock on roads, stray dogs and dog attacks. A Compliance Officer is employed by Council and provides after hours service in a shared capacity with Circular Head Council. The Compliance Officer undertakes patrols around the municipal area, responds to animal complaints and promotes responsible dog ownership to the wider community.

Council has statutory and legislative requirements under the Dog Control Act 2000 to ensure that all dogs are registered and managed in a responsible manner.

A part of the management of dogs is to include restricted, prohibited and dog exercise areas across Waratah-Wynyard, to ensure a safe environment for dogs, families and wildlife. The designated dog areas are included in an informative brochure available to members of the public through Council's website or at the Council Chambers.

A new brochure promoting responsible dog ownership was prepared for inclusion in the dog registration renewal letters for the 2019/20 registration period. Council also adopted a change to the dog registration process for the 2019/20 registration period, with a permanent dog registration tag retained for the life of the dog, replacing the previously used plastic tags that were replaced annually.

As a result of Council's ongoing Animal Control Program:

- ▶ 2,033 dogs were registered in 2018/19, compared with 2,022 for the previous year;
- ▶ Council impounded 78 dogs, compared with 57 the previous year; and
- ▶ 22 infringements were issued for dog related matters.

### Walking Wynyard 2018

Held in November, the walking event returned to the original Inglis River circuit following the restoration of the footbridge that had been destroyed by the 2016 floods. The walk commenced and finished in Gutteridge Gardens and encouraged the community to become active and enjoy the walking trails of Wynyard. Around 100 people participated in the non-competitive walk.

### Community Christmas Collection 2018

The Wonders of Wynyard again provided a drop off point for the Community Christmas Collection where donations were displayed beneath the Christmas tree, prominently located in the gallery. The collection closed a week before Christmas and goods were transferred to St Brigid's Hall, where hampers were made up and distributed to families and individuals. This project was a community collaboration, with Wynyard Rotary and Lions Clubs as well as St Vincent DePaul volunteers working together. Around 80 individuals were supported by the collection and enjoyed Christmas Day as a result.

### Parks and Reserves

During the 2018/19 year various operational and capital works projects were undertaken to beautify the parks and reserves throughout the municipal area. Council liaises with various contractors, community groups and schools to ensure that open spaces are maintained to a suitable standard and to encourage a high level of community involvement and use in these areas.

Some of the major initiatives were:

- ▶ Establish a new Nursery at the Depot
- ▶ Repairs to the stone wall at Gutteridge Gardens
- ▶ Camp Creek Remediation
- ▶ BBQ renewals
- ▶ Table Cape Lookout Landscaping
- ▶ Sister Beach Pedestrian Bridge

### Public Conveniences

The Council funded a capital works project for the lining of the Gutteridge Gardens toilet block with stainless steel. Similar projects have been completed in previous years with evidence of reducing the impact of vandalism to public conveniences. Other amenities buildings received routine and minor maintenance only.

### Public Halls

The Council currently maintains eight public halls throughout the municipal area to serve the community.

Throughout the year, Council continued to undertake regular inspections of facilities and conduct minor repair works on the various public halls as required.

## Sporting Facilities

Council's public sporting grounds and facilities are available for private functions, sporting events and training grounds subject to approved conditions and fee payments.

Throughout the year, Council funded a contribution to the Wynyard BMX Club upgrade as well as the installation of LED lights at the Somerset Indoor Recreation Centre. With the installation now complete, the new lights have proven very popular with the users as well as promising significant savings in terms of power costs and reduced ongoing maintenance. Routine maintenance and minor repairs also occurred on all sporting buildings throughout the year.

## Waratah Highlights

The highlight for Waratah this year was the Accor Hotels/Sunrise 'Winterintervention'. Announced on Sunrise Weather by Sam Mac on May 31st – approximately 60 residents who registered for a mystery 'surprise' were very much surprised on live TV. News broadcasts across the entire world picked up the quirky story of 'one of the coldest towns in Australia' being whisked away to the Gold Coast for an immediate 'Winterintervention'.

## Warawyn Early Years

### Move Well Eat Well Award Service Award

The Move Well Eat Well Award program is available to Tasmanian early childhood services and is a comprehensive guide to creating a healthier environment for children. Services must meet the key criteria to reinforce healthy eating and promote physical activity.

Warawyn Early Learning completed all six criteria to become an award recognized service. Warawyn took on a whole of service approach to sustainable healthy eating and physical activity and worked through.

Warawyn Early Learning actively promotes healthier lifestyles in children, so they can enjoy healthy eating and physical activity every day and in doing so prevention of a range of chronic conditions.

### Envision Hands

Warawyn Early Learning, Wynyard After school Care and Boat Harbour After School Care embarked on a major project called Envision Hands. This is an environmental and humanitarian project where plastic milk and drink bottle tops are recycled.

The bottle tops are melted down into a filament, this filament is then put into a 3D printer, where they are able to print out prosthetic hands. These hands are sent to children throughout the world.

This is a project that not only connects with families but also the wider community, and most importantly it is a program where children are learning empathy and advocacy by helping others.

### Produce to the People

As part of Warawyn Early Learning sustainability program, a connection was made with 'Produce to the People' through Burnie High School) to build connections with the community as part of the services sustainability goals. Produce to the People is a charity that supports Tasmanians through growing, gathering and giving fresh produce to those in need with an emphasis on nutrition and dignity for all.

With the introduction of morning and afternoon tea at Warawyn, staff discovered after feeding the worms and vegetable gardens, there were excess food scraps left over. Each week, a member of Produce to the People, collects the foods scraps that the children place into recycling tubs.

The children are learning about sustainable practices and community awareness as part of their learning curriculum at the centre.

LEGEND					
Budgeted Projects Completed		☑	Somerset Soccer Ground – Fence repair, security improvements, gated facility	10,000	
Budgeted Projects still in Progress at 30 June 2019		➤	Somerset Basketball Centre - Replace Box Gutters	9,800	☑
Budgeted Projects Deferred			Wynyard - Camp Creek Remediation	632,000	➤
Budgeted Projects not Commenced		☒	Wynyard - Camp Creek Pedestrian Bridge	75,000	➤
Links Child Care Playground Replacement	60,000		East Wynyard Foreshore Playground	500,000	➤
Waratah Childcare – Install Septic System	10,000	☑	Wynyard - Gutteridge Gardens Light Replacement	12,000	☑
Promotional Equipment	7,500	☑	Wynyard - Gutteridge Garden Stone Wall	30,000	☑
Interactive Christmas Street Scape	16,000	➤	Wynyard - Gutteridge Garden Replace Pond Pump	2,500	☑
On Line Booking System for Facilities	20,000		Wynyard - Gutteridge Garden Replace Fencing at Sound Shell	20,000	
Public Art	10,000		Somerset - Anzac Park – All Ability Playground	150,000	➤
Somerset CBD Public Art	47,740		BBQ Renewals	10,000	➤
Wynyard RV Dump Point Relocation	25,000		Parks Furniture Renewal	10,000	☑
Boat Harbour Beach Toilets - Stainless Steel Lining	15,000	➤	Sister Beach Pedestrian Bridge	30,000	➤
Wynyard BMX Club Upgrades	80,000	➤			
Install Irrigation at Remaining Sports Grounds	48,000				
Wynyard Recreation Ground Change Rooms	400,000				
Wynyard Recreation Ground - Access Paths	7,500	☑			

STRATEGIC GOAL 5  
ECONOMIC PROSPERITY

Waratah-Wynyard will have a sustainable economy that creates jobs and delivers long-term regional and local benefits which are environmentally aware and improve liveability.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	x

Action	Comment	Progress
Work in partnership with Burnie City Council to advance a prospectus for land availability for economic development (CCA).	• Draft Regional Investment Prospectus developed by Cradle Coast Authority (CCA) in conjunction with the Office of the Coordinator General (OCG). WWC undertook initial data gathering/collection and provided the relevant information to CCA. CCA has finalised the prospectus and is currently awaiting approval by the OCG. CCA has been periodically following up with the OCG, who has recently advised it is near completion pending the inclusion of case studies and photos which the OCG is working on.	→
Support upgrade and redevelopment of Woolworths site carpark.	Works scheduled to coincide with Woolworths building upgrade.	✓
Support the implementation of CCA Tourism Destination Action Plan.	Council continue to actively support and participate in Cradle Coast Authority tourism initiatives.	✓
Research, plan and develop Council's Settlement Strategy.	No further action. Next step is to prepare the project plan. Project is to be rolled forward into next financial year, after completion of the planning scheme.	→
Facilitate land rezoning and infrastructure development to provide appropriate retail, commercial and industrial land for future use.	Will be actioned following adoption of Central Area Development Plan.	

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

### Economic Development

Council seeks to facilitate a strong local economy that creates jobs and delivers long-term regional and local benefits to the community.

Council seeks to understand challenges and opportunities that local industries and prospective investors are facing and works with businesses to facilitate growth and maximise prosperity for the municipal area and broader Cradle Coast region.

### The Economy at a Glance

The Waratah-Wynyard Council area encompasses a total land area of about 3,500 square kilometres and is predominantly rural, with small townships at Somerset, Waratah and Wynyard and smaller villages at Boat Harbour, Sisters Beach and Yolla. Rural land is used largely for dairy farming, vegetable growing, horticulture and timber production. Mining and tourism are also important industries.

Major features of the Council area include Rocky Cape National Park, Savage River National Park, the Tarkine Wilderness, Hellyer Gorge, Table Cape Lighthouse, Pieman River Cruises and various beaches.

Our three largest value adding industries include Mining, Agriculture, Manufacturing, and Health Care & Social Assistance. In combination these four industries accounted for \$353m in total or 61.7% of the total value added by industry in the Waratah Wynyard municipality.

Four Largest Industries	2017-18	2016-17
Mining	189	206
Agriculture	108	95
Manufacturing	56	58
Health Care & Social Assistance	53	53
Other	167	178
Total	572	589

The economy is integrated with many of our residents travelling to work in other municipalities. In recognition of this integration of the local economies on the coast, Council is working collaboratively with neighbouring municipalities to ensure there is an agreed direction and approach to developing the region's economy.

The benefits of working together as a region include coordinated advocacy/lobbying activity, coordinated planning, sharing specialist skills across Councils, and consolidating incentives for investment attraction.

### Sustainable Murchison 2040 Community Plan (SMCP)

Waratah Wynyard Council has been the lead agent in the development and implementation of the SMCP which was endorsed by participating Councils in November 2016.

The Plan was developed by Waratah-Wynyard Council, Circular Head Council, King Island Council and West Coast Council in 2016. Burnie City Council and Cradle Coast Authority were identified as key stakeholders and were invited to provide input into the plan and participate.

### Cradle Coast Futures Plan (CCFP)

The CCFP was developed by Cradle Coast Authority with input from all nine of the region's councils in 2018. The CCFP is supported by the state government and other key stakeholders as an important blueprint for growing the region's economy. The CCFP compliments the SMCP Plan and provides an overarching economic development framework. Synergies include providing regional economic infrastructure and creating education and employment pathways.

A Memorandum of Understanding was entered between Waratah Wynyard Council, Circular Head Council and Burnie City Council recognising the synergies that exist between the CCFP and the SMCP.

The Futures Plan will provide a mechanism for sub regional activities to be undertaken with the wider regional support where appropriate.

### Tourism Awards

Wonders of Wynyard (WOW) took out the best Visitor Information Centre category in the Tasmanian Tourism Awards for the third year running – resulting in being inducted into the Tasmanian Tourism Hall of Fame. As a result, the WOW was a finalist in the Australian Tourism Awards held in Launceston in March 2019.

## Visitor numbers to Wynyard

The Tasmanian Visitor Survey reported 95,591 total visitors to Wynyard (those who visited/passed through/stayed overnight) between April 2018 and March 2019. This was an overall decrease of 6% - reflecting a downward trend for the entire North-West Coast region. Overnight stays were reported as increasing by 3% - with the average number of nights spent recorded as 4.2 per visitor.

## Wonders of Wynyard (WOW)

In the 2018/19-year WOW welcomed 27,275 visitors to Wynyard. Regenerated marketing strategies have seen increased visitation to the Veteran Car Collection and a massive 27% increase in 'local Tasmanian' visitation for the year. International visitors doubled from 7% to 14% of visitors.

This year internal renovations were completed to the retail and visitor services spaces, doubling the floorspace available for merchandise. This resulted in increased spending with local suppliers by 54% and added new products including Tasmanian wine and spirits.

## Capital Works

LEGEND		
Budgeted Projects Completed		☑
Budgeted Projects still in Progress at 30 June 2019		➤
Budgeted Projects Deferred		
Budgeted Projects not Commenced		☒
Wonders of Wynyard Retail/Visitor Information Space	22,000	☑
Wonders of Wynyard LED lights	25,000	☑
Wynyard CADP & Car Park Development	200,000	☑
Woolworths Car Park	100,000	➤

## Cradle Coast Authority

In accordance with Section 30(1) of the *Local Government Act 1993* Waratah-Wynyard Council participates in a joint authority with Cradle Coast Authority. The following report provides a summary of activities, budget and performance of Cradle Coast Authority during the 2018/19 financial year.

It is my great pleasure to provide this report for a business that I am extremely proud to be a part of. It's a very different business to the one that existed at the start of the financial year, and it will be a different and even stronger business by this time next year. In 2018/19, Waratah-Wynyard Council's contribution was \$109,717. Total Member Council contributions totalled \$869,388 and a further \$1,480,197 was received as government grants.

While the 2019/20 financial year can accurately be considered in two halves – a period of crisis, followed by a period of reform, our people continued to do the kind of work that makes our region an even better place to live, work, visit and invest right throughout that period. They have done this since well before my time, and the project summaries in our own Annual Report will illustrate that.

The period from June to December saw the continuation of calls for organisational reform from Member Councils, State and Federal Government, our own Natural Resource Management (NRM) Committee and tourism stakeholders. While tourism didn't go our way, our successful reform has been widely acknowledged. Tangible evidence of our positive change includes significant new State and Federal Government funding, a leaner organisational structure, cost reductions and numerous examples of really good cooperation between Member Councils and CCA.

While total employee numbers have remained roughly the same at around 16 FTEs and continue to fluctuate as we secure NRM and other funding, the business has undergone a significant restructure. Management roles have been replaced with economic development roles, and more of those roles are externally funded. Adjusted to remove tourism staff, this time last year, 8.4 FTEs were funded by Council contributions, and today, that figure is 5.7 FTEs. When I commenced the CEO role in December, we had one dedicated economic development team member at 0.8 FTEs, and today we have 4.4 FTEs in the economic development team, plus a significant share of my time is dedicated to economic development activities.

Other key changes include:

- ▶ Streamlined processes
- ▶ Fewer, shorter meetings
- ▶ Overhead cost reductions
- ▶ Simpler, more transparent reporting
- ▶ Repairing the relationship between our NRM Committee and CCA more broadly
- ▶ Getting the Regional Futures Plan "back on track", and making good progress vis-à-vis leading this ambitious new approach to regional economic development

The most important reform of all however, is a much sharper focus on and commitment to a clearer purpose – helping Councils achieve regional outcomes and maintain strong local government, by working together. Far from being just a tagline, "stronger councils, stronger region" has and will continue to guide everything we do. We exist within and for, Local Government - the layer of government that is closest to the people – and we should never lose sight of that.

The end of the financial year was marked by the formal adoption of our 2019/20 Annual Plan and Budget by the Representatives in June. The Annual Plan clearly spells out what our owners have agreed that CCA should be working on this year. It is ambitious and exciting and includes new ground for CCA, such as playing a role in shared services. Anybody who is interested can monitor our progress on our website, where we will report against it quarterly, in a strong show of our commitment to our vision, purpose and values.

I would like to thank all of the Councillors and other people who continue to believe in the regional approach and I would like to acknowledge the encouragement and support provided by Mayor Walsh and General Manager Shane Crawford in particular. We now have a track record of successfully pulling together in adversity, and that is what provides me with the utmost confidence that we can make the Cradle Coast Authority everything that it can and should be, for the sake of the one in five Tasmanians who call our corner of the island "home".

Daryl Connelly MBus  
Chief Executive Officer



STRATEGIC GOAL 6  
TRANSPORT AND ACCESS

Waratah-Wynyard's roads, traffic management and infrastructure will be sustainable and fit for purpose, facilitating the transport of goods and enabling people to undertake their daily activities.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	✗

Action	Comment	Progress
Expand Transport Service Level document to include Urban Roads.	• The NAMS Asset Management training scheduled for June went ahead as planned and was very well-received. Review of the draft rural road service levels and expansion of document to include urban roads is planned for early in the 2019/20 financial year along with a full revaluation of the Transport Asset Class and update and adoption by Council of the associated Asset Management Plan.	→
Work with State Growth to finalise the Review of the Cooee to Wynyard Bass Highway – “Understanding and Improving Traffic Flow”.	Report completed and presented to Council.	→

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

### Kerb and Footpaths

Various kerb and channel and footpath replacement works were undertaken in Wynyard, Somerset, Waratah and Sisters Beach. The works were identified for repair through Council’s footpath and kerb and channel inspection program which prioritises projects based on risk management and safety strategies in line with our current service levels.

In particular, the following projects were completed:

- New footpath at Gibbons Street
- Upgrade a section of the footpath at Anzac Park

There were upgrades to various junctions to install Disability Discrimination Act 1992 compliant pedestrian ramps. These works are part of ongoing upgrades to ensure that Council’s footpath network provides for the needs of all users within the community.

### Transport Services

Transport Services is Council’s major infrastructure category and consists of roads, bridges and other associated assets to meet the needs of the community.

During the year, Council officers undertook maintenance and capital works on roads and other assets.

Some of the major works were:

- ▶ Bridge approach sealing works on unsealed roads;
- ▶ Resealing of identified road surfaces;
- ▶ Re-sheeting of unsealed roads;
- ▶ West Calder Sight Line Improvement;
- ▶ Preolenna Culvert Upgrade;
- ▶ Waratah Cemetery Entrance reseal; and
- ▶ New Carpark for Wynyard CBD (Goldie Street Carpark).

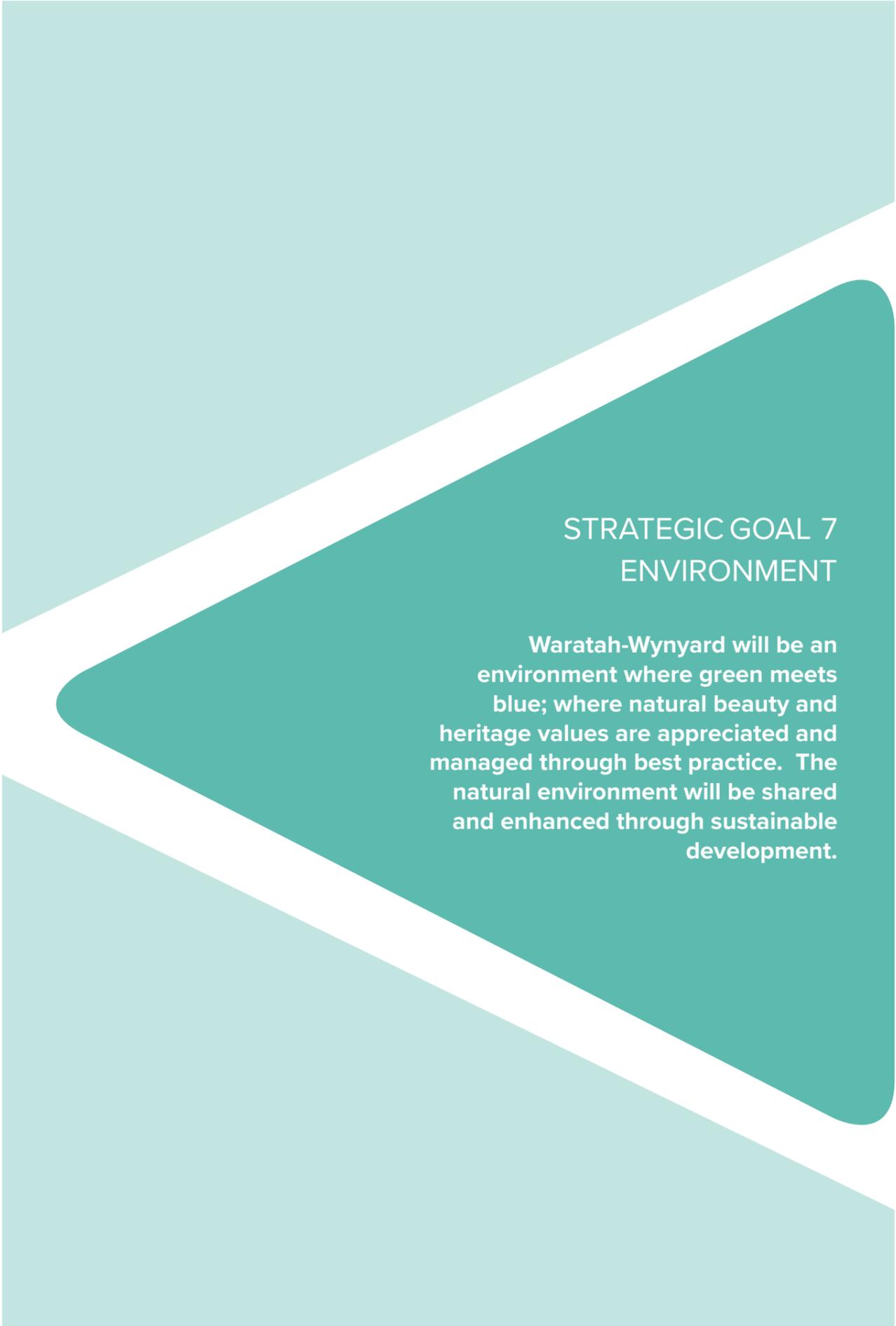
## Capital Works

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2019	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	✗

Replace & Upgrade Metro Counters	35,304	✓
Portable Barrow Traffic Lights	11,000	✓
Set-Up Nursery	13,680	→
Digital Fuel Bowser System	10,000	✓
Depot Office Alterations	25,000	→
Depot Car Park & Security Upgrade	35,000	→
Waratah Cemetery Entrance	6,000	✓
Re-Sheeting:		
- Bramichs Road	117,009	→
- Coal Mine Road	124,700	✓
- Colegraves Road	49,288	✓
- Devils Elbow Road	28,929	✓
- Lapoinya Road	233,976	✓
- Lapoinya Road	82,970	✓
- Meunna Road	60,023	✓
- Murdering Gully Road	49,340	✓
- Old Mount Hicks Road	122,576	→
- Oldina Road	52,860	✓
- Rothwells Road	28,841	→
- Rulla Road	4,503	→
- Takone Road	91,211	→
- Whites Road Section	19,899	→
- (Woolleys) Road	6,049	✓
Reseals – Rural:		
- Calder Road	23,843	✓
- Myalla Road	52,717	✓
- Myalla Road	21,541	✓
- Port Road	46,809	✓
- Port Road	17,465	✓
- Port Road	7,231	✓
- Port Road	10,957	✓
- Preolenna Road	30,733	✓
- Reservoir Drive	67,914	✓
- Takone Road	77,883	✓
- Takone Road	97,070	✓
- Terra Nova Drive	72,365	✓
- Tysons Road	1,134	✓
- West Calder Road	2,268	✓

Reseals – Urban:		
- Saunders Street	9,080	✓
- Reeve Street Sec - 1 Surface	5,903	✓
- Morse Place – Section 1	6,571	✓
- Martin Place – Section 4	8,996	✓
- Jackson Street Sec - 5 Surface	15,000	✓
- George Street (Somerset)	90,000	✓
- Easton Avenue Sec - 1 Surface	100,000	✓
Footpaths:		
- Gibbons Street	29,500	✓
- Footpath major repairs-Old Bass Highway Dodgin Street to Wharf entrance	25,000	
- Urban Footpaths – DDA compliance	30,000	✓
West Calder Road - Sight lines	6,000	✓
Preolenna Culvert Upgrade	12,500	→
Old Mount Hicks Culvert Upgrade	12,500	✗
Rural Road Junction Upgrades	15,000	✓
Rural Road Bridges - Upgrade bridge approaches	10,000	✓
Rural Bridge Barrier Upgrades	557,000	✓
Stormwater:		
- Dart Street Outfall Upgrade	25,000	→
- Rural Road Culvert Replacement	15,000	✓
- George Street Wynyard Replace Stormwater Pipe	22,300	→
- Inglis Street Wynyard Replace Manhole & Kerb Pit	32,300	✓
- Port Road Boat Harbour Replace Stormwater Pipe	23,000	→
Gully Pits	23,000	→
Manhole Covers	23,000	✓



## STRATEGIC GOAL 7 ENVIRONMENT

Waratah-Wynyard will be an environment where green meets blue; where natural beauty and heritage values are appreciated and managed through best practice. The natural environment will be shared and enhanced through sustainable development.

## ANNUAL PLAN ACTIONS

### LEGEND

Budgeted Projects Completed	✓
Budgeted Projects still in Progress at 30 June 2018	→
Budgeted Projects Deferred	
Budgeted Projects not Commenced	x

Action	Comment	Progress
Implementation of Sustainability Action Plan through all Warawyn Early learning services.	• Educators have completed the five modules from the Green Steps Program and are implementing the strategies.	✓
Develop Storm Water Service Level Strategy.	Revaluation of the Stormwater Asset Class is completed. The NAMS Asset Management training schedule for June went ahead as planned and was very well received. Update of the AMP for the Stormwater Asset Class is planned for the first half of the 2019/2020 financial year and aims to include the Stormwater Service Level Strategy (including flood mitigation measures) as part of a legislative requirement to have a Stormwater Management Plan completed by December 2019.	→
Develop Waste Strategy.	A review of waste management services was conducted and included technical input alongside known community expectations. The review has outlined a number of opportunities in waste management and these have been included in Council's draft 2019-2024 Waste Strategy, which is to be finalised early next financial year.	✓
Continue to work with Crown Land Services to identify solutions for areas of Coastal Erosion.	Participated in the development of the Sisters Beach Stakeholder Bulletin. Discussions continue.	→
Review Weed Strategy and develop implementation for recommendations.	Weed Management Review continues as a process of liaison with stakeholders from the private, public and business sectors as issues and relevant technical matters evolve. Quarterly updates provided to Council.	→

## HIGHLIGHTS AND ACHIEVEMENTS OF THE YEAR

### Building Control

As of 1 January 2017, Tasmania introduced new laws regulating:

- ▶ Building and plumbing work;
- ▶ Licensing of people in the building industry; and
- ▶ Residential building contracts.

The *Building Act 2016* takes a risk-based approach to building approvals so:

- ▶ Low risk building,
- ▶ Plumbing and demolition work, and
- ▶ Some medium risk work can be done without seeking a building permit from the Council.

Council acts as a Permit Authority, checking that the required documentation is lodged and permits issued as required, in accordance with the legislation. A function of the permit authority is to make the public aware of the building and plumbing requirements in the State and the application of this Act. In this regard interested parties are encouraged to contact council for assistance in navigating through the building process in accordance with the *Building Act 2016*.

Council's statutory obligations under the Building Act 2016 have been discharged and it continues to process building permits as expeditiously as possible. A total of 51 building approvals were granted for projects with a total value of \$13.000m.

The permit authority has continued to review processes and procedures to ensure compliance with current building legislation.

Building Officers are currently receiving, recording, processing and issuing work in electronic format for majority of applications received.

### Environmental Health

The *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003* and the *Environmental Management and Pollution Control Act 1994* outline the primary roles and responsibilities of Council in relation to public and environmental health within the municipal area.

The Environmental Health Service provided by Council promotes public health and safety for the Waratah-Wynyard community by reducing the incidence of preventable illness and monitoring the provision of safe food and water.

This service also seeks to manage the environment to limit and control incidents of pollution involving noise, smoke, odour and the adverse effects wastewater discharge may have. Active investigations are also undertaken in response to written complaints regarding a wide variety of issues.

Potable water quality is monitored through the notification and as required, sampling of private water supplies/suppliers. There are currently over 30 private water supplies and 6 water suppliers within the municipal area.

Sampling and analysis of recreational waters is undertaken during the recreational swimming season in the warmer months, from December to April.

The licensing, registration and inspection of food businesses continues as a core activity. There are more than 90 registered food businesses within the area Temporary Food Premises Permits are also issued to numerous food stalls throughout the year. This process helps to promote the proper storage and acceptable quality of food provided, especially at public events.

Council participates in a regional (Burnie, Waratah-Wynyard and Circular Head) school vaccination program and a staff vaccination program to help protect those at-risk against preventable diseases such as influenza, hepatitis, whooping cough, tetanus, and chicken pox.

### Stormwater Drainage

Council maintains piped drainage networks in the Wynyard, Somerset, Sisters Beach, Boat Harbour and Waratah areas, with over 3,400 connections across the municipal area.

## Town Planning

The *Local Government Act 1993* and the *Land Use Planning and Approvals Act 1993* outline the main roles of Council in relation to its town planning responsibilities whilst the Waratah-Wynyard Interim Planning Scheme 2013 (WWIPS), provides the direction for the Council and the community for development within the municipal area.

Council is responsible for discharging a wide range of planning related regulatory functions including strategic land use planning, development control and legislative enforcement.

Council planning staff have drafted the Local Planning Provisions of the Tasmanian Planning Scheme (TPS), which were endorsed by Council and referred to the Tasmanian Planning Commission (TPC) for review. The adoption of the TPS is expected in the 2019/20 financial year, following the TPC's assessment and public consultation.

In May 2019, Council adopted the Central Area Development Strategies (CADS) for the centres of Somerset and Wynyard. This project is a long-term strategy, with comprehensive master plan and design framework to guide sustainable development and public and private investment in the Central Areas. The project has developed a number of options and initiatives to guide the future development and improvement of the Central Areas of Somerset and Wynyard in consultation with key stakeholders. Recommendations from the CADS will be adopted over coming years.

On a statutory level, Council receives and determines applications for development or land use in accordance with a performance-based planning scheme and the *Land Use and Planning Approvals Act 1993*.

The Planning Team also undertakes an educative role; informing the community about legislation and the State Policies that define and protect principles of 'sustainable development'. Council planning staff respond to many enquiries via phone and email, and provide pre-lodgment advice to applicants by appointment, and at no cost.

A total of 197 applications were received, up from 167 for the previous year and 28 applications carried over from the previous year. The 197 new applications consisted of 155 discretionary and 42 permitted applications. Of the total 225 applications, 128 discretionary and 36 permitted use permits were issued, 8 applications were withdrawn, 12 applications determined as 'no permit required' and 41 were carried over to the next financial year for processing.

There were ten (10) planning applications prepared for Council meetings that were determined by Council acting as the Planning Authority.

## Waste Management Services

Council provides an integrated waste management service to the community through kerbside refuse and recycling collection and site-based waste transfer stations. In providing these services, the Council aims to minimise waste to landfill, maximise recycling and dispose of any residual waste to landfill in both a cost efficient and environmentally responsible manner.

To achieve these goals, Council is a participating member in the Cradle Coast Waste Management Group (CCWMG), who aim to divert 50% of waste from landfill for the whole of the Cradle Coast Region as part of their 2017-2022 Strategic Plan. Additionally, the CCWMG were responsible for implementing waste related activities within the municipal area, such as recycling bin and waste transfer station audits.

As the first full year within the new CCWMG Strategic Plan, Council recorded total tonnes to landfill of 5,149, marking a reduction of nearly 245 tonnes from the previous year. Following the new financial year, Council will be in a position to advise upon its performance against the 50% target and the prevented costs as a result of the reduction of waste to landfill.

Council's kerbside collection of household refuse from dwellings is undertaken weekly in Wynyard, Somerset, Boat Harbour Beach, and fortnightly in Waratah. All material collected is transported and disposed of at the Port Latta Landfill with 3,172 tonnes disposed this year to landfill.

Transfer stations are provided at Wynyard and Waratah for depositing waste into bins for later transport to landfill. The operation of the Waratah Transfer Station is undertaken largely by in-house staff, while the Wynyard Transfer Station is operated under tender by a contractor. The contractor works cooperatively with Council towards the minimisation of waste to landfill with a strong focus on resource recovery, recycling and green waste diversion programs. Total tonnes to landfill for this service in 2018/19 was recorded at 1,978.

The costs of the transfer station and disposal are met by the waste utility charge and by gate fees. Ten transfer station tickets are distributed to each household, along with their rate notice, as an offset against the waste utility charge. Each year approximately 37% of these tickets are redeemed at the gate.

The reductions in tonnages to landfill have yielded savings which largely offset the cost increases for transport and disposal of waste over the same period and waste management charges have seen only modest increases accordingly.

Recycling at the transfer stations sees materials transported to Dulverton to be processed by Veolia. The waste management services are priced to fully recover the costs of the services through utility charges and fees and are not cross subsidized by the General Rate.

## PUBLIC HEALTH STATEMENT

Section 72(1) (ab) of the *Local Government Act 1993* requires the Waratah-Wynyard Council to include a statement of its goals and objectives for public health for the preceding financial year in its Annual Report.

Council has a responsibility under various legislation such as the *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003* and the *Environmental Management and Pollution Control Act 1994*, to provide for and support a healthy environment and lifestyle for residents and visitors to our area.

The goal of Council is to provide our community with the appropriate education and an environment in which the risks to public health particularly relating to air, water, noise etc. are mitigated.

Officers endeavour to promote a high standard for the food prepared and sold in our area through the on-going inspection, licensing and registration of the relevant food businesses and temporary food stalls involved. The promotion of education sessions for food handlers is also undertaken.

The quality of water for human consumption is also monitored and sampled for analysis by the people responsible for that supply.

During the warmer months recreational waters are also sampled for analysis by Council, to gauge compliance with the appropriate guidelines. Whenever concerns are raised, investigations are undertaken regarding these matters.

A school immunisation program is carried out in conjunction with the State Health Department and an adjoining contractual Council.

A Sharps disposal program to assist in protection from the adverse effects of communicable diseases, is also provided by Council.

Council has an ongoing commitment to minimising the adverse effect of pollution or nuisance by preventing and controlling those incidents, wherever possible. Officers regularly carry out investigations of noise, smoke, dumping of wastes etc when it is reported or noted and work with the relevant parties to educate them and resolve issues in breach of the relevant legislation.

Officers also continue developing information sheets which will provide guidance to the general public in avoiding or reporting if necessary, on the most regular public concerns. These documents will be made available on the website as they are developed.

The public health goals for 2018/19 were as follows:

- ▶ Provide public education and community engagement opportunities
- ▶ Review service delivery standards
- ▶ To better manage health and environmental threats arising from human activities
- ▶ Provide full range of Public and Environmental Health documents regarding a variety of issues on Council's website.

## Taswater - Joint Authority

In accordance with Section 30(1) of the *Local Government Act 1993* Waratah-Wynyard Council participates in a joint authority with TasWater. The following report provides a summary of activities, budget and performance of TasWater during the 2018/19 financial year.

TasWater is an incorporated company providing water and sewerage services to homes and businesses across Tasmania. It was established under the Water and Sewerage Corporation Act 2012 and is part owned by 29 Tasmanian councils (including Waratah-Wynyard Council), who receive returns through dividends, tax equivalent payments and loan guarantee fees; and the State Government. The State Government became a shareholder in early 2019 with the injection of \$20 million in equity for one per cent ownership. A total of \$200 million will be invested over 10 years for a total 10 per cent shareholding of TasWater by the end of that period.

In its sixth year of operation (2018/19) TasWater has achieved significant milestones.

- ▶ All remaining Public Health Alerts on drinking water systems for regional towns were removed by August 2018
- ▶ Kingborough Sewage Upgrade Project was completed in June 2019
- ▶ Planning is underway for a Capital Delivery Office to deliver projects for the next four years
- ▶ A commitment to encourage innovation saw the release of an array of prototypes created at TasWater to improve services and safety
- ▶ TasWater welcomed Dr Stephen Gumley AO as the new Chairman of the Board, following the retirement of Miles Hampton late in 2018.

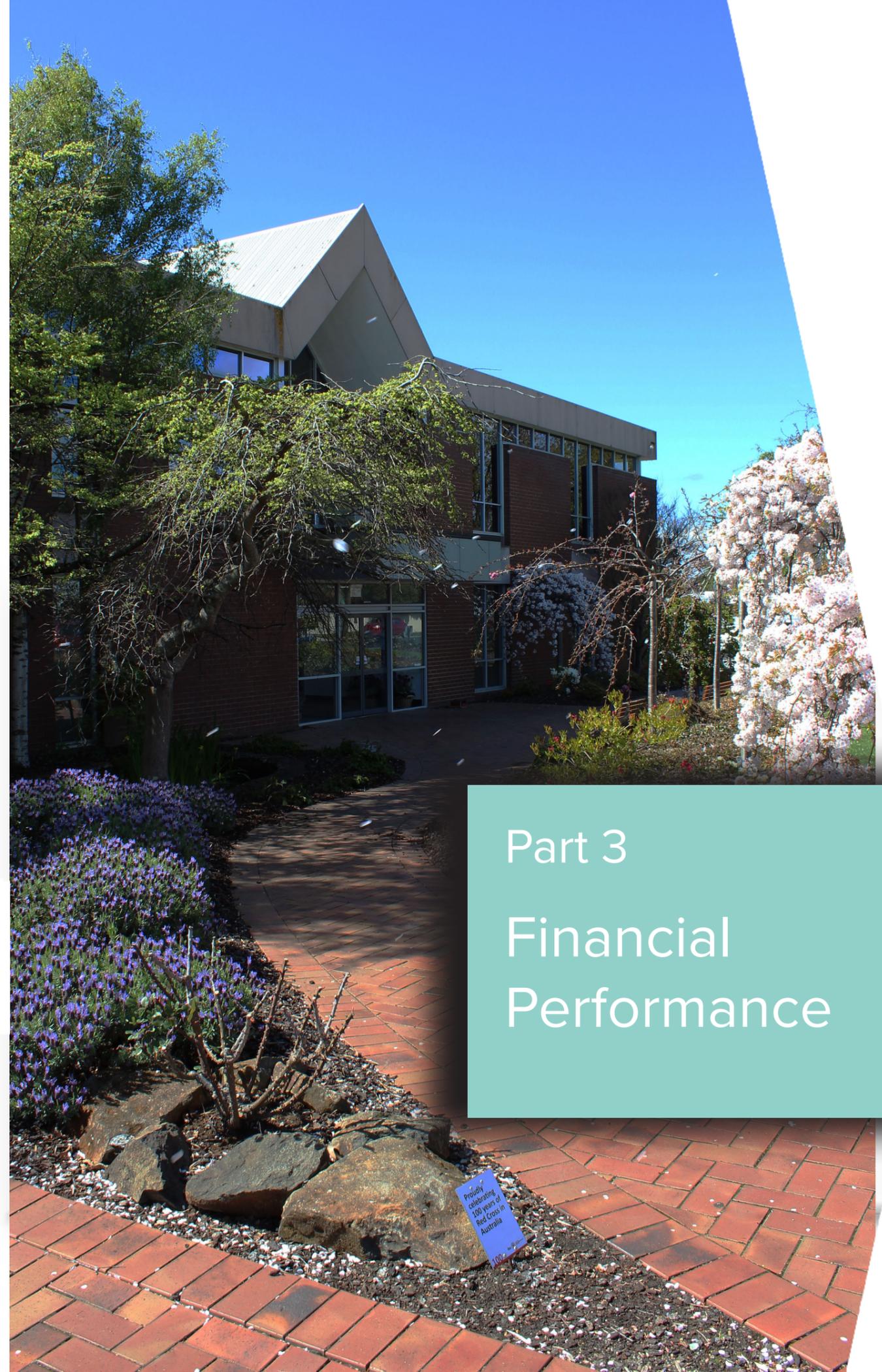
TasWater delivered a total of \$130 million in capital improvements across the state.

The ambitious two-year 24 glasses – Regional Towns Water Supply Program was completed in August 2018 which saw the removal of all long-standing Public Health Alerts on regional water supplies. In the end, the project delivered quality drinking water to 28 towns, including construction of 17 water treatment plants and four pipelines, along with a large number of other related infrastructure improvements. The success of this program was enabled by the collaborative work between TasWater employees and the Department of Health, with a commitment to putting public health above all other considerations.

The focus for 2018/19 was shifted to improving the performance of sewerage infrastructure and the Kingborough Sewage Upgrade Project. The construction of the new Blackmans Bay Sewage Treatment Plant was completed in June 2019. The new plant addresses localised sewage issues and represents a significant investment in the future growth of the area. Other improvements included replacing an underwater sewage pipeline in Kangaroo Bay and new pump stations at St Helens and Huonville.

In December 2018, TasWater announced an alliance with UGL Engineering and CPB Contractors to form the Capital Delivery Office. This collaboration will deliver a four-year capital works program that will see \$140 million invested in the first year growing to more than \$180 million at the end of four years. The alliance will assist in delivering TasWater's \$1.8 billion ten-year capital expenditure plan.

Eleanor Talbot  
Senior Officer Stakeholder Engagemen



Part 3  
Financial  
Performance

Probiody  
celebrating  
100 years of  
Red Cross in  
Australia

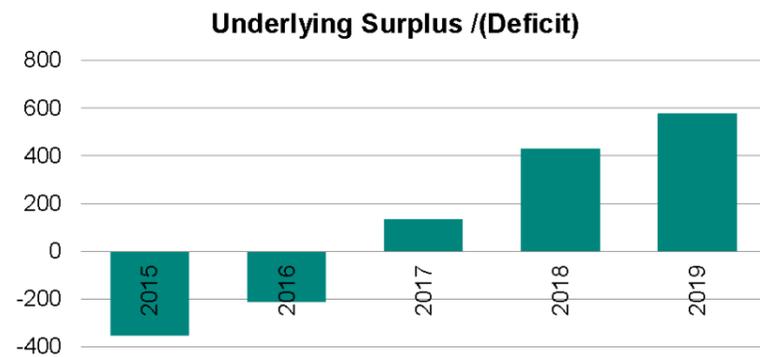
# FINANCIAL PERFORMANCE SNAPSHOT

## How We Performed

Council has reported a solid financial performance for the year ending 30 June 2019. Council's performance against budget resulted in an underlying surplus of \$0.576m compared to a budgeted surplus of \$0.084m. This represents a favourable variance to budget of \$0.492m.

Councils financial performance continues to strengthen with the underlying financial performance improving significantly over the past 5 years demonstrating that Council is well placed to continue providing current service levels to the community sustainably.

Council's total operational revenue decreased from \$19.020m 2017/18 to \$18.417m in 2018/19 (\$0.603m decrease). This decrease included a reduction in Tas Water dividends of \$0.322m. Council's total operational expenditure decreased from \$18.213m in 2017/18 to \$17.583m in 2018/19 (\$0.630m decrease).



## Council's Financial Position

The net worth of Council as at 30 June 2019 was \$220.585m (\$209.238m in 2018). This is predominantly made up of Council's investment in property, infrastructure, plant and equipment worth \$158.746m and Council's investment in TasWater of \$51.687m.

Council's infrastructure assets include roads (\$77.152m), bridges (\$14.658m), drainage assets (\$18.193m), land (\$26.128m) and buildings (\$13.219m).

Council's cash balance at year-end was \$12.440m. \$1.618m of the cash held is committed by Council predominantly in unspent grant funds received. Council's unrestricted cash as at 30 June 2019 was \$10.823m.

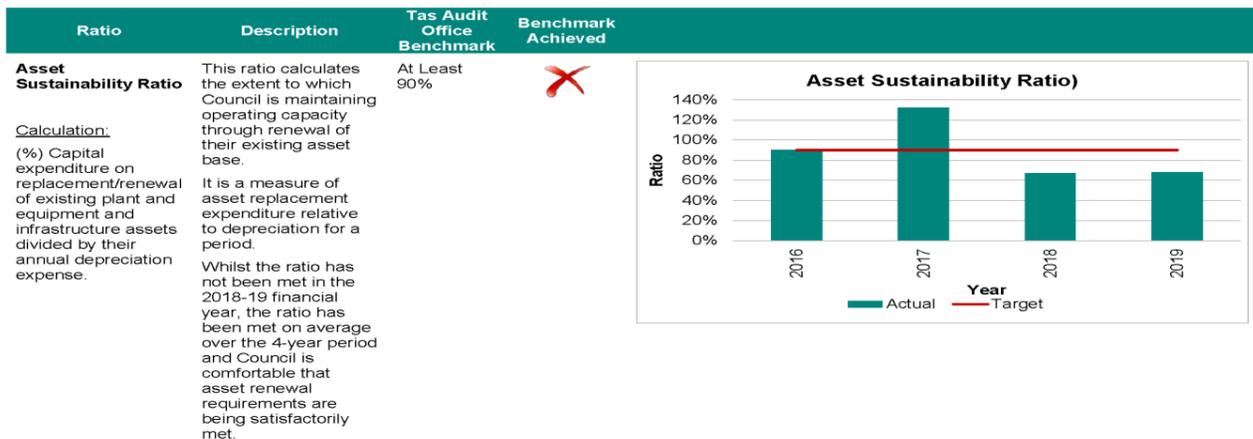
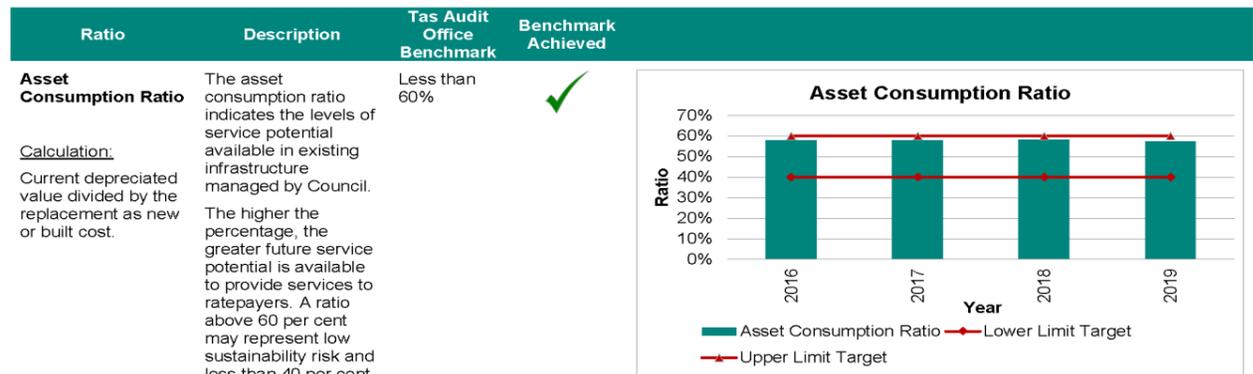
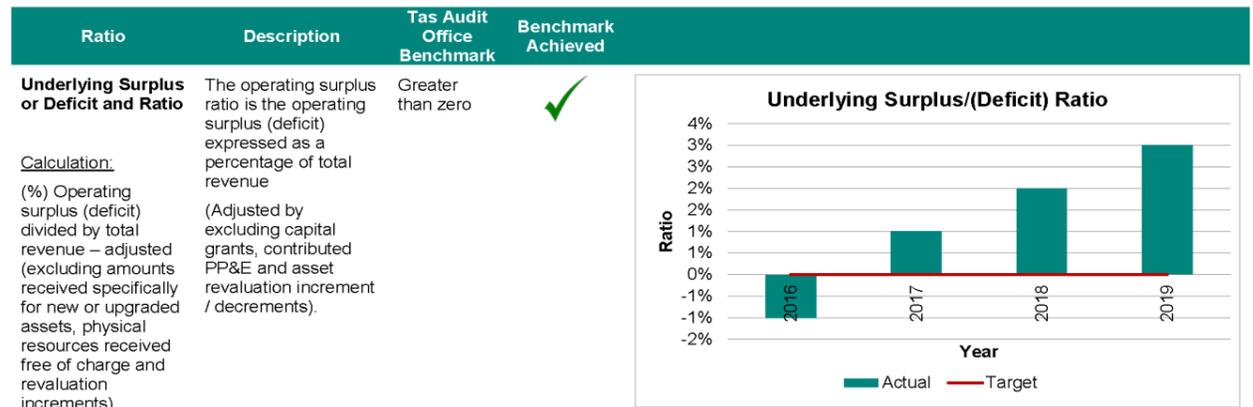
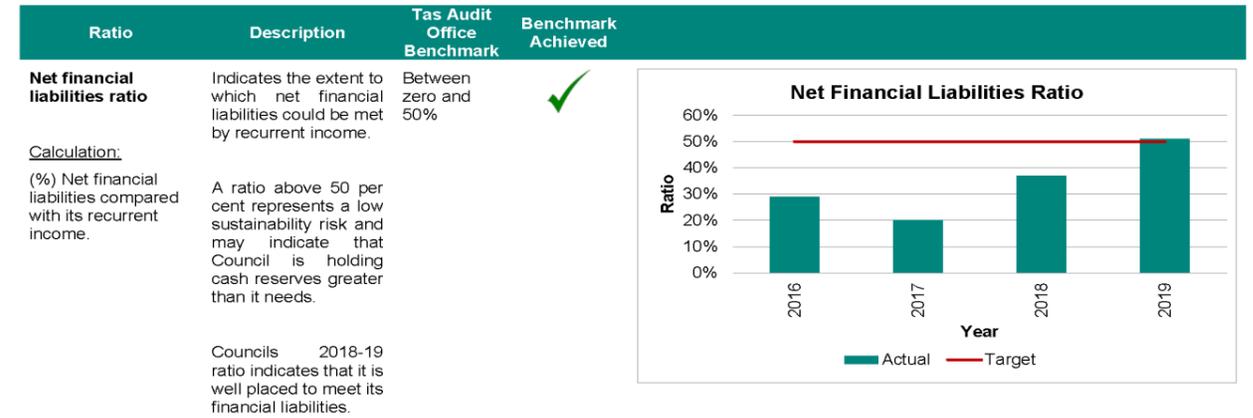
Council's current ratio result demonstrates that Council continues to have capacity to comfortably meet its financial obligations. Council current ratio as at 30 June 2019 was 4.58.

## Financial Sustainability Indicators

For Council to be sustainable both present and future needs are required to be met. In other words, resources need to be managed so that financial commitments can be met both now and into the future whilst also ensuring the community needs are achieved.

Council is currently in a relatively strong financial position. Over recent years it has improved its operating position, has strong liquidity and cash flow, relatively low debt levels and its asset renewal requirements are being satisfactorily funded.

A generally accepted definition of financial sustainability is whether council has enough financial capacity to meet current and prospective financial requirements. Therefore, to be sustainable, council needs to have capacity to be able to manage financial risks without having to radically adjust current revenue or expenditure policies.



**Financial Report  
2019**

**Statement of Comprehensive Income**  
For the Year Ended 30 June 2019

	Note	Actual 2019 \$	Budget 2019 \$	Actual 2018 \$
<b>Income</b>				
<b>Recurrent Income</b>				
Rates and charges	2.3	11,201,705	11,099,094	10,990,737
User Charges	2.4	2,403,450	2,461,944	2,290,948
Interest		330,510	275,010	276,882
Reimbursements/contributions		763,479	739,929	984,451
Grants	2.5	3,194,672	2,415,193	3,631,757
Distributions from Water Corporation	4.1	523,607	576,000	845,669
		<u>18,417,423</u>	<u>17,567,170</u>	<u>19,020,444</u>
<b>Capital Income</b>				
Capital Grants	2.5	1,893,684	3,620,175	814,744
Capital Reimbursements			-	552,061
Gain/(Loss) on disposal of assets	2.6	(197,436)	(112,980)	(316,210)
<b>Total Income</b>		<u>20,113,671</u>	<u>21,074,365</u>	<u>20,071,039</u>
<b>Expenses</b>				
Employee costs	3.1	6,415,825	6,838,463	6,453,890
Materials and contracts	3.2	6,129,293	6,698,772	6,429,587
Depreciation and amortisation	3.3	3,841,278	3,986,635	4,145,487
State levies		504,190	531,718	492,984
Borrowing Costs	3.4	36,059	65,340	39,733
Remissions and discounts		397,752	397,384	398,262
Other expenses	3.5	258,820	257,630	252,715
<b>Total Expenses</b>		<u>17,583,217</u>	<u>18,775,942</u>	<u>18,212,658</u>
<b>Surplus/(Deficit)</b>		<u>2,530,454</u>	<u>2,298,423</u>	<u>1,858,381</u>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to surplus or deficit</b>				
Net asset revaluation increment/(decrement)	9.1	2,246,592	-	2,688,568
Fair value adjustment on equity investment assets	6.3	6,569,535	-	0
		<u>11,346,581</u>	<u>2,298,423</u>	<u>4,546,949</u>
<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	6.3	-	-	578,080
<b>Comprehensive Result</b>		<u>11,346,581</u>	<u>2,298,423</u>	<u>5,125,029</u>

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

Statement of Financial Position  
As at 30 June 2019

	Note	Actual 2019 \$	Actual 2018 \$
<b>Current Assets</b>			
Cash and cash equivalents	5.1	12,440,925	10,549,513
Receivables	5.3	1,079,019	870,368
Inventories	5.4	108,631	117,126
Land held for resale		110,182	110,182
Other	5.5	186,527	230,550
<b>Total Current Assets</b>		<b>13,925,284</b>	<b>11,877,739</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6.1	158,746,045	156,550,195
Intangible assets	6.2	414,943	295,082
Receivables		-	-
Investment in Water Corporation	6.3	51,687,317	45,117,782
<b>Total Non-Current Assets</b>		<b>210,848,305</b>	<b>201,963,059</b>
<b>TOTAL ASSETS</b>		<b>224,773,589</b>	<b>213,840,798</b>
<b>Current Liabilities</b>			
Payables	7.1	1,225,397	1,335,969
Financial Liabilities	7.2	115,936	112,139
Provisions	7.3	1,696,838	1,781,048
<b>Total Current Liabilities</b>		<b>3,038,171</b>	<b>3,229,156</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities	8.1	870,174	986,110
Provisions	8.2	280,145	387,014
<b>Total Non-Current Liabilities</b>		<b>1,150,319</b>	<b>1,373,124</b>
<b>TOTAL LIABILITIES</b>		<b>4,188,490</b>	<b>4,602,280</b>
<b>NET ASSETS</b>		<b>220,585,099</b>	<b>209,238,518</b>
<b>Equity</b>			
Accumulated Surplus		154,661,712	152,140,271
Reserves	9.1	65,923,387	57,098,247
<b>TOTAL EQUITY</b>		<b>220,585,099</b>	<b>209,238,518</b>

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

Statement of Changes in Equity  
For year ended 30 June 2019

	Total		Accumulated Surplus		Reserves	
	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$
Balance at beginning of the year	209,238,518	204,113,489	152,140,271	149,599,458	57,098,247	54,514,031
Comprehensive Result	2,530,454	1,858,381	2,530,454	1,858,381	-	-
Transfer to Reserves	8,816,127	3,266,648	(9,013)	(13,568)	8,825,140	3,280,216
Transfer from Reserves	-	-	-	696,000	-	(696,000)
<b>Balance at end of the year</b>	<b>220,585,099</b>	<b>209,238,518</b>	<b>154,661,712</b>	<b>152,140,271</b>	<b>65,923,387</b>	<b>57,098,247</b>

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

Statement of Cash Flows  
For year ended 30 June 2019

Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>		
<b>Cash Used</b>		
Employee Costs	(6,580,767)	(6,430,102)
Materials and Contracts	(7,276,421)	(7,637,079)
State levies	(504,190)	(492,984)
Finance costs	(35,786)	(39,430)
Other expenses	(258,820)	(252,715)
	<b>(14,655,984)</b>	<b>(14,852,310)</b>
<b>Cash Received</b>		
Rates	10,739,299	10,600,175
User charges	2,604,520	2,475,260
Interest	343,732	246,752
Reimbursement of expenses	763,479	984,451
Government grants	3,194,672	3,631,757
Net GST recovered from ATO	704,375	813,539
	<b>18,350,077</b>	<b>18,751,934</b>
<b>Net Cash provided by (used in) operating activities</b>	<b>5.2</b>	<b>3,694,093</b>
<b>Cash flows from investing activities</b>		
<b>Cash Used</b>		
Payments for Property, Plant and Equipment	(4,616,674)	(4,508,898)
	<b>(4,616,674)</b>	<b>(4,508,898)</b>
<b>Cash Received</b>		
Investment revenue from Water Corporation	523,607	845,669
Proceeds from Sale of Property, Plant and Equipment	508,841	176,362
Capital grants	1,893,684	814,744
Flood Damages reimbursements	0	1,905,138
	<b>2,926,132</b>	<b>3,741,913</b>
<b>Net cash provided by (used in) investing activities</b>		<b>(1,690,542)</b>
<b>Cash flows from financing activities</b>		
Financial liabilities	(112,139)	(108,465)
<b>Net cash provided by financing activities</b>		<b>(112,139)</b>
<b>Net (Decrease) in Cash Held</b>		<b>1,891,412</b>
Cash at beginning of year		10,549,513
<b>Cash at end of year</b>	<b>5.1</b>	<b>12,440,925</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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## NOTE 1 GENERAL ACCOUNTING POLICIES

### 1.1 Reporting Entity

- (a) The Waratah-Wynyard Council was established on 2 April 1993 and is a body corporate with perpetual succession and a common seal.

Council's Main Office is located at 21 Saunders Street, Wynyard.

- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
  - to represent and promote the interests of the community;
  - to provide peace, order and good government in the municipality.

### 1.2 Basis of Accounting

These financial statements are 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.

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

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 6.1, 6.3, 7.3 and 8.1.

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.

### 1.3 Use of Judgements and Estimates

#### *Judgements and Assumptions*

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

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

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

#### *Employee entitlements*

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

#### *Defined benefit superannuation fund obligations*

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

#### *Fair Value of Property 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 note 6.1.

#### *Investment in Water Corporation*

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 4.1 and in note 6.3.

### 1.4 Other significant accounting policies and pending accounting standards

- (a) **Taxation**  
Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax, Land Tax and the Goods and Services Tax.

#### *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented on a gross basis. The GST components of investing and financing cash flows are recoverable from or payable to the tax authority are presented as operating cash flows.

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

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

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

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

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget  
The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent revised budget amounts and are not audited.

(g) Adoption of new and amended accounting standards  
In the current year, Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

(i) AASB 9 Financial Instruments

This standard replaces the existing standard, AASB139: Financial Instruments: Recognition and Measurement and revises classification, measurement and disclosure of financial assets and liabilities. It reduces the number of categories for financial assets and simplifies the measurement choices, including the removal of impairment testing of assets measured at fair value. Classification of financial assets is determined by Council's business model for holding the particular asset and its contractual cash flows.

Council has applied this standard from 1 July 2018 using a retrospective approach with cumulative catch-up. This does not require Council to restate comparative figures but does require the presentation of both qualitative and quantitative disclosures for affected items, along with a corresponding adjustment to the opening balance of Accumulated Surpluses for transitional effects of re-measurement.

The nature of adjustments is described below:

(a) Classification and measurement

The financial assets of Council have been reclassified into one of the following categories on adoption of AASB 9. The classifications are primarily based on Council's business model in which a financial asset is managed and its contractual cash flow characteristics. The main effects resulting from reclassification are as follows:

Trade and other receivables - classified as 'Loans and receivables' as at 30 June 2018, these are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at 'Amortised cost' beginning 1 July 2018.

Investment in water corporation - classified as an 'Available-For-Sale' financial asset as at 30 June 2018. As Council does not hold this equity investment for trading purposes, it has made an irrevocable election for this equity instrument to present any subsequent changes in fair value in Other comprehensive income. Under this approach only dividends are recognised in profit or loss. Council's Investment in water corporation is classified and measured as an 'Equity instrument at fair value through other comprehensive income' beginning 1 July 2018.

Council did not designate any financial assets as at fair value through profit or loss.

Council has not designated any financial liabilities at fair value through profit or loss. There are no changes in the classification and measurement for Council's financial liabilities.

In summary, upon the adoption of AASB 9, Council had the following required (or elected) reclassifications as at 1 July 2018:

AASB 139 Category and carrying amount	Note	\$'000	AASB 9 Category and carrying amount	
			Equity instrument at fair value through OCI	\$'000
Available-for-sale Investment in water corporation	6.3	45,117		45,117
				<b>45,117</b>

(b) Impairment of financial assets

The adoption of AASB 9 has fundamentally changed Council's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach, with a forward-looking expected credit loss (ECL) approach. AASB 9 requires Council to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss.

Council recorded no impairment losses in the 2018/19 year.

There was 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 de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below. (Note: standards are applicable to reporting periods beginning on or after to effective date referred to below).

(i) AASB 15 Revenue from Contracts with Customers

The standard has been deferred by AASB 2016-7 Deferral of AASB15 for Not-for-Profit Entities, until the 2019-20 reporting period.

AASB 15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Council has analysed the new revenue recognition requirements noting that future impacts include:

- Depending on the respective contractual terms, the new requirements of AASB 15 may result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred as a liability to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations, (a promise to transfer a good or service).
- Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.

- Grants that are not enforceable and/or not sufficiently specific, will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, for example the Commonwealth Financial Assistance Grants. These grants are will continue being recognised as revenue upfront assuming no change to the current grant arrangements.

For Council there will be a significant effect in the treatment of all grants with sufficiently specific performance obligations, but where the conditions have yet to be fulfilled at year end. Council currently presents unexpended grant income received in note 5. Council's assessment is that the majority of the amounts received unexpended for the year, \$1,460,772, will be deferred as a liability under AASB15 and progressively recorded as income as performance obligations are fulfilled.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

(ii) AASB 1058 Income of Not-for-Profit Entities

This standard has been deferred until the 2019-20 reporting period.

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 Contributions. The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received.

AASB 1058 applies when Council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is principally to enable Council to further its objectives. In cases where Council enters into other transactions, Council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

Where the asset acquired is leased at a "Peppercorn" rate, Council is required to recognise the leased asset at its fair value, the remaining lease liability and the balance as income. These leased right-of-use assets have not previously been recognised.

Council currently has 31 peppercorn leases/licences with no material commercial value and they are not expected to have a material impact on the Statement of Financial position or Statement of Comprehensive Income.

AASB 1058 also encompasses non-contractual statutory income such as rates, taxes and fines. Council currently recognises income when received. Under AASB 1058, income is recognised when the taxable event has occurred. An impact for Council is that prepaid rates received prior to the beginning of a rating period, will now be recognised as a financial liability until the commencement of that rating period. The impact to Council will be that revenue recognised when received from Rates and Charges in advance as disclosed in note 2.3, will now be recorded as a liability, with revenue deferred until the commencement of the applicable rating period.

AASB 1058 requires the recognition of Volunteer services where they would have been purchased if not donated and the fair value of those services can be reliably measured.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

Council has assessed these requirements and determined that whilst the volunteers add value to the service experience, no disclosures related to volunteers is required by the accounting standards.

(iii) AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. Council will apply the standard from 1 July 2019. Exemptions allow councils to apply AASB 117 for the 30 June 2019 reporting year.

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

AASB 16 will result in most of Council's operating leases being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which may remain off the balance sheet. Council's existing lease commitments are disclosed in Note 9.4.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. Council's current operating lease expenditure is shown at Note 9.4. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities.

Council currently has 5 Commercial Leases with total payments of \$5,340 and they are not expected to have a material impact on the Statement of Financial Position or Statement of Comprehensive Income.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

## NOTE 2 OUR PERFORMANCE

### 2.1 Functions/Activities of the Council Notes to and forming part of the Financial Report

For the year ended 30 June 2019

Note 2.1(a): Expenses, Revenues and Assets have been attributed to the following functions/activities, descriptions of which are set out in note 2.1(c).

2019 ACTUAL	CORPORATE SERVICES	TRANSPORT	DEVELOPMENT SERVICES	PARKS AND RECREATION	COMM SERVICES	FIRE LEVY	WASTE MGT	DRAINAGE SERVICES	OTHER - NOT ATTRIBUTABLE	TOTAL
EXPENSES \$	2,519,035	4,763,977	1,141,001	2,929,960	2,829,837	442,510	2,008,159	645,544	303,194	17,583,217
%	14.3	27.1	6.5	16.7	16.1	2.5	11.4	3.7	1.7	100.0
REVENUES \$	40,354	1,864,192	0	1,410,000	139,495	0	0	0	1,634,315	5,088,356
GRANTS	1,739,540	-142,134	363,830	109,373	1,704,392	473,654	1,918,977	807,155	8,050,528	15,025,315
OTHER	1,779,894	1,722,058	363,830	1,519,373	1,843,887	473,654	1,918,977	807,155	9,684,843	20,113,671
TOTAL	8.8	8.6	1.8	7.6	9.2	2.4	9.5	4.0	48.2	100.0
% SURPLUS/(DEFICIT) FOR YEAR										2,530,454
ASSETS (Note 2.1(b))	76,778,423	98,510,106	275,275	26,023,779	4,464,083	0	0	18,193,150	528,773	224,773,589
2019 BUDGET										
EXPENSES \$	2,998,487	4,800,088	1,313,293	3,650,493	2,639,805	452,800	1,984,364	634,365	302,247	18,775,942
%	16.0	25.6	7.0	19.4	14.1	2.4	10.6	3.4	1.6	100.0
REVENUES \$	0.00	1,859,554	0.00	4,035,000	43,500	0	0	0	97,317	6,035,368
GRANTS	1,732,748	-101,027	338,510	120,500	1,776,862	471,312	1,896,208	837,751	7,966,135	15,038,999
OTHER	1,732,748	1,758,527	338,510	4,155,500	1,820,362	471,312	1,896,208	837,751	8,063,449	21,074,367
TOTAL	8.2	8.3	1.6	19.7	8.6	2.2	9.0	4.0	38.3	100.0
% SURPLUS/(DEFICIT) FOR YEAR										2,298,425
2018 ACTUAL										
EXPENSES \$	2,746,343	5,355,965	1,503,749	2,593,276	2,690,989	428,031	1,910,790	680,371	303,144	18,212,658
%	15.1	29.4	8.3	14.2	14.7	2.4	10.5	3.7	1.7	100.0
REVENUES \$	100,000	2,247,466	421,139	0	109,519	0	0	0	1,568,377	4,446,501
GRANTS	2,053,738	512,531	337,305	124,966	1,552,729	449,911	1,900,230	814,244	7,878,884	15,624,538
OTHER	2,153,738	2,759,997	758,444	124,966	1,662,248	449,911	1,900,230	814,244	9,447,261	20,071,039
TOTAL	10.7	13.8	3.8	0.6	8.3	2.2	9.5	4.1	47.1	100.0
% SURPLUS/(DEFICIT) FOR YEAR										1,858,381
ASSETS (Note 2.1(b))	64,947,450	98,015,483	182,121	31,607,539	2,566,023	0	0	16,158,352	363,829	213,840,798

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(b) Total assets shown in note 2.1(a) are reconciled with the amounts shown for assets in the statement of financial position as follows:

	Actual 2019 \$	Actual 2018 \$
Current Assets	13,925,284	11,877,739
Non-Current Assets	210,848,305	201,963,059
<b>TOTAL</b>	<b>224,773,589</b>	<b>213,840,798</b>

(c) Component Functions/Activities

The activities relating to the Local Government's components reported at Note 1.4(a) are as follows:

#### Transport

Construction and maintenance of roads, footpaths, bridges and traffic signs. It also includes gravel pits and municipal car parks.

#### Development Services

Administration and implementation of the Council's environmental health, animal management, building control and town planning legislative requirements.

#### Parks & Recreation

Operation and maintenance of halls, recreation centres, public conveniences and open space networks.

#### Community Services

Operation of Council's emergency management, and various children and community activation services.

#### Waste Management

Operation of Wynyard Waste Transfer Station and waste collection services.

#### Drainage Services

Construction and maintenance of Council's Drainage Works.

#### Corporate Services

Operation and maintenance of Council Chambers, administration offices and depots. Also includes the Waratah Post Office, rental of Council owned property at commercial rates, subdivision and sale of Council land.

#### Fire Levy

Collected on behalf of the State Government for state-wide fire services.

#### Other - Not Attributable

This grouping recognises revenue and expenditure items which do not fall into any of the above functions/activities.

	Actual 2019 \$'000s	Budget 2019 \$'000s	Actual 2018 \$'000s
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## 2.2 Council's performance against budget

Comprehensive Surplus (Deficit) as per Statement of Comprehensive Income	11,346	2,298	5,125
<b>Less: Non operating Income</b>			
Less: Capital grants	1,894	3,620	1,367
Less: Financial assistance grant received in advance 2019	1,547		1,487
Add: Financial assistance grant in advance in 2018	1,487	1,406	1,426
<b>Less: Other Comprehensive Income</b>			
Fair value revaluation of non-current assets	2,247	-	2,689
Current year fair value adjustment to Tas Water	6,569	-	578
<b>Council's underlying result against budget</b>	<b>576</b>	<b>84</b>	<b>430</b>

Council's result for the 2018-19 year was \$0.576m compared to a budgeted result of \$0.084m. A favourable variance to budget of \$0.492m

## 2.3 Rates and charges

Council uses Assessed Annual Valuation (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its valuation that has been adjusted to reflect movements in board market valuations.

	Actual 2019 \$	Actual 2018 \$
General rate	8,050,527	7,878,883
Waste service charges	1,851,677	1,841,905
Fire levies	455,544	432,362
Stormwater service charges	843,958	837,587
<b>Total Rates and Charges</b>	<b>11,201,705</b>	<b>10,990,737</b>

The date of the latest general revaluation of land for rating purposes within the municipality was 1 July 2017.

In 2018/19 the council has received \$550,217 of rates payments paid in advance (2017/18 \$505,572).

### Accounting Policy

Rate income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debit linked to the rateable property or, where earlier, upon receipt of the rates. 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.

## 2.4 User charges

Childcare	1,433,080	1,310,149
Building and Development	220,874	217,277
Property Certificates	91,430	104,197
Other	658,066	659,325
<b>Total User Charges</b>	<b>2,403,450</b>	<b>2,290,948</b>

Actual 2019 \$	Actual 2018 \$
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### Accounting Policy

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

#### Rent

Rents are recognised as revenue when 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.

#### Interest

Interest is recognised progressively as it is earned.

#### Operating leases as lessor

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

#### Distributions

Distribution revenue is recognised when Council's right to receive payment is established.

#### Non-monetary contributions

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

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

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

## 2.5 Grants

Grants were received in respect of the following:

### Grants - Operating

#### Roads

Commonwealth Government Grant – General Purpose	1,634,315	1,568,377
Commonwealth Government Grants – Roads	1,330,818	1,292,815
Commonwealth Government Grants – Bridges	85,671	80,116
Heavy Vehicle Funding	59,791	59,791
Family and Children	52,411	78,889
Other	31,666	551,769
<b>Total Operating grants</b>	<b>3,194,672</b>	<b>3,631,757</b>

### Grants - Capital

Information Technology	40,354	0
Child Care	5,418	
Recreation	1,460,000	0
	<b>1,505,772</b>	<b>0</b>

	Actual 2019 \$	Actual 2018 \$
<b>Roads</b>		
Roads to Recovery	387,912	782,744
Blackspot Funding	0	32,000
	<b>387,912</b>	<b>814,744</b>
<b>Total Capital Grant Revenue</b>	<b>1,893,684</b>	<b>814,744</b>
<b>Total Grants Revenues</b>	<b>5,088,356</b>	<b>4,446,501</b>

The Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. During 2018/19 The Commonwealth Government announced that they would bring forward the first two payments of the 2019/20 year. In accordance with AASB 1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2018-19, resulting in the surplus/(deficit) being higher in 2018-19 by \$1,546,955.

	Actual 2019 \$	Actual 2018 \$
<b>Total Grants Revenues</b>		
<b>Capital grants received specifically for new or upgraded assets</b>		
Commonwealth Government - Roads to Recovery	387,912	782,744
Recreation	1,460,000	0
Information Technology	40,354	0
Child Care	5,418	0
Blackspot Funding	0	32,000
	<b>1,893,684</b>	<b>814,744</b>
<b>Total Capital Grant Revenue</b>	<b>1,893,684</b>	<b>814,744</b>
Recurrent Grants	3,194,672	3,631,757
Capital Grants	1,893,684	814,744
<b>Total Grants Revenues</b>	<b>5,088,356</b>	<b>4,446,501</b>

#### Conditions on Grants

Non-reciprocal grants which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended.

Plus, amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions.

	Actual 2019 \$	Actual 2018 \$
Family and Children	10,418	0
Information Technology	40,354	0
Recreation	1,410,000	0
Agricultural Landscape Rehabilitation Scheme	0	2,319
<b>Unexpended at the close of this reporting period</b>	<b>1,460,772</b>	<b>2,319</b>
Net increase/(decrease) in non-reciprocal grant revenues for the year	1,460,772	2,319

	Actual 2019 \$	Actual 2018 \$
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#### Accounting Policy

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt.

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.

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 or, where earlier, upon receipt of the rates. 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 condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed. 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.

## 2.6 Sale of property, plant and equipment, infrastructure

### Disposal of assets in the ordinary course of business have given rise to the following losses

Proceeds of sale	508,841	176,362
Less: Written down value of assets disposed	(706,277)	(492,572)
<b>Net Gain/(Loss) on disposal</b>	<b>(197,436)</b>	<b>(316,210)</b>

#### Accounting Policy

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

## NOTE 3 EXPENSES

### 5.1 Employee benefits

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

Wages, Salaries and Allowances	5,145,108	4,971,976
Workers Compensation	176,980	230,650
Superannuation Expenses	604,473	604,341
Annual, Sick and Long Service Leave	729,795	799,604
Other Employee Expenses	121,680	300,489
<b>Total Direct Employee Costs</b>	<b>6,778,037</b>	<b>6,907,060</b>
<b>Less: Amounts Capitalised</b>	<b>(362,212)</b>	<b>(453,170)</b>
<b>Net Employee Costs</b>	<b>6,415,825</b>	<b>6,453,890</b>

	Actual 2019 \$	Actual 2018 \$
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Waratah-Wynyard Council and Circular Head Council have a formal resource sharing agreement. Costs associated with resource shared employees of Circular Head are accounted as materials (note 9.8(d)). Employee costs for resource shared employees of Waratah-Wynyard Council are accounted in full as an employee cost, however revenue is received from Circular Head Council as a reimbursement. Employee costs disclosed in this note are not offset by any income received.

**Accounting Policy**

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

**3.1 Materials and contracts**

Contract payments	2,504,453	2,477,309
Waste Disposal	541,019	523,224
Insurance	153,084	140,442
Fuel	223,025	155,468
Electricity	324,982	335,428
Water and Sewerage	195,158	170,508
Other Materials and Services	2,187,572	2,627,208
<b>Total Materials and Contracts</b>	<b>6,129,293</b>	<b>6,429,587</b>

**Accounting Policy**

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

Routine maintenance, repair costs, and minor renewals are expensed as incurred. Where the repair related 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.

**3.2 Depreciation and amortisation**

Land Improvements	264,802	267,391
Buildings	340,147	316,894
Furniture and Fittings	79,274	85,439
Plant and Equipment	351,710	360,641
Roads	1,963,934	2,327,256
Bridges	371,710	382,358
Drainage Works	432,703	368,517
Intangible Assets	36,998	36,991
	<b>3,841,278</b>	<b>4,145,487</b>

**Accounting Policy**

*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. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

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

	Actual 2019 \$	Actual 2018 \$
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Land, heritage, artworks and road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

The non-depreciation of road earthwork assets shall be reviewed at least at the end of each reporting period, to ensure that the accounting policy applied to particular earthwork assets reflects the most recent assessment of the useful lives of the assets, having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence.

Straight line depreciation is charged based on the residual useful life as determined each year.

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

	2019	2018
Buildings	10 to 100 years	10 to 100 years
Land Improvements	4 to 150 years	4 to 150 years
Plant	3 to 15 years	3 to 15 years
Motor Vehicles	2 to 5 years	2 to 5 years
Office Equipment & Furniture	2 to 20 years	2 to 20 years
Stormwater/Drainage Systems	80 years	80 years
Roads	10 to 100 years	10 to 100 years
Bridges & Culverts	20 to 80 years	20 to 80 years

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.

**3.3 Borrowing costs**

Interest	<b>36,059</b>	<b>39,733</b>
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**Accounting Policy**

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

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

No borrowing costs were capitalised during the current period, (2017/18, \$0).

Finance costs include interest on bank overdrafts, borrowings and bank guarantee fees.

**3.4 Other expenses**

Audit Services - External Audit *	34,000	32,728
- Other Audit Services	1,500	1,200
Community Assistance Grants	48,612	46,614
Councillor's Allowances (refer to note 10.1(a))	174,708	172,173
	<b>258,820</b>	<b>252,715</b>

\* includes base audit fee of \$28,910 (2017/18 \$27,270)

	Actual 2019 \$	Actual 2018 \$
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**Accounting Policy**

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

**3.5 Significant business activities**

	Actual 2019 \$	Actual 2018 \$
<b>CHILDREN'S SERVICES REVENUE</b>		
<b>Direct</b>		
Rates	-	-
User Charges	1,432,943	1,310,149
Contributions	-	-
Government Grants	71,669	78,889
Other	908	1,378
	<b>1,505,520</b>	<b>1,390,416</b>
<b>EXPENDITURE</b>		
<b>Direct</b>		
Employee Costs	1,071,288	1,055,510
Materials & Contracts	151,040	143,403
Interest	-	-
Other	-	-
	<b>1,222,328</b>	<b>1,198,912</b>
<b>Indirect</b>		
Indirect Expenditure	<b>61,430</b>	<b>72,400</b>
<b>Capital Costs</b>		
Depreciation	26,304	22,641
Opportunity Costs of Capital	49,998	46,118
Competitive Neutrality Costs	45,429	31,787
	<b>121,731</b>	<b>100,546</b>
<b>Notional Profit/Loss</b>	<b>100,031</b>	<b>18,557</b>

**Accounting Policy**

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council has determined, based upon competitive neutrality principles that Warawyn Early Learning Centre within Children's Services is considered a significant business activity. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees in preparing the information disclosed in relation to significant business activities.

Council will continue to review its operations to determine which activities meet the requirements for disclosure as a significant business activity.

**NOTE 4 OUR ASSETS**

**4.1 Investment revenue in Water Corporation**

	Actual 2019 \$	Actual 2018 \$
Dividend revenue	294,731	519,825
Tax equivalent	191,356	248,829
Guarantee fee	37,520	77,015
<b>Total investment revenue from water corporation</b>	<b>523,607</b>	<b>845,669</b>

**Accounting Policy**

Dividend revenue is recognised when Council's right to receive payment is established.

	Actual 2019 \$	Actual 2018 \$
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**NOTE 5 CURRENT ASSETS**

**5.2 Cash and cash equivalents**

	Actual 2019 \$	Actual 2018 \$
Cash	1,600	2,200
Trading Account	539,325	1,536,735
Road Accident - Trust Account	0	10,578
Short Term Deposits	11,900,000	9,000,000
	<b>12,440,925</b>	<b>10,549,513</b>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. This includes coverage of future commitments for infrastructure renewals, liabilities and reserve funds.

These include:

Conditions on Grants (note 2.5)	1,460,772	2,319
Trust Funds and deposits	157,295	154,104

**Restricted funds**

<b>Total unrestricted cash and cash equivalents</b>	<b>1,618,067</b>	<b>156,423</b>
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Council has a corporate credit card facility with a limit of \$50,000. The balance is paid in full on a monthly basis.

**5.3 Reconciliation of cash flows from operating activities to surplus (deficit)**

<b>Surplus/(Deficit) for Year</b>	<b>2,530,454</b>	<b>1,858,381</b>
<i>Items not involving Cash</i>		
Depreciation expense	3,841,278	4,145,487
Capital Reimbursements	0	(52,061)
	<b>3,841,278</b>	<b>3,593,426</b>
<i>Change in Operating Assets and Liabilities</i>		
Receivables and other Assets	(153,778)	(52,278)
Payables	(130,569)	(180,149)
Provisions	(164,942)	23,788
Inventories	(8,495)	659
	<b>(457,784)</b>	<b>(207,980)</b>
<i>Investing Activity</i>		
Loss/(Profit) on disposal of Non-Current Assets	197,436	316,210
Distributions from Water Corporation	(523,607)	(845,669)
Capital Grants	(1,893,684)	(814,744)
	<b>(2,219,855)</b>	<b>(1,344,203)</b>
<b>Cash flows from Operating Activities</b>	<b>3,694,093</b>	<b>3,899,624</b>

Financing Arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

Available at reporting date – Bank Overdraft	<b>250,000</b>	<b>250,000</b>
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**Accounting Policy**

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 six months or less, net of outstanding bank overdrafts. Cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment or other purposes.

	Actual 2019 \$	Actual 2018 \$
<b>5.4 Receivables</b>		
Rates and Charges	514,607	452,217
Other Debtors	564,412	418,151
	<b>1,079,019</b>	<b>870,368</b>

**Accounting Policy**

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised using an expected credit loss model. In the comparative period, a provision was recognised when there is evidence that an impairment loss has occurred. 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.

**5.5 Inventories**

Stores and Material	66,284	80,893
Post Office Stock	5,159	4,892
Wonders of Wynyard	37,188	31,341
	<b>108,631</b>	<b>117,126</b>

**Accounting Policy**

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. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

**5.6 Other**

Accrued Income	37,046	98,535
Prepayments	141,660	127,015
Security & Other Deposits	7,821	5,000
	<b>186,527</b>	<b>230,550</b>

Accrued income only includes items that are reciprocal in nature. This does not include Rates in Advance.

**NOTE 6 NON-CURRENT ASSETS**

**6.1 Property, plant and equipment**

<b>Land</b>		
At Fair Value	21,634,227	21,874,045
At Cost	80,746	0
Work in Progress	0	0
Land under Roads	4,412,680	4,412,680
	<b>26,127,653</b>	<b>26,286,725</b>

The Council Land valuation was carried out by the Valuer General, as at 1 July 2017 – based on current market value. Land under Roads was valued by the Valuer General as at 30<sup>th</sup> June 2014 – based on current market value.

**Land Improvements**

At Cost	8,969,252	8,868,663
Less Accumulated Depreciation	(3,641,021)	(3,385,923)
Work in Progress	910,962	206,012
	<b>6,239,193</b>	<b>5,688,752</b>

	Actual 2019 \$	Actual 2018 \$
<b>Buildings</b>		
At Fair Value	12,675,771	12,675,771
At Cost	1,048,157	930,090
Less Accumulated Depreciation	(657,041)	(316,894)
Work in Progress	152,226	62,703
	<b>13,219,113</b>	<b>13,351,670</b>

The Council valuation was carried out by the Valuer General, as at 1 July 2017 – based on current market value.

**Furniture and Fittings**

At Cost	1,679,386	1,629,255
Less Accumulated Depreciation	(1,373,393)	(1,294,118)
Work in Progress	6,695	0
	<b>312,688</b>	<b>335,136</b>

**Plant and Equipment**

At Cost	4,951,099	4,891,238
Less Accumulated Depreciation	(2,108,534)	(2,235,213)
Work in Progress	1,682	0
	<b>2,844,247</b>	<b>2,656,025</b>

**Roads**

At Cost	12,835,944	10,660,846
At Fair Value	127,064,782	128,099,962
Less Accumulated Depreciation	(63,597,556)	(62,481,104)
Work in progress	849,295	775,464
	<b>77,152,465</b>	<b>77,055,168</b>

The Council valuation was carried out by Council's Engineer, as at 1 July 2014 - based on depreciated replacement cost.

**Bridges**

At Fair Value	22,691,364	22,691,364
At Cost	3,707,501	3,707,501
Less Accumulated Depreciation	(11,752,208)	(11,380,498)
Work in progress	10,878	0
	<b>14,657,535</b>	<b>15,018,367</b>

The Council valuation was carried out by Auspan, as at 30 June 2014 – based on depreciated replacement cost.

**Drainage Assets**

At Fair Value	32,969,746	28,105,287
At Cost	1,857,515	1,641,465
Less Accumulated Depreciation	(16,675,773)	(13,588,400)
Work in progress	41,663	0
	<b>18,193,151</b>	<b>16,158,352</b>

The Council valuation was carried out by Council's Engineer as at 1 July 2018 – based on depreciated replacement cost.

The Council reassessed the useful lives of road assets during the current financial year, leading to a reduction in depreciation expense compared to the comparative period.

<b>TOTAL PROPERTY PLANT &amp; EQUIPMENT</b>	<b>158,746,045</b>	<b>156,550,195</b>
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	Actual 2019 \$	Actual 2018 \$
<b>Reconciliations:</b>		
<b>Land</b>		
Carrying amount at beginning of year	26,286,725	24,829,242
Additions	80,746	0
Revaluations	0	1,457,483
Disposals	(239,818)	0
Carrying amount at end of year	<b>26,127,653</b>	<b>26,286,725</b>
<b>Land Improvements</b>		
Carrying amount at beginning of year	5,688,752	5,471,877
Additions	815,246	495,628
Disposals	0	(11,362)
Depreciation	(264,805)	(267,391)
Carrying amount at end of year	<b>6,239,193</b>	<b>5,688,752</b>
<b>Buildings</b>		
Carrying amount at beginning of year	<b>13,351,670</b>	<b>11,496,310</b>
Additions	207,590	941,169
Revaluation	0	1,231,085
Disposals	0	0
Depreciation	(340,147)	(316,894)
Carrying amount at end of year	<b>13,219,113</b>	<b>13,351,670</b>
<b>Furniture and Fittings</b>		
Carrying amount at beginning of year	335,136	275,801
Additions	56,826	144,774
Disposals	0	0
Depreciation	(79,274)	(85,439)
Carrying amount at end of year	312,688	335,136
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	2,656,025	2,874,162
Additions	781,890	306,970
Disposals	(241,958)	(164,466)
Depreciation	(351,710)	(360,641)
Carrying amount at end of year	<b>2,844,247</b>	<b>2,656,025</b>
<b>Roads</b>		
Carrying amount at beginning of year	77,055,168	77,534,325
Additions	2,248,929	2,030,456
Disposals	(187,698)	(182,356)
Depreciation	(1,963,934)	(2,327,257)
Carrying amount at end of year	<b>77,152,465</b>	<b>77,055,168</b>
<b>Bridges</b>		
Carrying amount at beginning of year	15,018,367	15,246,719
Additions	10,878	265,050
Disposals	0	(111,045)
Depreciation	(371,710)	(382,358)
Carrying amount at end of year	<b>14,657,535</b>	<b>15,018,367</b>
<b>Drainage</b>		
Carrying amount at beginning of year	16,158,352	16,294,375
Additions	257,713	255,837
Revaluation	2,246,592	0
Disposals	(36,803)	(23,343)
Depreciation	(432,703)	(368,517)
Carrying amount at end of year	<b>18,193,151</b>	<b>16,158,352</b>

#### Accounting Policy

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

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

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

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

	\$		\$
Land	0	Plant and Equipment	1,000
Buildings	2,500	Bridges	5,000
Land Improvements	1,000	Drainage Assets	2,000
Furniture and Fittings	1,000	Roads	5,000

#### Revaluation

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

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

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and machinery and furniture, fittings and office equipment, parks, recreation facilities and community amenities and heritage assets are measured at their fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

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

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

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

	Actual 2019 \$	Actual 2018 \$
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## 6.2 Intangible assets

At Cost	816,599	606,620
Less Accumulated Amortisation	(401,656)	(380,552)
Work in progress	0	69,014
	<b>414,943</b>	<b>295,082</b>
<b>Reconciliation</b>		
Carrying amount at beginning of year	295,082	263,059
Additions	156,859	69,014
Amortisation	(36,998)	(36,991)
Carrying amount at end of year	<b>414,943</b>	<b>295,082</b>

### Accounting Policy

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

## 6.3 Investment in Water Corporation

Opening Balance	45,117,782	44,539,702
Fair value adjustments on Available-for-Sale Assets	6,569,535	578,080
	<b>51,687,317</b>	<b>45,117,782</b>

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

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2019, Council held a 2.78% ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting rights.

## NOTE 7 OUR LIABILITIES

### 7.1 Payables

#### Trade and Other Payables

Trade Creditors	1,068,102	1,181,865
	<b>1,068,102</b>	<b>1,181,865</b>
Trust Funds & Deposits	157,295	154,104
<b>Total Payables</b>	<b>1,225,397</b>	<b>1,335,969</b>

### 7.2 Financial liabilities

Secured Loans	115,936	112,139
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	Actual 2019 \$	Actual 2018 \$
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## 7.3 Provisions

Provisions for Annual Leave	545,086	566,802
Provision for Long Service Leave	922,158	957,199
Employee benefits - On-costs	183,405	196,377
Provision for Banked Employee Time	20,084	37,182
Purchased Leave	26,105	23,488
	<b>1,696,838</b>	<b>1,781,048</b>

### Accounting Policy

#### i) Short term obligations

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

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

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

#### iii) Sick Leave

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

#### iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e as an expense when it becomes payable.

#### v) Defined contribution plans

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

Actual 2019 \$	Actual 2018 \$
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## NOTE 8 NON-CURRENT LIABILITIES

### 8.1 Interest-bearing loans and borrowings

Secured Loans	<b>870,174</b>	<b>986,110</b>
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#### Security for Borrowings

The loans are secured over the general rates of the Council.

#### Accounting Policy

##### Interest bearing liabilities

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

##### Leases

##### i) Finance leases as lessee

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight-line basis over their estimated useful lives to Council where it is likely that Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Currently Council has no finance leases.

##### ii) Operating leases as lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

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

Lease income from operating leases where Council is a lessor is recognised in income on a straight-line basis over the lease term.

##### iii) Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

Actual 2019 \$	Actual 2018 \$
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### 8.2 Non-current provisions

Provision for Long Service Leave	58,215	157,947
Employee benefits - on-costs	4,931	13,583
Provision for Gravel Pit Rehabilitation	216,999	215,484
	<b>280,145</b>	<b>387,014</b>
<i>Movement in Provision for Gravel Pit Rehabilitation</i>		
Opening balance	215,484	210,633
Contributions received	1,515	4,851
Rehabilitation Works	0	0
	<b>216,999</b>	<b>215,484</b>

The present values of employee entitlements not expected to be settled within twelve months of balance date have been calculated using the following weighted averages:

Assumed rate of increase in wage and salary rates	2.5%
Discount rate	1.267%
Settlement term (years)	7
Number of employees at year end	87

#### Accounting Policy

Provision has been made for Gravel Pit rehabilitation and restoration on an incremental basis during the course of the life of the Pit. Amounts are allocated to the provision based on the amount of gravel (in cubic metres) extracted from the Council's gravel pits at a rate of \$3 per cubic metre.

## NOTE 9 OTHER INFORMATION

### 9.1 Reserves

<i>Composition:</i>		
Asset Acquisition	154,018	154,018
Public Open Space	167,092	158,079
Bridge Replacement Reserve	0	0
Asset Revaluation	53,217,938	50,971,346
Fair Value Reserve	12,384,339	5,814,804
	<b>65,923,387</b>	<b>57,098,247</b>
<i>Movements:</i>		
<i>Asset Acquisition</i>		
Balance at the beginning of the financial year	154,018	154,018
Amount transferred from accumulated surplus	0	0
Amount transferred to accumulated surplus	0	0
Balance at the end of the financial year	154,018	154,018
<i>Public Open Space</i>		
Balance at the beginning of the financial year	158,079	144,511
Amount transferred from accumulated surplus	9,013	13,568
Amount transferred to accumulated surplus	0	0
Balance at the end of the financial year	167,092	158,079
<i>Bridge Replacement Reserve</i>		
Balance at the beginning of the financial year	0	696,000
Amount transferred from accumulated surplus	0	0
Amount transferred to accumulated surplus	0	696,000
Balance at the end of the financial year	0	0

	Actual 2019 \$	Actual 2018 \$
Asset Revaluation - Council		
Balance at the beginning of the financial year	50,971,346	48,282,778
Revaluation Assets	2,246,592	2,688,568
Balance at the end of the financial year	53,217,938	50,971,346
Fair Value Reserve		
Balance at the beginning of the financial year	5,814,804	5,236,724
Fair Value Adjustment	6,569,535	578,080
Balance at the end of the financial year	<b>12,384,339</b>	<b>5,814,804</b>

#### Nature and Purpose of Reserves:

##### Asset Acquisition Reserve

The amount standing to the credit of the Asset Acquisition Reserve resulted from prior period allocation of accumulated surplus for the purpose of identifying the surplus set aside for specific works to be conducted in future years. The reserve will be released to accumulated surplus when the specific works are undertaken. The balance in this account at 30 June 2019 represents amounts to be spent on specific works to be undertaken in the community.

##### Public Open Space Reserve

The amount standing to the credit of the Public Open Space Reserve resulted from prior period allocation of accumulated surplus for the purpose of identifying the surplus set aside for public open space works to be conducted in future years. The reserve will be released to accumulated surplus when the specific works are undertaken.

##### Bridge Replacement Reserve

The amount standing to the credit of the Bridge Replacement Reserve resulted from prior period allocation of accumulated surplus for the purpose of identifying the surplus set aside for replacement of bridges to be conducted in future years. The reserve was released to accumulated surplus when the specific works are undertaken.

##### Asset Revaluation Reserves

This amount standing to the credit of the Asset Revaluation Reserve resulted from periodic revaluation of Assets.

##### Fair Value Reserve

The fair value reserve was established to capture the fair value movements in Council's Water Corporation investment.

## 9.2 Reconciliation of liabilities arising from financing activities

2019	Interest Bearing Loans
<b>Balance as at 1 July 2018</b>	<b>1,098,249</b>
Cash Repayments	(112,139)
<b>Balance as at 30 June 2019</b>	<b>986,110</b>

## 9.3 Contingent assets and contingent liabilities

Council holds bank guarantees for the following:

Construction Contracts & Bitumen Surfacing	119,579	75,416
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These guarantees have not been recognised as assets as it is uncertain, and unlikely, that Council will require these funds.

Council has provided bank guarantees of \$56,000 (2017/18 \$56,000) as security deposits for rehabilitation of mining leases that it operates. These guarantees have not been recognised as liabilities as it is unlikely that Council will not meet its obligations.

	Actual 2019 \$	Actual 2018 \$
<b>9.4 Commitments</b>		
(a) Capital Expenditure Commitments		
Not later than one year	1,629,084	398,716
(b) Operating Lease Commitments		
Commitments under non-cancellable operating leases at the reporting date are payable as follows:		
Not later than one year	8,153	6,110
Later than one year and not later than five years	17,224	20,037
Council leases equipment under non-cancellable operating leases. Leases generally provide Council with a right of renewal. Lease payments do not include any contingent rentals.		
(c) Operating Expense Commitments		
Not later than one year	1,417,786	562,489
Council's commitments for expenditure are predominately based around environmental services such as waste management and contract street sweeping. The capital commitments have increased due bridge replacements caused by flood damage.		

## 9.5 Superannuation

Council contributes to accumulation schemes on behalf its employees; however, the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

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

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

- During the reporting period the amount of contributions paid to defined benefits schemes was \$0 (2017-18, \$0), and the amount paid to Tasplan accumulation schemes was \$440,267 (2017-18, \$469,083) and the amount paid to 25 other superannuation funds was \$164,207 (2017-18 \$135,258).

## 9.6 Financial instruments

### (a) Accounting Policy, terms and conditions.

Financial instruments	Note	Accounting policy	Terms and conditions
<b>Financial assets</b>			
Cash and cash equivalents	5.1	Cash on hand, at bank and in cash management accounts are valued at face value. Interest is recognised as it accrues. Investments are held to maximise interest returns of surplus cash.	The weighted average interest rate return on operating accounts at 30 June 2019 was 1.00% (1.25% in 2017/2018). The weighted average interest rate return on term deposit investments at 30 June 2019 was 2.05% (2.38% in 2017/2018).
Receivables	5.3	An impairment loss is not recognised on rates receivable.  An allowance for impaired debts is recognised on other debtors under an expected credit loss model, whilst in the comparative period impairment was recognised when there was objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	Unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. General debtors are unsecured, and arrears do not attract interest.
<b>Financial liabilities</b>			
Trade and other payables	7.1	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	7.2,8.1	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Bank guarantees are given as security deposits for rehabilitation of mining leases it operates.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 3.37% (3.37% in 2017/2018). The cost is a flat 2% per annum. (2.00% in 2017/2018)
Bank Guarantees Bank Overdraft		Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates. The interest rate at balance date was 8.56%

### (b) Interest Rate Risk

Exposure to interest rate risk and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at balance date are as follows:

2019	Floating interest rate	Fixed interest maturing in: One year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>						
Cash and cash equivalents	540,925	11,900,000				12,440,925
Trade and other receivables					1,079,019	1,079,019
Accrued revenue					37,046	37,046
Investment in water corporation					51,687,317	51,687,317
<b>Total financial assets</b>	<b>540,925</b>	<b>11,900,000</b>	<b>0</b>	<b>0</b>	<b>52,803,382</b>	<b>65,244,307</b>
<b>Financial liabilities</b>						
Trade and other payables					1,068,102	1,068,102
Trust funds and deposits					157,295	157,295
Interest-bearing loans and borrowings	0	115,936	504,363	365,811	0	986,110
<b>Total financial liabilities</b>	<b>0</b>	<b>115,936</b>	<b>504,363</b>	<b>365,811</b>	<b>1,225,397</b>	<b>2,211,507</b>
<b>Net financial assets (liabilities)</b>	<b>540,925</b>	<b>11,784,064</b>	<b>(504,363)</b>	<b>(365,811)</b>	<b>51,577,985</b>	<b>63,032,800</b>
2018	Floating interest rate	Fixed interest maturing in: One year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>						
Cash and cash equivalents	1,549,513	9,000,000				10,549,513
Trade and other receivables					870,368	870,368
Accrued revenue					98,535	98,535
Investment in water corporation					45,117,782	45,117,782
<b>Total financial assets</b>	<b>1,549,513</b>	<b>9,000,000</b>	<b>0</b>	<b>0</b>	<b>46,086,685</b>	<b>56,636,198</b>
<b>Financial liabilities</b>						
Trade and other payables					1,181,865	1,181,865
Trust funds and deposits					154,104	154,104
Interest-bearing loans and borrowings	0	112,139	487,839	498,271	0	1,098,249
<b>Total financial liabilities</b>	<b>0</b>	<b>112,139</b>	<b>487,839</b>	<b>498,271</b>	<b>1,335,969</b>	<b>2,434,218</b>
<b>Net financial assets (liabilities)</b>	<b>1,549,513</b>	<b>8,887,861</b>	<b>(487,839)</b>	<b>(498,271)</b>	<b>44,750,716</b>	<b>54,201,980</b>

- (c) Fair Value  
The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Fair Values	30 June 2019		30 June 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents				
Cash at bank and on hand	540,925	540,925	1,549,513	1,549,513
Short term investments	11,900,000	11,900,000	9,000,000	9,000,000
Receivables	1,079,019	1,079,019	870,368	870,368
Investment in Water Corporation	51,687,317	51,687,317	45,117,782	45,117,782
Accrued revenue	37,046	37,046	98,535	98,535
	<b>65,244,307</b>	<b>65,244,307</b>	<b>56,636,198</b>	<b>56,636,198</b>
<b>Financial liabilities</b>				
Payables	1,068,102	1,068,102	1,181,865	1,181,865
Interest bearing liabilities	986,110	1,035,948	1,098,249	1,098,886
Other liabilities			0	0
	<b>2,054,212</b>	<b>2,104,050</b>	<b>2,280,114</b>	<b>2,280,751</b>
<b>Net financial assets</b>	<b>63,190,095</b>	<b>63,140,257</b>	<b>54,356,084</b>	<b>54,355,447</b>

- (d) Risks and mitigation  
The risks associated with our main financial instruments and our policies for minimising these risks are detailed below:

**Market Risk**

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

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non-derivative interest-bearing assets are predominantly short-term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from Tascorp. Overdrafts are arranged with major Australian banks.

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

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

- Conformity with State and Federal regulations and standards,
- Capital protection,
- Appropriate liquidity,
- Diversification by credit rating, financial institution and investment product,
- Monitoring of return on investment,
- Benchmarking of returns and comparison with budget.

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

	Actual 2019	Actual 2018
	\$	\$

**Credit risk**

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

- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment policy.

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

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

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

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.1.

	Not later than one year	
	1,417,786	562,489
<b>Financial assets</b>		
Cash at bank and on hand	540,925	1,549,513
Short term investments	11,900,000	9,000,000
<b>Total</b>	<b>12,440,925</b>	<b>10,549,513</b>
<b>Financial liabilities</b>		
Interest bearing liabilities	986,110	1,098,249
<b>Total</b>	<b>986,110</b>	<b>1,098,249</b>
<b>Net Total</b>	<b>11,454,815</b>	<b>9,451,264</b>

**Ageing of Trade and Other Receivables**

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

	30 June 2019		30 June 2018	
	Gross	Impairment	Gross	Impairment
Trade receivables				
Not past due	412,162	0	359,649	0
Past due 0-30 days	21,862	0	14,731	0
Past due 31-60 days	11,054	0	15,087	0
Past due 61-90 days	27,800	0	4,726	0
More than 90 days	91,534	0	23,958	0
Total trade receivables	<b>564,412</b>	<b>0</b>	<b>418,153</b>	<b>0</b>
Rates receivable	<b>514,607</b>	<b>0</b>	<b>452,217</b>	<b>0</b>
<b>Total receivables</b>	<b>1,079,019</b>	<b>\$0</b>	<b>870,370</b>	<b>\$0</b>

An allowance for impairment loss is recognised under an expected credit loss model whilst in the comparative period, an impairment loss was recognised when there was objective evidence that an individual receivable is impaired. No allowance for impairment in respect of trade receivables has been recognised at 30 June 2019.

All rates receivable are in excess of 90 days. No allowance for impairment loss is recognised as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

#### Liquidity risk

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

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

To help reduce these risks we:

- have readily accessible standby facilities and other funding arrangements in place;
- monitor budget to actual performance on a regular basis; and
- forecasting to maintain adequate liquidity levels and cash holdings.

The Council's exposure to liquidity risk is deemed insignificant base on prior periods' data and current assessment of risk. The following tables detail the undiscounted cash flows payable by the Council by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted and include estimated interest payments, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

	Less than 1 year	1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
<b>30 June 2019</b>					
Payables	1,225,397			1,225,397	1,225,397
Financial liabilities	148,229	592,916	386,039	1,127,184	986,110
<b>Total</b>	<b>1,373,626</b>	<b>592,916</b>	<b>386,039</b>	<b>2,352,581</b>	<b>2,211,507</b>
<b>30 June 2018</b>					
Payables	1,335,969			1,335,969	1,335,969
Financial liabilities	148,229	592,916	534,267	1,275,412	1,098,249
<b>Total</b>	<b>1,484,198</b>	<b>592,916</b>	<b>534,267</b>	<b>2,611,381</b>	<b>2,434,218</b>

#### (e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -0.50% in market interest rates (AUD) from year-end rates of 2.62%

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

	Surplus/(Deficit)		Equity	
	2019	2018	2019	2018
+ 1% (100 basis points)	114,548	94,513	114,548	94,513
- 0.5% (50 basis points)	(57,274)	(47,256)	(57,274)	(47,256)

## 9.7 Fair value measurement

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

- Investment in water corporation
- Property, infrastructure plant and equipment
  - Land
  - Buildings
  - Roads, including footpaths
  - Bridges

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land held for resale as disclosed in note 6.1. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Land held for sale'.

#### (a) Fair Value Hierarchy

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

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

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2019.

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

As at 30 June 2019	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>					
Land	6.1		26,128		26,128
Buildings	6.1			13,219	13,219
Roads, including footpaths	6.1			77,152	77,152
Bridges	6.1			14,658	14,658
Drainage	6.1			18,193	18,193
Available for sale financial assets	6.3			51,687	51,687
			26,128	174,909	201,037
<b>Non-recurring fair value measurements</b>					
Assets held for sale			110		110
			110		110

#### Transfers between levels of the hierarchy

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

#### (b) Highest and best use

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

#### Investment in Water Corporation

Refer to notes 4.1 and 6.3 respectively for details of valuation techniques used to derive fair values.

## Land

The Council valuation was carried out by the Valuer General, as at 1 July 2017 – based on current market value. The fair value of the land was determined using the market approach.

### *Land held for sale*

Land held for resale is valued at the lower of the carrying amount and fair value less costs to sell. It comprises residential blocks of land in Wynyard and Sisters Beach that is surplus to council's requirements and is expected to be sold in the next accounting period.

### *Land under roads*

Land under roads has been valued based upon Waratah-Wynyard Municipal Area land values supplied by the Office of the Valuer General in July 2014. Total area of land under roads (being the entire road reserve where a Council-maintained road is constructed) was calculated separately for Urban and Rural areas. The VG's land value for the Primary Production land use class was used to value Rural land under roads. For Urban land under roads a weighted average of the Valuer Generals' values for Commercial, Industrial and Residential land use classes was used with the weighting being the proportion of all urban land in each class as recorded in Council's property and rates system.

## Buildings

The Council valuation was carried out by the Valuer General, as at 1 July 2017 – The most significant input into this valuation approach was based on current market value.

Where Council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential.

While the unit rates-based valuation by the Valuer General can be supported by market evidence (level 2), the estimates of useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The table at (c) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

## Infrastructure assets

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

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

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

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives are disclosed in note 3.3.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation.

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

## *Roads, including footpaths*

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

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. Council assumes that pavements are constructed to depths of 30 cm irrespective of traffic conditions. Where construction is outsourced material and services prices are based on existing supplier contract rates or supplier price lists and for internal construction estimates, CRC is based on the average of completed similar projects over the last few years.

Council have revalued roads at 1 July 2014 at current replacement rates.

## *Bridges*

The Council valuation was carried out by Auspan, as at 30 June 2014 – based on depreciated replacement cost. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure where applicable. The valuation is based on the material type used for construction and the replacement rates.

## *Drainage*

The Council valuation was carried out by Council's Engineer as at 1 July 2018 – based on depreciated replacement cost. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components. Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

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

### (c) Observable inputs and sensitives

Asset Category	Carrying Amount (at fair value) \$000	Valuation Basis
Investment in Water Corporation	\$51,687	Refer to note 1.3 for a description of the valuation basis.

The changes in level 3 assets with recurring fair value measurements are detailed in note 6.1 (Property, plant and equipment).

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

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

The changes in level 3 assets with recurring fair value measurements are detailed in note 6.1 (Property plant and equipment).

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

### (e) Valuation process

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation is set out in note 6.1 and 6.3 respectively. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

- (f) *Assets and liabilities not measured at fair value but for which fair value is disclosed*  
Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. (refer note 9.6)

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 9.6 equates to the carrying amount as the carrying amount approximates fair value (level 2).

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

## 9.8 Related party transactions

### (a) Councillor Remuneration

2019	Allowances	Vehicles <sup>1</sup>	Superannuation	Total Compensation	Expenses	Total
	\$	\$	\$	\$	\$	\$
Mayor	53,566	9,654	-	63,220	-	63,220
Deputy Mayor	30,286	-	-	30,286	584	30,870
Councillors	90,856	-	-	90,856	1,524	92,381
<b>Total</b>	<b>174,708</b>	<b>9,654</b>	<b>-</b>	<b>184,362</b>	<b>2,108</b>	<b>186,470</b>

2018	Allowances	Vehicles <sup>1</sup>	Superannuation	Total Compensation	Expenses	Total
	\$	\$	\$	\$	\$	\$
Mayor	52,389	7,187	-	59,576	-	59,576
Deputy Mayor	29,631	-	-	29,631	925	30,556
Councillors	90,153	-	-	90,153	1,758	91,911
<b>Total</b>	<b>172,173</b>	<b>7,187</b>	<b>-</b>	<b>179,360</b>	<b>2,683</b>	<b>182,043</b>

<sup>1</sup>Vehicle expenses – Mayor is provided with a vehicle, for predominately Council business, which is charged at the plant fleet rate at \$0.45 per kilometre. Councillor's travel expenses are reimbursed on a monthly basis, accordingly to the prevailing Australian Taxation Office specified rate.

### (b) Transactions with related parties

Nature of Transaction	Amount of the transactions during the year	Outstanding balances at year end	Terms and Conditions
	\$	\$	
Acquisition of Materials & Services <sup>1</sup>	59,977	230	30 days
<b>Total</b>	<b>59,977</b>	<b>230</b>	<b>-</b>

<sup>1</sup>Council purchased \$59,977 worth of materials from Bramich's Concrete, a company operated by declared close family members (nephews) of Councillor Bramich. Goods were purchased based on a schedule of rates used, accepted by Council as part of its normal two-year public tender process.

### (c) Register of interests

Section 54 of the *Local Government Act 1993* (the Act) requires the General Manager to keep a register of interests notified by councillors under section 48(4) of the Act. Section 48 requires that councillors not participate in discussion nor vote on a matter, in any meeting, in which the councillor or a close associate has an interest. Section 49 of the Act defines an interest as an expectation of receiving a pecuniary benefit or detriment if the matter were decided in a particular way.

The definition of close associates under section 51 of the Act differs from the definition of close family members under AASB124, and the Act only requires declarations in relation to items for decision at a council meeting. Declarations under the register may be different to those under the third-party disclosure standard.

Council maintains a register of conflicts of interests and pecuniary interests in relation to Council meetings, the majority of these are perceived conflicts in relation to associations councillors have with external groups rather than pecuniary interests as defined under section 49.

### (d) Executive Remuneration

2019	Number of Employees	Salary <sup>1</sup>	Vehicles <sup>2</sup>	Other Allowances <sup>3</sup>	Super-annuation <sup>4</sup>	Non-Monetary Benefits <sup>5</sup>	Total
		\$	\$	\$	\$	\$	\$
\$80,000 - \$100,000	1	74,340	0	5,563	6,541	0	86,444
\$140,000 - \$160,000	1	117,936	15,600	53	15,318	841	149,748
\$220,000- \$240,000	1	173,772	15,600	2,283	22,556	6,762	220,973
	<b>3</b>	<b>366,048</b>	<b>31,200</b>	<b>7,899</b>	<b>44,415</b>	<b>7,603</b>	<b>457,165</b>

2018	Number of Employees	Salary <sup>1</sup>	Vehicles <sup>2</sup>	Other Allowances <sup>3</sup>	Super-annuation <sup>4</sup>	Non-Monetary Benefits <sup>5</sup>	Total
		\$	\$	\$	\$	\$	\$
\$80,000 - \$100,000	1	75,576	4,844	1,995	10,655	0	93,110
\$120,000 - \$140,000	1	90,884	8,890	3,989	10,965	17,346	132,074
\$140,000 - \$160,000	2	252,026	15,600	12,520	32,763	(8,994)	303,915
	<b>4</b>	<b>418,486</b>	<b>29,334</b>	<b>18,504</b>	<b>54,893</b>	<b>8,352</b>	<b>529,099</b>

<sup>1</sup> Gross effective annual salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

<sup>2</sup> Contractual notional allowances for full private use of a vehicle.

<sup>3</sup> Other allowances include notional contractual allowance for mobile phone use, memberships and professional development.

<sup>4</sup> Superannuation means the contribution to the superannuation fund of the individual. Superannuation benefits are calculated at 13.0% of actual salary.

<sup>5</sup> Non-monetary benefits mean the change in value of the annual and long service leave entitlements at the end of the financial year.

Council's Director Infrastructure & Development Services is a resource shared employee of Circular Head Council, this position has authority and responsibility for planning, directing and controlling the activities of the Council, but the occupant cannot be disclosed as Key Management Personnel under Australian Accounting Standards as they are not an employee of Waratah-Wynyard Council. The Director Infrastructure & Development Services is not directly remunerated by Waratah-Wynyard Council; payments for services provided are paid directly to Circular Head Council on a contract basis, totalling \$106,667 (2017/18 \$121,011), these costs are accounted for as materials & contracts. The Director's time is split 55% Waratah Wynyard Council and 45% Circular Head Council.

The General Manager and the three Directors are designated as the key management personnel having the authority and responsibility for planning, directing and controlling the activities of the Council.

### Resource Sharing

Waratah-Wynyard Council has had a formal resource sharing arrangement with Circular Head Council since 2008, which initially shared a General Manager and a couple of the existing Executive Managers. Separate General Managers were appointed in late 2013, and further changes in management structures resulted in only the Executive Manager of Engineering Services being resourced shared 50:50 between the two Councils.

As a result of the review and management restructure in October 2015 two of the Directors at Waratah-Wynyard Council are now resourced shared with Circular Head Council. The Director of Infrastructure and Development is shared 55:45, while the Director Corporate & Community Services is shared 80:20.

## 9.9 Management indicators

### (a) Underlying surplus or deficit

	Benchmark	2019	2018	2017	2016
		\$'000	\$'000	\$'000	\$'000
Recurrent income* less		18,357	18,538	17,616	17,090
Recurrent expenditure		17,781	18,108	17,482	17,300
Underlying surplus/deficit	0	<b>576</b>	<b>430</b>	<b>134</b>	<b>(210)</b>
<b>Reconciliation to Comprehensive Result</b>					
Capital Grants		1,894	1,367	958	1,658
Capital Reimbursement**		0	0	1,353	0
Recognition of Assets		0	0	0	0
De-recognition of Assets		0	0	0	0
Financial Assistance Grant Offset***		60	61	1,426	(1,426)
Flood Damaged Assets#		0	0	(443)	(145)
NRM ALRS Project Income###		0	421	0	0
NRM ALRS Project Expense###		0	(421)	0	0
<b>Net Surplus (Deficit)</b>	0	<b>2,530</b>	<b>1,858</b>	<b>3,294</b>	<b>(123)</b>
<b>Other Comprehensive Income</b>					
Fair Value Revaluation of NCA		2,247	2,689	0	(206)
Fair Value Adjustment on Available for Sale Assets		6,569	578	290	741
<b>Comprehensive Result</b>		<b>11,346</b>	<b>5,125</b>	<b>3,718</b>	<b>412</b>

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.

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

\*\*Reimbursement for TRAA Flood Recovery Claim. This income is considered capital in nature and non-recurrent.

\*\*\*Grants received in advance have been adjusted for purpose of underlying position to align with the year the grants are attributable to.

#One off operational costs associated with repairs to assets resulting from Flood Damage are not considered recurrent expenditure and are excluded from the Underlying Surplus calculation. Consistent with the National Disaster Relief guidelines, only additional plant and materials costs are excluded. Labour costs are not excluded as they would still be incurred, just re-allocated to other activities.

##Grant funding provided by Northern Tas Natural Resource for the Agricultural Land Rehabilitation Scheme. Funding provided for rehabilitation of land and mitigation of future flooding in response to the floods of June 2016. This grant was fully acquitted and is not considered recurrent.

### (b) Underlying surplus ratio

Underlying surplus or deficit		567	430	134	(210)
Recurrent income*		18,357	18,538	17,616	17,090
Underlying surplus ratio %	0%	<b>3%</b>	<b>2%</b>	<b>1%</b>	<b>(1%)</b>

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

### (c) Net financial liabilities

Liquid assets less		13,520	11,420	8,379	8,895
Total liabilities		4,188	4,602	4,859	3,993
Net financial liabilities	0	<b>9,332</b>	<b>6,818</b>	<b>3,520</b>	<b>4,902</b>

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

	Benchmark	2019	2018	2017	2016
		\$'000	\$'000	\$'000	\$'000

### (d) Net financial liabilities ratio

Net financial liabilities		9,332	6,818	3,520	4,902
Recurrent income*		18,357	18,538	17,616	17,090
Net financial liabilities ratio	0 – (50%)	<b>51%</b>	<b>37%</b>	<b>20%</b>	<b>29%</b>

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

### (e) Asset consumption ratio

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

<b>Roads</b>					
Depreciated replacement cost		77,152	77,055	77,534	75,046
Current replacement cost		140,750	138,760	138,916	135,234
Asset consumption ratio %	40%-80%	<b>55%</b>	<b>56%</b>	<b>56%</b>	<b>55%</b>
<b>Buildings</b>					
Depreciated replacement cost		13,219	13,352	11,496	11,903
Current replacement cost		13,876	13,606	13,382	13,328
Asset consumption ratio %	40%-80%	<b>95%</b>	<b>98%</b>	<b>86%</b>	<b>89%</b>
<b>Bridges</b>					
Depreciated replacement cost		14,658	15,018	15,247	13,752
Current replacement cost		26,410	26,399	26,418	24,585
Asset consumption ratio %	40%-80%	<b>56%</b>	<b>57%</b>	<b>58%</b>	<b>56%</b>
<b>Drainage</b>					
Depreciated replacement cost		18,193	16,158	16,294	16,493
Current replacement cost		34,869	29,747	29,540	29,388
Asset consumption ratio %	40%-80%	<b>52%</b>	<b>54%</b>	<b>55%</b>	<b>56%</b>

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

### (f) Asset renewal funding ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

<b>Roads</b>					
Projected capital funding outlays**		19,886	19,687	14,612	19,693
Projected capital expenditure funding***		19,886	19,687	14,612	19,693
Asset renewal funding ratio %	90%-100%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Buildings</b>					
Projected capital funding outlays**		341	349	762	497
Projected capital expenditure funding***		341	349	762	497
Asset renewal funding ratio %	90%-100%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Bridges</b>					
Projected capital funding outlays**		1,192	1,245	1,715	2,244
Projected capital expenditure funding***		1,192	1,245	1,715	2,244
Asset renewal funding ratio %	90%-100%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

	Benchmark	2019	2018	2017	2016
		\$'000	\$'000	\$'000	\$'000
<i>Drainage</i>					
Projected capital funding outlays**		1,976	1,829	1,274	1,853
Projected capital expenditure funding***		1,976	1,829	1,274	1,853
Asset renewal funding ratio %	90%-100%	100%	100%	100%	100%

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

\*\*\* Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.

(g) **Asset sustainability ratio**

Capex on replacement/renewal of existing assets		2,626	2,784	5,249	3,676
Annual depreciation		3,841	4,145	3,991	4,076
Asset sustainability ratio %	100%	68%	67%	132%	90%

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

(h) **Asset sustainability ratio**

	Capital renewal expenditure	Capital new/upgrade expenditure	Total Capital Expenditure
	\$'000	\$'000	\$'000
Land Improvements	258	555	813
Buildings	97	110	207
Furniture	24	32	59
Plant	454	131	585
Roads	1,717	532	2,249
Bridges	11		11
Drainage	62	197	259
Intangibles		157	157
<b>Total</b>	<b>2,626</b>	<b>1,714</b>	<b>4,340</b>

## Certification of the Financial Report

The financial report presents fairly the financial position of the Waratah Wynyard Council as at 30 June 2019 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Shane Crawford  
General Manager

Date 27 September 2019

**Independent Auditor's Report**

**To the Councillors of Waratah-Wynyard Council**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Waratah-Wynyard Council (Council) which comprises the statement of financial position as at 30 June 2019, the statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

**Basis for Opinion**

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

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

My audit responsibility does not extend to the budget figures included in the financial report, asset renewal funding ratio disclosed in note 9.9(f), nor the Significant Business Activities disclosed in note 3.6 to the financial report and accordingly, I express no opinion on them.

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

**Key audit matters**

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

<b>Why this matter is considered to be one of the most significant matters in the audit</b>	<b>Audit procedures to address the matter included</b>
<p><b>Valuation of Property and Infrastructure</b> <i>Refer to notes 3.3, 6.1 and 9.7</i></p>	
<p>Property and infrastructure at 30 June 2019 includes land, buildings, roads, bridges and drainage, with the fair values totalling \$137.19m. The fair values of land and buildings are derived from observable market information while the fair values of infrastructure assets are based on depreciated replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. Indexation is applied to fair values between formal valuations.</p> <p>In 2018-19 Council revalued drainage assets, based on depreciated replacement cost valuations determined by internal experts. The valuations are highly dependent upon a range of assumptions and estimated unit rates.</p> <p>The calculation of depreciation requires estimation of asset useful lives, which involves a high degree of subjectivity. Changes in assumptions and depreciation policies can significantly impact the depreciation charged</p> <p>Capital payments in 2018-19 totalled \$4.62m on a number of significant programs to upgrade and maintain assets. Capital</p>	<ul style="list-style-type: none"> <li>• Assessing the scope, expertise and independence of experts involved to assist in the valuations.</li> <li>• Evaluating the appropriateness of the valuation methodology applied to determine fair values.</li> <li>• Critically assessing assumptions and other key inputs in the valuation model, including corroboration of assumptions to external data.</li> <li>• Testing, on a sample basis, the mathematical accuracy of the valuation model's calculations.</li> <li>• Evaluating management's assessment of the useful lives.</li> <li>• Performing substantive analytical procedures on depreciation expenses.</li> <li>• Testing, on a sample basis, significant expenditure on maintenance and capital works to corroborate appropriate treatment.</li> <li>• Testing, on a sample basis, capital work-in-progress to ensure that active projects will result in usable assets and that assets commissioned are transferred in a timely manner.</li> </ul>

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Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
projects can contain a combination of enhancement and maintenance activity which are not distinct and therefore the allocation of costs between capital and operating expenditure is inherently judgemental.	<ul style="list-style-type: none"> <li>Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.</li> </ul>

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Stephen Morrison  
Assistant Auditor-General Financial Audit Services  
Delegate of the Auditor-General

Tasmanian Audit Office

27 September 2019  
Hobart

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## APPENDIX 1

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