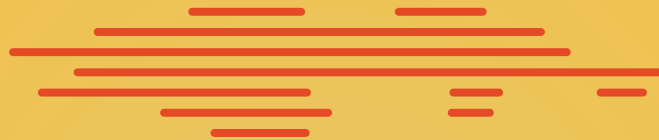




# Brighton Council

## Annual Report 2022-2023





We acknowledge the traditional owners who once walked this country: the Mumirimina people.

The Mumirimina belonged to the Oyster Bay tribe. This was the largest tribe in Tasmania and covered 8000 square kilometres. Kutalayna levee in Brighton was a significant meeting place where hundreds of generations of Aboriginal families hunted, gathered, corroboreed, camped and traded.

In the course of colonisation, dispossession of the Mumirimina was early, rapid and extensive.

We acknowledge the Tasmanian Aboriginal Community today as the continuing custodians of this land, pay our respects to Elders past and present.

Through our words and actions we strive to build a community that reflects and respects the history and hopes for all the people of Brighton.



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Citizen of the Year Awards at the Brighton Civic Centre

# Introduction

Brighton Council's Annual Report is comprised of two key parts:

- The first part includes the Mayor and General Manager's reports, together with reports on the major strategies set out in the 2022/23 Annual Plan.
- The second part of the Annual Report incorporates the audited financial statements for the financial year.

## A snapshot of the Brighton municipality

Brighton is located approximately 20 kilometres north-east of Hobart on the eastern side of the Derwent River and forms part of the urban-rural interface of Greater Hobart. The municipality is bordered by Derwent Valley, Southern Midlands and Clarence Councils and is traversed by the Midland Highway, East Derwent Highway, the main north-south railway line and the Jordan River.

Before European arrival, the land to the east of the Jordan River formed part of the Oyster Bay Tribe territory and the land to the west was part of the Big River Tribe territory. Aboriginal fire management and hunting practices formed the grassland valley still visible today from Bagdad to the Derwent River. The Aboriginal name for this area of the Jordan River is kotalayna and it was the territory of the Mumirimina, one of the ten bands comprising the Oyster Bay tribe.

The Brighton Municipality covers an area of approximately 168 square kilometres. The municipality consists of nine suburbs. Dromedary, Honeywood and Tea Tree are predominantly rural. Bridgewater, Brighton, Gagebrook, Herdsmans Cove and Old Beach are predominantly urban and house the vast bulk of the population, and Pontville is a significant colonial era village.



Kotalayna Collective



The Mayor and members of the Brighton Rotary Club at the opening of the interpretive signage at the old Army Barracks



Old Beach residents assisting on Clean up Australia Day

Brighton is Tasmania’s fastest growing community with a municipal population exceeding 19,000, and an annual growth rate well in excess of 2 per cent. By 2041 Brighton is expected to have a population of 22,489 following growth of 1.2% annually from 2019 to 2041.

Brighton has a relatively young population with an average age of 35 years compared to 38 years for Greater Hobart (ABS, 2020). This is primarily driven by the high proportion (37.5%) of the population aged under 25 years.

A high proportion of our community identify as Aboriginal and/or Torres Strait Islander at 9.4% compared to 4.6% for Tasmania overall (ABS 2016 Census data).

Brighton’s economy has recorded considerable economic growth in recent years largely driven by growth in the transport, postal and warehousing, as well as health care and social assistance industries. Transport, postal and warehousing is anticipated to continue to grow strongly into the future being Brighton’s fastest growing industry.

Industrial land use is a key feature of the municipality and its future growth. It is centred upon the Transport Hub, which is the major transport interchange for Southern Tasmania. A number of associated industrial

areas providing for warehousing and freight-related commercial development and clustering industries are expected to continue to develop and, together, will constitute one of the region’s three major industrial conglomerations, with the most potential to expand further.

Brighton township and the suburb of Old Beach are growing particularly quickly and in recognition of this a new high school is currently being built in Brighton.

Brighton Council continues to be a progressive, sustainable and efficient council.

If you would like further information or wish to comment on any aspect of this report, please contact Council on 6268 7000 or [admin@brighton.tas.gov.au](mailto:admin@brighton.tas.gov.au)

## Invitation for Submissions:

Members of the community are invited to make submissions on the Annual Report for discussion at Council’s Annual General Meeting, which will be held at 5.00pm on Tuesday 5th December 2023. Any person wishing to make a submission should do so by close of business on the 28th November 2023.

# Mayor's Message

**Leigh Gray**  
Mayor of Brighton



In 2022/23 we welcomed a new Council in what was the first local government elections to adopt compulsory voting in Tasmania. I was humbled and extremely honoured to be re-elected as Mayor and we warmly welcomed three new councillors: Cr Greg Irons, Cr John McMaster and Cr Michael Whelan. As a newly formed Council, we got down to business very quickly in what proved to be a very productive year. We are a Council that works very effectively together and have actively embraced our role as place makers, nurturing and building community, caring for our environment and attracting investment.

In 2022/23 I was very proud to be elected to the Local Government Association Tasmania (LGAT) General Management Committee as one of two representatives for the Southern Region of councils. This enables me to provide an experienced local government voice for our regional councils in the south.

This financial year saw the establishment of a dedicated Community Development team at Brighton Council to focus even more on building relationships, listening to our community and giving people in our community a voice. Our approach is grounded very much in Asset Based Community Development (ABCD) principles. Supporting what community wants and empowering collective action, with a focus on our strengths as a community. The establishment of the Brighton Youth Action Group (BYAG), our support of the community initiated and led Brighton Food Hub and the

active volunteer led Landcare groups in Bridgewater and Old Beach are excellent examples of this and we will continue to work to these strength based principles.

I am pleased to report that as Brighton Council has done for so many years, our rates for 2022/23 were kept to a minimum despite the broader escalation of costs our nation experienced and continues to experience. On average our residential rates increased by \$50 in total, less than \$1 per week. Despite this, we were able to deliver a budget that saw many projects undertaken to meet the needs of our growing population and maintain our assets.

We continued to push hard to have the River Derwent ferry service extended to Bridgewater and beyond to assist with our community transport challenges and accessibility issues.

Work commenced on major upgrades to Cris Fitzpatrick Park in Gagebrook, the Ted Jeffries Memorial Park at Seymour Street in Brighton, the Bridgewater Foreshore Parkland playground area was completed, and we saw the commencement of the construction of a new medical clinic for GPs and allied health practitioners in Brighton in conjunction with Dr Mary Lumsden. This project had a \$1.5 million commitment from the Federal Government. All the while, the two major government infrastructure projects in our area - the construction of the new Bridgewater Bridge and Brighton High School have progressed at a lightning pace.

We activated our Brighton Council Public Art Strategy with some truly eye catching installations including at the Gagebrook Community Centre, Cris Fitzpatrick Park, Brighton Civic Centre and on the banks of the Jordan River.



**Council staff providing waste education and information to the community**

As we know all too well, the impacts of climate change are being seen all around us. Council has been taking a proactive stance in reducing the flood risk across our municipality by conducting targeted works in

those areas that will be most exposed in the future. Not least amongst all of these initiatives, Council committed to achieve the climate action target of net zero emissions by 2035 and developed a River Derwent Foreshore Coastal Hazards report to assist with future planning in our area.

As a Council we continue to be aware that growth of the magnitude we are experiencing must be well managed. We are steering this growth so it is positive, fair and equitable, with benefits for all. I am proud to say that Brighton Council continues to be a big picture, forward looking, proactive Council that embraces its role to lead our community through rapid population growth, infrastructure development and social change.



**Brighton's newly elected Council**

# General Manager's Message

## James Dryburgh General Manager



It has been another exciting and dynamic year, both for council-led projects and for projects within the region that are led by other tiers of government, the private sector and the not-for-profit sector.

We have undertaken some reviews and internal adjustments to make sure we have the capacity and capability for the growth ahead and the many challenges or opportunities this presents.

A lot of resources went into ensuring that council engaged fully in the Future of Local Government Reform process. Council has taken the process seriously and approached it with an open mind, always with an eye to the best interests of our diverse and growing community. Council has held a number of workshops, undertaken research, made multiple submissions, attended and presented at a hearing and engaged with other councils and government during the process.

Council developed and endorsed a new Strategic Plan 2023 – 2033 with the overall purpose 'to create a thriving place with opportunities for all.' The strategy integrates with Council's longer term 2050 Vision. The strategy highlights Council's core values – Community, Vision, Respect, Integrity – demonstrating their importance in underpinning everything that we do.

## A thriving place

You don't have to go far within Brighton to see construction projects right now! The new Bridgewater Bridge, the new Brighton High School, our parks, new housing and residential subdivisions, the industrial hub, and the new GP clinic in Brighton, to name some of the more prominent developments.

As part of understanding our rapidly growing community needs in the coming years, Council commissioned a comprehensive study of social service and infrastructure needs – the Brighton Social Infrastructure Plan. This identifies our current and future community needs across the spectrum, from general practitioners to tennis courts, walking trails to business incubators. The plan identifies a range of issues and opportunities. It will help to guide council in prioritizing growing needs and ensuring council funds are spent wisely.

Council has progressed a range of land use zoning reviews and changes. It has progressed important precinct and master planning projects, essential to facilitate and manage population and investment growth. Zonings have been reviewed or changed in Old Beach, Bridgewater and Brighton. Submissions have been put to the state government regarding extensions and improvements to the urban growth boundary. Master planning for the South Brighton Precinct has progressed with provision of sewer and water now resolved.

Council collaborated with the Bridgewater Bridge Project Team to undertake a joint precinct planning project for the areas impacted by the changes the new bridge will bring. The Bridgewater Waterfront Masterplan will assist council, government and private developers to have a clearer sense of the exciting opportunities to transform this area and realise its potential.



Council resealed several sections of road within the municipality and upgraded and sealed some previously unsealed sections. Reconstruction of several roads was also completed, including the construction of a new roundabout and the section of Elderslie Road that will provide the frontage for the new Brighton High School.

### **A proud community**

Council has significantly increased its resourcing and focus on community development in the past 18 months, introducing a number of initiatives and projects. We have refreshed our approach to community grants, providing specific categories and now including an \$80,000 major impact grant. The Brighton Youth Action Group (BYAG) was launched this year and this inspiring group of local young people are going from strength to strength, organizing events and beginning work on creating a Youth Strategy for Council.

Council continue to support Brighton Alive, it's Youth Network and the operations of the Brighton Community Food Hub. Collaboration with Volunteering Tasmania to create a local Volunteering Strategy is well-progressed and a full community services audit is underway.

Next year will be an exciting year again in the community development area with key strategies to be endorsed and implemented. Much of this great work is underpinned by our focus on strong relationships and productive partnerships with a range of other aligned organisations.

### **A good life at every age**

Brighton Council runs the Southcentral Workforce Network (SWN) on behalf of the southcentral sub-region (Central Highlands, Derwent Valley, Southern Midlands, Brighton) and the State Government. SWN continues to exceed its targets for assisting people into meaningful work, providing training and support services and working with employers to assist them with their workforce needs. The past year has seen another year of an expansion and broadening of the services and programs provided by SWN.

Council leased a section of the Civic Centre in Bridgewater to be run as a café. The business is going well and has really helped to provide a meeting hub for people. We are now investigating the potential for a container café in Old Beach. Such hubs are increasingly important for building and supporting communities.

Brighton now has dedicated off lead dog parks in Old Beach and Brighton, with a third planned shortly for the other main population centre of Bridgewater. Seeing the instant and enthusiastic use of these facilities and the health and social benefits they bring is fantastic.

### **A comfortable home**

Council has continued its major upgrades of park and recreation facilities across the municipality. Public toilets were completed at the Bridgewater Parkland and a pump track is soon to be constructed next to them. Planning, design and consultation has been done for major park upgrades at Swan Park, Herdsmans Cove and Cris Fitzpatrick Park, Gagebrook with construction to begin soon. Planning and design for the new Brighton Town Square has been progressed with construction to occur in the new financial year in tandem with the new shopping centre development.

Planning work, environmental and aboriginal heritage assessments have commenced to extend the foreshore walking trails in Old Beach. Wide sealed pathways have now been completed to finally fully connect Bridgewater, Herdsmans Cove and Gagebrook for pedestrians, cyclists and mobility vehicles. Disability access kerb ramps and footpath improvements have been completed in various locations.

### A caring council

Access to general practitioners and allied health services is a huge problem around Australia, and Brighton has certainly not been immune to this. Council has taken its advocacy and facilitation role very seriously. At the time of writing, council's construction of a new GP clinic to house 10 doctors is well progressed. Council has also been successful in attracting GPs to our Bedford

Street facility, where dentists already practice. We look to be close to securing psychologists at this facility and to sealing a long-term lease in our premises next door for child and adolescent mental health services. As all of these developments come to fruition, a genuine physical and mental health precinct will be created to serve Brighton and the surrounding region.

Council has continued to keep its rates, charges and fees as low as possible, even in the challenging economic times of recent years, in which many of the core costs to council such as construction, waste management and insurance have increased well beyond the unusually high consumer price index. We aim to get the balance right between keeping our costs to our community as low as possible, whilst meeting their growing demands and expectations for services and infrastructure.



Official Opening of the Bridgewater Ambulance Station

## A sustainable environment

Brighton Council has embraced being a sector leader in acting on climate change, both in mitigation and adaptation. On the mitigation front, Brighton has reduced its own emissions by 70 per cent in the past couple years and in light of this achievement this year council revised its net zero targets to be even more ambitious, with a new target of net zero by 2035 and an 85 per cent reduction on 2021 levels by 2030.

Helping to achieve these targets, council continues its waste education program, including in local primary schools, and is now progressing plans for a new waste transfer station, has continued its transition to electric and low emissions vehicles and tools and rolling out energy saving measures. Council has also been very active in investigating opportunities for a circular economy precinct in the industrial hub and supporting a hydrogen fuel pilot.

On the adaptation front, council commissioned a Derwent River Coastal Hazards study to look at the latest and best data on how these hazards are changing due to climate change. Council is also pursuing a bushfire hazard study for the municipality. Catchment management plans have been finalized for all catchments and can now make for more informed decision-making by council and the public.

## And finally...

As we look at the rapid change and growth of the community around us, we must also look inward at Council to consider if as an organization we are best structured and resourced to serve the community, and embrace all the issues and challenges we face. This year we undertook an organizational review, which included assessing the ideal resourcing and structure for both today and for five years time. The implementation of all recommendations is well-progressed, we have a wonderful team of staff doing an amazing job, and we are excited for the year ahead.



Changefest at Brighton Civic Centre

# Brighton Council Strategy 2023–2033

Our core values and what they mean:



## Community

- We believe in our community
- We are part of our community
- We listen and engage
- We are diverse and proud
- We are supportive and kind



## Vision

- We think strategically and long-term
- We are evidence-based
- We are innovative and open-minded
- We try new things and take some risks
- We are stewards and legacy-makers



## Integrity

- We do the right thing
- We live our values
- We are accountable
- We work as a team
- We learn from mistakes and celebrate successes



## Respect

- We treat people well
- We expect to be treated well
- We are inclusive
- We are helpful
- We care



**Our purpose:**

**To create a thriving place with opportunities for all.**

**Our values:**

**Community**  **Vision**  **Integrity**  **Respect** 

**Our goals:**

<b>GOAL 1:</b>	<b>GOAL 2:</b>	<b>GOAL 3:</b>	<b>GOAL 4:</b>
<b>Inspire a proud community that enjoys a comfortable life at every age</b>	<b>Ensure a sustainable environment</b>	<b>Manage infrastructure and growth effectively</b>	<b>Ensure a progressive, efficient and caring Council</b>

**Our strategies:**

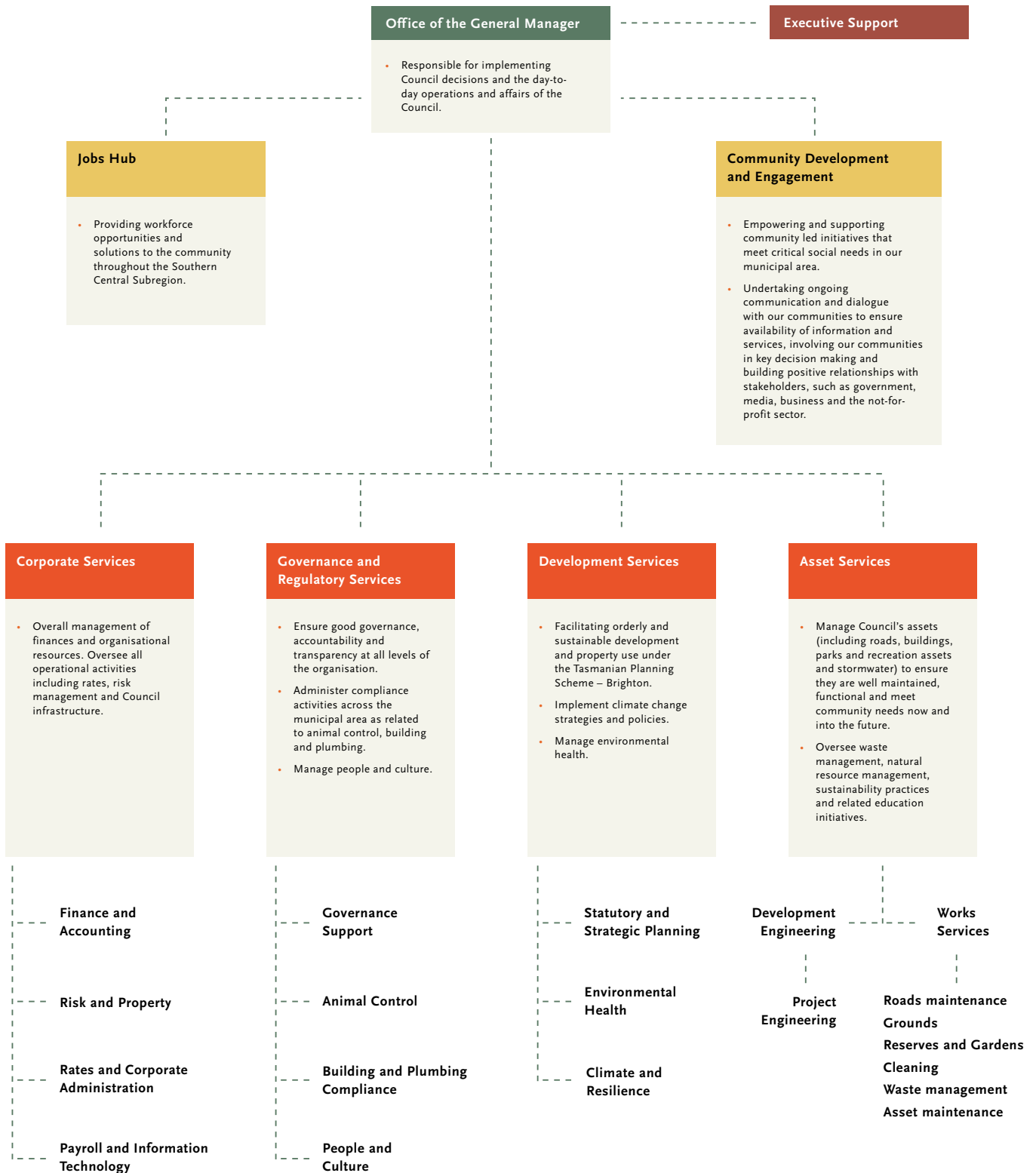
<p><b>1.1</b> Engage with and enable our community</p> <p><b>1.2</b> Build resilience and opportunity</p> <p><b>1.3</b> Ensure attractive local areas that provide social, recreational and economic opportunities</p> <p><b>1.4</b> Encourage a sense of pride, local identity and engaging activities</p>	<p><b>2.1</b> Acknowledge and respond to the climate change and biodiversity emergency</p> <p><b>2.2</b> Encourage respect and enjoyment of the natural environment</p> <p><b>2.3</b> Demonstrate strong environmental stewardship and leadership</p> <p><b>2.4</b> Ensure strategic planning and management of assets has a long term-sustainability and evidence-based approach</p>	<p><b>3.1</b> Implement strategic long-term asset management plan aligned to long-term financial plan</p> <p><b>3.2</b> Infrastructure development and service delivery are guided by strategic planning to cater for the needs of a growing and changing population</p> <p><b>3.3</b> Community facilities are safe, accessible and meet contemporary needs</p> <p><b>3.4</b> Advocate and facilitate investment in our region</p>	<p><b>4.1</b> Be big picture, long-term and evidence-based in our thinking</p> <p><b>4.2</b> Be well-governed, providing quality service and accountability to our community</p> <p><b>4.3</b> Ensure strong engagements and relationships to shape the agenda and advocate for our community</p> <p><b>4.4</b> Ensure financial and risk sustainability</p> <p><b>4.5</b> Ensure Council is a desirable place to work with exceptional workplace culture, attracting and retaining high-performing, committed and fulfilled staff</p>
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Top: Turning of the sod for the new Brighton High School

Above: Council staff

# Organisational chart



# Councillors

1 July 2022 – 30 June 2023



## Cr Leigh Gray (Mayor)

**Terms as Councillor:**

**2005–current**

**Term as Mayor:**

**2021–current**

Committee representation:

- Planning Authority (Chairperson)
- Parks & Recreation
- Finance
- Environment & Climate
- Waste Management
- Community Development
- General Managers Performance Review (Chairperson)

Council representative:

- TasWater (Owner Rep)
- Southern Tasmanian Councils Authority
- LGAT General Management Committee
- Southern Tasmanian Regional Waste Authority
- South-Central Sub Region (Chairperson)



## Cr Barbara Curran (Deputy Mayor)

**Terms as Councillor:**

**1996–current**

**Term as Deputy Mayor:**

**2014–current**

Committee representation:

- Finance (Chairperson)
- Environment & Climate (Chairperson)
- Community Development (Deputy Chairperson)
- General Managers Performance Review (Deputy Chairperson)
- Planning Authority
- Parks & Recreation
- Waste Management

Council representative:

- TasWater (Deputy Owner Rep)
- Southern Tasmanian Councils Authority
- Southern Tasmanian Regional Waste Authority
- South-Central Sub Region
- Greater Hobart Homelessness Alliance



## Cr Aaron De La Torre

**Term as Councillor:**

**2021–current**

Committee representation:

- Community Development (Chairperson)
- Finance (Deputy Chairperson)
- Planning Authority
- Parks & Recreation
- Environment & Climate





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### Cr Peter Geard

**Terms as Councillor:  
1984–1993; 1997–current**

Committee representation:

- Emergency Management Advisory Committee (Chairperson)
- Parks & Recreation (Chairperson)
- Planning Authority
- Finance
- Waste Management
- General Manager’s Performance Review Community Development Audit Panel

Council representative:

- Hobart Fire Management Area Committee



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### Cr Philip Owen

**Term as Councillor:  
1989–current**

Committee representation:

- Planning Authority (Deputy Chairperson)
- Finance
- Parks & Recreation
- Environment & Climate
- Waste Management (Chairperson)
- Emergency Management Advisory Committee (Deputy Chairperson)
- Community Development
- Audit Panel

Council representative:

- Cycling South



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### Cr Tennille Murtagh

**Term as Councillor:  
2018–current**

Committee representation:

- Parks and Recreation
- Environment & Climate
- Waste Management
- Community Development



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### Cr Greg Irons

**Term as Councillor:  
November 2022–current**

Committee representation:

- Planning Authority
- Finance
- Environment & Climate (Deputy Chairperson)
- Community Development

Council representative:

- Greater Hobart Homelessness Alliance



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### Cr John McMaster

**Term as Councillor:**  
November 2022–current

Committee representation:

- Parks & Recreation
- Community Development



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### Cr Michael Whelan

**Term as Councillor:**  
November 2022–current

Committee representation:

- Planning Authority
- Finance
- Parks & Recreation
- Waste Management
- Community Development
- General Manager's Performance Review

## 1 July 2022 – November 2022



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### Cr Wayne Garlick

Terms as Councillor:  
1999–2000; 2003–2005;  
2007–2022

Committee representation:

- Finance
- Parks & Recreation
- Environment & Climate



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### Cr Moya Jeffries

Terms as Councillor:  
2007–2022

Committee representation:

- Environment & Climate
- Planning Authority
- Finance
- Parks & Recreation



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### Cr Jessica Whelan

Terms as Councillor:  
2018–2022

Committee representation:

- Parks & Recreation
- Environment & Climate
- Finance
- Planning Authority
- Waste Management
- General Managers Performance Review

# Councillor attendance at meetings

Section 72(1)(cc) of the *Local Government Act 1993* requires Council to state the attendance of each Councillor at meetings of the Council or any Council committee during the preceding financial year.

	COUNCIL MEETING	SPECIAL COUNCIL MEETING	ANNUAL GENERAL MEETING	PLANNING AUTHORITY	FINANCE COMMITTEE	ENVIRONMENT & CLIMATE COMMITTEE	GENERAL MANAGERS PERFORMANCE REVIEW COMMITTEE
<b>Total Meetings Held</b>	<b>12</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>3</b>	<b>1</b>	<b>2</b>
Mayor L Gray	12	1	1	5	3	1	2
Deputy Mayor B Curran	10	1	1	3	2	1	2
Cr A De La Torre	12	1	1	4	2	1	N/A
Cr P Geard	11	0	1	4	2	N/A	2
Cr G Irons*	8	1	1	2	N/A	1	N/A
Cr J McMaster*	7	1	1	2	N/A	N/A	N/A
Cr T Murtagh	11	1	1	4	1	1	N/A
Cr P Owen	12	1	1	5	3	1	N/A
Cr M Whelan*	8	1	1	3	2	N/A	2
Cr W Garlick**	4	N/A	N/A	1	1	N/A	N/A
Cr M Jeffries**	2	N/A	N/A	0	1	N/A	N/A
Cr J Whelan**	3	N/A	N/A	2	1	N/A	N/A

\* Elected to Council November 2022

\*\* July 2022 to November 2022

# Overview and highlights from our strategies

## 1. Strengthen our communities

### Understand/improve health and wellbeing

#### We have:

- Supported the Hobart Gymnastics Association's ongoing presence in Bridgewater by collaborating to try to ensure long and successful operation.
- Completed a Community Infrastructure Needs Analysis and identified priority actions for future years (published as the Brighton Social Infrastructure Plan).
- Lobbied for and facilitated greater investment in local health services and long-term solutions to the current lack of General Practitioners and other medical services in the region.
- Supported community to improve how services and supports are connected and promoted throughout the municipality.
- Redesigned Council's community grants program to ensure greater impact.
- Facilitated the establishment of the Brighton Youth Action Group (BYAG) and various community events.
- Assisted the community to prepare for the changing climate, with a key focus on overland flooding, coastal hazards and bushfire hazard management.

### Create housing/employment/play/education (liveability)

#### We have:

- Lobbied Government and built relationships with a range of partners to ensure better educational and wellbeing outcomes for the community.
- Provided submissions on the State Governments planning reform agenda, including the Tasmanian Planning Policies, State Planning Provisions Review, Tasmanian Housing Strategy and Medium Density Design Guidelines.
- Constructed an off-lead area for dogs at the Ted Jeffries Memorial Park in Brighton.
- Submitted a planning scheme amendment for the South Brighton Development Precinct to provide additional residential and commercial land and resolve some key infrastructure issues.
- Completed the Old Beach Zoning Review and commenced implementing its recommendations.
- Investigated the rezoning opportunities within the Urban Growth Boundary and made submissions to the State Government.
- Lobbied for and prepared grant applications for external funding for community infrastructure projects within Council's 10 Year Infrastructure Plan.



Funding announcement for the Ted Jeffries Memorial Park in Brighton

- Continued the smooth and successful running of the 'Regional Jobs Hub' (Southcentral Workforce Network) on behalf of the region and supported its ongoing expansion of services and programs.
- Continued to enhance cultural, social, environmental and educative partnership, activities and events, including youth (Brighton Youth Activity Group), MONA, BighArt, Vibrance, Libraries Tasmania, Volunteering Tasmania and Landcare.
- Investigated mechanisms to minimize negative social and infrastructure impacts created by large numbers of multiple dwelling developments in close proximity, including the potential for more equitable infrastructure and open space charges for unit developments.

### Provide public facilities/ amenities

#### We have:

- Continued investigating options for council's waste management system and transfer station operations, with a focus on improving sustainability, benefits to the community and financial outcomes.
- Continued Council's waste and sustainability education program and its support for overall waste management in the area.
- Completed the construction of a new public toilet block at the Stage 2 Bridgewater parkland development.
- Continued working with all key stakeholders to develop Pontville Park into a first-class regional sporting, recreation and community facility in line with the site master plan.

- Began the process of investigating the feasibility of additional section of gravel walkway along the Old Beach Foreshore from Morrisby Road to Blackstone Drive.
- Commenced Stage 1 of Cris Fitzpatrick Park in accordance with the Master Plan and in collaboration with project partners.
- Completed planning and design work of a neighbourhood pocket park in Herdsmans Cove.
- Continued implementing actions from Council's Public Art Strategy.
- Pursued the development of a town square in Brighton.
- Pursued grant opportunities that clearly align with Council's endorsed 10 Year Infrastructure Plan.

## Support connected communities

### We have:

- Continued ongoing roll out of new disabled access kerb ramps and continued improving disability access and aged friendly community infrastructure more generally.
- Constructed the sealed walkway to link Gagebrook to the East Derwent Highway pathways in conjunction with the Cris Fitzpatrick redevelopment.
- Continued to support Brighton Alive administration and coordination.
- Continued to progress Council's Reconciliation Action Plan.
- Commenced the drafting of a Community Engagement Strategy.

- Continued the publication of the Brighton Community News and provision of information via Council's website and social media platforms.

## Build a resilient community and environmentally sustainable future

### We have:

- Continued implementing the Greening Brighton Strategy, with street tree plantings on the East Derwent Highway, Green Point Road and Eddington Street.
- Continued developing strategic partnerships with environmental and social organisations to enhance environmental management outcomes and build greater community engagement in local environmental and social activities.
- Commenced developing a corporate energy action plan, identifying opportunities for Council to further reduce emissions and save on its energy bills.
- Completed stormwater catchment management plans for each urban area and commenced preparing an online mapping tool for community use.
- Began transitioning Council's vehicle fleet to electric vehicles.
- Achieved a 70 per cent reduction of corporate greenhouse gas emissions on 2021 levels and endorsed higher ambition targets of a further 15 per cent by 2030 and net zero by 2035.
- Commenced the coastal hazard impacts and building resilience through the Brighton Derwent River Foreshore Coastal Hazards Project.



Tree planting day at East Derwent Primary School

## 2. Create 2–3 hubs for our Connector Satellite City

### A focus on agriculture/ horticulture/aquaculture (Food) wellbeing

#### We have:

- Implemented a new Weed Management Strategy.
- Prepared a Natural Resource Management Strategy.
- Continued to assist with the promotion of MONA's 24 carrot program and the School Farm to increase food production learning in local schools.

### Education/capability build

#### We have:

- Continued to support MONA's community development work, including at Bond Place and Eddington Street.
- Continued to work with the Department of Education on the development of the new Brighton High School precinct and investment in the School Farm.
- Continued to support schools through collaboration and engagement including with Council's waste and sustainability education programs.

### Support further development of a Business and Logistics Hub

#### We have:

- Continued implementing the priority actions from the Brighton Industrial Estate Brand & Place Strategy, including entry signage, hub “town square” design and associated landscaping.
- Engaged with current and potential local businesses and employers to better understand and assist with identified issues and opportunities.
- Investigated opportunities for circular economy and renewable energy investment within the Brighton hub area.



### 3. Drive infrastructure development

#### Support 30% growth target

**We have:**

- Pursued grant funding for strategic capital projects.
- Optimised use of council land for community benefit and long-term council sustainability, including exploring potential sales and purchases.
- Pursued the review of the Southern Tasmanian Regional Land Use Strategy and changes to the Urban Growth Boundary to support fair, efficient and sustainable growth of the region.
- Engaged with all levels of government and with the Greater Hobart Committee to help realise the opportunities for Brighton within a regional context.
- Advocated for improved public and active transport, including ferry infrastructure and services.
- Progressed the Outer Hobart Residential Demand and Supply Study in partnership with other Councils and the State Government.
- Commenced the Bridgewater Bridge North Interchange Master Plan in partnership with the State Government to ensure the necessary infrastructure is provided and opportunities are realised.

#### Implement strategic Asset Management Plan (existing and new)

**We have:**

- Reconstructed sections of Albion Road, Elderslie Road, Munday Street and Station Street.
- Resealed sections of Fouche Ave, Serenity Drive and Landermere Drive.
- Upgraded and sealed the Derwent Street intersection.
- Formalised the overland flow path from Downie Street to Andrew Street to the Jordan River to improve stormwater and reduce flooding risk in the area.

#### Enabling infrastructure

**We have:**

- Collaborated with Government to ensure best possible outcomes for the Bridgewater Bridge Project, including the preparation of the Waterfront Masterplan.
- Upgraded path network to increase accessibility from Gagebrook, through to Bridgewater.
- Continued footpath networks development, with specific attention to age and disability access improvements.
- Continued upgrade and development of community park facilities.

## 4. Ensure a stable organisation

### Ensure financial & risk sustainability

#### We have:

- Kept budget processes and general rate increases in line with Long Term Financial and Asset Management plans and strategies.
- Closely monitored the economic and social impacts of external circumstances and events, including COVID-19.
- Improved integrated and active risk management processes and structures.
- Undertook an organisational review of current and future staffing needs and structure.

### Be well-governed

#### We have:

- Continued succession planning for all key positions and completed an organizational structure for predicted future growth in community service and infrastructure needs.
- Investigated potential Council Chambers renovations and expansion.
- Reviewed and renewed Council's Strategic Plan after the election of a new Council.
- Reviewed and ensured commitment to Council's 10 Year Infrastructure Plan and Long-Term Financial Plan.
- Continued professional services/shared services to provision where beneficial to Council, to enhance experience, best practice and operational efficiency.

### A shaping agenda facilitated through strong engagements

#### We have:

- Promoted educational and workforce development with government and regional councils.
- Pursued partnerships with other organisations.
- Ensured regular dialogue with representatives of all tiers of government on matters relevant to Brighton.

### Long-term thinking & evidence based strategies

#### We have:

- Continued implementing council's key strategies.
- Prepared master plans for key project areas and grant opportunities for the next 10 years, in line with Council's 10 Year Infrastructure Plan.
- Continued implementing 2050 Vision.

## 5. Public Health

### We have:

- Conducted monthly immunisation clinics, annual school immunisations and promoted the need for immunisation.
- Ensured proper provision of on-site effluent disposal in compliance with relevant standards.
- Undertaken routine inspection of places and public assembly, food premises, public health risk activities and water carters to ensure compliance with relevant legislation.
- Promptly investigated environmental health complaints.
- Where applicable maintained an effective analysis program for food in accordance with Department of Health South Regional Food Sampling Program and recreational waters for the Derwent Estuary Program, and general complaints.
- Complied with COVID-19 guidelines and Public Health advice.

## 6. Risk Management

### We have:

- Continued to keep risk exposure to a minimum by helping reduce injuries and potential loss. Management practices will involve identifying risks, analysing and treating by taking appropriate action.
- Continued to be proactive in inspections and reviews of roads, footpaths, written agreements with clubs/user groups, building & financial services, town planning and recreation functions.
- Educated community groups on importance and activities involved with risk management.
- Integrated climate change risks into key strategic documentation.

# Community development and engagement

This past year saw the establishment of a dedicated Community Development and Engagement function within Brighton Council. The roles of Community Development Officer and Manager Community Development and Engagement were created, and the new team was born. Our approach is grounded very much in Asset Based Community Development (ABCD) principles. Supporting what community wants and empowering collective action, with a focus on our communities' strengths.

ABCD is a powerful approach to community engagement and development that focuses on abilities and potential, rather than problems and deficits by discovering the resources that are already present in a community. Discovering community strengths is a powerful and productive way to address problems and realise a collective vision.

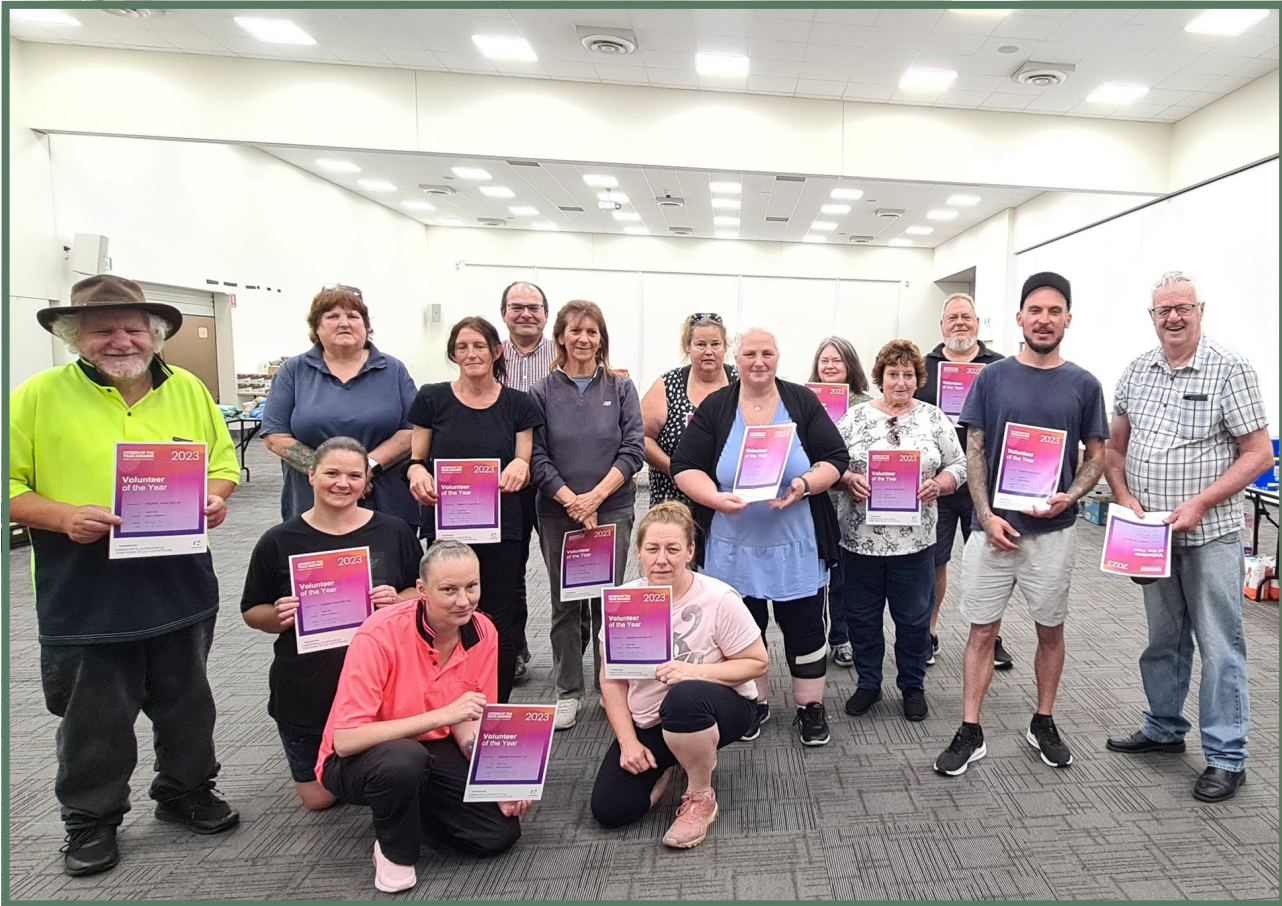
By building relationships and creating the space for opportunities to emerge, community members are more in control of their own decision making. It is on this basis that we move forward as a Council in the Community Development space and embrace the many community led opportunities we have in our area.

## Key Achievements:

This past year saw the beginning of several key projects that are foundational to how we want to move forward and support of ongoing partnerships in our community.

- Establishment of the **Brighton Youth Action Group (BYAG)** supported by Brighton Council to develop youth leadership skills and engage with other young people aged 12-25 years. The Brighton 'Big Bangin Youth Night' was developed and hosted by the Brighton Youth Action Group (BYAG) for Youth Week 2023. This was the first ever event designed by young people for young people, as a celebration of young people living in the Brighton area. BYAG invited local musicians and rappers, held a community forum "The Talk" with guests such as the Commissioner for Children and Young People, and provided a safe environment for young people to be young people.
- A partnership was formed with the Tasmanian Aboriginal Legal Service (TALS) to begin the planning for designing and building the first dedicated youth hub in our area. The **Bridgewater Youth Community Hub** project will be a Youth Hub for all youth. Although TALS has a primary interest in Tasmanian Aboriginal youth, it is strongly acknowledged this will service our entire community and no young person will be excluded. It will be a safe space for young people to meet, visit, connect and seek a range of support services.





Top: Volunteer of the Year Awards– Brighton Food Hub

Above: Big Bangin Youth Night



Brighton Alive Network

- Development of the **Safeguarding Volunteering Strategy** in partnership with Volunteering Tasmania. This project involves the co-design of a local community volunteer strategy and resource toolkit to support Council to strategically invest in local volunteer programs. Through the Safeguarding Volunteering Strategy, the projected impacts and changing demographics of volunteering over the next decade will be known and understood so we can act accordingly to ensure our volunteer base is well supported, maintained and grows.
- Brighton Council has continued to drive the **Brighton Alive Network** with a view to reinvigorate and find key purpose for this network of local community groups, community members and service providers who come together on a monthly basis, with the common goal of building a stronger and healthier community for all.
- Brighton Council provided its full support for the **Brighton Community Food Hub** – a completely community led initiative to provide affordable access to food for anyone in our communities and beyond. The demand for this fully volunteer operated service has completely

exceeded expectations and Council continues to provide the Brighton Civic Centre free of charge on a fortnightly basis for the Food Hub operations. Council is working hard to find a more permanent location for the Food Hub to be able to operate on a regular basis and deliver a consistent food assistance service for all who need it.

This financial year also saw us review some of our core community development activities such as developing a new Brighton Council grants program, activating our Public Art Strategy and working with our key partners like Material Institute, Centacare Evolve Housing, Jordan River Service Inc. and Landcare Tasmania to deliver events and activities that our community members engage with and enjoy throughout the year. Brighton Council is incredibly grateful for the resources and investment that our partners provide to make these happen.

These achievements in 2022-23 represent the collective effort of Council, our community partners and the resilient community members we work with so that we can all inspire what is a very proud community to be empowered to create a thriving place with opportunities for all.

# Performance statistics – environment and development

	2023	2022
<b>ANIMAL CONTROL</b>		
Total number of dogs registered with Council	4122	4253
Number of complaints	96	106
Number of dogs taken to Hobart Dog Home	71	80

<b>LAND USE PLANNING AND BUILDING</b>		
Number of Development Applications received	286	360
Number of Development Applications approved	274	
Number of Subdivision Applications processed	69	34
Total number of new lots created	61 land + 2 strata lots	117 land + 63 strata lots
Number of Building Permits processed	222	229
Value of Building Approvals	\$ 149 million	\$65.6 million

<b>ENVIRONMENTAL HEALTH</b>		
Number of Vaccinations	240	187
Number of Food Premises Registered	130	125
Number of complaints	190	197
Number of food samples taken	8	2
Number of on-site Wastewater Applications	57	50
Total Expenditure on Public Health	\$21,000	\$11,000



# Governance

## Public Interest Disclosure Act 2002

Under section 86 of the *Public Interest Disclosures Act 2002* (the Act), Brighton Council is required to report on any disclosures about improper conduct by its public officers or Brighton Council. In accordance with the requirements of Section 86 of the Act Brighton Council advises that:

- a) Brighton Council's procedures under the Act are available on the Council website at [www.brighton.tas.gov.au](http://www.brighton.tas.gov.au);
- b) Brighton Council did not receive any disclosures under the Act during 2022/23;
- c) No public interest disclosures were investigated by Brighton Council during the year;
- d) No disclosed matters were referred to Brighton Council during the year by the Ombudsman;
- e) No disclosed matters were referred during the year by Brighton Council to the Ombudsman to investigate;
- f) No investigations of disclosed matters were taken over by the Ombudsman from Brighton Council during the year;
- g) There were no disclosed matters that Brighton Council decided not to investigate during the year;
- h) There were no disclosed matters that were substantiated on investigation as there were no disclosed matters; and
- i) The Ombudsman made no recommendations under the Act that relate to Brighton Council.

## Donation of Land Statement

Section 77 of the *Local Government Act 1993*, requires Council to report on any land donated by Council during the year. It is reported that no land was donated during the 2022/23 financial year.

## Public Tenders

Regulation 29(1) of the *Local Government (General) Regulations 2015* requires that Council reports any contract for the supply or provision of goods and services valued at or exceeding \$250,000 (excluding GST) during the 2022/23 financial year.

- Ferguson Oval Lights – awarded to Contact Group – \$329,537.94
- Drainage Upgrade Works for Elderslie & Brighton Road – awarded to Mas Civil Construction Pty Ltd – \$263,378.50
- Elderslie Road reconstruction – awarded to Moore Civil Contracting – \$105,446.67
- Reseal tenders – awarded to Roadways – \$1,451,060.79
- Cris Fitzpatrick Park Stage 1 – awarded to SLS Landscape Group – \$599,522.00

Regulation 29(2) of the *Local Government (General) Regulations 2015* requires that Council reports any contracts for the supply or provision of goods and services valued at or above \$250,000 (excluding GST) granted in extenuating circumstances during the financial year.

- No contract was awarded.

Regulation 29(3) of the *Local Government (General) Regulations 2015* requires that Council reports any contract for the supply or provision of goods and services valued at or exceeding \$100,000 (excluding GST) but less than \$250,000 during the financial year.

- No contract was awarded.

## Risk management

Risk Management is an integral part of Brighton Council's management practice. Our aim is to keep risk exposure to a minimum by helping to reduce injuries and potential loss. This process involves identifying potential risks, analysing their potential damage and treating the risks by taking appropriate action.

Our staff continue to invest considerable time and effort in implementing Council's Risk Management Strategy.

Our Risk Management Policy and Plan covers areas such as proactive inspections of roads and footpaths, written agreements with clubs/user groups, building and financial services and town planning.

Council continued to make significant improvements in all areas of risk management over the past twelve months and general work practices now involve risk assessments at all levels.

Council is actively committed to the prevention and control of risks throughout the municipality in order to maintain and enhance quality of living for its employees, contractors, residents and visitors.

The 2022/23 year once again exposed the municipality to COVID-19; Council followed State Government Health guidelines in relation to managing any risks associated with the pandemic, and continue to manage risks as they arise.

## Local Government Shared Services

During 2022/23, over 733.5 hours of professional services were provided by Brighton to other councils delivering a net benefit to Council of \$45,556.

## Code of Conduct

- In accordance with Section 72(1)(ba) of the *Local Government Act 1993*, it is reported that there were no Code of Conduct determinations during 2022/23.
- In accordance with Section 72(1)(bb) of the *Local Government Act 1993*, it is reported that the total cost met by Council in respect of Code of Conduct complaints was \$0.00

## Enterprise Powers Statement

In accordance with Section 72(1)(ca) Council is required to provide a statement of activities and performance of the Council in relation to any activity undertaken pursuant to Section 21 of the *Local Government Act 1993* 'Enterprise Powers'. Council has not resolved to exercise any powers or undertaken any activities in accordance with Section 21 of the *Local Government Act 1993*.

## Public Health Statement

In accordance with Section 72(1)(ab) of the *Local Government Act 1993* Council is to include a statement of its goals and objectives for public health for 2022/23. This statement details the extent to which Council has carried out its functions under the *Public Health Act 1997* and *Food Act 2003*.

Key actions identified under Council's Public Health program include continuing to provide school immunisation programs; continuing to register and monitor food premises; continuing to ensure wastewater is effectively disposed of; continuing to raise awareness of notifiable diseases in the community; and maintaining an Emergency Management Plan for the Brighton local government area that will provide safeguards for the health and safety of the community.

Public Health achievements for 2022/23 are detailed under the 'Overview and Highlights' (*Item 5 – Public Health*) section of this report.

## Brighton Council Audit Panel

### Brighton Council Audit Panel

The Audit Panel is established under Section 85(1) of the *Local Government Act 1993* and as directed under *Local Government (Audit Panels) Order 2014* and the *Local Government (Audit Panels) Amendment Order 2015*. The primary functions of the Audit Panel (the Panel) is to assist Elected Members of the Brighton Council (Council) in fulfilling Council responsibilities relating to the review of the Council's performance and effectiveness as well as safeguarding its long-term financial position. Council re-established the Panel during 2023 with the first meeting held on 25 May 2023.

### Audit Panel Charter

The Charter used by the Panel to guide its activities was originally adopted by Council in April 2014. The Panel reviews the Charter periodically, as and when appropriate, and makes recommendations to Council for any resultant changes for the effective operation of the Audit Panel.

Under the Charter, the Panel assists Council in fulfilling its responsibilities relating to the review of Council's performance and compliance in the following:

- The Annual Financial Statements of the Council accurately represent the state of affairs of the Council.
- The Strategic Plan; Annual Plan; Long-Term Financial Management and Strategic Plans; Long-Term Strategic Asset Management Plan; Asset Management Strategic Plan; and Asset Management Policy and integrated and document under which all assumptions have been made.
- Reviewing accounting procedures, internal controls, anti-fraud, anticorruption and risk management systems, controls and policies that are in place which safeguards

the Council's long-term financial position.

- Compliance with all provisions of the *Local Government Act 1993* and any other relevant legislation.
- Actioning and reviewing the effectiveness of previous recommendations made by the Panel.

### Membership

- Ric De Santi – Independent Chairperson
- Cr Peter Geard – Councillor Member
- Cr Phil Owen – Councillor Member

During 2023, a recommendation was made to Council to appoint an additional independent member to the Panel. Applications were received and reviewed by the Panel at its first meeting; with the new independent member to join the panel for the 2023/24 period.

### Meetings

During the 2022/23 period the Panel have met formally on one occasion. All members of the Panel were in attendance at this meeting. The General Manager and the Director Corporate Services as well as other staff of Council attended if required. Administrative support was provided to the Panel by the Director Corporate Services.

### Activities of the Audit Panel

#### Annual Financial Statements

- Met with Tasmanian Audit Office (TAO) representatives to discuss the terms of engagement and the audit strategy for the audit of the 30 June 2023 financial statements.
- Reviewed findings from external audits and monitored action taken by Council to implement agreed recommendations.
- Reviewed and provided feedback on the draft financial statements and the management representation letter.

### **Strategic Plan, Annual Plan, Long Term Strategic Asset Management Plans**

- Received reports from Senior Management to understand operations and performance of Council.

### **Accounting, Internal Controls, Anti-Fraud, Anti-Corruption and Risk Management Policies, Systems and Controls**

- Council decisions made against recommendation.
- Review of Risk Management Policy and Framework.
- Legal Claims.
- WH&S issues.
- Policy annual review and review of current council policies when the fall due.
- Regulatory update.
- Any identified breaches of legislative requirements.
- Updates from the General Manager on emerging risks, in the context of potential impacts on Council.

### **Panel Governance**

The Panel reviewed its work plan to ensure it remained relevant to its Charter and Council's context. The Panel is in the process of updating the Annual Work Plan to guide its activities and priorities for 2023/24. Panel members updated their declarations of interest throughout the year. At each meeting, the General Manager declared no knowledge of any impending legal actions, legislation breaches or any actual or suspected fraud occurrences within the organisation since last reported to the Panel.

### **Conclusion**

In undertaking the abovementioned activities, the Panel had regard to its objectives, role and function within the Charter, and aims to provide an independent view and advice on Council activities in the specified areas, thereby adding value to management and Council.

The Panel gratefully acknowledges the positive engagement and diligent support provided by the General Manager, and acting General Manager during his leave, and the Director Corporate Services.

### **Ric De Santi Audit Panel Chair**



# Financial Report

# Independent Audit Report



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

## Opinion

I have audited the financial report of Brighton Council (Council), which comprises the statement of financial position as at 30 June 2023 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification signed by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2023 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

## Basis for Opinion

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

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

My audit responsibility does not extend to the budget figures included in the financial report, nor the asset renewal funding ratio disclosed in note 10.3(f) to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager's determination that Council did not have any Significant Business Activities for inclusion in the financial report as required by Section 84(2)(da) of the *Local Government Act 1993*.

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

### Key Audit Matters

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

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p><b>Valuation of property and infrastructure, depreciation expense and capital work-in-progress</b>  <i>Refer to notes 3.4, 6.1, 9.1 and 9.8</i></p>	
<p>Property and infrastructure assets include land, buildings and infrastructure assets, such as roads, bridges and drainage assets at fair value totalling \$174.36 million at 30 June 2023.</p> <p>The fair values of these assets are based on market values and 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. During 2022-23, Council undertook a full revaluation of roads and bridges and applied indexation to land, buildings, and drainage assets.</p> <p>The calculation of fair values is judgemental and highly dependent on a range of assumptions and estimates.</p> <p>The calculation of depreciation requires estimation of asset useful lives, which involves a high degree of subjectivity. Changes in assumptions can significantly impact depreciation charged.</p> <p>Capital additions in 2022-23 totalled \$7.46 million to a number of significant programs to upgrade and maintain assets. Capital 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.</p>	<ul style="list-style-type: none"> <li>• Assessing the scope, expertise and independence of experts involved in the valuations.</li> <li>• Evaluating the appropriateness of the valuation methodology applied to determine fair values.</li> <li>• Reviewing the critically assessed assumptions and other key inputs into the valuation model.</li> <li>• Performing analytical procedures on depreciation expense.</li> <li>• Testing, on a sample basis, the allocation of costs between capital and operating expenditure, including costs capitalised to work in progress.</li> <li>• Evaluating the adequacy of relevant disclosures in the financial report, including those regarding key assumptions used.</li> </ul>

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

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

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

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

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

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

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



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

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

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



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

20 November 2023  
Hobart

# Statement by the General Manager

2022–2023 Financial Report

## Certification of the Financial Report

The financial report presents fairly the financial position of the Brighton Council as at 30 June 2023 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.



**James Dryburgh**  
General Manager

Date: 20th November 2023

# Statement of Comprehensive Income

for the year ended 30 June 2023

	Note	Budget 2023 \$	Actual 2023 \$	Actual 2022 \$
<b>INCOME</b>				
<b>Recurrent Income</b>				
Rates and charges	2.1	12,479,126	12,479,560	11,317,640
Statutory fees and fines	2.2	803,950	883,291	915,751
User fees	2.3	836,700	1,032,473	901,139
Grants	2.4	2,188,877	4,085,585	2,874,062
Contributions – cash	2.5	175,000	192,510	125,330
Interest	2.6	28,000	333,578	48,998
Commercial Activities	2.7	2,492,971	1,300,236	628,252
Investment revenue from Water Corporation	2.9, 5.1	739,200	739,200	739,200
		<b>19,743,824</b>	<b>21,046,433</b>	<b>17,550,372</b>
<b>Capital Income</b>				
Capital grants received specifically for new or upgraded assets	2.4	-	1,327,445	1,157,810
Contributions – non-monetary assets	2.5	-	2,908,922	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	403,247	(513,999)
		-	4,639,614	643,811
<b>Total income</b>		<b>19,743,824</b>	<b>25,686,047</b>	<b>18,194,183</b>
<b>EXPENSES</b>				
Employee benefits	3.1	(4,891,132)	(6,695,885)	(5,787,961)
Materials and services	3.2	(6,890,207)	(6,341,986)	(5,446,943)
Contributions	3.3	(1,273,997)	(1,259,917)	(1,177,137)
Commercial activities	3.5	(29,000)	(27,395)	(263,171)
Depreciation and amortisation	3.4	(3,461,668)	(3,966,580)	(3,641,624)
Other expenses	3.6	(523,463)	(480,309)	(512,991)
<b>Total expenses</b>		<b>(17,069,467)</b>	<b>(18,772,072)</b>	<b>(16,829,827)</b>
<b>Net result for the year from continuing operations</b>		<b>2,674,357</b>	<b>6,913,975</b>	<b>1,364,356</b>
<b>Net result for the year</b>			<b>6,913,975</b>	<b>1,364,356</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified subsequently to net result</b>				
Fair value adjustments on equity investment	5.1,9.1	-	1,292,651	1,251,017
Net asset revaluation increment/(decrement)	9.1	-	179,580	12,284,084
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>1,472,231</b>	<b>13,535,101</b>
<b>Total Comprehensive result</b>		<b>2,674,357</b>	<b>8,386,206</b>	<b>14,899,457</b>

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

# Statement of Financial Position

as at 30 June 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4.1	10,121,017	2,022,299
Trade and other receivables	4.2	888,812	2,701,506
Investments	4.3	2,650,206	3,150,199
Other assets	4.4	349,909	273,301
Assets held for sale	4.5	539,136	1,415,883
<b>Total current assets</b>		<b>14,549,080</b>	<b>9,563,188</b>
<b>Non-current assets</b>			
Trade and other receivables	4.2	62,114	183,360
Investment in water corporation	5.1	47,305,885	46,013,234
Property, infrastructure, plant and equipment	6.1	179,362,047	175,198,628
Investment property	6.2	-	-
Intangible assets	6.3	-	9,180
<b>Total non-current assets</b>		<b>226,730,046</b>	<b>221,404,402</b>
<b>Total assets</b>		<b>241,279,126</b>	<b>230,967,589</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	7.1	1,003,918	694,805
Deposits held	7.2	517,270	247,825
Provisions	7.3	1,443,048	1,209,488
Contract liabilities	7.4	2,780,112	1,632,457
<b>Total current liabilities</b>		<b>5,744,348</b>	<b>3,784,575</b>
<b>Non-current liabilities</b>			
Provisions	7.3	-	34,443
Interest-bearing loans and borrowings	8.1	720,000	720,000
<b>Total non-current liabilities</b>		<b>720,000</b>	<b>754,443</b>
<b>Total liabilities</b>		<b>6,464,348</b>	<b>4,539,018</b>
<b>Net Assets</b>		<b>234,814,778</b>	<b>226,428,572</b>
<b>EQUITY</b>			
Accumulated surplus		153,799,001	146,885,026
Reserves	9.1	81,015,776	79,543,545
<b>Total Equity</b>		<b>234,814,777</b>	<b>226,428,571</b>

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

# Statement of Cash Flows

for the year ended 30 June 2023

	Note	2023 \$ Inflows/ (Outflows)	2022 \$ Inflows/ (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rates		12,372,707	11,301,869
Statutory fees and fines		883,288	915,751
User charges and other fines		1,476,644	1,862,757
Grants		7,131,093	3,506,583
Developer contributions		192,510	125,330
Interest received		333,578	48,998
Commercial Income		1,300,236	592,752
Dividends	2.9	739,200	739,200
Payments to suppliers		(5,889,930)	(6,121,490)
Payments to employees		(6,496,768)	(5,912,175)
Commercial Expenses		(27,395)	(263,172)
Other payments		(2,261,005)	(2,611,462)
<b>Net cash provided by (used in) operating activities</b>	9.2	<b>9,754,158</b>	<b>4,184,941</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, infrastructure, plant and equipment		(4,554,490)	(6,866,572)
Proceeds from sale of property, infrastructure, plant and equipment		802,168	77,988
Capital grants		1,327,445	1,157,810
<b>Net cash provided by (used in) investing activities</b>		<b>(2,424,877)</b>	<b>(5,630,774)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds/(Payment) of deposits held		269,444	(204,456)
Repayment of investment		499,993	-
<b>Net cash provided by (used in) financing activities</b>		<b>769,437</b>	<b>(204,456)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>8,098,718</b>	<b>(1,650,289)</b>
Cash and cash equivalents at the beginning of the financial year		2,022,299	3,672,588
<b>Cash and cash equivalents at the end of the financial year</b>	9.3	<b>10,121,017</b>	<b>2,022,299</b>

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

# Statement of Changes in Equity

for the year ended 30 June 2023

	Note	Accumulated Surplus \$	Asset Revaluation Reserve \$	Fair Value Reserve \$	Total Equity \$
<b>2023</b>					
<b>Balance at beginning of the financial year</b>		<b>146,885,026</b>	<b>84,921,184</b>	<b>(5,377,639)</b>	<b>226,428,571</b>
Net result for the year		6,913,975	-	-	6,913,975
Other Comprehensive Income:					
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,292,651	1,292,651
Net asset revaluation increment/ (decrement)	9.1	-	179,580	-	179,580
Total comprehensive income		153,799,001	85,100,764	(4,084,988)	234,814,777
<b>Balance at end of the financial year</b>		<b>153,799,001</b>	<b>85,100,764</b>	<b>(4,084,988)</b>	<b>234,814,777</b>
<b>2022</b>					
<b>Balance at beginning of the financial year</b>		<b>145,520,671</b>	<b>72,637,100</b>	<b>(6,628,656)</b>	<b>211,529,115</b>
Net result for the year		1,364,356	-	-	1,364,356
Other Comprehensive Income:					
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,251,017	1,251,017
Net asset revaluation increment/ (decrement)	9.1	-	12,284,084	-	12,284,084
Total comprehensive income		146,885,026	84,921,184	(5,377,639)	226,428,571
<b>Balance at end of the financial year</b>		<b>146,885,026</b>	<b>84,921,184</b>	<b>(5,377,639)</b>	<b>226,428,571</b>

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

# Notes to the Financial Report

for the year ended 30 June 2023

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## Note 1: Overview

### 1.1: Reporting Entity

- (a) The Brighton Council was established in 1863 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 1 Tivoli Road Old Beach.
- (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;
  - provide for the 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 a Statement of Comprehensive Income, Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements for the 2023 financial year. The 2022 financial comparatives are consolidated as they include the non-operational Microwise Pty Ltd. Microwise Pty Ltd was wound up on 30th June 2021. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993* (LGA 1993) (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 thousand dollars.

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.

### 1.3: Use of judgements and estimates

#### Judgments and Assumptions

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

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

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



## Note 1: Overview

### 1.3: Use of judgements and estimates (continued)

#### ***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 9.4.

#### ***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 5.1.

## 1.4: Functions/Activities of the Council

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

	Grants \$	Other \$	Total Revenue \$	Total Expenditure \$	Surplus/ (Deficit) \$	Assets \$
<b>BUILDING SERVICES</b>						
2022–2023	-	396,311	396,311	1,760,418	(1,364,107)	26,583,518
2021–2022	155,561	291,760	447,321	1,289,890	(842,569)	24,865,543
<b>COMMUNITY SERVICES</b>						
2022–2023	1,017,526	2,409	1,019,935	1,000,729	19,206	-
2021–2022	404,410	-	404,410	593,100	(188,690)	-
<b>CORPORATE SERVICES</b>						
2022–2023	-	1,082,040	1,082,040	2,716,221	(1,634,181)	-
2021–2022	-	512,799	512,799	2,568,543	(2,055,744)	-
<b>ENVIRONMENTAL HEALTH/ENVIRONMENTAL MANAGEMENT</b>						
2022–2023	-	333,182	333,182	392,755	(59,573)	-
2021–2022	-	338,299	338,299	325,266	13,033	-
<b>PARKS AND RECREATION</b>						
2022–2023	91,117	414,542	505,659	2,312,598	(1,806,939)	18,571,375
2021–2022	-	298,739	298,739	1,598,942	(1,300,203)	11,932,117
<b>PLANNING SERVICES</b>						
2022–2023	121,782	326,957	448,739	1,039,037	(590,298)	-
2021–2022	13,500	425,420	438,920	848,477	(409,557)	-
<b>RATES &amp; CHARGES</b>						
2022–2023	-	10,180,505	10,180,505	-	10,180,505	-
2021–2022	-	9,431,968	9,431,968	-	9,431,968	-
<b>ROADS, STREETS &amp; BRIDGES</b>						
2022–2023	745,762	3,880,495	4,626,257	5,098,978	(472,721)	110,413,839
2021–2022	1,002,249	179,546	1,181,795	5,255,439	(4,073,644)	117,851,258
<b>TAS WATER</b>						
2022–2023	-	739,200	739,200	-	739,200	47,305,885
2021–2022	-	739,200	739,200	-	739,200	46,013,234
<b>UNALLOCATED SERVICES</b>						
2022–2023	3,436,843	184,044	3,620,887	1,886,691	1,734,196	38,404,508
2021–2022	2,456,152	277,994	2,734,146	2,604,700	129,446	30,305,438
<b>WASTE MANAGEMENT</b>						
2022–2023	-	2,695,529	2,695,529	2,526,842	168,687	-
2021–2022	-	2,217,721	2,217,721	2,296,605	(78,884)	-
<b>TOTAL</b>						
<b>2022–2023</b>	<b>5,413,030</b>	<b>20,235,213</b>	<b>25,648,243</b>	<b>18,734,269</b>	<b>6,913,975</b>	<b>241,279,126</b>
<b>2021–2022</b>	<b>4,031,872</b>	<b>14,713,447</b>	<b>18,745,318</b>	<b>17,380,962</b>	<b>1,364,356</b>	<b>230,967,590</b>

## 1.4: Functions/Activities of the Council (continued)

### (b) Reconciliation of Assets above with the Statement of Financial Position at 30 June:

	2023 \$	2022 \$
Current assets	14,549,080	9,563,188
Non-current assets	226,730,046	221,404,402
	<b>241,279,126</b>	<b>230,967,590</b>

### c) Rates and Charges

Amount of rates raised each year for general rate and fire levy.

#### *Corporate Services*

Operation and co-ordination of council chambers, administration and councillors.

#### *TasWater*

Councils equity investment in Taswater infrastructure and dividends paid.

#### *Parks and Recreation*

Operation and maintenance of sporting facilities (includes active and passive recreation and recreation centres).

#### *Planning Services*

Administration of the town planning scheme, subdivisions and urban and rural renewal programs.

#### *Building Services*

The development and maintenance of building constructions standards.

#### *Roads, streets and bridges*

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting.

#### *Community services*

Administration and operation of dog registration, operation of pounds, control of straying stock, and noxious weeds. Operation of the Civic Centre and council halls and grounds. Community Development which provides for the implementation of a process by which strategies and plans can be developed so that the Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

#### *Environmental Health/Environmental Management*

Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries. Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

#### *Waste Management*

Collection, handling, processing and disposal of all waste materials.

#### *Unallocated Services*

Work not attributed elsewhere.

## Note 2: Revenue

### 2.1: Rates and charges

	2023 \$	2022 \$
General	9,100,776	8,417,842
Garbage charge	1,893,903	1,885,672
Garbage charge – FOGO	405,152	-
Fire Levy	1,079,729	1,014,126
<b>Total rates and charges</b>	<b>12,479,560</b>	<b>11,317,640</b>

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2019. The Garbage charge – FOGO was included in the Garbage Charge line item for the 2021/2022 year, as it was a pro-rata charge. In the 2022/2023 year it has been identified separately in the accounts.

#### Accounting policy

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

### 2.2: Statutory fees and fines

	2023 \$	2022 \$
Infringements and costs	93,704	106,408
Town planning fees	326,957	425,420
Land information certificates	113,450	141,703
Permits	349,180	242,220
<b>Total statutory fees and fines</b>	<b>883,291</b>	<b>915,751</b>

#### Accounting policy

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

### 2.3: User fees

	2023 \$	2022 \$
Council Fees & Charges	518,564	419,145
Community Newspaper	22,491	29,057
Refuse Site Entry	396,473	332,045
Other Revenue	94,945	120,892
<b>Total user fees</b>	<b>1,032,473</b>	<b>901,139</b>

#### Accounting policy

Council recognises revenue from user fees and charges when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Licences granted by Council are all either short-term or low value and all revenue is recognised at the time that the licence is granted rather than the term of the licence.

## 2.4: Grants

Grants were received in respect of the following:

	2023 \$	2022 \$
<b>SUMMARY OF GRANTS</b>		
Federally funded grants	4,612,591	3,484,538
State funded grants	670,439	502,334
Others	130,000	45,000
<b>Total</b>	<b>5,413,030</b>	<b>4,031,872</b>

<b>GRANTS - RECURRENT</b>		
Commonwealth Government Financial Assistance Grants	3,436,843	2,456,152
Department of Health	10,667	-
Department of Premier & Cabinet	74,729	-
Department of Industry	18,182	-
Department of Communities – Workforce Development	130,000	130,000
Department of State Growth – Jobs Tasmania	353,664	229,410
The Crown in the Right of Tasmania	31,500	13,500
Workskills	-	45,000
Central Highlands Council	10,000	-
Southern Midlands Council	10,000	-
Derwent Valley Council	10,000	-
<b>Total recurrent grants</b>	<b>4,085,585</b>	<b>2,874,062</b>

<b>CAPITAL GRANTS RECEIVED SPECIFICALLY FOR NEW OR UPGRADED ASSETS</b>		
Commonwealth Government – Roads to Recovery	-	249,567
Department of Infrastructure & Regional Development – Local Roads Program	374,351	252,399

	2023 \$	2022 \$
Department of Infrastructure & Regional Development	-	521,349
Department of Agriculture Water & The Environment	21,238	5,071
Department of Industries	271,411	-
Centacare Evolve Housing	100,000	-
Department of Health	490,566	-
Department of Communities	69,879	69,424
Department of State Growth	-	60,000
<b>Total capital grants</b>	<b>1,327,445</b>	<b>1,157,810</b>
<b>Total Grants</b>	<b>5,413,030</b>	<b>4,031,872</b>

The Roads to Recovery Grant was not paid in the 2022/2023 year due to reporting requirements not being met. This Grant is expected to be paid in the 2023/2024 year.

In both years the Commonwealth has made early payment of the first two quarterly instalments for the following year. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2022-23 by \$2,513,698, (2021-22, \$1,489,733). There are no performance obligations associated with this grant. This has impacted the Statement of Comprehensive Income resulting in the net result for the year being higher by \$1,023,965 (2021-2022 higher by \$389,487).

### Unspent grants and contributions

Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:

## 2.4: Grants (continued)

	2023 \$	2022 \$
<b>OPERATING</b>		
Balance of unspent funds at 1 July	301,089	-
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the condition	-	-
Add: Funds received and not recognised as revenue in the current year	231,258	301,089
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	-	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(222,371)	-
<b>Balance of unspent funds at 30 June</b>	<b>309,976</b>	<b>301,089</b>
<b>CAPITAL</b>		
Balance of unspent funds at 1 July	997,274	680,006
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the condition	-	-
Add: Funds received and not recognised as revenue in the current year	1,235,614	880,174
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(91,117)	(562,906)
Less: Funds received in prior year but revenue recognised and funds spent in current year	-	-
<b>Balance of unspent funds at 30 June</b>	<b>2,141,771</b>	<b>997,274</b>
<b>Total unspent funds</b>	<b>2,451,747</b>	<b>1,298,363</b>

### Accounting policy

Council recognises untied grant revenue and those without performance obligations when received. In cases where funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and recognises income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include events and programs.

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

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

## 2.5: Contributions

	2023 \$	2022 \$
<b>(A) CASH</b>		
Public Open Space	192,510	125,330
<b>Total</b>	<b>192,510</b>	<b>125,330</b>
<b>(B) NON-MONETARY ASSETS</b>		
Land – Subdivision Donation	2,908,922	-
<b>Total</b>	<b>2,908,922</b>	<b>-</b>
<b>Total contributions</b>	<b>3,101,432</b>	<b>125,330</b>

### Accounting policy

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

## 2.6: Interest

	2023 \$	2022 \$
Interest on financial assets	306,857	28,473
Interest on rates	26,721	20,525
<b>Total interest</b>	<b>333,578</b>	<b>48,998</b>

### Accounting policy

#### Interest income

Interest is recognised progressively as it is earned.

## 2.7: Commercial Activities

	2023 \$	2022 \$
Professional Services & Private Works	1,027,605	357,212
Rental income	234,824	235,540
In-Kind Support	37,807	35,500
<b>Total commercial activities</b>	<b>1,300,236</b>	<b>628,252</b>

Private works was higher in the 2022/2023 year due to works undertaken by Council on behalf of the Department of Education.

### Accounting policy

#### Professional Services & Private Works Income

Professional Services & Private Works Income is recognised when the services has been provided.

#### Rental income

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

#### Operating leases as lessor

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

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

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

## 2.8: Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2023 \$	2022 \$
Proceeds of sale	875,804	77,988
Write down value of assets disposed	(472,557)	(591,987)
<b>Total Net gain/(loss) on disposal</b>	<b>403,247</b>	<b>(513,999)</b>

### Accounting policy

#### Gains and losses on asset disposals

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

## 2.9: Investment revenue from water corporation

	2023 \$	2022 \$
Dividend revenue received	739,200	739,200
<b>Total investment revenue from water corporation</b>	<b>739,200</b>	<b>739,200</b>

### Accounting policy

#### Investment revenue

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

## Note 3: Expenses

### Accounting policy

#### Expenses

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.

## 3.1: Employee benefits

	2023 \$	2022 \$
Wages and salaries	5,922,764	5,128,696
Workers compensation	72,120	66,791
Payroll Tax	211,559	180,263
Superannuation	499,355	424,684
Other Employee Related Expenses	213,450	145,204
	6,919,248	5,945,638
Less amounts capitalised	(223,363)	(157,677)
<b>Total employee benefits</b>	<b>6,695,885</b>	<b>5,787,961</b>

### Accounting policy

#### Employee benefits

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

## 3.2: Materials and services

	2023 \$	2022 \$
Bank Fees	34,169	31,005
Building Maintenance	382,292	248,165
Climate Resilience	31,345	-
Collection Fees	39,899	36,037
Community Liaison	20,726	11,516
Community Newspaper	79,144	71,774
Contract Recycling	370,700	323,516
Fire Abatement	28,529	12,922
FOGO Collection & Disposal	327,984	240,133
GIS CAD CVS and other software	109,315	120,294
Internal Contractors	234,703	120,981
Land Tax	49,342	45,007
Insurance Premiums	239,612	226,423
Refuse Collection	238,778	205,124
Youth Support	-	80,000



	2023 \$	2022 \$
Weed Control	93,435	35,648
Planning Legal Fees & Masterplans	223,519	134,589
Building Overheads	181,305	182,506
Reserve Maintenance	762,911	603,300
Road & Bridge Maintenance	847,734	705,092
Telephones	75,245	69,254
Street Lighting	136,008	153,248
Waste Bin Replacement	63,928	103,606
Waste Transfer Station & Tipping Expense	1,004,343	948,100
Printing & Stationery	28,263	40,899
Postage	39,975	49,551
Other	698,782	648,253
<b>Total materials and services</b>	<b>6,341,986</b>	<b>5,446,943</b>

### Accounting policy

#### Materials and services expense

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: Contributions

	2023 \$	2022 \$
State Fire Commission Levy	1,065,953	995,748
Cycling South	3,000	3,000
Tasmanian Canine Defence League Contribution	58,794	55,571
Local Government Association of Tasmania	49,381	47,777
Derwent Estuary Contribution	15,545	15,240

Valuation Charges	57,980	50,686
Southern Tasmanian Tourism Contribution	6,840	6,692
Southern Tasmanian Councils Association	2,424	2,423
<b>Total contributions</b>	<b>1,259,917</b>	<b>1,177,137</b>

### Accounting policy

#### Contributions

Contributions to external organisations are expensed as incurred.

### 3.4: Depreciation and amortisation

	2023 \$	2022 \$
<b>PROPERTY</b>		
Buildings	564,165	506,904
<b>PLANT AND EQUIPMENT</b>		
Plant and Vehicles	284,791	258,761
Furniture and Equipment	46,270	42,325
Small Machinery	8,817	8,781
<b>INFRASTRUCTURE</b>		
Roads	2,534,012	2,344,837
Bridges	154,697	124,110
Drainage	364,647	338,753
<b>INTANGIBLE ASSETS</b>		
Intangible assets	9,180	17,153
<b>Total depreciation and amortisation</b>	<b>3,966,580</b>	<b>3,641,624</b>

### Accounting policy

#### Depreciation and amortisation expense

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

### 3.4: Depreciation and amortisation (continued)

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

Land, heritage, artwork and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life. Straight line depreciation is charged based on the residual useful life as determined each year. Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:

	Period
<b>BUILDINGS</b>	
buildings	50 years
building improvements	50 years
<b>PLANT AND EQUIPMENT</b>	
plant, machinery and equipment	5–10 years
fixtures, fittings and furniture	5–10 years
computers and telecommunications	5–10 years
leased plant and equipment	5–10 years
<b>ROADS</b>	
road pavements and seals	5–40 years
road substructure	70–100 years
road formation and earthworks	100 years
road kerb, channel and minor culverts	50–60 years
<b>BRIDGES</b>	
bridges deck	20–80 years
bridges substructure	20–80 years
<b>OTHER INFRASTRUCTURE</b>	
footpaths and cycleways	15–40 years
drainage	80–100 years
recreational, leisure and community facilities	80 years
waste management	50 years
parks, open space and streetscapes	50 years
<b>INTANGIBLE ASSETS</b>	
intangible assets	3–10 years

### 3.5: Commercial Activities

	2023 \$	2022 \$
Professional Services and Private Works	27,395	263,171
<b>Total commercial activities</b>	<b>27,395</b>	<b>263,171</b>

#### Accounting Policy

##### Commercial Activities

Professional Services and private works are expenses that are incurred when work is undertaken for another Council or business organisation.

### 3.6: Other expenses

	2023 \$	2022 \$
External auditors' remuneration (Tasmanian Audit Office)	36,979	49,565
Grants and Donations	55,541	177,438
Primary Health Care Grant	-	3,597
Councillors' allowances	366,093	282,391
Bad Debt Write Off net of provision movement	21,696	-
<b>Total other expenses</b>	<b>480,309</b>	<b>512,991</b>

#### Accounting policy

##### Other expenses

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

## Note 4: Current assets

### 4.1: Cash and cash equivalents

	2023 \$	2022 \$
Cash on hand	3,062	3,056
Cash at bank	10,117,955	2,019,243
<b>Total cash and cash equivalents</b>	<b>10,121,017</b>	<b>2,022,299</b>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

	2023 \$	2022 \$
i) Deposits held (note 7.2)	517,270	247,825
ii) Leave Provisions (note 7.3)	1,443,048	1,243,931
iii) Unexpended Grant (note 7.4)	2,451,747	1,298,362
<b>Restricted funds</b>	<b>4,412,065</b>	<b>2,790,118</b>
Total unrestricted cash and cash equivalents and investments (note 4.3)	12,771,223	5,172,498
<b>Total unrestricted funds</b>	<b>8,359,158</b>	<b>2,382,380</b>

#### Accounting policy

##### Cash and cash equivalents

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

##### Restricted funds

- i) Includes refundable subdivision and hall deposits held in trust by Council for completion of specific purposes.
- ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.

- iii) Long Service and Annual Leave provisions  
This figure is provided for information only and has had the effect of putting the unrestricted cash & cash equivalents into the negative. Leave is not treated as an unrestricted item.

### 4.2: Trade and other receivables

	2023 \$	2022 \$
<b>CURRENT</b>		
Rates debtors	323,425	232,178
Infringements	234,829	207,506
Licences	12,740	11,433
Other debtors	353,359	2,264,234
Provision for expected credit loss – other debtors	(35,541)	(13,845)
<b>Total</b>	<b>888,812</b>	<b>2,701,506</b>
<b>NON-CURRENT</b>		
Mortgages over land sold	62,114	183,360
<b>Total</b>	<b>62,114</b>	<b>183,360</b>
<b>Total trade and other receivables</b>	<b>950,926</b>	<b>2,884,866</b>

#### Reconciliation of movement in expected credit loss

	2023 \$	2022 \$
<b>Carrying amount at 1 July</b>	<b>(13,845)</b>	<b>(13,845)</b>
Increase/(decrease) in provision recognised in profit or loss	(21,696)	-
<b>Carrying amount at 30 June</b>	<b>(35,541)</b>	<b>(13,845)</b>

For ageing analysis of the financial assets, refer to note 9.8.

## 4.2: Trade and other receivables (continued)

### Accounting policy

#### Trade and other receivables

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

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

## 4.3: Investments

	2023 \$	2022 \$
<b>Current</b>		
Managed funds	1,950,206	2,650,199
Term deposits – more than 3 months	700,000	500,000
<b>Total investments</b>	<b>2,650,206</b>	<b>3,150,199</b>

### Accounting policy

#### Investments

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

## 4.4: Other Assets

	2023 \$	2022 \$
Prepayments	81,450	81,500
Accrued income	268,459	191,801
<b>Total other assets</b>	<b>349,909</b>	<b>273,301</b>

## 4.5: Assets held for sale

	2023 \$	2022 \$
Land held for resale	539,136	1,415,883
<b>Total</b>	<b>539,136</b>	<b>1,415,883</b>

Council has decided to sell land that is no longer required. Several parcels have been identified and are expected to be sold within one year. The land is valued at the lower of carrying value and fair value less cost to sell. During the 2022/2023 year land that was previously valued in land held for resale has been identified as not for sale and was transferred back at fair value to Land. Contracts that were previously extended have also been settled within this year.

### Accounting policy

#### Assets held for sale

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

## Note 5: Investments

### 5.1: Investment in water corporation

	2023 \$	2022 \$
Opening balance	46,013,234	44,762,217
Change in fair value of investment	1,292,651	1,251,017
<b>Total investment in water corporation</b>	<b>47,305,885</b>	<b>46,013,234</b>

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

### Accounting policy

#### Equity Investment

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

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2023, Council holds 2.70% (2022 2.78%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

## Note 6: Non-current assets

### 6.1: Property, infrastructure, plant and equipment

	2023 \$	2022 \$
<b>SUMMARY</b>		
at cost	7,723,995	4,308,726
Less accumulated depreciation	(2,721,572)	(2,549,907)
	<b>5,002,424</b>	<b>1,758,819</b>
at fair value as at 30 June	242,175,564	242,667,552
Less accumulated depreciation	(67,815,941)	(69,227,743)
	<b>174,359,623</b>	<b>173,439,809</b>
<b>Total</b>	<b>179,362,047</b>	<b>175,198,628</b>
<b>PROPERTY</b>		
<i>Land</i>		
at fair value as at 30 June	18,571,375	11,932,117
	<b>18,571,375</b>	<b>11,932,117</b>
<i>Land under roads</i>		
at fair value at 30 June	18,790,891	18,790,891
	18,790,891	18,790,891
<b>Land improvements</b>		
<b>Total Land</b>	<b>37,362,266</b>	<b>30,723,008</b>
<i>Buildings</i>		
at fair value as at 30 June	28,518,869	26,236,729
Less accumulated depreciation	(1,935,351)	(1,371,186)
<b>Total Buildings</b>	<b>26,583,518</b>	<b>24,865,543</b>
<b>Total Property</b>	<b>63,945,784</b>	<b>55,588,551</b>
<b>PLANT AND EQUIPMENT</b>		
<i>Plant, machinery and equipment</i>		
at cost	2,485,632	2,511,301
Less accumulated depreciation	(1,365,691)	(1,249,114)
	<b>1,119,941</b>	<b>1,262,187</b>
<i>Furniture and Equipment</i>		
at cost	1,418,990	1,411,699
Less accumulated depreciation	(1,191,721)	(1,145,450)
	<b>227,270</b>	<b>266,249</b>

	2023 \$	2022 \$
<b>Small Machinery</b>		
at cost	209,012	188,448
Less accumulated amortisation	(164,160)	(155,343)
	<b>44,852</b>	<b>33,105</b>
<b>Total Plant and Equipment</b>	<b>1,392,062</b>	<b>1,561,541</b>
<b>INFRASTRUCTURE</b>		
<b>Roads</b>		
at fair value as at 30 June	128,173,487	141,745,203
Less accumulated depreciation	(49,703,417)	(53,282,185)
	<b>78,470,070</b>	<b>88,463,018</b>
<b>Bridges</b>		
at fair value as at 30 June	8,665,138	7,819,997
Less accumulated depreciation	(2,937,254)	(2,825,322)
	<b>5,727,884</b>	<b>4,994,675</b>
<b>Drainage</b>		
at fair value as at 30 June	39,455,804	36,142,615
Less accumulated depreciation	(13,239,919)	(11,749,050)
	<b>26,215,885</b>	<b>24,393,565</b>
<b>Total Infrastructure</b>	<b>110,413,839</b>	<b>117,851,258</b>
<b>WORKS IN PROGRESS</b>		
Buildings at cost	858,125	171,881
Roads at cost	2,752,236	25,397
<b>Total Works in progress</b>	<b>3,610,361</b>	<b>197,278</b>
<b>Total property, plant and equipment and infrastructure</b>	<b>179,362,047</b>	<b>175,198,628</b>

## 6.1: Property, infrastructure, plant and equipment (continued)

### Reconciliation of property, infrastructure, plant and equipment

2023	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (Note 9.1)	Depreciation and amortisation (Note 3.4)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers In/Out	Balance at end of financial year
<b>PROPERTY</b>								
Land	11,932,117	-	6,123,875	-	-	-	515,383	18,571,375
Land under roads	18,790,891	-	-	-	-	-	-	18,790,891
<b>Total land</b>	<b>30,723,008</b>	<b>-</b>	<b>6,123,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>515,383</b>	<b>37,362,266</b>
Buildings	24,865,543	449,279	1,660,980	(564,165)	-	-	171,881	26,583,518
<b>Total buildings</b>	<b>24,865,543</b>	<b>449,279</b>	<b>1,660,980</b>	<b>(564,165)</b>	<b>-</b>	<b>-</b>	<b>171,881</b>	<b>26,583,518</b>
<b>Total property</b>	<b>55,588,551</b>	<b>449,279</b>	<b>7,784,855</b>	<b>(564,165)</b>	<b>-</b>	<b>-</b>	<b>687,264</b>	<b>63,945,784</b>
<b>PLANT AND EQUIPMENT</b>								
Plant, machinery and equipment	1,262,187	180,102	-	(284,791)	(37,557)	-	-	1,119,941
Furniture and Equipment	266,249	7,291	-	(46,270)	-	-	-	227,270
Small Machinery	33,105	20,564	-	(8,817)	-	-	-	44,852
<b>Total plant and equipment</b>	<b>1,561,541</b>	<b>207,957</b>	<b>-</b>	<b>(339,878)</b>	<b>(37,557)</b>	<b>-</b>	<b>-</b>	<b>1,392,063</b>
<b>INFRASTRUCTURE</b>								
Roads	88,463,018	3,116,435	(10,600,768)	(2,534,012)	-	-	25,397	78,470,070
Bridges	4,994,675	33,969	853,937	(154,697)	-	-	-	5,727,884
Drainage	24,393,565	45,411	2,141,556	(364,647)	-	-	-	26,215,885
<b>Total infrastructure</b>	<b>117,851,258</b>	<b>3,195,815</b>	<b>(7,605,275)</b>	<b>(3,053,356)</b>	<b>-</b>	<b>-</b>	<b>25,397</b>	<b>110,413,839</b>
<b>WORKS IN PROGRESS</b>								
Buildings	171,881	858,125	-	-	-	-	(171,881)	858,125
Roads	25,397	2,752,236	-	-	-	-	(25,397)	2,752,236
<b>Total works in progress</b>	<b>197,278</b>	<b>3,610,361</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(197,278)</b>	<b>3,610,361</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>175,198,628</b>	<b>7,463,412</b>	<b>179,580</b>	<b>(3,957,399)</b>	<b>(37,557)</b>	<b>-</b>	<b>515,383</b>	<b>179,362,047</b>

\* Acquisition of Assets does not include any non-monetary contributions, note 2.5(b). As part of Microwise Pty Ltd the land & building assets have been transferred into Council ownership, note 6.2.



2022	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (Note 9.1)	Depreciation and amortisation (Note 3.4)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
<b>PROPERTY</b>								
Land	10,335,600	-	1,084,738	-	-	(82,500)	594,279	11,932,117
Land under roads	18,790,891	-	-	-	-	-	-	18,790,891
<b>Total land</b>	<b>29,126,491</b>	<b>-</b>	<b>1,084,738</b>	<b>-</b>	<b>-</b>	<b>(82,500)</b>	<b>594,279</b>	<b>30,723,008</b>
Buildings	21,541,092	1,783,081	1,788,277	(506,904)	-	-	259,997	24,865,543
<b>Total buildings</b>	<b>21,541,092</b>	<b>1,783,081</b>	<b>1,788,277</b>	<b>(506,904)</b>	<b>-</b>	<b>-</b>	<b>259,997</b>	<b>24,865,543</b>
<b>Total property</b>	<b>50,667,583</b>	<b>1,783,081</b>	<b>2,873,015</b>	<b>(506,904)</b>	<b>-</b>	<b>(82,500)</b>	<b>854,276</b>	<b>55,588,551</b>
<b>PLANT AND EQUIPMENT</b>								
Plant, machinery and equipment	1,059,891	466,415	-	(258,761)	(5,358)	-	-	1,262,187
Furniture and Equipment	61,117	247,458	-	(42,326)	-	-	-	266,249
Small Machinery	37,100	4,785	-	(8,780)	-	-	-	33,105
<b>Total plant and equipment</b>	<b>1,158,108</b>	<b>718,658</b>	<b>-</b>	<b>(309,867)</b>	<b>(5,358)</b>	<b>-</b>	<b>-</b>	<b>1,561,541</b>
<b>INFRASTRUCTURE</b>								
Roads	80,457,916	3,623,185	7,056,085	(2,344,837)	(504,033)	-	174,702	88,463,018
Bridges	4,143,145	544,370	362,939	(124,110)	(95)	-	68,426	4,994,675
Drainage	22,740,272	-	1,992,046	(338,753)	-	-	-	24,393,565
<b>Total infrastructure</b>	<b>107,341,333</b>	<b>4,167,555</b>	<b>9,411,070</b>	<b>(2,807,700)</b>	<b>(504,128)</b>	<b>-</b>	<b>243,128</b>	<b>117,851,258</b>
<b>WORKS IN PROGRESS</b>								
Buildings								
Roads	174,702	171,881	-	-	-	-	(174,702)	171,881
<b>Total works in progress</b>	<b>68,426</b>	<b>25,397</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(68,426)</b>	<b>25,397</b>
	243,128	197,278	-	-	-	-	(243,128)	197,278
<b>Total property, infrastructure, plant and equipment</b>	<b>159,410,152</b>	<b>6,866,572</b>	<b>12,284,085</b>	<b>(3,624,471)</b>	<b>(509,486)</b>	<b>(82,500)</b>	<b>854,276</b>	<b>175,198,628</b>

\* Acquisition of Assets does not include any non-monetary contributions, note 2.5(b)

## 6.1: Property, infrastructure, plant and equipment (continued)

### Accounting policy

#### Recognition and measurement of assets

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

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

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

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

	Threshold \$'000
<b>LAND</b>	
Land	10
Land under roads	10
Land improvements	10
<b>BUILDINGS</b>	
Buildings	10
Building improvements	10
Leasehold building improvements	10
Heritage buildings	10
<b>PLANT AND EQUIPMENT</b>	
Plant, machinery and equipment	5
Fixtures, fittings and furniture	5
Computers and telecommunications	5
Leased plant and equipment	5
<b>ROADS</b>	
Road pavements and seals	10
Road substructure	10
Road formation and earthworks	10
Road kerb, channel and minor culverts	10
<b>BRIDGES</b>	
Bridges deck	10
Bridges substructure	10
<b>OTHER INFRASTRUCTURE</b>	
Footpaths and cycleways	10
Drainage	10
Recreational, leisure and community facilities	10
Waste management	10
Parks, open space and streetscapes	10
Off street car parks	10

## Revaluation

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

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
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 equipment, small machinery and work in progress, are measured at their fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

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

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

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

### Impairment of assets

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

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

### Land under roads

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

## 6.2: Investment property

	2023 \$	2022 \$
Balance at beginning of financial year	-	854,276
Transfers to Property (note 6.1)	-	(854,276)
<b>Balance at end of financial year</b>	<b>-</b>	<b>-</b>

Valuation of investment property has been determined in accordance with an independent valuation by LG Valuation Services Pty Ltd who has recent experience in the location and category of the property being valued. The investment property was owned by Microwise and transferred to the Council on sale of the business.

### Accounting policy

#### Investment Property

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the Statement of Comprehensive Income in the period that they arise. Rental income from the leasing of investment properties is recognised in the Statement of Comprehensive Income on a straight line basis over the lease term.

Investments, other than investments in associates and property, are measured at cost.

## 6.3: Intangible assets

	2023 \$	2022 \$
Software at cost	220,103	220,103
less accumulated depreciation	(220,103)	(210,923)
<b>Total intangible assets</b>	<b>-</b>	<b>9,180</b>

### Reconciliation of intangible assets

#### Accounting policy

#### Intangible assets

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.

In accordance with Council's policy, the threshold limits applied when recognising intangible assets is \$5,000 and consistent with the prior year.

The estimated useful lives for current and comparative periods are as follows:

Software developed in-house – 5 years.

## Note 7: Current liabilities

### 7.1: Trade and other payables

	2023 \$	2022 \$
Trade payables	324,513	70,451
Accrued expenses	679,405	624,354
<b>Total trade and other payables</b>	<b>1,003,918</b>	<b>694,805</b>

#### Accounting policy

##### Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

For ageing analysis of trade and other payables, refer to note 9.7

### 7.3: Provisions

	Annual leave	Long service leave	Total
<b>2023</b>			
Balance at beginning of the financial year	611,345	632,586	1,243,931
Net Additional provisions	137,796	61,321	199,117
Balance at the end of the financial year	<b>749,141</b>	<b>693,907</b>	<b>1,443,048</b>
Current	749,141	693,907	1,443,048
Non-current	-	-	-
<b>Total provisions</b>	<b>749,141</b>	<b>693,907</b>	<b>1,443,048</b>
<b>2022</b>			
Balance at beginning of the financial year	575,306	792,839	1,368,145
Net Additional provisions	36,039	(160,253)	(124,214)
Balance at the end of the financial year	<b>611,345</b>	<b>632,586</b>	<b>1,243,931</b>
Current	611,345	598,143	1,209,488
Non-current	-	34,443	34,443
<b>Total provisions</b>	<b>611,345</b>	<b>632,586</b>	<b>1,243,931</b>

#### (a) Employee benefits

	2023	2022
Employee numbers	74	72

### 7.2: Deposits Held

	2023 \$	2022 \$
Refundable subdivision deposits	510,066	245,875
Refundable hall booking deposits	7,204	1,950
<b>Total deposits held</b>	<b>517,270</b>	<b>247,825</b>

#### Accounting policy

##### Deposits Held

Amounts received as subdivision bonds and hall booking deposits are held in respect of damage indemnity, facilities booking and various performance related sureties.

## 7.3: Provisions (continued)

### (a) Employee benefits (continued)

#### Accounting policy

##### Employee benefits

#### *i) Short term obligations*

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

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

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

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an

unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

#### *iii) Sick leave*

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

#### *iv) Defined benefit plans*

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

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the

Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions. Refer Note 9.4

#### 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.

### 7.4: Contract liabilities

	2023 \$	2022 \$
Rates and charges in advance	328,365	334,095
Grant Liability	2,451,747	1,298,362
<b>Total Contract Liabilities</b>	<b>2,780,112</b>	<b>1,632,457</b>

#### Accounting policy

Council recognised the following contract liabilities with customers:

- i) Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by council at the beginning of the rating or charge period to which the advance payment relates.
- ii) Upfront sundry debtor payments are recognised as a contract liability until invoices are raised in accordance with AASB 15 and recognition is met.

## Note 8: Non-current liabilities

### 8.1: Interest-bearing loans and borrowings

	2023 \$	2022 \$
<b>NON-CURRENT</b>		
Borrowings — secured	720,000	720,000
<b>Total interest bearing loans and borrowings</b>	<b>720,000</b>	<b>720,000</b>

#### Borrowings

Borrowings are secured over rates payable.

The maturity profile for Council's borrowings is:

	2023 \$	2022 \$
Later than one year and not later than five years	720,000	720,000
<b>Total</b>	<b>720,000</b>	<b>720,000</b>

#### Accounting policy

##### Interest bearing liabilities

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

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

## Note 9: Other financial information

### 9.1: Reserves

	Balance at beginning of reporting year \$	Increment / (Decrement) \$	Balance at end of reporting year \$
<b>(A) ASSET REVALUATION RESERVE</b>			
<b>2023</b>			
<b>Property</b>			
Land	15,068,315	6,123,875	21,192,190
Buildings	2,250,804	1,660,980	3,911,784
	<b>17,319,119</b>	<b>7,784,855</b>	<b>25,103,974</b>
<b>Infrastructure</b>			
Roads	49,749,601	(10,600,768)	39,148,833
Bridges	2,078,993	853,937	2,932,930
Drainage	15,773,471	2,141,556	17,915,027
	<b>67,602,065</b>	<b>(7,605,275)</b>	<b>59,996,790</b>
<b>Total asset revaluation reserve</b>	<b>84,921,184</b>	<b>179,580</b>	<b>85,100,764</b>
<b>2022</b>			
<b>Property</b>			
Land	13,983,577	1,084,738	15,068,315
Buildings	462,527	1,788,277	2,250,804
	<b>14,446,104</b>	<b>2,873,015</b>	<b>17,319,119</b>
<b>Infrastructure</b>			
Roads	42,693,516	7,056,085	49,749,601
Bridges	1,716,055	362,938	2,078,993
Drainage	13,781,425	1,992,046	15,773,471
	<b>58,190,996</b>	<b>9,411,069</b>	<b>67,602,065</b>
<b>Total asset revaluation reserve</b>	<b>72,637,100</b>	<b>12,284,084</b>	<b>84,921,184</b>

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

<b>(B) FAIR VALUE RESERVE</b>			
<b>2023</b>			
<b>Equity Investment assets</b>			
Investment in water corporation	(5,377,639)	1,292,651	(4,084,988)
<b>Total fair value reserve</b>	<b>(5,377,639)</b>	<b>1,292,651</b>	<b>(4,084,988)</b>
<b>2022</b>			
<b>Equity Investment assets</b>			
Investment in water corporation	(6,628,656)	1,251,017	(5,377,639)
<b>Total fair value reserve</b>	<b>(6,628,656)</b>	<b>1,251,017</b>	<b>(5,377,639)</b>

Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.



	2023 \$	2022 \$
Asset Revaluation Reserve	85,100,764	84,921,184
Fair Value Reserve	(4,084,988)	(5,377,639)
<b>Total Reserves</b>	<b>81,015,776</b>	<b>79,543,545</b>

## 9.2: Reconciliation of cash flows from operating activities to surplus (deficit)

	2023 \$	2022 \$
Net results for the year	<b>6,913,975</b>	<b>1,364,356</b>
Depreciation/amortisation	3,966,580	3,641,624
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(403,247)	513,999
Contributions non monetary	(2,908,922)	-
Capital grants received specifically for new or upgraded assets	(1,327,445)	(1,157,810)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	1,933,940	335,260
Decrease/(increase) in other assets	(76,608)	40,284
Increase/(decrease) in trade and other payables	309,114	(1,061,078)
Increase/(decrease) in provisions	199,117	(124,214)
Increase/(decrease) in contract liabilities	1,147,655	632,521
<b>Net cash provided by/(used in) operating activities</b>	<b>9,754,158</b>	<b>4,184,941</b>
<b>Reconciliation of liabilities arising from financing activities</b>		
Cash received from bonds held	(378,892)	(286,256)
Cash repayments from bonds held	109,447	81,800
<b>Net cash provided by/(used in) financing activities</b>	<b>(269,445)</b>	<b>(204,456)</b>

## 9.3: Reconciliation of cash and cash equivalents

	2023 \$	2022 \$
Cash and cash equivalents (see note 4.1)	10,121,017	2,022,299
<b>Total reconciliation of cash and cash equivalents</b>	<b>10,121,017</b>	<b>2,022,299</b>

## 9.4: Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund). The fund was a sub-fund of the Tasplan Superannuation Fund up to 31 March 2021. On 1 April 2021, the Tasplan Superannuation Fund merged (via a Successor Fund Transfer) into the MTAA Superannuation Fund to become Spirit Super. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not

## 9.4: Superannuation (continued)

allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefit, Council does not use defined benefit accounting for these contributions.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2020. The review disclosed that at that time the net market value of assets available for funding member benefits was \$51,939,000, the value of vested benefits was \$43,411,000, the surplus over vested benefits was \$8,528,000, the value of total accrued benefits was \$43,562,000, and the number of members was 95. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

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

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

The actuarial review concluded that:

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

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

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

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

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

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

- The 2020 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2017. Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the

Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 15.2 of the Spirit Super Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit. However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions.
- The application of Fund assets on Spirit Super being wound-up is set out in Rule 20.2. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Spirit Super. However it is likely that Rule 15.2 would be applied in this case (as detailed above).

- The Fund is a defined benefit Fund.
- The Fund has been classified as a multi-employer sponsored plan. As the

Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.

- During the reporting period the amount of contributions paid to defined benefits schemes was \$2,563 (2021-22, \$2,174), and the amount paid to accumulation schemes was \$770,018 (2021-22, \$632,552).
- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$2,740, and the amount to be paid to accumulation schemes is \$860,000
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Moderate investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2023.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Deloitte Consulting Pty Ltd as at 30 June 2022, showed that the Fund had assets of \$49.53 million and members' Vested Benefits were \$40.79 million. These amounts represented 0.20% and 0.17% respectively of the corresponding total amounts for Spirit Super.
- As at 30 June 2022 the Fund had 77 members and the total employer contributions and member contributions for the year ending 30 June 2022 were \$780,908 and \$229,521 respectively.

## 9.4: Superannuation (continued)

	2023 \$	2022 \$
<b>FUND</b>		
<i>Defined benefits fund</i>		
Employer contributions to Spirit Super	2,563	2,174
	<b>2,563</b>	<b>2,174</b>
<i>Accumulation funds</i>		
Employer contributions to all accumulation funds	770,018	632,552
	<b>770,018</b>	<b>632,552</b>

## 9.5: Commitments

### Capital expenditure commitments

	2023 \$	2022 \$
Buildings	2,045,909	997,273
<b>Total Capital expenditure commitments</b>	<b>2,045,909</b>	<b>997,273</b>

## Contractual commitments

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

	2023 \$	2022 \$
Garbage collection contract (expires March 2023)	310,088	435,702
FOGO collection contract (expires September 2027)	783,540	972,170
<b>Total contractual commitments</b>	<b>1,093,628</b>	<b>1,407,872</b>

## 9.6: Contingent liabilities and contingent assets

### Contingent liabilities

There are no contingent liabilities.

## 9.7: Financial Instruments

### (a) Interest Rate Risk

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

2023	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:			Non-interest bearing	Total
			1 year or less	Over 1 to 5 years	More than 5 years		
<b>FINANCIAL ASSETS</b>							
Cash and cash equivalents	4.10%	10,117,955	-	-	-	3,062	10,121,017
Other financial assets	4.63%	62,114	2,650,206	-	-	-	2,712,320
Trade and other receivables	9.85%	323,425	-	-	-	565,387	888,812
Investment in water corporation		-	-	-	-	47,305,885	47,305,885
<b>Total financial assets</b>		<b>10,503,494</b>	<b>2,650,206</b>	<b>-</b>	<b>-</b>	<b>47,874,334</b>	<b>61,028,034</b>
<b>FINANCIAL LIABILITIES</b>							
Trade and other payables		-	-	-	-	1,003,918	1,003,918
Trust funds and deposits		-	-	-	-	517,270	517,270
Interest-bearing loans and borrowings	1.92%	-	-	-	-	720,000	720,000
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,241,188</b>	<b>2,241,188</b>
<b>Net financial assets (liabilities)</b>		<b>10,503,494</b>	<b>2,650,206</b>	<b>-</b>	<b>-</b>	<b>45,633,146</b>	<b>58,786,846</b>

## 9.7: Financial Instruments

### (a) Interest Rate Risk (continued)

2022	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:			Non-interest bearing	Total
			1 year or less	Over 1 to 5 years	More than 5 years		
<b>FINANCIAL ASSETS</b>							
Cash and cash equivalents	1.80%	2,019,243	-	-	-	3,056	2,022,299
Other financial assets	0.73%	183,360	3,150,199	-	-	-	3,333,559
Trade and other receivables	8.13%	232,178	-	-	-	2,469,328	2,701,506
Investment in water corporation		-	-	-	-	46,013,234	46,013,234
<b>Total financial assets</b>		<b>2,434,781</b>	<b>3,150,199</b>	<b>-</b>	<b>-</b>	<b>48,485,618</b>	<b>54,070,598</b>
<b>FINANCIAL LIABILITIES</b>							
Trade and other payables		-	-	-	-	694,805	694,805
Trust funds and deposits		-	-	-	-	247,825	247,825
Interest-bearing loans and borrowings	1.92%	-	-	-	-	720,000	720,000
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,662,630</b>	<b>1,662,630</b>
<b>Net financial assets (liabilities)</b>		<b>2,434,781</b>	<b>3,150,199</b>	<b>-</b>	<b>-</b>	<b>46,822,988</b>	<b>52,407,968</b>

**(b) Fair Value**

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2023	2022	2023	2022
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	10,121,017	2,022,299	10,121,017	2,022,299
Other financial assets	2,712,320	3,333,559	2,712,320	3,333,559
Trade and other receivables	888,812	2,701,506	888,812	2,701,506
Investment in water corporation	47,305,885	46,013,234	47,305,885	46,013,234
<b>Total financial assets</b>	<b>61,028,034</b>	<b>54,070,598</b>	<b>61,028,034</b>	<b>54,070,598</b>
<b>FINANCIAL LIABILITIES</b>				
Trade and other payables	1,003,918	694,805	1,003,918	694,805
Trust funds and deposits	517,270	247,825	517,270	247,825
Interest-bearing loans and borrowings	720,000	720,000	720,000	720,000
<b>Total financial liabilities</b>	<b>2,241,188</b>	<b>1,662,630</b>	<b>2,241,188</b>	<b>1,662,630</b>

**(c) Credit Risk**

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

**(d) Risks and mitigation**

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

**Market risk**

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

**Interest rate risk**

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

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks.

## 9.7: Financial Instruments

### (d) Risks and mitigation (continued)

We manage interest rate risk on our net debt portfolio by:

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

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

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

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

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

### 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 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.

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

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.6.



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

	Financial Institutions (AAA credit rating)	Government agencies (BBB credit rating)	Other (min BBB credit rating)	Total
<b>2023</b>				
Cash and cash equivalents	10,121,017	-	-	10,121,017
<b>Total contractual financial assets</b>	<b>10,121,017</b>	<b>-</b>	<b>-</b>	<b>10,121,017</b>
<b>2022</b>				
Cash and cash equivalents	2,022,299	-	-	2,022,299
<b>Total contractual financial assets</b>	<b>2,022,299</b>	<b>-</b>	<b>-</b>	<b>2,022,299</b>

*Movement in Provisions for Impairment of Trade and Other Receivables*

	2023 \$	2022 \$
Balance at the beginning of the year	13,845	13,845
New Provisions recognised during the year	21,695	-
<b>Balance at end of year</b>	<b>35,540</b>	<b>13,845</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:

	2023 \$	2022 \$
Current (not yet due)	71,487	1,256,595
Past due by up to 30 days	59,680	18,726
Past due between 31 and 180 days	34,475	25,095
Past due between 181 and 365 days	212,313	998,233
Past due by more than 1 year	546,399	416,701
<b>Total Trade &amp; Other Receivables</b>	<b>924,354</b>	<b>2,715,350</b>

*Ageing of individually impaired Trade and Other Receivables*

At balance date, other debtors representing financial assets with a nominal value of \$13,845 in 2022-2023 (2021-22 \$13,845) were impaired. The amount of the provision raised against these debtors was \$13,845 in 2022-2023 (2021-22 \$13,845). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Included in this ageing of debtors are outstanding rates debts that are being recovered on the sale of the property. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2023 \$	2022 \$
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	35,540	13,845
<b>Total Trade &amp; Other Receivables</b>	<b>35,540</b>	<b>13,845</b>

## 9.7: Financial Instruments

### (d) Risks and mitigation (continued)

#### Liquidity risk

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

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

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

The table below lists the contractual maturities for non-lease Financial Liabilities.

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

	6 mths or less \$	6–12 mths \$	1–2 years \$	2–5 years \$	>5 years \$	Contracted Cash Flow \$	Carrying Amount \$
<b>2023</b>							
Trade and other payables	1,003,918	-	-	-	-	1,003,918	1,003,918
Trust funds and deposits	517,270	-	-	-	-	517,270	517,270
Interest-bearing loans and borrowings	-	-	720,000	-	-	-	696,773
<b>Total financial liabilities</b>	<b>1,521,188</b>	<b>-</b>	<b>720,000</b>	<b>-</b>	<b>-</b>	<b>1,521,188</b>	<b>2,217,961</b>
<b>2022</b>							
Trade and other payables	694,805	-	-	-	-	694,805	694,805
Trust funds and deposits	247,825	-	-	-	-	247,825	247,825
Interest-bearing loans and borrowings	-	-	-	720,000	-	-	691,905
<b>Total financial liabilities</b>	<b>942,630</b>	<b>-</b>	<b>-</b>	<b>720,000</b>	<b>-</b>	<b>942,630</b>	<b>1,634,535</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 are sourced from Reserve Bank of Australia):

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

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

	Interest rate risk				
	-.1%		+.1%		
	-100 basis points		+100 basis points		
	Profit \$	Equity \$	Profit \$	Equity \$	
<b>2023</b>	\$				
<b>Financial assets:</b>					
Cash and cash equivalents	10,117,955	(101,180)	(101,180)	101,180	101,180
Investments	2,712,320	(27,123)	(27,123)	27,123	27,123
Trade and other receivables	888,812	(8,888)	(8,888)	8,888	8,888
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	720,000	(7,200)	(7,200)	7,200	7,200
<b>2022</b>					
<b>Financial assets:</b>					
Cash and cash equivalents	2,019,243	(10,096)	(10,096)	20,192	20,192
Investments	3,333,559	(16,668)	(16,668)	33,337	33,337
Trade and other receivables	2,701,506	(13,508)	(13,508)	27,015	27,015
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	720,000	(3,600)	(3,600)	7,200	7,200

## 9.8: Fair Value Measurements

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

- Investment property
- Investment in water corporation
- Property, infrastructure plant and equipment
  - Land
  - Buildings, including footpaths and cycleways
  - Roads
  - 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 of identified surplus land as disclosed in note 4.5. 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:

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

## 9.8: Fair Value Measurements (continued)

### (a) Fair Value Hierarchy (continued)

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2023.

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 2023	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>RECURRING FAIR VALUE MEASUREMENTS</b>					
Investment in water corporation	5.1	-	-	47,305,885	47,305,885
Land	6.1	-	18,571,375	18,790,891	37,362,266
Buildings	6.1	-	26,583,518	-	26,583,518
Roads	6.1	-	-	78,470,070	78,470,070
Bridges	6.1	-	-	5,727,884	5,727,884
Drainage	6.1	-	-	26,215,885	26,215,885
		-	<b>45,154,893</b>	<b>176,510,615</b>	<b>221,665,508</b>
<b>NON-RECURRING FAIR VALUE MEASUREMENTS</b>					
Assets held for sale	4.5	-	539,136	-	539,136
		-	<b>539,136</b>	-	<b>539,136</b>

As at 30 June 2022	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>RECURRING FAIR VALUE MEASUREMENTS</b>					
Investment property	6.2	-	-	-	-
Investment in water corporation	5.1	-	-	46,013,234	46,013,234
Land	6.1	-	11,932,117	18,790,891	30,723,008
Buildings	6.1	-	24,865,543	-	24,865,543
Roads	6.1	-	-	88,463,018	88,463,018
Bridges	6.1	-	-	4,994,675	4,994,675
Drainage	6.1	-	-	24,393,565	24,393,565
		-	<b>36,797,660</b>	<b>182,655,383</b>	<b>219,453,043</b>
<b>NON-RECURRING FAIR VALUE MEASUREMENTS</b>					
Assets held for sale	4.5	-	1,415,883	-	1,415,883
		-	<b>1,415,883</b>	-	<b>1,415,883</b>

### Transfers between levels of the hierarchy

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

**(b) Highest and best use**

AASB 13 Fair Value Measurement, requires the fair value of non-financial assets to be calculated based on their “highest and best use”. A number of Council assets are not being used for their highest and best use. This is mainly in relation to a number of Council buildings that are leased to community groups on a user pays system. A number of parcels of vacant land are also used throughout the municipality for parklands and sporting grounds. Council has identified that community groups require a place to meet and operate from at a minimal cost to their organisation which in turn contributes to a sense of community within the municipality. Council also sees that it has a commitment to the health and wellbeing of the ratepayers to provide adequate sporting grounds and recreational walking tracks.

**Land**

Land fair values were determined by a qualified independent valuer LG Valuation Services Pty Ltd effective 30 June 2019. Land is revalued every 5 years and indexed in between formal revaluations in line with Council's revaluation policy below.

***Land held for sale***

Council identified land that is no longer required and is in the process of looking to see this within the next year. Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification.

***Land under roads***

Land under roads is based on The Office of the Valuer General's valuation at 2019 figures. This adjustment is an unobservable input in the valuation.

**Buildings**

The fair value of buildings were determined by a qualified independent valuer LG Valuation Services Pty Ltd valued 1st July 2018 but effective 30 June 2019. Indexation occurs for these buildings each year based on the ABS producer Price Index for the March quarter. This index takes into account the movement in construction costs for Hobart and is multiplied by the total building value, as at March 2023 this was 11.82%. Buildings are revalued every 5 years.

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

**Infrastructure assets**

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's gross replacement cost (GRC) 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.

GRC 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.

## 9.8: Fair Value Measurements (continued)

### (b) Highest and best use (continued)

The unit rates (labour and materials) and quantities applied to determine the GRC of an asset or asset component were based on the modern equivalent cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

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

The calculation of GRC 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.

#### Roads, including footpaths & cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads are managed in segments from major intersection to major intersection. 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.

GRC 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

250mm on sealed roads and 100mm on unsealed roads. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, GRC is based on the average of completed similar projects over the last few years. Council engineers undertook a full revaluation in 2023 on current unit pricing. The revaluation effect date is 30th June 2023.

#### Bridges

A full valuation of bridges assets was undertaken by independent valuers, TasSpan, effective 30 June 2023. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

#### Drainage

A full valuation of drainage infrastructure was undertaken by Council's Engineer, effective 30 June 2018. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components. Indexation of drainage assets is undertaken each year based on the ABS Producer Price Index for road and bridge construction. The indexation used was for the March 2023 quarter this being 9.03%.

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.

#### Other Infrastructure

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

**(d) Valuation processes**

Revaluation of Council assets is undertaken on a regular basis. Valuation of roads, drainage and bridges are undertaken every 5 years and land and buildings every 5 years by independent valuers. At the end of each financial year a review of all assets is undertaken to make sure that assets are still current and have a future economic benefit. Indexation of Council assets by independent sources is undertaken in between revaluation years. These independent sources are the Producer Price Index, the Valuer General Adjustment index and the Consumer Price Index.

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 5.1,6.1 & 6.2 respectively.

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

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

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

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 9.7 is provided by Tascorp (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).

**9.9: Events occurring after balance date**

- a) There are no events occurring after the balance date.

## Note 10: Other matters

### 10.1: Related party transactions

#### (i) Councillor Remuneration

Name	Position	Period	Allowances \$	Total Comp- ensation AASB 124 \$	Expenses <sup>2</sup> \$	Total allowances and expenses section 72 \$
<b>2023</b>						
Leigh Gray	Mayor	Full Year	57,887	57,887	-	57,887
Barbara Curran	Deputy Mayor	Full Year	32,250	32,250	-	32,250
Wayne Garlick	Councillor	to 7/11/22	5,409	5,409	-	5,409
Peter Geard	Councillor	Full Year	16,540	16,540	-	16,540
Aaron De La Torre	Councillor	Full Year	16,540	16,540	-	16,540
Moya Jeffries	Councillor	to 7/11/22	5,409	5,409	-	5,409
Philip Owen	Councillor	Full Year	16,540	16,540	-	16,540
Jessica Whelan	Councillor	to 7/11/22	5,409	5,409	-	5,409
Tennille Murtagh	Councillor	Full Year	16,540	16,540	-	16,540
Greg Irons	Councillor	From 8/11/22	11,131	11,131	-	11,131
Michael Whelan	Councillor	From 8/11/22	11,131	11,131	-	11,131
John McMaster	Councillor	From 8/11/22	11,131	11,131	-	11,131
<b>Total</b>			<b>205,915</b>	<b>205,915</b>	<b>-</b>	<b>205,915</b>
<b>2022</b>						
Leigh Gray	Mayor	Mayor from 26/8/21	50,445	50,445	-	50,445
Barbara Curran	Deputy Mayor	Full Year	35,197	35,197	-	35,197
Wayne Garlick	Councillor	Full Year	16,169	16,169	-	16,169
Peter Geard	Councillor	Full Year	16,169	16,169	-	16,169
Aaron De La Torre	Councillor	From 26/8/21	13,738	13,738	-	13,738
Moya Jeffries	Councillor	Full Year	16,169	16,169	-	16,169
Philip Owen	Councillor	Full Year	16,169	16,169	-	16,169
Jessica Whelan	Councillor	Full Year	16,169	16,169	-	16,169
Tennille Murtagh	Councillor	Full Year	16,169	16,169	-	16,169
<b>Total</b>			<b>196,394</b>	<b>196,394</b>	<b>-</b>	<b>196,394</b>

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

2 Section 72(1)(c) of the *Local Government Act 1993* requires the disclosure of expenses paid to Councillors.



**(ii) Key Management Personnel Remuneration****2023**

Name		Position		
James Dryburgh		General Manager		
Period		Remuneration band		
Full Year		\$240,001 – \$260,000		
Short term employee benefits		Post employment benefits		
Salary <sup>1</sup> \$	Vehicles <sup>2</sup> \$	Superannuation <sup>3</sup> \$	Non-monetary Benefits <sup>4</sup> \$	
222,195	8,831	31,105	(980)	
<b>222,195</b>	<b>8,831</b>	<b>31,105</b>	<b>(980)</b>	
				<b>Total</b> \$
				<b>261,151</b>

**2022**

Name		Position		
James Dryburgh		General Manager		
Period		Remuneration band		
Full Year		\$240,001 – \$260,000		
Short term employee benefits		Post employment benefits		
Salary <sup>1</sup> \$	Vehicles <sup>2</sup> \$	Superannuation <sup>3</sup> \$	Non-monetary Benefits <sup>4</sup> \$	
210,014	8,831	28,349	12,416	
<b>210,014</b>	<b>8,831</b>	<b>28,349</b>	<b>12,416</b>	
				<b>Total</b> \$
				<b>259,610</b>

1. Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.
2. Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).
3. Superannuation means the contribution to the superannuation fund of the individual.
4. Non-monetary benefits include annual and long service leave movements and non-monetary benefits.

**(iii) Remuneration Principles****Councillors**

Councillors do not receive any superannuation, vehicle or any other monetary or non monetary benefits.

**Executive****General Manager**

The employment terms and conditions of the General Manager is contained in an employment contract and prescribes total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to this post-employment superannuation.

The performance of the General Manager, is reviewed annually which includes a review of the remuneration package. The terms of employment contains a termination clause that requires Council to provide a minimum notice period prior to termination of the contract.

**(iv) Transactions with related parties**

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

**(v) Transactions with related parties that have not been disclosed**

Most of the entities and people that are related parties of council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Dog registration

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

**10.2: Other significant accounting policies and pending accounting standards****(a) Taxation**

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

**Goods and services tax (GST)**

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

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

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

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

roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

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

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

**(d) Financial guarantees**

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

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

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

Commitments are disclosed at their nominal value inclusive of the GST payable.

**(f) Budget**

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

**(g) Pending Accounting Standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

**AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.**

This Standard modifies AASB 13 *Fair Value Measurement* for application by not-for-profit public sector entities such as Council. It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows. This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values. Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value. The Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

### 10.3: Management indicators

	Benchmark	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
<b>(A) UNDERLYING SURPLUS OR DEFICIT</b>					
Recurrent income		20,428	17,161	16,703	15,700
less					
recurrent expenditure		18,772	16,829	17,129	16,428
Underlying surplus/deficit	0	<b>1,655</b>	<b>331</b>	<b>(426)</b>	<b>728</b>
The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.					
<b>(B) UNDERLYING SURPLUS RATIO</b>					
Underlying surplus or deficit		1,655	331	(426)	728
Recurrent income*		20,428	17,161	16,703	15,700
Underlying surplus ratio %	0%	<b>8%</b>	<b>2%</b>	<b>(3%)</b>	<b>5%</b>
This ratio serves as an overall measure of financial operating effectiveness.					
<b>(C) NET FINANCIAL LIABILITIES</b>					
Liquid assets less		13,659	7,873	9,868	7,466
total liabilities		6,464	4,539	5,296	3,818
Net financial liabilities	0	<b>7,195</b>	<b>3,334</b>	<b>4,572</b>	<b>3,648</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 at once, additional revenue would be needed to fund the shortfall.					
<b>(D) NET FINANCIAL LIABILITIES RATIO</b>					
Net financial liabilities		<b>(7,195)</b>	<b>(3,334)</b>	<b>(4,572)</b>	<b>(3,648)</b>
Recurrent income*		20,428	17,161	16,711	15,700
Net financial liabilities ratio %	0% - (50%)	(35%)	(19%)	(27%)	(23%)
This ratio indicates the net financial obligations of Council compared to its recurrent income.					
<b>(E) ASSET CONSUMPTION RATIO</b>					
An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
<b>Transport Infrastructure</b>					
Fair value (Carrying amount)		84,197	93,457	84,601	82,857
Current replacement cost (Gross)		136,838	149,564	134,716	129,502
Asset consumption ratio %		62%	62%	63%	64%
<b>Buildings</b>					
Fair value (Carrying amount)		26,583	24,866	21,541	13,915
Current replacement cost (Gross)		28,518	26,232	22,405	14,430
Asset consumption ratio %		93%	95%	96%	96%

	Benchmark	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
<b>Drainage</b>					
Fair value (Carrying amount)		26,215	24,393	22,740	22,482
Current replacement cost (Gross)		39,455	36,142	33,231	32,395
Asset consumption ratio %		66%	67%	69%	69%
This ratio indicates the level of service potential available in Council's existing asset base. Council is tracking as per the asset management and long term financial plan.					
<b>(F) ASSET RENEWAL FUNDING RATIO</b>					
An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
<b>Transport Infrastructure</b>					
Projected capital funding outlays**		42,009	46,542	51,752	21,361
Projected capital expenditure funding***		42,009	46,542	51,752	21,361
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%
<b>Buildings</b>					
Projected capital funding outlays**		15,075	17,341	18,545	13,568
Projected capital expenditure funding***		15,075	17,341	18,545	13,568
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%
** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.					
*** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.					
This ratio measures Council's capacity to fund future asset replacement requirements.					
<b>(G) ASSET SUSTAINABILITY RATIO</b>					
Capex on replacement/renewal of existing assets		1,288	6,435	2,531	3,266
Annual depreciation expense		3,966	3,641	3,461	3,464
Asset sustainability ratio %	100%	32%	177%	73%	94%
This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base. In the 2022/2023 year the capex is unusually low due to contractor and market conditions.					

## 10.3: Management indicators (continued)

2023	Capital renewal expenditure \$'000	Capital new / upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Land	-		-
Buildings	124	497	621
Plant & Vehicle	180	-	180
Furniture & Equipment	7	-	7
Small Machinery	20	-	20
Roads	215	18	233
Bridges	34	-	34
Drainage	-	45	45
WIP	908	2702	3610
<b>Total</b>	<b>1,488</b>	<b>3,262</b>	<b>4,750</b>

2022	Capital renewal expenditure \$'000	Capital new / upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Land	-	-	-
Buildings	1112	671	1,783
Plant & Vehicle	466	-	466
Furniture & Equipment	247	-	247
Small Machinery	4	-	4
Roads	3,797	-	3,797
Bridges	612	-	612
Drainage	-	-	-
WIP	197	-	197
<b>Total</b>	<b>6,435</b>	<b>671</b>	<b>7,106</b>

# Grants and donations

<b>GRANTS AND DONATIONS REGISTER SECTION 77 LOCAL GOVERNMENT ACT 1993</b>		<b>2023</b>	<b>2022</b>
Brighton Agricultural Society	Annual Grant	\$38,670.15	\$-
Centrecare Evolve Housing	Community Grant	\$3,033.00	\$-
Brighton Primary School	Citizenship Prize	\$100.00	\$100.00
East Derwent Primary School	Citizenship Prize	\$100.00	\$100.00
Gagebrook Primary School	Citizenship Prize	\$100.00	\$100.00
Herdsmans Cove Primary School	Citizenship Prize	\$100.00	\$100.00
Jordan River Learning Federation	Citizenship Prize	\$-	\$100.00
Jordan River Learning Federation	Community Grant	\$8,000.00	\$-
Jordan River Learning Federation	Travelling Scholarship	\$-	\$6,000.00
Jordan River Learning Federation	Education Bursary	\$-	\$1,000.00
Northern Suburbs Christian School	Citizenship Prize	\$100.00	\$100.00
St Paul's Primary School	Citizenship Prize	\$100.00	\$100.00
Brighton Bowls Club	Rates Remission	\$2,000.00	\$2,000.00
Brighton CWA	Community Grant	\$857.81	\$466.81
Brighton Fitness & Fighting	Community Grant	\$15,500.00	\$7,000.00
Brighton Football Club	Community Grant	\$-	\$9,752.00
Brighton Playcentre/Playgroup	Community Grant	\$3,442.00	\$4,032.00
Brighton Senior Citizens Club	Community Grant	\$441.86	\$442.00
Ethiopian Orthodox Church	Community Grant	\$-	\$11,000.00
Gagebrook Primary School	Community Grant	\$1,000.00	\$-
Herdsmans Cove Primary School	Community Grant	\$-	\$980.00
Jordan River Services Inc	Community Grant	\$3,738.18	\$1,164.55
Meals on Wheels	Community Grant	\$1,000.00	\$-
St Vincent De Paul Society	Community Grant	\$12,000.00	\$12,000.00
Tea Tree Community Association	Community Grant	\$-	\$90,000.00
Veterans Memorial Centre	Community Grant	\$-	\$655.00
Tasmania Special Children's Christmas Party	Community Grant	\$545.45	\$-
Community Transportation	Community Transportation	\$1,752.00	\$677.28
Landcare Tasmania Inc	Donation	\$-	\$244.76
Koori Kids	Donation	\$450.00	\$450.00
Tas Canine Defence League	Donation	\$130.00	\$130.00
Bella Wright	Education Bursary	\$250.00	\$-
Dayna Ransley	Education Bursary	\$250.00	\$-
Old Beach Neighbourhood Watch	Community Grant	\$27.27	\$22.71
Arthritis Foundation of Tasmania	Halls & Grounds	\$882.00	\$840.00
Barb Daly	Halls & Grounds	\$96.00	\$-
Brighton & Southern Midlands Pony Club	Halls & Grounds	\$-	\$265.00
Brighton Alive	Halls & Grounds	\$1,776.00	\$-
Brighton Community Pilates	Halls & Grounds	\$-	\$2,060.00
Brighton District Cricket Club	Halls & Grounds	\$15,689.00	\$67,002.00

<b>GRANTS AND DONATIONS REGISTER SECTION 77 LOCAL GOVERNMENT ACT 1993</b>		<b>2023</b>	<b>2022</b>
Brighton Fitness & Fighting	Halls & Grounds	\$6,216.00	\$4,890.00
Brighton Food Hub	Halls & Grounds	\$43,401.00	\$-
Brighton Football Club	Halls & Grounds	\$20,476.50	\$76,774.26
Brighton Garden Club	Halls & Grounds	\$1,008.00	\$-
Brighton Junior Football Club	Halls & Grounds	\$6,678.00	\$15,840.00
Brighton Kennel Club	Halls & Grounds	\$140.00	\$265.00
Brighton Playgroup/Playcentre	Halls & Grounds	\$10,560.00	\$10,560.00
Brighton Senior Citizens	Halls & Grounds	\$2,016.00	\$2,080.00
Brighton Storm Soccer Club	Halls & Grounds	\$6,258.00	\$11,470.00
Bugeido Karate	Halls & Grounds	\$-	\$840.00
Café Connections	Halls & Grounds	\$1,392.00	\$1,560.00
Centacare Evolve Housing	Halls & Grounds	\$1,588.00	\$-
Cosmic Dance	Halls & Grounds	\$-	\$60.00
Dosa Soccer Club	Halls & Grounds	\$1,233.00	\$753.00
East Derwent Little Athletics	Halls & Grounds	\$4,788.00	\$5,710.00
Everyday Yoga	Halls & Grounds	\$63.00	\$-
Families Tasmania	Halls & Grounds	\$464.00	\$-
GKR Karate	Halls & Grounds	\$6,975.00	\$4,410.00
Hippy Brighton	Halls & Grounds	\$288.75	
Hobart Cavy Club	Halls & Grounds	\$980.00	\$1,420.50
Hobart United Soccer Club	Halls & Grounds	\$-	\$900.00
Jordan River Services Inc	Halls & Grounds	\$172.50	\$-
Kutalayna Collective	Halls & Grounds	\$1,182.50	\$-
Lions Club of Brighton	Halls & Grounds	\$3,615.00	\$3,360.00
Material Institute	Halls & Grounds	\$-	\$390.00
Meals on Wheels	Halls & Grounds	\$103.50	\$54.00
Northern Suburbs Junior Soccer Association	Halls & Grounds	\$-	\$964.00
Old Beach Community Playgroup	Halls & Grounds	\$3,528.00	\$4,200.00
Old Beach Cricket Club	Halls & Grounds	\$7,441.67	\$7,095.00
Old Beach Family Day Care Playgroup	Halls & Grounds	\$-	\$3,360.00
Old Beach Junior Cricket Club	Halls & Grounds	\$6,720.00	\$6,400.00
Old Beach Neighbourhood Watch	Halls & Grounds	\$504.00	\$720.00
Old Beach Scouts	Halls & Grounds	\$5,292.00	\$10,080.00
Peak Performance	Halls & Grounds	\$2,184.00	
Pete's Community Workshed	Halls & Grounds	\$2,860.00	\$2,860.00
Pilates with Mikalya	Halls & Grounds	\$480.00	
Quilters Easter Show Case	Halls & Grounds	\$379.00	
Rabbit Breeders Association	Halls & Grounds	\$980.00	\$662.50
Red Cross under Kutalayna Collective	Halls & Grounds	\$-	\$750.00
Rotary Club of Brighton	Halls & Grounds	\$140.00	
Ryukyu Karate	Halls & Grounds	\$2,247.00	\$2,520.00
Save the Children Australia	Halls & Grounds	\$-	\$265.00



<b>GRANTS AND DONATIONS REGISTER SECTION 77 LOCAL GOVERNMENT ACT 1993</b>		<b>2023</b>	<b>2022</b>
Southern Poultry Club	Halls & Grounds	\$214.00	\$265.00
Southern Quarter Horse Association	Halls & Grounds	\$504.00	\$895.00
Speak Easy Group	Halls & Grounds	\$1,008.00	\$1,920.00
St Vincent De Paul	Halls & Grounds	\$43,050.00	\$5,040.00
Sustainability Fest	Halls & Grounds	\$3,176.00	\$-
TasCOSS	Halls & Grounds	\$535.50	\$-
Tas Feline Association	Halls & Grounds	\$546.00	\$172.50
Tasmanian Conservation Trust	Halls & Grounds	\$-	\$182.50
Tasmanian Rare Breeds Poultry	Halls & Grounds	\$-	\$132.50
Tassie Flying Paws	Halls & Grounds	\$3,515.00	\$1,347.50
Uniting Church	Halls & Grounds	\$84.00	\$-
Veteran Car Club	Halls & Grounds	\$280.00	\$265.00
Weily Park Rockers Cricket Association	Halls & Grounds	\$224.00	\$-
Workskills	Halls & Grounds	\$-	\$11,025.00
Reclink Australia	Membership	\$-	\$150.00
Callum Kelly	Sporting Achiever	\$100.00	\$-
Hobart Gymnastics Academy	Sporting Achiever	\$500.00	\$-
Maddison Hardy	Sporting Achiever	\$100.00	\$-
Maya Free	Sporting Achiever	\$100.00	\$-
Zac Parsons	Sporting Achiever	\$100.00	\$-
Tilyard Lacey	Sporting Achiever	\$-	\$100.00
WTS – Jordan River Services	WTS Entry	\$570.00	\$934.00
WTS – St Vincent de Paul	WTS Entry	\$83.00	\$555.00
<b>Financial Donations</b>		<b>\$58,091</b>	
<b>Donations In Kind</b>		<b>\$261,084</b>	<b>\$319,174.64</b>
			<b>\$423,081.37</b>



The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This not only helps in tracking expenses but also ensures compliance with tax regulations.

In the second section, the author provides a detailed breakdown of the company's revenue streams. This includes sales from various product lines and services. The data shows a steady increase in revenue over the past year, which is attributed to strategic marketing efforts and product diversification.

The third section focuses on the company's operational costs. It details the expenses related to manufacturing, distribution, and administrative functions. The analysis reveals that while production costs have remained relatively stable, distribution and administrative expenses have seen a slight increase due to inflation and higher operational demands.

Finally, the document concludes with a summary of the overall financial performance. It highlights the company's ability to maintain a healthy profit margin despite rising costs. The author also offers recommendations for future financial planning, suggesting areas for cost optimization and investment opportunities.

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