

dorset

Annual Report 2022/23



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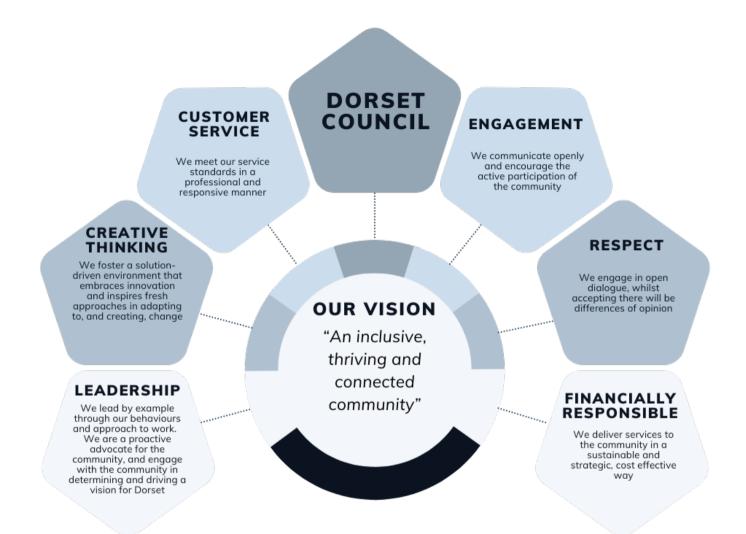
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Acknowledgment of Country

Dorset Council acknowledges the deep history and culture of the First People who were the traditional owners of the lands and waterways where we live and work. We acknowledge the clans-people who lived here for over a thousand generations on the Country where Scottsdale is built and throughout the area we know as the northeast region.

Dorset Council acknowledge the present-day Aboriginal custodians and the inclusive contribution they make to the social, cultural and economic essence of the municipality.

Front Cover Image: Poppy crop



The Annual Report provides a comprehensive overview of Dorset Council's activities during 2022/23, including an account of our performance to the community.

The Annual Report meets legislative requirements incorporating the results of Council's performance in respect of goals and objectives set in the 2022/23 Annual Plan and details of our financial performance.

Details in Brief

Elected Members 9	Loan Debt \$3,870,000 (30 June 2023)
Employees 70.3 FTEs (30 June 2023)	Adjusted Capital Value of Properties \$3,261,914,800 (30 June 2023)
Capital Expenditure \$9,267,000	Adjusted Assessed Annual Value of Properties \$130,661,776 (30 June 2023)
Total Operating Revenue \$17,239,000	General Rate in \$ Assessed Annual Value 0.05243 cents in \$ (1 July 2022)
Total Operating Expenditure \$15,541,000	



Land Area 3,231 km2



Population 7,022 (2022 ABS estimate)



Property Assessments 5,829 (30 June 2023)



Sealed Roads 252 km



Unsealed Roads 443 km



Bridges 114



Major Culverts



Sports Grounds 6



Community Halls
18



Caravan Parks/ Camping Grounds



Waste Transfer Stations



Swimming Pools

Locations



Council Chambers and Office
3 Ellenor Street SCOTTSDALE



Derby Works Depot 31834 Tasman Highway DERBY

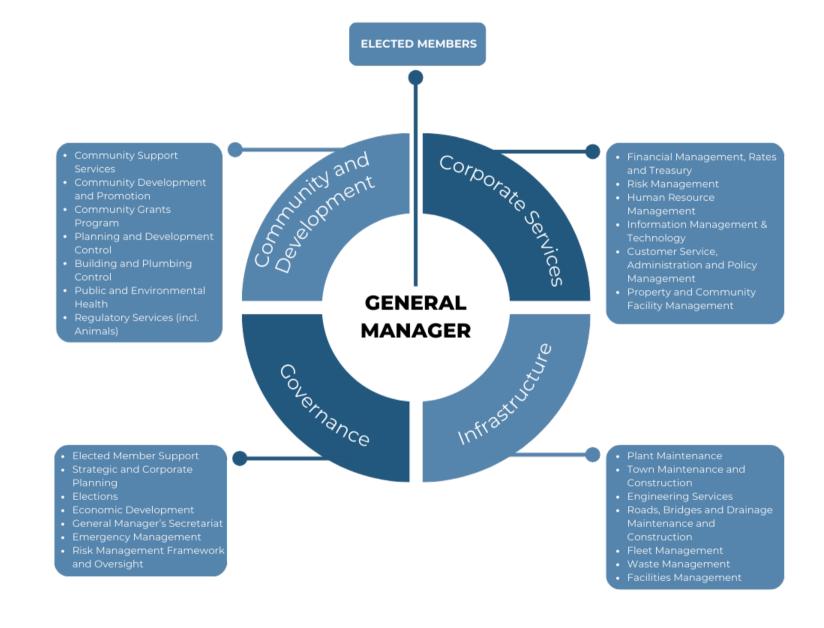


Scottsdale Works Depot 54 Ringarooma Road SCOTTSDALE



Bridport Works Depot Maxwell Street BRIDPORT

Organisational Structure



Message from the Commissioner





Although only appointed Commissioner for the Dorset Council on 2 August 2023, it is my sincere pleasure to provide this contribution to the 2022/23 Annual Report.

During the year there were positive signs the local economy continued its recovery from the effects of COVID-19 with visitors returning to the region to experience the many great attractions in Dorset including the world renown golf courses, lavender farm and mountain hike trails

The significant storm event sweeping through the north east highlands in October 2022 provided the Council with a number of challenges including damaged roads, bridges and culverts and a landslide on the Blue Derby Mountain Bike Trail network.

The Local Government elections held in October 2022 resulted in three new councillors being elected - Anna Coxen, Beth Donoghue and Kahlia Simmons. Councillors Wendy McLennan, Jan Hughes and Murray Lade all completed their Council term at the same time.

In December 2022, the Council appointed John Marik as the General Manager.

In 2022/23, the Council has improved its net operating result to \$5.729 million with a return to an underlying operating surplus of \$0.678 million. Worthy of note is the 8% increase in cash from operations to \$6.175 million from \$5.722 million in the prior year. This generation of cash is essential in order to fund asset renewals and upgrades, and new infrastructure projects.

A significant event for Dorset in 2022/23 was the decision by the Tasmanian Planning Commission to certify the Council's Local Provision Schedule effective from 18 January 2023.

Council joined PlanBuild Tasmania in February 2023 allowing developers to enter an address and see the planning zones and codes that apply to their properties. A property report can be generated which includes maps, details of the planning zone, codes and other information that affect selected properties.

The 2023 Dorset Australia Day Civic Reception saw the following recipients receive awards:

Citizens of the Year: Peter and Phyllis McLennan

Young Citizen of the Year: Zali Brown Volunteer of the Year: Matthew Cassidy

Sports Award: Ava Blundstone

Community Event of the Year: Scottsdale Rotary Tasmanian Tractor Show and

Shine 2022

Certificates of Appreciation were awarded to Mary Brown, Jenny Whenn, Kylie Rattray-Cassidy and the Scottsdale High School Centenary Organising Committee

In June 2023, the Council adopted its Strategic Plan 2023-2032 with focus on four key activities:

- 1. Liveable Community;
- 2. Economic Development;
- 3. Leadership and Governance; and
- 4. Environmental Footprint.

Each activity is supported by strategic imperatives with desired outcomes identified. This new strategic approach will be used in future to assess the Council's performance in its Annual Report.

While the Council continued to meet the initiatives in the 2022/23, the last twelve months will be recognised as a turbulent time for Dorset with the Director of Local Government investigating a series of complaints about the actions, decisions and behaviours of the Council, councillors, and senior council employees. On 26 July 2023 this investigation led to the decision by the Minister for Local Government to establish a Board of Inquiry, followed by the suspension of all councillors and the appointment of a Commissioner on 2 August 2023.

As Commissioner, I intend to work closely with the staff to ensure the delivery of services to the community continues until such time as the Board of Inquiry process has been completed.

In closing, I would like to acknowledge the commitment and dedication the staff have provided to Dorset community under what can only be described as difficult circumstances.



Andrew Wardlaw



ABOVE | 2023 Dorset Citizens of the Year: Peter and Phyllis McLennan **BELOW** | 2023 Certificate of Appreciation Recipients (all pictured with Ambassador Erica Gibson)



Elected Members

Your 2022 Local Government Election, elected representatives:



Nayor Greg Howar



Cr Anna Coxen



Cr Leonie Stein

Deputy Mayor Dale Jessup



Cr Jerrod Nichols



Cr Edwina Powell

Cr Kahlia Simmons

Cr Beth Donoahue

Council would like to acknowledge the service of the following elected representatives who completed their four (4) year term in October 2022:



Hughes Cr Murray Lade



Committee Representation

Dorset Councillors represented the Council on the following Committees during 2022/23:

Australia Day Awards Selection Panel

Cr Jerrod Nichols | Cr Mervyn Chilcott | Cr Kahlia Simmons

Community Grants Selection Panel

Cr Jerrod Nichols | Cr Edwina Powell | Cr Mervyn Chilcott

Barry Jarvis Education Scholarship Selection Panel

Cr Anna Coxen | Cr Leonie Stein | Cr Edwina Powell

Audit Panel

Deputy Mayor Dale Jessup | Cr Beth Donoghue | Cr Jerrod Nichols (alternate member)

Bridport Seaside Caravan Park Special Committee of Council

Mayor Greg Howard | Cr Leonie Stein | Cr Jerrod Nichols (alternate member)

Emergency Relief Grant Panel

Mayor Greg Howard | Cr Leonie Stein | Cr Kahlia Simmons

Blue Derby Operation Transfer Delegation Committee

Mayor Greg Howard | Deputy Mayor Dale Jessup | Cr Anna Coxen

Road and Footpath Committee

Mayor Greg Howard | Cr Beth Donoghue | Cr Edwina Powell (alternate member)

General Manager's Remuneration Committee

Mayor Greg Howard | Deputy Mayor Dale Jessup | Cr Beth Donoghue

Local Government Association of Tasmania

Mayor Greg Howard | Deputy Mayor Dale Jessup (proxy)

TasWater Owner Representative

Mayor Greg Howard | Deputy Mayor Dale Jessup (proxy)

Councillor attendance at Council Meetings and Briefing Workshops 2022/23

					ORDI	NARY	MEE	TING	5				TOTAL	TOTAL	ANNUAL		
COUNCILLOR	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	ORDINARY MEETINGS ATTENDED	SPECIAL MEETINGS ATTENDED	GENERAL MEETING ATTENDANCE	TOTAL MEETINGS ATTENDED	TOTAL WORKSHOPS ATTENDED
CHILCOTT	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/12	3/3	✓	16/16	13/13
HOWARD	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/12	3/3	✓	16/16	13/13
HUGHES	✓	\checkmark	✓	✓	-	-	-	-	-	-	-	-	4/4	0/1	N/A	4/5	3/4
JESSUP	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/12	3/3	✓	16/16	13/13
LADE	✓	Α	✓	✓	-	-	-	-	-	-	-	-	3/4	1/1	N/A	4/5	3/4
McLENNAN	✓	✓	✓	✓	-	-	-	-	-	-	-	-	4/4	1/1	N/A	5/5	4/4
NICHOLS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/12	3/3	✓	16/16	12/13
POWELL	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12/12	3/3	✓	16/16	13/13
STEIN	✓	✓	✓	✓	✓	✓	\checkmark	✓	Α	✓	✓	✓	11/12	3/3	✓	15/16	13/13
COXEN*	-	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓	8/8	2/2	✓	10/10	8/9
DONOGHUE*	-	-	-	-	✓	✓	Α	✓	✓	✓	✓	✓	7/8	2/2	✓	9/10	8/9
SIMMONS*	-	-	-	-	✓	✓	✓	✓	✓	✓	✓	А	7/8	2/2	✓	9/10	8/9

Act 1993, all-in, all-out elections occur every four years.

Under the Local Government

The last Local Government

election was held in October 2022. The next election is due in October 2026.

Council Meetings

Elected at the 2022 Local Government election

Ordinary meetings of the Council are generally held on the third Monday of each month, commencing at 6pm in the Council Chambers, 3 Ellenor Street, Scottsdale. During 2022/23, Council held community Council Meetings at Bridport, Pioneer and Derby.

Members of the public are invited to attend these meetings in person, or listen to the audio which is available as soon as practicable after the conclusion of the Meeting each month.

Agendas, attachments and minutes are available online at <u>www.dorset.tas.gov.au</u> together with the audio recording of the meetings.

Further information relating to public question time and meeting procedures is available on Council's website or from the Council Offices.



General Manager's Overview



"Our Vision – an inclusive, thriving and connected community"



As I look back on the 2022/23 year I am filled with optimism and a sense of pride.

The Dorset municipality is one of the most beautiful areas in the world with extremely honest, hardworking and productive people. The Dorset gross regional product that measures the final market value of all goods and services produced in the area was \$0.56 billion in 2021/22. up 15.4% on the prior year. While the Dorset municipality accounts for 1.1% of Tasmania's population, it accounts for 1.5% of Tasmania's economic value which highlights the economic significance of Dorset to the overall Tasmanian economu.

Local Government elections were held in October 2022 and a new Council elected. The newly elected Council opted to conduct a full review of Council's Strategic Plan. The development of Council's Strategic Plan was a collaboration between Councillors and Council Officers, along with submissions from the community and any authorities and bodies impacted by the Strategic Plan. Council's Strategic Plan was adopted by Council in June 2023 and sets a very clear vision for the municipality to be an inclusive, thriving and connected community. Council's Strategic Plan centres on four key pillars, including improving the liveability of the community, stimulating economic growth, improving service delivery and reducing Council's environmental footprint over the 2023 – 2032 term.

The 2022/23 financial year has presented numerous challenges for the Dorset Council. I stepped into the Acting General Manager role in October 2022. I was then appointed full time to the General Manager role in early December 2022. In October 2022, the municipality experienced a major flood event across the region, which included a major landslip on the world famous Blue Derby Mountain Bike trails. This flood event resulted in \$1.066 million (2022/23 FY Actual \$0.643) million, 2023/24 FY Forecast \$0.423 million) in damage across the entire municipal area and diverted council resources from the 2022/23 capital and maintenance programs.

Due to the severity of the event, the Tasmanian State Government activated the Tasmanian Relief and Recovery Arrangements (TRRA), which is a funding program aimed at providing financial support for flood-affected municipalities. The TRRA was initially limited to recovery works associated with essential infrastructure (e.g. roads and bridges), however, in Januaru 2023, an extension of the TRRA policy was announced to cover recreational assets, such as mountain bike trails. It is expected that \$0.77 million will be received under this program and Council wish to thank the Tasmanian State Government, and the Federal Government, for their assistance and contribution towards the cost of this flooding Flood Damaged Burns Road Bridge



I would personally like to thank Council officers, contractors and the community for their hard work during the flood event. An example was the assistance in Derby with remediation works within the Blue Derby Mountain Bike Network after the flood event.

After mu appointment as General Manager in early December 2022, I was notified that Council was the subject of an investigation by the Director of Local Government, spanning back many years. This investigation culminated in the suspension of Council on 2 August 2023 and a Board of Inquiry being established. As I write, Dorset Council has Commissioner Andrew Wardlaw appointed during this period. The Board of Inquiry must hand its report to the Minister for Local Government by 28 February 2024 at the latest.

The Future of Local Government Review commenced on 20 January 2022. A core objective of the Review is to make recommendations on the future role, function and design of local government in Tasmania. While amalgamations will not be forced upon the sector, this may be a recommendation of the board to the Minister for Local Government. The board is due to report to the

Minister of Local Government in the second half of 2023. Council has been on the front foot in this process with full co-operation and submissions made to the Local Government Review Board

Nationally, and across Tasmania, inflation has been at decade highs. At the time of Council setting the rates, fees and charges for 2023/24, the Hobart CPI for March 2023 was 6.9% (National 7%), up from 5.8% (National 5.1%) the previous year. Council's cost base is primarily focused on infrastructure, such as roads, bridges, footpaths, stormwater, community facilities and buildings. Over the past two years, these infrastructure costs have increased at almost double that of Hobart CPI.

In spite of the cost pressures caused by increasing inflation over the previous two uears, I am comfortable with Council's financial position. At 30 June 2023 Council's total liabilities equated to \$7.46 million, while Council's cash, cash equivalents and financial investments in term deposits equated to \$9.03 million. This is an enviable position to be in and the conservative use of borrowings is a long held strategu highlighted in Council's Financial Management Strategu. Council's net assets at 30 June 2023 amounted to \$240.4 million. All asset classes have been either revalued or indexed to reflect the high inflation experienced over the last two years. While this has significantly increased depreciation from \$4.6 million in 2021/22 to \$4.92 million in 2022/23, this depreciation figure gives a true reflection of Council's financial position. Council's Long Term Financial Plan for 2024 – 2033, which represents all of Council's cash flow requirements over the next 10 years, as adopted by Council in June 2023 is fully representative of all revaluations and indexed accordingly over the life of the Plan.

Council delivered a pleasing underlying surplus, which reflects Council's operational position over the 2022/23, of \$678,000 compared to a deficit of (\$42,000) in 2021/22. The budgeted surplus was \$334,000 on a like for like basis (i.e. excluding R2R from operating income). Council delivered a \$9.3 million capital program in 2022/23, out of a budgeted \$12.1 million (76.8% complete) including all variations and carried forward the remaining \$2.8 million into 2023/24. Council's operational cash flows generated \$6.2 million in 2022/23 compared to \$5.7 million in 2021/22.

2022 | 2023 Dorset Council Annual Report Page 12 2022 | 2023 Dorset Council Annual Report Page 13 The operational cash flow figure is key in Council's financial sustainability. It reflects the difference between operational income and expenses, with the surplus utilised in covering capital programs for the renewal of capital, capital upgrades and new capital expenditure as per Council's Long Term Asset Management Plans.

I am blessed to lead a very passionate and engaged Council operations team that make a tangible difference to the community. The team is engaged to deliver Council's plans and budgets for the 2023/24 financial year. Despite the Board of Inquiry and Council operating under a Commissioner, the intent is to carry out the day-to-day functions of Council with as little disruption as possible to the community, Council's employees, contractors and other stakeholders including partnerships with surrounding Councils, community groups and State Government departments.

Through a collaborative approach between Council's stakeholders, the following highlights were achieved by Council for 2022/23:

Strategic

2023 - 2032

Plan

Adopted by Council 26 June 2023 Minute 86/23 Per DOC (23 (754.3

- Adoption of Council's 2023 2032 Strategic Plan.
- The 2022/23 Annual Plan included 26 key actions with a compliance score of 92% achieved.
- \$9.3 million capital program delivered including \$4.5 million road program (Victoria Street Redevelopment \$1.38 million, Golconda Road Lone Star Creek \$0.45 million, Golconda Road Stage 4 Gillespie Road \$0.4 million, Cascade Dam Road Safety improvements \$0.41 million) \$0.8 million bridge program, \$0.23 million in stormwater projects, new Derby carpark and new amenities \$0.82 million and delivery of new CWA carpark \$0.2 million.
- The attainment of an unqualified audit opinion
- in relation to Council's 2021/22 annual Report and achieving an underlying surplus of \$0.68 million in 2022/23 (Budget \$0.33 million, last year deficit of \$0.04m).
- Negotiation of a new 3-year Enterprise Agreement with Council staff. This agreement included a much deserved pay agreement for Council's employees.
- In prior years, Council advocated and supplied a business case for the upgrade of the Sideling. Pleasingly Stage 1 of the Sideling upgrade commenced during 2022/23.

- Ongoing delivery of a suite of core services that the community relies upon

 roads and footpaths, stormwater, council buildings and facilities, parks
 and gardens, swimming pool operations, mountain bike trail maintenance,
 kerbside waste and recycling collection, facility management and maintenance
 including cleansing crews, community development, customer services and
 regulatory services in building, environmental health, animal management,
 parking management and Council administration and finance.
- Emergency management, finance and infrastructure officers worked closely to remediate infrastructure across the municipality impacted by the October 2022 flood event, including the attainment of disaster recovery funding from the Tasmanian State Government.



The Enduro World Series Round 2 was held at the world famous Blue Derby Mountain Bike trail Network 31 March -1 April 2023 with Council officers, the Blue Derby Foundation and the Derby Community working closely with event organisers to deliver a world class event in our backyard.

A special thank you to Council's trail crew, the Derby community and contractors that worked long nights to have flood / landslip impacted trails (from the October 2022 landslip in Derby) remediated in time for the EWS. This included the building of a new trail "Cuddles" for the event.

- Council finalised the Local Provisions Schedule and commenced operation of the Tasmanian Planning Scheme.
- Reviewed and updated Council's Bridge Asset Management Plan for 2023 2033.
- Significant progress made in relation to the Scottsdale and Derby Urban Residential Growth Strategy.
- Active involvement, including submissions by Council, to the Future of Local Government Review Board.
- Council adopted a Memorandum of Understanding with the Blue Derby Foundation which transferred the following from Council to the Foundation:

- licencing and commercialisation of the Blue Derby Brand / Intellectual property from Council to the Foundation; and
- acquisition and management of commercial sponsorships; and
- management of all Blue Derby marketing and social media; and
- assume responsibility for Blue Derby endorsed events and other fundraising initiatives.
- Review and adoption of various Council policies, including the Municipal Logo Policy, Corporate Credit Card Policy, Disability Access Policy, Gifts and Benefits Policy, Related Party Disclosures Policy and the Public Liability Insurance for Community Groups Policy.

I look forward to working together in the year ahead to deliver key services and projects to the community. I am committed to working closely with community groups, surrounding Councils, the State and Federal Government and third party bodies to leverage network effects to deliver key projects for the community and region.



JOHN MARIK

Executive Management Team



JOHN MARIK General Manager



Risk management framework and oversight



ROHAN WILLIS
Assistant General Manager /
Director - Community and
Development



CRAIG WHEELER

Acting Director - Infrastructure

Facilities management

Infrastructure management



ALLISON SAUNDERSFinance Manager



LAUREN TOLPUTT Administration Manager

RESPONSIBLE FOR:

Strategic projects and planning
Regulatory compliance
Planning / Building / Plumbing services
Environmental and public health
Animal Control
Community liaison, grants and programs
Food / hygiene inspections

RESPONSIBLE FOR:

Construction
Town maintenance
Engineering services
Fleet management
Waste management
Facilities management

RESPONSIBLE FOR:

Financial management and planning Capital and operational budgeting Asset management administration and long term planning Payroll Accounts payable / receivable

RESPONSIBLE FOR:

Customer service
Rates
Leases and licences
Information management
Property and community facility
management
Human resources
Risk management administration

Working Groups



Rear | Coralee Freeman, Chloe Carey
Front | Jane France, Malcolm Beattie, Allison Saunders (Manager)
Absent | Chelsea Marshall



Works and Infrastructure Services
Peter Carey, Lou Barrett, Craig Wheeler (Acting Director),
Susan Woolley, Bernard Johnson, Wayne Williams
Absent | Andrew Holmes



Administration and Governance
Rear | Angela Lowe, Sarah Forsyth, Jane Kilburn
Front | Tracey Brown, Sophie Mills, Karsha Dewis, Stephanie Hill
Absent | Andrew Beggs, Carly Hall, Lauren Tolputt (Manager),
Bridget Waterhouse

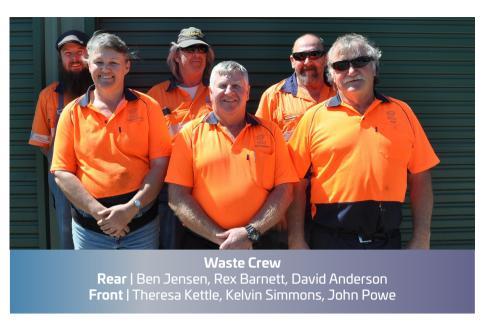


Community & Development Lily Hayes, Robert Masterman, Peter Carey, George Walker, Elizabeth Hadley, Rohan Willis (Director) Absent | Tiah Stagoll, Madison Loosmore



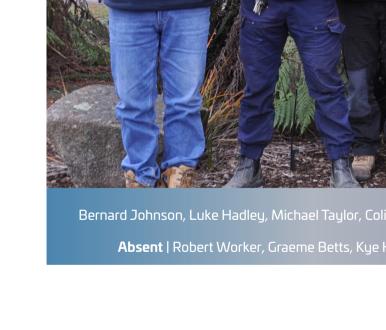








Lachlan Cassidy, Angus McLarty





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2022/23 Annual Plan - Quarterly Assessment

Dorset Strategic Plan

Not Achieved

In Progress

Not Applicable

O Deferred

Council adopted the 2022/23 Annual Plan at the 18 July 2022 Council Meeting. Of the twenty two activities identified for completion, at 30 June 2023, sixteen were achieved, eight were in progress and two were not achieved, with deferral of a number of items. As at 30 June, Council achieved 92% completion of the activities identified.

Municipal Logo Policu (No.1)

	Dorser Strategic Plan		Mullicipal Logo Policy (No.1)
0	Commence process to adopt a new 10-year Plan	0	Review Policy
	Waste Management		Payment of Councillors Expenses and Provision of
0	Plan for State Government Container Refund Scheme		Facilities Policy (No.2)
0	Green Waste Strategy	0	Review Policy
	Asset Management		Corporate Credit Card Policy (No.17)
0	Review and update Bridge Asset Management Plan		Review Policy
	DerbyFEST Mountain Bike Festival		Customer Service Charter (No.18)
0	Hold the inaugural DerbyFEST MTB Festival	0	Review Charter
	Council's Enterprise System		Public Liability Insurance for Community Groups Policy
0	Integration and upgrade of internal software systems		(No.20)
	Statewide Planning Scheme	0	Review Policy
0	Finalise Local Provisions Schedule and commence operation		Disability Access Policy (No.35)
	Scottsdale Urban Residential Growth Strategy	0	Review Policy
0	Complete draft dtrategy		Personal Information Protection Policy (No.36)
	Austins Road Development	0	Review Policy
0	Preparation of Master Plan and Stage 1 subdivision plan		New Business and Investment Assistance Policy (No.49)
	Local Government Elections	0	Review Policy
0	Prepare and update General Manager's Roll		Gifts and Benefits Policy (No.50) and Guidelines
0	Commence induction of new elected members		Review Policy
	Derby Urban Residential Growth Strategy		Related Party Disclosures Policy (No.52)
0	Complete draft strategy	0	Review Policy
	Blue Derby Operation Transfer Delegation Committee		October 2022 Flood Event
0	Update to Council	0	Update to Council
0	Update to Council	0	Update to Council
0	Update to Council	0	Update Council

Looking Forward 2023/24

The following activities are listed for completion in Council's 2023/24 Annual Plan:

- Plan for the next phase of Council's Waste Management Strategy with a focus on the State Government Container Refund Scheme and Green Waste;
- Finalisation of the Scottsdale and Derby Structure Plans;
- Preparation of a Master Plan and stage 1 subdivision plan for the proposed Austins Road, Scottsdale residential development;
- Completion of the draft Master Plan for the light industrial rezoning at the Scottsdale Depot;
- Preparation of draft Bridport Structure Plan;
- Commence draft Master Plan for Derby;
- Continue the transition of Blue Derby to the Blue Derby Foundation;
- Administration associated with a fresh valuation of the municipality by the Valuer-General and application of this data, including review of Council's rates strategy and policy;
- Completion of the tender process and commencement of works on the Scottsdale to Lilydale Rail Trail project;
- Establishment of a representative panel of industries to assist with future planning and review of Council's Road Plan, including footpaths;
- Preparation and adoption of a Projects of Significance report to ascertain grant funding / election promise priorities; and
- Review of the following policies:
- Payment of Councillors Expenses and Facilities
- On Street Dining, Vending and Signage
- Sponsorship of Sporting and Cultural Representatives
- Contribution to Boundary Fences
- Risk Management
- Electronic Communications
- Customer Service Charter
- Code for Tenders and Contracts
- Public Interest Disclosures Act 2002 Procedures
- Personal Information Protection
- Social Media
- Wood Encouragement
- Bridport Seaside Caravan Park Annual Site
- Managed Grassland Fire Risk Abatement

Longer term projects, initiatives and activities are listed in Council's Strategic Plan 2023 - 2032, which can be viewed on Council's website.



Scottsdale Township from proposed Austins Road residential development site

Year in Review



Australia Day 2023 | Family Fun Event



Construction Crew | Lone Star Creek, Golconda Road Replacement



Citizenship Ceremony



2023 Dorset Australia Day Award Recipients



Councillor Infrastructure Tour 2023



Community Council Meeting at Pioneer

Environmental Health

Dorset Council undertakes environmental health activities with the aim to protect and promote the health of the community and reduce the incidence of preventable illness. Council currently employs an Environmental Health Officer (EHO) on a full-time basis to undertake these activities. The following is an overview of Council's environmental health activities for 2022/23.

PUBLIC HEALTH

Council undertakes various regulatory activities to protect and promote the health of the community, as well as reduce the incidence of preventable illness.

Activity	Comments	Registration of food businesses that occupy a fixe
Place of assembly assessment Licencing of public events which have a duration of longer than two hours with more than 1000 people attending	6 licences issued	restaurants and cafes Registration of temporary food business Registration of temporary food providers including sevents, fundraising events, etc
Public health risk activities Registration and licencing of public health risk activities include tattooing and body piercing	l premises, l operator	Registration of statewide food businesses Registration of mobile food businesses such as foo
Regulated systems Registration of cooling towers and warm water systems to reduce the risk of illnesses like Legionnaires disease	l registered	Food complaint inspections Investigations of complaints made by customers about the may or may not be justified
Private water suppliers Those providing drinking water through a private supply (i.e. not using TasWater's reticulated drinking water network).	2 registered	Registered food business inspections Inspections of new food businesses, as well as unani inspections of existing food businesses
Water carriers Commercial water carriers who sell or supply drinking water by carting it in a tank or similar.	l registered	Compliance actions This includes improvement notices, prohibition orders prosecutions undertaken under the Food Act 2003
Unhealthy premises Inspection of private residences following complaints of mould or unhealthy living conditions	l inspection undertaken	ENVIRONMENT
Recreational waters - natural Recreational swimming sites at Derby Lake and Old Pier Beach tested during December - March	30 samples collected, 100% compliant	Council respond to and investigate complaints noise, dust, odour and wood smoke. Council also on-site wastewater management systems.
Recreational waters - council owned pools Monthly testing of the Scottsdale Aquatic Centre and Branxholm Swimming Pool during their opening	15 samples collected, 100% compliant	Activity Infringements for environmental related offences Infringements issued to people or businesses unde
Immunisations Provision of immunisations through our school based immunisation program at Scottsdale High School and Winnaleah District High School.	Over 100 students vaccinated	Management and Pollution Control Act 1994 and its re On-site Wastewater Management Systems Assessment and approval of applications for 0
Notifiable disease Investigation of cases of notifiable diseases referred by the Department of Health	3 cases of Salmonellosis investigated	Management Systems for developments in area sewage is not available

the Burial and Cremation Act 2019.

Private burials

FOOD SAFETY Council regulate the sale of food in the municipality to ensure it is safe and fit for human consumption. Council undertake registration of food businesses, inspection of food

business premises to ensure they are compliant with the Food Act 2003 and Food

1 granted

notice issued

Assessment and approval of applications for burial on private land under

Standards Code, and investigate complaints relating to the sale of food.

	Activity	Comments
S	Registered food businesses Registration of food businesses that occupy a fixed premises such as restaurants and cafes	100 registered
<u>d</u>	Registration of temporary food business Registration of temporary food providers including school fairs, sporting events, fundraising events, etc	13 issued
s, or	Registration of statewide food businesses Registration of mobile food businesses such as food vans, trailers and stalls	25 registered
d	Food complaint inspections Investigations of complaints made by customers about food businesses which may or may not be justified	1 complaint investigated
<u>d</u>	Registered food business inspections Inspections of new food businesses, as well as unannounced and outline inspections of existing food businesses	135 inspections completed
d	Compliance actions This includes improvement notices, prohibition orders, infringements and	l improvement

ENVIRONMENT

Council respond to and investigate complaints about environmental nuisance such as noise, dust, odour and wood smoke. Council also regulate the approval and installation of on-site wastewater management systems.

Activity	Comments
nfringements for environmental related offences nfringements issued to people or businesses under the <i>Environmental</i> Management and Pollution Control Act 1994 and its regulations	1 infringement issued
On-site Wastewater Management Systems Assessment and approval of applications for On-site Wastewater	
Management Systems for developments in areas where reticulated sewage is not available	25 OWMS approved

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Waste Management

Dorset Council operate three waste transfer stations (WTS) located in Scottsdale, Branxholm and Gladstone.

The sites have a comprehensive range of free recycling facilities including:

- drumMUSTER (collection of empty agricultural chemical containers)
- Polystyrene (Scottsdale WTS only)
- E-waste (Branxholm and Scottsdale WTS)
- Batteries (Branxholm and Scottsdale WTS)
- Paint and light globes (Scottsdale WTS)
- End of life marine flares (Scottsdale WTS)

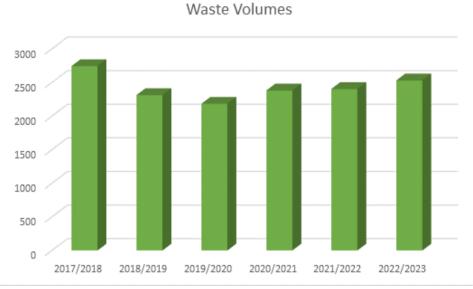
The management of the Scottsdale Waste Transfer Station is undertaken in house with all proceeds from the Last Chance Resale Shop (the tip shop) held in trust and provided to local community organisations as part of the annual grants process. As at 30 June 2023, \$26,664 had been raised for the financial

Kerbside waste and recycling collection services cover every Dorset town and almost every locality. Council waste collection trucks are equipped with an

extensive array of cameras allowing Council to monitor and record individual bin collections. The information is utilised to develop targeted and general communications to households and the community in regards to contaminated recycling, overfilled bins and waste reduction measures. Key ongoing trends and behaviours are also tracked and the information collected utilised to inform educational messaging via social and print media throughout the year.

For the past financial year, Council has focused on reducing waste volumes through better recycling practices in order to decrease waste management costs and improve community and environmental outcomes. Reducing waste volumes going to landfill will continue to be an important focus for Council with the statewide waste levy, which commenced in July 2022, continuing to rise bi-annually.

Waste Volumes for the 2022/23 financial year were 2,530 tonnes. This saw a slight increase from the 2021/22 figures of 2,403 tonnes.



Community Grants

Small Grants

(Allocation of \$10,000 with additional required funds from matching funds

Organisation	\$ Grant Amount	Grant Details
North Eastern Netball Association	573	Netball court squeegee mops
Dorset State Emergency Service	1,020	LED light replacement on SES trailer
Ringarooma Swimming Pool	2,000	Glass front refridgerator
Scottsdale Amateur Swim Club	1,439	Chairs, tables, trolley, podium set and stop watches
Scottsdale RSL Sub Branch	1,000	Wooden bench seats
Scottsdale Tennis Club	285	Tennis court net
_egerwood Catering Group	1,882	Winnaleah Market set up costs
Dorset Tasmania History Group	1,885	Final phase of unmarked graves project at Ellesmere Cemetery
TOTAL	\$10,084	

Community Matching Funds Grants

(Allocation of \$30,000 with excess funds transferred to small grants stream)

Organisation	\$ Grant Amount	Grant Details
Scottsdale Bowls Club	13,522	Unisex accessible toilet under Scottsdale RSL building
Lions Club of Bridport	15,000	Outdoor basketball half-court at Bridport foreshore
TOTAL	\$28,522	

Councillors Discretionary Grants

(Allocation of \$15,000)

Organisation	\$ Grant Amount	Grant Details
Bridport Tennis Club	7,637	Internal clubroom renovation
Ringarooma Community Hub	4,970	External repair and painting at Ringarooma Recreation Ground building
Derby Netball Club	2,325	Repair and clean up to the Derby netball court
TOTAL	\$14,932	

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Legislative Reporting Requirements

Public Interest Disclosures Act 2002

Section 86 of the Act requires Dorset Council to provide statistics on disclosures that were made to Council during the 2022/23 year.

Disclosures made to Dorset Council | Nil

The current procedures established by the Dorset Council under the Act are available from the Council Offices, or via our website <u>dorset.tas.gov.au</u>

Right to Information Act 2009

Council received and accepted two (2) applications for assessed disclosure of information during 2022/23. All applications were accepted for decision with the details of those decisions listed below.

Applications Decided		Reason
No information provided (refused)	2	Information requested was or is to be disclosed by other means; or, information requested was determined to be exempt information



Musselroe Wind Farm, Cape Portland

Local Government Act 1993

Code of Conduct Complaints

There were no code of conduct complaints received during the 2022/23 financial year.

Statement of Councillor Allowances and Expenses

Section 72 (1) (cb) of the *Local Government Act 1993* requires that a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors be included within the Annual Report.

During the 2022/23 period, Council paid allowances and reimbursements totaling \$228,000.

Special Committee of Council | Bridport Seaside Caravan Park

At the 21 February 2022 Council Meeting, Council resolved to formally establish a Special Committee of Council for the Bridport Seaside Caravan Park (BSCP). The Committee consists of three Councillors - Cr Howard, Cr Stein and Cr Nichols (alternate member) and three community representatives.

Expressions of Interest were sought for these representatives (annual site user, regular park user and community member), and those representatives were appointed by Council at its 16 May 2022 Council Meeting, being Karlene Cuthbertson, Kaye Shaw and Diane Turner*. The BSCP Manager, Susan Waldren while not a Committee member, was invited to meetings.

The Committee held its inaugural meeting on 30 September 2022, with subsequent meetings throughout 2022/23. This Committee is currently in recess following a discussion by Council in June 2022. This is to allow for a number of internal processes to be completed relating to the Park, with the Committee to be reviewed again in 2024.

*Diane Turner resigned from the Committee on 12 November 2022.

Customer Service Requests / Complaints

In accordance with Section 339F(5) of the *Local Government Act 1993*, the General Manager is to provide the Council with a report at least once a year on the number and nature of complaints / requests received.

The graph depicts the number of all customer requests / complaints received during 2022/23, being a total of 510 (2021/22: 480).

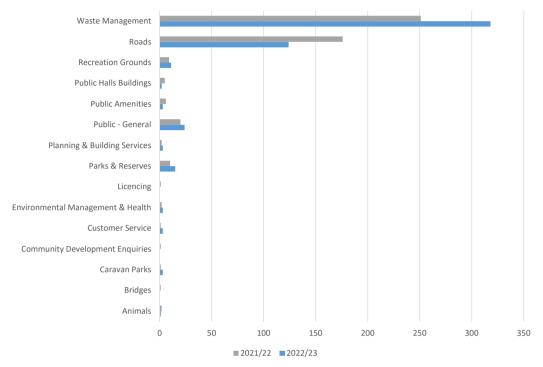
Mayor's Discretionary Fund

During 2022/23, Council received requests for assistance from a variety of organisations that fell outside of other funding streams provided by Council.

The following donations were made from the Mayor's Discretionary



2022/23 Customer Service Requests



Audit Panel

Council has an Audit Panel as required under the Local Government Act 1993.

The Panel is made up of the following members:

Independent Member and Chair: Mr Ian Wright

<u>Council Representatives:</u> Cr Dale Jessup, Cr Beth

Donoghue, Cr Jerrod Nichols (alternate member)

The objective of the Audit Panel is to assist Council in providing a transparent and independent process in its financial management to ensure accountability to the community in the governance, management and allocation of resources.

Barry Jarvis Education Scholarships

Council provided the following recipients with education scholarships in 2022/23:

Recipient	\$
Adara Hall	500
Nikayla Smith	500
Dylan Hall	500
Rowan Johnson	500
Rachael Watson	500
Harrison Knight	1,000
Abbey Chorley	3,000
Ashlee Lusted	2,500

School Bursaries

Council provided bursaries to the following schools in 2022/23:

Recipient	\$
Scottsdale Primary School 2022 Bursary	200
Scottsdale High School 2022 Bursary	500
Winnaleah District High School 2022 Bursary	500
Bridport Primary School 2022 Bursary	200

Sporting and Cultural Representatives

(Council Policy No. 4)

In accordance with Council Policy No. 4 - Sponsorship of Sporting and Cultural Representatives, Council was able to assist the following recipients represent Tasmania during 2022/23:

\$
500
500
1,250
500
500
500



2023 Barry Jarvis Education Scholarship Recipients with Mayor Howard (some recipients are absent)

Remuneration Statement

Section 72

Council is to include a statement relating to the total annual remuneration paid to employees of the Council who are key management personnel. Total annual remuneration includes the salary paid, contributions to superannuation, value of use of any motor vehicle and any other allowances or benefits paid.

Annual Remuneration

\$60,001 - \$80,000 2 \$80,001 - \$100,000 - \$100,001 - \$120,000 - \$120,001 - \$140,000 - \$140,001 - \$160,000 - \$160,001 - \$180,000 - \$180,001 - \$200,000 1
\$100,001 - \$120,000 - \$120,001 - \$140,000 - \$140,001 - \$160,000 - \$160,001 - \$180,000 - \$180,001 - \$200,000 1
\$120,001 - \$140,000 - \$140,001 - \$160,000 - \$160,001 - \$180,000 - \$180,001 - \$200,000 1
\$140,001 - \$160,000 - \$160,001 - \$180,000 - \$180,001 - \$200,000 1
\$160,001 - \$180,000 - \$180,001 - \$200,000 1
\$180,001 - \$200,000 1
\$200,001 - \$220,000 1
\$220,001 - \$240,000 -
\$240,001 - \$260,000 -
\$260,001 - \$280,000 1
\$280,001 - \$300,000 1

See Note 10.1 in the financials (page 80) for further details on key management personnel.

Local Government Association of Tasmania

Council is a member of the Local Government Association of Tasmania (LGAT). LGAT is the voice of Local Government in Tasmania and represents all Tasmanian councils.

LGAT provides support to councils so that they are well placed to serve their communities. This support comes in the form of providing specialist services to councils, including policy and strategic support and information, and education for elected members and council officers

Enterprise Powers Statement

Under Section 72(1)(ca), Council is required to report on exercising of enterprise powers relating to the formation and operation of corporations, trusts, partnerships or other bodies (Section 21).

TasWater

The Water and Sewerage Corporation Act 2012 (Tas) requires the Council to form, or participate in the formation of a proprietary company limited by shares and incorporated under the Corporations Act 2001. This corporation is TasWater.

Dorset Council is represented on TasWater's Owners' Representatives' Group (ORG), the activities of which are detailed at <u>taswater.com.au</u>. For further information see Note 5.1 in the financials (page 57).

Detailed performance information is also available in TasWater's Annual Report.

GST Dispute Statement

Section 72A

Council reports no disputes with the Australian Taxation Office during the financial year relating to compliance with GST law.

Donation of Land Statement

Section 72(1)da)

Council did not donate any parcels of land during 2022/23 in accordance with Section 177.

Grants & Benefits

Section 77(2)

Type of Grant/Benefit		\$
Council Rate Remission	Conservation Covenants	3,855
Council Rate Remission	Discretionary Rates	5,669
Council Rate Remission	Council Policy	_
Council Rate Remission	Varied Waste Management	345,399
Council Rate Remission	Differential Rates	60,294
		415,217

Local Government (General) Regulations 2015

Tendering & Contracting

Council is to report details of any contract for the supply or provisions of goods and services valued at or over \$100,000 excluding GST, entered into or extended in the financial year.

Contractor / Supplier	Address	Description	Contract Period	Value
Crossroads Civil Contracting Pty Ltd	73-79 Lilydale Road ROCHERLEA TAS 7248	Bituminous Sealing of Roads	20.09.2022 to 30.06.2023	Various Rates
Cains Civil Contracting	9 Henry Street BRIDPORT TAS 7262	Victoria Street, Scottsdale - Reconstruction	27.04.2022 to 30.06.2023	\$1,142,121
TasSpan Pty Ltd	PO Box 225 LATROBE TAS 7307	Bridge Replacement - Duncraggen Road (Bridge 1617) and Maurice Road (Bridge 1515)	20.12.2022 to 30.06.2023	\$738,159
Aurora Energy	GPO Box 191 HOBART TAS 7001	Small Electricity Connections	01.06.2020 to 30.06.2023	\$362,000
Aurora Energy	GPO Box 191 HOBART TAS 7001	Public Lighting Connections	01.07.2023 to 30.06.2025	\$360,000
JF Machinery	PO Box 62 MOWBRAY TAS 7248	New Backhoe	21.10.2022 to 30.06.2023	180,060
Fulton Hogan Pty Ltd	11 Calvary Road MOWBRAY TAS 7248	Bituminous Sealing of Roads	18.09.2021 to 30.06.2022	Various Rates
Mr Chris Riggall, Beaumontcote Pty Ltd	101 George Street SCOTTSDALE TAS 7260	Public Waste Collection Services	01.09.2021 to 01.09.2026	\$165,800 per annum
Waldent Enterprises	4 Westbury Road SOUTH LAUNCESTON TAS 7250	Bridport Seaside Caravan Park Management	01.11.2021 to 30.09.2023	\$502,213

Grants Paid to Council

Annual Financial Assistance Grants (FA Grants) are a critical revenue source for Council, representing 23% (\$3.9 million – adjusted for FA Grants paid in advance) of Council's total recurrent operating revenue. FA Grants provide annual funding for Council roads and other essential services.

Capital grants received specifically for new or upgraded assets	2023 \$'000	2022 \$'000
Commonwealth Government - Roads to Recovery	751	751
Commonwealth Government - Carisbrook Lane Stage 1	75	_
Commonwealth Government - Carisbrook Lane Stage 2	277	185
Commonwealth Government - Bridport Skate Park	35	314
Commonwealth Government - Victoria Street Redevelopment	607	23
Commonwealth Government - Cascade Dam Road	324	37
Commonwealth Government - Derby Trail Head redevelopment	188	291
Commonwealth Government - CWA Carpark Bridport	117	-
Commonwealth Government - Golconda Road (Lone Star Creek) upgrade	65	_
State Government - Derby Trail Head redevelopment	205	93
State Government – Scottsdale Aquatic Centre	-	345
State Government - Victoria Street Redevelopment	629	21
State Government - Bridge 1502 Banks Road	14	141
State Government - Golconda Road Stage 3	-	678
State Government - Golconda Road Stage 4	211	543
State Government - New River Road	-	186
State Government - Bridport Back Road	-	185
State Government - Ferny Hill Road Upgrade	-	96
State Government - Green Flow MTB Trail	25	92
State Government - Derby Park play equipment	50	_
State Government - Online Accommodation Booking Platform	7	6
State Government - Levelling the Playing Field	9	16
State Government - Northeast Park bike park	1	_
State Government - Aqua aerobics equipment	5	_
Total capital grants	3,595	4,003



TOP | CWA Carpark Extension, Main Street, Bridport
Photo Credit: NB Media
BOTTOM | Completed Culvert Replacement, Lone Star Creek, Golconda Road

Overview of Financial Performance

The following information is to assist the reader in understanding Council's 2022/23 financial statements

Financial Result

Dorset Council recorded a surplus before other comprehensive income of \$5.7 million for the 2022/23 financial year, compared to a surplus before other comprehensive income of \$5.5 million for 2021/22. Council's recurrent income increased by \$1.7 million, capital income decreased by \$0.1 million and expenses increased by \$1.3 million.

After adjusting for capital income and one-off events for the 2022/23 financial year, Council recorded an underlying surplus of \$678,000, compared to an underlying deficit of \$42,000 in 2021/22. A number of factors contributed to the increase in Council's underlying surplus, however, the increase in rates and charges received, together with an increase in operating grants had the most significant impact on results. In October 2022, the municipality was seriously impacted by a significant flooding event and additional expenditure was required to repair the damage sustained to Council assets. Flood related operational costs, where clearly identifiable, have been excluded from recurrent expenditure in the calculation of the underlying surplus, which has also positively impacted the result reported.

Council continues to be a strong financial position, with an increase of \$453,000 in cash generated from operating activities during the 2022/23 financial year. The cash raised through operating activities is one of the most important figures for Council, as it indicates the amount of surplus cash raised through everyday operations that is available to fund future capital and infrastructure works within the municipality.

Significant movements in income, expenses, assets and liabilities from those recognised in the prior year are explained in further detail below.

Statement of Comprehensive Income:

Recurrent Income

Council's income from continuing operations increased by \$1,692,000 for the 2022/23 financial year the material movements that contributed to this increase are as follows:

• Rates and charges increased by \$860,000 as a result of increasing the varied general rate for commercial properties in Derby and a varied waste management charge for commercial properties in Derby, Winnaleah, the project completion date specified in the funding agreement.

Branxholm. Remissions provided to eligible ratepayers totalled \$417,000 for the 2022/23 financial uear.

- Operating grants increased by \$347,000 due to an increase in the prepayment received from the Financial Assistance Grant Program. In June 2023, the Federal Government provided a prepayment equal to 100% of the grant allocation for the 2024 financial year whereas previously, the prepayment received equalled 75% of the following year's allocation.
- Other income increased by \$215,000 as a result of an increase in income received from insurance reimbursements and trainee incentive payments. Other income also includes accommodation payments received from the Derbu Accommodation Booking Platform that were returned to operators during the year. The corresponding expense for these returns is recognised in other
- Interest income increased by \$180,000 due to higher than expected returns received on investments during the 2022/23 financial year.

Capital Income

Capital grant income decreased by \$408,000 as a result of the timing of works completed on capital projects during the year. Grant funding of \$220,000 for projects still in progress has been carried forward into the 2023/24 financial year.

Capital grants utilised during the 2022/23 financial year included: Victoria Street Redevelopment funding of \$1,236,000, Roads to Recovery funding of \$751,000, Derbu Trail Head Redevelopment funding of \$393,000. Carisbrook Lane (Stage 1 & 2), funding of \$352,000, Cascade Dam Road funding of \$324,000, Golconda Road (Stage 4) funding of \$211,000, Bridport CWA Carpark funding of \$117,000, Golconda Road (Lone Star Creek) upgrade funding of \$65,000, Derbu Park play equipment funding of \$50,000, Bridport Skate Park funding of \$35,000, Green Flow (Hazu Days) mountain bike trail funding of \$25,000, Bridge 1502 Banks Road funding of \$14,000, Amenities upgrade at the Bridport Football Clubrooms of \$9,000, Derbu Online Accommodation Booking Platform funding of \$7,000, Agua aerobic equipment funding of \$5,000 and funding of \$1,000 for the Scottsdale Bike Park project.

Council were also required to return \$115,000 of capital grant funding as a result of being unable to meet some of the funding conditions for the Green Flow mountain bike trail 'Hazu Daus' project. This project was significantly impacted by the October 2022 flooding event which caused extensive damage to a number of trails within the general rate and kerbside collection charges by 4.5%, the introduction of a Blue Derby network. In order to safely reopen the trails for public use, Council were required to complete extensive remedial works and as a result, were unable to meet

Expenses

Council's expenses from continuing operations increased by \$1,277,000 in the 2022/23 financial uear. The material movements that contributed to this increase are as follows:

- Materials and services increased by \$469,000 as a result of an increase in legal fees, contractor costs for public waste management and additional fuel and oil expenses during the 2022/23 financial year. Legal fees incurred as a result of the Local Government investigation have been reimbursed via Council's insurer and the corresponding income has been recognised in other income. Additional costs for repairing flood related damage from the October 2022 flooding event have also increased materials and services expense, however, as previous noted, these are excluded from recurrent expenditure when calculating the underlying result.
- Employee benefits increased by \$449,000 due to a combination of the increase in wages as per Council's Enterprise Bargaining Agreement, the legislated 0.5% increase to the Superannuation Guarantee Contribution and an increase in workers compensation costs in the 2022/23 financial
- Depreciation and amortisation increased by \$247,000 due to the addition of new and upgraded assets from Council's annual capital expenditure program and the indexation of infrastructure asset classes at 30 June
- Other expenses increased by \$203,000 as a result of an increase in election costs associated with the Local Government Election held in October 2022, the payment of returns to operators listed on the Derby Accommodation Booking Platform and the recognition of a provision for financial guarantees held for potential rehabilitation costs associated with Council's mineral leases

Current Assets

Current assets have decreased by \$556,000 for the 2022/23 financial year. The material movements that contributed to this decrease are as follows:

Financial investments decreased by \$500,000 as result of reducing the amount of funds held in Term Deposit investment accounts.

Assets held for sale decreased by \$495,000 due to the finalisation of the sale of land at 14 Hawkes Place, Scottsdale, and the land and building at 2 Alfred Street, Scottsdale. During the 2022/23 financial year, 95 ML of water rights for the Scottsdale Irrigation Scheme were also sold, with 547ML remaining for sale at 30 June 2023.

Trade and other receivables increased by \$370,000 as a result of increase in rates and other debtors. For rates debtors, Council takes the view that unpaid rates are secured against the rateable property and, if not settled beforehand, will be recoverable when the property is next sold. The majority of receivables reported under other debtors are within current credit terms and expected to be settled early in the 2023/24 financial year.

Non-current Assets

Non-current assets have increased by \$16.1 million for the 2022/23 financial year. The material movements that contributed to this increase are as follows:

- Property, infrastructure, plant and equipment increased by \$15.7 million as a result of the addition of new and upgraded assets from Council's annual capital expenditure program, the revaluation of bridge assets and the indexation of other infrastructure and building assets following an internal review of construction cost data. The indexation percentage, on average, for each asset class are as follows:
 - o Roads 62%
 - o Bridges 6.08%
 - o Stormwater 5.11%
 - o Buildings 4.63%
 - o Land 16.8%

Current liabilities

Current liabilities have decreased by \$1.6 million for the 2022/23 financial year. The material movements that contributed to this decrease are as follows:

• Contract liabilities have decreased by \$1.6 million as a result of a decrease in the amount of grant funding received in advance for capital projects that Council expect to complete during the 2023/24 financial year.

Non-current liabilities

Non-current liabilities have decreased by \$473,000 for the 2022/23 financial year. The material movements that contributed to his decrease are as follows:

• Interest-bearing loans and borrowings have decreased by \$503,000 as a result of loan repayments made throughout the 2022/23 financial year.



Independent Auditor's Report

To the Commissioner of Dorset Council

Report on the Audit of the Financial Report

I have audited the financial report of Dorset 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 10.7 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

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.

the most significant matters in the audit included

Why this matter is considered to be one of Audit procedures to address the matter

Valuation of property and infrastructure efer to notes 6.1 and 9.11

At 30 June 2023, Council's assets included land, land under roads, buildings, and infrastructure assets, such as roads, bridges and stormwater assets valued at fair value totalling \$191.27 million. The fair values of these assets are based on market values and current replacement cost.

Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. In between valuations, Council considers the application of indexation to ensure that carrying values reflect fair

During 2022-23, Council undertook a full revaluation of bridges. Indexation was applied to land, buildings, roads and stormwater assets. The valuations, which were determined by both internal and external experts and are highly dependent upon a range of assumptions and estimated unit rates.

- Assessing the scope, expertise and independence of experts engaged to assist in the valuations.
- Evaluating the appropriateness of the valuation methodology applied to determine fair values.
- Critically assessed assumptions and other key inputs into the valuation
- Reviewing the mathematical accuracy of the valuation model calculations.
- Evaluating indexation applied to assets between formal valuations.
- Reviewing the reconciliation of asset balances in the general ledger to the underlying fixed asset register.
- Evaluating the adequacy of relevant disclosures in the financial report. including those regarding key assumptions used.

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 Commissioner intends to cease operations, or has 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
- 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.

Assistant Auditor-General Delegate of the Auditor-General Tasmanian Audit Office

27 September 2023

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		Budget	Actual	Actual
	Note	2023	2023	2022
		\$′000	\$'000	\$′000
Income from continuing operations				_
Recurrent Income				
Rates and charges	2.1	9,232	9,086	8,226
Statutory fees and fines	2.2	189	192	178
User fees	2.3	1,464	1,338	1,262
Grants	2.4	4,040	5,318	4,971
Contributions - cash	2.5	27	31	31
Interest	2.6	81	253	73
Other income	2.7	325	788	573
Investment income from water corporation	2.9, 5.1	233	233	233
		15,591	17,239	15,547
	_			
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	5,923	3,595	4,003
Capital contributions - cash	2.5	-	-	44
Capital contributions - Non-monetary assets	2.5	-	678	521
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	(242)	(393)
		5,923	4,031	4,175
Total income from continuing operations		21,514	21,270	19,722

		Budget	Actual	Actual
	Note	2023	2023	2022
		\$′000	\$'000	\$'000
Expenses from continuing operations				
Employee benefits	3.1	5,034	5,025	4,576
Materials and services	3.2	3,675	3,490	3,021
Depreciation and amortisation	3.3	4,600	4,924	4,677
Finance costs	3.4	77	77	168
Other expenses	3.5	1,871	2,025	1,822
Total expenses from continuing operations		15,257	15,541	14,264
Net result for the year		6,257	5,729	5,458
Other comprehensive income				
Items that will not be reclassified to net result				
Fair value adjustment on equity investments assets	9.1	-	619	318
Net asset revaluation increment/(decrement)	9.1	-	11,278	15,423
		-	11,897	15,741
Total Other Comprehensive Income		-	11,897	15,741
Total Comprehensive result		6,257	17,626	21,199

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

	Note	2023	2022
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	7,033	6,932
Trade and other receivables	4.2	1,185	815
Financial investments	4.3	2,000	2,500
Inventories	4.4	94	103
Assets held for sale	4.5	931	1,426
Contract assets	4.6	25	106
Other assets	4.7	204	146
Total current assets		11,472	12,028
Non-current assets			
Trade and other receivables	4.2	1,671	1,900
Investment in water corporation	5.1	17,171	16,552
Property, infrastructure, plant and equipment	6.1	217,504	201,775
Pine plantations	6.2	36	40
Other assets	4.7	35	35
Intangible assets	6.3	-	42
Total non-current assets		236,417	220,344
Total assets		247,889	232,372

	Note	2023	2022 \$′000
		\$′000	
Liabilities			
Current liabilities			
Trade and other payables	7.1	1,430	1,466
Deposits	7.2	33	26
Provisions	7.3	1,167	1,157
Contract liabilities	7.4	631	2,262
Interest-bearing loans and borrowings	8.1	503	493
Total current liabilities		3,764	5,404
Non-current liabilities Provisions	7.3	330	260
	72	220	740
Contract liabilities	7.4	-	40
Interest-bearing loans and borrowings	8.1	3,367	3,870
Total non-current liabilities		3,697	4,170
Total liabilities		7,461	9,574
Net Assets		240,428	222,798
Equity			
Accumulated surplus		136,284	129,524
Reserves	9.1	104,144	93,274
Total Equity		240,428	222,798

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

	2023	2022
Note	Inflows/(Outflows)	Inflows/(Outflows)
	\$′000	\$′000
Cash flows from operating activities		
Rates and charges	8,888	8,199
Statutory fees and fines, user fees, contributions, reimbursements and other income (inclusive of GST)	2,552	2,625
Grants and contributions (inclusive of GST)	5,353	5,016
Interest received	238	76
Finance costs	(79)	(196)
Payments to suppliers (inclusive of GST)	(6,698)	(6,563)
Payment to employees	(5,035)	(4,393)
GST refunds received	956	958
Net cash provided by (used in) operating activities 9.2	6,175	5,722
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	(9,944)	(12,290)
Proceeds from sale of property, infrastructure, plant and equipment including assets held for sale	872	382
Receipts from investments	500	500
Dividends from water corporation 2.9	233	233
Capital grants (inclusive of GST)	2,570	4,028
Net cash provided by (used in) investing activities	(5,769)	(7,147)

		2023	2022
		Inflows/(Outflows)	Inflows/(Outflows)
	Note	\$'000	\$'000
Cash flows from financing activities			
Repayments of interest bearing loans and borrowings	9.3	(493)	(3,684)
Repayments received from loan to third party (May Shaw)	8.1	188	186
Net cash provided by (used in) financing activities		(305)	(3,498)
Net increase (decrease) in cash and cash equivalents		101	(4,923)
Cash and cash equivalents at the beginning of the financial year		6,932	11,855
Cash and cash equivalents at the end of the financial year	9.4	7,033	6,932
Restrictions on cash assets	4.1		

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

Financing arrangements

	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Landfill Rehabilitation Reserve	Fair Value Reserve
		\$′000	\$′000	\$′000	\$′000	\$′000
2023						
Balance at beginning of the financial year		222,798	129,524	93,736	1,029	(1,491)
Adjustment for furniture and fittings reserve	9.1	2	-	2	-	-
Restated opening balance		222,800	129,524	93,738	1,029	(1,491)
Net result for the year		5,729	5,729	-	-	-
Other Comprehensive Income:						
- Fair Value adjustment on equity investments	5.1, 9.1	619	-	-	-	619
- Net asset revaluation increment/(decrement)	9.1	11,280	-	11,280	-	-
Total comprehensive income		240,428	135,253	105,018	1,029	(872)
Transfers between reserves	9.1	-	1,031	(2)	(1,029)	-
Balance at end of the financial year		240,428	136,284	105,016	-	(872)
2022						
Balance at beginning of the financial year		201,599	124,066	78,313	1,029	(1,809)
Restated opening balance		201,599	124,066	78,313	1,029	(1,809)
Net result for the year		5,458	5,458	-	-	
Other Comprehensive Income:						
- Fair Value adjustment on equity investments	5.1, 9.1	318	-	-	-	318
 Net asset revaluation increment/(decrement) 	9.1	15,423	-	15,423	-	-
Total comprehensive income		222,798	129,524	93,736	1,029	(1,491)
Transfers between reserves	9.1	-	-	-	-	-
Balance at end of the financial year		222,798	129,524	93,736	1,029	(1,491)

Note 1 | Overview

1.1 Reporting entity

The Dorset Council was established on 1 April 1993 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 3 Ellenor Street, Scottsdale. Tasmania.

The purpose of the Council, as per Section 20 of the Local Government Act (1993), is to:

- provide for the health, safety and welfare of the community;
- to represent and promote the interests of the community; and
- provide for the peace, order and good government in the municipality.

As per Council's Strategic Plan, Dorset Council's specific objectives are to:

- to continually improve the liveability of the community and to respond to community challenges and changing demographics;
- to stimulate economic growth through sustainable and visionary projects, with a view to increasing prosperity, population and investment;
- to create value and improve service delivery for the community through effective leadership and governance; and
- to proactively engage in strategies that result in sustainable natural resource are disclosed in the relevant notes as follows: management for Dorset.

1.2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Defined benefit superannuation fund Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Local Government Act 1993 (LGA 1993) (as amended). Council has determined that it does not have profit Fair value of property, plant & equipment generation as a prime objective. Consequentlu, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-forprofit 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 Assumptions utilised in the determination of Council's valuation of its investment in nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated in Notes 4.3, 4.5, 5.1, 6.1, 6.2, 7.3, 8.1 and 10.6(d).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

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

1.3 Use of judgements and estimates

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carruing 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

Employee entitlements

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

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in Note 9.6.

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

TasWater are discussed in Note 5.1.

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1.4 Material budget variations

Council's original budget was adopted by Council on 18 July 2022. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, change in economic activity and decisions made by Council.

Material budget variations are explained below:

Income - Recurrent

Rates and charges

Rates and charges were \$146,000 (1.6%) below budget due to the application of remissions that were unbudgeted in the 2022/23 financial year.

User fees

User fees were \$126,000 (9%) below budget due to a decrease in income received from Blue Derby Sponsorships and accommodation commissions from the Derby Accommodation Booking Platform.

Grants

Recurrent grant income was \$1,278,000 (32%) above budget due to a higher than expected prepayment received from the Commonwealth Government for the 2023/24 Financial Assistance Grant program.

Interest

Interest was \$172,000 (212%) above budget due to higher than expected returns received on investments during the year.

Other Income

Other income was \$463,000 (142%) above budget as a result of an increase in income received from insurance reimbursements and trainee inventive payments. It also includes accommodation payments received from the Derby Accommodation Booking Platform that have been returned to operators during the year. The corresponding expense for these returns is recognised in other expenses.

Income - Capital

Grants

Capital grant income was \$2,328,000 (39%) below budget as a result of the timing of work completed on capital projects subject to external funding. Council were also required to repay \$115,000 back to grant bodies as a result of being unable to meet some project milestones (see Note 2.4 for further details).

Contributions - Non-monetary assets

Income related to non-monetary contributions was \$678,000 (100%) above budget as a result of the addition of found / transferred land and building assets and the completion of property subdivision within the municipality. The road and stormwater assets constructed by the developer were vested to Council upon completion of the works.

Expenses

Materials and services

Materials and services were \$185,000 (5%) below budget due to a decrease in expected contract and material costs during the 2022/23 financial year.

Depreciation and Amortisation

Depreciation and amortisation was \$324,000 (7%) above budget as a result of the asset revaluation program completed last financial year, which occurred after budget estimates had been finalised.

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

Loss on disposal of property, infrastructure, plant and equipment if \$242,000 above budget due to Council accelerating some capital projects as a result of receiving additional grant funding from Federal and State Government COVID-19 stimulus programs such as the Local Roads and Community Infrastructure (LRCI) Program.



Old Depot Site Redevelopment - new public carpark, 99 Main Street, Derby Photo Credit: NB Media

1.5 Functions / Activities of the Council

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

_	Grants and Contributions \$'000	Other \$'000	Total Income \$'000	Total Expenditure \$'000	Surplus/(Deficit) \$'000	Assets \$'000
Governance						
2022 - 2023	-	204	204	985	(781)	-
2021 - 2022	-	-	-	866	(866)	42
Corporate Services						
2022 - 2023	2,160	7,575	9,735	682	9,053	32,362
2021 - 2022	2,171	7,370	9,541	707	8,834	31,913
Development and Environment	antal Camina					
Development and Environme						
2022 - 2023	63	298	361	1,310	(949)	3,159
2021 - 2022	-	264	264	1,125	(861)	2,983
Infrastructure						
2022 - 2023	7,399	3,571	10,970	12,564	(1,594)	212,368
2021 - 2022	7,399	2,518	9,917	11,566	(1,649)	197,434
Total						
2022 - 2023	9,622	11,648	21,270	15,541	5,729	247,889
2021 - 2022	9,570	10,152	19,722	14,264	5,458	232,372

(b) Reconciliation of assets from Note 1.5(a) with the Statement of Financial Position at 30 June:

	2023	2022
	\$'000	\$′000
Current assets	11,472	12,028
Non-current assets	236,417	220,344
	247,889	232,372

1.5 Functions / activities of the Council (cont.)

(c) Functions

Governance

Elected members and governance administration.

Corporate Services

Corporate services administration, finance, human resource management, projects, facility coordination (community halls and centres, Bridport Seaside Caravan Park and Scottsdale Aquatic Centre), fire prevention and emergency services, information technology, municipal offices and rates.

Development and Environmental Services

Business and economic development, community services administration, rural primary health services, tourism, youth services, building, planning, animal control and environmental health.

Infrastructure

Cemeteries, caravan parks, halls and community centres, parks and reserves, pine plantations, plant operations, private works, roads, bridges and footpaths, sport and recreation facilities (including mountain bike trails), stormwater, street lighting, swimming pools, waste management and infrastructure administration.

Note 2 | Income

2.1 Rates and charges

Council uses assessed annual value as the basis of valuation of all properties within the municipality. The assessed annual value of a property is the estimated yearly rental value of the property, as determined by the Valuer-General.

The valuation base used to calculate general rates for 2022/23 was \$84.624 million (2021/22: \$84.396 million). The 2022/23 rate in the assessed annual value dollar was \$0.0524 (2021/22: \$0.0759).

	2023	2022
Rates and charges	\$'000	\$'000
General rate	6,480	6,387
Waste charge	2,233	1,492
Fire Levy	373	347
Total rates and charges	9,086	8,226

The date of the latest general revaluation of land for rating purpose within the municipality was 16 May 2017, and the valuation was first applied in the rating year commencing 1 July 2017. A fresh municipal revaluation will be completed in the 2023/24 financial year.

Accounting policu

Council recognises income 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 (see Note 7.1).

2.2 Statutory fees and fines

Statutory fees and fines	2023 \$'000	2022 \$'000
Town planning fees	98	72
Land information certificates	69	86
Animal control	25	20
Total statutory fees and fines	192	178

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

User fees	2023 \$'000	2022 \$'000
Caravan and camping fees	982	879
Rental and lease income	82	47
Building services	122	124
Cemetery fees	37	35
Waste disposal fees	38	43
Aquatic centre fees	19	-
Other fees and charges	58	134
Total user fees	1,338	1,262

Ageing analysis of contractual receivables

Please refer to Note 9.10(d) for the ageing analysis of contractual receivables.

Accounting policy

Council recognises income 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.

2.4 Grants

Grants were received in respect of the following:

Summary of grants	2023 \$'000	2022 \$'000
Federally funded grants	7,673	6,426
State funded grants	1,216	2,548
Others	24	-
Total grants	8,913	8,974

Grants - Recurrent	2023 \$'000	2022 \$′000
Commonwealth Government Financial Assistance Grants - General Purpose (untied)	2,153	2,020
Commonwealth Government Financial Assistance Grants - Roads (untied)	2,941	2,665
Commonwealth Government - other	140	140
State Government - other	60	146
Other grants and subsidies	24	-
Total recurrent grants	5,318	4,971



Derby Park Play Equipment Replacement

Capital grants received specifically for new or upgraded assets	2023 \$'000	2022 \$'000
Commonwealth Government - Roads to Recovery	751	751
Commonwealth Government - Carisbrook Lane Stage 1	75	-
Commonwealth Government - Carisbrook Lane Stage 2	277	185
Commonwealth Government - Bridport Skate Park	35	314
Commonwealth Government - Victoria Street Redevelopment	607	23
Commonwealth Government - Cascade Dam Road	324	37
Commonwealth Government - Derby Trail Head Redevelopment	188	291
Commonwealth Government - CWA Carpark Bridport	117	-
Commonwealth Government - Golconda Road (Lone Star Creek) Upgrade	65	-
State Government - Derby Trail Head Redevelopment	205	93
State Government – Scottsdale Aquatic Centre	-	345
State Government - Victoria Street Redevelopment	629	21
State Government - Bridge 1502 Banks Road	14	141
State Government - Golconda Road Stage 3	-	678
State Government - Golconda Road Stage 4	211	543
State Government - New River Road	-	186
State Government - Bridport Back Road	-	185
State Government - Ferny Hill Road Upgrade	-	96
State Government - Green Flow MTB Trail	25	92
State Government - Derby Park Play Equipment	50	-
State Government - Online Accommodation Booking Platform	7	6
State Government - Levelling the Playing Field	9	16
State Government - Northeast Park Bike Park	1	-
State Government - Aqua Aerobics Equipment	5	-
Total capital grants	3,595	4,003

2.4 Grants (cont.)

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:

Operating	2023 \$'000	2022 \$'000
Balance of unspent funds at 1 July	90	45
<i>Add</i> : Funds recognised as income in the reporting year but not yet spent in accordance with the conditions	-	-
<i>Add</i> : Funds received and not recognised as income in the current year	40	45
Less: Funds recognised as income in previous years that have been spent during the reporting year	-	-
Less: Funds received in prior years but income recognised and funds spent in current year	(5)	-
Balance of unspent funds at 30 June	125	90

The balance of unspent operating grants and contributions include \$85,000 received from Events Tasmania to hold the DerbyFest events. The responsibility for running these events has been transferred to the Blue Derby Foundation and Council are in the process of arranging for these funds to be repaid to Events Tasmania. The transfer of these funds is expected to occur within the next twelve months (see Note 10.5 for further details).

·		
Capital	2023 \$'000	2022 \$'000
Balance of unspent funds at 1 July	1,975	1,942
<i>Add</i> : Funds recognised as income in the reporting year but not yet spent in accordance with the conditions	-	-
<i>Add</i> : Funds received and not recognised as income in the current year	90	1,550
<i>Less</i> : Funds recognised as income in previous years that have been spent during the reporting year	-	-
Less: Funds received in prior years but income recognised and funds spent in current year	(1,730)	(1,517)
Less: Funds returned to funding bodies during the reporting year	(115)	-
Balance of unspent funds at 30 June	220	1,975

Council were required to return \$115,000 of capital grant funding during the 2022/23 financial year as a result of being unable to meet some of the funding conditions for the green flow mountain bike trail 'Hazy Days' project. This project was significantly impacted by the October 2022 flooding event which caused extensive damage to a number of Council's infrastructure assets including the Blue Derby Mountain Bike Trail network. In order to safely reopen the trails for public use, Council were required to complete extensive remedial works and as a result, were unable to meet the project completion date specified in the funding agreement.

Accounting policy

Council recognises untied grant income and those without performance obligations when received. In cases where there is an enforceable agreement which contains sufficiently specific performance obligations, income is recognised as or when control of each performance obligation is satisfied (i.e. when it transfers control of a product or provides a service). A contract liability is recognised for unspent funds received in advance and then recognised as income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include project milestones such as design, construction progress and project completion.

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

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and income as the unspent funds are expended at the point in time at which required performance obligations are completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred, since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For the acquisitions of assets, income is recognised when the asset is acquired and controlled by the Council.

Commonwealth Government Financial Assistance Grants

In both 2021/22 and 2022/23 financial years, the Commonwealth Government has made advance payment of a portion of the untied Financial Assistance Grants for the following year. The early receipt of these instalments has resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2022/23 by \$1.31 million (2021/22, above budget by \$1.26 million). The receipt of these payments has also impacted the Statement of Comprehensive Income resulting in the net result for the year being higher by \$1.19 million (see Note 10.7(a)).

2.5 Contributions

(a) Cash	2023 \$'000	2022 \$'000
Operating		
North East Mountain Bike Trails	27	31
Scottsdale Aquatic Centre	4	-
	31	31
Capital		
Seating - Bridport Foreshore	-	4
Winnaleah Irrigation Shed capital contribution	-	40
	-	44
(b) Non-monetary assets		l
Roads	257	463
Stormwater	251	58
Land	76	-
Buildings	94	-
	678	521
Total Contributions	709	596

Accounting policy

Council recognises contributions without performance obligations when received. In cases where the contribution 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

Interest	2023 \$'000	2022 \$′000
Interest on financial assets	70	14
Interest on rates	27	21
Interest on cash and cash equivalents	156	38
Total Interest	253	73

Accounting policy

Interest is recognised progressively as it is earned.

2.7 Other income

Other Income	2023 \$'000	2022 \$'000
Tourism income	27	22
Aquatic Centre	51	71
Private works	22	33
Reimbursements	554	383
Other sundry income	134	64
Total other income	788	573

Accounting policy

Tourism, aquatic centre income and other income

Tourism and other income is recognised as income when the payment is due or the payment is received, whichever first occurs.

Private works and reimbursements

Reimbursements are recognised as income when the payment is due or the payment is received, whichever first occurs.

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

Proceeds of sale Written down value of assets disposed: Plant, machinery and equipment	\$'000	2022 \$'000
·	872	382
Plant machinery and equipment		
riant, machinery and equipment	(187)	(317)
Intangible assets	(40)	-
Water irrigation rights - Scottsdale Irrigation Scheme	(133)	-
Land	(397)	-
Pine Plantations	(4)	-
Building and infrastructure assets		
Scheduled	(121)	(243)
Unscheduled	(232)	(215)
otal net gain/(loss) on disposal of property, nfrastructure, plant and equipment	(242)	(393)

Accounting policy

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 income from water corporation

Investment income from water corporation	2023 \$'000	2022 \$′000
Dividend income	233	233
Total investment income from water corporation	233	233

Accounting policy

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

Note 3 | Expenses

3.1 Employee benefits

Employee Benefits	2023 \$'000	2022 \$′000
Wages and salaries	5,404	5,169
Workers compensation	290	138
Superannuation (Refer to Note 9.6)	560	550
Payroll tax	294	269
Fringe benefits tax	32	32
	6,580	6,158
Less amounts capitalised	(1,555)	(1,582)
Total employee benefits	5,025	4,576

Accounting policy

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

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

Materials and Services	2023 \$'000	2022 \$'000
Materials	402	362
Utilities	485	481
Plant, machinery and equipment maintenance	482	353
Office administration	63	56
Contractors	1,526	1,382
Professional services	304	159
Management contracts	228	228
Total materials and services	3,490	3,021

Accounting policy

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

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.



Duncraggen Road Bridge Replacement

3.3 Depreciation and amortisation

	2023 \$'000	2022 \$′000
Property		
Land improvements	491	411
Buildings	414	361
Plant and Equipment		
Plant, machinery and equipment	625	647
Fixtures, fittings and furniture	13	11
Computers and telecommunications	144	126
Infrastructure		
Roads	2,487	2,412
Bridges	526	506
Stormwater	222	201
Intangible assets		
Intangible assets	2	-
Total depreciation and amortisation	4,924	4,677

Accounting policy

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

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

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

Road and trail earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. Land (including land under roads) is not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year. Estimates of remaining useful lives and residual value are made on a regular basis.

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

onor gear unless stateu.	Current	Comparative
Property		
Land improvements	5 to 100 years	
Buildings	15 to 160 years	
Plant and Equipment		
Plant, machinery and equipment	2 to 50 years	
Fixtures, fittings and furniture	10 to 40 years	
Computers and telecommunications	4 to 15 years	
nfrastructure		
Road wear surface		
seal	15 to 30 years	
unseal	8 to 15 years	
Road pavements	50 to 200 years	
Road sub base	50 to 200 years	
Road kerb, channel and minor culverts	60 years	
Road drainage	50 to 54 years	
Footpath	30 to 50 years	
Bridge substructure	20 to 80 years	20 to 129 years
Bridge superstructure	20 to 80 years	13 to 80 years
Stormwater points, drains and pipes	80 years	
ntangible Assets	25 years	

3.4 Finance costs

Finance Costs	2023 \$'000	2022 \$′000
Interest - borrowings	77	168
Total finance costs	77	168

Accounting policy

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

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

Finance costs are expensed as incurred using the effective interest method. Borrowing costs include interest on bank overdrafts and interest on borrowings.



'Trouty' Derby

3.5 Other expenses

Other Expenses	2023 \$'000	2022 \$′000
State levies, licences and taxes	524	457
Insurance	192	159
Councillors allowances	174	168
Commissions	6	15
IT maintenance	127	133
Communications	73	78
Subscriptions and memberships	71	66
Professional development	27	25
Cost of goods sold	57	22
Aminya redevelopment costs	-	145
Community grants and donations	127	109
Advertising	42	55
External audit fees	33	36
Election expenditure	53	3
Marketing	35	9
Bank fees and charges	33	35
Postage	17	18
Lease payments	19	19
Blue Derby operator returns	63	-
Other expenses	352	270
Total other expenses	2,025	1,822

Accounting policy

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

The external audit fee for 2022/23 is \$38,000 (2021/22 \$27,270).

Note 4 | Current Assets

4.1 Cash and cash equivalents

Cash and Cash Equivalents	2023 \$'000	2022 \$'000
Cash on hand	2	2
Cash at bank	7,017	6,917
Special committees (Note 10.2)	14	13
Total cash and cash equivalents	7,033	6,932
	•	

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

Restricted funds	2023 \$'000	2022 \$′000
(i) Deposits (Note 7.2)	33	26
(ii) Unspent grant funds with conditions (Note 2.4)	345	2,065
Internal committed funds		
(iii) Leave provisions (Note 7.3)	1,391	1,417
(iv) Landfill rehabilitation reserve (Note 9.1)	-	1,029
Committed funds	1,769	4,537
Total uncommitted cash and cash equivalents	5,264	2,395
Total financial investments (Note 4.3)	2,000	2,500
Total uncommitted funds	7,264	4,895

Accounting policy

For the purpose 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 and internally committed funds include:

- (i) refundable deposits held by Council.
- (ii) income received in advance until specific performance obligations required under funding agreements are complete.
- (iii) provisions for both short and long term leave entitlements payable to employees in the future. (iv) reserves to provide for future rehabilitation liabilities where Council resolves to establish a new landfill site in the Dorset municipality.

4.2 Trade and other receivables

Current	2023 \$'000	2022 \$'000
Rates debtors	554	360
Other debtors	202	89
Payroll debtors	-	3
Loans and advances (Note 10.4)	229	188
Net GST receivable	207	186
less provision for impairment - other debtors	(7)	(11)
Total current	1,185	815
Non-current		
Loans and advances (Note 10.4)	1,671	1,900
Total non-current	1,671	1,900
Total trade and other receivables	2,856	2,715
Reconciliation of movement in expected credit loss		
Carrying amount at 1 July	11	11
Amounts written off during the year	-	-
Amounts recovered during the year	-	(4)
Increase/(decrease) in provision recognised in the profit or loss	(4)	4
Carrying amount at 30 June	7	11

For ageing analysis of the financial assets, refer to Note 9.10 (d).

Accounting policy

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 60 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 Financial Investments

Financial investments	2023 \$'000	2022 \$′000
Term deposits	2,000	2,500
Total financial investments	2,000	2,500

Accounting policy

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. Term deposits represent short term deposits invested with Australian deposit taking institutions for a fixed period of less than 12 months with interest paid at maturity.

4.4 Inventories

Inventories	2023 \$'000	2022 \$′000
Inventories held for distribution	84	90
Inventories held for sale	10	13
Total inventories	94	103

Accounting policy

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

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

4.5 Assets held for sale

Assets held for sale	2023 \$'000	2022 \$'000
Water Irrigation Rights - Scottsdale Irrigation Scheme	766	899
Internal transfer from Land	165	399
Internal transfer from Buildings	-	128
Total assets held for sale	931	1,426

Water Irrigation Rights - Scottsdale Irrigation Scheme

In 2015, Council committed to purchase a minimum of 1,250ML in unsold water rights to enable the construction of the Scottsdale Irrigation Scheme (SIS) to commence. The SIS was commissioned in August 2021 at which time 642ML were purchased by Council and these water rights are now available for sale to the community via Tasmanian Irrigation.

At 30 June 2023, 547ML of unsold water rights remain for sale.

Internal transfer from Land

Council has decided to sell several parcels of land over the next 12 months that are surplus to Council's needs. These parcels are located at 54 Ringarooma Road, Scottsdale, 3 North Scottsdale Road, Scottsdale and Anderson Street Road Reserve, Bridport. The sale of parcels of land located at 14 Hawkes Place, Scottsdale and 2 Alfred Street, Scottsdale were settled during the 2022/23 financial year and are no longer held by Council.

Internal transfer from Buildings

The sale of the building at 2 Alfred Street, Scottsdale (known as Scotts Centre) was settled during the 2022/23 financial year and is no longer held by Council.

Accounting policy

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

4.6 Contract assets

Current	2023 \$'000	2022 \$'000
Accrued income	25	106
Total contract assets	25	106

Accounting policy

Council recognises a contractual asset for work in progress where a performance obligation is satisfied by transferring a promised good or service to the customer, before the customer pays consideration or the payment is due. Contractual assets are transferred to receivables when the right to receive payment becomes unconditional.

Council reviews contractual assets for impairment and concluded that there was no impairment required for the 2022/23 year.

Council's contract assets with customers predominantly includes reimbursements from the State Government under the Local Government Accelerated Capital Program and the Local Government Loan Program.

4.7 Other Assets

	2023 \$'000	2022 \$′000
Current		
Accrued interest income	32	17
Prepayments	172	129
Total current	204	146
Non-current		
Deposits	35	35
Total non-current	35	35
Total other assets	239	181



Victoria Street, Scottsdale reconstruction

Note 5 | Investment in water corporation

5.1 Investment in water corporation

	2023 \$'000	2022 \$'000
Opening balance	16,552	16,234
Fair value adjustment on equity investment assets	619	318
Total investment in water corporation	17,171	16,552

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

Accounting policy

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9 Financial Instruments to irrevocably classify this equity investment as designated as fair value through other comprehensive income.

Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve refer to 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 0.98% ownership interest in TasWater which is based on Schedule 2 of the Corporations Constitution.



Potato crop, Scottsdale

Note 6 | Non-current assets

6.1 Property, infrastructure, plant and equipment

Summary	2023 \$'000	2022 \$′000
at cost	34,327	31,235
Less accumulated depreciation	(8,096)	(7,037)
	26,231	24,198
at fair value as at 30 June	290,913	268,590
Less accumulated depreciation	(99,640)	(91,013)
	191,273	177,577
Total	217,504	201,775
Property Land		
at fair value as at 30 June	9,392	8,222
	9,392	8,222
Land improvements		
at cost	20,990	19,396
Less accumulated depreciation	(3,374)	(2,922)
	17,616	16,474
Land Under Roads		
at fair value as at 30 June	3,953	3,953
	3,953	3,953
Total Land	30,961	28,649
Buildings		
at fair value as at 30 June	12,966	11,020
Less accumulated depreciation	(846)	(400)
	12,120	10,620
Total Buildings	12,120	10,620
Total Property	43,081	39,269

Plant and Equipment	2023	2022
Plant, machinery and equipment	\$'000	\$′000
at cost	8,514	7,599
Less accumulated depreciation	(3,060)	(2,608)
	5,454	4,991
Fixtures, fittings and furniture		
at cost	137	121
Less accumulated depreciation	(72)	(60)
	65	61
Computers and telecommunications		
at cost	1,924	1,723
Less accumulated depreciation	(1,590)	(1,447)
	334	276
Total Plant and Equipment	5,853	5,328
Infrastructure		
Roads		
at fair value as at 30 June	210,206	194,236
Less accumulated depreciation	(79,664)	(73,008)
	130,542	121,228
Bridges		
at fair value as at 30 June	35,029	33,140
Less accumulated depreciation	(11,866)	(10,916)
	23,163	22,224
Stormwater		
at fair value as at 30 June	19,367	18,019
Less accumulated depreciation	(7,264)	(6,689)
	12,103	11,330
Total Infrastructure	165,808	154,782

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

	2023	2022
Works in progress	\$'000	\$'000
Land	57	18
Land improvements	491	661
Buildings	66	690
Plant, machinery and equipment	-	-
Computers and telecommunications	11	19
Roads	1,283	997
Bridges	627	-
Stormwater	227	11
Total Works in progress	2,762	2,396
Total property, infrastructure, plant and equipment	217,504	201,775



Construction Team Leader - Daniel Smythe working on the Bridport CWA carpark extension project Photo Credit: NB Media

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

Reconciliation of property, plant and equipment, infrastructure

Reconciliation of property, plant and equipment, in	rrastructure		Revaluation		Written down	Impairment		
	Balance at beginning of	Acquisition	increments	Depreciation	value of	losses recognised in		Balance at the end of financial
2023	financial year	of assets	(Oecrements) (Note 9.1)	and amortisation (Note 3.3)	disposals (Note 2.8)	profit or loss	Transfers	year
	\$′000	\$'000	\$'000	\$′000	\$′000	\$'000	\$'000	\$'000
Property								
land	8,222	76	1,229	-	(397)	-	262	9,392
land improvements	16,474		-	(491)	(5)	-	1,638	17,616
land under roads	3,953		-	-	-	-	-	3,953
Total land	28,649	76	1,229	(491)	(402)	-	1,900	30,961
buildings	10,620	94	536	(414)	(128)	-	1,412	12,120
Total buildings	10,620	94	536	(414)	(128)	-	1,412	12,120
Total property	39,269	170	1,765	(905)	(530)	-	3,312	43,081
Plant and Equipment								
plant, machinery and equipment	4,991	1,275	-	(625)	(187)	-	-	5,454
fixtures, fittings and furniture	61	17	-	(13)	-	-	- 1	65
computers and telecommunications	276	-	-	(144)	-	-	202	334
Total plant and equipment	5,328	1,292	-	(782)	(187)	-	202	5,853
Infrastructure								
roads	121,228	257	7,612	(2,487)	(173)	-	4,104	130,541
bridges	22,224	-	1,327	(526)	(47)	-	186	23,164
stormwater	11,330	251	576	(222)	-	-	168	12,103
Total infrastructure	154,782	508	9,515	(3,235)	(220)	-	4,458	165,808
Works in progress								
land	18	67		-	-	-	(28)	57
land improvements	661	1,468	-	-	-	-	(1,638)	491
buildings	690	659	-	-	-	-	(1,283)	66
plant, machinery and equipment	-	-	-	-	-	-	-	-
computers and telecommunications	19	194	-	-	-	-	(202)	11
roads	997	4,391	-	-	-	<u>-</u>	(4,105)	1,283
bridges	-	813	-	-	-	<u>- </u>	(186)	627
stormwater	11	384	-	-	-	-	(168)	227
Total works in progress	2,396	7,976	-	-	-	-	(7,610)	2,762
Total property, plant and equipment, infrastructure	201,775	9,946	11,280	(4,922)	(937)	-	362	217,504

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

Reconciliation of property, plant and equipment, infrastructure

2022	Balance at beginning of financial year \$'000	Acquisition of assets \$'000	Revaluation increments (decrements) (Note 9.1) \$'000	Depreciation and amortisation (Note 3.3) \$'000	Written down value of disposals (Note 2.8) \$'000	Impairment losses recognised in profit or loss \$'000	Transfers \$'000	Balance at the end of financial year \$'000
Property								
land	4,861	-	3,759	-	-	_	(398)	8,222
land improvements	8,476	-	-	(411)	(26)	-	8,435	16,474
land under roads	3,954	-	-	-	-	-	(1)	3,953
Total land	17,291	-	3,759	(411)	(26)	-	8,036	28,649
buildings	9,828	-	1,044	(361)	-	-	109	10,620
Total buildings	9,828	-	1,044	(361)	-	-	109	10,620
Total property	27,119	_	4,803	(772)	(26)	-	8,145	39,269
Plant and Equipment								
plant, machinery and equipment	4,726	1,229	-	(647)	(317)	_	-	4,991
fixtures, fittings and furniture	67	6	-	(11)	-	-	-	61
computers and telecommunications	308	-	-	(126)	-	-	93	276
Total plant and equipment	5,101	1,235	-	(784)	(317)	-	93	5,328
Infrastructure								
roads	110,156	463	8,008	(2,412)	(292)	-	5,305	121,228
bridges	20,676	-	1,709	(506)	(138)	-	483	22,224
stormwater	10,160	58	903	(201)	(2)	-	412	11,330
Total infrastructure	140,992	521	10,620	(3,119)	(432)	-	6,200	154,782
Works in progress								
land	-	18	-	-	-	-	-	18
land improvements	4,923	4,172	-	-	-	-	(8,435)	661
buildings	547	380	-	_	_	-	(237)	690
plant, machinery and equipment	-	-	-			_	-	
computers and telecommunications	8	104	-		_	-	(93)	19
roads	1,572	4,923	_				(5,498)	997
bridges	2	481					(483)	
stormwater	-	230	-	-	-	-	(219)	11
Total works in progress	7,052	10,308	-				(14,965)	2,396
Total property, plant and equipment, infrastructure	180,265	12,064	15,423	(4,675)	(775)	-	(527)	201,775

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

Accounting policy

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

Property, infrastructure, and buildings received in the form of contributions, are recognised as assets and incomes 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, a threshold limit of \$1,000 is applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

Revaluation

Council has adopted the following valuation bases for its non-curre	nt assets:
Land	fair value
Plant, machinery and equipment	cost
Fixtures, fittings and furniture	cost
Stormwater	fair value
Roads	
Land under roads	fair value
Bridges	fair value
Buildings	fair value
Land improvements	cost
Computers and telecommunication	cost

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, land improvements, furniture and fittings and computers and telecommunications, 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 income 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 / reversal of impairment losses

Impairment losses are recognised in the Statement of Comprehensive Income under other expenses, unless the asset is carried at the revalued amount (in accordance with AASB 116). Any impairment loss of a revalued asset shall be treated as a revaluation decrease in accordance with AASB 116. Reversals of impairment losses are recognised in the Statement of Other Comprehensive Income under other income, unless the asset is carried at the revalued amount in accordance with AASB 116. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase in accordance with AASB 116.

Land under roads

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

6.2 Pine plantations

	2023 \$'000	2022 \$'000
Balance at beginning of financial year	40	40
Fair value adjustments	-	-
Disposals	(4)	-
Balance at end of financial year	36	40

Valuation of pine plantations has been determined in accordance with an independent valuation by AKS Forest Solutions at 30 June 2017 who have experience in the location and category of the plantations being valued.

Accounting policy

Pine plantations are held to generate income from the sale of pine saw logs. Plantations are measured initially at cost including establishment costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that the future economic benefit in excess of the original assessed performance of the asset will flow to Council. Subsequent to initial recognition at cost, plantations are carried at fair value. Changes in fair value are recorded in the Statement of Comprehensive Income when the risk and rewards of ownership are transferred to the purchaser.

6.3 Intangible assets

Intangible Assets	2023 \$'000	202 \$'00
Trademarks	-	1.
Brand names	-	30
Total intangible assets	-	4.

Reconciliation of intangible assets	Trademarks \$'000	Brand Names \$'000	Total \$'000
Gross carrying amount			
Balance at 1 July 2021	16	40	56
Balance at 30 June 2022	16	40	56
Ownership transfer to external party	(16)	(40)	(56)
Gross carrying amount at 30 June 2023	-	-	-
Accumulated amortisation and impairment			
Balance at 1 July 2021	3	9	12
Amortisation expense	1	1	2
Balance at 30 June 2022	4	10	14
Amortisation expense	1	1	2
Ownership transfer to external party	(5)	(11)	(16)
Balance at 30 June 2023	-	-	-
Net Book value at 30 June 2022	12	30	42
Net book value at 30 June 2023	-	-	-

During the 2022/23 financial year, Council transferred ownership of the Blue Derby trademarks and brand names to the Blue Derby Foundation for nil consideration. Please see Note 10.5 for further details on this transfer.

Accounting policy

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimates 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 \$1,000 and is consistent with prior years.

The estimated useful lives for the current period is as follows:

Trademarks 25 years
Brand names 25 years

Note 7 | Current liabilities

7.1 Trade and other payables

Trade and Other Payables	2023 \$'000	2022 \$′000
Trade payables	952	961
Rates and charges in advance	300	304
Accrued expenses	178	201
Total trade and other payables	1,430	1,466

Accounting policy

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 and are normally settled within 30 days of invoice receipt.

Rates and charges in advance represent amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates.

For ageing analysis of trade and other payables, refer to Note 9.10(d).

7.2 Deposits

Deposits	2023 \$'000	2022 \$'000
Planning deposits	13	13
Other refundable deposits	20	13
Total deposits	33	26

counting policy

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

7.3 Provisions

(a) Employee benefits	Annual leave	Long service leave	Rostered days off and time in lieu	On costs	Total
2023	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	523	570	103	221	1,417
Additional provisions	325	81	142	137	685
Amounts used	(339)	(50)	(155)	(130)	(674)
Increase / (decrease) in the discounted amount arising from the time and effect of any change in the discount rate	-	(33)	-	(4)	(37)
Balance at the end of the financial year	509	568	90	224	1,391
Constant	F00	202	03	305	22/7
Current	508	383	91	185	1,167
Non-current	-	185	-	39	224
Total	508	568	91	224	1,391
2022					
Balance at beginning of the financial year	468	521	82	182	1,253
Additional provisions	410	129	170	128	837
Amounts used	(355)	(71)	(149)	(90)	(665)
Increase in the discounted amount arising from the time and effect of any change in the discount rate	-	(9)	-	1	(8)
Balance at the end of the financial year	523	570	103	221	1,417
Current	523	353	103	178	1,157
Non-current	-	217	-	43	260
Total	523	570	103	221	1,417

Employee benefits	2023 \$'000	2022 \$'000
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average discount rates	4.01%	3.16%
Weighted average settlement period (days)	19	22
Employee Numbers	88	82

Accounting policy

(i) Short term obligations

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

(ii) Other long term employee benefit obligations

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

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.

7.3 Provisions (cont.)

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

(v) Defined contribution plans

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

(b) Other provisions

In the 2022/23 financial year, a new provision has been made to account for bank guarantees that Council have in place to cover potential rehabilitation costs required under current mineral leases. Please see Note 10.6(d) for further information.

	2023 \$'000	2022 \$′000
Current	-	_
Non-curent	106	_
	106	_
Total Provisions		
Current	1,167	1,157
Non-current	330	260
Total Provisions	1,497	1,417

7.4 Contract liabilities

	2023 \$'000	2022 \$'000
urrent		
unds received to acquire or construct an asset controlled by Council	220	1,975
unds received prior to performance obligation being satisfied (upfront ayments)	125	50
eposits received in advance of services provided	286	237
	631	2,262
lon-current		
unds received to acquire or construct an asset controlled by Council	-	
unds received prior to performance obligation being satisfied (upfront ayments)	_	40
eposits received in advance of services provided	-	-
	-	40
otal contract liabilities	631	2,302

Income recognised that was included in the contract liability balance at the beginning of the period

	2023 \$'000	2022 \$′000
unds to construct Council controlled assets	1,845	1,517
unds received prior to performance obligations being satisfied upfront payments)	5	-
Deposits received in advance of services provided (e.g. caravan park ees, hire fees)	202	167
	2,052	1,684

Accounting policy

Council recognised the following contact liabilities with customers:

i) Funds received to construct Council controlled assets includes Commonwealth and State Grant funding received for projects such as the Scottsdale Railway Station restoration and the Northeast Park mountain bike trails, Scottsdale. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The income is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as income. This income is expected to be recognised within the next twelve months.

7.4 Contract liabilities (cont.)

ii) Funds received prior to performance obligations being satisfied (upfront payments) includes State Government funding and ticket sales received for DerbyFest events, postponed in the 2023 financial year. The management of this event will be transferred to the Blue Derby Foundation (BDF) in the 2023/24 financial year and Council are in the process of repaying these funds to Events Tasmania (see Note 2.4 and 10.5 for further details). These funds also include funding received from the State Government for the completion of structure plans for both Scottsdale and Derby. Income is recognised as performance obligations are progressively fulfilled and all income is expected to be recognised within the next twelve months.

iii) Deposits received in advance of services provided include camping deposits collected from customers at the Bridport Seaside Caravan Park, ticket sales for the DerbyFest event and accommodation deposits received via the Derby Accommodation Booking Platform. The responsibility for managing the Derby Accommodation Booking Platform will be transferred to the BDF in the 2023/24 financial year (see Note 10.5 for further details). Income is recognised progressively as services are provided and all income is expected to be recognised within the next twelve months.

Note 8 | Non-current liabilities

8.1 Interest-bearing loans and borrowings

Current	2023 \$'000	2022 \$′000
Borrowings	503	493
	503	493
Non-current		
Borrowings	3,367	3,870
	3,367	3,870
Total Interest-bearing loans and borrowings	3,870	4,363

As part of the State Government's response to the COVID-19 pandemic, the Treasurer has ensured that all councils have access to sufficient funding. On 15 June 2020, the Treasurer provided explicit support to the Tasmanian Public Finance Corporation for any loans advanced to local government authorities under the Local Government Loans Program ("LGLP"). The LGLP enabled Council to borrow \$2.5 million in the 2019/20 financial year with an additional \$700,000 being drawn down in the 2020/21 financial year (total borrowings under the LGLP is \$3.2 million). The Tasmanian Government is providing interest rebates to Council for a period of three years to meet the interest obligations of the loan.

During the 2020/21 financial year, Council entered into an additional loan agreement with the Tasmanian Public Finance Corporation for a further \$2.0 million. This is a ten-year principal and interest loan which has been on-lent to May Shaw via a back to back loan, to support the redevelopment of the Aminya Aged-Care Facility, The Aminya facility redevelopment is now completed and Council is in the process of transferring the title to May Shaw. Upon transfer, a first mortgage in favour of Council will be secured over the title to ensure the loan is secured against the facilitu.

In the 2023/24 financial year, Council expect to enter into a further borrowing agreement with the Tasmanian Public Finance Corporation for \$0.5 million. This loan will be a ten-year principal and interest loan and will be on-lent to May Shaw via a back to back loan to finalise the working capital loan for the sale of the Aminya facility (including land) and May Shaw's share of operating losses (see Note 10.4). This loan will also be secured via first mortgage over the Aminya facility.

Maturity profile for Council's borrowings:	2023 \$'000	2022 \$'000
Not later than one year	503	493
Later than one year and not later than five years	2,106	2,067
Later than five years	1,261	1,802
Total borrowings	3,870	4,362

Accounting policy

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

(a) Asset revaluation reserve

2023	Balance at beginning of the reporting year \$'000	Increment \$'000	(Decrement) \$'000	Balance at end of the reporting year \$'000
Property	\$ 000	\$ 000	\$ 000	\$ 000
Land	3,727	1,229		4,956
Buildings	2,217	536	-	2,753
Land under roads	604	-	-	604
	6,548	1,765	-	8,313
Infrastructure				
Roads	64,587	7,612	-	72,199
Bridges	14,592	1,327	-	72,199 15,919 8,568
Stormwater	7,992	576	-	8,568
	87,171	9,515	-	96,686
Other				
Furniture and fittings	2	-	(2)	-
Pine plantations	17	-	-	17
	19	-	(2)	17
Total asset revaluation reserve	n 93,738	11,280	(2)	105,016

2022	Balance at beginning of the reporting year	Increment	(Decrement)	Balance at end of the reporting year
	\$'000	\$'000	\$'000	\$'000
Property				
Land	(32)	3,759	-	3,727
Buildings	1,173	1,044	-	2,217
Land under roads	604	-	-	604
	1,745	4,803	-	6,548
Infrastructure				
Roads	56,579	8,008	-	64,587
Bridges	12,883	1,709	-	14,592
Stormwater	7,089	903	-	7,992
	76,551	10,620	-	87,171
Other				
Pine plantations	17	-	_	17
	17	-	-	17
Total asset revaluation reserve	78,313	15,423	-	93,736

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

9.1 Reserves (cont.)

(b) Fair value reserve	Balance at the beginning of reporting year \$'000	Increment \$'000	(Decrement) \$'000	Balance at end of reporting year \$'000
Equity investments assets				
Investment in water corporation	(1,491)	619	-	(872)
Total fair value reserve	(1,491)	619	-	(872)

2022

Equity investments assets				
Investment in water corporation	(1,809)	318	-	(1,491)
Total fair value reserve	(1,809)	318	-	(1,491)

Council has designated 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 and loss when derecognised.

(c) Other reserves 2023	Balance at beginning of reporting year \$'000	Increment \$′000	(Decrement) \$'000	Balance at end of reporting year \$'000	
Landfill rehabilitation	1,029	-	(1,029)	-	
Total other reserves	1,029	-	(1,029)	-	

2022

Landfill rehabilitation	1,029	-	-	1,029
Total other reserves	1,029	-	-	1,029

The landfill rehabilitation reserve was established in 2015 to provide for future rehabilitation liabilities where Council resolves to establish a new landfill site in the Dorset Municipality. In the 2022/23 financial year, it was determined that this reserve is no longer required and the reserve amount was transferred back to accumulated surplus.

	2023 \$'000	2022 \$′000
Total Reserves	104,144	93,274

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

	2023 \$'000	2022 \$′000
Result from continuing operations	5,729	5,458
Depreciation/amortisation	4,924	4,677
(Profit)/loss on disposal of property, infrastructure, plant and equipment	242	393
Capital grants and contributions received specifically for new or upgraded assets	(4,273)	(4,568)
Dividends from water corporation relating to investing activities	(233)	(233)
Change in asset and liabilities:		
Decrease/(increase) in trade and other receivables	(381)	180
Decrease/(increase) in other assets	(58)	(58)
Decrease/(increase) in inventories	9	(37)
Decrease/(increase) in contract assets	81	(47)
Increase/(decrease) in trade and other payables	(36)	(278)
Increase/(decrease) in deposits	7	(11)
Increase/(decrease) in provisions	80	164
Increase/(decrease) in contract liabilities	84	82
Net cash provided by/(used in) operating activities	6,175	5,722



Legerwood Memorial Carvings

9.3 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

Interest-bearing loans and borrowings \$′000

	7 000
Balance at 1 July 2022	4,363
Acquisitions/New leases	-
Changes in fair value	-
Other movements	-
Changes from financing cash flows:	
Cash received	-
Cash repayments	(493)
Balance as at 30 June 2023	3,870

Balance at 1 July 2021	8,047
Acquisitions/New leases	-
Changes in fair value	-
Other movements	-
Changes from financing cash flows:	
Cash received	-
Cash repayments	(3,684)
Balance as at 30 June 2022	4,363

9.4 Reconciliation of cash and cash equivalents

	2023 \$'000	2022 \$'000
Cash and cash equivalents (see Note 4.1)	7,033	6,932
Less bank overdraft utilised	-	-
Total reconciliation of cash and cash equivalents	7,033	6,932

9.5 Financing arrangements

	2023 \$'000	2022 \$'000
Bank overdraft	40	40
Credit card facilities	50	50
Used facilities	(5)	(8)
Unused facilities	85	82

9.6 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 Funds 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 Employee Benefits. Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2023 the Council contributed 0.0% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 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 Spirit 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.

9.6 Superannuation (cont.)

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 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 Dependants 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 AASB 119 defined benefit reporting.

- During the reporting period the amount of contributions paid to defined benefits schemes was \$5,909.49 (2021/22 \$9,596), and the amount paid to accumulation schemes was \$560,475 (2021/22 \$517,808).
- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$6,239 and the amount to be paid to accumulation schemes is \$658,889.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2023.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by 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 respectivelu.

Fund	2023	2022
Defined benefits fund	\$'000	\$'000
Employer contributions to Spirit Super Defined Benefit Fund	6	10
	6	10
Employer contribution payable to Spirit Super Defined Benefit fund at reporting date	-	-
	-	-

Accumulation funds

Employer contributions to Spirit Super	337	308
Employer contributions to Other Funds	223	209
	560	517
Employer contribution payable to Spirit Super at reporting date	-	_
Employer contributions payable to other funds at reporting date	-	-
	-	-

9.7 Commitments

Capital Expenditure Commitments

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

	2023 \$'000	2022 \$'000
Roads and footpaths	333	1,360
Plant and equipment	72	510
IT and communications	-	18
Total capital expenditure commitments	405	1,888

Contractual commitments

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

	\$'000	2022 \$′000
Waste Management		
General waste collection	675	868
Waste transfer stations	234	342
Facility management	190	775
Cleaning contractors	26	59
Insurance	344	308
Information systems and technology	112	114
Total contractual commitments	1,581	2,466



Northeast Park, Scottsdale

9.8 Operating leases as lessor

Council leases are over a variety of property assets including halls, community centres, sporting and recreation facilities and land.

Maturity analysis of operating lease payments to be received	\$'000	\$'000
Year 1	58	51
Year 2	39	32
Year 3	33	30
Year 4	10	30
Year 5	2	7
Year 6 and onwards	-	3
Total	142	153
The following table presents the amounts reported in profit or loss:		
Lease income on operating leases	71	38
Therein lease income relating to variable lease payments that do not depend on an index or rate	-	-

Accounting policy

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 current 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 current replacement cost.

Furthermore, when Council leases some of its land and buildings on commercial terms the lease contract may include incentives for the lessee to enter in the agreement, for example rent-free period or discounted rent. Council accounts for the cost of incentives as a reduction of rental income of the term of the lease.

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 current replacement cost.

9.9 Contingent Liabilities and Contingent Assets

Contingent liabilities

Bank Guarantees are held by Council against the provision of services \$15,740 (2021/22: \$0) and overdraft facility \$40,000 (2021/22: \$40,000) as per Note 9.5.

9.10 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							
		Floating	Fixed interest maturing in:				
	Weighted average interest rate	interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
		\$′000	\$'000	\$′000	\$′000	\$′000	\$′000
Financial assets							
Cash and cash equivalents	3.14%	7,017	-	-	-	16	7,033
Financial investments	4.56%	-	2,000	-	-	-	2,000
Trade and other receivables	N/A	-	-	-	-	956	956
Loans and advances	1.89%	-	229	953	718	-	1,900
Investment in water corporation	N/A	-	-	-	-	17,171	17,171
Total financial assets		7,017	2,229	953	718	18,143	29,060
Financial liabilities							
Trade and other payables	N/A	-	-	-	-	1,430	1,430
Deposits	N/A	-	-	-	-	33	33
Interest-bearing loans / borrowings	1.88%	-	503	2,106	1,261	-	3,870
Total financial liabilities		-	503	2,106	1,261	1,463	5,333
Net financial assets / (liabilities)		7,017	1,726	(1,153)	(543)	16,680	23,727

9.10 Financial instruments (cont.)

2022

Total
\$'000
6,932
2,500
627
2,088
16,552
28,699
1,466
26
4,362
5,854
22,845

9.10 Financial instruments (cont.)

(b) Fair Value

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

Financial Instruments	Total carryir as per Stat Financial	ement of	Aggregate net fair value		
Financial assets	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	
Cash and cash equivalents	7,033	6,932	7,033	6,932	
Financial Investments	2,000	2,500	2,000	2,500	
Trade and other receivables	2,856	2,715	2,712	2,556	
Investment in water corporation	17,171	16,552	17,171	16,552	
Total financial assets	29,060	28,699	28,916	28,540	
Financial liabilities					
Trade and other payables	1,430	1,466	1,430	1,466	
Deposits	33	26	33	26	
Interest-bearing loans and borrowings	3,870	4,362	3,483	3,936	
Total financial liabilities	5,333	5,854	4,946	5,428	

(c) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets 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 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. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

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

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

Credit risks arises from Council's 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 receivables. It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 9.9.

9.10 Financial instruments (cont.)

Credit quality of contractual financial assets that are neither past due or impaired

	Financial Institutions	Financial Government stitutions agencies		Other	Total
2023	(AAA credit rating)	(BBBB credit rating)	(min BBB credit rating)	(unrated)	
Cash and cash equivalents	5,429	-	1,588	16	7,033
Financial investments	1,000	-	1,000	-	2,000
Trade and other receivables	-	-	-	2,856	2,856
Investments and other financial assets	-	17,171	-	-	17,171
Total contractual financial assets	6,429	17,171	2,588	2,872	29,060
2022					
Cash and cash equivalents	4,358	-	2,559	15	6,932
Financial investments	1,000	-	1,500	_	2,500
Trade and other receivables	-	-	-	2,715	2,715
Investments and other financial assets	-	16,552	-	-	16,552

Ageing of Trade and Other Receivables

Total contractual financial assets

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:

5.358

16,552

Unsecured	2023 \$'000	2022 \$′000
Current (not yet due)	182	72
Past due by up to 30 days	1	3
Past due between 31 and 60 days	-	1
Past due between 61 and 90 days	1	2
Past due by more than 90 days	18	11
Total unsecured trade & other receivables	202	89

Secured	2023 \$'000	2022 \$'000
Payroll debtors	-	3
GST receivable	207	186
Rates receivable	554	360
Loan receivable	1,900	2,088
Total secured trade & other receivables	2,661	2,637
Total trade & other receivables	2,863	2,726

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$7,382 (2021/22: \$11,448) were impaired. The amount of the provision raised against these debtors was \$7,017 (2021/22: \$11,017). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. 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 \$'000	2022 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	-	1
Past due by more than 90 days	7	10
Total Trade & Other Receivables	7	11

iquidity risk

4,059 2,730 28,699

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

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

9.10 Financial instruments (cont.)

To help reduce these risks we:

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

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 (i.e. principal only).

2023	6 mths	6-12	1-2	2-5	>5	Contracted	Carrying
	or less	mths	years	years	years	Cash Flow	Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	1,430	-	-	-	-	1,430	1,430
Deposits	12	18	-	13	-	33	33
Interest-bearing loans and borrowings	250	253	512	1,594	1,261	3,870	3,870
Total financial liabilities	1,692	261	512	1,607	1,261	5,333	5,333
2022	6 mths	6-12	1-2	2-5	>5	Contracted	Carrying
2022	6 mths or less	6-12 mths	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
2022					_		
Trade and other payables	or less	mths	years	years	years	Cash Flow	Amount
Trade and other	or less \$'000	mths	years	years \$'000	years	Cash Flow \$'000	Amount \$'000
Trade and other payables	or less \$'000 1,466	mths \$'000	years \$'000	years \$'000	years \$'000	Cash Flow \$'000 1,466	Amount \$'000 1,466

(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 + 2.00% and -2.00% in market interest rates (AUD) from year-end rates of 4.10%.

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						
		-2.0	00%					
		-200 basis points		s +200 basis po				
		Profit Equity		Profit	Equity			
2023	\$′000	\$'000	\$'000	\$'000	\$'000			
Financial assets:								
Cash and cash equivalents	7,017	(140)	(140)	140	140			
_								
	Interest rate risk							

		Interest rate risk					
		-2.0	00%	2.00%			
		-200 basis points		+200 basis p			
2022	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000		
Financial assets:							
Cash and cash equivalents	6,917	(138)	(138)	138	138		

9.11 Fair Value measurements

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

- Investment in water corporation
- Land
- Buildings
- Roads
- Land under roads
- Bridges
- Stormwater
- Pine plantation

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

(a) Fair Value Hierarchy

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

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

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



Musselroe Bay

Recurring fair value measurements

As at 30 June 202	3	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land		6.1	-	9,392	-	9,392
Buildings		6.1	-	12,120	-	12,120
Roads		6.1	-	-	130,542	130,542
Land under roads		6.1	-	-	3,953	3,953
Bridges		6.1	-	-	23,163	23,163
Stormwater		6.1	-	-	12,103	12,103
Pine plantation		6.2	-	36	-	36
Investment in water	corporation	5.1	-	-	17,171	17,171
			-	21,548	186,932	208,480

Non-recurring fair value measurement

Assets held for sale	4.5	-	165	-	16
		-	165	-	16

As at 30 June 2022	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	6.1	-	8,222	-	8,222
Buildings	6.1	-	10,620	-	10,620
Roads	6.1	-	-	121,228	121,228
Land under roads	6.1	-	-	3,953	3,953
Bridges	6.1	-	-	22,224	22,224
Stormwater	6.1	-	-	11,330	11,330
Pine plantation	6.2	-	40	-	40
Investment in water corporation	5.1	-	-	16,552	16,552
		-	18,882	175,287	194,169

Non-recurring fair value measurement

Assets held for sale	4.5	-	527	-	527	
		-	527	-	527	

9.11 Fair Value measurement (cont.)

Transfers between level of the hierarchy

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

(b) Highest and best use

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

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

Investment in water corporation

Refer to Note 5.1 for details of valuation techniques used to derive fair values.

Land

Land fair values are based on statutory land valuations provided by the Office of the Valuer-General, with the last full valuation occurring on 1 July 2016. To ensure current values represent fair value Council has indexed land values as at 30 June 2023 using the Office of the Valuer-General Adjustment Factors issued on 28 February 2023. The average increase in fair value across the entire class was 16.78%. It is noted that the Office of the Valuer-General is due to complete a fresh valuation for Dorset Council in 2024.

Land held for sale

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

Land under roads

Land under roads is based on valuations by the Valuer-General effective 1 July 2019, using site values adjusted for englobo (undeveloped and / or unserviced) characteristics, access rights, private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation.

Buildings

The fair value of buildings were determined on an independent basis by Opteon Property Group Pty Ltd effective 30 June 2021. To ensure current values represent fair values Council has reviewed building cost indicators over the last year to determine if any indexation is required at 30 June 2023. Based on the available information Council has decided to index valued by 4.63% at 30 June 2023. The next full revaluation is planned for 30 June 2025. Where there is an active market for Council building assets, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The most significant input into this valuation approach was price per square metre.

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

Infrastructure assets

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

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

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

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

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

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

Roads

A condition survey of the sealed roads was performed by ARRB Group Limited during the 2018 year. Council Officers, in conjunction with Geoff Webb Consulting, have reviewed the condition assessment to determine the expected future serviceable life of the assets. The revaluation of Council's road assets was based on current replacement cost at 30 June 2021.

Council categorises its road infrastructure into urban and rural roads and further sub categories of sealed and unsealed roads. Roads are managed in segments of 30 to 4,000 metres. All sealed segments are componentised into earthworks, sub base, pavement, wear surface and drains, and footpaths (both left and right) where applicable and unsealed roads are componentised into earthworks, pavement and wear surface. Council assumed that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumed a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit rate (unit rates are representative of typical current replacement costs of asset components). Council assumes that pavements are constructed to depths of 40 cms for high traffic areas and 30 cms for lower traffic locations. 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. Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

9.11 Fair Value measurement (cont.)

To ensure the current values represent fair value, Council has reviewed available road construction cost data over the last year and has decided to index values by 6.2% at 30 June 2023 which was the movement in the ABS roads and bridges construction index for the same period. The next full revaluation is scheduled for 30 June 2025.

Bridges

A full valuation of bridge assets was undertaken by independent valuers, AusSpan, effective 30 June 2023. Due to Council's asset managed practices Council utilised two methodologies for valuing the bridges. Major road and recreational bridge assets (95% of total WDV) are condition assessed and valued annually by independent consulting firm AusSpan. To determine fair value of these major bridge assets, Council has utilised AusSpan values (derived from 30 September 2022 unit rates) and then applied a further indexing factor of 4.65% (17% of the annual 6.2% ABS roads and construction index) to arrive at a 30 June 2023 fair value. Each bridge is assessed individually by AusSpan and componentised into sub assets representing the sub-structure and super-structure. The AusSpan valuation is based on the material type used for construction, sub-structure and super structure area and design load. Included in the AusSpan revaluation model was a review of useful lives of some timber bridge concrete substructures. It was apparent that the useful lives of some of these structures were over inflated. AusSpan, in conjunction with Council Officers, have derived more accurate useful lives for these substructures which has resulted in a decrease in depreciated replacement cost for these assets. Minor road and recreational bridge assets (5% of total WDV) do not form part of the AusSpan annual review and valuation. These minor bridge assets have been indexed by 6.2% which corresponds to the ABS roads and bridges construction index for the year ending 30 June 2023.

Stormwater

A full valuation of drainage infrastructure was undertaken by BizeAsset Asset Management System and Council's Infrastructure and Regulatory Services personnel, effective 30 June 2021. Stormwater assets are managed in segments; pits and pipes being the major components.

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

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

To ensure the current values represent fair value, Council has reviewed civil construction cost data for the last year and decided to index values by 5.11% at 30 June 2023 which was the movement in the ABS other heavy and civil engineering construction Australia index for the same period. The next full revaluation is planned for 30 June 2024.

Pine Plantations

Valuation of pine plantations was last determined in accordance with an independent valuation by AKS Forest Solutions at 30 June 2017 who have experience in the location and category of the plantations being valued. In the 2023/24 financial year, Council will compare the carrying value of pines against the fair value as measured using current market prices.

(d) Unobservable inputs and sensitivities

Asset/ liability category*	Carrying amount (at fair value) \$'000	Key unobservable inputs *	Expected range of input	Description of how changes in inputs will affect the fai value
Investment in Water Corporation	17,171	Refer to No	te 5.1 for a de	scription of the valuation basis

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

	2023 \$'000	2022 \$'000
Balance at beginning of reporting period	16,552	16,234
Gain/(loss) recognised in other comprehensive income - Fair value adjustment on equity investment assets	619	318
Closing Balance	17,171	16,552

(e) Changes in recurring level 3 fair value measurements

The changes in level 3 property, plant, and equipment assets with recurring fair value measurements are detailed in Note 6.1 (Property, infrastructure, plant and equipment). Investment in water corporation, which is classified as level 3 has been separately disclosed in Note 5.1.

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

(f) Valuation processes

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

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

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

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes (refer Note 9.10).

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in Note 8.1 equates to the carrying amount as the carrying amount approximates fair value (level 2).

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

9.12 Events occurring after balance date

In December 2022, Council was notified that the Director of Local Government (the Director) was conducting an investigation into certain aspects of Council operations. The findings of this investigation were presented by the Director to Councillors in a special council briefing workshop on 28 February 2023. Council were given the opportunity to respond to the findings by 31 March 2023, requesting an extension until the 15 May 2023, to have sufficient time to prepare a submission. A special workshop was held with Councillors on 5 May 2023 to review the draft submission, which was subsequently accepted in the special council meeting - closed session held on 12 May 2023 and provided to the Director. Following review of this submission, the Director finalised his investigation and presented his recommendations to the Minister for Local Government, the Hon. Nic Street MP (the Minister)

On 26 July 2023, the Minister determined that a Board of Inquiry would be established to further investigate the findings of the initial investigation. On the 2 August 2023, it was announced that all Councillors would be suspended for the duration of the Inquiry and Commissioner Andrew Wardlaw was appointed to administer the Council with all of the functions and powers of the Mayor, Deputy Mayor and Councillors. Operationally, Council will continue business as usual under the General Manager and will continue to work hard to deliver on the 2023/24 Annual Plan and projects and tasks within the 2023/24 Budget Estimates.

The Board of Inquiry is expected to take seven months to complete and Council will cooperate fully with the investigation and work with Commissioner Wardlaw to ensure the community. employees and all other Council stakeholders are supported during this time.

Note 10 | Other matters

10.1 Related partu transactions

Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

General Manager

Key Management Personnel

Craig Wheeler - Acting Director -

Rohan Willis - Assistant General Manager /

Director - Communitu & Development

Dwaine Griffin - Director - Infrastructure

Mr Tim Watson

Mr John Marik

Infrastructure

Councillors

Councillor Greg Howard (Mayor) Councillor Dale Jessup (Deputy Mayor) Councillor Mervun Chilcott

Councillor Edwina Powell Councillor Murray Lade Councillor Leonie Stein Councillor Jan Hughes Councillor Jerrod Nichols Councillor Wendy McLennan

Councillor Beth Donoghue Councillor Anna Coxen

Allison Saunders - Finance Manager Councillor Kahlia Simmons Lauren Tolputt - Administration Manager

Councillors Remuneration

	2023 \$'000	2022 \$'000
Councillor allowances and reimbursements	228	224

Key Management Personnel Remuneration

The keu management personnel of Council has been determined to include all Councillors, Directors and members of the Management Team (including those acting in a management position for a period of one month or more). In all, 19 persons were paid the following total compensation in the uear ended 30 June 2023:

	2023 \$'000	2022 \$'000
Short-term employee benefits (salaries, vehicles and allowances including Councillor allowances)	1,087	900
Post-employment benefits (superannuation)	96	84
Other long term benefits (movements in employee leave provisions)	(125)	29
	1,058	1,013

Transactions with related parties

During the period, Council did not enter into any significant transactions with related parties.

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:

- Paument of rates on a primary residence
- 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.

Remuneration Principles

Remuneration levels for key management personnel are set in accordance with Council's Enterprise Aareement.

The employment terms and conditions of senior executives, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive (excluding the General Manager) contain a termination clause that requires the senior executive or Council to provide a minimum notice period of up to 4 weeks prior to termination of the contract. Whilst not automatic, contracts can be extended.

10.2 Special Committees

In accordance with Section 84(d) of the Local Government Act 1993 (as amended) these statements include the bank account balances for the following committees:

2023 \$'000	2022 \$′000
1	1
8	7
5	5
14	13
	\$'000 1 8 5

10.3 Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council has determined, that none of the activities carried on bu Council are considered significant business activities.

10.4 Aminua Aged Care Facilitu

Dorset Council have underwritten the Aminya Aged Care Facility, along with the Tasmanian Government, since 30 June 2015.

In May 2017, operations of the Aminya Aged Care Facility and the James Scott Wing of the North East Soldiers Memorial Hospital merged under the control of May Shaw. At this time the Tasmanian Government agreed to contribute to the ongoing operational costs until the merger was complete and both operations were contained within one facility.

May Saw have completed a redevelopment of the Aminya Facility which has seen its capacity increase to a minimum of 55 residents.

Originally, it was expected that May Shaw would take control of the Aminya Facility on 31 December 2019, however due to construction delays, this was deferred to 31 December 2020. May Shaw have since taken full financial responsibility for the facility and Council's financial exposure is now limited to the back-to back and working capital loans provided to May Shaw (see Note 8.1 and 9.10(d)). The final transfer of title from Council to Mau Shaw is expected to occur early in the 2023/24 financial year, upon which the working capital loan will be crystalised and both loans secured via first mortgage over the Aminya facility.

10.5 Transfer of Blue Derby Mountain Bike Trail Operations

The Blue Derby Mountain Bike Trails are a network of world-class mountain bike trails developed by World Trail which were opened to the public in February 2015. The network currently includes 130km of purpose-built mountain bike trails and caters to a range of skill levels from beginner to advanced, winning numerous awards including 'Trail of the Year' at the 2017 Australian MTB Awards and Trail of the Year at the 2017 and 2019 Enduro World Series.

In addition to the trails themselves, the township of Derby provides a range of complementary

services and amenities for riders including bike hire, shuttle services, cafes, a floating sauna as well as manu accommodation options. The commercial operators who facilitate these services are a key element in delivering a genuine rider experience and promoting the Blue Derby brand as a world class mountain biking experience. The Blue Derby Foundation (the BDF) was incorporated in early 2020, as a not-for-profit entity with the primary purpose of raising funds to enhance the township of Derby, including providing support for the maintenance of the trail network to ensure it remains at a world class standard.

In the October 2022 Council Meeting, a notice of motion was passed by Councillors instructing Council to commence negotiations with the BDF with the view to transfer operations of the Blue Derby Mountain Bike Trails over to them or a similar representative group of Derby businesses. A transition committee was established who developed a Memorandum of Understanding (MoU) and Deed of Assignment (DoA), which were both endorsed by Council in the March 2023 Council Meeting, formalising the transfer of the following activities from Council to the BDF:

- the licensing and commercialisation of the Blue Derby brand / intellectual property;
- the acquisition and management of commercial sponsorships of Blue Derby;
- the management of all Blue Derby marketing and social media; and
- assume responsibility for Blue Derby endorsed events and other fundraising initiatives.

The transfer of these activities will work towards developing a sustainable funding model for the Blue Derbu brand, whilst maximising community involvement and increasing transparency and accountability for all stakeholders. During the 2022/23 financial year, Council finalised the transfer of the Blue Derbu trademarks and brand names to the Blue Derbu Foundation for nil consideration, resulting in a loss on disposal of \$40,184 which has been recognised in the financial statements (see Note 2.8 and Note 6.3 for further details).

Moving forward, Council will continue to perform the function of public asset manager with respect to the management and maintenance of the Blue Derby Mountain Bike Trail network and in the event of insolvency or non-performance, all responsibility for the activities outlined above will be transferred back to Dorset Council as per Clause 6 of the MoU.

10.6 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)

Income, 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.

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10.6 Other significant accounting policies and pending accounting standards (cont.)

(b) Impairment of assets

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

(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 quarantee contracts are recognised as a liability at the time the quarantee 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 respectivelu.

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 Comprehensive Income represent revised budget amounts and are not audited.

(g) Adoption of new and amended accounting standards

In the current year, Council has reviewed and assessed all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board, and determined that none would have a material effect on Council's operations or financial reporting.

(h) 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 for 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 quidance 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.

10.7 Management indicators

Underlying surplus or deficit	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Net result for the year	5,729	5,458	4,346	695
Less non-operating income				
Income received from sale of property for unpaid rates	-	(10)	-	-
Capital grants and contributions	(4,273)	(4,568)	(4,350)	(1,321)
Financial assistance grants in advance	(1,186)	(1,137)	121	(109)
Add non-operational expenses				
Contribution for Aminya redevelopment	-	-	13	914
Disaster relief and recovery expenditure	176	-	-	-
Loss on disposal of assets (unscheduled)	232	215	287	-
Underlying surplus / deficit > 0	678	(42)	417	179
	Net result for the year Less non-operating income Income received from sale of property for unpaid rates Capital grants and contributions Financial assistance grants in advance Add non-operational expenses Contribution for Aminya redevelopment Disaster relief and recovery expenditure Loss on disposal of assets (unscheduled)	Net result for the year 5,729 Less non-operating income Income received from sale of property for unpaid rates Capital grants and contributions (4,273) Financial assistance grants in advance Add non-operational expenses Contribution for Aminya redevelopment Disaster relief and recovery expenditure Loss on disposal of assets (unscheduled)	Net result for the year 5,729 5,458 Less non-operating income Income received from sale of property for unpaid rates Capital grants and contributions (4,273) (4,568) Financial assistance grants in advance Add non-operational expenses Contribution for Aminya redevelopment Disaster relief and recovery expenditure Loss on disposal of assets (unscheduled) S'000 \$'000 \$'000 \$'000 \$'000 \$'000 \$ (10) \$ (10) \$ (1,186) (1,137) \$	Net result for the year 5,729 5,458 4,346 Less non-operating income Income received from sale of property for unpaid rates Capital grants and contributions (4,273) (4,568) (4,350) Financial assistance grants in advance Add non-operational expenses Contribution for Aminya redevelopment Disaster relief and recovery expenditure Loss on disposal of assets (unscheduled) \$\frac{\$000}{\$,000}\$ \$\frac{\$500}{\$000}\$ \$\frac{\$500}{\$}\$\$ \$\frac{\$500}{\$}\$ \$\$5

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

10.7 Management indicators (cont.)

(b)	b) Underlying surplus or deficit		2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
	Recurrent income* <i>less</i>		16,053	14,255	13,235	12,684
	Recurrent expenditure		15,375	14,297	12,818	12,505
	Underlying surplus / deficit	>0	678	(42)	417	179

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

Council has recorded an underlying surplus of \$678,000. This improved result is predominately due to an increase in recurrent operating income received during the 2022/23 financial year. Further detail is provided in Note 1.4 Material Budget Variations.

(c) Underlying sur	plus ratio	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Underlying surp	olus or deficit	678	(42)	417	179
Recurrent incon	ne*	16,053	14,255	13,235	12,684
Underlying sur	plus ratio >0%	4.2%	(0.3%)	3.2%	1.4%

This ratio serves as an overall measure of financial operating effectiveness and results indicate that Council is in a sustainable operating position.

(d) Net financial liabilities

	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Liquid assets <i>less</i>	10,218	10,247	15,796	13,839
Total liabilities	7,461	9,574	13,268	9,383
Net financial liabilities	2,757	673	2,528	4,156

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

Council recorded positive net financial liabilities for the period with liquid assets greater than current and non-current liabilities in each year. This indicates a strong liquidity position, with Council able to meet existing obligations.

Council has contractual commitments totaling \$1.6m (2021/22: \$2.5m) which are not recognised on the Statement of Financial Position and consequently not factored into the net financial liabilities ratio. Refer to Note 9.7 for further details.

Council's cash and financial assets are subject to a number of restrictions that limit the amount available for discretionary use and include commitments, deposits and employee benefits.

2022 2021 (e) Net financial liabilities ratio \$'000 \$'000 \$'000 \$'000 2,757 Net financial liabilities 13.235 12.684

Recurrent income*

Net financial liabilities ratio %	0% - (50%)	17.2%	4.7%	19.1%	32.8%
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This ratio indicates the net financial obligations of Council compared to its recurrent income.

The net financial liabilities ratio is 17.2% for the 2022/23 financial year, signifying that Council remains in a strong position to meet ongoing liabilities as they fall due through recurrent operational income.



Scottsdale Town Maintenance crew member Paul Williams undertaking garden maintenance

10.7 Management indicators (cont.)

(f) Asset consumption ratio

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

	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$′000
Roads				
Fair Value (Carrying amount)	130,542	121,228	110,156	102,498
Current replacement cost (Gross)	210,206	194,236	176,455	147,908
Asset consumption ratio %	62.1%	62.4%	62.4%	69.3%
Bridges				
Fair Value (Carrying amount)	23,163	22,224	20,676	19,057
Current replacement cost (Gross)	35,029	33,140	30,436	27,561
Asset consumption ratio %	66.1%	67.1%	67.9%	69.1%
Buildings				
Fair Value (Carrying amount)	12,120	10,620	9,828	8,362
Current replacement cost (Gross)	12,966	11,020	9,828	9,469
Asset consumption ratio %	93.5%	96.4%	100.0%	88.3%
Stormwater				
Fair Value (Carrying amount)	12,103	11,330	10,160	10,217
Current replacement cost (Gross)	19,367	18,019	16,094	17,205
Asset consumption ratio %	62.5%	62.9%	63.1%	59.4%

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

The ratios above indicate that at 30 June 2023, Council had used (consumed) approximately 35.9% of the service potential of its infrastructure assets. Overall, at this point in time, Council's infrastructure assets have sufficient capacity to continue to provide services to ratepayers.

(g) Asset renewal funding ratio

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

		2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Roads ¹					
Projected capital funding outlays*		38,192	38,137	32,892	28,147
Projected capital expenditure funding**		38,192	38,137	32,892	28,147
Asset renewal funding ratio %	90- 100%	100.0%	100.0%	100.0%	100.0%
Bridges ²					
Projected capital funding outlays*		5,919	4,513	3,333	3,977
Projected capital expenditure funding**		5,919	4,513	3,333	3,977
Asset renewal funding ratio %	90- 100%	100.0%	100.0%	100.0%	100.0%
Buildings³					
Projected capital funding outlays*		3,169	2,967	1,633	2,009
Projected capital expenditure funding**		3,169	2,967	1,633	2,009
Asset renewal funding ratio %	90- 100%	100.0%	100.0%	100.0%	100.0%
Stormwater ⁴					
Projected capital funding outlays*		3,054	2,340	1,557	1,035
Projected capital expenditure funding**		3,054	2,340	1,557	1,035
Asset renewal funding ratio %	90- 100%	100.0%	100.0%	100.0%	100.0%

This ratio measures Council's capacity to fund future asset replacement requirements. The above table demonstrates Council is providing sufficient funding to renew assets in accordance with its asset renewal plans.

10.7 Management indicators (cont.)

- * Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.
- ** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.
- ¹ The Road Asset Management Plan was adopted by Council on 15 March 2021.
- ² The Bridge Asset Management Plan was adopted by Council on 26 June 2023.
- ³ The Building Asset Management Plan was adopted by Council on 18 October 2021.
- ⁴ The Stormwater Asset Management Plan was adopted by Council on 21 February 2022.

(h)	Asset sustainability ratio	2023 \$'000	2022 \$'000	2021 \$′000	2020 \$′000	
	Capex on replacement / renewal of existing assets	4,566	5,289	4,881	6,159	
	Annual depreciation expense	4,924	4,677	4,260	3,687	
	Asset sustainability ratio %	92.7%	113.1%	114.6%	167.0%	

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

Council's asset sustainability ratio for the current and prior years continues to show that Council is sustainably maintaining its existing asset base.



Culvert replacement on Old Waterhouse Road

10.7 Management indicators (cont.)

2023 By asset class	Capital renewal expenditure \$′000	Capital upgrade expenditure \$'000	Capital new expenditure \$'000	Total Capital Expenditure \$'000
Bridges	342	471	-	813
Land improvements	429	276	1,120	1,825
Buildings	46	110	212	368
Roads	3,036	1,348	165	4,549
Stormwater	-	225	-	225
Plant, machinery and equipment	623	-	670	1,293
Computers and telecommunications	90	29	75	194
Total capital expenditure	4,566	2,459	2,242	9,267

2022 By asset class	Capital renewal expenditure \$′000	Capital upgrade expenditure \$'000	Capital new expenditure \$'000	Total Capital Expenditure \$′000
Bridges	481	-	-	481
Land improvements	1,227	22	2,941	4,190
Buildings	31	122	226	379
Roads	2,512	2,336	75	4,923
Stormwater	11	219	-	230
Plant, machinery and equipment	1,006	26	203	1,235
Computers and telecommunications	21	66	17	104
Total capital expenditure	5,289	2,791	3,462	11,542



Maurice Road, Ringarooma Bridge replacement

Certification of the Financial Report

The financial report presents fairly the financial position of Dorset 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.

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John Marik General Manager

Date: 20 September 2023

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3 Ellenor Street (PO Box 21) SCOTTSDALE TAS 7260 P: 03 6352 6500 E: dorset@dorset.tas.gov.au dorset.tas.gov.au