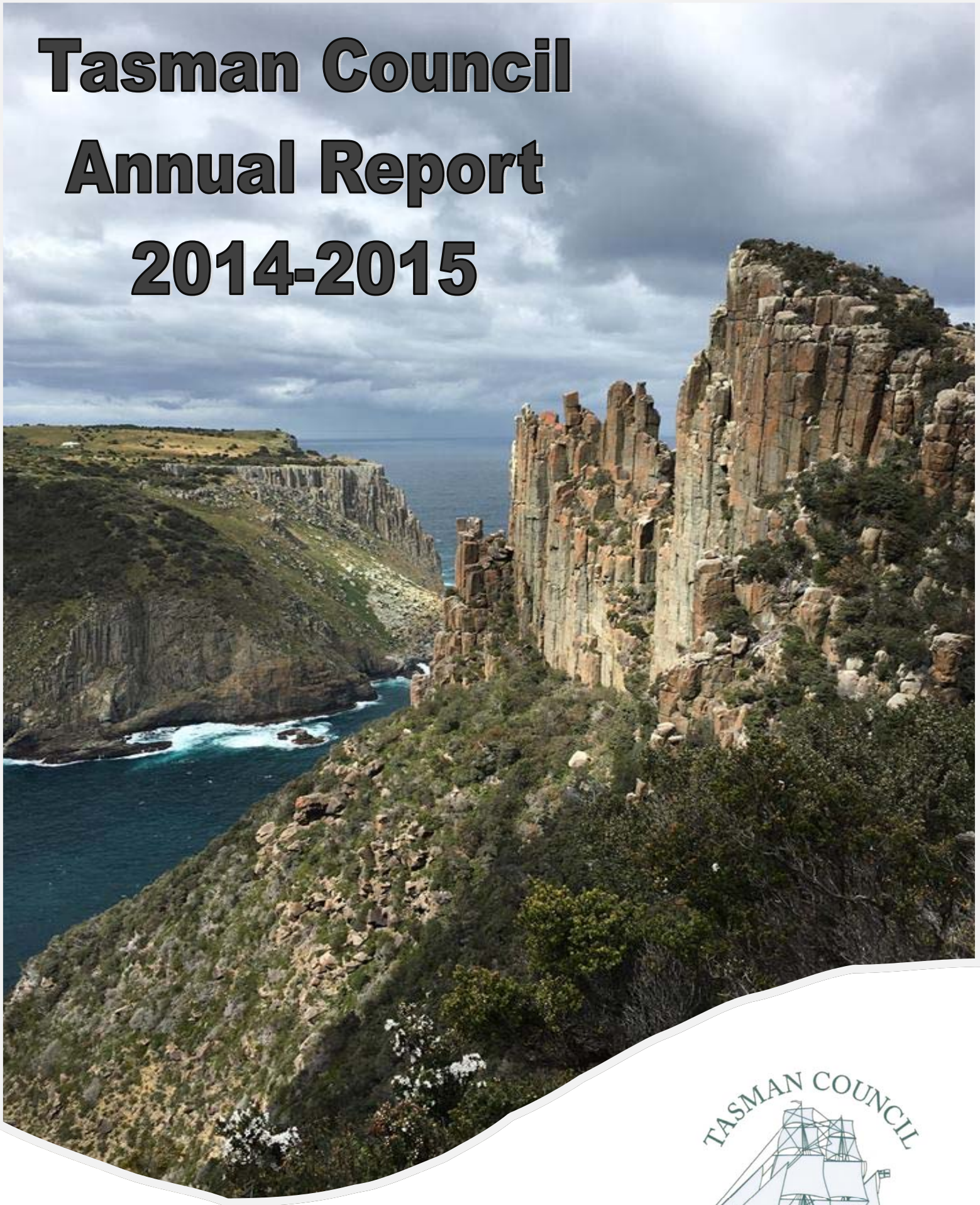
Tasman Council Annual Report 2014-2015



TASMAN COUNCIL

'A Natural Escape'

TASMAN COUNCIL

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MUNICIPAL OVERVIEW

The Tasman municipality is located on Tasmania's picturesque southeast coast approximately 90 minutes from Hobart. As in many rural communities, Tasman's population is dispersed with the majority of people centered in and around the township of Nubeena and the localities of White Beach, Highcroft, Port Arthur, Premaydena, Saltwater River, Koonya, Taranna, Eaglehawk Neck and Murdunna. The municipal area covers approximately 659.3 square kilometres. Practically an island, the diversity and abundance of wildlife and plant life is truly remarkable.

The population is relatively stable at approximately 2400 swelling to between 8,000 and 9,000 as a result of tourists and visitors during the summer months who come to enjoy beaches, bush walking and fishing as well as many other tourist attractions.

Tasman strives to be a welcoming community with an unbeatable quality of life which boasts a number of boating and sporting clubs with tourism services catering for all ages and interests. Tasman is also proving to be an attractive area for property developers, people seeking a 'sea change' and retirees looking for a quieter lifestyle.

The Tasman Peninsula was formally a bustling industrial zone fuelled by convict labor. In the era between convict settlement and the introduction of the modern tourist industry the area was mostly engaged in timber and fishing. The terrain and soil types impeded large-scale agriculture although fruit farming and general farming was and still is conducted in suitable locations.

The Tasman Peninsula is renowned for its rugged coastlines which have been the scene of a number of shipwrecks. At Eaglehawk Neck there are many remarkable rock formations, including The Devils Kitchen, Tasmans Arch, Blow Hole and the Tessellated Pavements. Tasman has some of the world's best surf spots at Eaglehawk Neck, Roaring Beach and the world renowned Shipstern's Bluff.

An extremely scenic part of Tasmania that is dominated by rolling pastures, heavily timbered hills and surrounded by a dramatic coastline of sheer cliffs, towering rocky outcrops, sheltered bays and sea caves. Walking tracks and kayaks give access to the area's most isolated areas.

MISSION—VISION—VALUES

Council's Vision

Tasman will continue to progress as an innovative and vibrant community, valuing its people, environment and heritage while building a sustainable and diverse future.

Mission Statement

Tasman Council will be responsive to its community by:

- providing effective and strategic leadership;
- working in partnership with the community to progress its ideas, values and needs;
- identifying and acting on current and emerging priorities and service needs;
- enhancing economic growth opportunities through sound planning and leadership;
- responding efficiently to the expectations of the community through quality and value-for-money service; and
- adopting a creative and progressive approach in all that we do.

Vision Statement

Tasman – custodians of the past; visionaries for the future.

Statement of Values

Tasman Council will operate in a way that:

- values our historical, cultural and natural environment and the things that make the Municipality such a unique place to live and work;
- seeks and encourages quality sustainable, innovative and compatible development;
- fosters and supports community participation and involvement, tolerance and pride in our community;
- promotes and maintains a community that is healthy, active, skilled and informed.

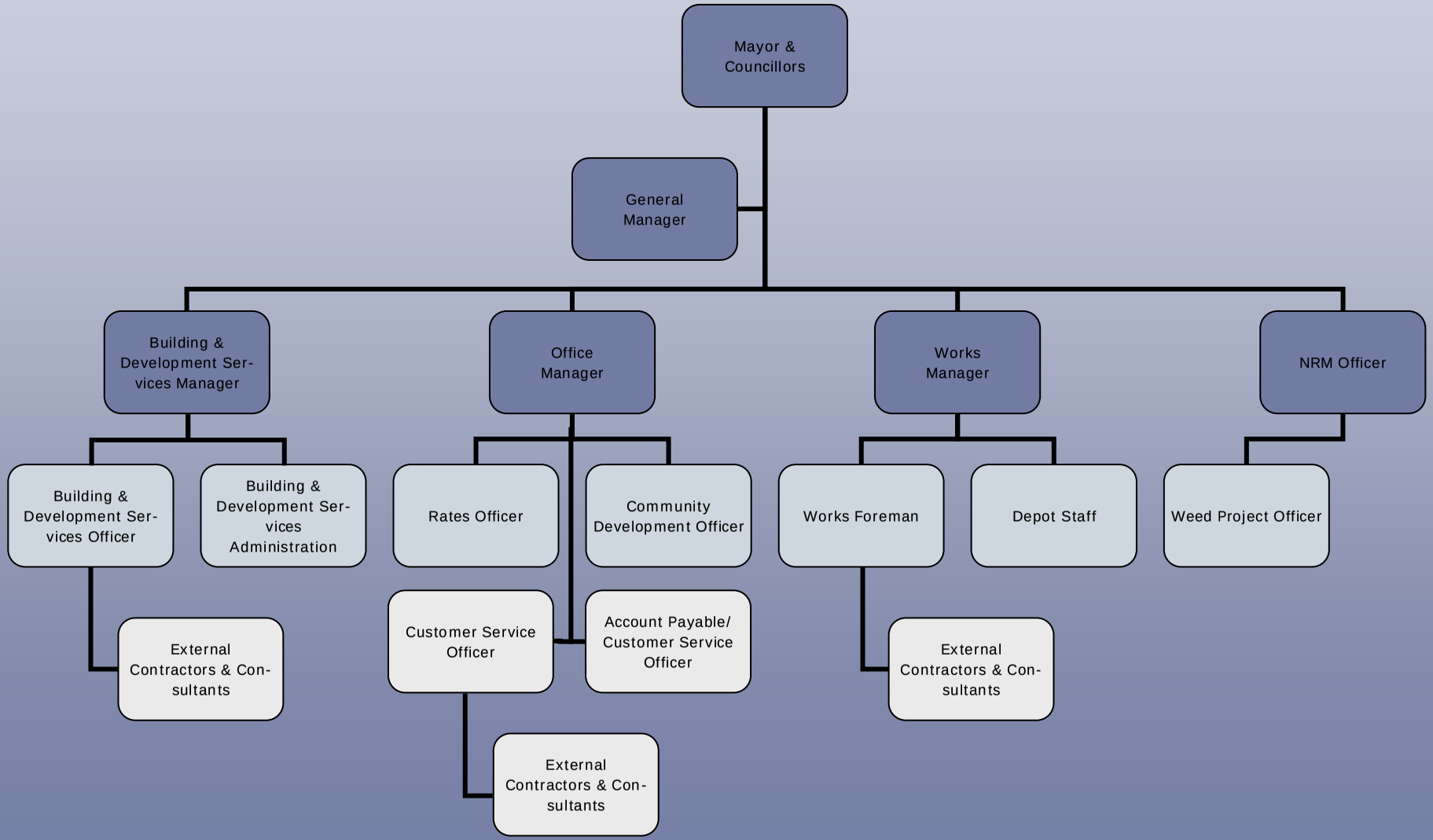
TASMAN COUNCIL

'A Natural Escape'

COUNCIL IN BRIEF

Area	**659.3 klms**
Resident Population	**2400**
Percentage of State Population	**0.47**
Non Current Assets	**$47,889,000**
Non Current Liabilities	**$435,000**
Full Time equivalent Employees	**17.5 FTE**
Revenue (inc capital)	**$6,799,000**
Loan Debt	**$360,000**
Roads Length	**197**
- Sealed	**72**
- Unsealed	**126**
Bridges	**62**
Rateable Properties	**3452**
Rateable Residential Properties	**3093**
Electors	**2340**
Voter Turnout (2011)	**70.77%**

Tasman Council—Organisational Chart



ELECETED MEMBERS as at 30 June 2015

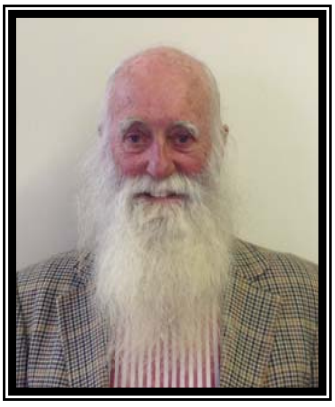
Mayor Roseanne Heyward

Deputy Mayor
Kelly Spaulding

Clr Pam Fenerty

Clr Maria Stacey

Clr David MacDonald



Clr Roger Larner

Clr Alan Hull

Council Meeting Attendance

Record 2014-2015

ORDINARY MEETINGS	J Barwick	R Heyward	G Alexander	J Fazackerley	P Fenerty	A Hull	R Larner	G Skeggs
30 Jul 14	√	√	√	√	√	√	√	√
27 Aug 14	√	√	√	√	A	√	√	√
24 Sep 14	A	√	√	A	√	√	√	√
22 Oct 14	√	√	√	√	A	√	√	√
	R Heyward	K Spaulding	M Stacey	A Hull	R Larner	D MacDonald		
19 Nov 14	√	√	√	√	√	A		
10 Dec 14	√	√	√	A	√	√		
28 Jan 15	√	√	√	√	√	√		
25 Feb 15	√	√	√	√	√	√		
25 Mar 15	√	√	√	√	√	√		
22 Apr 15	√	√	√	√	√	A		
27 May 15	√	√	√	√	√	√		
24 Jun 15	√	√	√	√	√	√		
AGM 10 Dec 14	R Heyward	K Spaulding	M Stacey	A Hull	R Larner	D MacDonald	P Fenerty	
	√	√	√	A	√	√	√	

GOVERNANCE

The *Local Government Act 1993* specifies the functions of the Council, Councillors and the General Manager paraphrased as follows:

Councillors Collectively

- To develop and monitor the implementation of strategic plans and budgets;
- To determine and monitor the application of policies, plans and programs for the provision of services and facilities, the management of assets and the fair and equitable treatment of employees of the Council;
- To facilitate and encourage the planning and development of the municipal area in the best interest of the community;
- To determine and review the Council's resource allocation and expenditure activities; and
- To monitor the manner in which services are provided by the Council.

Councillors Individually

- To represent the community;
- To act in the best interests of the community;
- To facilitate communication by the Council with the community;
- To participate in the activities and responsibilities as authorised by Council; and
- To undertake duties and responsibilities as authorised by Council.

Mayor

- To act as a leader of the community;
- To act as chairperson of the Council;
- To act as the spokesperson of the Council;
- To oversee the Councillors in the performance of their functions and in the exercise of their power;
- To liaise with the General Manager on the activities of the Council and the performance of its functions and exercise of its powers; and
- Both the Mayor and Deputy Mayor are to represent accurately the policies and decisions of the Council in performing their functions.

GOVERNANCE

General Manager

- To provide advice and reports to the Council on the exercise and performance of its powers and functions and any other matter requested by the Council;
- To implement the decisions of the Council;
- To coordinate proposals for the development of objectives, policies and programs for the consideration of Council;
- To assist the Council in the preparation of the strategic and annual plans, annual report and assessment of the Council's performance against the plans;
- To implement the policies and programs of the Council;
- To manage the resources and assets of the Council;
- To be responsible for the day-to-day operations and affairs of the Council;
- To liaise with the Mayor on the affairs of the Council and the performance of its functions; and
- To perform any other function the Council decides.

Elected Member Overview

Elected members of the Tasman Council as at 1 July 2015:

Name	Position	Term Expires
Roseanne Heyward	Mayor	October 2018
Kelly Spaulding	Deputy Mayor	October 2018
Maria Stacey	Councillor	October 2018
David MacDonald	Councillor	October 2018
Pam Fenerty	Councillor	October 2018
Alan Hull	Councillor	October 2018
Roger Larner	Councillor	October 2018

Council Meetings

Council is required to conduct its ordinary meetings on not less than a monthly basis and currently meetings are held every fourth Wednesday of the month commencing at 1:00pm, unless otherwise advised. The public are invited to attend all open Council meetings. The timing of Council Meetings is reviewed following each ordinary election.

MAYOR'S REPORT

In 2012 Tasman Council requested a reduction of Councillor numbers from nine to seven which was accepted by the Minister. The all in – all out October 2014 elections saw three new Councillors elected to the Council - Deputy Mayor Kelly Spaulding, Councillors Maria Stacey and Dave MacDonald. I want to thank the former Mayor Jan Barwick and Councillors Joan Fazackerley, Gary Alexander and Glenn Skeggs for their many years of service to our community.

Tasman Council, along with other Tasmanian Councils has a new draft interim planning scheme - previously Tasman was working under two schemes, the 1979 Tasman Planning Scheme and the Sorell Planning Scheme. This interim scheme will be replaced at some point by a single State wide planning scheme, an election promise made by the newly elected Liberal State Government. This single State wide scheme will be introduced at some point in the future, however, as the interim scheme took several years to be implemented it may be another few years before we see the new single state-wide scheme operational.

The new State Government announced that it would hold discussions with Local Government to explore their views on voluntary amalgamations or mergers. Peter Gutwein, Minister for Planning and Local Government told Councils that he had identified four criteria which must be met before he would consider an amalgamation proposal, they must-

- be in the best interest of the ratepayers;
- improve the level of service for communities;
- preserve and maintain local representation; and
- ensure that the financial status of the entities is strengthened.

Tasman Council, at its June meeting, resolved to participate in a feasibility study into the following four options:

- the merging of Tasman, Sorell, Glamorgan Spring Bay and Clarence City Councils;
- the merging of Tasman, Sorell and Glamorgan Spring Bay Councils;
- the merging of Tasman and Sorell Councils; and
- shared/common services.

I can advise that Tasman Council has agreed on a draft scope of services with Sorell, Clarence and Glamorgan Spring Bay and that a RFQ process will be undertaken with the four consultancy firms appointed by the State Government. The scope of services considers various amalgamation scenarios for both financial and cultural analysis in addition to an assessment on common services as an alternative.

Only after the modelling exercise is completed will the Councils and the Government be in a position to provide robust data and information to the public. After all relevant information is completed and made public, Tasman Council will hold community forums to hear the community's views on that information.

An important strategic project between the four Councils that comprise SERDA (South-East Region Development Association) was completed and presented to a regional Cabinet meeting of the State Liberal party. The four Councils are Tasman, Sorell, Clarence and Glamorgan Spring Bay. The project is the South East Economic Infrastructure Strategy completed by KPMG which identifies the key enabling infrastructure required to facilitate growth and address current and future issues in the south-east associated with the airport extension, irrigation schemes, residential and tourism growth and associated social requirements. SERDA will be seeking direction and a commitment from the State Government as to what policies they will develop and capital allocations they will fund that address the identified issues.

The Strategy has been favourably received by the Cabinet who were both impressed and thankful for the cooperative approach adopted by the four Councils. They recognise it will assist the State in developing appropriate policy, strategy and associated budgeting to address those infrastructure matters that are vital to the continued growth and prosperity of the south-east. It is now important that SERDA continue to advocate on behalf of the region to ensure the State implement the recommendations of the Strategy.

Bushfire projects for Tasman completed in the 14/15 financial year were:

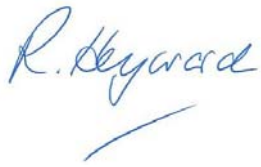
- Murdunna foreshore walkway from Arthur Highway to boat ramp in Sommers Bay Road
- Jackson Park upgrades
- Sounds Rivulet footbridge
- Eaglehawk Neck Hall facilities upgrade
- Nubeena Civic Centre upgrade

Tasman Council works crew have continued with road maintenance and capital works in the municipal area. A new sealed section on Sommers Bay Road to Duck Creek Bridge, drainage and pavement rehabilitation on Pirates Bay Drive from Arthur Highway turnoff to Lufra, Lagoon Road - new seal and drainage works, Daleys Creek Saltwater River Road bridge renewal and new guard fence at Cripps Creek Bridge in White Beach are just a few of the works that have been carried out during the 14/15 financial year. This work along with the continuation of the eradication of weeds, especially the Spanish Heath, along our roadways and the routine mowing of the hall grounds and road sides makes a huge difference to the appearance of our municipality and townships. I would like to take this opportunity to congratulate Mark Butterworth and the Works Crew for the standard of the work that they continue to perform with our roadways and facilities.

Council continues to investigate funding opportunities with Federal and State Governments and as mentioned above have a close association with Local Government in our region. Council also have close working relationships with State Growth, Parks and Wildlife Service, Port Arthur Historic Site Management Authority (PAHSMA), Tasman Health and Community Service, Tasman District School, Destination Southern Tasmania, Southern Tasmanian Council Authority (STCA), Port Arthur Tasman Tourism Association (PATTA) and the Copping Refuse Site Joint Authority/ Southern Waste Solutions.

I want to make special mention of the many people who volunteer in our communities. Without these people who give of their time and energy many of the events and services we all enjoy would not be possible. Many community clubs and organisations are always looking for new members to become involved and to enjoy the companionship of volunteers and club members.

I wish to thank Tasman Council's General Manager, Robert Higgins, for his ongoing support and commitment to the Tasman Council and this community and the Tasman Council's indoor and outdoor staff for their continuing excellence in their roles. I also take this opportunity to thank Deputy Mayor, Kelly Spaulding and the Tasman Councillors.



Roseanne Heyward
Mayor

GENERAL MANAGER'S REPORT

What seems to be a common and recurring theme each year regarding the speed of change occurring within and external to local government was again, the reality for 2014-15.

Council adopted a pragmatic and mature approach to the State's local government reform agenda regarding voluntary amalgamations / common services. Realising the potential for better long term outcomes, Council along with Sorell, Clarence and Glamorgan Spring Bay agreed to participate in a joint modelling exercise with the State to at least be in an informed position prior to seeking feedback from our respective communities on what they think will be in the best interest of Council and themselves. The results of the modelling will be known during 2015-16 and communicated accordingly.

The local government elections brought some new and returning faces to the table and it has been a joint approach with management and the organisation to ensure we are collectively acting in the best interests of the municipal area and south-east region overall. Any election is an opportunity for both the elected members and the organisation to do a stock take on where the 'business' is both operationally and within the broader context. Running local government sustainably is not getting any simpler and so an election is a good time to reload and reconsider the strategic direction of Council and to make sure all parties are aware of their roles and expectations particularly with the new four year term for Councillors. To this end I commend and thank Council for their continued support and understanding in what can be a complex and challenging business.

Council took the opportunity to develop a new 10 year strategic plan which was adopted to commence for the 2015 – 16 financial year. This was a year early on the previous 2011 – 2016 strategic plan, however, the opportunity with a new Council after the October 2014 election was captured to reset the direction, focus and structure of the organisation. To this end the performance of the Council in 2014 – 15 against the deliverables of the 2011 – 16 strategic plan was considered appropriate with regard to operating with a best practice approach and continuously improving performance, transparency whilst remaining relevant to the community and stakeholders.

A key function of Council is to act as advocate and facilitator with Tasman continuing to improve and increase their relevance and presence both at the Federal and State level. This has been comparatively easier due to majority governments and consistent representation across the electorate. The south-east region continues to grow and the municipal area is in an enviable position to benefit from and harness this growth particularly in respect of increased visitation. This is recognised by both tiers of government who are increasingly interested in dealing with regions rather than Councils individually. The ongoing resurrection of SERDA (South East Regional Development Association) comprising Sorell, Tasman, Clarence and Glamorgan Spring Bay Councils has resulted in it being the preferred platform for governments to engage with.

SERDA commissioned a South East Economic Infrastructure Strategy in 2014-15 that considered a 10 year regional economic outlook that:

- Considers existing economic infrastructure opportunities that have been identified including the South East Irrigation Scheme, Hobart Airport expansion, agriculture and aquaculture expansion, tourism growth, residential growth and associated social services etc;
- Identifies the supporting infrastructure for these opportunities;
- Takes into account the key demographic and economic modelling that will underpin these growth requirements and supporting services; and
- Provides an overall framework of staging, responsibility and economic feasibility for infrastructure provision.

The Strategy has now been completed in 2015-16 and delivered by SERDA to the State Cabinet and their respective agencies for implementation. The continuing trend of more stringent grant funding requirements in respect of meeting economic, demographic and financial sustainability thresholds reinforced the need for Council in 2014-15 to position ourselves to take advantage of these reduced opportunities. This was particularly the case with Federal grant programs that are often beyond the scale of our municipal area when viewed against metropolitan mainland areas. This reinforces the need for Council to engage in the local government reform considerations and to advocate for the south east region accordingly.

Council's advocacy and facilitation function of course also extends beyond government to the business sector, development industry, the broader community, interest groups and recreational organisations. An example of the variety of matters Council has actively been involved with include:

- Engagement with Destination Southern Tasmania / PATTA / Tourism Tasmania;
- Impact and presence of Nubeena Community Bank now operating;
- Progress of Red Cross community bushfire projects and ongoing opportunities through STAARC and the Distribution Committee;
- Use and operation of the Tasman Community Health Service and associated services through 2014-15 and beyond 2015-16;
- Assistance with establishing an associated Community Advisory Committee; and
- Support of 3CT project and rollout.

The organisation continued to make progress on examining and refining our business processes. This has resulted in more informed, transparent, pragmatic and sustainable decision making at both the elected and operational level. Scrutiny of local government did not abate during 2014-15 with Council addressing these challenges openly and proactively whilst meeting key sustainability and performance indicators of the Tasmanian Audit Office. Our commitment to the Common Service Joint Venture Agreement continued providing improved service delivery, function coverage, professional development and commercial returns to Council.

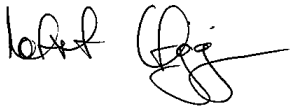
Council continued to refine their asset management practices whilst still delivering valuable and required new and upgraded capital works. This has culminated in Council being in a transparent and robust position with our long term financial plan to the extent that the organisation will be able to consider opportunities for increased capital allocation to new, upgraded or asset renewals with associated depreciation and maintenance impacts.

The long awaited Interim Planning Scheme was finally adopted by the Minister for Planning and Local Government and became operational from 19th August 2015. Council now has the public submission and hearing process to finalise in 2015-16 in conjunction with the other key component of the Government's planning reform agenda of a single statewide planning scheme.

The Copping landfill and Lutana waste transfer station continued to operate with increased profitability through Southern Waste Solutions on behalf of the Joint Authority. A key focus of the Authority during 2014-15 was to further develop the business structure to enable it to maximize opportunities from other local government bodies considering investing into the operation. In addition, the development of the C Cell through financing and market investigations continued with significant progress made. Accordingly, Council's commitment to the authority will continue into the future and support best practice in waste management culminating in the development of the Category C cell and other improvements to operations.

As I acknowledged last year and consider it necessary again to do so, I am grateful for the efforts of all community, recreational and volunteer organisations and respective individuals who continue to play vital roles that assist our operations and importantly, keep the community together and engaged.

My thanks again to staff and Councillors who through hard work, consistent focus and co-operation achieved continued improvement in what Council did and how it conducted its business and should be proud of their efforts. Please contact me if there are any matters you wish to discuss or seek further clarification on.



Robert Higgins
General Manager

COMMUNITY DEVELOPMENT

Pearls Court Units

Tasman Council continues to be responsible for the management and maintenance of the 8 independent living units located at Suckling Street, Nubeena, known as Pearls Court.

Council has continued to inspect the units every 6 months and renew leases annually. Routine maintenance is completed as needed, however, all units have been thoroughly inspected and a maintenance schedule has been outlined for the units for more in depth maintenance and repairs.

Council had difficulty leasing one of the units, which was completely refurbished, but continued to remain vacant for some time. This unit has recently been leased on a short term lease, with options to renew the lease at the end of the 6 month lease.

All tenants have regular contact with Council staff and the communication between both parties is very strong.

Halls and Recreation Grounds

Council has continued to investigate and review booking procedures for all Council owned halls and recreation grounds. This evolved from risk management reviews done by Council. Council is now responsible for the bookings of the Saltwater River Hall, Port Arthur, Taranna and Nubeena Recreation Grounds and jointly responsible for the bookings of the Tasman Civic Centre. Koonya Hall is still managed by the Special Hall Committee and bookings are made with them.

Through negotiation with Halls and Recreation Ground Committees a review of maintenance and upgrade requirements was undertaken for all of the different buildings owned by Council. A new maintenance request form has been produced along with procedure and register to develop a comprehensive system that allows maintenance needs and requests for the different facilities.

A new amalgamated Committee for Tasman Civic Centre has been formally adopted. This committee has met and resolved a number of issues concerning the hall, including a new Deed formulated for the use of the facility. This agreement states 'The Tasman Civic Centre is available for the Tasman District School use between 9am -5pm week days and school term time only. Use by other hirers, within these times, can be negotiated with consultation with the school and Committee. The school pays an annual fee for their use and also pays for weekly cleaning of the premises. The school is responsible for daily sweeping and checking, reporting any issues to Council. All the fees for use of the premises will need to be reviewed with next year's annual budget.'

Improvements to the Tasman Civic Centre, following the grant of $56,000 received by the Lions Club of Tasman from the Tasman Bushfire Community Assistant Funds, have been completed. Upgrades included completion to the back storage area of the Tasman Civic Centre, enabling the building to be better used as an emergency evacuation centre if needed in the future.

Tasman Volunteers

Council has implemented a process for ensuring that all volunteers for Council are covered under Councils insurance and public liability. Council require all volunteers and potential volunteers to complete a form so their current information is available at Council. This has reduced any risk to Council as well as ensuring the safety of Councils volunteers. These forms will be reviewed annually to ensure the information is current and correct.

Tasman Council Community Grant Funds

Council is determined to continue to support local community organisations and events. The following community grants were issued during 2014-2015;

Applicant	Description	Amount Issued
Out on a Limb	2015 Koonya Garlic Festival	$1000
Nubeena Volunteer Ambulance Group	Medical Equipment	$1828.75
Tasman Junior Basketball	Equipment and uniforms	$2000
Nubeena Tennis Club	Upgrade tennis court surface	$2000
Tasman Health & Community Service	Transport for youth	$2000
Lions Club of Tasman	Swimming Pool Chlorination System	$2000
Tasman Events Organising Committee	2015 Christmas Pageant	$1000
Nubeena Volunteer Fire Brigade	Washing Machine	$2000

Promotions

Council continue to provide annual funding to the PATTA group (Port Arthur and Tasman Tourism Association), for the publication of the annual visitors guide for the Tasman Peninsula. Council also have a representative attend the associations meetings.

Events

Council had a starring role in the organising and management of the 2015 Tasman Regatta and Peninsula Feast. These 2 events are very special and unique to the Tasman Peninsula and with changes to the previous committee, Council has offered to support these 2 community events.

Australia Day Local Citizen Awards

On 24 January 2015 at the Peninsula Feast Mayor Roseanne Heyward proudly presented the following Australia Day Awards;

- **Local Citizen of the Year**—Ali Hart
- **Organisation of the Year**—Tasman Peninsula Singers

Youth

Tasman Council have continued to support and fund youth events and activities coordinated and organised by Tasman Health & Community Service and the Youth Worker.

Tasman Council and Parks & Wildlife Service Partnership

Tasman Council and PWS Discovery Ranger Program partnership was formed to offer a mutually beneficial approach to educational services on the Tasman Peninsula. In particular, PWS was responsible to deliver the following;

- 10 activities during the summer program including supporting Councils oyster management initiatives at Lime Bay.
- Various activities and events at a number of locations on the Peninsula outside of the summer program including supporting the Eaglehawk Neck Fair during October 2014.

A total of 18 activities were completely during this partnership on the Peninsula. This partnership proved both successful and mutually beneficial. Council looks forward to further partnerships in the future.

NATURAL RESOURCE MANAGEMENT

Natural Resource Management (NRM) 2014-2015

Tasman Council takes natural resource management seriously. We have to – without a healthy natural environment, it's impossible for us to maintain and improve the economic and social well-being of our community.

Sound natural resource management (NRM) underpins much of our everyday business, and continues to play an important role in our Council's planning and decision-making for the future. Although we continue to face many challenges, including decreased federal and state funding availability and ongoing impacts from the 2013 bushfires, the Tasman community still continues to play an important role in managing our environment for the better.

Tasman Council continues to seek opportunities to make the most of limited resources by working with state government agencies, non-government organisations, private businesses and individuals, and is well represented on working groups to ensure we are working locally towards regional aims. These working groups include the Southern Tasmanian Council Authority's Biodiversity Offsets group, the Regional Climate Change Initiative, and the Southern Regional Shorebird Alliance.

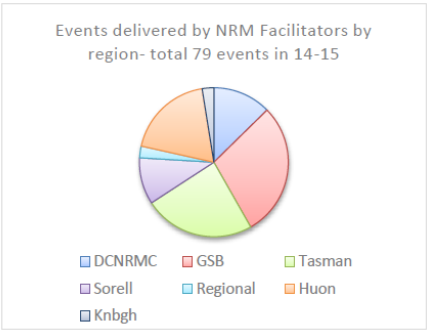
NRM South Facilitation Program

Through 2014/2015, Tasman Council has maintained the partnership with Natural Resource Management South (NRM South). NRM South has continued to co-fund our Tasman NRM Officer, who acts as a local area facilitator within our Municipality, assisting local landholders to address land management issues. A partnership has also been developed with Sorell Council and NRM South, with environmental works within the North Tasman Catchment (part of Sorell Municipality) being overseen by the Tasman Council NRM Officer.

These roles enable NRM South to support regional projects that are delivered at a local level, with roles also providing local support to community activities. The employment of NRM Facilitators is in partnership with eight Councils and one NRM Community group who support office hosting, contribution to wages and staff management. In turn, these roles also support Council's capacity to deliver local natural resource management activities, such as weed management, management planning, land use planning, conservation and weed compliance.

The NRM South Facilitator Network continues to be an effective tool for the delivery of on-ground outcomes throughout the southern region. It is committed to ensuring that local knowledge and aspirations are understood and that support is provided to projects and initiatives that make a difference to landholders and community groups in the region.

Having Tasman Municipality involved in this program creates more opportunities for local landowners to become involved in natural resource management. Support from the program has seen the continuation of a shorebird awareness program in conjunction with Tasman District School and the expansion of this project to include the students of Dunalley Primary School.



Other extension events supported by NRM South have included a Small Farm, Big Ideas workshop at the Copping Hall, as part of the Tasmanian Rural Women of the Year workshop series and a serrated tussock field day in conjunction with Tasman Landcare which involved an expedition to affected properties in Richmond, both of which were attended by local Tasman landholders. Tasman Council and NRM South also co-sponsored a propagation workshop, held at the Tasman Eco Village in Nubeena, which taught local attendees the basics of growing their own native plants from seeds or cuttings.

Tasman Weed Management

The Tasman Council Weed Management Strategy 2011-2016 is a vital document for the strategic management of weeds in our municipality, with a vision '*To implement an effective, coordinated and practical weed management program to reduce the economical, ecological and social impacts of weeds in the Tasman Municipality'.*

Key actions and achievements for the 2014/2015 year were:
Review of completed actions from the Tasman Council Weed Strategy for 2014/2015.

1. **Policy, Planning and Legislation:** No new action plans added for 2014/2015.

2. **Coordination of the TWS 2011-2015:** Tasman Council continues to work with the State Government, in particular the Department of Primary Industries, Parks, Water and the Environment, towards meeting the aims of the Tasmanian Weed Strategy. Updates provided to Council monthly and also regularly in the Tasman Gazette and Tasman Landcare Group newsletter - *Across the Catchment*. Weed Project Officer ("WPO") available for private works where necessary. The WPO is co-funded by the Tasman Landcare Group, which has allowed for greater efficiencies in local weed management activities. The WPO has completed private works on Spanish heath and has taken on contract work for Crown Lands weed control**.**

3. **Preventative Weed Management:** Both the NRM Officer and the WPO have continued to investigate reports of unusual weed sightings within the municipality.

4. **Strategic On-ground Weed Management**: Implementation of the Spanish heath roadside action plan and continuation of the priority weed control program. Post-bushfire weed control funding secured from the Bushfire Taskforce, which continues to provide ongoing assistance for fire affected areas. Notifications have been sent to private property to comply with *Weed Management Act 1999*, followed up with secondary notifications as needed.

5. **Education, Awareness and Training**: Attendance at local fairs and events to raise awareness of weed issues. Community working bees on specific weeds, including 'boneseed blitzes' to support fire affected areas with ongoing control.

6. **Data Management and Information**: The Tasman Weed Database is updated continually, with details of newly discovered weed infestations as well as ongoing control activities. Relevant data has been submitted to the Department of State Growth (formally DIER) for assessing priorities in the area on roadsides, to assist them in the development of their state-wide weed management strategy.

7. **Monitoring, Evaluation and Reporting**: Reporting of strategy progress via monthly reports to Council, information published in *Tasman Gazette*, projects on website and representation at Southern Weed Officers meeting, held approximately quarterly.

In the sixth year of the Tasman Priority Weeds project no grant funds could be obtained to support this project. Council continued to run this project, but due to the reduction of funds, a higher emphasis has been put on landowner legal responsibilities for these weeds, including Crown Lands and with their support the project is still on track to eradicate the following weed species:

- boneseed
- gorse
- African boxthorn
- pampas grass
- asparagus fern
- serrated tussock
- Paterson's curse
- ragwort

Council is committed to ensuring best practice strategic weed control continues for the benefit of the greater community.

The Spanish heath roadside action weed control continues to see a great reduction in this weed on our roadsides. New occurrences have been included in control or earmarked for the next round.
An increase in density of weed infestations has been seen at known sites, as a result of conditions created during the 2013 bushfires. Fortunately, funding has been secured through the Bushfire Recovery Taskforce and support will be available to landowners over 14/15 and 15/16 to continue to control these infestations. Examples of weeds controlled by funds provided through this project include Paterson's curse at Murdunna, Spanish heath and gorses across many of the burnt areas and boneseed in the Dunalley area.

Feral oyster removal

Council continues to support the feral oyster control program. Residents have run this for nineteen years at White Beach, keeping this area from being colonised by these sharp-shelled feral molluscs, and preventing them from displacing native sea life. Lime Bay, Stewarts Bay and parts of the Nubeena foreshore are also monitored and controlled. This year, a very successful community barbecue and oyster-smashing afternoon was held at White Beach. This was supported by one of the Parks and Wildlife Service Discovery Rangers, and about fifty locals enjoyed a productive afternoon of oyster removal and sausage sizzling.

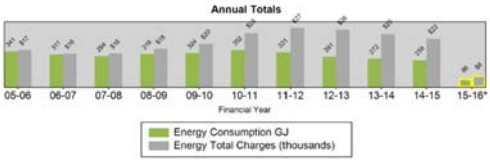
Landcare, Coastcare and Community Groups

Tasman Council is proud to provide support to the work of our local 'care' groups with this support assisting the Tasman Landcare Group to bring in continued investment through grant funding, into both our municipality and surrounding areas.

This partnership was recognised at the State Landcare Awards, where Tasman Landcare took out the state-wide *Partnership with Landcare* award and led to our further nomination as a finalist for the National *Partnership with Landcare* award. This nomination recognized the many ways in which Council has worked to assist local Landcare groups, supporting many grant applications (eg. NRM South Naturally Inspired Grants), supporting local community events, such as the inaugural Tasmanian Wildlife Fair at Eaglehawk Neck and the very popular Garlic Festival at Koonya. Tasman Council also worked to obtain a Foundation for Rural and Regional Renewal Grant, which allowed for the building of a new tool shed, which now houses the Community Tool Trailer and associated NRM equipment safely and securely.

With assistance from Council, the Tasman Landcare Group were successful in obtaining an Australian Government Community Landcare Grant, to assist fire affected landowners reduce weed risk in agricultural areas. This has enabled continued assistance to control and reduce serrated tussock post-bushfire, along with other priority weeds. Through a partnership with Council and this project, the WPO has been employed part-time to undertake on-ground works for the project, and also to work on council weed control programs. The WPO has proven to be a great asset and the creation of this position has ensured that local expertise and knowledge is available to tackle weed issues on an ongoing basis.

Numerous Coastcare groups are continuing important work on our coastal reserves, with active groups at Eaglehawk Neck, Impression Bay, Parkers Beach and Shelley Beach. These works have focussed primarily of weeds from the coastal dunes and foreshores.



Energy Efficiency and Climate Risk Adaptation

Council continues to monitor its energy use, allowing us to minimise both our environmental footprint as well as our power bills. This year saw total organisation-wide electricity consumption decrease by 5% in the 14/15 financial year compared to the previous year, and corresponded with a 12% savings on our power bill.

The Home Energy Audit Toolkit (HEAT) has been available for monitoring individual household energy use. This kit continues to be available for loan to assist Tasman residents.

Tasman Council continues to participate in the Regional Councils Climate Adaptation Project and is involved in the Regional Climate Change Initiative working group. The project aims to strengthen our capacity to identify climate impacts and vulnerabilities and to develop suitable responses and processes to address these. Council is continuing to integrate climate change risk adaptation into council processes through the Climate Change Adaptation Plan, and has adopted a climate change policy.

PLANNING & ENVIRONMENT

PLANNING

Council has continued to focus its efforts on improving its performance as the statutory planning authority, by ensuring the assessment and determination of all applications is carried out objectively and pragmatically based on the relevant Planning Scheme and applicable State legislation. This approach extends to the advice Council's planning staff provide to ratepayers, developers and State agencies.

Council continues to be involved with the Southern Regional Planning Project. This project has assisted in the provision of a strategic and co-ordinated approach to managing the various residential, rural, commercial, tourism, natural values, transport, servicing, visual impact and associated issues that were considered in the new draft planning scheme for Tasman and other southern councils. Council continued to liaise with the appropriate State agencies to communicate the urgency of this issue in the Tasman municipality.

An audit of historic planning files is ongoing, with completed files being scanned to Council's record management system with a view to reducing storage of files.

Council did not receive any applications to rezone land or amend the ordinance of its planning schemes during 2014/15 due principally to the timing of the draft Interim Planning Scheme process. A breakdown of planning applications received and permits issued are detailed below:-

Application Type	Number of applications carried over from 2012/13	Number of applications received	Number of applications approved	Number of Applications Withdrawn	Number of Applications Determined Within Statutory Timeframe
Planning - permitted	46	46	46	0	46
Planning - discretionary	54	54	54	0	54
Subdivision Applications	13	13	13	0	13
Planning – Exempt (PD4)	13	13	N/A	N/A	13

BUILDING & PLUMBING

A Council of a municipal area, as far as is reasonably practicable, is to ensure that that the owners of the property are informed of their duties under the Building Act 2000 in relation to building work and in maintaining and using a building.

Council's role as Permit Authority involves an assessment of documentation submitted to ensure it has been prepared in accordance with the Building Act 2000 prior to issuing permits. Council engages a consultant plumbing inspector to inspect and issue plumbing permits in accordance with the Plumbing Regulations 2004. Council engages a consultant Environmental Health Officer to issue Special Plumbing Permits in accordance with the Building Act 2000.

Advertising has been undertaken to ensure that property owners are aware of their requirements in relation to undertaking building work. As a result, the number of applications received by Council has increased.

Amendments to the *Building Regulations 2004* provided additional exemptions in relation to the requirements for Building Permits for outbuildings and other minor structures.

Information documents and brochures have been reviewed and updated. The brochures which are provided to applicants ensure that they understand the building process, and the documentation required. In addition, Council officers have continued to liaise with property owners, builders and their agents with regard to the building permit process to ensure a smooth transition through the planning and building process. This has resulted in the streamlining of the permit issue process.

An audit of Council's building files is ongoing. Historic building permit files have been archived, and scanned to Council's record management system with a view to reducing storage of building files.

Type of Application	Number of applications received	Number of applications approved	Number of applications determined within the statutory timeframe (or as agreed by applicant and council, not including clock stopped days)
Building Permit	86	86	70
Plumbing Permit	85	85	85
Special Plumbing Permits	37	37	35

The number of applications received has decreased from the 2013/14 financial year. The increased number of applications received during 2013/14 was attributed to reconstruction of buildings that were destroyed by the January 2013 bushfires.

COMPLIANCE

As Permit Authority, Council must make itself aware of building work and plumbing work being undertaken within the municipality and ensure that proceedings are instituted against any person or body failing to comply with the Building Act 2000. Under the *Building Act 2000*, permit authorities are not specifically required to enforce the legislation, however, the role may be delegated to them by the General Manager.

A Dilapidated Building Policy was developed and approved by Council. The policy sets a framework for the objective consideration by Council of whether enforcement action should be undertaken by Council in respect of a 'dilapidated' building or buildings.

Enforcement is carried out through notices and orders, possibly leading to demolition of the building and/or prosecution. A breakdown is detailed below:-

Notice Type	Number Issued	Number Resolved
Building Notice	13	8
Building Order	2	2
Demolition Order	0	N/A
Plumbing Notice	2	1
Plumbing Order	1	1
Emergency Order	2	N/A
Abatement Notice	6	6

ENVIRONMENTAL HEALTH & ENVIRONMENTAL MANAGEMENT

Council has a number of statutory responsibilities with respect to environmental health. The Local Government Act 1993 is the principal Act for Council and includes the powers of entry for an EHO and a number of roles to be fulfilled. Section 337 certificates may be required on the transfer of a property and any orders such as Abatement Notices are flagged.

It is important that the community is presented with authoritative information on environmental health risks. Activities to meet this service include seminars where relevant, publications and campaigns. Planning Permit applications require input from the Environmental Health Officer with respect to wastewater management and environmental management.

Council's responsibilities in accordance with the Food Act 2003 involve licensing of food businesses and food premises inspections to ensure safe food hygiene standards are met. There were 47 food premises currently registered in the municipality for the 2014/15 financial year. Approximately 18 temporary food business licences were issued during the 2014/15 financial year.

To carry out this service an average of two visits per premises per annum on category C premises and 3 inspections on category B premises, is required, plus food sampling as directed by the Director of Public Health and the issuing of improvement orders and other associated administrative work.

It is vitally important that wastewater from non-sewered premises is properly and safely disposed of in an environmentally sound manner. The role of the Environmental Health Officer includes an inspection of each new rural property requiring a Special Plumbing Permit and advice and interpretation of any public health issue arising with respect to wastewater management. 37 Special Plumbing Permits were issued by Council during 2014/15.

Councils have an obligation in accordance with the Public Health Act 1997 to ensure that public buildings are regularly inspected and meet safe standards, particularly relating to exits and to issue a Place of Assembly licence.

There are 15 buildings in the Tasman municipality which require inspections, registration and licensing. The Building Surveyor issues Certificates of Occupancy and the EHO recommends registration.

The Public Health Act 1997 also provides powers for the issuing of a Closure Order by Council on receipt of a report from an Environmental Health Officer that the building is a high risk to public health and a report from a Building Surveyor that the building is substandard.

Immunisation is perhaps the most effective and practical single public health measure available for the reduction of morbidity and mortality arising from infectious diseases. Council's obligation to provide this service includes the coordination of the school immunisation program.

Infectious disease incidents are notifiable and may require an investigation and interview. Advice to Council may also be necessary. Few infectious disease investigations occur in a single year however this is an important role and obligation of Council.

Water sampling of potable supplies, wastewater system and recreational waters were carried out by Council during 2014/15. Separate annual reports for potable water and recreational waters are required for the Department of Health and Human Services.

Burial of human remains outside of established cemeteries must be done in a responsible way with no adverse impact on public or environmental health. Supervision of exhumations is another role of the Environmental Health Officer.

Council has a responsibility in accordance with the Environmental Management Pollution Act 1994 to ensure that the impact of human activity on the environment is within acceptable limits in accordance with the Environmental Management Pollution Act 1994. The activities of this service include:

- Assessing and determining if environmental harm has occurred and the issuing of Environmental Infringement Notices or Environmental Protection Notices. Infringements include the emission of noise, smoke or the discharge of polluted water.

- Monitoring and assessing industrial waste, rural industries, residential waste, and intensive animal farming effluent are a duty expected of the Environmental Health Officer. Contaminated Sites register should be held in Council so that when a premises has a change of use or is sold such activities are flagged and an assessment is carried out if required (E.g. a former service station sold and converted to residential).

ANIMAL CONTROL

Minor amendments to Council's Dog Management Policy were made during the 2014/15 financial year. Council have undertaken public notification with regard to declared restricted areas. Signage and faeces disposal receptacles have been installed at all restricted areas that are maintained by Council.

There were 468 dogs registered within the Tasman Municipality for the 2014/15 financial year. 40 Caution Notices were issued for late payment of registration fees. Six (6) kennel licences were issued during 2014/15. Council continued public notification to ensure that dog owners are aware of their requirement to microchip their dogs. As of 30 June 2015, approximately 92% of registered dogs have been microchipped.

Animal Control Enforcement

Enforcement Type	Number of Notices
Caution Notice – Dog at Large	9
Caution Notice – Unregistered Dog	40
Caution Notice – Attack on Livestock	0
Infringement Notice – Dog at Large	2
Infringement Notice – Unregistered Dog	4
Impounded Dogs	8
Dogs Transferred to Dogs Home of Tasmania	5
Dogs Euthanized by Dogs Home of Tasmania	1
Dogs Re=homed within the local community	2

INFRASTRUCTURE & WORKS

Significant Capital Works Completed During 2014-2015

- Daley's Creek (Saltwater River Road) bridge replaced
- Blackman Bay Road bridge replaced with culverts
- Guard fence installed at Cripps Creek bridge, White Beach
- Stabilised Pirates Bay Drive x 1 location—from southern Hwy turnoff to Lufra
- Pavement repairs to Paul Court, Radnor Road (junction), White Beach Road and Nubeena Road
- Reseals (and linemarking as required) on White Beach Road, Nubeena Road, Blowhole Road, Safety Cove Road, Apex Point Road, Tip Road, George Street and Clarke Street
- Upgrade from gravel to sealed—Sommers Bay Road, Lagoon Road, Berry Court, Noyes Road and Kestie Ave.
- Upgraded and expanded jetty and groyne at Taranna (in conjunction with MAST)
- Drainage works and piped upgrades between Penzance Area Stage 4, Kormos Drive, Lagoon Road, Wencks Road and Noyes Road.
- Landslip repairs Nubeena Back Road.
- Installation of boundary fencing at Nubeena Rec Ground
- Construction of carport for bottom units of Pearls Court
- Building renewal works at 1 Jones Road (carried out by Centre for Heritage / Southern Midlands Council) — Superintendents Cottage
- Construction of Stage 3 foreshore walkway at Nubeena from Peace Street to Roaring Beach Road

COUNCIL & SPECIAL COMMITTEES

Audit Panel Committee

In line with changes to Section 85B(1) of the *Local Government Act 1993* ("the Act") which were proclaimed in February 2014, the State Government has provided the Ministerial Order, *Local Government (Audit Panels) Order 2014*, which outlines this legislation in detail requiring all Tasmanian Councils to now establish and maintain an Audit Panel.

This Order is very explicit on an Audit Panel's function and purpose, membership composition, Chairperson's individual requirement, number of meetings each year and the reporting back to Council with their findings and recommendations.

The primary role of an Audit Panel is to assist Council in fulfilling its obligations relating to professional internal audit functions. It will provide an independent viewpoint on all key financial activities and management, assurance of appropriate practices are being undertaken and a means of highlighting any non-compliance issue or area. This reviewing of Council's performance and effectiveness, will ultimately safeguard Tasman's long-term financial position.

Broader areas such as an organisation's culture, policies, systems and controls including risk management, asset renewal and fraud prevention, will also need to be closely scrutinised and addressed.

The General Manager (or delegate) and the appointed Finance Manager (or delegate) are required to attend every meeting under the new legislation with a minimum of four (4) meetings to be held annually. Council is to provide secretariat support to those meetings and all necessary funding required to establish and maintain an Audit Panel.

The main financial exposure for Council would be based around the membership component for a Panel. The makeup of an Audit Panel is clearly defined and is constituted by a minimum of three (3) and a maximum of five (5) members. If the total Audit Panel membership comprises of only three (3) then one member must be an 'Independent Person'; if there is a membership of four (4) or five (5), then two (2) members must be classed as an 'Independent Person'.

The remaining members can comprise of Councillors (not the Mayor) of the relevant Council, a Councillor/s, or an employee of another Council, or a member of an audit panel of another Council.

Under Item 10 of the Ministerial Order, an Audit Panel must develop an Annual Work Plan that includes a schedule of meetings and the known objectives for each meeting. The listed functions to be addressed are within Item 4 and all are current roles & functions addressed by the above Committees.

Tasman Civic Centre Committee

The Tasman Civic Centre Committee was established in January 2007 to:

- Prepare and authorise a Management Agreement between the Department of Education and the Council on behalf of the community;
- Examine opportunities for the development and use of the building known as the Tasman Civic Centre located at Nubeena;
- Investigate funding options for capital works associated with this building;
- Recommend priorities and strategies for use of the building; and
- Recommend operating procedures that will ensure that the building is used to achieve the priorities and strategies identified.

Members are appointed by Council and consist of Kath Noye, Betty Wylie, Ted Barrance, Tom Burden, Shane Bogus, Robert Higgins (Lee Wilson, proxy) and Kylie Murphy.

Halls & Grounds Committees

Council currently has established four special committees made up of volunteers who feel passionate about community facilities to manage Council's halls and recreation grounds. The four committees are:

- Koonya Hall Committee
- Tasman Community Centre
- Nubeena Recreation Ground Committee
- Premaydena Cricket Ground Committee

Some committee have decided to dissolve due to changes to Councils booking policies and procedures and lack of committee membership. These committees are:

- Saltwater River Hall Committee
- Port Arthur Recreation Grounds Committee

AUDIT REPORT

Tasmanian Audit Office

Independent Auditor's Report

To the Department of Infrastructure and Regional Development (the Department)

Tasman Council

Roads to Recovery Program

Report on Statement of Receipts and Expenditure for the Year Ended 30 June 2015

I have audited the accompanying special purpose financial report (the financial report) of Tasman Council (Council) titled Part 1 – Chief Executive Officer's Financial Statement, in relation to the Roads to Recovery Program, which comprises a statement of income and expenditure for the year ended 30 June 2015, own source expenditure on roads paid during the same period and the statement of compliance with the funding conditions by the General Manager. The report has been prepared for the Department to certify that the amount reported as expended during the year was used solely on the construction and maintenance of roads.

Opinion

In my opinion the financial report for the year ended 30 June 2015 is prepared, in all material respects, in accordance with the financial reporting provisions of the *National Land Transport Act 2014*. In addition, in my opinion the:

- financial report is based on, and in agreement with, proper accounts and records
- amount reported as expended during the year was used solely for expenditure on the maintenance and/or construction of roads
- amount certified by the General Manager in the financial report as the funding recipient's own source expenditure on roads during the year is based on, and in agreement with, proper accounts and records.

Basis of Accounting and Restriction on Distribution

The financial report has been prepared for the purpose of fulfilling responsibilities of the grant terms and conditions of the Department. As a result, the financial report may not be suitable for another purpose. My report is intended solely for Council and the Department and should not be distributed to or used by parties other than Council or the Department.

Responsibility for the Financial Report

The General Manager is responsible for the preparation of the financial report in accordance with the *National Land Transport Act 2014* and for such internal control as the General Manager determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

AUDIT REPORT

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the General Manager's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements.

Tasmanian Audit Office

A Knight
Manager Financial Audit
Delegate of the Auditor-General

Hobart
26 October 2015

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

Tasman Council

LOCAL GOVERNMENT MODEL

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2015

Tasman Council
Financial Report
Table of Contents

FINANCIAL REPORT

Financial Statements
Statement of Comprehensive Income
Statement of Financial Position
Statement of Cash Flows
Statement of Changes in Equity
Notes to Financial Statements
Introduction
Note 1 Significant accounting policies
Note 2 Functions/Activities of the Council
Note 3 Rates and charges
Note 4 Statutory fees and fines
Note 5 User fees
Note 6 Grants
Note 7 Contributions
Note 8 Other income
Note 9 Net gain/(loss) on disposal of property, infrastructure, plant and equipment
Note 10 Investment Revenue from Water Corporation
Note 11 Employee benefits
Note 12 Materials and services
Note 13 Depreciation and amortisation
Note 14 Finance costs
Note 15 Other expenses
Note 16 Investments in associates
Note 17 Investment in water corporation
Note 18 Investment in Bendigo Bank
Note 19 Cash and cash equivalents
Note 20 Trades and other receivables
Note 21 Financial assets
Note 22 Inventories
Note 23 Other assets
Note 24 Property, infrastructure, plant and equipment
Note 25 Intangible assets
Note 26 Trade and other payables
Note 27 Provisions
Note 28 Interest bearing loans and borrowings
Note 29 Other Liabilities
Note 30 Reserves
Note 31 Reconciliation of cash flows from operating activities to surplus or deficit
Note 32 Reconciliation of cash and cash equivalents
Note 33 Operating leases
Note 34 Financial instruments
Note 35 Auditors remuneration
Note 36 Events occurring after balance date
Note 37 Related party transactions
Note 38 Capital Expenditure
Note 39 Special committees and other activities
Note 40 Management Indicators
Note 41 Fair Value Measurement

Statement of Comprehensive Income
For the Year Ended 30 June 2015

	Note	Budget 2015 $'000	Actual 2015 $'000	Actual 2014 $'000
Income from continuing operations				
Recurrent Income				
Rates and charges	3	3,979	4,046	3,997
Statutory fees and fines	4	104	104	118
User fees	5	301	659	1,176
Grants	6	1,171	1,381	478
Other Income	8	65	159	154
Investment revenue from water corporation	10		14	-
		5,620	**6,363**	**5,923**
Capital Income				
Capital grants received specifically for new or upgraded assets	6	-	430	347
Initial asset recognition	7	-	-	2,531
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	16	-	6	59
Total income from continuing operations		**5,620**	**6,799**	**8,860**
Expenses from continuing operations				
Employee benefits	11	(1,283)	(1,379)	(1,199)
Materials and services	12	(2,039)	(2,569)	(2,881)
Depreciation and amortisation	13	(1,369)	(1,040)	(1,224)
Finance costs	14	(28)	(28)	(31)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	9		(449)	(413)
Impairment loss				
Other expenses	15	(715)	(164)	(126)
Total expenses from continuing operations		**(5,434)**	**(5,629)**	**(5,874)**
Operating result from continuing operations		**186**	**1,170**	**2,986**
Net operating result for the year		**186**	**1,170**	**2,986**
Other comprehensive income				
Items that will not be reclassified to surplus or deficit				
Net asset revaluation increment(decrement) reversals	30	-	1,985	(920)
Financial assets available for sale reserve				
		-	**1,985**	**(920)**
Items that may be reclassified subsequently to surplus or deficit		-		
— Fair Value adjustment on Available for Sale Assets	30	-	6	(155)
Total Comprehensive result		**-**	**3,161**	**1,911**

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

Statement of Financial Position
As at 30 June 2015

	Note	2015 $'000	2014 $'000
Assets			
Current assets			
Cash and cash equivalents	19	4,612	3,472
Trade and other receivables	20	267	556
Financial assets	21	250	250
Inventories	22	8	7
Other assets	23	24	16
Total current assets		**5,161**	**4,301**
Non-current assets			
Investments in associates accounted for using the equity method	16	302	296
Investment in water corporation	17	774	768
Investment in Bendigo Bank	18	20	20
Property, infrastructure, plant and equipment	24	46,793	44,482
Intangible assets	25	-	5
Total non-current assets		**47,889**	**45,571**
Total assets		**53,050**	**49,872**
Liabilities			
Current liabilities			
Trade and other payables	26	187	188
Provisions	27	168	134
Interest-bearing loans and borrowings	28	56	68
Total current liabilities		**411**	**390**
Non-current liabilities			
Provisions	27	129	70
Interest-bearing loans and borrowings	28	304	360
Other liabilities	29	2	9
Total non-current liabilities		**435**	**439**
Total liabilities		**846**	**829**
Net Assets		**52,204**	**49,043**
Equity			
Accumulated surplus		16,671	15,501
Reserves	30	35,533	33,542
Total Equity		**52,204**	**49,043**

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

Statement of Cash Flows
For the Year Ended 30 June 2015

	Note	2015 Inflows/ (Outflows) $'000	2014 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates		4,137	3,918
Statutory fees and fines inclusive of GST		1,301	1,303
Interest received		173	154
Receipts from Governments		1,381	478
Investment revenue from water corporation & Joint Authority		14	
Interest Paid		(28)	(31)
Payment to suppliers		(2,505)	(2,952)
Payments to employees		(1,286)	(1,138)
Other payments inclusive of GST		(599)	(126)
Net cash provided by (used in) operating activities	31	**2,588**	**1,606**
Cash flows from investing activities			
Shares in Joint Authorities & Bendigo Bank			(20)
Payments for property, infrastructure, plant and equipment		(1,853)	(1,828)
Proceeds from sale of property, infrastructure, plant & equipment		43	7
Net cash provided by (used in) investing activities		**(1,810)**	**(1,841)**
Cash flows from financing activities			
Capital grants		430	347
Repayment of interest bearing loans and borrowings		(68)	(243)
Net cash provided by (used in) financing activities		**362**	**104**
Net increase (decrease) in cash and cash equivalents		1,140	(131)
Cash and cash equivalents at the beginning of the financial year		3,472	3,603
Cash and cash equivalents at the end of the financial year	19	**4,612**	**3,472**

The above statement should be read with the accompanying notes.

Statement of Changes in Equity
For the Year Ended 30 June 2015

2015	Note	Total 2015 $'000	Accumulated Surplus 2015 $'000	Asset Revaluation Reserve 2015 $'000	Fair Value Reserve 2015 $'000	Other Reserves 2015 $'000
Balance at beginning of the financial year		49,043	15,501	32,615	(147)	1,074
Adjustment due to compliance with revised accounting standard		-	-	-	-	-
Surplus / (deficit) for the year		1,170	1,170	-	-	-
Other Comprehensive Income:						
Financial assets available for sale reserve						
— Fair Value adjustment on Available for Sale Assets		6	-	-	6	-
Net asset revaluation increment(decrement) reversals	30	1,985	-	1,985		
Transfers between reserves		-			-	-
Balance at end of the financial year		**52,204**	**16,671**	**34,600**	**(141)**	**1,074**

2014	Total 2014 $'000	Accumulated Surplus 2014 $'000	Asset Revaluation Reserve 2014 $'000	Fair Value Reserve 2014 $'000	Other Reserves 2014 $'000
Balance at beginning of the financial year	47,132	12,515	33,535	8	1,074
Adjustment due to compliance with revised accounting standard	-	-	-	-	-
	-				
Surplus / (deficit) for the year	2,986	2,986	-	-	-
Other Comprehensive Income:	-				
Financial assets available for sale reserve	-				
— Fair Value adjustment on Available for Sale Assets	(155)	-	-	(155)	-
Net asset revaluation increment(decrement) reversals 30	(920)	-	(920)		
Transfers between reserves	-			-	-
Balance at end of the financial year	**49,043**	**15,501**	**32,615**	**(147)**	**1,074**

The above statement should be read with the accompanying notes.

Introduction

(a) The Tasman Council was established on 6 January 1908 and is a body corporate with perpetual succession and a common seal.
Council's main office is located at Nubeena.

(b) The purpose of the Council is to:

- provide for the peace, order and good government in the municipality;
- to promote the social, economic and environmental viability and sustainability of the municipal area;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

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

Note 1 Significant accounting policies

(a) Basis of accounting

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 1(e), 1(i), 1(k), 1(o), 1(p), 1(q).

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

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, 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. Details of entities not included in this financial report based on their materiality are detailed in note 39.

Judgements and Assumptions

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

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

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

Employee entitlements
Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 1(o).

Fair value of property, plant & equipment
Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in notes 1(f) and in note 24.

Investment in water corporation
Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 1(k) and in note 17.

(b) Adoption of new and amended accounting standards

(i) AASB 10 *Consolidated Financial Statements* , AASB 11 *Joint Arrangements* , AASB 12 *Disclosure of Interests in Other Entities* , revised AASB 127 *Separate Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* and the relevant amending standards, AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolication and Joint Arrangements Standards, AASB 1012-10 Amendments to Australian Accounting Standards - Transition Guidance and other amendments (effective from 1 January 2014).

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

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements* , and Interpretation 12 *Consolidation – Special Purpose Entities* . The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council has undertaken an assessment and no material changes to the composition of Council's accounts are anticipated from the application of the new standard.
AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules. As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

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

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

AASB 2011-7 Amendments to Australian Accounting Standards arising from the consolication and Joint Arrangements Standards gives effect to many consequential changes to a number of standards arising from the issuance of the new consolidation and joint arrangements standard.

AASB 1012-10 Amendments to Australian Accounting Standards - Transition Guidance and other amendments provides guidance on amendments to AASB 10,, AASB 11 and AASB 12 to simplify transition and provide relief from the disclosures in respect of unconsolidated structure entities on transition to the suite of consolidation standards. Also, provides guidance on the additional amendments to AASB 10 and related standards to revise their application paragraphs so that they apply mandatorily to not-for-profit entities.

(ii) AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting financial assets and financial liabilities (AASB 132) (effective January 2014). This standard adds application guidance to AASB 132 to address inconsistencies identified in applying someof the offsetting criteria of AASB 132, includingclarifying the meaning of "currently has a legally enforceableright of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of Council.

(iii) AASB 2013-3 *Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets* (effective from 1 January 2014)

This standard amends the disclosure requirements of AASB 136. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The adoption of this standard will not impact Council's accounting policies but may result in changes to information disclosed in the financial statements.

(iv) AASB 2013-9 *Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments* (Part A - Conceptual Framework effective from 20 December 2013; Part B - Materiality effective from 1 January 2014; Part C - Financial Instruments effective from 1 January 2015)

Part A of this standard updates references to the Framework for the Preparation and Presentation of Financial Statements in other standards as a consequence of the issue of AASB CF 2013-1 in December 2013.

Part B of this standard deletes references to AASB 1031 Materiality in various other standards. Once all references to AASB 1031 have been deleted from all Australian Accounting Standards, AASB 1031 will be withdrawn.

Part C of this standard amends AASB 9 *Financial Instruments* to add Chapter 6 Hedge Accounting and makes The adoption of this standard will not impact Council's accounting policies.

(c) Revenue recognition

Rates, grants and contributions

Rates, grants and contributions (including developer contributions) are recognised as revenues when Council obtains control over the assets comprising these receipts.

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

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 6. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

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

Non-monetary contributions

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

User fees and Statutory fees and fines

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

Sale of property, plant and equipment, infrastructure

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

Rent

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

Interest

Interest is recognised progressively as it is earned.

Dividends

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

(d) Expense recognition

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

Employee benefits

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

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

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. The non-depreciation of road earthwork assets shall be reviewed at least at the end of each reporting period, to ensure that the accounting policy applied to particular earthwork assets reflects the most recent assessment of the useful lives of the assets, having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence.

Artworks and Land are not depreciated.
Straight line depreciation is charged based on the residual useful life as determined each year.

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

	Period
Property	
Buildings	
buildings	20 to 95 years
Plant and Equipment	
small plant	2 years
other	5 to 15 years
Office Equipment and Furniture	5 years
Motor Vehicles	2 to 5 years
Computers	3 to 5 years
Roads - Sealed Pavements	20 to 60 years
Roads - Unsealed Pavements	5 to 20 years
Roads - Unsealed Pavements	5 to 20 years
Roads - Seal	5 to 80 years
Bridges and Culverts	5 to 80 years
Intangibles	3 to 5 years

Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Borrowing Costs

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, 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 include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.

(e) Recognition and measurement of assets

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchange between knowledgeable willing parties in an arm's length transaction.

The asset capitalisation threshold adopted by Council is $1000. Assets valued at less than $1000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

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 note 24. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold $'000
Land	10
Buildings	10
Plant, machinery and equipment	1
Motor vehicles	1
Fixtures, fittings and furniture	1
Roads and bridges	10
Intangible assets	1
Work in progress	1

(f) Recognition and measurement of assets

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value. Fair value is represented by the deprival value of the asset approximated by its written down replacement cost. 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 independent experts.

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

Land under roads

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

(g) Cash and cash equivalents

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

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

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

(i) Financial assets

Managed funds are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(j) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

Other inventories are measured at the lower of cost and net realisable value.

(k) Investments in water corporation

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2015, Council held a .05% (2014, .05%) ownership interest in TasWater which is based on schedule 2 of the Corporations Constitution which reflects the council's voting rights. Any unrealised gains and loses are recognised through the Statement of Comprehensive Income to a Financial assets available for sale Reserve each year. (refer note 17)

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

(l) Investments

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

(m) Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Statement of Comprehensive Income.

(n) Tender deposits

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

(o) Employee benefits

Wages and salaries

Liabilities for wages and salaries and rostered days off are recognised and measured as the amount unpaid at

Annual leave

Annual leave entitlements are accrued on a pro-rata basis in respect of services provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

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.

Classification of employee benefits

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

Superannuation

During the year Council made the required superannuation contributions for all eligible employees to an
During the reported period the amount of contributions paid to accumulation schemes was $124,117 (2013-14 $98,000). Contributions to defined benefit schemes were nil.

(p) Interest bearing liabilities

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

(q) Leases

Operating leases

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

Leasehold improvements

Leasehold improvements (represented as Other & Otherv asset category) are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is shorter. At balance date, leasehold improvements are amortised over a 5 to 25 year period.

Operating leases as lessor

Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations, in general, do not reflect commercial arrangements and have minimal lease payments. Land and buildings which are leased under these arrangements are recognised within property, plant and equipment in the Statement of Financial Position and associated rental income is recognised in accordance with Council's revenue recognition policy.

Furthermore, Council leases some of its land and buildings on commercial terms. Council does not account for the cost of incentives because the amounts are unlikely to be material and/or cannot be reliably measured. Rental income is recognised in accordance with Council revenue recognition policy.

Where leasing of a property is incidental to Council's use of it, the associated land and buildings are recognised within property plant and equipment in the Statement of Financial Position and valued in accordance with Council's valuation policy.

(r) 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.

(s) Taxation

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

Goods and Services Tax (GST)

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

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

(t) 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.

(u) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars.

(v) Pending Accounting Standards

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

(i) AASB 9 *Financial Instruments* and the relevant amending standards (effective from 1 January 2018)

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

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

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

When adopted, the standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Under AASB 9 fair value gains and losses on available-for-sale assets will have to be recognised directly in profit or loss. However, investments in equity instruments can be designated as "fair value through other comprehensive income" assets. This designation is irrevocable. Council is likely to designate its investment in TasWater as "fair value through other comprehensive income" and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.
There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

(ii) AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations (effective from 1 January 2016). Under AASB 2014-3 business combination accounting is required to be applied to acquisitions of interest in a joint operation that meets the definition of a 'business' under AASB 3 Business Combinations.

(iii) AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation (effective January 2016). This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this,there is limited opportunity for presumption to be overcome and clarifies that revenue based depreciation for property, plant andequipment cannot be used.

(iv) AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure initiative: Amendments to AASB 101 (effective from 1 January 2016). The amendments to AASB 101 do no require any significant change to current practice, but should facilitate improved reporting, including emphasis on only including material disclosures, clarity on the aggregation and disaggregation of lineitems, the presentation of subtotals, the ordering of notes an the identification of significant accounting policies.

(w) Contingent assets, contingent liabilities and commitments

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

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

(x) Budget

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

Note 2 Functions/Activities of the Council

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

	Grants	Other	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Governance and administration						
2014 - 2015	1,425	4,018	5,443	2,640	2,803	12,397
2013 - 2014	575	7,094	7,669	2,996	4,673	9,436
Regulatory Services						
2014 - 2015	-	117	117	264	(147)	585
2013 - 2014	-	125	125	208	(83)	788
Economic Development						
2014 - 2015	386	82	468	139	329	1,455
2013 - 2014	250	65	315	177	138	1,746
Works Department						
2014 - 2015	0	88	88	1,994	(1,905)	36,721
2013 - 2014	0	39	39	1,596	(1,557)	35,437
Waste and Environmental						
2014 - 2015	-	617	617	389	228	1,381
2013 - 2014	-	595	595	376	219	1,654
Other - non attributable						
2014 - 2015		66	66	129	(63)	585
2013 - 2014		28	28	101	(73)	811
Total						
2014 - 2015	**1,811**	**4,988**	**6,799**	**5,555**	**1,244**	**53,124**
2013-2014	**825**	**7,946**	**8,771**	**5,454**	**3,317**	**49,872**

(b) *Reconciliation of Assets from note 2 with the Statement of Financial Position at 30 June:*

	2014	2014
Current assets	5,161	4,301
Non-current assets	47,889	45,571
	53,050	**49,872**

(c) *Governance and administration*

Operation and maintenance of council chambers, administration offices, and councillors.

Regulatory Services

Administration of Planning schemes and co-ordination of building applications. Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality , workplace safety and cemeteries.

Economic Development

Development and promotion of tourism and economic services within the municipality including sustainable employment opportunities, and improved quality of life in line with council's strategy, for the regions development and aspirations of the community.

Works Department

To provide an efficient and safe base for the outdoor workforce and a base for the storage of plant and vehicles also with materials and supplies. Construction and maintenance of roads, parks, bridges and buildings, parking facilities and street lighting.

Waste and Environment

Collection, handling, processing and disposal of all waste material

Other - Non-attributable

Other general services not specifically identifiable.

		2015 $'000	2014 $'000
Note 3	**Rates and charges**		
	General	3,311	3,210
	Waste Management	215	208
	Waste Collection	376	364
	Fire Levy	144	136
	Total rates and charges	**4,046**	**3,997**

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2011, and the valuation was applied in the rating year commencing 1 July 2011.

Note 4	**Statutory fees and fines**		
	Infringements and costs	-	1
	Town planning fees	57	74
	Permits	47	43
	Total statutory fees and fines	**104**	**118**
Note 5	**User fees**		
	Council Fees & Charges	65	73
	Rent	91	95
	Pensioner Rate Remissions	192	182
	Other fees and charges and revenue	311	826
	Total user fees	**659**	**1,176**
Note 6	**Grants**		
	Grants were received in respect of the following :		
	Summary of grants		
	Federally funded grants	23	761
	State funded grants	1,788	64
	Total	**1,811**	**825**

	2015 $'000	2014 $'000
Grants - Operating		
Commonwealth Government Financial Assistance Grants - General Purpose	675	224
Commonwealth Government Financial Assistance Grants - Roads and Bridges	701	228
NRM South	5	6
Tasmania Medicare Local	-	20
Total operating grants	**1,381**	**478**

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2014-15 the Commonwealth made early payment of the two quarterly instalments for the following year. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2014-15 by $454,952. This has impacted the Statement of Comprehensive Income resulting in the Surplus/(deficit) being higher in 2014-15 by $454,952.

Capital grants received specifically for new or upgraded assets		
Commonwealth Government - roads to recovery	-	15
Lions Club of Sorell	20	
Lions Club of Australia	20	
Foundation for Rural & Regional Renewal	17	
Deparment of Infrastructure Energy and Resources	-	10
Department of Environment	20	
Department of Police and Emergency Services	-	8
Local Government Energy Efficiency Program	-	30
Department of Industry - Community Energy Efficiency Program	3	14
Department of Infrastructure and Regional Development		250
Parks and Wildlife	-	20
Department of Premier and Cabinet	346	
Donation - Murdunna Playground	4	
Total capital grants	**430**	**347**

		2015 $'000	2014 $'000
Note 7	**Initial Asset Recognition**		
	Land Identified as Under Road	-	2,531
	Total contributions	**-**	**2,531**
Note 8	**Other Income**		
	Interest on financial assets	126	121
	Interest on rates	33	33
	Total	**159**	**154**
Note 9	**Net gain/(loss) on disposal of property, infrastructure, plant and equipment**		
	Proceeds of sale	43	7
	Write down value of assets disposed	(492)	(420)
	Total	**(449)**	**(413)**
Note 10	**Investment revenue from water corporation**		
	Tas Water tax equivalents	4	-
	Dividends	10	-
		14	
Note 11	**Employee benefits**		
	Wages and salaries	1,110	986
	Superannuation	124	98
	All other employee costs	145	115
	Total employee benefits	**1,379**	**1,199**
Note 12	**Materials and services**		
	Contract payments and Materials	1,705	1,782
	Plant and equipment maintenance	141	112
	Fire Levy	141	137
	Utilities	64	59
	Discounts and remissions	189	185
	Valuation expenditure	16	19
	Other	313	587
	Total materials and services	**2,569**	**2,881**

		2015 $'000	2014 $'000
Note 13	**Depreciation and amortisation**		
	Property		
	Buildings		
	Buildings	66	66
	Plant and Equipment		
	Plant, machinery and equipment	71	71
	Motor vehicles	88	81
	Fixtures, fittings and furniture	15	9
	Infrastructure		
	Roads and bridges	691	660
	General infrastructure	16	16
	Other infrastructure	88	311
	Intangible assets		
	Intangible assets	5	10
	Total depreciation and amortisation	**1,040**	**1,224**
Note 14	**Finance costs**		
	Interest - Borrowings	28	31
	Total	**28**	**31**
Note 15	**Other expenses**		
	External auditors' remuneration (Tasmanian Audit Office)	29	23
	Councillors' allowances		
	Fees and allowances	93	99
	Other expenses	42	4
	Total other expenses	**164**	**126**

		2015 $'000	2014 $'000
Note 16	**Investment in associates**		
	Investments in associates accounted for by the equity method are:		
	Copping Refuse Disposal Site Joint Council	302	296
	Tasman Council in financial year ended 30 June 2009 maintained an ownership interest of 10%. As a result from the buyout of equity from Kingborough Council in July 2009, Council now maintain an ownership interest of 8%		
	Total	**302**	**296**
	Council's share of accumulated surplus(deficit)		
	Council's share of accumulated surplus(deficit) at start of year	296	185
	Reported surplus(deficit) for year	6	59
	Transfers (to) from reserves	-	-
	Distributions for the year	-	-
	Council's share of accumulated surplus(deficit) at end of year	**302**	**244**
	Council's share of reserves		
	Council's share of reserves at start of year	296	237
	Transfers (to) from reserves	6	59
	Council's share of reserves at end of year	**302**	**296**
Note 17	**Investment in water corporation**		
	Council has derived returns from the water corporation as disclosed in Note 10		
	Opening Balance	768	923
	Fair Value adjustments on Available-for-Sale Assets	6	(155)
	Total investment in water corporation	**774**	**768**
Note 18	**Investment in Bendigo Bank**		
	Opening Balance	20	20
	Take up of shares	-	-
	Total Investment in Bendigo Bank	**20**	**20**

Council resolved at its Ordinary Meeting on 28th May 2014 to adopt the investment option of purchasing up to $20,000 of shares within the proposed Nubeena & Tasman Community Bank Branch of the Bendigo Bank.

		2015 $'000	2014 $'000
Note 19	**Cash and cash equivalents**		
	Cash on hand	1	1
	Cash at bank	1,306	243
	Money market call account	3,305	3,228
	Total cash and cash equivalents	**4,612**	**3,472**
Note 20	**Trade and other receivables**		
	Current		
	Rates debtors	200	365
	Sundry debtors	63	187
	Other debtors	5	5
	Provision for impairment	(1)	(1)
	Total	**267**	**556**
Note 21	**Financial assets**		
	Current		
	Managed funds (note 1(i))	250	250
	Managed funds are held with Bendigo Bank and are represented by:		
	Fixed term deposit at interest rate 2.65% from 27 June 2015 to 27 December 2015.		
Note 22	**Inventories**		
	Inventories held for distribution	8	7
	Total inventories	**8**	**7**
Note 23	**Other assets**		
	Current		
	Accrued income	24	16
	Total	**24**	**16**

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

Note 24 *Property, infrastructure, plant and equipment*

	2015 $'000	2014 $'000
Summary		
at cost	4,282	4,251
Less accumulated depreciation	2,013	1,785
	2,269	**2,466**
at fair value as at 30 June	57,989	53,324
Less accumulated depreciation	13,465	11,308
	44,524	**42,016**
Total	**46,793**	**44,482**
Property		
Land		
at fair value as at 30 June	2,304	2,332
	2,304	**2,332**
Land Under Roads		
at fair value as at 30 June	2,507	2,531
	2,507	**2,531**
Total Land	**4,811**	**4,863**
Buildings		
at fair value as at 30 June	7,148	3,127
Less accumulated depreciation	1,982	186
	5,166	**2,941**
Building improvements		
at cost	-	132
Less accumulated depreciation	-	4
	-	**128**
Total Property	**9,977**	**7,932**

Valuation of land (excluding land under roads) were undertaken by the Valuer General at 30 June 2011 and indexed each year accordingly. The valuation of buildings is at fair value based on an independent assessment undertaken by Brighton Council which determined current replacement cost less accumulated depreciation at the date of valuation 30 June 2015. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

The valuation of land under roads is based on the unit rate given by the valuer general for Urban and Rural areas multiplied by the m2 of the road data in Councils asset management system.

Note 24 *Property, infrastructure, plant and equipment (cont.)*	2015 $'000	2014 $'000
Plant and Equipment		
Plant, machinery and equipment		
at cost	782	782
Less accumulated depreciation	576	504
	206	**278**
Fixtures, fittings and furniture		
at cost	280	251
Less accumulated depreciation	249	234
	31	**17**
Motor Vehicles		
at cost	792	817
Less accumulated depreciation	425	383
	367	**434**
Total Plant and Equipment	**604**	**729**
Infrastructure		
Roads and Bridges		
at fair value as at 30 June	46,030	45,334
Less accumulated depreciation	11,483	11,122
	34,547	**34,212**

Includes drainage at fair value as at 30 June 2015 the write down value was $502 and the write down value as at 30 June 2014 was $277.

General Infrastructure		
at cost	603	603
Less accumulated depreciation	48	33
	555	**570**
Other Structures		
at cost	1,585	1,585
Less accumulated depreciation	715	627
	870	**958**
Total Infrastructure	**35,972**	**35,740**

Valuation of road and bridge assets has been determined in accordance with an independent valuation undertaken by Brighton Council Engineers and Tasspan. The valuation is at fair value based on replacement cost less accumulated depreciation as at 30 June 2012.

Works in progress		
at cost	240	81
Total Works in progress	**240**	**81**
Total property, infrastructure, plant and equipment	**46,793**	**44,482**

Note 24 *Property, plant and equipment, infrastructure (cont.)*

Reconciliation of property, plant and equipment and infrastructure

2015	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (Note 30)	Depreciation and amortisation (Note 13)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers	Balance at end of financial year
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Land	2,332	-	(22)	-	(6)	-	-	2,304
Land Under Roads	2,531		(24)	-	-	-	-	2,507
Buildings	2,941		2,287	(62)	-	-	-	5,166
Building improvements	128	166	(290)	(4)	-	-	-	-
Total property	7,932	166	1,951	(66)	(6)	-	-	9,977
Plant and Equipment								
Plant, machinery and equipment	278	-	-	(71)	-		-	207
Fixtures, fittings and furniture	17	29	-	(15)			-	31
Motor vehicles	434	36	-	(88)	(15)		-	367
Total plant and equipment	729	65	-	(174)	(15)	-	-	605
Infrastructure								
Roads and bridges	34,212	1,462	35	(691)	(471)			34,547
General infrastructure	570			(16)			-	554
Other	958	-		(88)				870
Total infrastructure	35,740	1,462	35	(795)	(471)	-	-	35,971
Works in progress								
Roads	81	240					(81)	240
Total works in progress	81	240	-	-	-	-	(81)	240
Total property, plant and equipment, infrastructure	**44,482**	**1,933**	**1,986**	**(1,035)**	**(492)**	**-**	**(81)**	**46,793**

2014	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (Note 28)	Depreciation and amortisation (Note 12)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers	Balance at end of financial year
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Land	2,317	-	20	-	(5)	-	-	2,332
Land Under Roads	-	2,531	-	-	-	-	-	2,531
Buildings	2,857	-	125	(63)	-	-	22	2,941
Building improvements	112	19	-	(3)	-	-	-	128
Total property	5,286	2,550	145	(66)	(5)	-	22	7,932
Plant and Equipment								
Plant, machinery and equipment	315	49	-	(71)	(15)		-	278
Fixtures, fittings and furniture	26		-	(9)			-	17
Motor vehicles	349	166	-	(81)	-		-	434
Total plant and equipment	690	215	-	(161)	(15)	-	-	729
Infrastructure								
Roads and bridges	35,279	1,058	(1,065)	(660)	(400)			34,212
General infrastructure	608			(16)			(22)	570
Other	769	500		(311)				958
Total infrastructure	36,656	1,558	(1,065)	(987)	(400)	-	(22)	35,740
Works in progress								
Roads	45	81					(45)	81
Total works in progress	45	81	-	-	-	-	(45)	81
Total property, plant and equipment, infrastructure	**42,677**	**4,404**	**(920)**	**(1,214)**	**(420)**	**-**	**(45)**	**44,482**

(a) Impairment losses

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

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

		2015 $'000	2014 $'000
Note 25	**Intangible assets**		
	at cost	130	130
	Less accumulated depreciation	130	125
	Total intangible assets	-	5
Note 26	**Trade and other payables**		
	Trade payables	28	2
	Other	21	24
	Rent in advance	8	8
	Accrued expenses	130	154
	Total trade and other payables	187	188

Note 27 Provisions

2015	Annual leave $ '000	Long service $ '000	Other $ '000	Total $ '000
Balance at beginning of the financial year	110	68	26	204
Additional provisions	29	54	11	94
Balance at the end of the financial year	139	122	37	298
2014				
Balance at beginning of the financial year	74	53	16	143
Additional provisions	36	15	10	61
Balance at the end of the financial year	110	68	26	204

	2015 $'000	2014 $'000
(a) Employee benefits		
(i) Current		
Annual leave	139	110
Long service leave	2	3
Other - Employee oncost and Superannuation	27	21
	168	134
(ii) Non-current		
Long service leave	120	65
Other - Employee oncost and Superannuation	9	5
	129	70
Aggregate carrying amount of employee benefits:		
Current	168	134
Non-current	129	70
	297	204
(iii) Employee Numbers	23	20

		2015 $'000	2014 $'000
Note 28	**Interest-bearing loans and borrowings**		
	Current		
	Borrowings - unsecured	56	68
		56	**68**
	Non-current		
	Borrowings - unsecured	304	360
	Total	**360**	**428**
	The maturity profile for Council's borrowings is:		
	Not later than one year	56	68
	Later than one year and not later than five years	191	203
	Later than five years	113	157
	Total	**360**	**428**
	Aggregate carrying amount of interest-bearing loans and borrowings;		
	Current	56	68
	Non-current	304	360
	Total interest-bearing loans and borrowings	**360**	**428**
Note 29	**Other Liabilities**		
	Current	-	-
	Non-Current	2	9
	Total	**2**	**9**

Note 30 Reserves

(a) Asset revaluation reserve	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2015				
Asset revaluation reserve	32,615	1,985		34,600
	32,615	**1,985**	**-**	**34,600**

	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2014				
Asset revaluation reserve	33,535		(920)	32,615
	33,535	**-**	**(920)**	**32,615**

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

(b) Fair Value Reserve	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2015				
Available-for-sale assets				
Investment in Water Corporation	(147)	6		(141)
Total fair value reserve	**(147)**	**6**	**-**	**(141)**

	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2014				
Available-for-sale assets				
Investment in Water Corporation	8		(155)	(147)
Total fair value reserve	**8**	**-**	**(155)**	**(147)**

The available-for-sale financial asset reserve was established to capture the fair value movements in Tas Water investment.

(c) Other reserves	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2015				
Public open space reserve	119			119
Tasman civic centre reserve	3			3
General reserve	952			952
Total other reserves	**1,074**	**-**	**-**	**1,074**

	Balance at beginning of reporting year $'000	Increment $'000	(decrement) $'000	Balance at end of reporting year $'000
2014				
Public open space reserve	119	-	-	119
Tasman civic centre reserve	3	-	-	3
General reserve	952	-	-	952
Total other reserves	**1,074**	**-**	**-**	**1,074**

	2015 $'000	2014 $'000
Total Reserves	**35,533**	**33,542**

		2015 $'000	2014 $'000
Note 31	**Reconciliation of cash flows from operating activities to surplus (deficit)**		
	Surplus/Deficit	1,170	2,986
	Depreciation/amortisation	1,040	1,224
	(Profit)/loss on disposal of property, plant and equipment, infrastructure	449	413
	Impairment losses	-	-
	Share of net (profit)/loss of associates and joint ventures accounted for by the equity method	(6)	(59)
	Capital grants received specifically for new or upgraded assets	(430)	(347)
	Contribution - Non-Monetary Assets	-	(2,531)
	Other		15
	Change in assets and liabilities:		
	Decrease/(increase) in trade and other receivables	289	(224)
	Decrease/(increase) in other assets	(8)	170
	Decrease/(increase) in inventories	(1)	9
	Increase/(decrease) in trade and other payables	(1)	(80)
	Increase/(decrease) in provisions	93	39
	Increase/(decrease) in other liabilities	(7)	(9)
	Net cash provided by/(used in) operating activities	**2,588**	**1,606**
Note 32	**Reconciliation of cash and cash equivalents**		
	Cash and cash equivalents (see note 19)	4,612	3,472
	Less bank overdraft	-	-
	Total reconciliation of cash and cash equivalents	**4,612**	**3,472**

		2015 $'000	2014 $'000
Note 33	**Operating leases**		
	(a) Operating lease commitments		
	At the reporting date, Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
	Not later than one year	-	4
	Later than one year and not later than five years	-	-
	Later than five years	-	-
		-	4

Note 34 Financial Instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	19	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues. Investments and bills are valued at cost. Investments are held to maximise interest returns of surplus cash. Managed funds are measured at market value.	On call deposits returned a floating interest rate of 2.56% (3% in 2013/2014).
Trade and other receivables			
Other debtors	20	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and arrears attract an interest rate of 8.46% (9.35% in 2013/14). Credit terms are based on 15 days.
Financial Liabilities			
Trade and other payables	26	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	28	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are unsecured. The weighted average interest rate on borrowings is 6.87% (6.81% in 2013/2014).

Note 34 Financial Instruments (cont.)

(b) Interest Rate Risk

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

2015

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 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	2.56%	1,306	3,305			1	4,612
Financial assets	2.65%		250				250
Trade and other receivables		200				67	267
Investment in water corporation						774	774
Total financial assets		1,506	3,555	-	-	842	5,903
Financial liabilities							
Trade and other payables						187	187
Interest-bearing loans and borrowings	6.87%		56	191	113		360
Total financial liabilities		-	56	191	113	187	547
Net financial assets (liabilities)		1,506	3,499	(191)	(113)	655	5,356

2014

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 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	3.06%	243	3,228			1	3,472
Financial assets	3.35%		250				250
Trade and other receivables		365				191	556
Investment in water corporation						768	768
Total financial assets		608	3,478	-	-	960	5,046
Financial liabilities							
Trade and other payables						188	188
Interest-bearing loans and borrowings	6.81%		68	203	157		428
Total financial liabilities		-	68	203	157	188	616
Net financial assets (liabilities)		608	3,410	(203)	(157)	772	4,430

Note 34 Financial Instruments (cont.)

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2015 $'001	2014 $'000	2015 $'000	2014 $'000
Financial assets				
Cash and cash equivalents	4,612	3,472	4,612	3,472
Other financial assets	250	250	250	250
Trade and other receivables	341	556	341	556
Total financial assets	**5,203**	**4,278**	**5,203**	**4,278**
Financial liabilities				
Trade and other payables	187	188	187	188
Interest-bearing loans and borrowings	360	488	416	427
Total financial liabilities	**547**	**676**	**603**	**615**

(d) Credit Risk

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

(e) Risks and mitigation

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

Market risk

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

Interest rate risk

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

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

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

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

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

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

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

Cash flow monitoring is used to predict expected shortfalls and matching this to maturity timing and therefore maximising interest rate return.

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 major Australian banks in quality investment products.

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

We may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when we provide a guarantee for another party.

Movement in Provisions for Impairment of Trade and Other Receivables	**2015**	**2014**
	$'000	**$'000**
Balance at the beginning of the year	1	24
New Provisions recognised during the year	-	-
Amounts already provided for and written off as uncollectible	-	(23)
Amounts provided for but recovered during the year		
Balance at end of year	1	1

Ageing of Trade and Other Receivables

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

	2015	**2014**
	$'000	**$'000**
Current (not yet due)	21	145
Past due by up to 30 days	7	1
Past due between 31 and 365 days	211	365
Past due by more than 1 year	28	45
Total Trade & Other Receivables	**267**	**556**

(g) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value by valuation method.
The different levels have been defined as follows:

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (ie prices) or indirectly (ie derived from prices)
Level 3	inputs for the asset or liability that are not based on observable market data.

	Level 1	**Level 2**	**Level 3**	**Total**
30 June 2015	**$'000**	**$'000**	**$'000**	**$'000**
Available for sale financial assets	-	-	774	774
Total	-	-	774	774

	Level 1	**Level 2**	**Level 3**	**Total**
30 June 2014	**$'000**	**$'000**	**$'000**	**$'000**
Available for sale financial assets	-	-	768	768
Total	-	-	768	768

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

Reconciliation of Level 3 Fair Value Movements	**2015**	**2014**
	$'000	**$'000**
Opening balance	**768**	**923**
Change in fair value movement in TasWater	6	(155)
Closing balance	**774**	**768**

Note 35 Auditors' remuneration	2015 $'000	2014 $'000
Audit fee to conduct external audit - Tasmanian Audit Office	27	23
	27	23

Note 36 Events occurring after balance date

Tasman Council has no after balance day events to report.

Note 37 Related party transactions

(i) Responsible Persons

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

Councillors
Mayor Roseanne Heyward Elected until 2018
Deputy Mayor Kelly Spaulding Elected until 2018
Councillor Pam Fenerty Elected until 2018
Councillor Roger Larner Elected until 2018
Councillor Alan Hull Elected until 2018
Councillor Maria Stacey Elected until 2018
Councillor David MacDonald Elected until 2018

General Manager Robert Higgins

	2015	2014
Total Remuneration for the reporting year for Councillors' Emoluments and reimbursements included above amounted to:	134	103
Total Remuneration for the reporting year for senior management positions	174	166

The General Manager remuneration is shared jointly with Sorell Council and is reimbursed accordingly.

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

Note 38 Capital Expenditure

Capital Expenditure areas	Note	2015 $'000	2014 $'000
Roads		1,462	1,094
Buildings		166	19
Plant and equipment		65	215
Other			500
Total capital works		**1,693**	**1,828**

Property, plant and equipment, infrastructure movement

The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Statement of Financial Position links to the net of the following items:

		2015 $'000	2014 $'000
Total capital works		1,852	1,828
Contributions no monetary assets	7	0	2,531
Asset revaluation movement	29	1,986	(920)
Depreciation/amortisation	23	(1,035)	(1,214)
Impairment losses	23		
Written down value of assets sold	23	(492)	(420)
Net movement in property, plant and equipment, infrastructure		**2,311**	**1,805**

(a) Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) Upgrade

Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretional and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base.

(c) Expansion

Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretional expenditure which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group.

Note 39 Special committees and other activities

The transactions of Councils special committees have been included in the financial statements of Council as listed below.

Council Comittees 2015

	Opening ($)	Closing ($)
Tasman Community Centre	5,159	6,059
Nubeena Recreation Ground	2,959	4,546
Koonya Hall Committee	3,498	2,949
Saltwater River Hall Committee	1,845	-
Port Arthur Sports Ground Committee	6,273	-
Tasman Civic Centre Fundraising Committee	13,295	14,257
Tasman Civic Centre Committee	12,722	24,892
	45,750	**52,703**

Saltwater River Hall & Port Arthur Sports Ground Committee disolved and control returned to Council. The books for Tasman Civic Centre & Nubeena Recreation Ground were not received in time to be included in this report therefore the figures above are from the 2013/14 financial year.

Note 40 Management indicators	Benchmark	2015 $'000	2014 $'000	2013 $'000	2012 $'000
(a) Underlying surplus or deficit					
Recurrent income* less		6,369	6,495	6,132	5,446
recurrent expenditure		5,180	5,461	5,619	4,964
Underlying surplus/deficit	>0	1,189	1,034	513	482

* 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 consistently exceeds the benchmark

(b) Underlying surplus ratio					
Underlying surplus or deficit		1,189	1,034	513	482
Recurrent income*		6,369	6,495	6,132	5,446
Underlying surplus ratio %	0%	19%	16%	8%	9%

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

Council consistently exceeds the benchmark

(c) Net financial liabilities					
Liquid assets less		5,153	4,294	4,364	3,830
total liabilities		846	829	1,100	1,168
Net financial liabilities	0%	4,307	3,465	3,264	2,662

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

Council Consistently exceeds benchmark

(d) Net financial liabilities ratio					
Net financial liabilities		4,307	3,465	3,264	2,662
Recurrent income*		6,369	6,495	6,132	5,446
Net financial liabilities ratio %	0% - (50%)	68%	53%	53%	49%

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

Council is paying its loans as they fall due and not taking out any additional loans for asset renewal

Note 40 Management indicators (cont.)	2015 $'000	2014 $'000	2013 $'000	2012 $'000
(e) Asset consumption ratio				

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

Transport Infrastructure				
Depreciated replacement cost	34,044	33,935	35,118	36,273
Current replacement cost	45,520	45,055	46,959	48,093
Asset consumption ratio %	75%	75%	75%	75%
Buildings				
Depreciated replacement cost	5,166	3,069	2,969	2,997
Current replacement cost	7,148	3,259	3,093	3,060
Asset consumption ratio %	72%	94%	96%	98%
Drainage				
Depreciated replacement cost	502	277	161	0
Current replacement cost	510	279	161	0
Asset consumption ratio %	98%	99%	100%	

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

Drainage assets have only been recorded since 2013

Note 40 Management indicators (cont.)		2015 $'000	2014 $'000	2013 $'000	2012 $'000
(f) Asset renewal funding ratio					
An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
Transport Infrastructure					
Projected capital funding outlays**		860	1,003	1,086	620
Projected capital expenditure funding***		860	1,003	1,086	620
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%
Buildings					
Projected capital funding outlays**		43	65	0	80
Projected capital expenditure funding***		43	65	0	80
Asset renewal funding ratio %	90-100%	100%	100%	0%	100%
Drainage					
Projected capital funding outlays**		0	11	0	0
Projected capital expenditure funding***		0	11	0	0
Asset renewal funding ratio %	90-100%	0%	100%	0%	0%

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

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

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

Council's Long Term Financial Plan is based on what has been identified from its Asset Management Plan

(g) Asset sustainability ratio

Capex on replacement/renewal of existing assets		1,045	989	803	822
Annual depreciation expense		1,040	1,224	1,105	1,197
Asset sustainability ratio %	100%	100%	81%	73%	69%

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

Council is working towards consistent renewal of its assets.

(h) Asset sustainability ratio

By asset class	Captial renewal expenditure $'000	Capital new /upgrade expenditure $'000	Total Capital Expenditure $'000
Roads	632	240	872
Bridges	342	18	360
Drainage	0	229	229
Buildings	5	160	165
Other Structures			0
Plant & Equipment	66		66
Total	**1045**	**647**	**1692**

Note 41 Fair Value Measurements

Council measures and recognises the following assets at fair value on a recurring basis:
Investment in water corporation
Property, infrastructure plant and equipment
- Land
- Buildings
- Roads
- Bridges

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

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

As at 30 June 2015

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		$'000	$'000	$'000	$'000
Land	23		2,304	2,507	4,811
Buildings	23		5,166		5,166
Roads, Bridges & Drainage	23			34,547	34,547
		-	7,470	37,054	44,524
Non-recurring fair value measurements					
Assets held for sale		-	-	-	-
		-	-	-	-

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

Note 41 Fair Value Measurements (cont.)

(b) Highest and best use

Not all assets valued at fair value in this note are being used for their highest and best use. Some Council owned buildings are not being used to their full market potential rather their use has been determined by what is required for the community as a whole.

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

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

Level 2 Measurements (recurring and non-recurring) *- Assets valued at fair value at this level have been obtained by an independent source or current price of materials.*

Level 3 Measurements (recurring and non-recurring) *- Level 3 measurements are Council infrastructure assets of a specialist nature and therefore unable to be accurately measured against a comparable market.*

Level 3 measurements (recurring) *- a reconciliation of opening and closing balances is also required, which should include gains and losses recognised in profit and loss (including unrealised gains/losses), gains/loss recognised in other comprehensive income, purchases and disposals, transfers in and out of Level 3. Refer Note (e) below.*

Land

Land fair values were determined by a qualified independent valuer effective 30 June 2011. The real estate market within the Tasman Municipality has been very slow on sales in the past 12 months. A look at land prices at market value and valuation value appear to be at the same level.

Land under roads

The valuation of Land under roads is based on the unit rate given by the Valuer General for Urban and Rural areas multiplied by the m2 road data held in Councils asset management system.

Buildings

The fair value of buildings were determined by site inspections by Brighton Council and the Rawlinsons costings effective 30 June 2015.

Infrastructure assets

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

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

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset was determined by the modern equivalent cost of replacement.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 1

The calculation of Depreciation Replacement Cost involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

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

Roads, including footpaths & cycleways

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

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. Council assumes that pavements are constructed to depths of 250mm on sealed roads and 100mm unsealed roads.For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Bridges

A full valuation of bridges assets was undertaken by independent valuers,Tasspan, effective 30 June 2013. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure.The valuation is based on the material type used for construction and the deck and sub-structure area.

Drainage

Drainage is valued at the amout that is capitalised at year end and then indexed accordingly. Council will be looking to undertake a full mapping of this infrastrucutre item in the coming year.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.
CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Note 41 Fair Value Measurements (cont.)

(d) Unobservable inputs and sensitivities

Below table will need to be adapted to Council and the level of disclosure considered appropriate.

Asset / liability category*	Carrying amount (at fair value)	Key unobservable inputs *	Expected range of inputs	Description of how changes in inputs will affect the fair value
Land under Roads	$2,507	Unit price per Sq metre	Rates given by Valuer General	The higher the unit rate the higher the fair value
Buildings	$5,166	Useful life	Refer Note 1e	The higher the useful life the higher the fair value
Roads & Bridges & Drainage	$34,547	Unit price per Sq metre	Refer Note 1e	The higher the residual value the higher the fair value

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

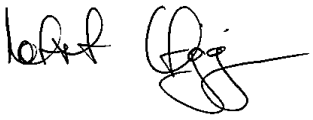
(e) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in note 1 (e,f &k)

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

Certification of the Financial Report

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



Robert Higgins
General Manager

Date : *14/08/2015*