



FLINDERS
COUNCIL

Annual Report 2022 / 2023



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Acknowledgement

Flinders Council acknowledges the Traditional Owners of the land on which we reside today, the palawa people of the trawlulwai Nation, and recognise their continuing connection to the land, waters and culture of the islands.

We pay our respects to Elders past, present and emerging.

The Islander Way

The first thing you will notice, on Flinders and the Furneaux Group of islands, is the breathtaking scenery. In every direction, what you see is like nothing else in the world.

It's deeper than quiet beaches and coastlines, mountains and mist. These islands have a rich and dark history, and an intensely passionate community that wants to reckon with its past and build the right future together. No-one is here because it is the easiest place to live. Everyone is here because it is different. When something works on these islands it tends to be small and special.

As the rest of the world chases growth, we chase meaning.

The core of our culture is to be true to who we are, to try to live on what we find or grow on our rich land and in our waters, to support each other. When a crisis strikes one of us, it strikes all of us. Many of our family businesses have been here for generations, evolving yet never abandoning the spirit of this place. Artists and artisans are here to create and connect.

We have a complex relationship with change because we understand what it can bring. It's different here and we make different invitations to visitors: for an unforgettable time on Flinders Island, learn to be one of us for a few days, a week, or the rest of your life. Slow down, get lost, contribute, connect.

Don't try to change this place. Let this place change you.

The Furneaux Islands Festival celebrates our Aboriginal history, our ancient and modern cultural traditions, our art, even our complications. Our Council and Community launched it as a gently provocative and intensely alternative to Australia Day – the first in the country.

Quiet is a word you will hear often on Flinders Island. The Tasmanian story is the quiet pursuit of the extraordinary, and on Flinders it is aged and distilled: quieter, harder, yet more rewarding, more mysterious, more connected, more complicated, more extraordinary.



Strategic Objectives

Our Vision

A vibrant, welcoming and sustainable community, full of opportunity, celebrating and preserving our unique way of life and natural environment.

Our Mission

Working collaboratively with the communities of the Furneaux Group of islands to preserve the 'island way' whilst embracing future opportunities.





Our Guiding Principles

When setting our strategic priorities and decision making, Council will be guided by the following principles:

1. **Community Engagement** – encourage and value community contribution.
2. **Island Heritage and Character** – retain and enhance our heritage, cultural traditions and community spirit.
3. **Environment, Waste and Sustainable Land Use Practices** – value our unique natural environment and encourage sustainable industries, lifestyle and practices.
4. **Service Quality** – provide service excellence, efficiently and effectively, and within our means.
5. **Transparency** – make professional and transparent decisions, communicated and implemented in the interest of the Community.
6. **Governance and Financial Responsibility** – comply with government regulations and Council's guiding plans: Strategic Plan, Long-Term Financial Management Plan and Long-Term Asset Management Plan.
7. **Sustainability** – strive for sustainability in the social / community, economic / business, and built / natural environments.
8. **Continuous Improvement** – Ensure ongoing, documented, continuous improvement processes.

Interpreting our Plan

To realise our vision, we have identified the following four focus areas as the foundations upon which our community is built and thrives:

- **Liveability** - To protect and build upon our islands' way of life.
- **Accessibility / Infrastructure** - Quality infrastructure and services for community benefit.
- **Economy / Business** - An environment where a variety of businesses can thrive and integrate.
- **Good Governance** - Effective, efficient and transparent management and operations.

Each of Council's programs is designed to help us progress as a community and achieve important outcomes. For each focus area, specific goals have been identified that we aim to achieve within the life of the plan. Clearly articulated strategies, which will yield the greatest results for our efforts, outline how we will accomplish these goals. Additional areas of focus, action, and detail will evolve within the Council's Annual Plan.

To measure our overall success, key outcomes for each focus area have been defined and are detailed in the Flinders Council 2021-2031 Strategic Plan.



Flinders Municipality

Council Office

4 Davies Street
Whitemark, Tasmania 7255

All Correspondence to the General Manager

PO Box 40
Whitemark TASMANIA 7255

Office Hours

Monday to Friday 9.00am - 4.30pm
P: (03) 6359 5001
F: (03) 6359 2211
E: office@flinders.tas.gov.au

Airport

Palana Road,
Whitemark, Tasmania 7255
Monday to Friday 8.00am - 4.30pm
P: (03) 6359 2144
F: (03) 6359 2145
E: airport@flinders.tas.gov.au

Visitor Information Centre

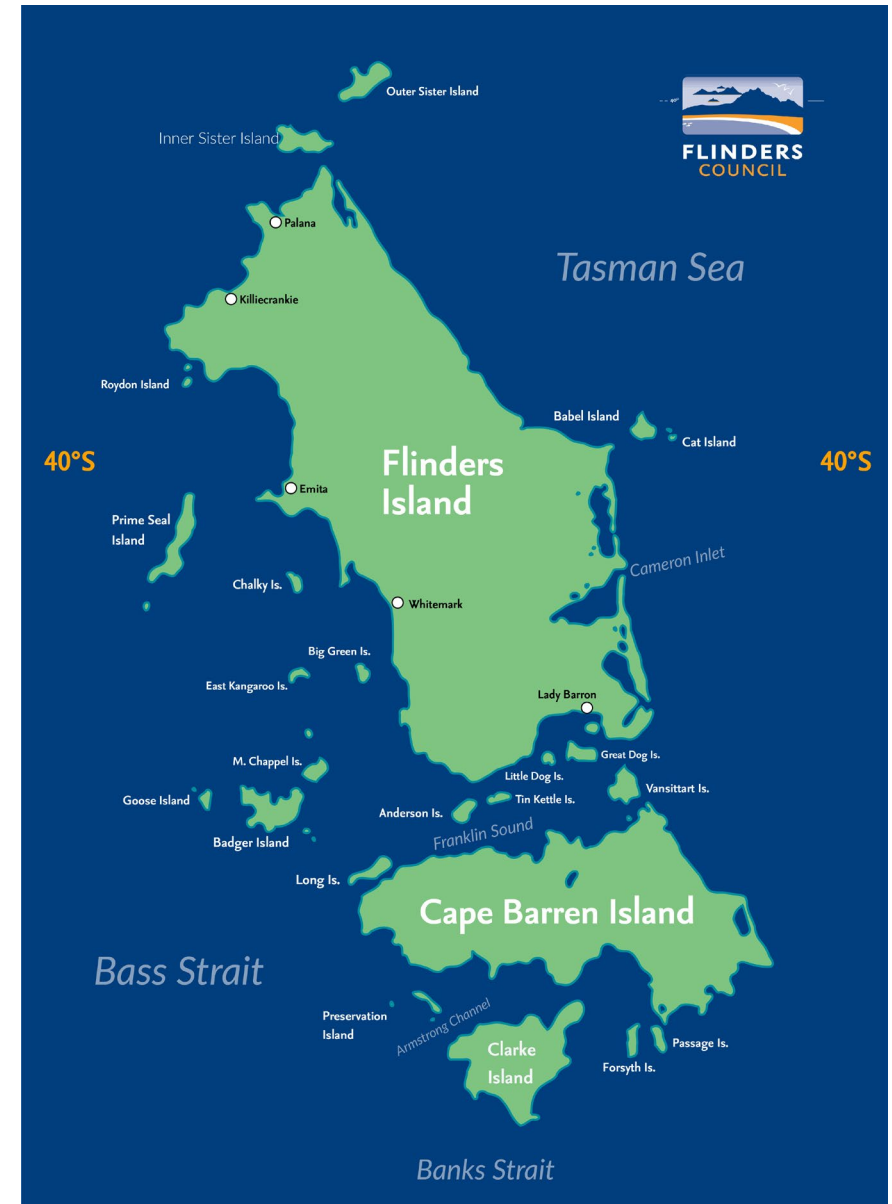
4 Davies Street
Whitemark, Tasmania 7255
Monday to Friday 9:00am-4:30pm
P: (03) 6359 5002
F: (03) 6359 2211

Works Depot

21 Patrick Street
Whitemark, Tasmania 7255
Monday to Friday 7:30am - 4:30pm
P: (03) 6359 5020 / 5021
F: (03) 6359 2069

After Hours Emergencies / Works / Airport

Infrastructure Manager
M: 0427 592 069



Flinders Council Overview

Flinders Council is elected to represent the Community and its aspirations and needs. The Council is authorised by the *Local Government Act 1993*, as amended, to make a broad range of decisions.





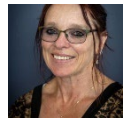









The scope of the Council's responsibilities includes:

- allocation of resources and the determination of funding priorities;
- policy determination and the establishment of corporate goals and objectives;
- reviewing and monitoring performance of the Council management structure and team;
- overall performance of the corporate body; and
- reporting to and liaising with the Community.



L to R: Cr Aaron Burke, Cr Carol Cox, Deputy Mayor Vanessa Grace, Mayor Rachel Summers, Cr Ken Stockton, Cr Garry Blenkhorn, Cr Peter Rhodes

Councillors: In October 2022, the twelfth round of statewide elections were held and heralded compulsory voting for all electors on the state electoral roll. Flinders Council is represented by seven Councillors and is led by the Mayor and the Deputy Mayor. Each elected member also has delegated responsibilities for various Committees and organisations.

Outgoing Council		Incoming Council	
 <p>Cr Annie Revie – Mayor (1 – 22 July 2022)</p> <ul style="list-style-type: none"> • Flinders Boating Special Committee (Chair) • Furneaux Group Aviation Special Committee (Chair) • Furneaux Group Shipping Special Committee (Chair) • General Manager's Performance Review Committee (Chair) • Local Government Association of Tasmania 	 <p>Cr Rachel Summers - Mayor</p> <ul style="list-style-type: none"> • Flinders Boating Special Committee (Chair) • Furneaux Group Aviation Special Committee (Chair) • Furneaux Group Shipping Special Committee (Chair) • General Manager's Performance Review Committee (Chair) • Local Government Association of Tasmania • Whitemark Community Gym Special Committee (Chair) 		
 <p>Cr David Williams - Deputy Mayor (1 – 22 July 2022) Mayor (23 July-Nov 2022)</p> <ul style="list-style-type: none"> • General Manager's Performance Review Committee • Local Government Association of Tasmania (proxy) • Municipal Emergency Management Committee (Chair) 	 <p>Cr Vanessa Grace - Deputy Mayor</p> <ul style="list-style-type: none"> • Furneaux Group Shipping Special Committee 		
 <p>Cr Sharon Blyth (July-Nov 2022)</p> <ul style="list-style-type: none"> • Flinders Island Business Inc. • Furneaux Group Aviation Special Committee • Lady Barron Hall and Recreational Special Committee (Chair) 	 <p>Cr Garry Blenkhorn</p> <ul style="list-style-type: none"> • Furneaux Group Shipping Special Committee • TasWater – Shareholder's Group 		
 <p>Cr Aaron Burke (July-Nov 2022)</p> <ul style="list-style-type: none"> • Furneaux Group Shipping Special Committee • Natural Resource Management (NRM) North Association 	 <p>Cr Aaron Burke</p> <ul style="list-style-type: none"> • Flinders Boating Special Committee • General Manager's Performance Review Committee 		
 <p>Cr Vanessa Grace (July-Nov 2022)</p> <ul style="list-style-type: none"> • Furneaux Group Shipping Special Committee • Natural Resource Management (NRM) North Association 	 <p>Cr Carol Cox</p> <ul style="list-style-type: none"> • Flinders Boating Special Committee • General Manager's Performance Review Committee • Lady Barron Special Committee (Chair) 		
 <p>Cr Peter Rhodes (July-Nov 2022)</p> <ul style="list-style-type: none"> • Furneaux Group Aviation Special Committee • TasWater – Shareholder's Group 	 <p>Cr Peter Rhodes</p> <ul style="list-style-type: none"> • Furneaux Group Aviation Special Committee • Lady Barron Special Committee 		
 <p>Cr Rachel Summers (July-Nov 2022)</p> <ul style="list-style-type: none"> • Flinders Island District High School Association • General Manager's Performance Review Committee • Whitemark Community Gym Special Committee (Chair) 	 <p>Cr Ken Stockton</p> <ul style="list-style-type: none"> • Furneaux Group Aviation Special Committee 		

Council Meetings

All Councillors participate extensively in the performance of their duties. Attendance at council meetings is expected whereas attendance at workshops is not compulsory. A snapshot of each elected member's participation in meetings and workshops is shown on the table at the right.

Ordinary Meetings of Council were generally held on the fourth Tuesday of each month at 2.00pm. A list of Ordinary Meeting dates for the year ahead is available from Council Offices after the November meeting each year. Councillors also regularly attend a range of workshops in which, amongst other things, further explanatory information is discussed, and training is conducted. A list of discussion items is recorded in the next Council Meeting Agenda following the workshop. No actual decisions are made at these workshops.

Allowances

In accordance with section 72(1)(cb) of the *Local Government Act 1993*, Council is required to report the total allowances and expenses paid to the mayor, deputy mayor and councillors.

The 2022/2023 summary is as follows:

Allowances	\$106,055
Expenses	\$3,948

July 2022 - October 2022					
Item	Council Meetings 4 held	Workshops 7 held	Special Meetings Nil held	Annual General Meeting - N/A	Total 11 held
Mayor Cr Annie Revie (resigned July-22)	0	0			0
Deputy Mayor Cr David Williams	4	5			9
Cr Sharon Blyth	2	2			4
Cr Aaron Burke	4	5			9
Cr Vanessa Grace	4	7			11
Cr Peter Rhodes	4	7			11
Cr Rachel Summers	3	6			9
November 2022 - June 2023					
Item	Council Meetings 8 held	Workshops 20 held	Special Meetings 4 held	Annual General Meeting - 1 held	Total 33 held
Mayor Cr Rachel Summers	8	20	4	1	33
Deputy Mayor Cr Vanessa Grace	8	19	3	0	30
Cr Garry Blenkhorn	8	19	4	1	32
Cr Aaron Burke	6	9	2	0	17
Cr Carol Cox	7	18	4	1	30
Cr Peter Rhodes	8	15	2	1	26
Cr Ken Stockton	7	16	4	1	28

Senior Management Team

Council's functions are performed by staff in a range of full and part time roles. All staff operated collegiately with the following Senior Management Team in place.

General Manager	Warren Groves
Infrastructure and Airport Manager	Chris Wilson
Financial Organisational Performance Manager	Heidi Marshall (July 2022)

The Year in Review

The following reports have been prepared in accordance with the requirements of the *Local Government Act 1993*.

The reports relate to Annual Report Requirements as detailed in section 72 of the Act, Council's Annual and Strategic Plans, and the Financial Report for the year ending 30 June 2023. An overview of Council's operations and achievements during this period is also provided.



General Manager's Report

The 2022/2023 financial year has been a focal period for our islands, marked by substantial progress across multiple sectors. This summary aims to provide a comprehensive overview of Council's key achievements and initiatives during this time.

In the liveability sector, Council has actively engaged in enriching the quality of life of our residents. The Islander Way project, initiated in 2021, reached significant milestones by mentoring various community-led projects in areas ranging from waste management to food security. Additionally, the Furneaux Islands Festival was a resounding success, not only in terms of participation but also through its arts and cultural contributions, such as the debut of the Islander Portrait Prize.

Infrastructure remains a high-priority area for Council. We have been proactive in upgrading local infrastructure, including undertaking a series of road maintenance projects and planning improvements to the Whitemark boat ramp. Securing additional federal funding for the Flinders Island Marine Access and Safe Harbour project will address previously identified financial shortfalls and facilitate the project's development.

In terms of economic development, Council has actively pursued funding and grant opportunities to support various Priority Projects. Although the veterinary clinic project faced financial constraints due to escalating



Flinders Council General Manager - Warren Groves

construction costs, efforts are progressing well to secure additional funding. Strategic land acquisitions have been made to consolidate Council assets, and a Housing Working Group has been formed to optimise land and asset utilisation for community benefit. Council remains committed to fostering an environment conducive to business development and community well-being.

Good governance is at the core of our operations. Following the Local Government elections, a new Council was instituted and underwent a comprehensive induction program. To improve communication with our residents, a Communications Policy has been developed. Additionally, an organisation-wide continuous improvement program has been initiated, signifying Council's ongoing commitment to attaining operational and strategic excellence.

It's worth noting Council's success in securing various grants, including a Healthy Tasmania 'Lift Local' Grant and an International Women's Day grant. These funds are earmarked for important community initiatives, further underscoring Council's commitment to inclusive and sustainable development.

In summary, the past financial year has been characterised by concerted efforts in enhancing liveability, bolstering infrastructure, stimulating economic development, and ensuring transparent and effective governance. While challenges persist, we remain optimistic and highly focused on the opportunities of the year ahead.

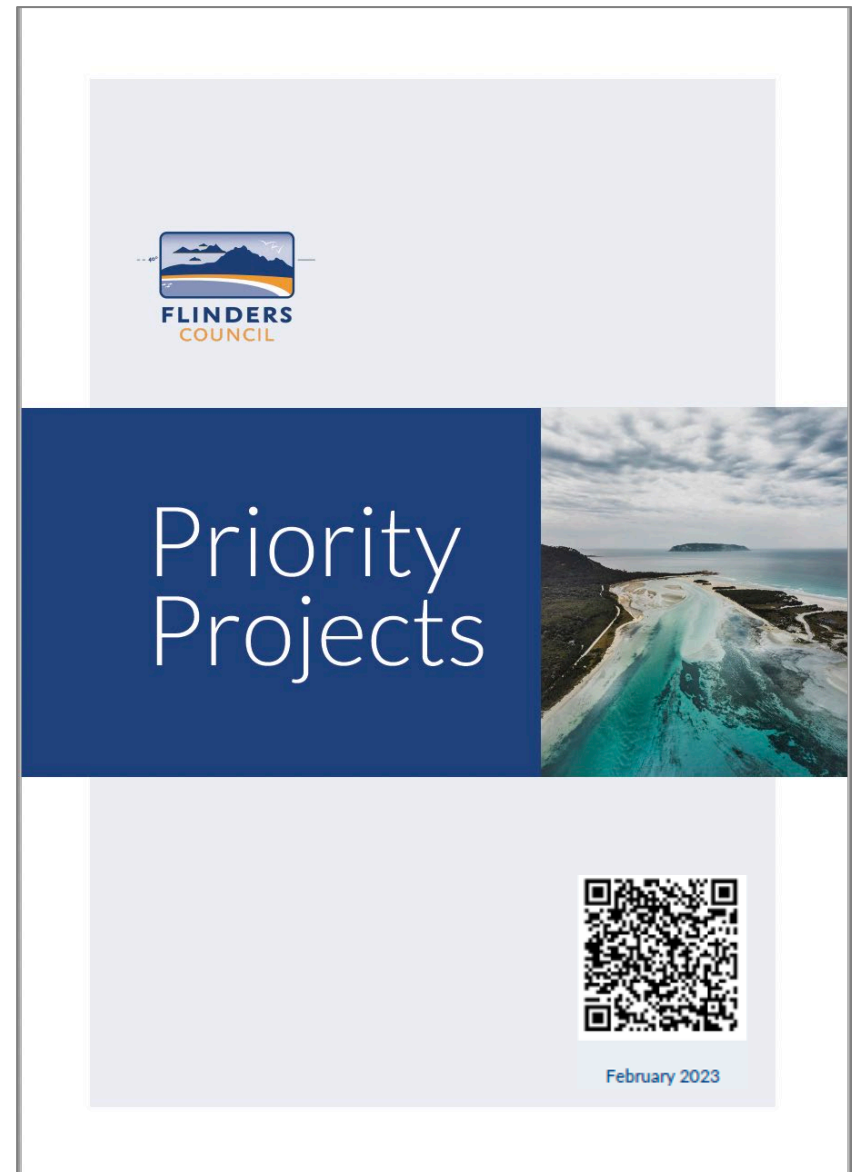


Priority Projects

Council reviewed and updated the Priority Projects list based on the community consultation outcomes of the 2020-21 strategic planning process. The list now includes the following five priority projects:

1. **Modern, solid waste management practices.**
2. **Palana Road reconstructed, sealed and ownership transferred to State Government.**
3. **TasWater funded to establish a wastewater solution for Flinders Island.**
4. **Council Depot relocated from residential area within Whitemark.**
5. **State of the art 'off grid' northern location for campers at North East River.**

The advocacy document completed in March 2022 was updated in August 2022 and reviewed again in February 2023. The Priority Projects Document was provided to various state and federal politicians and explained in detail during presentations to the Premier, Minister for Local Government and Deputy Secretary of State Growth.



Road Infrastructure

State Growth Road Contract Negotiations

Council has project-managed, on behalf of the Department of State Growth (DSG), the cement stabilisation and bitumen sealing of 400m of Lady Barron Rd. This also includes bitumen edge-break repairs using 16 tonnes of asphalt, as well as the cleaning and removal of silt and debris from roadside table drains.

Council has also undertaken minor, ongoing repair works under contract with the State Government.

Council and DSG have reached an in-principle agreement for a maintenance contract for Lady Barron Rd and the bitumen-sealed section of Palana Rd. Meeting DSG's requirement to maintain the road to an agreed minimum standard will necessitate staff training in the use of asset/defect management software. Both parties agree the contract must be carried out in a professional manner and anticipate that reaching the agreed minimum standard may take some time.

Further negotiation is still required before finalising the agreement and signing the contract.

Road Stabilisation and Bitumen Resealing

Council completed 4,832 sq.m of road pavement cement stabilisation and bitumen sealing on Memana and Lackrana Roads. Council completed the bitumen resealing of most residential streets in Lady Barron.

Palana Rd from Airport to Five Mile Jim Rd

After completing the stabilisation and bitumen sealing of the section of Palana Rd from Fairhaven Rd to Five Mile Jim Rd, Council received correspondence in July 2022 from Hon. Michael Ferguson, the Minister of Transport. He advised that he had agreed to commence the process of transferring responsibility to the State Government for not only this section of road, but also for the entire bitumen-sealed length of Palana Road. This means that, once the process is completed, the State Government will assume responsibility for maintaining Lady Barron Road and Palana Road from Lady Barron to Five Mile Jim Road.

The road is scheduled to be transferred to the State Government on 1st September 2023. The Minister also committed to additional transfers of responsibility as more sections of Palana Road are bitumen sealed.





Waste Management

In the 2022-23 financial year, waste management in our remote setting presented ongoing challenges due to resource limitations. Nevertheless, notable achievements in this period included:

- review of the draft Waste Management Strategy,
- successful registration for the intrastate Tasmanian Equalisation Scheme,
- implementing a digital data recording system for waste data collection,
- appointing a Waste Management Supervisor, and
- acquiring three Community Recycling hubs.

Council also explored and pursued multiple cost-free recycling initiatives. These efforts, combined with the Community Recycling Hubs, will be launched at the end of 2023. The hubs will facilitate the recycling of items like coffee pods, mobile phones, toothbrushes and select plastic packaging. These initiatives fall under product stewardship programs, wherein manufacturers assume responsibility for waste produced by their products.

Looking ahead, our focus will encompass finalising and presenting the Waste Strategy for 2023-2028 with community input; addressing compliance regulations at the Whitemark Waste Facility; enhancing the Lady Barron Waste Transfer Station's functionality via re-sheeting, grading and reorganisation; installing new signage across waste facilities; and progressing the planning and commencement of construction of a sorting shed at the Whitemark Waste Facility.

Flinders Island Safe Harbour Project

In June of 2021, Council submitted a grant application to the Federal Government's Community Development Grant (CDG) program for the construction of a safe marine facility at Lady Barron, consisting of a floating pontoon jetty, rock break-wall structure, two lane boat ramp and supporting infrastructure.

Council maintained regular contact with the department handling the grant application to track progress. At the end of the 2021/22 financial year, Council was advised that the Labor Government had halted all previous government funding commitments until they could be evaluated against an undeveloped policy.

In November 2022, the CDG program confirmed the progression of the project and the full \$3.6 million funding deed was signed in April 2023. The \$3.6 million total consists of the substantive \$3 million initial grant and a further \$600,000 grant obtained by Council to ensure the viability of the project.

Further discussions with TasPorts around their support for the project and contribution of up to \$900,000 are ongoing, negotiations focused on improving and rationalising infrastructure around the working port and public wharf.

In May 2023, Council passed a motion to award Stage II of the Early Contractor Involvement process to Batchelor Construction Group Pty Ltd. Works are expected to commence late 2023 and be completed by March 2025.



Palana Rd

Reconstruction and sealing of Palana Road has commenced with the federally-funded Palana Road Upgrade Project. A total of 6.5km of Palana Road between Fairhaven Road, Emita and Five Mile Jim Road, Lughrata, was cement stabilised and sealed throughout the summer of 2021/22. After completion of the project, the State Government agreed to accept ownership of this newly upgraded section of Palana Road, as well as the section from the airport to Fairhaven Road, relieving Council of assets to maintain. Council continues to advocate for further funding to reconstruct and seal the remaining approximately 22.4km of Palana Rd.

Council has also been in discussion with the Department of Communities Tasmania regarding redevelopment of the Council Depot in Whitemark into a residential area.

Whitemark Tennis Court Land for Housing

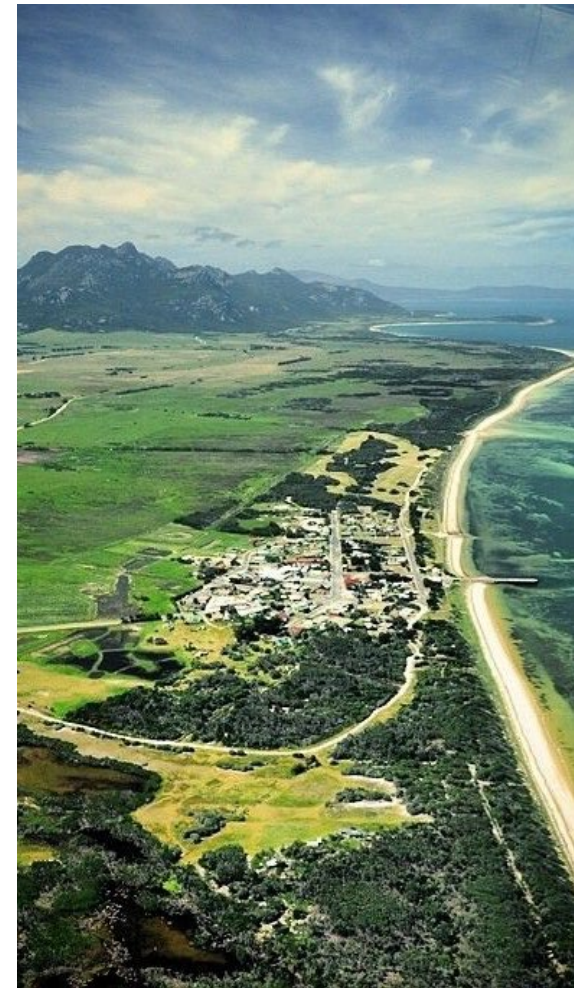
Further to Council's call for expressions of interest in the 2021/22 year regarding the purchase and development of the Whitemark

tennis court site for transition housing for the elderly, Council continued to work with the selected applicant to finalise the contract. Due to the rising costs of building materials and the unavailability of builders, the selected applicant was unable to proceed with the contract. Council continues to pursue a way forward to bring the development of this site to fruition.

Risk Management Framework

A review of Council's work health and safety and risk management procedures and processes resulted in the development of a new Risk Management Framework. The completed Framework, which was adopted by Council in June 2023, comprises an integrated suite of documents that represent the methodology and structure around how the various meetings, policies, procedures and registers compliment and support each other to mitigate risks.

The Framework, which demonstrates Council's commitment to Risk Management best practice, will foster the creation of a risk-aware culture



that applies logical and systematic risk management processes to all decisions, activities, functions, projects or operations that include the potential for risk.

Community Development

Community events are essential for our island as they enhance social ties, build community pride, boost our local economy, promote health and well-being, and create a more vibrant and connected community.

This year the Flinders Council Community Services team facilitated five prominent events for the Island and supported many other community-led events throughout the year.

Opening of the Time Capsule

On March 19, the Tomb of History was revealed, transporting historical artefacts into the present day. Around one hundred spectators assembled outside the Council Office for the momentous event. Regrettably, time had not been kind to the contents; moisture had penetrated the concrete tomb, compromising some items within. Thankfully, we managed to rescue some of the treasures with help from local conservator Joanna Laing.

Once the items had been properly dried, many were returned to their original owners.

A selection of artefacts will be incorporated in the Furneaux Museum's upcoming winter exhibition.

A new time capsule is being planned for 2023/24. To sidestep the problem of water damage that plagued the previous capsule, above-ground storage is under consideration.

Flinders Island Sports Day

Flinders Island Sports & RSL Club and Council were successful in obtaining a grant through Sport Australia to host the Flinders Island Sports Day on November 19. The grant funds were used for entertainment and event promotion and encouraged community members to attend and try out new sports.

The day began with a golf clinic run by the Flinders Island Aboriginal Association Inc. Tackling Indigenous Smoking Team. At the same time, a tennis clinic was held. A junior netball competition showcasing impressive skills was followed by the Men's Golf Championship and community lawn bowls. The successful day ended with a spirited senior netball match.



The Furneaux Islands Festival

Collaborating with Flinders Island Aboriginal Association (FIAAI), Council plays a pivotal role in fostering social cohesion and cultural enrichment through the Furneaux Islands Festival. This annual event draws participants and visitors from away and provides a platform for local artists, makers, growers and arts and cultural groups. In addition to its cultural significance, the Festival contributes to the hospitality, retail, and tourism sectors, providing economic opportunities for our local community during the month of January.

This year, the Furneaux Islands Festival featured the inaugural Islander Portrait Prize, facilitated by Furneaux Community Arts and supported by Council. The exhibition of portraiture works took place at the Lady Barron Hall, with 56 portraits submitted and over 300 people visiting the exhibition.

International Women's Day Luncheon

A significant occasion for Flinders Island women to gather and celebrate their accomplishments, while recognising the community's inherent

strength. A group of thirty community members, both men and women, convened at the Flinders Island Sports & RSL Club. They enjoyed a delicious lunch prepared by local Chef Liz Leigh, with keynote insights provided by Angela Driver, the CEO of Tasmania Leaders.

School Holiday Program

The continuing popularity of the Council's School Holiday Program highlights its continued appreciation within our community. An essential aspect of its success lies in its ability to offer a diverse array of activities, catering to the diverse interests of our young islanders. Beyond providing entertainment and fun during holidays, these programs play a pivotal role in fostering youth engagement, developing social skills, offering much-needed respite for parents, promoting physical activity, and nurturing the exploration of new interests and hobbies.

Throughout the 2022/2023-year, Council collaborated with the Show Society and Whitemark Library to organise two School

Holiday events. The library events marked the establishment of a new working relationship that has not only been successfully initiated but also extended into the new financial year.

Gyms

Community Gyms in Whitemark and Lady Barron have maintained their popularity, attracting a total of 3003 visitations. This reflects the positive reception and active engagement of the community with our fitness facilities.

At the Whitemark Gym, Council's support for the successful RFDS program has resulted in the provision of free gym access for its program users. This initiative, based on standard gym usage rates, amounts to an estimated value of \$6,300 worth of complimentary gym services provided to the public.

We would also like to recognise Michelle Parker's significant contribution to the fitness community in Lady Barron. Council engages her services to conduct weekly Personal Training (PT) classes at the Lady Barron gym.



The Furneaux Futures Forum

The Furneaux Futures Forum was a three-day event held at the Flinders Arts and Entertainment Centre from 7th to 9th June 2023 aimed at fostering resilience, entrepreneurship, and innovation within our island communities. The Council-run event was held in collaboration with Flinders Island Business Inc (FIBI) and the Van Dieman project.

With a passion for regeneration, participants explored fresh, innovative approaches to building a thriving community on the Furneaux Islands. They were moved and motivated by the amazing ideas and stories that were shared. Thirteen Islanders participated in the Island Visions presentations, where they were encouraged to share their story, business vision, or a topic they were passionate about. The presentations were recorded and are now available online on the Flinders Council Vimeo channel.



Council provided the following financial assistance to the Community throughout the 2022 / 2023 year.

GRANTS, FEE WAIVERS, AND IN-KIND SUPPORT	
Gunn Bequest	\$ 1,140
Junior Football - Guernsey's	\$840
FI Sports Club - Golf equip	\$300
Donations	\$ 500
Flinders Island District High School - Dux Award	\$500
Fee Waiver & In-Kind Support	\$ 9,767
Food Licence	\$83
Room Hire	\$4,741
Equipment Hire	\$500
Printing Costs	\$7
Airport Expenses	\$615
Facilities Hire	\$3,821
Community Grants	\$ 5,479
Northern Glass Crushers	\$1,579
Sustainable Trails Map	\$750
Knacks research	\$1,400
Motorcross Facilities	\$1,750
Council Events & Programs	\$ 38,500
Furneaux Islands Festival	\$25,000
Trainers - Whitemark & Lady Barron Gym	\$3,500
School Holiday Program	\$10,000

Gifts and Benefits

From time-to-time, gifts may be provided to Elected Members or staff from the general public. A register of Elected Members gifts and benefits is available on our website - <https://www.flinders.tas.gov.au/about-council>.

Strategic Planning

"Strategic planning" sets the long-term course for Council by engaging with all stakeholders in the local community—residents, workers, and visitors alike.

This process allows us to define our long-term goals, assess our current operations, and formulate action plans tailored to local challenges. Additionally, strategic planning aids in aligning our objectives with those of the State Government. It also opens avenues for collaboration with other governmental bodies for service provision and enables us to take part in regional initiatives when suitable.

Our Strategic Plan 2021-31 is supported by our Annual Plan and includes our Long-Term Financial & Asset Management Plans (incorporated in our Annual Budget).

During the 2022-23 year a number of strategic and corporate documents were updated, introduced or in draft form at year end. These included:

- Annual Plan 2022-23
- Priority Projects 2022-23
- Risk Management Framework
- Draft Waste Management Strategy

- Financial Management Strategy 2023-2033
- Long-Term Financial & Asset Management Plans 2021 - 2031
- 2021-31 Strategic Plan – revision commenced
- Furneaux Regional Weed Strategy and Five-Year Action Plan 2022 - 2037

Policies and procedures reviewed in the year:

- Debt Collection Policy -19/7/2022
- Travel and Accommodation Policy - 16/08/2022
- Travel and Accommodation Procedure - 16/08/2022
- Aviation Policy – rescinded 20/9/2022
- Council Policy and Procedure Framework – 20/09/2022
- Public Open Space Policy - 20/09/2022
- Roadside and Road Reserve Vegetation Management Policy – 14/12/2022
- Fraud Prevention and Control Policy – 22/03/2023
- Related Party Disclosure Policy - 22/03/2023
- Related Party Disclosure Procedure - 22/03/2023
- Wybalenna Policy – Rescinded 22/03/2023
- Information Management Policy - 22/03/2023
- Work Health and Safety Policy – 22/03/2023
- Model Code of Conduct for Elected Members V4 – 22/03/2023
- Communications Policy – 26/04/2023
- Risk Management Policy – 24/05/2023
- Asset Management Policy – 24/05/2023
- Rationale for Waiver of Fees – 24/05/2023
- Asset Disposal Policy – 28/06/2023

Grants

Successful small grant applications submitted throughout the year:

- Healthy Tasmania 'Lift Local' Grant \$20,000 - to explore innovative opportunities that can plan to provide affordable housing and different models of home occupancy and ownership.
- International Women's Day grant \$1,200 - flights and accommodation for Angela Driver (CEO of Tasmania Leaders Assoc.) to be keynote speaker at the International Women's Day lunch.
- Sports Day at the Flinders Island Sports & RSL Club - \$9,800 to encourage community members to attend and try out new sports.

Grants in progress

Black Summer Bushfire Grant

Through the Federal Government's Black Summer Bushfire Recovery Grants Program, Council received a grant of \$1.6 million to undertake various projects over a period of two years. A container has been purchased to be used as a mobile information hub / staging area during emergency response. The addition of a new commercial kitchen in the Flinders Arts and Entertainment Centre will provide a central, dedicated area for community members to prepare meals for volunteers during an emergency response. This work is scheduled to commence late 2023. Overall concept plans for Holloway Park and the Furneaux (Emita) Hall and Recreation Ground are also in development. These plans will include a new fire station at each location.

Tasmanian Weeds Action Fund

A grant of \$139,000 through Natural Resource Management (North) resulted in the development of a Furneaux Islands Weed Strategy and Action Plan. The Strategy has been endorsed by Council and actions from the project include management plans for priority weeds and a truwana Cape Barren Island Gorse Action Plan.

Local Roads and Community Infrastructure Program

As part of the Federal Government's post-COVID-19 stimulus program, a series of Local Roads and Community Infrastructure (LRCI) grants were provided to local councils to support jobs and to help local economies bounce back from the pandemic. Council has been fortunate to receive three LRCI grants.

For the Phase One grant, Council focused on upgrading and maintaining the assets utilised by the Community. Work was undertaken at the Airport, Rose Garden, Furneaux Museum, Lady Barron Tennis Courts, Yellow Beach picnic area, Furneaux (Emita) Hall and Recreation Ground, Showgrounds, Whitemark Tip and the transfer stations. Phase two included maintenance and upgrades at the Visitor Information Centre, Rose Garden and Furneaux (Emita) Hall and Recreation Ground. Phase Three consisted of drainage works, guidepost setting, signage and warning sign works as well as road re-sealing works. Roadside drainage commenced in Memana Rd, Summer Camp Rd and Lackrana Rd which has already proven successful during recent downpours. 250 of 1000 guideposts have been ordered and a template for warning signs is being developed. These works will continue into 2023.

Boat Ramp Upgrades

In April 2021, the State Government promised funding of \$120,000 to upgrade existing boat ramps on Flinders Island.

The Flinders Boating Special Committee of Council was established in July of that year to represent the community's views on boat ramp upgrade requirements and to advise Council on how best to expend the grant funding from Marine and Safety Tasmania. This is a very active committee with the recent addition of four more community members.

Recycling Modernisation Fund

Funded by both the Federal and State Governments, the Recycling Modernisation Fund is providing grants to remote and regional areas to ensure communities have access to recycling.

In June 2022, Council received grant funding of \$424,000 to construct a sorting shed to sort recyclable items; purchase shipping containers to ship recyclables off-island; and to purchase a glass pulveriser and a sorting line to contribute towards recycling operations.

Veterinary Clinic

In 2021, in the lead up to the State Election, the State Government committed \$980,000 to design, construct, equip and staff a veterinary clinic for the Flinders Municipality to service domestic pets, farm animals and native fauna. Architectural plans for a small but functional veterinary clinic were commissioned and a Development Application has been approved. Tenders were called for the building works however in the post-COVID environment,

building costs have risen and the grant funding is no longer sufficient to cover the entire project. Council is working with the State Government on how to progress the project to completion in the 2022/23 financial year.

Islander Way Project

The 'Islander Way' was a two-year project funded by the Tasmanian Government and supported by Flinders Council and Visit Northern Tasmania.

This initiative aimed to positively transform tourism and visitor experiences on Flinders Island. The need for the project was accentuated by a spike in tourism during the COVID-19 lockdowns.

The Community has generously contributed over 1,000 hours of their collective time to this initiative. The project commenced in September 2021 and concluded in June 2023, A final report will be presented to Council in the new financial year.



Other Legislative Requirements

Code of Conduct Complaints

No Code of Conduct complaints were received.

Donation of Land

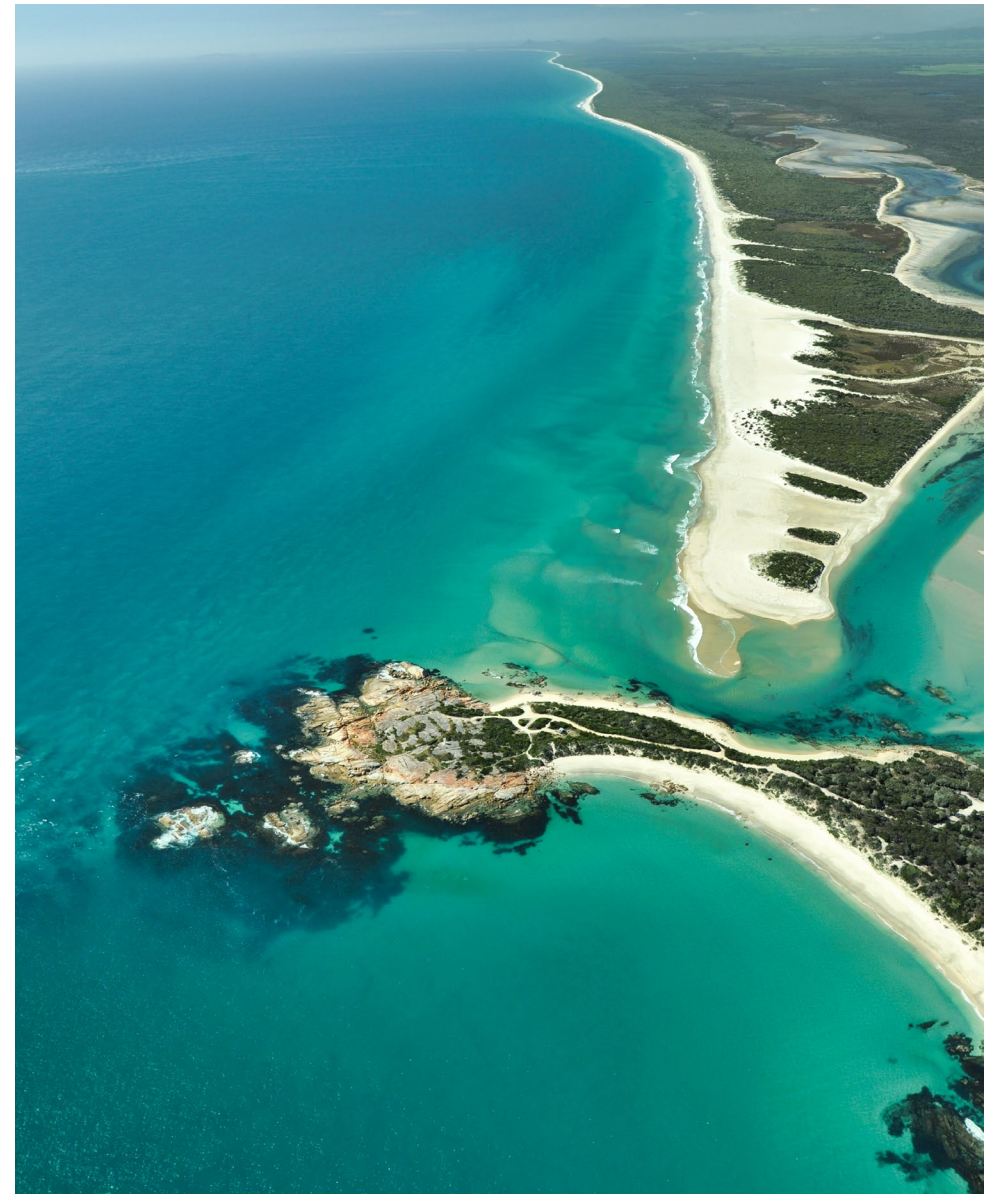
Council did not resolve to donate any land in accordance with Section 177 of the *Local Government Act 1993* during the 2022/2023 year.

Key Management Personnel

In accordance with section 72(1)(cd) of the *Local Government Act 1993*, Council is required to report the total annual remuneration - which includes salary, assessed benefits including motor vehicles, and superannuation - as applicable to employees who hold positions designated by Council as senior positions.

The 2022/2023 Summary is as follows:

Remuneration Band	No. Employees
\$ 60,000 - \$ 80,000	1 (part year)
\$120,001 - \$140,000	1
\$180,000 - \$200,000	1



Public Health

Council's Environmental Health Officer is responsible for the monitoring and regulation of environmentally relevant activities. The public health portfolio also includes maintaining a healthy community through public health programs, including school-based immunisation programs.

One of the roles of the Environmental Health Officer is to ensure food prepared and sold within the municipal area is safe for human consumption. Food preparation areas are inspected to ensure they meet the Food Standards Code and business practices are assessed to ensure good food safety principles are in place and businesses are adhering to the requirements of the Food Act 2003 (Tas).

There were 31 registered food businesses in the Municipality during the 2022/2023 financial year which included permanent food premises (shops) and catering permits. To provide for one-off events, 6 temporary registrations were issued.



The Environmental Health Officer is required to act as the Authorised Officer, or delegate, under the:

- *Public Health Act 1997*;
- *Food Act 2003*; and the
- *Environmental Management & Pollution Control Act 1994*.

These Acts form the head of power for other regulations and guidelines required to be adhered to.

To ensure that each Council is upholding its requirements under the required legislation, the State Government requires annual reports to be submitted by September each year. These reports can be found at: https://www.dhhs.tas.gov.au/tho/annual_reports

Within the period, Council's Environmental Health Officer also provided for:

- School based immunisation program;
- Recreational water quality monitoring;
- Legionella testing (warm water suppliers);
- Notifiable disease investigation;
- Private interment on land other than a cemetery;
- Food safety training;
- Food preparation inspections; and
- On site wastewater management system assessment and inspection.

Public Interest

Flinders Council is committed to the aims and objectives of the *Public Interest Disclosures Act 2002*. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct. It also recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment. Flinders Council procedures in relation to the *Public Interest Disclosures Act 2002* are available on Council's website.

The following is a summary of Council's Public Interest Disclosure activity during 2022/2023:

- There were no disclosures made to Council;
- There were no public interest disclosures investigated;
- There were no disclosed matters referred to Council by the Ombudsman;
- There were no disclosed matters referred by Council to the Ombudsman to investigate;
- There were no investigations of disclosed matters taken over by the Ombudsman from Council;
- There were no disclosed matters that Council decided not to investigate; and
- There were no disclosed matters that were substantiated on investigation.

Right to Information

Council received four requests for information under the *Right to Information Act 2009* which were upheld. Requests were received in late June 2023 and will be resolved in the new financial year.

Tenders & Contracts

The Local Government (General) Regulations 2015 requires Council to report any contract for the supply or provision of goods and services valued either at or above \$250,000 (excluding GST) and at or above \$100,000 (excluding GST) during the financial year.

The following are applicable:

Stabilised Pavements of Australia Pty Ltd,

3/27 Crooked Billet Drive, Bridgewater, Tasmania 7030

Awarded the contract on 20th March 2023 for Pavement Stabilisation works to the value of \$1,094,961.76 (excl. GST).

Fulton Hogan

11 Cavalry Rd, Mowbray, Tasmania, 7248

Awarded the contract on 27th February 2023 for the Council Roads Resealing Program work to the value of \$313,099.60 (excl. GST).



Progress on 2022 – 2023 Annual Plan Actions

Liveability

To protect and build upon our islands' way of life.

- The Islander Way project, which commenced in 2021, continued to progress throughout the year and mentored six community-led projects - Visitor Experience Group, Food Security Group, Waste Hub Project, "Trove" Recycling Lab, Maritime Display and Trails Project. The Trails Project developed a Walks of Flinders Island brochure with the assistance of a council community grant. The draft Islander Way Community Consultation Report was submitted to stakeholders for feedback and the draft framework document was presented to the Council for comment. The Project was formally finished 30 June 2023 and the final report and Regenerative Tourism Framework will be presented to Council for endorsement in the next financial year.
- The Furneaux Islands Festival was delivered in partnership with Flinders Island Aboriginal Association (FIAAI) from 20-22 January 2023. On Friday evening over 500 people attended the Twilight Market with 12 local stallholders selling food. The ever-popular Saturday Market Day in Whitemark was well attended with 18 local stallholders. The Sunday Community BBQ Day held at FIAAI Park was attended by 350 people. This year, the Furneaux Islands Festival featured the inaugural Islander Portrait Prize, facilitated by Furneaux Community Arts and supported by

Council. The exhibition of portraiture works took place at the Lady Barron Hall with 56 portraits submitted and over 300 people visiting the exhibition.

- At the 25 January 2023 council meeting, Council resolved to form a Housing Working Group consisting of four Councillors, the General Manager and the Development Services Coordinator. The Working Group was tasked with assessing the best use of Council land and assets and continues to liaise with island services and stakeholders to identify items for potential sale and improved land utilisation.
- Land at 4 Davies Street was purchased from Crown so that Council now owns all the land under the Flinders Arts and Entertainment Centre, Council Offices, Duckpond and the Library. The library building has been leased back to the Department of Education.
- The 50 years old community Time Capsule was reopened at a community event on 19 March 2023. The event was officially opened by the Minister for Heritage, Madeliene Ogilvie. Although some of the contents of the time capsule were water damaged, community members were excited to view a variety of memorabilia from the past. All items were recorded and photographed and damaged documents were preserved by a local conservator. An exhibition of a selection of the contents was curated in collaboration with the Furneaux Museum. All items were returned to the appropriate family members.

Accessibility / Infrastructure

Quality infrastructure and services for community benefit.

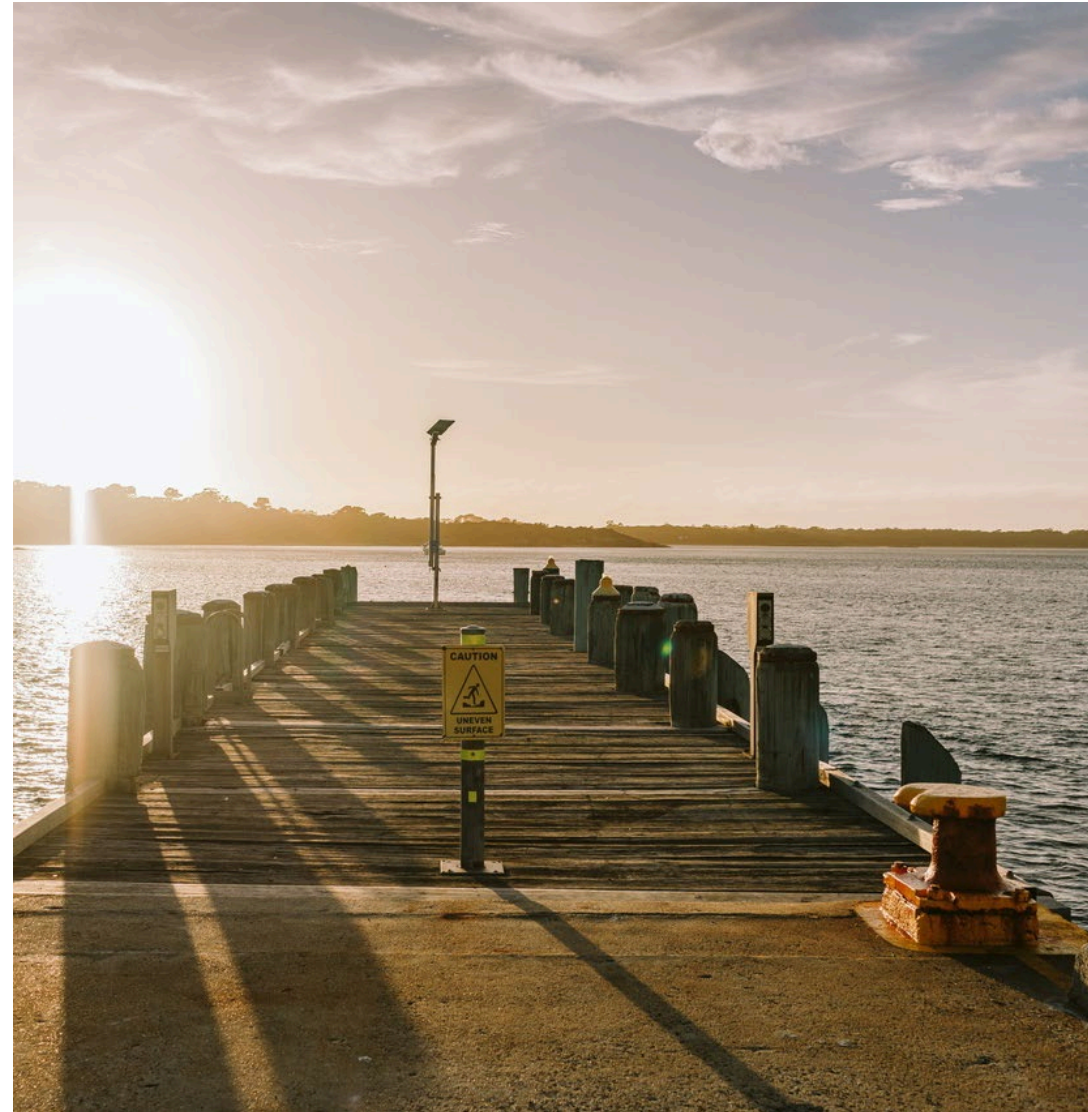
- Late in the 2021-22 financial year, Council worked with Bridget Archer to secure an additional \$600,000 from the Federal Government to address the shortfall for the Flinders Island Marine Access and Safe Harbour project. In October 2022, the Council was notified that the Federal Government would honour the previous government's financial commitment to the project, including the additional \$600,000 requested. The long-awaited funding agreement for the project was finalised in April 2023. In May 2023, the Early Contractor Involvement - Stage Two contract for the construction of the Flinders Island Marine Access and Safe Harbour Project was awarded to Bachelor Construction Group Pty Ltd.
- Contracts were signed for undertaking bitumen resealing and road stabilisation work.
- Late in 2022, the Council created the position of Town Maintenance Supervisor to focus on improving the maintenance of the Council's buildings, parks, gardens, and showgrounds.
- The Flinders Boating Special Committee of Council used grant funding to make various improvements to the Whitemark boat ramp. Rubber edging has been installed, and a lifesaving device has been purchased for installation on the jetty in the next financial year. A quote for the design of a new boat ramp and the installation of additional fenders on the existing ramp was received. The consultant has been engaged to start designing a second boat ramp on the jetty's northern side.
- Phase 3 of the Local Roads and Community Infrastructure Program grant works continued, featuring maintenance and upgrades to drainage, guideposts, signage, warning signs, and resealing. Drainage work was completed on multiple roads, and work began on the installation of new guideposts and directional signage. Work will continue until June 2024.
- In April 2023, Council created the new position of Waste Supervisor to lead efforts towards compliance. The Supervisor's initial task involved revising the Council's Waste Strategy. A draft of this revised strategy was presented to the Council for discussion in June and will undergo community consultation before being finalised in the next financial year. An app was also developed to improve waste volume recording at the Whitemark tip.
- A consultant was engaged to redesign the Whitemark landfill infrastructure, with final designs to be completed in the next financial year.



Economy / Business

*An environment where a variety of businesses
can thrive and integrate.*

- Council Officers embraced many advocacy opportunities throughout the year to seek funding for Council's Priority Projects including meetings with: Richard Gilmore and Anna Balmforth of Communities Tasmania re Housing; Minister Jaensch and Waste Levy Board re waste issues; Jason Jakobi & Louise Wilson re waste and vet project; Anthony Donald TasPorts CEO re FIMASH; TasWater Board and CEO re wastewater; and the Premier, Deputy Premier, Legislative Council members, Minister Oglivie, Minister Palmer, Bridget Archer MP, Senator Richard Colbek, and Janie Findlay ALP re all priority projects.
- In 2021, the State Government committed \$980,000 for the construction of a veterinary clinic on Flinders Island. Architectural plans and a Development Application were completed in the 2021-22 financial year. Due to rising building costs, the funding committed to construct the clinic is no longer sufficient to cover the entire project. Council Officers continue to seek additional grant opportunities to finalise the project.




Good Governance

Effective, efficient and transparent management and operations.

- After Local Government elections, a new Council was declared in November 2022. A comprehensive post-election induction program for Councillors was developed and rolled out over the months following the conferment of the new Council.
- The development of a Communications Framework to guide Council's collaboration and engagement with the communities of the Furneaux Group of islands was commenced. A monthly e-newsletter was established with a subscriber base of 800 and growing. A Communications Policy was developed and endorsed by Council. A draft overall Framework was completed and will be considered by Council in the next financial year.
- An organisation-wide continuous improvement program was developed. Continuous improvement was added as a standing item on agendas for staff and management meetings. A Continuous Improvement Register was developed to record items and the register is presented to Council on a quarterly basis.



Welcome to our February e-newsletter



Cherko (2021) - Lady Barron

Greetings Sammi,

On Monday the 20th February, the Legislative Council of Tasmania will visit our shores, and bring with them Premier Jeremy Rockliff and Deputy Premier Michael Ferguson. They are visiting with a number of groups and organisations whilst here and will hold a Civic Reception at the Flinders Arts and Entertainment Centre from 4:15pm until 5:30pm. Come along to meet your local representatives.

There has been some chatter over the last few weeks about the Safe Harbour project. [Please follow this link to clear up a few bits of misinformation floating around the community.](#)

As always, contact your [Councillors](#) if you have any questions regarding this or any other Council project.

I hope you all have a great weekend.

Regards,

Rachel Summers - Mayor
Phone 0467 046 809



Financial Report

Council's Financial Report details the full suite of Financial information that describe Council's operation.

This audited report is presented in a format in accordance with the applicable accounting standards and is consistent with other local governments.

Independent Auditor's Report

To the Councillors of Flinders Council

Flinders Council

Report on the Audit of the Financial Report

Opinion

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

In my opinion, the accompanying financial report:

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

Basis for Opinion

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

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

My audit responsibility does not extend to the budget figures included in the financial report, the asset renewal funding ratio disclosed in note 10.5(f), nor the Significant Business Activities disclosed in note 10.4 to the financial report and accordingly, I express no opinion on them.

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

Key Audit Matters

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

Why this matter is considered to be one of the most significant matters in the audit		Audit procedures to address the matter included
Valuation of property and infrastructure assets <i>Refer to notes 6.1 & 9.10</i>		
<p>At 30 June 2023, Council’s assets included land, land under roads, buildings, leasehold improvements and infrastructure assets such as roads, bridges, footpaths and cycleways, stormwater, recreational, leisure and community facilities and airport assets valued at fair value totalling \$74.29 million. The fair values of these assets are based on market value or current replacement cost.</p> <p>Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. In between valuations, Council considers the application of indexation to ensure the carrying values reflect fair values.</p> <p>During 2022-23, Council undertook a revaluation of bridge assets and a revaluation update and indexation for road assets. Indexation was applied to buildings, leasehold improvements, footpaths, stormwater and airport assets. The valuations were determined by experts and are highly dependent upon a range of assumptions and estimated unit rates.</p>	<ul style="list-style-type: none"> • Assessing the scope, expertise and independence of experts involved in the valuations. • Evaluating the appropriateness of the valuation methodology applied to determine fair values. • Critically assessing assumptions and other key inputs into the valuation model. • Testing, on a sample basis, the mathematical accuracy of the valuation model calculations. • Evaluating indexation applied to assets between formal valuations. • Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used. 	

Responsibilities of the General Manager for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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



Jeff Tongs

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

6 October 2023
Hobart

Flinders Council

ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2023

Flinders Council
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Statement of Comprehensive Income For the Year Ended 30 June 2023

	Note	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	2,354	2,367	2,202
Statutory fees and fines	2.2	49	53	112
User fees	2.3	864	1,598	929
Grants	2.4	2,308	3,038	2,562
Interest	2.5	35	265	39
Contributions - cash	2.6	-	11	-
Other income	2.7	40	89	167
Investment revenue from Water Corporation	2.9, 5.1	43	43	43
		5,693	7,464	6,054
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	5,359	843	2,404
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	(464)	(66)
		5,359	379	2,338
Total income from continuing operations		11,052	7,843	8,392
Expenses from continuing operations				
Employee benefits	3.1	(2,914)	(2,370)	(2,293)
Materials and services	3.2	(2,442)	(2,667)	(2,108)
Impairment of receivables	3.3	-	3	-
Depreciation and amortisation	3.4	(1,956)	(2,020)	(1,617)
Finance costs	3.5	(17)	4	(80)
Other expenses	3.6	(183)	(158)	(145)
Total expenses from continuing operations		(7,512)	(7,208)	(6,243)
Result from continuing operations		3,540	635	2,149
Result from discontinued operations		-	-	-
Net result for the year		3,540	635	2,149
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	5.1,9.1	-	103	91
Net asset revaluation increment/(decrement)	9.1	-	8,565	13,750
Total Other Comprehensive Income		-	8,668	13,841
Total Comprehensive result		3,540	9,303	15,990

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

**Statement of Financial Position
As at 30 June 2023**

	Note	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	4,549	9,044
Trade and other receivables	4.2	232	415
Investments	4.3	6,111	110
Inventories	4.4	153	168
Total current assets		11,045	9,737
Non-current assets			
Investment in water corporation	5.1	3,396	3,293
Property, infrastructure, plant and equipment	6.1	76,747	68,997
Intangible assets	6.2	-	-
Other assets	6.3	59	59
Total non-current assets		80,202	72,349
Total assets		91,247	82,086
Liabilities			
Current liabilities			
Trade and other payables	7.1	211	463
Trust funds and deposits	7.2	73	76
Provisions	7.3	431	363
Contract liabilities	7.4	2,004	1,848
Interest-bearing loans and borrowings	8.1	47	45
Total current liabilities		2,766	2,795
Non-current liabilities			
Provisions	7.3	366	432
Interest-bearing loans and borrowings	8.1	354	401
Total non-current liabilities		720	833
Total liabilities		3,486	3,628
Net Assets		87,761	78,458
Equity			
Accumulated surplus		50,387	49,750
Reserves	9.1	37,374	28,708
Total Equity		87,761	78,458

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

**Statement of Cash Flows
For the Year Ended 30 June 2023**

	2023	2022
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Rates	2,441	2,217
Statutory fees and fines	53	112
User charges and other fines (inclusive of GST)	1,898	911
Grants (inclusive of GST)	3,009	2,849
Interest received	253	39
Investment revenue from water corporation	43	43
Other receipts (inclusive of GST)	100	164
Net GST refund/(payment)	77	94
Payments to suppliers (inclusive of GST)	(3,161)	(2,394)
Payments to employees	(2,379)	(2,281)
Finance costs paid	(19)	(51)
Other payments	(158)	(145)
Net cash provided by (used in) operating activities	2,157	1,558
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	(1,708)	(2,927)
Proceeds from sale of property, infrastructure, plant and equipment	39	8
Capital grants (inclusive of GST)	1,066	4,185
Transfers to financial assets.	(1)	1
Net cash provided by (used in) investing activities	(604)	1,267
Cash flows from financing activities		
Proceeds from trust funds and deposits	(3)	-
Repayment of trust funds and deposits	(45)	(40)
Proceeds from interest bearing loans and borrowings	-	-
Repayment of interest bearing loans and borrowings	-	(1,085)
Net cash provided by (used in) financing activities	(48)	(1,125)
Net increase (decrease) in cash and cash equivalents	1,505	1,700
Cash and cash equivalents at the beginning of the financial year	9,044	7,344
Cash and cash equivalents at the end of the financial year	10,549	9,044
Restrictions on cash assets	7,622	2,884
Financing arrangements	32	20

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

Statement of Changes in Equity
For the Year Ended 30 June 2023

	Note	Accumulated	Asset	Fair Value	Other	Total
		Surplus	Revaluation	Reserve	Reserves	Equity
2023		2023	Reserve	Reserve	2023	2023
		\$'000	2023	2023	\$'000	\$'000
Balance at beginning of the financial year		49,750	28,671	(120)	157	78,458
Net result for the year		635	-	-	-	635
Other Comprehensive Income:						
Fair value adjustments for financial assets at fair value		-	-	-	-	-
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	103	-	103
Net asset revaluation increment/(decrement)	9.1	-	8,565	-	-	8,565
Total comprehensive income		50,385	37,236	(17)	157	87,761
Transfers between reserves		2	-	-	(2)	-
Balance at end of the financial year		50,387	37,236	(17)	155	87,761

	Note	Accumulated	Asset	Fair Value	Other	Total
		Surplus	Revaluation	Reserve	Reserves	Equity
2022		2022	Reserve	Reserve	2022	2022
		\$'000	2022	2022	\$'000	\$'000
Balance at beginning of the financial year		47,599	14,921	(211)	159	62,468
Net result for the year		2,149	-	-	-	2,149
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	91	-	91
Net asset revaluation increment/(decrement)	9.1	-	13,750	-	-	13,750
Total comprehensive income		49,748	28,671	(120)	159	78,458
Transfers between reserves		2	-	-	(2)	-
Balance at end of the financial year		49,750	28,671	(120)	157	78,458

The above statement should be read with the accompanying notes.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council

2022-2023 Financial Report

Note 1 Overview

1.1 Reporting entity

- (a) The Flinders Council was established on 26 February 1908 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 4 Davies St, Whitemark, Flinders Island.
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
 - to represent and promote the interests of the community;
 - provide for the peace, order and good government in the municipality.

1.2 Basis of accounting

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

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

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 4.3, 5.1, 6.1, 7.3, 8.1 and 10.3(d).

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

1.3 Use of judgements and estimates

Judgements and Assumptions

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

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

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

Employee entitlements

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

Fair value of property, infrastructure, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, infrastructure, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 5.1.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining Council's provisions for landfill/tip rehabilitation and for the reahabilitation of quarry site. These assumptions are discussed in note 7.3.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council

2022-2023 Financial Report

1.4 Material Budget Variations

Council's original budget was adopted by the Council on 16 August 2022. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% and \$50,000 are explained below:

Revenues

1 User fees

User fees were up \$734k on budget (85%) this was primarily due to higher than expected sales of aviation fuel during the year as a result of surveying work being completed on the Island.

2 Grants

Grant revenue was up \$730k on budget (32%) this was due the decision by the Federal Government to pay 100% the 2023/24 Financial Assistance grants in advance. Included in the budget was to receive 50% of the 2023/24 Financial Assistance Grants in advance.

3 Interest

Interest revenue was up \$230k on budget which was due to higher interest rates during the year.

4 Capital Grants

Capital grant revenue was down \$4.5m on budget due to a number of grant payments still to be received in line with completion of project milestones. Some of these projects are due to be completed over a number of years.

Expenses

1 Employee benefits

The decrease of \$544k on budget (19%) was primarily due to staff vacancies during the year and restructuring of positions generating savings.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council

2022-2023 Financial Report

1.5 Functions/Activities of the Council

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

	Grants 000's	Other 000's	Total Revenue 000's	Total Expenditure 000's	Surplus/ (Deficit) 000's	Assets 000's
Government and administration						
2022 - 2023	1,390	2,692	4,082	1,946	2,136	14,677
2021 - 2022	1,171	2,409	3,580	1,787	1,793	13,221
Roads, streets and bridges						
2022 - 2023	1,205	(481)	723	2,101	(1,377)	49,906
2021 - 2022	2,925	-	2,925	1,575	1,350	45,041
Waste Management						
2022 - 2023	339	15	354	338	16	594
2021 - 2022	203	6	209	316	(107)	614
Environmental health, building & planning services						
2022 - 2023	-	97	97	319	(222)	-
2021 - 2022	-	120	120	370	(250)	-
Depot & plant						
2022 - 2023	295	39	334	(93)	427	1,040
2021 - 2022	261	8	269	130	139	998
Community & economic development						
2022 - 2023	42	13	54	257	(202)	-
2021 - 2022	19	1	20	148	(128)	-
Buildings, facilities, parks and recreation						
2022 - 2023	314	51	365	571	(205)	17,622
2021 - 2022	169	93	262	773	(511)	15,839
Airport						
2022 - 2023	296	918	1,214	1,244	(29)	7,408
2021 - 2022	218	729	947	1,051	(104)	6,373
Other - not attributable						
2022 - 2023	-	622	622	528	93	-
2021 - 2022	-	60	60	93	(33)	-
Total						
2022 - 2023	3,880	3,965	7,846	7,211	635	91,247
2021 - 2022	4,966	3,426	8,392	6,243	2,149	82,086

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council
2022-2023 Financial Report

1.5 Functions/Activities of the Council (Continued)

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

	2023	2022
	000's	000's
Current assets	11,045	9,737
<u>Non-current assets</u>	<u>80,202</u>	<u>72,349</u>
	91,247	82,086

(c) Governance and administration

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

Roads, streets and bridges

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

Waste Management

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

Environmental health, building and planning services

Environmental health includes disease control food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries. Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment. Building includes the development and maintenance of building construction standards. Planning includes the administration of the town planning scheme, subdivisions and urban and rural renewal programs.

Community and economic development

Operation and support of health services, performing arts & culture, youth services and the presentation of community events. Economic Development which provides the implementation of a process and marketing support by which strategies and plans can be developed so that the Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

Buildings, facilities, parks & recreation

Operation and maintenance of all recreational and sporting facilities (including community halls & playgrounds). Operation and maintenance of Council owned buildings, public land and facilities to a standard expected within the local community.

Airport

Operation and maintenance of the Flinders Island Airport with all required aviaional standards and procedures.

Other - not attributable

Rates and charges and work not attributed elsewhere.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council
2022-2023 Financial Report

	2023	2022
	\$'000	\$'000
Note 2 Revenue		
Note 2.1 Rates and charges		

Effective 1 July 2022 Council moved from Capital Value to Assessed Annual Value (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its estimated gross annual rental value.

The valuation base used to calculate general rates for 2022-23 was \$20.578 million (2021-22 \$431.978 million in Capital Value). The 2022-23 rate in the AAV dollar was \$0.09655 (2021-22 the rate in Capital Value was \$0.4329484).

General rate	2,289	2,128
Fire Levy	78	74
Total rates and charges	2,367	2,202

The date of the latest general revaluation of land for rating purposes within the municipality was 1 October 2016, and the valuation was first applied in the rating year commencing 1 July 2017.

Accounting policy

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

Note 2.2 Statutory fees and fines

Infringements and costs	1	1
Town planning fees	34	87
Land information certificates	16	22
Permits	2	2
Total statutory fees and fines	53	112

Accounting policy

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

Note User fees

2.3 Community facilities hire fees	6	9
Dog registration fees	8	7
Environmental fees	5	6
Building services fees	15	15
Airport fees and charges	916	728
Department of State Growth contract	559	34
Private works	62	98
Cemetery fees	25	28
Other fees and charges	2	4
Total user fees	1,598	929

Accounting policy

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

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

	2023	2022
	\$'000	\$'000
Note 2.4 Grants		
Grants were received in respect of the following:		
Summary of grants		
Federally funded grants	3,053	2,573
State funded grants	<u>827</u>	<u>2,393</u>
Total	<u>3,880</u>	<u>4,966</u>
Grants - Recurrent		
Commonwealth Government Financial Assistance Grants	539	791
Commonwealth Government Financial Assistance Grants - received in advance	1,849	1,220
Transport	295	261
Other	<u>355</u>	<u>290</u>
Total recurrent grants	<u>3,038</u>	<u>2,562</u>
Capital grants received specifically for new or upgraded assets		
Commonwealth Government - roads to recovery	226	73
State - Palana Rd upgrade	-	2,000
Other	<u>617</u>	<u>331</u>
Total capital grants	<u>843</u>	<u>2,404</u>
Unspent grants and contributions		
Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:		
Operating		
Balance of unspent funds at 1 July	159	87
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-
Add: Funds received and not recognised as revenue in the current year	84	159
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(68)	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	<u>(82)</u>	<u>(87)</u>
Balance of unspent funds at 30 June	<u>93</u>	<u>159</u>
Capital		
Balance of unspent funds at 1 July	1,689	-
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-
Add: Funds received and not recognised as revenue in the current year	672	1,689
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	-	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	<u>(450)</u>	<u>-</u>
Balance of unspent funds at 30 June	<u>1,911</u>	<u>1,689</u>
Total unspent funds	<u>2,004</u>	<u>1,848</u>

Accounting policy

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

The performance obligations are varied based on the agreement, but include road works, completion of building works and waste management facilities.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council
 2022-2023 Financial Report

2023 2022
 \$'000 \$'000

Note 2.4 Grants (Continued)

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

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.

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

In both years the Commonwealth has made early payment of the first two quarterly instalments of untied Financial Assistance Grants for the following year. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2021-22 by \$1,219,642 (2020-21, \$765,790). This has impacted the Statement of Comprehensive Income resulting in the Net result for the year being higher by the same amount.

Note 2.5 Interest

Interest on rates	5	13
Interest on cash and cash equivalents	260	26
Total	265	39

Accounting policy
Interest income
 Interest is recognised progressively as it is earned.

Note 2.6 Contributions - cash

Cash		
Parks, open space, streetscapes and other	11	-
Total	11	-

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

Note 2.7 Other income

Rental income	27	38
Other	62	129
Total other income	89	167

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

Other
 Other revenue is recognised as revenue when the payment is received.

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

Proceeds of sale	39	8
Write down value of assets disposed	(503)	(74)
Total	(464)	(66)

Accounting policy
Gains and losses on asset disposals
 The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

	2023	2022
	\$'000	\$'000
Note 2.9 Investment revenue from water corporation		
Dividend revenue received	36	36
Tax equivalent received	7	7
Total investment revenue from water corporation	43	43

Accounting policy

Investment revenue

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

Note 3 Expenses

Note 3.1 Employee benefits

Wages and salaries (incl. leave)	1,998	1,910
Workers compensation	85	104
Superannuation	219	220
Fringe benefits tax	28	8
Other employee related expenses	79	60
	2,409	2,302
Less amounts capitalised	(39)	(9)
Total employee benefits	2,370	2,293

Accounting policy

Employee benefits

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

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

Note 3.2 Materials and services

Consultant & contractor payments	1,101	618
Materials, supplies & services	979	857
Plant and equipment operating costs	187	166
Insurance	142	220
Utilities, internet & phone	75	82
Councillors' expenses	12	9
Leases & licences	28	33
Donations & gifts	6	1
Fire service levy	74	70
Waste levy	16	-
Land tax	47	52
Total materials and services	2,667	2,108

Accounting policy

Materials and services expense

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

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

Note 3.3 Impairment of receivables

Other debtors	(3)	-
Total impairment of receivables	(3)	-

Accounting policy

Impairment expense

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition. Council's policy and events giving rise to impairment losses are disclosed in note 4.2.

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council
2022-2023 Financial Report

	2023	2022
	\$'000	\$'000
Note 3.4 Depreciation and amortisation		
<i>Property</i>		
Buildings	170	109
Leasehold improvements	39	50
Quarries	-	12
<i>Plant and Equipment</i>		
Plant, machinery and equipment	216	242
Fixtures, fittings and furniture	30	23
<i>Infrastructure</i>		
Roads	1,093	706
Bridges	128	126
Footpaths and cycleways	34	35
Recreational, leisure and community facilities	30	21
Stormwater	12	12
Waste Management	16	16
Airport	252	252
<i>Intangible assets</i>		
Municipal revaluation	-	13
Total	2,020	1,617

Accounting policy

Depreciation and amortisation expense

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

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

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

	Period
<i>Property</i>	
Buildings	1-74 years
Buildings	20-55 years
Leasehold improvements	10-50 years
Quarries	
<i>Plant and Equipment</i>	
Plant, machinery and equipment	4-15 years
Fixtures, fittings and furniture	3-10 years
Computers and telecommunications	3-5 years
<i>Infrastructure</i>	
Roads	20 years
Road seals	14-100 years
Road unsealed surface	50-100 years
Road pavement	not depreciated
Road formation and earthworks	50-80 years
Road kerb, channel and minor culverts	
Bridges	40-80 years
Bridges deck	40-80 years
Bridges substructure	10 years
Bridges guards	
Other Infrastructure	20-60 years
Footpaths and cycleways	50-100 years
Stormwater	

Notes to the Financial Report
For the Year Ended 30 June 2023

Flinders Council
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	2023	2022
	\$'000	\$'000
Recreational, leisure and community facilities		5-50 years
Waste management		15-50 years
Parks, open space and streetscapes		
Aiport		5-50 years
Intangible assets		
Intangible assets		6 years

Note 3.5 Finance costs

Interest - borrowings	19	51
Unwinding of rehabilitation liability	(23)	29
Total	(4)	80

Accounting policy

Finance expense

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

Finance costs include interest on bank overdrafts, borrowings, leases and unwinding of discounts.

Note 3.6 Other expenses

External auditors' remuneration (Tasmanian Audit Office)	34	32
Audit Committee	6	3
Councillors' allowances	106	105
Other	12	5
Total	158	145

Accounting policy

Other expenses

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

Note 4 Current Assets

Note 4.1 Cash and cash equivalents

Cash on hand	-	-
Cash at bank	4,522	9,018
Money market call account	27	26
Total cash and cash equivalents	4,549	9,044

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

Restricted funds

i) Trust funds and deposits (note 7.2)	73	76
ii) Unspent grant funds with conditions (note 2.4)	2,004	1,848
iii) Restricted reserves (Note 9.1)	155	157
	2,232	2,081

Internal committed funds

iv) Leave Provisions (Note 7.3)	443	454
v) Quarry rehabilitation provision (note 7.3)	170	135
vi) Landfill rehabilitation provision (note 7.3)	184	206
vii) Committee bank accounts (note 10.2)	9	8
	3,038	2,884

Committed funds

Total uncommitted cash and cash equivalents	1,511	6,160
Total Investments (note 4.3)	6,111	110
Total uncommitted funds	7,622	6,270

2023
\$'000

2022
\$'000

Accounting policy	
Cash and cash equivalents	
For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.	
<i>Restricted and internally committed funds include:</i>	
i) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.	
ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.	
iii) Restricted reserves represented funds held for the Gunn Bequest and Public Open Space contributions.	
iv, v and vi) Provisions for employee leave entitlements, quarry and landfill rehabilitation.	
vii) S.24 Committee bank accounts represent funds held in bank accounts by committee of Council.	

Note 4.2 Trade and other receivables
Current

Rates debtors	67	137
Other debtors	154	282
Provision for expected credit loss - other debtors	(1)	(4)
Accrued Revenue	12	-
Total	232	415
Reconciliation of movement in expected credit loss		
Carrying amount at 1 July	4	4
Amounts written off during the year	-	-
Amounts recovered during the year	-	-
Increase / (decrease) in provision recognised in profit or loss	(3)	-
Carrying amount at 30 June	1	4

For ageing analysis of the financial assets, refer to note 9.9(d)

Accounting policy	
Trade and other receivables	
Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment. For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	

Note 4.3 Investments
Current

Term deposits - more than 3 months	6,111	110
	6,111	110

Accounting policy	
Investments	
Investment in financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.	

Notes to the Financial Report
For the Year Ended 30 June 2023

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	2023	2022
	\$'000	\$'000
Note 4.4 Inventories		
Inventories held for distribution	153	168
Total inventories	153	168

Accounting policy

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

Note 5 Investments		
Note 5.1 Investment in water corporation		
Opening balance	3,293	3,202
Fair Value adjustments on equity investment assets	103	91
Total investment in water corporation	3,396	3,293

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

Accounting policy

Equity Investment

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

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. Council holds 0.19% (2022, 0.20%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

Note 6 Non-current assets		
Note 6.1 Property, infrastructure, plant and equipment	2023	2022
	\$'000	\$'000
Summary		
at cost	6,314	5,668
Less accumulated depreciation	<u>(3,857)</u>	<u>(3,636)</u>
	<u>2,457</u>	<u>2,032</u>
at fair value as at 30 June	111,384	99,386
Less accumulated depreciation	<u>(37,094)</u>	<u>(32,421)</u>
	<u>74,290</u>	<u>66,965</u>
Total	<u>76,747</u>	<u>68,997</u>
Property		
Land		
at fair value as at 30 June	<u>5,143</u>	<u>4,173</u>
	<u>5,143</u>	<u>4,173</u>
Land under roads		
at fair value as at 30 June	<u>2,053</u>	<u>2,053</u>
	<u>2,053</u>	<u>2,053</u>
Total Land	<u>7,196</u>	<u>6,226</u>
Buildings		
at fair value at 30 June	12,416	11,407
Less accumulated depreciation	<u>(3,151)</u>	<u>(2,726)</u>
	<u>9,265</u>	<u>8,681</u>
Leasehold improvements		
at fair value as at 30 June	2,830	2,601
Less accumulated amortisation	<u>(800)</u>	<u>(696)</u>
	<u>2,030</u>	<u>1,905</u>
Total Buildings	<u>11,295</u>	<u>10,586</u>
Total Property	<u>18,491</u>	<u>16,812</u>
Plant and Equipment		
Plant, machinery and equipment		
at cost	4,522	4,305
Less accumulated depreciation	<u>(3,482)</u>	<u>(3,307)</u>
	<u>1,040</u>	<u>998</u>
Fixtures, fittings and furniture		
at cost	393	342
Less accumulated depreciation	<u>(240)</u>	<u>(210)</u>
	<u>153</u>	<u>132</u>
Total Plant and Equipment	<u>1,193</u>	<u>1,130</u>

Note 6.1 Property, infrastructure, plant and equipment (continued)	2023	2022
	\$'000	\$'000
Infrastructure		
Roads		
at fair value as at 30 June	62,535	56,978
Less accumulated depreciation	<u>(23,186)</u>	<u>(21,181)</u>
	39,349	35,797
Bridges		
at fair value as at 30 June	11,914	10,112
Less accumulated depreciation	<u>(4,984)</u>	<u>(3,948)</u>
	6,930	6,164
Footpaths and cycleways		
at fair value as at 30 June	1,834	1,456
Less accumulated depreciation	<u>(896)</u>	<u>(677)</u>
	938	779
Stormwater		
at fair value as at 30 June	1,507	1,181
Less accumulated depreciation	<u>(1,088)</u>	<u>(933)</u>
	419	248
Recreational, leisure and community facilities		
at fair value as at 30 June	1,117	1,117
Less accumulated depreciation	<u>(354)</u>	<u>(325)</u>
	763	792
Waste management		
at cost	565	565
Less accumulated depreciation	<u>(135)</u>	<u>(119)</u>
	430	446
Airport		
at fair value as at 30 June	10,035	8,308
Less accumulated depreciation	<u>(2,635)</u>	<u>(1,935)</u>
	7,400	6,373
Total Infrastructure	56,229	50,599
Works in progress		
Buildings	420	288
Waste management at cost	164	168
Airport	8	-
Intangible	4	-
Roads	137	-
Stormwater	75	-
Land	5	-
Recreation, leisure and community facilities	1	-
Fixtures, fittings and furniture	<u>20</u>	<u>-</u>
Total Works in progress	834	456
Total property, infrastructure, plant and equipment	76,747	68,997

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Note 6.1 Property, infrastructure, plant and equipment (cont.) Reconciliation of property, infrastructure, plant and equipment

2023	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 9.1)	Depreciation and amortisation (note 3.4)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
<i>Property</i>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	4,173	-	970	-	-	-	-	5,143
Land under roads	2,053	-	-	-	-	-	-	2,053
Total land	6,226	-	970	-	-	-	-	7,196
Building	8,681	-	749	(170)	-	-	5	9,265
Leasehold improvements	1,905	-	164	(39)	-	-	-	2,030
Total buildings	10,586	-	913	(209)	-	-	5	11,295
Total property	16,812	-	1,883	(209)	-	-	5	18,491
Plant and Equipment								
Plant, machinery and equipment	998	-	-	(216)	(17)	-	276	1,040
Fixtures, fittings and furniture	132	-	-	(30)	-	-	50	153
Total plant and equipment	1,130	-	-	(246)	(17)	-	326	1,193
Infrastructure								
Roads	35,797	-	4,132	(1,093)	(314)	-	827	39,349
Bridges	6,164	-	1,066	(128)	(171)	(1)	-	6,930
Footpaths and cycleways	779	-	193	(34)	-	-	-	938
Recreation, leisure and community facilities	792	-	-	(30)	-	1	-	763
Stormwater	248	-	36	(12)	-	-	147	419
Waste management	446	-	-	(16)	-	-	-	430
Airport	6,373	-	1,255	(252)	-	1	23	7,400
Total infrastructure	50,599	-	6,682	(1,565)	(485)	1	997	56,229
Works in progress								
Buildings	288	137	-	-	-	-	(5)	420
Waste management	168	-	-	-	-	-	(4)	164
Airport	-	32	-	-	-	(1)	(23)	8
Intangible	-	4	-	-	-	-	-	4
Roads	-	964	-	-	-	-	(827)	137
Stormwater	-	222	-	-	-	-	(147)	75
Land	-	5	-	-	-	-	-	5
Recreation, leisure and community facilities	-	2	-	-	-	(1)	-	1
Fixtures, fittings and furniture	-	68	-	-	-	(1)	(47)	20
Plant, machinery and equipment	-	275	-	-	-	-	(275)	-
Total works in progress	456	1,709	-	-	-	3	(1,328)	834
Total property, infrastructure, plant and equipment	68,997	1,709	8,565	(2,020)	(502)	(2)	-	76,747

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Note 6.1 Property, infrastructure, plant and equipment (continued)

Reconciliation of property, infrastructure, plant and equipment (continued)

2022	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
			(note 9.1)	(note 3.4)				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	3,197	-	1,050	-	(74)	-	-	4,173
Land under roads	2,053	-	-	-	-	-	-	2,053
Total land	5,250	-	1,050	-	(74)	-	-	6,226
Building	4,327	-	2,811	(109)	-	-	1,652	8,681
Quarries	107	-	(95)	(12)	-	-	-	-
Leasehold improvements	2,286	-	1,423	(50)	-	-	(1,754)	1,905
Total buildings	6,720	-	4,139	(171)	-	-	(102)	10,586
Total property	11,970	-	5,189	(171)	(74)	-	(102)	16,812
Plant and Equipment								
Plant, machinery and equipment	1,164	-	-	(242)	-	-	77	998
Fixtures, fittings and furniture	90	-	-	(23)	-	-	64	132
Total plant and equipment	1,254	-	-	(265)	-	-	141	1,130
Infrastructure								
Roads	26,279	-	8,120	(706)	-	-	2,104	35,797
Bridges	5,828	-	-	(126)	-	-	462	6,164
Footpaths and cycleways	814	-	-	(35)	-	-	-	779
Recreation, leisure and community facilities	258	-	441	(21)	-	-	114	792
Stormwater	260	-	-	(12)	-	-	-	248
Waste management	462	-	-	(16)	-	-	-	446
Airport	6,625	-	-	(252)	-	-	-	6,373
Total infrastructure	40,526	-	8,561	(1,168)	-	-	2,680	50,599
Works in progress								
Buildings	78	230	-	-	-	(8)	(12)	288
Waste management	113	55	-	-	-	-	-	168
Roads	19	2,105	-	-	-	(20)	(2,104)	-
Bridges	38	424	-	-	-	-	(462)	-
Fixtures, fittings and furniture	-	64	-	-	-	-	(64)	-
Plant, machinery and equipment	-	77	-	-	-	-	(77)	-
Total works in progress	248	2,955	-	-	-	-	(2,719)	456
Total property, infrastructure, plant and equipment	53,998	2,955	13,750	(1,604)	(74)	(28)	-	68,997

Note 6.1 Property, infrastructure, plant and equipment (continued)

Accounting policy	
Recognition and measurement of assets	
Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.	
Property, plant and equipment and infrastructure received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.	
Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.	
The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:	
	Threshold
	\$'000
Land	
Land	1
Land under roads	1
Buildings	
Building improvements	1
Leasehold improvements	1
Quarries	1
Plant and Equipment	
Plant, machinery and equipment	1
Fixtures, fittings and furniture	1
Computers and telecommunications	1
Infrastructure	
Roads	
Road pavements and seals	1
Road substructure	1
Road formation and earthworks	1
Road kerb, channel and minor culverts	1
Bridges	1
Bridges deck	1
Bridges substructure	
Bridges guards	
Footpaths and cycleways	1
Stormwater	1
Recreational, leisure and community facilities	1
Waste management	1
Airport	1

Note 6.1 Property, infrastructure, plant and equipment (continued)

Accounting policy (Cont.)	
Revaluation	
Council has adopted the following valuation bases for its non-current assets:	fair value
Land	fair value
Land under roads	cost
Plant and machinery	cost
Furniture, fittings and office equipment	fair value
Stormwater	fair value
Roads	fair value
Bridges	fair value
Footpaths	fair value
Airport	fair value
Buildings	fair value
Recreational, leisure and community facilities	fair value
Waste management	cost
Leasehold improvements	fair value
<p>Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, furniture, fittings and office equipment, waste management and recreation, leisure and community facilities, are measured at their fair value in accordance with AASB 116 <i>Property, Plant & Equipment</i> and AASB 13 <i>Fair Value Measurement</i>. 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.</p> <p>In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.</p> <p>Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.</p> <p>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.</p>	
Impairment of assets	
Impairment losses are recognised in the statement of comprehensive income under other expenses.	
Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.	
Land under roads	
Council recognised the value of land under roads it controls at fair value.	

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	2023	2022
	\$'000	\$'000
Note 6.2 Intangible assets		
Municipal revaluation	-	-
Total intangible assets	-	-
Reconciliation of intangible assets	Municipal revaluation	Total
	\$'000	\$'000
Gross carrying amount		
Balance at 1 July 2021	68	68
Additions from internal developments	-	-
Other	-	-
Balance at 30 June 2022	68	68
Additions from internal developments	-	-
Other	-	-
Balance at 30 June 2023	68	68
Accumulated amortisation and impairment		
Balance at 1 July 2021	55	55
Amortisation expense	13	13
Balance at 30 June 2022	68	68
Amortisation expense	-	-
Balance at 30 June 2023	68	68
Net book value at 30 June 2022	-	-
Net book value at 30 June 2023	-	-

Accounting policy

Intangible assets

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

In accordance with Council's policy, the threshold limits applied when recognising intangible assets is \$1,000 and consistent with the prior year.

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

Municipal revaluations 6 years

Note 6.3 Other assets

Non-current

Mineral resources bond	59	59
Total	59	59

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	2023	2022
	\$'000	\$'000
Note 7 Current liabilities		
Note 7.1 Trade and other payables		
Trade payables	81	449
Rates and charges in advance	17	13
Accrued expenses	111	-
Net GST Payable	2	1
Total trade and other payables	211	463

Accounting policy

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 14 days of invoice receipt. Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates

For ageing analysis of trade and other payables, refer to note 9.9

Note 7.2 Trust funds and deposits

Retention amounts - prepaid funerals & grave sites	48	51
School gym	25	25
Total trust funds and deposits	73	76

Accounting policy

Tender deposits

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

	Annual leave	Long service leave	Quarry restoration	Landfill restoration	Other	Total
Note 7.3 Provisions	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2023						
Balance at beginning of the financial year	151	221	135	206	82	795
Additional provisions	146	38	-	-	39	223
Amounts used	(141)	(48)	-	-	(45)	(234)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	35	(22)	-	13
Balance at the end of the financial year	156	211	170	184	76	797
Current	156	147	69	-	59	431
Non-current	-	64	101	184	17	366
Total	156	211	170	184	76	797

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	Annual leave	Long service leave	Quarry restoration	Landfill restoration	2023 \$'000 Other	2022 \$'000 Total
Note 7.3 Provisions (Continued)	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2022						
Balance at beginning of the financial year	159	204	133	177	81	754
Additional provisions	142	66	-	-	38	246
Amounts used	(150)	(42)	-	-	(37)	(229)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	(7)	2	29	-	24
Balance at the end of the financial year	151	221	135	206	82	795
Current	151	150	-	-	62	363
Non-current	-	71	135	206	20	432
Total	151	221	135	206	82	795

(a) Employee benefits	2023 \$'000	2022 \$'000
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	6.00%	3.00%
Weighted average discount rates	3.49%	3.24%
Employee Numbers - FTE	25.6	23

Accounting policy
Employee benefits
<i>i) Short term obligations</i>
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.
<i>ii) Other long term employee benefit obligations</i>
The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.
The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.
<i>iii) Sick leave</i>
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.

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	2023	2022
	\$'000	\$'000
Note 7.3 Provisions (Continued)		
(b) Land fill restoration		

Accounting policy		
Land fill restoration		
<p>Under <i>Environmental Management and Pollution Control Act 1994</i> and Council's Environmental Protection Noticed issued by the Environmental Protection Authority, Council is obligated to restore the Whitemark landfill site to a particular standard. Current engineering projections indicate that the putrescible cell at Whitemark landfill site will cease operation and a new cell developed in 2023/24. Restoration work is expected to commence shortly thereafter, therefore no provision has been made for this work. The forecast life of the putrescible cell is based on current estimates of remaining capacity and the forecast rate of infill. Current projections indicate that the inert cell at Whitemark landfill site will continue operating until 2030 (7 years). The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and independent specialist advice. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.</p> <p>Council does not expect to receive reimbursement from a third party at this stage, however grant funding may become available to cover part of the cost. Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.</p> <p><i>Key assumptions:</i></p>		
- discount rate	3.37%	3.65%
- index rate	6.90%	7.00%

(c) Quarry restoration		
<p>Mineral Resource Tasmania requires that the initial estimate of the costs of future reinstatements of a site be recognised as part of the cost of the asset. A provision for reinstatement for Flinders Council's Quarries has been recognised and measured in accordance with AASB 137 Provision, Contingent Liabilities and Contingent Assets.</p> <p>Flinders Council recognises the provision as the best estimate of the expenditure required to settle the present obligation at the reporting date. In doing so, Council has inflated the liability by the long term construction inflation rate of 6.9% and discounted using the weighted average discount rate over 1 years of 3.60% and 6 years of 3.41%.</p>		

Note 7.4 Contract Liabilities

Current

Funds received to acquire on construct an asset controlled by Council	1,911	1,689
Funds received prior to performance obligation being satisfied (Upfront payments)	93	159
	2,004	1,848

Accounting policy		
Council recognised the following contractual liabilities:		
<p>i) Grant funds received in advance includes the delivery of a number of programs . The funds received are under an enforceable contract which requires Council build a waste retainer wall. The revenue is recognised as Council completes the program and the contract liability reflects the funding received which cannot yet be recognised as revenue. Revenue is expected to be recognised in the next 12 months.</p> <p>ii) Upfront payments of funds from contracts with customers are recognised as a contract liability until performance obligations are satisfied. Revenue is recognised as performance obligations are progressively fulfilled.</p>		

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

Funds to construct Council controlled assets	450	-
Funds received prior to performance obligation being satisfied (upfront payments) – AASB 15	150	87
	600	87

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	2023	2022
	\$'000	\$'000
Note 8 Non-current		
Note 8.1 Interest-bearing loans and borrowings		
Current		
Borrowings - secured	47	45
	<u>47</u>	<u>45</u>
Non-current		
Borrowings - secured	354	401
	<u>354</u>	<u>401</u>
Total	<u>401</u>	<u>446</u>
Borrowings		
Borrowings are secured over rate revenue		
The maturity profile for Council's borrowings is:		
Not later than one year	47	45
Later than one year and not later than five years	354	401
Total	<u>401</u>	<u>446</u>

Accounting policy

Interest bearing liabilities

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

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

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Note 9 Other financial information Note 9.1 Reserves	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve				
2023 Property				
Land	1,608	970	-	2,578
Land under roads	127	-	-	127
Buildings	6,070	913	-	6,983
	7,805	1,883	-	9,688
Infrastructure				
Roads	16,350	4,132	-	20,482
Bridges	3,760	1,066	-	4,826
Footpaths	68	193	-	261
Stormwater	(45)	36	-	(9)
Recreation, leisure and community facilities	441	-	-	441
Airport	292	1,255	-	1,547
	20,866	6,682	-	27,548
Total asset revaluation reserve	28,671	8,565	-	37,236
2022 Property				
Land	558	1,050	-	1,608
Land under roads	127	-	-	127
Buildings	1,931	4,139	-	6,070
	2,616	5,189	-	7,805
Infrastructure				
Roads	8,230	8,120	-	16,350
Bridges	3,760	-	-	3,760
Footpaths	68	-	-	68
Stormwater	(45)	-	-	(45)
Recreation, leisure and community facilities	-	441	-	441
Airport	292	-	-	292
	12,305	8,561	-	20,866
Total asset revaluation reserve	14,921	13,750	-	28,671
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				
2023 Equity Investment assets				
Investment in water corporation	(120)	103	-	(17)
Total fair value reserve	(120)	103	-	(17)
2022 Equity Investment assets				
Investment in water corporation	(211)	91	-	(120)
Total fair value reserve	(211)	91	-	(120)
Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.				
(c) Other reserves				
2023 Gunn Bequest reserve				
Gunn Bequest reserve	110	1	-	111
Public Open Space	47	-	(3)	44
Total Other reserves	157	1	(3)	155
2022 Gunn Bequest reserve				
Gunn Bequest reserve	112	-	(2)	110
Public Open Space	47	-	-	47
Total Other reserves	159	-	(2)	157
The public open space reserve was established to control contributions received from developers in lieu of physical public open space provisions. Council will use this towards public open spaces for example playgrounds and recreation facilities in public open spaces.				
Total Reserves		2023	2022	
		\$'000	\$'000	
		37,374	28,708	

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	2023	2022
	\$'000	\$'000
Note 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)		
Result from continuing operations	635	2,149
Depreciation/amortisation	2,020	1,617
(Profit)/loss on disposal of property, infrastructure, plant and equipment	464	66
Impairment losses	-	-
Capital grants received specifically for new or upgraded assets	(1,066)	(4,185)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	183	(97)
Decrease/(increase) in other assets	-	-
Decrease/(increase) in inventories	15	13
Increase/(decrease) in trade and other payables	(252)	183
Increase/(decrease) in contract liabilities	156	1,771
Increase/(decrease) in provisions	2	41
Net cash provided by/(used in) operating activities	2,157	1,558

Note 9.3 Reconciliation of liabilities arising from financing activities

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

	Interest-bearing loans and borrowings
	\$'000
Balance as at 30 June 2022	446
Changes from financing cash flows:	
Cash received	
Cash repayments	(45)
Balance as at 30 June 2023	401
Balance as at 1 July 2021	1,531
Changes from financing cash flows:	
Cash received	-
Cash repayments	(1,085)
Balance as at 30 June 2022	446

	2023	2022
	\$'000	\$'000
Note 9.4 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 4.1)	4,549	9,044
Total reconciliation of cash and cash equivalents	4,549	9,044

Note 9.5 Financing arrangements

Westpac guarantee	20	20
Credit card limit	15	15
Used facilities	(3)	(4)
Unused facilities	32	31

Note 9.6 Superannuation

Council contributes to Spirit Super (previously TasPlan) and a number of other accumulation superannuation schemes on behalf of employees; however, the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

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

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

	2023	2022
	\$'000	\$'000
Fund		
Accumulation funds		
Employer contributions to Spirit Super	96	90
Employer contributions to other funds	138	129
	234	219
Employer contributions payable to Spirit Super at reporting date	-	-
Employer contributions payable to other funds at reporting date	-	23
	-	23

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Note 9.7 Operating leases as lessor

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

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

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

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

The future (undiscounted) lease payments to be received on an annual basis for all operating leases is at follows:

	2023	2022
	\$'000	\$'000
Maturity analysis of operating lease payments to be received		
Year 1	26	37
Year 2	5	37
Year 3	4	5
Year 4	3	5
Year 5	3	5
Later than 5 years	3	5
Total	44	94

The following table presents the amounts reported in profit or loss:

Lease income on operating leases	33	51
Therein lease income relating to variable lease payments that do not depend on an index or rate	33	51

Note 9.8 Contingent liabilities and contingent assets

Contingent liabilities

The current projection for the putrecible cell at the Whitemark Landfill, is that it will require rehabilitation in the next 1-2 years. The estimated current cost for these works is \$250,000. No provision has been made for these works given that they will occur in the near future. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and independent specialist advice.

Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

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Note 9.9 Financial Instruments

(a) Interest Rate Risk

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

2023

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	3.15%	4,549	-	-	-	-	4,549
Investments	5.33%	-	6,111	-	-	-	6,111
Trade and other receivables	8.13%	67	-	-	-	165	232
Investment in water corporation		-	-	-	-	3,396	3,396
<i>Total financial assets</i>		4,616	6,111	-	-	3,561	14,288
Financial liabilities							
Trade and other payables		-	-	-	-	211	211
Trust funds and deposits		-	-	-	-	73	73
Interest-bearing loans and borrowings	3.90%	-	47	354	-	-	401
<i>Total financial liabilities</i>		-	47	354	-	284	685
Net financial assets (liabilities)		4,616	6,064	(354)	-	3,277	13,603

2022

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	0.30%	9,044	-	-	-	-	9,044
Investments	0.70%	-	110	-	-	-	110
Trade and other receivables	2.00%	137	-	-	-	278	415
Investment in water corporation		-	-	-	-	3,293	3,293
<i>Total financial assets</i>		9,181	110	-	-	3,571	12,862
Financial liabilities							
Trade and other payables		-	-	-	-	463	463
Trust funds and deposits		-	-	-	-	76	76
Interest-bearing loans and borrowings	3.90%	-	45	401	-	-	446
<i>Total financial liabilities</i>		-	45	401	-	539	985
Net financial assets (liabilities)		9,181	65	(401)	-	3,032	11,877

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Note 9.9 Financial Instruments

(b) Fair Value

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

Financial Instruments	Total carrying amount as per the Statement of Financial Position		Aggregate net fair value	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	4,549	9,044	4,549	9,044
Other financial assets	6,111	110	6,111	110
Trade and other receivables	232	415	232	415
Investment in water corporation	3,396	3,293	3,396	3,293
Total financial assets	14,288	12,862	14,288	12,862
<i>Financial liabilities</i>				
Trade and other payables	211	463	211	463
Trust funds and deposits	73	76	73	76
Interest-bearing loans and borrowings	401	446	401	446
Total financial liabilities	685	985	685	985

(c) Credit Risk

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

(d) Risks and mitigation

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

Market risk

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

Interest rate risk

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

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

Note 9.9 Financial Instruments

(d) Risks and mitigation (Continued)

Credit risk

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

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.8.

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

	Financial Institutions (AAA credit rating)	Government agencies (BBB credit (min rating)	Other (min BBB credit rating)	Total
2023				
Cash and cash equivalents	4,549	-	-	4,549
Trade and other receivables	-	-	232	232
Investments and other financial assets	6,111	3,396	-	9,507
Total contractual financial assets	10,660	3,396	232	14,288
2022				
Cash and cash equivalents	9,044	-	-	9,044
Trade and other receivables	-	-	415	415
Investments and other financial assets	110	3,293	-	3,403
Total contractual financial assets	9,154	3,293	415	12,862

Ageing of Trade and Other Receivables

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

	2023 \$'000	2022 \$'000
Current (not yet due)	84	219
Past due by up to 30 days	34	-
Past due between 31 and 180 days	28	8
Past due between 181 and 365 days	70	85
Past due by more than 1 year	16	103
Total Trade & Other Receivables	232	415

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Note 9.9 Financial Instruments

(d) Risks and mitigation (Continued)

Credit risk (Continued)

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$514 (2021-22: \$3,634) were impaired. The amount of the provision raised against these debtors was \$514 (2021-22: \$3,634). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

	2023	2022
	\$'000	\$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	1	4
Total Trade & Other Receivables	1	4

Liquidity risk

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

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

To help reduce these risks we:

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

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

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

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

2023	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	211	-	-	-	-	211	211
Trust funds and deposits	73	-	-	-	-	73	73
Interest-bearing loans and borrowings	23	24	49	305	-	401	401
Total financial liabilities	307	24	49	305	-	685	685

2022	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	463	-	-	-	-	463	463
Trust funds and deposits	76	-	-	-	-	76	76
Interest-bearing loans and borrowings	22	23	47	353	-	445	445
Total financial liabilities	561	23	47	353	-	984	984

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Note 9.9 Financial Instruments

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 2% and -2% in market interest rates (AUD) from year-end rates.

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

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+200 basis points	
2023	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	4,549	(91)	(91)	91	91
Investments	6,111	(122)	(122)	122	122

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+100 basis points	
2022	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	9,044	(181)	(181)	181	181
Investments	110	(2)	(2)	2	2

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Fair Value Measurements

Note 9.10 Council measures and recognises the following assets at fair value on a recurring basis:

- Investment property
- Investment in water corporation
- Property, infrastructure plant and equipment
 - Land
 - Land under roads
 - Buildings
 - Leashold improvements
 - Roads
 - Bridges
 - Footpaths
 - Stormwater
 - Recreations, leisure and community facilities
 - Airport

(a) Fair Value Hierarchy

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

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

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, 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.

For the Year Ended 30 June 2023

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.1	-	-	3,396	3,396
Land	6.1	-	5,143	-	5,143
Land under roads	6.1	-	-	2,053	2,053
Buildings, including leasehold improvements	6.1	-	9,265	2,030	11,295
Roads, including footpaths & cycleways	6.1	-	-	40,287	40,287
Airport	6.1	-	-	7,400	7,400
Bridges	6.1	-	-	6,930	6,930
Stormwater	6.1	-	-	419	419
Recreation, leisure & community facilities	6.1	-	-	763	763
		-	14,408	63,278	77,686

As at 30 June 2023

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.1	-	-	3,293	3,293
Land	6.1	-	4,173	-	4,173
Land under roads	6.1	-	-	2,053	2,053
Buildings, including leaseholds and quarry improvements	6.1	-	8,681	1,905	10,586
Roads, including footpaths & cycleways	6.1	-	-	36,576	36,576
Airport	6.1	-	-	6,373	6,373
Bridges	6.1	-	-	6,164	6,164
Stormwater	6.1	-	-	248	248
Recreation, leisure & community facilities	6.1	-	-	792	792
		-	12,854	57,404	70,258

Note 9.10 Fair Value Measurements (Continued)

(a) Fair Value Hierarchy (Continued)

Transfers

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

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

(b) Highest and best use

AASB 13 Fair Value Measurement, requires the fair value of non-financial assets to be calculated based on their "highest and best use".

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

Investment in water corporation

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

Land

Land was valued utilising the municipal valuations undertaken by the Office of the Valuer General as at 30 June 2017 and the adjustment factors provided by the Office of the Valuer General as at 30 June 2023. The valuation of land is at Fair Value based on highest and best use permitted by relevant land planning provisions. Land was indexed at 30 June 2023 based on the land value adjustment factors issued by the Office of the Valuer General in March 2023, which varies based on the use of the land.

Land under roads

Council recognised the value of land under roads it controls at fair value. Land under roads was revalued at 1 July 2019.

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

Buildings

The fair value of buildings were revalued as at 30 June 2022 and determined using Rawlinsons tables and undertaken by independent structural engineer, Vince Butler. The most significant input into this valuation approach was price per square metre, age, condition and type of construction material.

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

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

The revaluation has resulted in an increase of \$2,811,000 in the replacement value of the buildings asset class and an increase in depreciation per annum of \$44,000. Buildings were indexed at 30 June 2023 at 8.8% per the ABS Non-Residential Building Contructions Cost Index for Tasmania.

Leasehold improvements

The fair value of buildings were revalued as at 30 June 2022 and determined using Rawlinsons tables and undertaken by independent structural engineer, Vince Butler. The most significant input into this valuation approach was price per square metre, age, condition and type of construction material.

Leasehold improvements relate to infrastructure on crown land such as public toilets and other buildings controlled by Council through a long term lease. The majority of these leases are for perpetuity or 99 years with little or no amounts payable for the right of use.

The revaluation has resulted in an increase of \$1,423,000 in the replacement value of the leasehold improvements asset class and a decrease in depreciation per annum of \$10,000. Land Improvements were indexed at 30 June 2023 at 8.8% per the ABS Non-Residential Building Contructions Cost Index for Tasmania.

Note 9.10 Fair Value Measurements (Continued)

Recreation, leisure & community facilities

The fair value of recreation, leisure & community facilities were revalued as at 30 June 2022 and determined using Rawlinsons tables and undertaken by independent structural engineer, Vince Butler. The most significant input into this valuation approach was price per square metre, age, condition and type of construction material.

The revaluation has resulted in an increase of \$441,000 in the replacement value of the recreation, leisure & community facilities asset class and an increase in depreciation per annum of \$8,000.

Infrastructure assets

All Council infrastructure assets, except Waste Management, 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 or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

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

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The 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. Rural roads are managed in 2km segments. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. A full revaluation of roads was undertaken by independent valuer, Geoff Webb effective 1 July 2022. Roads were indexed at 30 June 2023 at a rate of 9.03%, based on the ABS Road & Bridge Construction Index for Australia. Footpaths were indexed at a rate of 25.9% at 30 June 2023 based on the ABS Road & Bridge Construction Index for Australia.

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 x cms for high traffic areas and y cms for lower traffic locations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (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 - AusSpan effective 30 June 2023. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

Stormwater

A full valuation of stormwater infrastructure was undertaken by Council's Engineer - Gavin Boyd (Consultant), effective 30 June 2021. Similar to roads, stormwater assets are managed in segments; pits and pipes being the major components. Stormwater infrastructure assets were indexed at 30 June 2023 at 15.09% based on the ABS Road & Bridge Construction Cost Index for Australia.

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 9.10 Fair Value Measurements (Continued)

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

A full valuation of airport infrastructure was undertaken by Council's Engineer Gavin Boyd (Consultant), effective 30 June 2018. Similar to roads, airport assets are managed in segments. All segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. 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 Agreement (EA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Airport

Airport infrastructure assets were valued at 30 June 2018 by the Council's Engineer - Gavin Boyd (Consultant). The combined replacement value of these assets at 30 June 2018 was \$8,396,910. The revaluation process reviewed the currency and accuracy of the Council's airport infrastructure asset register and updated unit rates and useful lives using evidence based techniques in accordance with the relevant Australian Accounting Standards. In line with the AIFMG (Australian Infrastructure Financial Management Guide) and IIMM (International Infrastructure Management Manual) to determine if the reported figures are a true reflection of Council's financial position. Airport infrastructure assets were indexed at 30 June 2023 at 20.5% based on the ABS Road & Bridge Construction Cost Index for Australia.

(d) Unobservable inputs and sensitivities

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
Investment in Water Corporation	3,396	Refer to note 5.1 for a description of the valuation basis.		

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

(e) Changes in recurring level 3 fair value measurements

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

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

(f) Valuation processes

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

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

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

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

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

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

Note 9.11 Events occurring after balance date

- (a) No material events occurring after balance date.

2022-2023 Financial Report

Note 10 Other matters
Note 10.1 Related party transactions
(i) Councillor Remuneration 2023

Short term employee benefits

Name	Position	Period	Allowances \$	Vehicles ¹ \$	Total Compensation AASB 124 \$	Expenses ² \$	Total allowances and expenses section 72 \$
Mrs A Revie	Mayor	July 2022	4,857	-	4,857	50	4,907
Mr D Williams	Deputy Mayor	July - Nov 2022	14,052	-	14,052	590	14,642
Mrs R Summers	Mayor - from Nov	Full Year	29,025	-	29,025	120	29,145
Mrs V Grace	Deputy Mayor - from Nov	Full Year	16,493	-	16,493	1,100	17,593
Mr P Rhodes	Councillor	Full Year	10,163	-	10,163	200	10,363
Ms S Blyth	Councillor	July - Nov 2022	4,164	-	4,164	182	4,346
Mrs C Cox	Councillor	Nov - June 2023	5,998	-	5,998	1,410	7,408
Mr K J Stockton	Councillor	Nov - June 2023	5,142	-	5,142	296	5,438
Mr G Blenkhorn	Councillor	Nov - June 2023	5,998	-	5,998	-	5,998
Mr A Burke	Councillor	Full Year	10,163	-	10,163	-	10,163
Total			106,055	-	106,055	3,948	110,003
Councillor Remuneration 2022							
Mrs A Revie	Mayor	Full Year	34,660	-	34,660	1,118	35,778
Mr D Williams	Deputy Mayor	Full Year	20,356	-	20,356	1,077	21,433
Mr P Rhodes	Councillor	Full Year	9,904	-	9,904	573	10,477
Ms S Blyth	Councillor	Full Year	9,904	-	9,904	577	10,481
Mrs R Summers	Councillor	Full Year	9,904	-	9,904	-	9,904
Mrs V Grace	Councillor	Full Year	9,904	-	9,904	1,681	11,585
Mr A Burke	Councillor	Full Year	9,904	-	9,904	-	9,904
Total			104,536	-	104,536	5,026	109,562

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

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

(ii) Key Management Personnel Remuneration 2023			Short term employee benefits				Post employment benefits		Non-monetary Benefits ⁷ \$	Total \$
Number of Positions	Period	Remuneration band	Salary ¹ \$	Short-term Incentive Payments ² \$	Vehicles ³ \$	Other Allowances and Benefits ⁴ \$	Super-annuation ⁵ \$	Termination Benefits ⁶ \$		
1	Full Year	\$180 001 - \$200 000	157,418	-	17,781	2,877	16,529	-	6,797	201,402
1	Full Year	\$120 001 - \$140 000	116,401	-	10,523	-	14,550	-	5,986	147,460
1	to 14/07/2022	\$ 60 001 - \$ 80 000	34,653	-	-	46	5,996	66,868	(37,943)	69,620
Total			308,472	-	28,304	2,923	37,075	66,868	(25,160)	418,482
Key Management Personnel Remuneration 2022										
1	Full Year	\$180 001 - \$200 000	159,949	-	10,000	-	15,784	-	2,210	187,943
1	Full Year	\$160 001 - \$180 000	139,958	-	-	-	17,431	-	4,993	162,382
1	Full Year	\$120 001 - \$140 000	112,003	-	-	-	14,000	-	8,433	134,436
Total			411,910	-	10,000	-	47,215	-	15,636	484,761

Note 10 Other matters

Note 10.1 Related party transactions (Continued)

(ii) Key Management Personnel Remuneration (Continued)

¹ Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

² Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. T

³ Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

⁴ Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

⁵ Superannuation means the contribution to the superannuation fund of the individual.

⁶ Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

⁷ Non-monetary benefits include annual and long service leave movements and non-monetary benefits.

(iii) Remuneration Principles

Councillors

Councillor allowances are set independently of Council.

Executives

Remuneration levels for key management personnel are set in accordance with ...

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf.

The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the General Manager, contain a termination clause that requires the senior executive or Council to provide a minimum notice period of up to 6 months prior to termination of the contract. Whilst not automatic, contracts can be extended.

(iv) Transactions with related parties that have not been disclosed

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

- Payment of rates on a primary residence
- Dog registration

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

Note 10.2 Special committees and other activities	Opening Balance	Movement	Closing Balance
	\$	\$	\$
Council have the following Special Committees:	-	-	-
Furneaux Group Shipping Special Committee	-	-	-
Furneaux Group Aviation Special Committee	-	-	-
Lady Barron Hall & Recreation Special Committee	-	-	-
Furneaux (Emita) Hall & Recreation Ground Special Committee	-	-	-
Furneaux Community Health Special Committee	-	-	-
Whitemark Community Gym Special Committee	8,429	1,068	9,497
Audit panel	-	-	-
	<u>8,429</u>	<u>1,068</u>	<u>9,497</u>

Note 10.3 Other significant accounting policies and pending accounting standards

(a) Taxation

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

Goods and services tax (GST)

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

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

(b) Impairment of non-financial assets

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

(c) Allocation between current and non-current

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

(d) Financial guarantees

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

(e) Contingent assets, contingent liabilities and commitments

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

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

(f) Budget

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

(g) Adoption of new and amended accounting standards

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

(h) Pending Accounting Standards

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

- (i) AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector**
This Standard modifies AASB 13 *Fair Value Measurement* for application by not-for-profit public sector entities such as Council. It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows. This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values. Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value. The Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

Note 10.4 Significant Business Activities

The operating capital and competitive neutrality costs of the Council's significant business activities:

	Airport		Private Works	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<i>Revenue</i>				
Rates	-	-	-	-
User Charges	916	728	622	132
Grants	296	218	-	-
Other income	3	-	-	-
Total Revenue	1,215	946	622	132
<i>Expenditure</i>				
<i>Direct</i>				
Employee Costs	323	305	68	62
Materials and Contacts	571	403	461	33
Interest	-	-	-	-
Utilities	10	6	-	-
<i>Indirect</i>				
Engineering & Administration	10	-	10	-
Total Expenses	914	714	539	95
<i>Notional cost of free services received</i>				
<i>Capital Costs</i>				
Depreciation and amortisation	340	336	-	-
Opportunity cost of capital	251	208	-	-
Total Capital Costs	591	544	-	-
<i>Competitive neutrality adjustments</i>				
Rates and land tax	11	13	-	-
Loan guarantee fees	-	-	-	-
	11	13	-	-
<i>Calculated Surplus/(Deficit)</i>	312	157	539	95
Tax Equivalent rate	25%	26%	25%	26%
Taxation equivalent	78	41	135	25
Competitive neutrality costs	1,594	1,312	674	120

Accounting policy

Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that the Airport and Private Works as defined above are considered significant business activities. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees. In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

- Opportunity cost of capital based on 2.5% of replacement value.

Note 10.5	Management indicators	Benchmark	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
(a)	Net result for the year		635	2,149	4394	691
	Non-operating income					
	Add back financial Assistance Grants received in advance Prior Year		1,220	766	759	719
	Less Financial Assistance Grants received in advance		(1,849)	(1,220)	(766)	(759)
	The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.					
(b)	Underlying surplus ratio					
	<u>Underlying surplus or deficit</u>		(666)	(709)	538	951
	Recurrent income*		6,542	5,534	6,185	6,343
	Underlying surplus ratio %		-10%	-13%	9%	15%
		0%				

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

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

(c) Net financial liabilities

Liquid assets less		10,892	9,569	7,773	4,320
total liabilities		3,486	3,628	2,758	4,481
Net financial liabilities	0	7,406	5,941	5,015	(161)

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets

(d) Net financial liabilities ratio

Net financial liabilities		7,406	5,941	5,196	(161)
Recurrent income*		6,542	5,534	6,185	6,343
Net financial liabilities ratio %	0% (-50%)	113%	107%	84%	-3%

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

(e) Asset consumption ratio

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

Buildings

<u>Fair value (Carrying amount)</u>		11,295	10,586	6,720	6,825
Current replacement cost (Gross)		15,246	14,008	7,384	7,321
Asset consumption ratio %		74%	76%	91%	93%

Transport Infrastructure

<u>Fair value (Carrying amount)</u>		47,217	42,740	32,921	31,766
Current replacement cost (Gross)		76,283	68,546	51,845	48,866
Asset consumption ratio %		62%	62%	63%	65%

Drainage

<u>Fair value (Carrying amount)</u>		419	248	260	330
Current replacement cost (Gross)		1,507	1,181	1,181	452
Asset consumption ratio %		28%	21%	22%	73%

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

Note 10.5 Management indicators (cont.)

		2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'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.					
<i>Buildings</i>					
Projected capital funding outlays**		9	12	137	121
Projected capital expenditure funding***		209	171	137	121
Asset renewal funding ratio %	90-100%	4%	7%	100%	100%
<i>Transport Infrastructure</i>					
Projected capital funding outlays**		947	72	510	599
Projected capital expenditure funding***		1,255	867	510	599
Asset renewal funding ratio %	90-100%	75%	8%	100%	100%
<i>Drainage</i>					
Projected capital funding outlays**		222	0	0	0
Projected capital expenditure funding***		12	12	0	0
Asset renewal funding ratio %	90-100%	1849%	0%	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.					
(g) Asset sustainability ratio					
Capex on replacement/renewal of existing assets		1,307	571	582	4,216
Annual depreciation expense		2,020	1,617	1,634	1,658
Asset sustainability ratio %	100%	65%	35%	36%	254%

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

2023	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Land	-	5	5
Buildings & leasehold improvements	9	128	138
Fixtures, fittings and furniture	44	23	68
Plant & equipment	58	217	275
Recreation	-	2	2
Roads & footpaths	947	17	964
Intangible	4	-	4
Airport	23	9	32
Stormwater	222	-	222
Total	1,307	402	1,709

2022	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Bridges	423	-	423
Buildings & leasehold improvements	12	210	222
Fixtures, fittings and furniture	64	-	64
Plant & equipment	-	77	77
Roads & footpaths	72	2,014	2,086
Waste management	-	55	55
Total	571	2,356	2,927

Certification of the Financial Report

The financial report presents fairly the financial position of the Flinders Council as at 30 June 2023 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Warren Groves
General Manager

Date : 5/10/2023

Management Certification of the Financial Report

The accompanying financial statements of the Flinders Council are in agreement with the relevant accounts and records and have been prepared in compliance with:

- Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board
- the *Local Government Act 1993*

I believe that, in all material respects, the financial statements present a view which is consistent with my understanding of Council's financial position as at 30 June 2023 and the results of its operations and cash flows for the year then ended.

At the date of signing this certification, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

The completed Financial Statements Preparation and Submission Checklist is enclosed.


Marissa Walters
Contract Accountant

Date:

5/10/2023

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