

Office of the Governor of Tasmania



Annual Report 1 July 2014—30 June 2015

*Government House
Hobart*

*Available on the Office of the Governor website:
www.govhouse.tas.gov.au*

Table of Contents

Table of Contents	1
Letter of Transmittal	3
Mission	4
Objectives	4
The Office of the Governor	4
Overview	4
Organisational Structure	4
Functions of the Office	5
Corporate Governance	5
Output Report	6
Output 1.1 Support of the Governor	6
Financial Performance	6
Performance Indicators for Output 1.1	6
Qualitative Assessment	7
Key Activities – Results	7
The Year in Review	8
Constitutional	8
Administration in the absence of the Governor	10
Ceremonial	11
Visitors to Government House	13
Significant events	13
School and community groups	19
Official callers and Diplomatic Visits	20
Receptions	22
Monthly State Rooms and garden tours	24
Government House productivity and training services	24
External events	25
The Government House website	28
The Government House Estate	28
Staff	29
Honorary Aides-de-Camp	30

Human Resource Management	31
Indicators of Organisational Health	31
– Sick Leave and Overtime	31
– Staff Turnover	31
– Staff Leave	31
– Workers’ Compensation	31
Staff Enterprise Agreement and Staff Award	31
Training and Development	32
Training Services	32
Industrial Relations	32
Work Health and Safety	32
Asset Management and Risk Policies	32
Asset Management	32
Maintenance and Capital Programs	33
Asset Management Systems	33
Acquisition and Disposal of Assets	33
Risk Management	33
Government Procurement – Support for Local Business	33
Supplementary Information	33
Pricing	33
Legislation Administered by the Office of the Governor	33
Freedom of Information Requests	33
Compliance Index to Disclosure Requirements	34
Auditor-General’s Report on Financial Statement	appended
Office of the Governor – Financial Statement 2014-2015	appended

TELEPHONE : (03) 6234 2611
FACSIMILE : (03) 6234 2556



OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE
TASMANIA 7001

23 October 2015

The Honourable Will Hodgman MP
Premier of Tasmania
Level 11, Executive Building
15 Murray Street
Hobart TAS 7000

Dear Premier,

In accordance with the provisions of the *Financial Management and Audit Act 1990*, I submit for tabling in the Parliament the Annual Report of the Office of the Governor of Tasmania.

The Report covers the period 1 July 2014 to 30 June 2015 and outlines the achievements and business of the Office of the Governor in providing effective and accountable support to the Governor of Tasmania.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Owen'.

David Owen
Official Secretary

MISSION

The Office of the Governor supports the Governor in the execution of her official and constitutional duties; administers the Governor's program of ceremonial and community activities; and administers the Government House Estate.

OBJECTIVES

The objectives of the Office of the Governor are to:

- provide a high standard of policy advice and administrative support to the Governor, including the organisation of her constitutional and ceremonial duties, and her program of community engagements;
- enable the efficient and effective interaction of the Office of the Governor with the Parliament, the Executive Government and the State Service;
- maintain and operate Government House, its associated buildings and the Estate at a high level of repair and presentation.

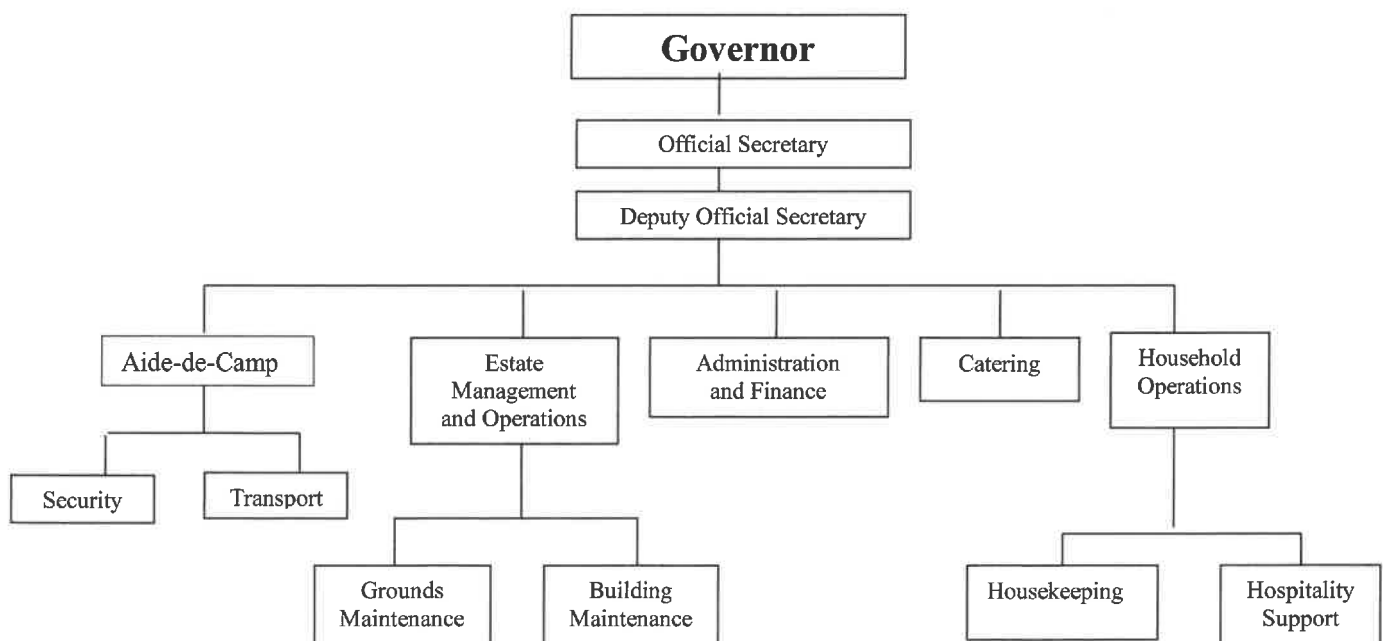
THE OFFICE OF THE GOVERNOR

Overview

For annual reporting purposes, the Office of the Governor is classified as an independent public sector entity. The Official Secretary, Head of Agency, is appointed by the Governor-in-Council under the *Governor of Tasmania Act 1982*, to assist the Governor in the performance of her duties.

The Official Secretary appoints and employs such persons as he considers necessary for the purposes of assisting the Governor and assisting in the management, administration and maintenance of Government House.

Organisational Structure





Her Excellency Professor the Honourable Kate Warner AM,
Governor of Tasmania and Mr Richard Warner

Functions of the Office

The role of the Governor is defined by the Letters Patent constituting the office, by legislation and by constitutional conventions. The Governor's function is to protect the constitution, secure the orderly transition of governments, facilitate the work of the Parliament and the Government, act as a non-political representative of the State and participate in the affairs of the Tasmanian community.

The Governor, on behalf of all Tasmanians, promotes Tasmania, recognises achievement, encourages worthwhile endeavour and reinforces the State's cultural identity and the values. A key indicator of the Office of the Governor's close links to Tasmanian society is in the number of organisations enjoying Vice-Regal patronage — 121 during the year in review.

The Office of the Governor supported Her Excellency and Mr Warner in carrying out all of their Vice-Regal functions; and supported the Lieutenant Governor and Mrs Blow and the Administrator and Mr Tennent in carrying out their Vice-Regal functions.

Corporate Governance

The Official Secretary is responsible for managing the Office of the Governor in a way that promotes the proper use of State resources. These responsibilities and the key elements of the administrative framework for the Official Secretary as the Head of Agency are specified in the *Financial Management and Audit Act 1990*.

The Official Secretary is responsible for establishing strategic priorities, allocating resources, and monitoring and reporting on team and individual performances. The Official Secretary convenes staff meetings and liaises with various State sector representatives. The Official Secretary monitors the implementation of employment policies and practices.

OUTPUT REPORT

Output 1.1 - Support of the Governor

The objectives of this Output Group are to support the Governor in carrying out her constitutional role in the operation of the Parliament and the Executive Government and her official role in the affairs of the Tasmanian community, and to preserve the Government House Estate.

The Output Group consists of the single Output entitled 'Support of the Governor', which has as its first objective the efficient and effective intercourse between the Office and the Parliament, the Executive Government, the State Service, the Honours Secretariat, the Commonwealth Government and the Tasmanian community. Secondly, it entails the preservation of the Government House Estate. Thirdly, it has the objective of cooperating closely with all arms of government and the community to promote the State of Tasmania to a wide range of interstate and international guests and other visitors to the State. The services provided under this Output Group are delivered by the Governor, her spouse, her support staff and the facilities of the Government House Estate.

Financial Performance

The total resourcing for Output 1 is set out in the table below. The Office budgeted for Output appropriations of \$3,630 million for recurrent services.

Consolidated Fund	2014–2015 Budget \$'000	2014–2015 Actual \$'000	Variation \$'000
Recurrent Services (Appropriation)	3,630	3,434	(196)

Performance Indicators for Output 1.1

Output 1.1 Support of the Governor	<p><i>Quality:</i> Satisfaction of the Governor and the organisations and individuals with whom the Office deals;</p> <p>meeting of heritage standards in the conservation and capital improvement of the Government House Estate;</p> <p><i>Quantity:</i> Management of the Governor's participation in 536 official events at Government House and throughout Tasmania;</p> <p>maintenance of 15 hectares of grounds including 4.5 hectares of ornamental gardens, substantial vegetable and picking gardens and orchard and vineyard;</p> <p>Estate management, conservation and maintenance of Government House and seven cottages and ten service outbuildings.</p>
--	--

Qualitative Assessment

The key outcomes for Output 1.1 are that:

- all constitutional, statutory and representational activities are supported and meet the expectations of the Governor;
- household operations, including official hospitality, are conducted to the Governor's satisfaction and in a manner that reflects the nature and status of the Office;
- arrangements for Vice-Regal participation in external events are coordinated to the satisfaction of the Governor and in a manner that reflects the nature and status of the Office.

Personal and administrative staff supporting Output 1.1 assist the Governor with her representational activities, including the planning and organisation of events; relations with Government, the Parliament, the Executive Government, the State Service, the media, community groups and individuals; security and transport; assistance in the preparation of messages, speeches and correspondence. Advice is also provided on policy, precedent and practice.

Household operations and catering staff supporting the Output provide a high standard of catering services for official functions and a high standard of maintenance of Government House.

Staff supporting the Output in the management of the Estate maintain the grounds and buildings and other assets of the Government House Estate to a high standard.

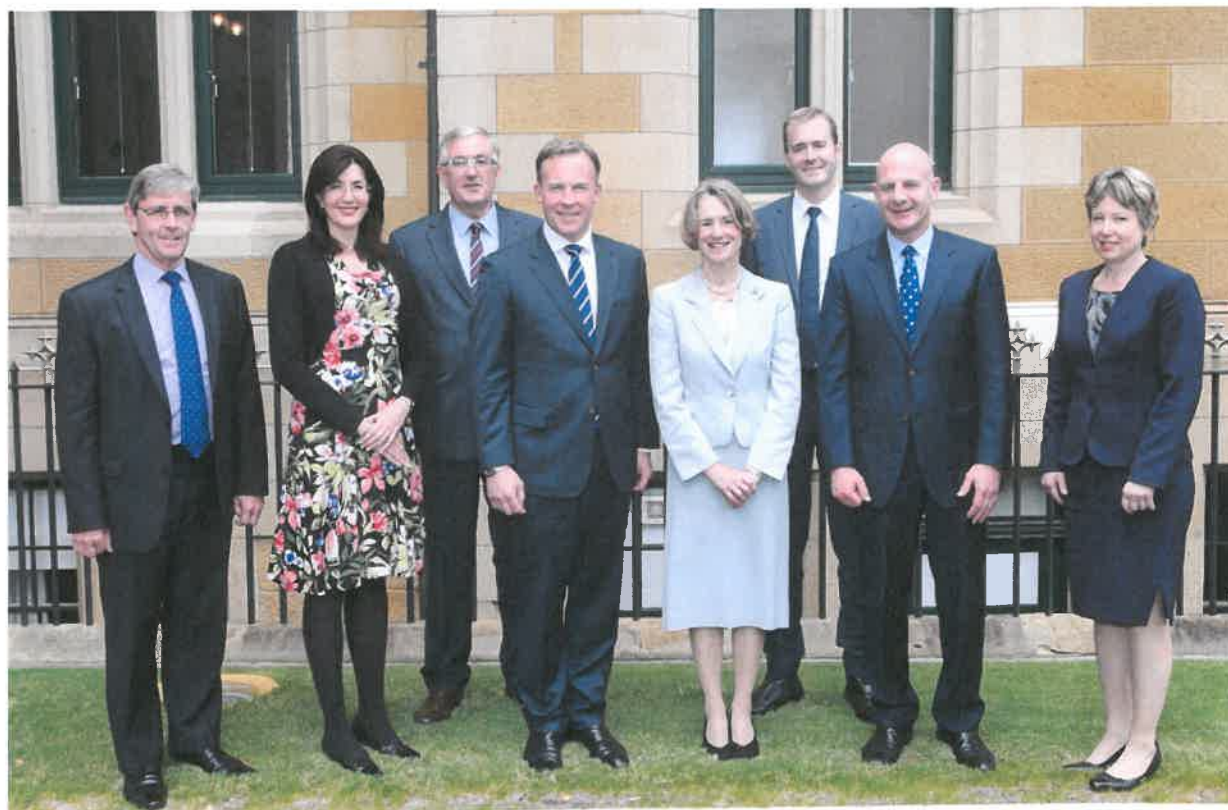
The evaluation of performance is assisted by regular assessment and comments by the Governor, guests at official functions, members of the public, government, government bodies and community organisations involved with official events. The nature of these comments is consistently positive.

Details of key activities undertaken in 2014–2015

Key Results	Number	
	2013-2014	2014-2015
Executive Council meetings presided over	22	25
Acts receiving Royal Assent	55	41
Receptions held at Government House	53	37
Ambassadors and High Commissioners hosted at Government House	11	9
Official dinners and luncheons	16	11
School visits to Government House	9	4
Visits to Government House by community groups, including service clubs, special interest groups, exchange students, and charitable organisations	38	22
Swearings-In, Investitures, presentation ceremonies	20	19
Official callers received by the Governor/Lt Gov/ADM*	115	141
External events attended by the Governor/Lt Gov/ADM	133	221
Speeches delivered by the Governor/Lt Gov/ADM	98	138
Visitors on Open Day	3,250	0
Total number of guests	16,327	12,453

*Administrator

THE YEAR IN REVIEW



Her Excellency and her Ministry on the day of her Swearing-in as Governor. Left to right: the Honourable Paul Harriss, the Honourable Jacquie Petrusma, the Honourable Rene Hidding, the Honourable Will Hodgman, Premier, Her Excellency, the Honourable Michael Ferguson, the Honourable Peter Gutwein, the Honourable Vanessa Goodwin. Absent: the Honourable Jeremy Rockliff, Deputy Premier, the Honourable Matthew Groom

Constitutional

Death of Governor Underwood

Governor Peter George Underwood died while in office on 7 July 2014. A lengthy tribute to him was recorded in the *Office of the Governor 2013-14 Annual Report*. That tribute read in part: “A State Funeral was held for the late Peter Underwood in the Federation Concert Hall, Hobart on Monday 21 July 2014. Attendees included the Governor-General of the Commonwealth of Australia, Governors or their representatives from all States and the Northern Territory, many Federal and State politicians and public dignitaries and a great number of Tasmanians, many of whom were accommodated in the overflow Federation Ballroom.”

Assumption of Office of Governor Warner

Professor Kate Warner AM was sworn to office on Wednesday 10 December 2014 at a ceremony at Government House. The ceremony was attended by State Members of Parliament, Judges of the Supreme Court of Tasmania, religious, military and Public Service representatives, and family members and colleagues of Professor Warner and her husband Mr Richard Warner.

Professor Warner made her Affirmations and read her Proclamation before the Honourable Justice Alan Blow OAM, Chief Justice of the Supreme Court of Tasmania.

The Proclamation:

“By Her Excellency the Honourable Professor Kate Warner, Member of the Order of Australia, Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia.

“WHEREAS Her Majesty The Queen of Australia has been graciously pleased, by Commission under Her Royal Sign Manual and Signet bearing date the twenty-fifth day of November 2014 at Saint James's, to constitute and appoint me, CATHERINE (KATE) ANN WARNER, Member of the Order of Australia, Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia: Now I, the Governor aforesaid do hereby proclaim and declare that I have this day taken the usual Oaths before the Honourable Justice Alan Michael Blow, Holder of the Medal of the Order of Australia, Chief Justice of the Supreme Court of Tasmania, and that I have assumed the Administration of the Government accordingly.

“GIVEN under my hand at Hobart in Tasmania this 10th day of December 2014.”

The Queen of Australia's Commission of Appointment, signed by the Premier of Tasmania the Honourable Will Hodgman, and the Proclamation, were published in the *Tasmanian Government Gazette* on Wednesday 10 December 2014.



Swearing-in ceremony. Left to right: Official Secretary David Owen, Chief Justice Alan Blow OAM, Honorary Aide-de-Camp Flight Lieutenant Cath Gavan, Her Excellency, Premier Will Hodgman

The Governor's primary role is to safeguard the Tasmanian Constitution and Tasmania's democratic parliamentary system of government. The *Constitution Act*, s10 provides that, 'The Governor and the Legislative Council and House of Assembly shall together constitute the Parliament of Tasmania.' It is the duty of the Governor to sign all the Bills that have been passed by the two Houses of Parliament in order to make them part of the law of Tasmania. During 2014–2015 Her Excellency or the Lieutenant Governor or Administrator gave Royal Assent to 41 Bills presented by the President or Deputy President of the Legislative Council of Tasmania.

In addition, the Governor exercises executive power, but (with rare exceptions) only on the advice of Ministers who are responsible to the Parliament. That advice is generally conveyed through the Executive Council. The Governor presides at regular meetings of the Council, giving the constitutionally required approval to give legal effect to many Government decisions. During 2014–2015 Her Excellency or the Lieutenant Governor or Administrator presided over 25 meetings of the Executive Council.



Administrator Justice Shan Tennent with Mr Robert Tennent hosting the Glenorchy reception

Administration in the absence of the Governor

The Lieutenant Governor the Honourable Justice Alan Blow OAM administered the State on these occasions: 1 to 2 July; 9 July to 12 September (including a period in residence from 4 August to 12 September); 14 to 24 September; 28 September to 8 October; 12 to 20 October; 26 October to 3 November; 6 November to 10 December.

Administrator the Honourable Justice Shan Tennent administered the State on these occasions: 13 September; 25 to 27 September; 9 to 11 October; 21 to 25 October; 4 to 5 November.

Administrator the Honourable Justice David Porter administered the State from 3 to 8 July.

Ceremonial

At Government House Her Excellency or the Lieutenant Governor or Administrator officiated at a variety of ceremonial events. In the year under review there were a total of 19 investitures and presentations, including:

- Order of Australia Investiture;
- Queen's Birthday Honours Investiture;
- Defence Reserves Support Council Employer Awards;
- Queen's Scout and Guide Awards;
- Winston Churchill Fellowships;
- Rhodes Scholar announcement;
- Duke of Edinburgh's Gold Awards;
- Tasmanian Qualifications Authority Awards;
- Governor's Environment Scholarships;
- St John Investiture;
- International Human Rights Day Awards;
- Royal Hobart Golf Club Governor's Trophy;
- Tasmanian Suicide Prevention Network Tasmanian Life Awards;
- Bravery Awards;
- Australian Citizenship Day Ceremony;
- Investiture of Her Excellency as a Dame of Grace in the Most Venerable Order of the Hospital of St John of Jerusalem;
- The Swearing-in of Professor Kate Warner as the 28th Governor of Tasmania;
- The Swearing-in of the Honourable David Harper AM QC as an Acting Judge of the Supreme Court of Tasmania;
- Special Olympics Australia Tasmanian athletes presentations.

Investitures and presentations vary considerably. Those such as the Order of Australia Investiture are formal and attended by up to 200 guests, comprising friends and family of the recipients and official guests, the latter being announced into the Ball Room. The Fanfare and Australian National Anthem are played.

Smaller less formal presentations take place in the Drawing Room; these often are events recognising long or distinguished services of individuals in organisations of which the Governor is Patron.



Bravery Awards recipients



Australia Day Investiture – Detective Senior Constable Robyn Button
Receives the Australian Police Medal for Distinguished Service

Visitors to Government House

Events and functions hosted by the Governor and Mr Warner or the Lieutenant Governor or Administrator brought 12,453 visitors to Government House in 2014-2015.



Students and staff of Aarhus Business College, Denmark and Hobart College

Significant events

On Wednesday 10 December Professor Kate Warner was sworn in as Tasmania's 28th Governor. (See pages 8 - 9 of this report.)

In August the Office of the Governor of Tasmania formally contracted with Hobart-based IT service provider company Knight Errant to comprehensively upgrade the Government House IT system including migration to the Office 365 cloud-based operating system.

In August work commenced on a new vineyard in the golf Paddock, initially to have 1500 plantings in three varieties: cabernet, riesling, merlot.

On Wednesday 15 October senior staff coordinated a day-long inspection tour of Government House by parties associated with the forthcoming visit to Tasmania of His Excellency Mr Xi Jinping, President of the People's Republic of China, and Madame Peng Liyuan. Included in the large delegation were representatives of the Department of the Prime Minister and Cabinet; the

Protocol Office of the Department of Premier and Cabinet; the Embassy and Consulate General (Melbourne) of the People's Republic of China; security personnel (Australia and PRC).

On Tuesday 18 November His Excellency the Honourable Justice Alan Blow OAM, Lieutenant Governor of Tasmania and Mrs Margaret Blow, together with the Honourable Will Hodgman MP, Premier of Tasmania and Mrs Nicola Hodgman, hosted a State Banquet in the Government House Ball Room in honour of His Excellency Mr Xi Jinping, President of the People's Republic of China, and Madame Peng Liyuan.

Among the guests:

Mr Wang Huning, Director, Policy Planning Office, Central Committee of the Communist Party of China; Mr Li Zhanshu, Director, General Office, Central Committee of the Communist Party of China; Mr Yang Jiechi, State Counselor; Mr Wang Yi, Minister of Foreign Affairs; Mr Gao Hucheng, Minister of Commerce; Mr Zhu Zhixin, Vice Minister of National Development and Reform Commission; Mr Liu He, Vice Minister of National Development and Reform Commission; Mr Ding Xuexiang, Deputy Director, General Office, Central Committee of the Communist Party of China; His Excellency Mr Ma Zhaoxu, Ambassador of the People's Republic of China and Madame Yu Xiaoming; Mr Zheng Zeguang, Assistant Foreign Minister; Mr Song Yumin, Consul-General of the People's Republic of China, Victoria; Mr Cao Qing, Director General; Mr Zhang Kunsheng, Central Security Bureau; Mr Wang Shaojun, Deputy Director General, Central Security Bureau; Mr Zhong Shaojun, Secretary to President Xi Jinping; Mr Cong Peiwu, Director General, Department of North American and Oceanian Affairs, Ministry of Foreign Affairs; Mr Cai Run, Director General, Department of Policy Planning, Ministry of Foreign Affairs; Mr Qin Gang, Director General, Information Department, Ministry of Foreign Affairs; Mr Lu Luhua, Secretary to President Xi Jinping; Mr Fa Jun, Secretary to Madame Peng Liyuan; Mr Cao Xiangnong, Deputy Director General, Department of North American and Oceanian Affairs, Ministry of Foreign Affairs; Ms Chen Yundai, Doctor and Professor; Mr Shi Yong, Counselor, Protocol Department, Ministry of Foreign Affairs; Ms Yuan Lijie, Counselor, Protocol Department, Ministry of Foreign Affairs; Mr Sun Yufa, Doctor; Mr Yu Fei, Staff Member, Central Security Bureau; Mr Li Yaguang, Secretary to President Xi Jinping.

Professor Kate Warner, Governor-elect and Mr Richard Warner; Sir Guy Green and Lady Rosslyn Green; Her Excellency Ms Frances Adamson, Australian Ambassador to the People's Republic of China; Mrs Frances Underwood; the Honourable William Cox; Lord Mayor Sue Hickey; the Honourable Bryan Green; the Honourable Jim Wilkinson; the Honourable Greg Hunt; the Honourable Peter Gutwein; the Honourable Jeremy Rockliff; The Honourable Michael Ferguson; the Honourable Elise Archer; the Honourable Lara Giddings; the Honourable Rene Hidding; Mr Adam Brooks; the Honourable Jacquie Petrusma; Mr Guy Barnett; Ms Joan Rylah; the Honourable Matthew Groom; the Honourable Warwick Smith; the Honourable Paul Harriss; Mr Tim Reid; Mr Mark Ryan; Mr Andrew 'Twiggy' Forrest; Professor Peter Rathjen; Mr Shane Stone; Mr James Cretan; Mr Greg Johannes; Mr Kim Evans; Mr Robert Clifford; Mr James Pirie; Alderman Doug Chipman; Alderman Damon Thomas; Mr Mark Shelton; Mr Roger Jaensch; Ms Sarah Courtney.

The Lieutenant Governor, the President and the Premier addressed the guests during the course of the Banquet.



The Ball Room in readiness for the Banquet

Produce for the 85-seat Banquet was sourced from across Tasmania and the menu included: ceviche of Tasmanian seafood (baby abalone, scallops, oysters, mussels); confit Atlantic salmon with golden delicious apples wrapped in applewood cold smoked ocean trout; fresh goat's cheese rolled in roasted walnuts and bush tomato dust; ballotine of quail studded with truffles; pinot and bay poached fillet of beef; summer peas, pinkeye potatoes; whisky, anise myrtle and honey chocolates; and Tasmanian Riesling, pinot noir, elderflower sparkling water.

Associated events and personnel for the President's visit to Government House: TasInvest group meeting led by the Honourable Matthew Groom MP, which included a brief attendance by the Honourable Tony Abbott MP, Prime Minister of Australia; planting by the President of a Yulan magnolia tree; baby Tasmanian devils display; meeting of the President and members of the Bacon family; meeting of the President with Scotch Oakburn College students; Tasmanian produce display curated by Government House Executive Chef Mrs Ainstie Wagner; musical performances by Saint Michael's Collegiate School Choir; Tasmanian Symphony Orchestra ensemble; Fanfare and Vice-Regal salute by the Australian Army Band Tasmania.

On Monday 24 November the Official Secretary Mr David Owen attended a one-day meeting of Official Secretaries of the Office of the Governor-General and the States and Territories. The meeting was hosted by His Excellency the Honourable Mr Paul de Jersey AC, Governor of Queensland and Mrs de Jersey and Official Secretary Air Commodore Mark Gower OAM.

On Wednesday 8 February Her Excellency and Mr Warner hosted the Franklin Discovery Lecture on behalf of the High Commission of Canada. The event was attended by His Excellency Mr Charles Reeves, Acting High Commissioner of Canada.

On Thursday 5 March Her Excellency and Mr Warner hosted a reception for members of the Irish and Zimbabwean teams playing in Tasmania in the 2015 Cricket World Cup.

On Thursday 5 March the Official Secretary Mr David Owen attended a one-day meeting of Official Secretaries of the Office of the Governor-General and the States and Territories; the meeting having been convened to coincide with a visit to Australia by Sir Christopher Geidt KCB KCVO OBE, Private Secretary to Her Majesty The Queen. The meeting was hosted by His Excellency General the Honourable Sir Peter Cosgrove AK MC, Governor-General and Lady Cosgrove and the Official Secretary Mr Mark Fraser LVO OAM.

On Tuesday 10 March the Special Response & Counter-Terrorism Unit of Tasmania Police submitted a confidential Security Review of Government House. The Review had been requested by the Official Secretary as a means to assessing current and future security arrangements. The Review forms the basis for further assessments.

On Sunday 22 March Her Excellency and Mr Warner hosted an overnight visit by His Excellency General the Honourable Sir Peter Cosgrove AK MC, Governor-General and Lady Cosgrove.

Her Excellency and Mr Warner paid an extended visit to the Penguin region from Saturday 28 March to Wednesday 1 April.



Hands-on visit to the North-West

On Tuesday 21 April at a meeting of Her Excellency and Mr Warner and senior Government House staff, the Official Secretary tabled a document for discussion entitled “Government House Tasmania 5 to 10 Year Forward Plan – Income Streams.” Items for discussion included establishment of the vineyard; renting of three Estate cottages; hiring of Government House

tennis courts and croquet/bowls lawn; future establishment of a café and gift shop; production of various publications for sale; establishment of a Friends of Government House Tasmania group; engagement with the office of the Premier of Tasmania to establish greater shared arrangements between Government House and the Government, particularly in matters of State significance; formal correspondence with the Solicitor-General of Tasmania regarding the income proposals and the existing provisions of the *Government House Land Act 1964*.

Her Excellency and Mr Warner paid an official visit to the West Coast Council from Sunday 26 to Wednesday 29 April.

On Friday 22 May Her Excellency and Mr Warner hosted an overnight visit by the Honourable Ms Linda Dessau AM, Governor-designate of Victoria and his Honour Judge Tony Howard QC.

Her Excellency and Mr Warner paid an official visit to the Huon Valley Council on Monday 25 and Tuesday 26 May.

Her Excellency and Mr Warner also paid numerous trips to Launceston during the period under review.

On Monday 22 June Her Excellency and Mr Warner hosted a formal dinner for Mr Richard Flanagan in recognition of his novel *The Narrow Road to the Deep North* winning the 2014 Man Booker Prize.



Huon Valley official visit



His Excellency the President and Madame Peng Liyuan enjoy meeting a baby Tasmanian devil, with Premier Will Hodgman and Dr David Pemberton and Terry Pinfold of the Save the Tasmanian Devil Program

School and Community Groups

During the year 26 school and community groups visited Government House to view the House and grounds and to learn more about the role of the Governor and the many and varied functions of the Office.



Her Excellency and Mr Warner hosted a visit by students from
The Yale Centre for British Art, USA



Honorary ADC Glen Woolley and ADC David Hughes, Banksia Day Centre visit



Her Excellency is Patron of Cancer Council Tasmania; here with CEO Penny Egan promoting the annual fundraiser Australia's Biggest Morning Tea



Staff members Julie Bromfield and Leigh Millington preparing for Children's Book Week. Julie retired after twenty year's service

Official Callers and Diplomatic Visits

The Governor received 131 official callers. The Lieutenant Governor received 10 official callers. Callers included senior Australian Defence Force personnel, heads of Government Agencies, visiting overseas dignitaries including Ambassadors, High Commissioners and Consuls, representatives of community organisations including those with Vice-Regal patronage and representatives from the fields of commerce, education and the arts.

In 2014–2015 the Office of the Governor received calls from or provided accommodation and hospitality for Ambassadors and High Commissioners representing: Austria; China, People's Republic of; Czech Republic; Denmark; Finland; Ireland; Mongolia; United Kingdom; Zimbabwe.



Her Excellency and Mr Richard Warner hosted the Ambassador of Austria
His Excellency Dr Helmut Boeck and Mrs Barbara Boehm-Boeck

Ambassadors and High Commissioners regularly pay two or three day official visits to Tasmania. A notable feature of these visits is the invitation from the Governor to host the dignitary and partner in the Royal Suite. Tasmania is the only Australian State offering accommodation at Government House as part of the official visit; this hospitality is understood to be much appreciated by the guests. The Office of the Governor works closely with the Protocol Office of the Department of Premier and Cabinet in facilitating these important economic and cultural diplomatic engagements.

Official visits provide many Tasmanian guests with opportunities to meet the diplomats and their partners at Luncheons and Dinners at Government House.

Receptions

In the period under review the Office of the Governor held 37 receptions totalling 6681 guests. They were: Albeura Street Primary School; Antarctic Climate and Ecosystems Cooperative Research Centre; Australasian Housing Researchers Conference; Australasian Weeds Conference; Australian Association for Environmental Education; Australian Cinematographers Society National Awards for Cinematography; Australian Institute of International Affairs Tasmania; Australian Network for Plant Conservation; Australian Red Cross; Australian Voice Association; Cancer Council Tasmania; Certified Practicing Accountants; Childbirth and Parenting Educators of Australia Inc; National Biennial Conference; Glenorchy City 50th anniversary proclamation; Group Training Australia; Hobart Real Tennis Club; ICC Cricket World Cup; Landcare Tasmania; National Australian Restorative Practices International Conference; Nexus Australian Youth Summit; Royal Australian and New Zealand College of Ophthalmologists; People's Republic of China 65th anniversary; Polar Law Symposium; Royal Hobart Regatta/Hobart Cup Week; Royal Hobart Show; RV Investigator welcome to Port; Science Week Southern Tasmania; Speech Pathology Australia; Spiritual Care Australia National Conference; Tasmanian Advocacy Convention; Tasmanian Hospice & Palliative Care Forum; Tasmanian International Arts Festival; Tasmanian Leaders' Program; Tasmanian Theatre Awards; Wide Angle Tasmania; Women Chiefs of Enterprises International; and a large reception marking the term in office of the late Governor of Tasmania, His Excellency the Honourable Peter Underwood AC.



Her Excellency and the President of the Australian Cinematographers Society, Ron Johanson



The Argyle Quartet. Musicians frequently play at receptions



Guests raise their glasses in a toast at a Queen's Birthday reception

Monthly State Room tours and Garden tours

These are free tours for which patrons book online and which are conducted by Honorary Aides-de-Camp and Garden staff. They are consistently popular. A limit is set for numbers. In the period under review there were c. 430 patrons.



Online booking tours explain aspects of the Government House Estate not well publicly known, such as these four original cottages

Government House productivity and training services

The many functions at Government House provide a showcase for promoting Tasmanian food and beverages. All food served is produced in the Government House kitchen and is of a consistently high standard. Wherever possible Tasmanian produce is used, much of it grown on the Estate, and Tasmanian wines, beers and spirits are served.

The Executive Chef and her staff also facilitate work experience individuals and groups from Tasmanian colleges and the VET and TAFE systems. Hospitality and training was provided to 17 students from: the TasTafe Drysdale Campus; Rosny College; Hobart College; The Friends' School.

The Executive Chef was granted special leave to be involved in numerous community projects that Government House sponsored. They were: Chigwell Family Centre, demonstration of basic, healthy cooking using vegetables from Government House; lunches for three workshops for 20 people held at Nyrstar, Lutana, for the Tasmanian Leaders Project (SPYC-Supporting Parents in Youth Careers); kitchen produce gifts for the Tasmanian Leaders Congress; Rotary Club of Salamanca fundraising projects, use of the kitchen; Colony 47 fundraising dinner, use of the kitchen and produce for 150 people.

Vegetables and herbs were contributed to the Moonah Primary School kitchen garden fundraising dinner in May.

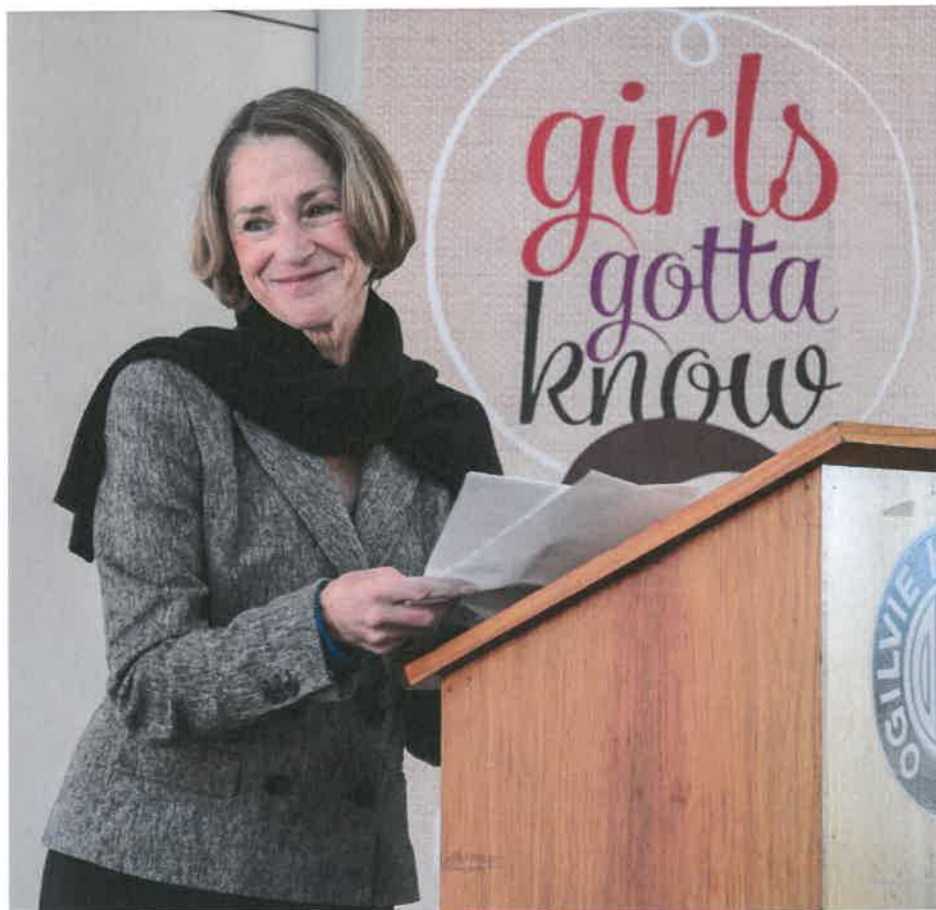
Government House has commenced a mini “taste” experience for functions with a high level of interstate and international guests. Food is served using the produce that is on display. Commercial producers showcase and discuss with guests their uniquely Tasmanian produce.

Garden Supervisor Steve Percival and his staff regularly facilitate education workshops and tours for students in the sector. In the period under review 23 Certificate 2 and Certificate 3 Horticulture students were hosted. The students came from either TasTafe or the Royal Tasmanian Botanical Gardens.

External Events

These are many and varied and in the year under review the Governor or Lieutenant Governor or Administrator attended 221 events around Tasmania.

Speeches were delivered to open local, national and international conferences and meetings; and speeches were given to a variety of community organisations. In the year 2014–2015 there were 138 speeches delivered.



Her Excellency opened the website project *Girls Gotta Know* of the Women’s Legal Service Tasmania

The Governor and Mr Warner opened numerous art exhibitions and launched books by Tasmanian authors. They are keen supporters of the performing arts in Tasmania and their support for the cultural industry was evident in the numerous theatrical and musical performances they attended in their official capacity.

Many community events are recurring and attended by the Governor or Lieutenant Governor, some of which are: the Royal Hobart Show and the Royal Launceston Show; the Hobart Cup and the Launceston Cup; the Combined Clubs Opening Day; University of Tasmania Town and Gown parades in Hobart and Launceston; The Sydney-Hobart yacht race; Scouts and Guides Tasmania AGM; Legacy Luncheons; Australian Institute of Company Directors Annual Gold Medal Luncheon.



Farm Fest, held at the Jordan River Learning Federation School Farm.
Government House agists cows belonging to the School Farm; they are a highly visible and much-admired feature of the Estate paddocks



The Governor attended the centenary celebrations of the Royal Life Saving Society Tasmanian Branch, of which she is Patron

The Governor or Lieutenant Governor officiated at commemorative services including: Armistice Day; the Battle of Britain; the Battle of the Coral Sea; the Battle of Crete; the Mariners Service; the Dedication Service for the Annual Field of Remembrance; Remembrance Day; Vietnam Veterans' Day.

The Lieutenant Governor attended a number of funerals: the late Doone Kennedy AO (Wednesday 10 September); the late the Honourable Gough Whitlam AC QC (Wednesday 5 November, Sydney); the late Dr Maxwell Banks AM (Friday 28 November).

The Government House Website

The website provides information on all aspects of the operation of the Office, ranging from the function of the Governor, biographical information, a pictorial diary of Vice-Regal engagements and access to the texts of speeches, through to advice regarding protocol, the history of the House and a guide to the House and Gardens. The website has proved to be a valuable tool for increasing awareness of the role and activities of the Office.

The home page of the website provides advice on certain public events at Government House, for which tickets are able to be reserved online (the events are free); in the year under review these included concerts and the conducted monthly tours of the State Rooms and Gardens.

The Government House Estate

The *Government House Land Act 1964* designates the Government House Estate as the place of residence of the Governor and her spouse, which is its principal role. However, the Governor and her spouse personally occupy only a small part of the residence for their personal accommodation. Government House has a much broader function than as a home. Being the premises in and from which the Governor carries out her responsibilities, including many of the Governor's constitutional functions, Government House is primarily a working establishment.

An important part of the Governor's role is to provide hospitality to Tasmanians and visitors to the State and a significant portion of Government House is set aside for this purpose. This includes the State Rooms, which are used principally for official functions, and the kitchen and catering facilities, which provide for these events.

Some staff members and their families are accommodated in cottages on the Estate. These are staff members who are required to be on call at all times, seven days a week, and whose remuneration package includes accommodation. The other buildings on the Estate are all fully utilised as storage areas, workshops and garages.

The Estate comprises 15 hectares of grounds including 4.5 hectares of ornamental gardens; substantial vegetable and picking gardens and an orchard. Produce from the gardens provide a significant proportion of the fruit and vegetables used in the kitchen and in the floral arrangements used throughout the House.

Staff

During the year under review three staff members left Government House: Julie Bromfield, Deputy Executive Butler, retired; Bill Crane field, Maintenance Supervisor, retired and Darren Fenton, Chauffeur, accepted a redundancy package.

Richard Bullough was appointed as full-time Buildings and Maintenance Supervisor.

Security Guards are employed on a casual basis. They are rostered on for night shifts and weekend shifts ensuring that the Governor and Mr Warner and the Estate is professionally attended at all times.

Casual staff are hired as required for kitchen and functions duties.

On Thursday 11 June most Government House staff enjoyed a pleasant and informative behind-the-scenes tour of the Port Arthur Historic Site.



Bill Crane field's retirement function. Bill was the longtime Maintenance Supervisor, first employed at Government House in 1978

Honorary Aides-de-Camp

The Office of the Governor benefits from outstanding service provided in a variety of roles to Her Excellency by her Honorary Aides-de-Camp. They provide, at no charge to the Office of Governor, assistance at all major functions at Government House and they attend the Governor at numerous external events, particularly during weekends. In their work they exemplify the high standards and attention to detail that Tasmanians and visitors to Tasmania appreciate in the Office of the Governor.

The current Honorary Aides-de-Camp are: Ancillary Constable Glen Woolley, formerly Inspector, Tasmania Police; Inspector Grant Twining, Tasmania Police; Major Malcolm McWilliams, Australian Army; Lieutenant Shona Prior, Lieutenant Christopher Sykes, Royal Australian Navy; Flight Lieutenant Catherine Gavan; and Flight Lieutenant Paula Chatwood, Royal Australian Air Force, who joined the team in May.



Honorary Aides-de-Camp left to right: Flight Lieutenant Cath Gavan, Lieutenant Shona Prior, Major Malcolm McWilliams, Inspector Grant Twining, Flight Lieutenant Paula Chatwood, Ancillary Constable Glen Woolley; Her Excellency's Aide-de-Camp Lieutenant Colonel David Hughes.
Absent: Honorary ADC Lieutenant Christopher Sykes

HUMAN RESOURCE MANAGEMENT

Indicators of Organisational Health

Sick Leave & Overtime	2012-2013	2013-2014	2014-2015
Average sick leave taken per FTE (days)	4.5	6.8	8.1
Total sick leave taken (days)	95.97	138.47	148.41*
Total overtime payments for the year (\$)	6,290	6,108	9,276
Total overtime payments per FTE (\$)	295	301	507

*71 attributable to one staff member

Staff Turnover	2012-2013	2013-2014	2014-2015
Separations	2	3	3
Commencements	1	2	2
FTE at 30 June*	21.32	20.32	20.32

*This does not include casual or externally contracted staff

Staff Leave Balances	2012-2013	2013-2014	2014-2015
Current entitlements – all employees (days)	1,129	1,384	1,331
Average number of LSL days per FTE*	42	46	51
Average number of annual recreation leave days per FTE	11	22	22*

* Including pro rata recreation leave

Workers' Compensation	2012-2013	2013-2014	2014-2015
Cases at 1 July	0	1	0
New cases for F/Y	1	1	1
Completed cases at 30 June	0	1	1
Total cases at 30 June	1	1	0
Working days lost F/Y	60.5	5	0

Staff Enterprise Agreement and Staff Award

The conditions of service of all staff employed by the Official Secretary are determined by the Governor of Tasmania Staff Enterprise Agreement, which was renewed in March 2012 for a further three-year period, and the amended Governor of Tasmania Staff Award which took effect in February 2012 following consultations with the Public Sector Management Office of the Department of Premier and Cabinet and the Australian Workers' Union.

The Enterprise Agreement is designed to recognise the variety of employee positions and their specific tasks tailored to the unique working environment of the Office of the Governor. Emphasis is placed on flexible working arrangements to maintain an efficient and productive organisation, while striving to ensure appropriate job satisfaction for all staff.

In the year under review the Enterprise Agreement and Award were in the process of being transformed into a single new Governor of Tasmania Staff Award, this process being assisted by the State Service Management Office of the Department of Premier and Cabinet.

Training and Development

Staff training is encouraged and funded where relevant to staff work and professional development.

Staff Development and Training	2012-2013	2013-2014	2014-2015
Number of individual staff who received formal training	11	8	9
Number of person days training	13	28	9
Expenditure on training	\$6,489	\$1,460	\$2,262

Industrial Relations

To promote an equitable and harmonious working environment employees are encouraged to raise issues and concerns with their supervisors or the Official Secretary. Should the internal grievance-resolution system be unsuccessful in resolving a grievance or dispute, employees are able to have disputes reviewed by the Tasmanian Industrial Commission.

Work Health and Safety

The practices of the Office of the Governor are in accordance with the *Workers Rehabilitation and Compensation Act 1988*. The Office of Governor Workers Compensation Injury Management Program was given approval pursuant to S143(7) of the *Workers Compensation and Rehabilitation Act* in August 2010.

Following commencement of the *Work Health and Safety Act 2012* on 1 January 2013, the Office of the Governor commenced implementing workplace measures and standards to ensure compliance with the provisions of the Act. This included funds expended on staff development and training.

ASSET MANAGEMENT AND RISK POLICIES

Asset Management

The financial statements for 2014–2015 are reported on a cash and accrual basis, and they contain full details of the Office of the Governor’s asset-management policies as notes to the statements. The assets of the Office of the Governor have been valued in accordance with the Office’s accounting policies and procedures, and these values are disclosed in the statements, together with appropriate notes on valuation methods.

The Office of the Governor maintains a register of assets with a value of \$10,000 or more. In addition, other factors such as attractiveness and portability are considered when determining whether an asset should be recorded in the Office of the Governor’s asset register.

The major assets of the Office of the Governor are the buildings on the Estate, including Government House and its outbuildings, and the colonial and imported antique furniture in the main building. These assets are classified as items of exceptional heritage significance. A complete valuation of the buildings and land was made as at 1st July 2011.

A full valuation of *objets d'art* and other heritage assets was completed in June 2015 respectively. A full valuation of heritage furniture was completed in June 2015.

Maintenance and Capital Programs

The following programs were undertaken in 2014–2015: large structural beam installed supporting the Drawing Room floor; new hot water system installed in Butler's Pantry and Kitchen (Gas and Electric); Conservatory flagstones repointed and made waterproof to stop the egress of water to lower rooms; Cottages 2, 4, and 7 repaired, prepared for rental.

Asset Management Systems

The Office of the Governor maintains a computerised database of assets, with regular updates to record acquisitions, transfers and disposals.

Acquisition and Disposal of Assets

The acquisition and disposal of assets is undertaken in accordance with the requirements of the *Financial Management and Audit Act 1990*.

Risk Management

The Office of the Governor recognises that risk management is an integral part of the management process, and has a number of mechanisms for the management of risks associated with its activities.

Government Procurement

Support for Local Business: The Office of the Governor ensures that Tasmanian businesses are given every opportunity to compete for the provision of goods and services to the Office. It is the Office of the Governor's policy to support Tasmanian businesses whenever they offer best value for money.

SUPPLEMENTARY INFORMATION

Pricing

The Office of the Governor does not undertake any activities requiring the pricing of goods or services.

Legislation Administered by the Office of the Governor

There are no statutes administered by the Office of the Governor.

Freedom of Information Requests

There were no requests in 2014–2015.

[Images in this Annual Report were supplied by: Geoff Harrisson; Roger Lovell; Richard Catt]

COMPLIANCE INDEX TO DISCLOSURE REQUIREMENTS

The compliance index below details the statutory disclosure requirements applicable to the Office of the Governor, a description of the reporting requirements and a page reference for the location within the Annual Report where the requirement is satisfied.

Compliance Index Table

Reference	Description	Location
FMAAs.27(1)(a)	A report on the performance of the functions and powers of the Head of Agency	Page 5
TI 701(1)(b)	Details of, and reasons for, any major changes which have taken place in relation to the programs, aims, functions or organisational structure of the Agency.	Staff - page 29
TI 701(1)(a) & (e)	A summary, together with quantitative measures where relevant, of the objectives and functions of programs or activities, including significant outcomes, key efficiency measures, targets, proposed plans and any ministerial objectives.	Pages 5-7
TI 701(1)(b)	Economic or other factors that have affected the achievement of operational objectives	Financial Statement
PSSRA s.13	Statement regarding contributions to non-RBF superannuation funds, including a report that the Department has met its obligations under the <i>Superannuation Guarantee (Administration) Act 1992</i> .	Financial Statement
TI 701(1)(d)(i) & (ii)	Details of maintenance projects.	Page 33
TI 701(1)(g)	Statement of asset management policies and an outline of asset management strategies and initiatives.	Page 32
TI 701(1)(f)	Statement of risk management policies and an outline of significant risk management activities and initiatives.	Page 33
TI 701(1)(c)	Pricing policies of goods and services provided, the last review date and reference to documents that contain the pricing information; with details of cost-recovery policies and their application, as appropriate.	Page 33
TI 701(1)(i) & (ii)	Details of all major contracts awarded, including the value of work and the name and locality of contractors.	Page 33
TI 701(1)(h)(i)(l)	The Office of the Governor's support for local businesses, including the number of procurement contracts awarded, the number of local bids received and the extent of local participation in procurement activities.	Page 33
TI 701(1)(n)	Any matters deemed relevant by the Head of Agency.	Annual Report
TI 701(1)(l) FMAA s.27(2) & (3) FMAA s.27(1)(c)	Financial statements of the Office of the Governor for the financial year.	appended
TI 701(1)(m)	Auditor-General's report on Financial Statements	appended

Independent Auditor's Report

To Members of the Tasmanian Parliament

Office of the Governor

Financial Statements for the Year Ended 30 June 2015

Report on the Financial Statements

I have audited the accompanying financial statements of the Office of the Governor (the Office), which comprise the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Official Secretary of the Office.

Auditor's Opinion

In my opinion the Office's financial statements:

- (a) present fairly, in all material respects, its financial position as at 30 June 2015 and its financial performance, cash flows and changes in equity for the year then ended
- (b) are in accordance with the *Financial Management and Audit Act 1990* and Australian Accounting Standards.

The Responsibility of the Official Secretary for the Financial Statements

The Official Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan

...1 of 2

and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

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

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Office's financial statements.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



H M Blake
Auditor-General

Hobart
28 September 2015

...2 of 2



OFFICE OF THE GOVERNOR

Financial Statements

**For the year ended
30 June 2015**

Table of Contents

Statement of Certification	2
Statement of Comprehensive Income for the year ended 30 June 2015	3
Statement of Financial Position as at 30 June 2015	4
Statement of Cash Flows for the year ended 30 June 2015	5
Statement of Changes in Equity for the year ended 30 June 2015	6
Notes to and forming part of the Financial Statements for the year ended 30 June 2015	7

TELEPHONE: (03) 6234 2611

FACSIMILE : (03) 6234 2556



GOVERNMENT HOUSE

TASMANIA 7001

Statement of Certification

The accompanying financial statements of the Office of the Governor are in agreement with the relevant accounts and records and have been prepared in compliance with Treasurer's Instructions issued under the provision of the Financial Management and Audit Act 1990 to present fairly the transactions for the year ended 30 June 2015 and the financial position as at the end of the year.

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

A handwritten signature in black ink, appearing to read 'David Owen'.

David Owen

Official Secretary

23 September 2015

Statement of Comprehensive Income for the year ended 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Continuing operations				
Revenue and other income from transactions				
Revenue from Government				
Appropriation revenue - recurrent	1.6(a), 4.1	3,630	3,434	3,585
Other revenue	1.6(b), 4.2	-	9	15
Total revenue and other income from transactions		3,630	3,443	3,600
Expenses from transactions				
Employee benefits	1.7(a), 5.1	2,642	2,672	2,716
Depreciation and amortisation	1.7(b), 5.2	298	345	343
Supplies and consumables	5.3	974	654	773
Other expenses	1.7(c), 5.4	31	59	58
Total expenses from transactions		3,945	3,730	3,890
Net result from transactions (net operating balance)		(315)	(287)	(290)
Other comprehensive income				
Land and buildings revaluation surplus	9.1	300	287	2,762
Revaluation of other assets	9.1		23	
Total other comprehensive income		300	310	2,762
Comprehensive result		(15)	23	2,472

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

Statement of Financial Position as at 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	1.8(a), 10.1	(10)	(7)	(14)
Other financial assets	1.8(b), 6.1	16	9	14
<i>Non-financial assets</i>				
Property, plant and motor vehicles	1.8(c), 6.2	226	188	246
Land and Buildings	1.8(c), 6.2	34,790	37,247	37,247
Heritage Assets	1.8(c), 6.2	3,563	3,586	3,563
Total assets		38,585	41,023	41,056
Liabilities				
Payables	1.9(a), 7.1	128	95	80
Employee benefits	1.9(b), 7.2	526	473	544
Total liabilities		654	568	624
Net assets		37,931	40,455	40,432
Equity				
Reserves	9.1	26,725	29,197	28,887
Accumulated funds		11,206	11,258	11,545
Total equity		37,931	40,455	40,432

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Cash inflows				
Appropriation receipts - recurrent		3,630	3,434	3,585
GST receipts		60	64	67
Other cash receipts		-	9	15
Total cash inflows		3,690	3,507	3,667
Cash outflows				
Employee benefits		(2,365)	(2,532)	(2,448)
Superannuation		(261)	(213)	(221)
GST payments		(60)	(57)	(72)
Other cash payments		(1,004)	(698)	(867)
Total cash outflows		(3,690)	(3,500)	(3,608)
Net cash from (used by) operating activities	10.2	-	7	59
Cash flows from investing activities				
Cash outflows				
Payments for acquisition of non-financial assets		-	"..."	(63)
Total cash outflows		-	"..."	(63)
Net cash from (used by) investing activities		-	"..."	(63)
Net increase (decrease) in cash and cash equivalents held		-	7	(4)
Cash and deposits at the beginning of the reporting period		(10)	(14)	(10)
Cash and deposits at the end of the reporting period	10.1	(10)	(7)	(14)

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2015

	Reserves	Accumulated	Total
	\$'000	Funds	Equity
	\$'000	\$'000	\$'000
Balance as at 1 July 2014	28,887	11,545	40,432
Total comprehensive result	310	(287)	23
Balance as at 30 June 2015	29,197	11,258	40,455

	Reserves	Accumulated	Total
	\$'000	Funds	Equity
	\$'000	\$'000	\$'000
Balance as at 1 July 2013	26,125	11,835	37,960
Total comprehensive result	2,762	(290)	2,472
Balance as at 30 June 2014	28,887	11,545	40,431

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2015

Note 1	Significant Accounting Policies	9
1.1	Objectives and Funding	9
1.2	Basis of Accounting	9
1.3	Reporting Entity	10
1.4	Functional and Presentation Currency.....	10
1.5	Changes in Accounting Policies	10
1.6	Income from transactions	12
1.7	Expenses from transactions	12
1.8	Assets.....	13
1.9	Liabilities.....	14
1.10	Leases.....	14
1.11	Judgements and Assumptions.....	14
1.12	Foreign Currency	15
1.13	Budget Information	15
1.14	Rounding	15
1.15	Taxation.....	15
1.16	Goods and Services Tax	15
Note 2	Office Output Schedules	15
2.1	Output Group Information.....	15
Note 3	Explanations of Material Variances between Budget and Actual Outcomes	16
3.1	Statement of Comprehensive Income.....	16
3.2	Statement of Cash Flows.....	16
Note 4	Income from transactions	17
4.1	Revenue from Government	17
4.2	Other revenue.....	17
Note 5	Expenses from transactions	17
5.1	Employee benefits	17
5.2	Depreciation and amortisation	19
5.3	Supplies and consumables.....	19
5.4	Other expenses	19
Note 6	Assets	20
6.1	Other financial assets	20
6.2	Property, plant, equipment and motor vehicles.....	20
Note 7	Liabilities	22
7.1	Payables.....	22
7.2	Employee benefits	22
Note 8	Commitments and Contingencies	22
8.1	Schedule of Commitments.....	22
8.2	Contingent Assets and Liabilities.....	23

Note 9	Reserves	23
9.1	Reserves	23
Note 10	Cash Flow Reconciliation	24
10.1	Cash and deposits	24
10.2	Reconciliation of Net Result to Net Cash from Operating Activities	24
Note 11	Financial Instruments	24
11.1	Risk exposures	24
11.2	Net Fair Values of Financial Assets and Liabilities	25

Note 1 Significant Accounting Policies

1.1 Objectives and Funding

The Office's objectives are to support the Governor in the performance of his constitutional, administrative, ceremonial and community responsibilities by:

- providing a high standard of policy advice and administrative support to the Governor, including the organisation of constitutional and ceremonial duties, and his program of community engagements;
- facilitating the efficient and effective interaction between the Office of the Governor, the Parliament, the Executive and the State Service; and
- maintaining Government House estate.

The Office is structured to meet the following outcomes:

- safeguarding the integrity of the State's democratic system of government;
- promoting community involvement in government and understanding of the democratic process;
- promoting community understanding of the role of Governor;
- fostering activities in rural areas through speeches, visits, functions and other events;
- encouraging the involvement of young people in the community;
- supporting activities which promote a multi-cultural, diverse and tolerant society;
- stimulating culture and the arts;
- promoting the State's exports and its tourism industry; and
- protecting and maintaining the heritage values of Government House and its grounds.

The Office's activities are classified as controlled.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Office in its own right.

The Office is a Tasmanian Government not-for-profit entity that is predominantly funded through Parliamentary appropriations. The financial statements encompass all funds through which the Office controls resources to carry on its functions.

1.2 Basis of Accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*.

The Financial Statements were signed by the Acting Official Secretary on the 13th August 2015.

Compliance with the Australian Accounting Standards may not result in compliance with International Financial Reporting Standards, as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Office is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 1.5.

The Financial Statements have been prepared on the basis that the Office is a going concern. The continued existence of the Office in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the Office's administration and activities.

1.3 Reporting Entity

The Financial Statements include all the controlled activities of the Office. The Financial Statements consolidate material transactions and balances of the Office.

1.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is the Office's functional currency.

1.5 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

In the current year, the Office has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- AASB 1055 *Budgetary Reporting* - The objective of this Standard is to specify budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government. Disclosures made in accordance with this Standard provide users with information relevant to assessing performance of an entity, including accountability for resources entrusted to it. There is no financial impact.
- 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015] - The objective of this Standard is to make amendments to the Standards and Interpretations listed in the Appendix:
 - (a) as a consequence of the issue of Accounting Framework AASB CF 2013-1 *Amendments to the Australian Conceptual Framework*, and editorial corrections, as set out in Part A of this Standard;
 - (b) to delete references to AASB 1031 *Materiality* in other Australian Accounting Standards, and to make editorial corrections, as set out in Part B of this Standard; and
 - (c) as a consequence of the issuance of IFRS 9 *Financial Instruments – Hedge Accounting* and amendments to IFRS 9, IFRS 7 and IAS 39 by the IASB in November 2013, as set out in Part C of this Standard.

There is no financial impact.

(b) Impact of new and revised Accounting Standards yet to be applied

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 15 *Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of *revenue* and cash flows arising from a *contract* with a *customer*. This Standard applies to annual reporting periods beginning on or after 1 January 2017. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. It is anticipated that there will not be any financial impact.
- 2010 7, 2014-7 and 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9* – The objective of these Standards is to make amendments to various standards as a consequence of the issuance of AASB 9 Financial Instruments in December 2010. It is anticipated that there will not be any financial impact.
- 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]* – The objective of this Standard is to make amendments to:

(a) AASB 116 Property, Plant and Equipment; and

(b) AASB 138 Intangible Assets;

as a consequence of the issuance of International Financial Reporting Standard *Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to IAS 16 and IAS 38) by the International Accounting Standards Board in May 2014. It is anticipated that there will not be any financial impact.

- 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)] – The objective of this Standard is to make amendments to:

(a) AASB 9 *Financial Instruments* (December 2009); and

(b) AASB 9 *Financial Instruments* (December 2010);

as a consequence of the issuance of AASB 9 *Financial Instruments* in December 2014. It is anticipated that there will not be any financial impact.

- 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]* – The objective of this Standard is to make amendments to various standards (as noted) as a consequence of the issuance of International Financial Reporting Standard Disclosure Initiative (Amendments to IAS 1) by the International Accounting Standards Board in December 2014, and to make an editorial correction. It is anticipated that there will not be any financial impact.
- 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality* - The objective of this Standard is to effect the withdrawal of AASB 1031 *Materiality* and to delete references to AASB 1031 in the Australian Accounting Standards, as set out in paragraph 13 of this Standard.

The adoption of these Standards is estimated to have no financial impact on the Office.

(c) Voluntary changes in accounting policy

There has been no voluntary change to accounting policy.

1.6 Income from transactions

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

(a) Revenue from Government

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the Office gains control of the appropriated funds. Except for any amounts identified as carried forward in Notes 4.1, control arises in the period of appropriation.

(b) Other revenue

Revenue from any other source is recognised when the obligation to pay arises.

1.7 Expenses from transactions

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.

(a) Employee benefits

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

(b) Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land, being an asset with an unlimited useful life, is not depreciated.

Depreciation is provided for on a straight-line basis, using rates which are reviewed annually. Major depreciation periods are:

Plant, equipment and vehicles	5 years
Buildings	100 years
Other - Piano	20 years
Tractor	10 years
Convotherm Oven	10 years
Under carpet heating	15 years
Service lift	20 years

Heritage assets are not depreciated on the basis that they have an unlimited useful life.

Depreciation rates have been adjusted to reflect the life of each asset.

(c) Other expenses

Expenses from acquisition of supplies and services are recognised when the obligation to pay is identified, usually at the time of supply of such supplies and services.

1.8 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Office and the asset has a cost or value that can be measured reliably.

(a) Cash and deposits

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

(b) Other financial assets

Tax assets are recognised when the related transactions occur and are measured at the nominal amount.

Prepayments are recognised when they occur and are measured at the nominal amount.

(c) Property, plant, equipment and infrastructure

(i) Valuation basis

Land, buildings, heritage and cultural assets and other long-lived assets are recorded at fair value less accumulated depreciation. All other Non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or build occupied.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Office and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation thresholds adopted by the Office are:

Vehicles	\$10,000
Plant and Equipment	\$10,000
Land & Buildings	\$10,000
Heritage assets	\$10,000

Assets valued at less than \$10,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

(iv) Revaluations

The Office has adopted a revaluation threshold of \$10,000 above which assets are revalued on a fair value basis. All heritage assets are subject to revaluation and are revalued every 3 to 5 years.

Land and buildings are revalued with sufficient regularity to ensure they reflect fair value at balance date. Indices are applied between formal valuations.

Assets are grouped on the basis of having a similar nature or function in the operations of the Office.

Revaluations are shown on a net basis.

1.9 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

(a) Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Office becomes obliged to make future payments as a result of a purchase of assets or services.

(b) Employee benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June 2015, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

(c) Superannuation

The Office does not recognise a liability for the accruing superannuation benefits of Office employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

1.10 Leases

The Office has entered into a number of operating lease agreements for property, plant and equipment, where the lessors effectively retain all the risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

The Office is prohibited by Treasurer's Instruction 502 *Leases* from holding finance leases.

1.11 Judgements and Assumptions

In the application of Australian Accounting Standards, the Office 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.

Judgements made by the Office that have significant effects on the Financial Statements are disclosed in the relevant notes as follows:

- Basis of assets valuation (refer Notes 1.8(c), 6.2(a)).

The Office 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.

1.12 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

1.13 Budget Information

Budget information refers to original estimates as disclosed in the 2014-15 Budget Papers and is not subject to audit.

1.14 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol "...".

1.15 Taxation

The Office is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax.

1.16 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Note 2 Office Output Schedules

2.1 Output Group Information

The Office only has a single output called Office of the Governor to fulfil its Outcome Statement of ensuring that it provides support of the Governor. The summary of budgeted and actual revenues and expenses for this Output are the same as in the Statement of Comprehensive Income. Therefore, the inclusion of a separate Output Schedule is not necessary.

Explanations of material variances between budget and actual outcomes are provided in Note 3 below. A reconciliation of the net result of the Output Group to the net surplus on the Statement of Comprehensive Income is not necessary as the Office only has one output group. For the same reason there is no separate reconciliation between the total net assets deployed for the Output Group to net assets on the Statement of Financial Position.

Note 3 Explanations of Material Variances between Budget and Actual Outcomes

The following are brief explanations of material variances between Budget estimates and actual outcomes. Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$40,000.

3.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Depreciation and amortisation	(a)	298	345	47	16
Supplies and consumables	(b)	974	654	(320)	33

Notes to Statement of Comprehensive Income variances

(a) An increase in depreciation of Buildings in 2013-14 was not appropriately budgeted for in 2014-15.

(b) Lower than budgeted spending on general supplies and consumables due to unexpected expenditure of Employee benefits with a total of three staff members leaving within the 2014-15 financial year.

3.2 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Superannuation	(a)	261	213	(48)	18
Other cash payments	(b)	1,004	698	(306)	30

Notes to Statement of Cash Flow variances

(a) Three staff members left during 2014-15. Two of which had significant entitlements which generated an increase in the payment of superannuation.

(b) Other cash payments were lower than anticipated as a result of the increase in Employee benefits.

Note 4 Income from transactions

4.1 Revenue from Government

Revenue from Government includes revenue from appropriations, appropriations carried forward under section 8A(2) of the *Public Account Act 1986* and Items Reserved by Law.

The Budget information is based on original estimates and has not been subject to audit.

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Continuing operations			
Appropriation revenue - recurrent			
Current year	3,618	3,434	3,585
Revenue from Government - other			
Appropriation carried forward under section 8A(2) of the <i>Public Account Act 1986</i> taken up as revenue in the current year	-	-	-
Total revenue from Government	3,618	3,434	3,585

Section 8A(2) of the Public Account Act allows for an unexpended balance of an appropriation to be transferred to an Account in the Special Deposits and Trust Fund for such purposes and conditions as approved by the Treasurer. In the initial year, the carry forward is recognised as a liability, Revenue Received in Advance. The carry forward from the initial year is recognised as revenue in the reporting year, assuming that the conditions of the carry forward are met and the funds are expended.

4.2 Other revenue

	2015 \$'000	2014 \$'000
Other fees and recoveries	9	15
Total	9	15

Note 5 Expenses from transactions

5.1 Employee benefits

(a) Employee expenses

	2015 \$'000	2014 \$'000
Wages and salaries	2,276	2,268
Annual leave	113	121
Long service leave	17	64
Sick leave	27	28
Superannuation	213	221
Other employee expenses (<i>Training, uniforms, memberships</i>)	26	14
Total	2,672	2,716

Superannuation expenses relating to defined benefits schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.75 per cent (2014: 12.5 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2014: 9.25 per cent) of salary. In addition, the Office is also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.5 per cent (2014: 3.5 per cent) of salary in respect of employees who are members of contribution schemes.

(b) Remuneration of Key management personnel

2015	Short-term benefits		Superannuation	Long-term benefits			Total
	Salary	Other Benefits		Post-Employment Benefits	Termination Benefits	Other Benefits & Long-Service Leave	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Key management personnel</i>							
Official Secretary, 13 August 2012	155	53	15	-	-	-	223
Deputy Official Secretary, 4 February 2013	115	-	11	-	-	-	126
Total	270	53	26	-	-	-	349

2014	Short-term benefits		Superannuation	Long-term benefits			Total
	Salary	Other Benefits		Post-Employment Benefits	Termination Benefits	Other Benefits & Long-Service Leave	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Key management personnel</i>							
Official Secretary, 13 August 2012	155	53	14	-	-	-	222
Deputy Official Secretary, 4 February 2013	112	-	10	-	-	-	122
Total	267	53	24	-	-	-	344

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly.

Remuneration during 2014-15 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long-term employee expenses include long service leave, superannuation obligations and termination payments.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

5.2 Depreciation and amortisation

(a) Depreciation

	2015	2014
	\$'000	\$'000
Plant, equipment and motor vehicles	58	56
Buildings	287	287
Total	345	343

5.3 Supplies and consumables

	2015	2014
	\$'000	\$'000
Audit fees – financial audit	4	10
Operating lease costs	52	52
Property services	194	229
Maintenance	97	166
Communications	35	39
Information technology	32	22
Travel and transport	16	5
Other supplies and consumables	224	250
Total	654	773

5.4 Other expenses

	2015	2014
	\$'000	\$'000
Salary on-costs	16	14
Insurance	43	44
Total	59	58

Note 6 Assets

6.1 Other financial assets

	2015 \$'000	2014 \$'000
Tax assets	7	12
Prepayments	2	2
Total	9	14
Settled within 12 months	9	14
Settled in more than 12 months	-	-
Total	9	14

6.2 Property, plant, equipment and motor vehicles

(a) Carrying amount

	2015 \$'000	2014 \$'000
Land		
At fair value (1 July 2014)	8,800	8,800
Total	8,800	8,800
Buildings		
At fair value (1 July 2014)	28,734	28,734
Less: Accumulated depreciation	(287)	(287)
Total	28,447	28,447
Plant, equipment and motor vehicles		
At cost	458	458
Less: Accumulated depreciation	(270)	(212)
Total	188	246
Heritage and cultural assets		
At fair value (dates detailed below)	3,586	3,563
Total	3,586	3,563
Total property, plant, equipment and motor vehicle	41,021	41,056

Assets have been revalued independently as listed below:

Heritage and cultural assets consisting of:

- Paintings (Heritage assets) – Rosanna Cameron BA, Registered Valuer as at 30 June 2015. Based on fair market value.
- Furniture (Heritage assets) – A.F. Coleman, Approved Commonwealth Government Valuer as at 30 June 2015. Based on replacement value.
- China, silver etc. (Heritage assets) – Craig Broadfield, Leven Antiques, 30 June 2015. Based on retail replacement value; and
- Clocks (Heritage assets) – Peter Reading L.B.H.I. B.A.D.A. certified, as at 30 June 2015.

Land and Buildings were last fully revalued as at 1 July 2011. The Valuer General provides indexation factors for the intervening years based on fair value for existing use.

(b) Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of Property, plant, equipment and motor vehicles at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2015	Land Level 2 \$'000	Buildings Level 2 \$'000	Plant equipment and motor vehicles Level 2 \$'000	Heritage and cultural assets Level 2 \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value at 1 July	8,800	28,447	246	422	3,141	41,056
Additions	-	-	-	-	"..."	-
Disposals	-	-	-	-	-	-
Revaluation increments (decrements)	-	287	-	(12)	35	310
Depreciation and amortisation	-	(287)	(58)	-	-	(345)
Carrying value at 30 June	8,800	28,447	188	410	3,176	41,021

2014	Land Level 2 \$'000	Buildings Level 2 \$'000	Plant equipment and motor vehicles Level 2 \$'000	Heritage and cultural assets Level 2 \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value at 1 July	8,800	25,938	273	422	3,141	38,574
Additions	-	34	29	-	-	63
Disposals	-	-	-	-	-	-
Revaluation increments (decrements)	-	2,762	-	-	-	2,762
Depreciation and amortisation	-	(287)	(56)	-	-	(343)
Carrying value at 30 June	8,800	28,447	246	422	3,141	41,056

(c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair Value at 30 June	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Description of how changes in inputs will affect the fair value
Heritage and Cultural	\$3,176	Cost of replacement	Note 1	The higher the cost to acquire similar assets the higher the fair value

Note 1. There were no significant interrelationships between unobservable inputs that materially affect fair values.

Note 7 Liabilities

7.1 Payables

	2015 \$'000	2014 \$'000
Creditors	51	29
Accrued expenses	44	51
Total	95	80
Settled within 12 months	95	80
Settled in more than 12 months	-	-
Total	95	80

Settlement is usually made within 30 days.

7.2 Employee benefits

	2015 \$'000	2014 \$'000
Accrued salaries	97	85
Annual leave	117	130
Long service leave	259	329
Total	473	544
Settled within 12 months	199	217
Settled in more than 12 months	274	327
Total	473	544

Note 8 Commitments and Contingencies

8.1 Schedule of Commitments

	2015 \$'000	2014 \$'000
By type		
<i>Lease Commitments</i>		
Operating leases	121	153
<i>Total lease commitments</i>	121	153
By maturity		
<i>Operating lease commitments</i>		
One year or less	31	41
From one to five years	61	72
More than five years	29	40
<i>Total operating lease commitments</i>	121	153
Total	121	153

Motor Vehicles

- The Office's motor vehicle fleet is managed by LeasePlan Australia Pty Ltd
- Lease payments vary according to the type of vehicle and where applicable the price received for replaced vehicles
- Lease terms are for a maximum of three years, with the exception of one vehicle leased for a ten year term, with no change to the lease rate
- No restrictions or purchased options are contained in the lease arrangements.

Equipment

Photocopiers

- Lease payments are determined at the time of the lease agreement and are paid quarterly
- Lease terms are for four years with no change to the lease rate
- No restrictions or purchased options are contained in the lease arrangements.

8.2 Contingent Assets and Liabilities

As at the 30th June 2015, the Office had no known contingent assets or liabilities.

Note 9 Reserves

9.1 Reserves

2015	Heritage and cultural			Total
	Land	Buildings	assets	
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance at the beginning of financial year	4,800	18,947	5,140	28,887
Revaluation increments/ (decrements)	-	287	23	310
Balance at end of financial year	4,800	19,234	5,163	29,197

2014	Heritage and cultural			Total
	Land	Buildings	assets	
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance at the beginning of financial year	4,800	16,185	5,140	26,125
Revaluation increments/ (decrements)	-	2,762	-	2,762
Balance at end of financial year	4,800	18,947	5,140	28,887

(a) Nature and purpose of reserves

Asset revaluation reserve

The Asset revaluation reserve is used to record increments and decrements on the revaluation of Non-financial assets, as described in Note 1.8(c).

Note 10 Cash Flow Reconciliation

10.1 Cash and deposits

Cash and deposits includes the balance of the Special Deposits and Trust Fund Account held by the Office, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2015 \$'000	2014 \$'000
Special Deposits and Trust Fund balance		
Operating account	(8)	(15)
Total	(8)	(15)
Other cash held		
Petty cash	1	1
Total	1	1
Total cash and deposits	(7)	(14)

10.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2015 \$'000	2014 \$'000
Net result from transactions (net operating balance)	(287)	(290)
Depreciation and amortisation	345	343
(Gain) loss from sale of non-financial assets	-	-
Decrease (increase) in Prepayments	-	-
Decrease (increase) in Tax assets	5	-
Increase (decrease) in Employee entitlements	(71)	50
Increase (decrease) in Payables	22	(47)
Increase (decrease) in Accrued expenses	(7)	3
Increase (decrease) in Other liabilities	-	-
Net cash from (used by) operating activities	7	59

Note 11 Financial Instruments

11.1 Risk exposures

(a) Risk management policies

The Office does not hold any derivative financial instruments.

The Official Secretary has overall responsibility for the establishment and oversight of the Office's risk management framework. Risk management policies are established to identify and analyse risks faced by the Office, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(b) Credit risk exposures

The credit risk on financial assets to the Office which have been recognised in the Statement of Financial Position is generally the carrying amount, net of any provision for impairment.

The Office's maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Comprehensive Income.

11.2 Net Fair Values of Financial Assets and Liabilities

2015

	Total Carrying Amount \$'000	Net Fair Value \$'000
Financial assets		
Petty Cash	1	1
Cash in Special Deposits and Trust Fund	(8)	(15)
Total financial assets	(7)	(14)
Financial liabilities		
Payables	51	80
Total financial liabilities	51	80

2014

	Total Carrying Amount \$'000	Net Fair Value \$'000
Financial assets		
Petty Cash	1	1
Cash in Special Deposits and Trust Fund	(15)	(15)
Total financial assets	(14)	(14)
Financial liabilities		
Payables	80	80
Total financial liabilities	80	80

Financial Assets

The net fair values of cash approximate their carrying amounts.

Financial Liabilities

The net fair values of accrued expenses are based on their carrying amounts.

The net fair values for trade creditors are approximated by their carrying amounts.