



Office of the Governor of Tasmania



*Annual Report
1 July 2015—30 June 2016*

*Government House
Hobart*

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

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OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE
TASMANIA 7001

21 October 2016

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 2015 to 30 June 2016 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 'D 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;
- manage and operate Government House, its associated buildings and the Estate at a high level of maintenance and presentation.

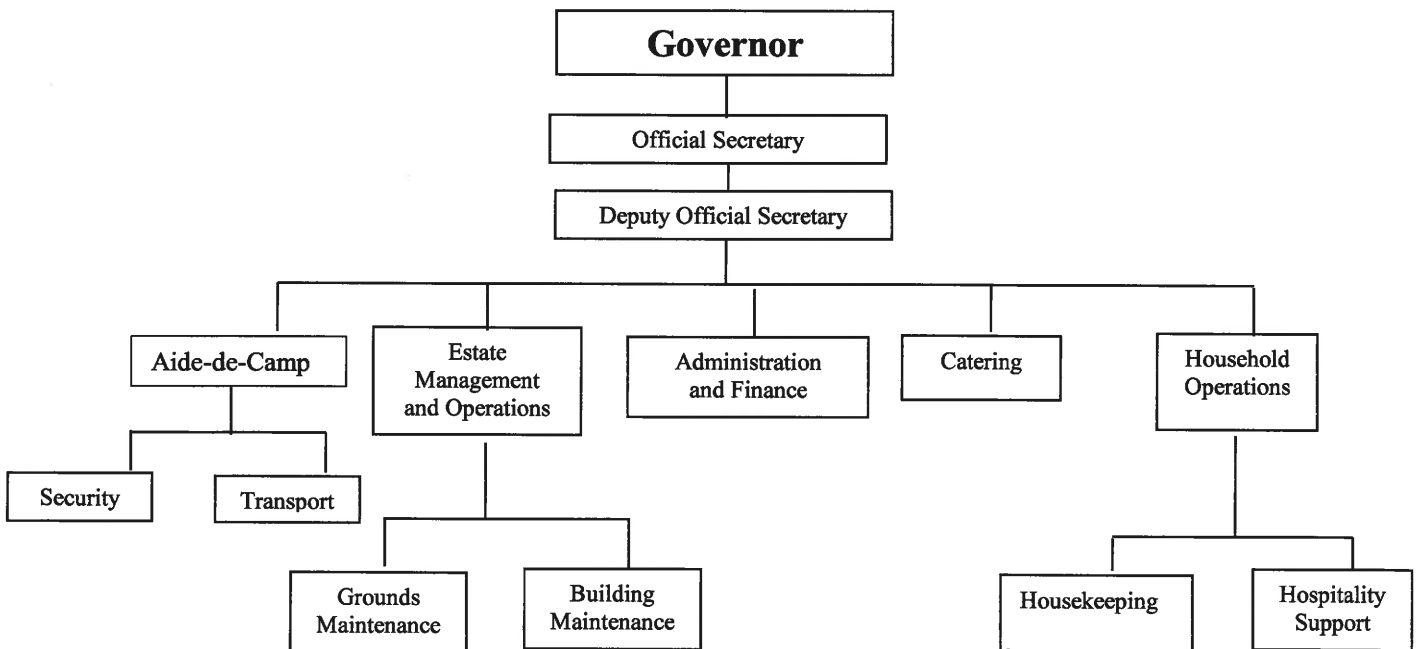
THE OFFICE OF THE GOVERNOR

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 are considered 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 — 140 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 \$3,547 million for recurrent services.

Consolidated Fund	2015–2016	2015–2016	Variation
	Budget \$'000	Actual \$'000	
Recurrent Services (Appropriation)	3,547	3,668	121

Performance Indicators for Output 1.1

Output 1.1 Support of the Governor	<i>Quality:</i> Satisfaction of the Governor and the organisations and individuals with whom the Office deals; meeting of heritage standards in the conservation and capital improvement of the Government House Estate;
	<i>Quantity:</i> Management of the Governor's participation in 614 official events at Government House and throughout Tasmania; maintenance of 15 hectares of grounds including 4.5 hectares of ornamental gardens, substantial vegetable and picking gardens and orchard and vineyard; Estate management, conservation and maintenance of Government House and seven cottages and ten service outbuildings.

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 2015–2016

Key Results	Number	
	2014-2015	2015-2016
Executive Council meetings presided over	25	24
Acts receiving Royal Assent	41	50
Receptions held at Government House	37	56
Ambassadors and High Commissioners hosted at Government House	9	11
Official dinners and luncheons	11	19
School visits to Government House	4	14
Visits to Government House by community groups, including service clubs, special interest groups, exchange students, and charitable organisations	22	38
Swearings-In, Investitures, presentation ceremonies	19	27
Official callers received by the Governor/Lt Gov/ADM*	141	143
External events attended by the Governor/Lt Gov/ADM	221	266
Speeches delivered by the Governor/Lt Gov/ADM	138	208
Visitors on Open Day	0	3,500
Total number of guests	12,453	17,757

*Administrator

THE YEAR IN REVIEW

Constitutional

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 2015–2016 Her Excellency or the Lieutenant Governor or Administrator gave Royal Assent to 50 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 2015–2016 Her Excellency or the Lieutenant Governor or Administrator presided over 24 meetings of the Executive Council.



Swearing-in of the Honourable Peter Heerey AM QC as Acting Judge of the Supreme Court of Tasmania.

Administration in the absence of the Governor

The Lieutenant Governor the Honourable Justice Alan Blow OAM administered the State on these occasions: Tuesday 15 September to Sunday 11 October 2015; Sunday 15 to Tuesday 17 May 2016.

The Administrator the Honourable Justice Shan Tennent administered the State from Monday 12 to Friday 16 October 2015.

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 27 investitures and presentations, some of which were:

- 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;
- Office of Tasmanian Assessment, Standards & Certification Awards;
- Governor's Environment Scholarships;
- St John Investiture;
- Tasmanian Volunteer of the Year Awards;
- Premier's Literary Prizes;
- Florence Nightingale Grants and Awards;
- Bravery Awards;
- Australian Citizenship Day Ceremony;
- Foster Carer Week Awards;
- Heart Foundation Scholarships and Awards;
- Human Rights Awards;
- The Swearing-in of Tasmanian Magistrates;
- The Swearing-in of the Honourable Peter Heerey AM QC as an Acting Judge of the Supreme Court of Tasmania.

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. A military band stationed in the Minstrels' Gallery plays the Fanfare, the Vice-Regal Salute and Australian National Anthem.

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.



Australia Day Investiture 2016

Visitors to Government House

Events and functions hosted by the Governor and Mr Warner or the Lieutenant Governor or Administrator brought 17,757 visitors to Government House in 2015-2016. This total comprised: Receptions, 7,270; Investitures, Presentations, Lectures, 3,527; Open Day, 3,500; Morning and Afternoon Teas, 1,622; Other visitors, 859; School visits, 520; Lunches, Dinners, 316; Official callers, 143.



Open Day display

Significant events

On Tuesday 13 October 2015, at Buckingham Palace, London, Her Excellency and Mr Warner attended an audience with Her Majesty The Queen. This upholds the longstanding protocol that Governors of Tasmania travel to the United Kingdom during their term to attend an audience with The Queen of Australia.



Audience with Her Majesty

On Wednesday 1 July 2015 Her Excellency and Mr Warner attended the launch of the Children's University Tasmania, an initiative of the Peter Underwood Centre for Educational Attainment. The Children's University provides formal recognition of extra-curricular learning for children aged between 7 and 14 and offers volunteer opportunities for those aged 15 to 18, to engage students in learning and developing self-efficacy, confidence and aspirations.

The Peter Underwood Centre for Educational Attainment (launched in February 2015) is a partnership between the University of Tasmania and the Tasmanian State Government, in association with the Office of the Governor of Tasmania. The Advisory Committee is chaired by Her Excellency. The Centre's Patron is Mrs Frances Underwood, herself a committed educator. The inaugural meeting of the Advisory Committee was held on Monday 29 February 2016.

The Centre leads and contributes to work intended to result in sustained increases in educational attainment to benefit the whole Tasmanian community. The Centre's mission is to conduct innovative research, support workforce change, and provide novel aspiration programs for young people.

On Wednesday 1 July 2015 Her Excellency and Mr Warner hosted a dinner to mark the retirement of Sir Guy Green as Chairman of the Board of Trustees of the Tasmanian Museum and Art Gallery, a position he held for 11 years. Sir Guy was Governor of Tasmania between 1995 and 2003.

On Friday 31 July 2015 Her Excellency and Mr Warner hosted a dinner for visiting Art Gallery Directors associated with the "Masterpieces from the Hermitage" Exhibition at the National Gallery of Victoria, Melbourne. Guests included: Professor Dr George V Vilinbakhov, Deputy Director, State Hermitage Museum; Dr Mikhail Dedinkin, Deputy Head, Department of Western Art, State Hermitage Museum; M Henri Loyrette, Conseil d'Etat and former Director of the Musée du Louvre; Mr Adriano Pedrosa, Director, Museu de Arte de São Paulo; Ms Carol Henry, Chief Executive, Art Exhibitions Australia.

On Saturday 12 September 2015 Her Excellency and Mr Warner attended a Diocesan farewell for Tasmania's Anglican Bishop the Right Reverend John Harrower OAM and Mrs Gayelene Harrower.

On Thursday 17 September 2015 Mrs Margaret Blow hosted the presentation of the inaugural Tasmanian Commissioner for Children's Young Creative Writers Awards.

On Monday 19 October 2015 in Hobart Her Excellency opened the 34th meeting of CCAMLR, the Commission for the Conservation of Antarctic Living Marine Resources. In the evening she and Mr Warner hosted an evening reception for the CCAMLR delegates representing 25 countries including the European Union.

On Tuesday 27 October 2015 Her Excellency and Mr Warner hosted a reception to acknowledge the work of scientists, staff and volunteers of the Save the Tasmanian Devil Program. (Earlier in the year at a Special Meeting of the Executive Council presided over by Her Excellency, the Tasmanian devil was declared as the State's first animal emblem.)



Examining baby Tasmanian devils with the Ambassador of Norway
Her Excellency Ms Unni Klovstad

On Thursday 29 October 2015 Mr Warner hosted a University of Tasmania Agricultural Science Forum. A broad range of industry and government representatives attended the Forum to hear University presenters Professor Peter Rathjen, Vice-Chancellor; Professor Janelle Allison, Pro Vice-Chancellor (Community, Partnerships and Regional Development); Dr Holger Meinke, Head of School of Land and Food and Director of the Tasmanian Institute of Agriculture; Dr Alastair Gracie, Senior Lecturer and First Year Coordinator, School of Land and Food; Dr Joanna Jones, Lecturer and Student Outreach Coordinator, School of Land and Food. Mr Warner facilitated the Forum which included a lengthy discussion session and agreement on the importance of a follow-up Forum in 2016.

Government House Open Day took place from 11 am to 4 pm on Sunday 8 November 2015. Some 3,500 visitors enjoyed historic displays in the State Rooms, a kitchen and produce display in the Conservatory, and in the gardens there was live music (Tasmania Police Pipe Band; Derwent Valley Concert band; Clarence City Band; Glenorchy City Concert Brass; Australian Army Band Tasmania) and a range of refreshment options and displays provided by the Rotary Club of Howrah; Croquet Tasmania; the CWA; Red Cross; Riding Develops Abilities; The Art Society of Tasmania; Scouts Tasmania and Girl Guides Tasmania. Health and safety requirements were facilitated by St John Ambulance and Surf Life Saving Tasmania.



Quarry Pond, Open Day 2015

On Tuesday 17 November 2015 Her Excellency and Mr Warner hosted a banquet to mark the first anniversary of the visit to Tasmania by the President of the People's Republic of China, His Excellency Mr Xi Jinping and Madame Peng Liyuan. The event was attended by a range of Tasmanian and Chinese business representatives. Guests included: the Lieutenant Governor and Mrs Blow; the Honourable Will Hodgman MP, Premier of Tasmania; the Honourable Bryan Green MP, Leader of the Opposition; the Honourable Matthew Groom MP, Minister for State Growth; Dr Ma Peihua, Vice President of the Chinese People's Political Consultative Conference National Committee; Mr Ma Zhaoxu, Chinese Ambassador to Australia; Mr Xie Yuan, Vice President, Chinese People's Association For Friendship With Foreign Countries; Mr Song Yumin, Consul General, Consulate General, Melbourne; Mr Yang Zibo and Ms Ding Li, China National Political Consultative Committee; Mr Gao Wu Bin and Mr Quan Lin, Shaanxi Government; Mr Li Ming and Mr Li Jian, Embassy of the People's Republic of China.



Left to right: Mr Song Yumin, Mr Ma Zhaoxu, Dr Ma Peihua, Her Excellency, Mr Will Hodgman, Mr Xie Yuan. The Yulan magnolia tree was planted by His Excellency Mr Xi Jinping, President of the People's Republic of China

On Wednesday 2 December 2015 Her Excellency and Mr Warner hosted the Premier's Literary Prizes, which are awarded biennially in 5 categories.

On Sunday 16 December 2015 the Variety Tasmania Santa Fun Run took place in the grounds of Government House. The event raises funds for Variety – the Children's Charity, to assist Tasmanian children who are sick, disadvantaged or have special needs.

On 15 January 2016 Her Excellency and Mr Warner hosted a farewell barbecue for the Governor's outgoing Aide-de-Camp, Lieutenant Colonel David Hughes. David's meritorious service and experience is fortunately not lost to Government House: despite his University academic commitments in the School of Physical Sciences (Discipline of Mathematics and Physics), he continues to provide service as an Honorary ADC.

On Saturday 6 February 2016 in Canberra Her Excellency delivered the Keynote Address at the Current Issues in Sentencing Conference presented jointly by the National Judicial College of Australia and ANU College of Law.

On Tuesday 1 March 2016 Her Excellency and Mr Warner hosted a dinner for visiting Judges of the High Court of Australia, sitting in Hobart that week.

On Friday 18 March 2016 David Owen, the Governor's Official Secretary, attended an Official Secretaries Conference at Government House Perth. (The previous such Conference was held at Government House Brisbane in November 2014; the next Conference will be held at Government House Hobart in September 2017.)

On Tuesday 29 March 2016 Her Excellency in Wollongong presented the opening session at the District Court of New South Wales Annual Conference.

On Wednesday 30 March 2016 Her Excellency received the newly-ordained 12th Bishop of Tasmania, The Right Reverend Dr Richard Condie.

On Saturday 23 April 2016 Her Excellency opened the Mount Field Fagus Festival, being one of a number of events she attended as part of the Tasmania Parks and Wildlife Service celebrations of the Centenary of National Parks in Tasmania.

On Thursday 28 April 2016 Her Excellency and Mr Warner attended the Port Arthur Historic Site 20th Anniversary Memorial Service. The Governor was one of a number of dignitaries to deliver an address and lay a wreath.

On Thursday 28 April 2016 Her Excellency and Mr Warner hosted a dinner for the Council of Chief Justices of Australia and New Zealand, who were meeting in Hobart.

On Friday 29 April 2016 Her Excellency and Mr Warner hosted a “Taste of Tasmania” reception for the Honourable Julie Bishop MP, Minister for Foreign Affairs and the Heads of Mission in Australia. The purpose of the visit was to provide the diplomatic corps with an insight into the wealth and dynamism of opportunities in Tasmania, enabling them to communicate investment and trade opportunities to their governments and citizens. Among the 180 guests were Ambassadors and High Commissioners representing 83 countries; senior Australian State and Federal MPs; Honorary Consuls; Department of Foreign Affairs and Trade officials; Tasmanian business representatives.



Heads of Mission representing 83 countries enjoyed a Taste of Tasmania

On Monday 2 May 2016 Her Excellency and Mr Warner were guests of Aunty Patsy Cameron, Mr Cameron and Emma Lee at the Tebrakunna Visitors Centre, Little Musselroe Bay, Cape Portland. The Centre is located on the traditional lands of Mannalargenna (c. 1775-1835), a prominent Aborigine who was the leader of the island’s north-east Pairrebeenne clan.

Government House Tasmania Forward Plan

The Plan outlines a range of proposals to raise revenue for the future maintenance of Government House, through enhanced public interaction with Government House and its Estate. The proposals arise in part from a suggestion from the present State Government that consideration be given to enhancing the use of Government House to promote Tasmania. The proposals will be implemented such that they will not in any way impede or diminish the status and proper functioning of the Office of the Governor. In the Year under review the Plan was submitted to and received advice from the Office of the Solicitor-General; and was then submitted for future tabling in the Parliament of Tasmania.

School and Community Groups

During the year 52 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.

School Visits:

Westerway Primary School; New Norfolk Primary School; Dominic College; Sacred Heart College; Rokeby High School (students participating in the University of Tasmania project 'Innovations in Food: Jobs of the Future'); Albuera Street Primary School; Gomarus College, Netherlands and their host students from Calvin Christian School; Hobart College; St Michael's Collegiate School; Bridport Primary School; Elizabeth College and Hiroshima Inokuchi Senior High School, Japan; South George Town Primary School; Lindisfarne Primary School; Sandy Bay Infant School; Ogilvie High School.

Community Group Visits:

'Wednesday Painters'; Howrah Combined Probus Club; Hobart Macquarie Probus Club; Migrant Resource Centre German and Multicultural Day Centre participants; Royal Hobart Bowling Club and Anglesea Barracks bowling group; Robogals Tasmania training workshop; STAR Tasmania/Cosmos disability day support group; Kingston Tennis Club; Combined Probus Club of Claremont; Rolls Royce 20 Ghost Club; Rotary Club of Howrah; Historic Houses Association of Australia; Roches Beach Living, Lauderdale; Botaniko Art Group; ADFAS Travel group; Australian and New Zealand alumni of the Attingham Trust; Prosser House Day Care Centre; Combined Probus Club of the Derwent Valley; Veterans' Health Week group; Art Society of Tasmania; Committee of the Australian Decorative and Fine Arts Society; TasTAFE visiting International VET education delegates; The Cottage Day Respite Centre; Child and Family Centre, Chigwell; Emu Valley Rhododendron Garden members; TasTAFE Drysdale; RAAF Cadets and instructors.

Visitors to Government House admire its spectacular furnishings and fittings, not least the three large 158-year-old Ball Room chandeliers. These are winched down once a year and the c. 12,000 pieces of glass are individually hand-washed by the Executive Butler and his staff.



Official Callers and Diplomatic Visits

The Governor received 140 official callers. The Lieutenant Governor received 3 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 2015–2016 the Office of the Governor received calls from or provided accommodation and hospitality for: the Ambassador of Belgium, His Excellency Mr Jean-Luc Bodson; the Ambassador of Germany, His Excellency Dr Christoph Müller; the Ambassador of the Arab Republic of Egypt, His Excellency Dr Hassan El-Laithy; the High Commissioner of India, His Excellency Mr Navdeep Suri; the High Commissioner of New Zealand, His Excellency Mr Chris Seed; the Ambassador of Norway, Her Excellency Ms Unni Klovstad; the Ambassador of Portugal, HE Mr Paulo Cunha Alves and Mrs Filomena Cunha Alves; the Ambassador of Romania, Her Excellency Mrs Nineta Barbulescu, and Mr Dan Barbulescu; the Ambassador of Thailand, His Excellency Mr Chirachai Punkrasin and Mrs Kanyaratana Punkrasin; the High Commissioner of the United Kingdom, Her Excellency Mrs Menna Rawlings; the Ambassador of the Socialist Republic of Vietnam, His Excellency Mr Thanh Nghi Luong and Mrs Thi Thu Hong Nguyen.



Her Excellency and Mr Richard Warner hosted the Ambassador of Vietnam

Ambassadors and High Commissioners regularly pay two or three day official visits to Tasmania. One 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.

Morning and Afternoon Teas

Order of Australia Association, Tasmania Branch South; 2016 Tasmanian recipients of the Australian of the Year Awards; Launch of Elder Abuse Prevention Projects on behalf of the Council for the Ageing (COTA) Tasmania; 70th anniversary of the Lenah Valley RSL Sub Branch; 25th anniversary of the Charter of Inner Wheel District A80; Legacy Widows on behalf of Hobart Legacy; Manor Gardens Club (Alzheimer's day respite centre, Kingborough); social group from Orford to mark the 90th birthday of one of their members; Community Based Support Carers; Australian Society of Miniature Art Tasmania Inc to acknowledge the achievements of Mrs Joan Humble OAM; 50th anniversary of the Rotary Club of Sandy Bay; 'Connecting with Israel' Judeo/Christian cultural event; Rotary Club of Hobart Magna Carta Essay Prize Winners; Tasmanian Rhodes Scholar for 2016 announcement; Children's Book Council of Australia (Tasmanian Branch); Menzies Institute for Medical Research; National Youth Science Forum; visiting members of the Bar Council of India; Meals on Wheels Association of Tasmania; 40th anniversary of Pregnancy Counselling and Support Tasmania; The Friends' School to celebrate the work of composer-in-residence, Ms Elena Kats-Chernin; Hamilton Literary Society Annual Lecture for 2015; DonateLife Week launch.



DonateLife Week 2015 launch

Receptions

In the period under review the Office of the Governor held 56 receptions totalling 6,101 guests. They were: Alzheimer's Australia Tasmania; Asia Pacific Coroners' Society Conference; Asthma Foundation of Tasmania 50th anniversary; Australia-America Young Leaders Dialogue; Australian and New Zealand Student Services Association Conference; Australian Association of Alexander von Humboldt Fellows lecture and reception; Australian Association of Practice Management Combined Conference; Australian Council of Quilters; Australian Epigenetics Alliance Scientific Conference; Australian Institute of International Affairs (Tasmania) annual lecture and reception; Australian Institute of Project Management National Conference; Australian International Political Economy Network 2016 Conference; Australian Red Cross (Tasmanian Division) AGM reception; Australian Red Cross (Tasmanian Division) launch of the Vulnerability Report *Rethinking Justice*; Australian Research Council Industrial Transformations Training Centre in Innovative Horticultural Products launch; Australian-American Fulbright Commission; Beacon Foundation sponsors; Brand Tasmania eminent Japanese visitors representing the Mori Art Museum in Tokyo; CCAMLR 34th Meeting; Christmas Reception; Carers' Week; Environmental Defenders Office (Tas) 20th anniversary; Education Ambassadors launch; Festival of Voices; Friends of the Royal Tasmanian Botanical Gardens 25th anniversary; Heads of Mission visit to Tasmania led by the Honourable Julie Bishop MP, Minister for Foreign Affairs with 83 foreign Diplomatic Corps; IMOS (Integrated Marine Observing System) 10th anniversary annual meeting; Institute of Applied Behavioural Analysis International Invitational Conference; International Group for the Psychology of Mathematics Education Conference; Journey to Recognition Relay on behalf of RECOGNISE (Tasmanians for Constitutional Recognition of Aboriginal and Torres Strait Islander peoples);



The Argyle Quartet is one of a number of musical groups who are invited to perform at selected Government House receptions

L'Arche Beni-Abbes in Tasmania 30th anniversary; Mission to Seafarers; National Australian Golf Croquet Competition; National TAFE Directors Australia Conference; Presiding Officers and Clerks 46th Conference; Refugee Legal Service (Tas) Inc. launch of expansion of its services; Robogals Tasmania; Rotary Club of George Town, interstate Rotarians and New Zealand visitors; Royal Hobart Bowling Club 125th anniversary; Royal Hobart Golf Club centenary; Royal Hobart Regatta and Hobart Cup Carnival; Save the Children Australia and Good Beginnings Australia merger; Save the Tasmanian Devil Program; Science Week Southern Tasmania; SHE (Support, Help, Empowerment) launch of report on family violence issues; Sing for Your Life! Choir; SKAL Australia National Assembly; Species on the Move International Conference; TAFE Directors; TMAG Foundation Members' auction event to raise funds for artwork acquisitions; Tasmanian Theatre Awards 2016 Sponsors and Judges; Tasmanian Writers Centre guest US author Elizabeth Gilbert and guests; Tastex Knitwear and Uniforms 45th anniversary; University of Tasmania School of Medicine 50th anniversary and University of Tasmania 125th anniversary; Women's Legal Service Tasmania 20th anniversary; World AIDS Day and TasCAHRD 30th anniversary.



Her Excellency hosted a meeting of the Board of the Criminal Law Journal, the Chair of which is the Honourable Michael Kirby AC CMG



Variety Santa Fun Run launch



The Lieutenant Governor, the Honourable Justice Alan Blow OAM, presented awards at a reception for players and friends during the National Australian Golf Croquet Competition held in Tasmania. (Kevin Beard, Essendon Croquet Club; ADC Lieutenant Colonel David Hughes.)

Monthly State Room tours and Garden tours

These are 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. 550 patrons.

Government House productivity and training services

Hospitality —

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.

Government House includes occasional mini “taste” experiences at 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.

In addition to her regular operations, Executive Chef Ainstie Wagner facilitates and supervises a range of educational and charitable activities. In the Year under review these included —

Work Placements: Rosny College, 2 students; Hobart College, 2 students; Elizabeth College, 2 students; The Friends’ School, 12 students; Tarremah school, 1 student on a 6-month mentorship in the Kitchen; Drysdale House, 1 student; Chigwell Family Community Centre, 1 client.

School tours (incorporating Kitchen, dry store and ways to preserve different foods and tour of herb and vegetable gardens): Sacred Heart College, 11 students; The Friends' School, 12 students; Ogilvie High School, as part of 'The Big Picture Project', 45 students.

Professional Development: Elizabeth College, 1 Teacher; Hobart College, 1 Teacher.

Other: the Executive Chef participated in a 3-day Ethical Leadership Congress through the Tasmanian Leaders Program; Rotary Club of Salamanca use of the Government House kitchen for a fundraising activity; the Executive Chef spent a day at the Chigwell Community Centre cooking with clients with donated Government House produce.

Gardens—

Garden Supervisor Steve Percival and his staff, in addition to maintaining the Estate grounds in immaculate condition, carry out a range of educational and other activities. In the Year under review these included —

Educational: hosting of 23 TAFE horticulture students on 5 occasions, as work placements or practical field days.

Produce: on-site vegetable production, and cut flower production (arranged throughout Government House with great professionalism and flair by florist Ineke Souris), contribute significantly to both the Kitchen and floristry requirements.



Government House cut flower garden

Vineyard: opportunities continue to involve TAFE students in the ongoing development of the vineyard by providing them with practical experience/field days. Production is due c. 2020, with further plantings to be scheduled.



Government House vineyard

The 'Lost Garden' project is a recreation of the Recherche Bay garden planted in 1792 by members of the Bruni d'Entrecasteaux expedition. The project commenced in the Year under review. In recreating the garden, modern varieties of original seed stock has been acquired from France and plantings include: cos lettuce, spinach, leek, onion, chicory, pumpkin, parsley, cabbage, lettuce, celery, butter bean, scarlet runner bean, carrot.

Also planted are a selection of native grasses common to the bushland in Recherche Bay, including some species that were collected by d'Entrecasteaux's naturalist Jacques Julien de Labillardière and gardener Felix Lahaie and featuring the grass poa Labillardière named after the French naturalist.



**The Recherche Bay 'Lost Garden', a development project of
Government House Gardener Tara Edmondson**

Myoga/Japanese ginger: a growing area has been installed to produce this plant.

Government House bees produced 15kg of honey, following an initial harvest in 2014/15 of 9kg. This quantity is expected to double over the forthcoming summer.

Government House laying hens produce on average 15 dozen eggs per week.

A range of citrus, particularly lemons and limes, have been introduced, enabling seasonal supply to the Kitchen.

Cattle, a prominent visual feature of the Government House paddocks, are agisted from the Jordan River Learning Federation at Bridgewater.

External Events

These are many and varied and in the year under review the Governor or Lieutenant Governor or Administrator attended 266 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 2015–2016 there were 208 speeches delivered.



Waiting for Her Excellency and Mr Warner to arrive for a visit

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 to Hobart yacht race; Royal Hobart Regatta; Australian Wooden Boat Festival (biennial); Scouts and Guides Tasmania; Legacy Luncheons; Australian Institute of Company Directors Annual Gold Medal Luncheon.



Attending the Multicultural Women's Council of Tasmania Dinner

Municipal visits:

During the Year under review Her Excellency and Mr Warner paid official visits to the Municipalities of: Tasman; Central Highlands; Derwent Valley; West Tamar; Launceston; Clarence; and a second, informal visit to the Burnie region.



Norske Skog, Municipality of Derwent Valley official visit

The Governor or Lieutenant Governor officiated at commemorative services including: Anzac Day; 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.

The Government House Website

The website provides information on all aspects of the operation of the Office, ranging from the functions 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; in the Year under review these included concerts and the conducted monthly tours of the State Rooms, Behind the Scenes, and the Gardens.



Behind the Scenes tours include parts of Government House otherwise not seen by members of the public, including the Basement Level wine cellar

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

Current Staff positions: Official Secretary; Deputy Official Secretary; Executive Chef; Executive Butler; Aide-de-Camp; Garden Supervisor; Building and Assets Manager; Accountant (part-time); Executive and Project Officer (part-time); Executive Officer (part-time); Invitations Secretary; Cook; Household Attendants (3 full-time, 2 part-time); Gardeners (2 full-time, 3 part-time); Maintenance/Gardener Assistant.

Flight Lieutenant Catherine Saunders, former Honorary ADC, was appointed full-time Aide-de-Camp to Her Excellency. Alison Frankl was appointed as a full-time Household Attendant. Leigh Buttwell was appointed as full-time Maintenance/Gardener Assistant.

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; Lieutenant Colonel David Hughes, Major Malcolm McWilliams, Australian Army; Lieutenant Shona Prior, Lieutenant Christopher Sykes, Royal Australian Navy; Flight Lieutenant Paula Chatwood, Royal Australian Air Force.



Honorary ADCs Lieutenant Chris Sykes, Inspector Grant Twining, Major Malcolm McWilliams
Flight Lieutenant Paula Chatwood, with ADC Flight Lieutenant Catherine Saunders, centre

Security Guards

Government House is well serviced through appropriately trained Security Guards.



Security Guard Arnie Burgess

HUMAN RESOURCE MANAGEMENT

Indicators of Organisational Health

Sick Leave & Overtime	2013-2014	2014-2015	2015-2016
Average sick leave taken per FTE (days)	6.8	8.1	5.5
Total sick leave taken (days)	138.47	148.41*	112.48
Total overtime payments for the year (\$)	6,108	6,108	7,658
Total overtime payments per FTE (\$)	301	507	375

*71 attributable to one staff member

Staff Turnover	2013-2014	2014-2015	2015-2016
Separations	3	3	1
Commencements	2	2	3
FTE at 30 June*	20.32	18.27	20.42

*This does not include casual or externally contracted staff

Staff Leave Balances	2013-2014	2014-2015	2015-2016
Current entitlements – all employees (days)	1,384	1,331	1,438
Average number of LSL days per FTE*	46	51	51
Average number of annual recreation leave days per FTE	22	22*	19

* Including pro rata recreation leave

Workers' Compensation	2013-2014	2014-2015	2015-2016
Cases at 1 July	1	0	0
New cases for F/Y	1	1	0
Completed cases at 30 June	1	1	0
Total cases at 30 June	1	0	0
Working days lost F/Y	5	0	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 and the amended Governor of Tasmania Staff Award, both of which are being comprehensively renegotiated in consultation with the State Service Management Office of the Department of Premier and Cabinet and the Australian Workers Union and the Community and Public Sector Union Tasmania.

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.

Training and Development

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

Staff Development and Training	2013-2014	2014-2015	2015-2016
Number of individual staff who received formal training	8	9	9
Number of person days training	28	9	18
Expenditure on training	\$1,460	\$2,262	\$2,128

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 2015–2016 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 1 July 2015.

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

Maintenance and Capital Programs

The following programs were undertaken in 2015–2016:

VESDA (fire protection) system upgraded; Conservatory exterior repainted; Kitchen freezers refurbished; lift motor and controls upgraded; carpet repairs (ground floor); all fire hydrants serviced and upgraded; NBN civil work installation commenced; Royal suite and the French room windows repainted; completion of general maintenance program (gutters, fire protection, roof); Rossbank ducted gas heating system installed; Cottage 7 fencing replaced; laundry hot water cylinders replaced; purchase of Ally scaffolding; purchase of new welder and welding equipment; repairs to main water supply (cracked pipe); asphalt repairs to section of driveway and Chauffeurs Courtyard; purchase of 4 portaloos (2 disabled, 2 standard) hire of cherry picker for roof maintenance and tree pruning.

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 2015–2016.

[Images in this Annual Report were supplied by: Richard Catt; Steve Percival; Liam Dowd [cover]]

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 30
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 6 &7
TI 701(1)(b)	Economic or other factors that have affected the achievement of operational objectives	Financial Statements
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 Statements
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 33
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 34
TI 701(1)(i) & (ii)	Details of all major contracts awarded, including the value of work and the name and locality of contractors.	nil
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 34
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



Tasmanian Audit Office

Independent Auditor's Report

To Members of the Tasmanian Parliament

Office of the Governor

Financial Statements for the Year Ended 30 June 2016

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 2016 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 2016 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 of the Office 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 and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

...1 of 2

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

Strive | Lead | Excel | To Make a Difference

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

Tasmanian Audit Office



Phillip Chung
Group Leader Financial Audit
Delegate of the Auditor-General

Hobart
29 September 2016

...2 of 2



OFFICE OF THE GOVERNOR

Financial Statements

For the year ended

30 June 2016

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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 the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990* to present fairly the financial transactions for the year ended 30 June 2016 and the financial position as at the end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.

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

David Owen

Official Secretary

15 August 2016

Statement of Comprehensive Income for the year ended 30 June 2016

	Notes	2016 Budget \$'000	2016 Actual \$'000	2015 Actual \$'000
Continuing operations				
Revenue and other income from transactions				
Revenue from Government				
Appropriation revenue - recurrent	3.1	3,547	3,668	3,434
Sale of goods and services	3.2	-	74	-
Other revenue	3.3	-	44	9
Total revenue and other income from transactions		3,547	3,786	3,443
Expenses from transactions				
Employee benefits	4.1	2,701	2,798	2,672
Depreciation and amortisation	4.2	298	272	345
Grants and subsidies	4.3	-	12	-
Supplies and consumables	4.4	832	766	654
Other expenses	4.5	31	60	59
Total expenses from transactions		3,862	3,908	3,730
Net result from transactions (net operating balance)		(315)	(122)	(287)
Other economic flows included in net result				
Net gain/(loss) on non-financial assets	5.1	-	80	-
Total other economic flows included in net result		-	80	-
Net result		-	(42)	(287)
Other comprehensive income				
Land and buildings revaluation surplus	9.1	300	(5,247)	287
Revaluation of other assets	9.1	-	-	23
Total other comprehensive income		300	(5,247)	310
Comprehensive result		(15)	(5,289)	23

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 2 of the accompanying notes.

Statement of Financial Position as at 30 June 2016

	Notes	2016 Budget \$'000	2016 Actual \$'000	2015 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	10.1	(14)	121	(7)
Other financial assets	6.1	16	16	9
<i>Non-financial assets</i>				
Property, plant and motor vehicles	6.2	198	219	188
Land and Buildings	6.2	37,299	31,770	37,247
Heritage Assets	6.2	3,563	3,586	3,586
Total assets		41,062	35,712	41,023
Liabilities				
Payables	7.1	84	71	95
Employee benefits	7.2	576	475	473
Total liabilities		660	546	568
Net assets		40,402	35,166	40,455
Equity				
Reserves	9.1	29,487	23,949	29,196
Accumulated funds		10,915	11,217	11,259
Total equity		40,402	35,166	40,455

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 2 of the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2016

	Notes	2016 Budget \$'000	2016 Actual \$'000	2015 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Cash inflows				
Appropriation receipts - recurrent		3,547	3,668	3,434
GST receipts		60	72	64
Other cash receipts		-	118	9
Total cash inflows		3,607	3,858	3,507
Cash outflows				
Employee benefits		(2,431)	(2,572)	(2,532)
Superannuation		(254)	(235)	(213)
GST payments		(60)	(80)	(57)
Other cash payments		(862)	(849)	(698)
Total cash outflows		(3,607)	(3,736)	(3,500)
Net cash from (used by) operating activities	10.2	-	122	7
Cash flows from investing activities				
Cash inflows				
Proceeds from the disposal of non-financial assets		-	96	-
Total cash inflows		-	96	-
Cash outflows				
Payments for acquisition of non-financial assets		-	(89)	-
Total cash outflows		-	(89)	-
Net cash from (used by) investing activities		-	7	-
Net increase (decrease) in cash and cash equivalents held		-	129	7
Cash and deposits at the beginning of the reporting period		(14)	(8)	(14)
Cash and deposits at the end of the reporting period	10.1	(14)	121	(7)

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 2 of the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2016

	Reserves Accumulated		Total
	\$'000	Funds \$'000	Equity \$'000
Balance as at 1 July 2015	29,196	11,259	40,455
Net result	-	(42)	(42)
Other comprehensive income	(5,247)	-	(5,247)
Balance as at 30 June 2016	23,949	11,217	35,166

	Reserves Accumulated		Total
	\$'000	Funds \$'000	Equity \$'000
Balance as at 1 July 2014	28,886	11,546	40,432
Net result	-	(287)	(287)
Other comprehensive income	310	-	310
Balance as at 30 June 2015	29,196	11,259	40,455

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 2016

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Note 1 Office Output Schedules

1.1 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 2 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 2 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2015-16 Budget Papers and is not subject to audit.

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.

2.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Revenue from Government	(a)	3,547	3,668	121	3
Sale of goods and services	(b)	0	74	74	100
Other Revenue	(c)	0	44	44	100
Net gain/(loss) on non-financial assets	(d)	0	80	80	100
Land and buildings revaluation surplus	(e)	300	(5,247)	(5,547)	(1,849)

Notes to Statement of Comprehensive Income variances

(a) The Office received a Request for Additional Funding of \$214k for the Governor's official visit to Her Majesty Queen Elizabeth II and for salaries and wages to support the additional costs of the transition to the Tasmanian State Service Award salary structure. A savings of \$93k was also made in Reserved by Law funding due to fringe benefits tax improvements.

(b) The Office has started to receive a modest income through the rental of 3 of the cottages on the Estate where the funds will be put back into the maintenance of the Estate buildings. The remainder is money received for hosting two events, one being the reception held to mark Her Majesty Queen Elizabeth II's birthday where the funds were donated to charity.

(c) This includes the voluntary contribution made by the Governor and a transfer from the Department of Treasury and Finance to fund the essential upgrade of security equipment.

(d) This resulted from the replacement of outdoor equipment and the sale of the Governor's chauffeured vehicle.

(e) Land and Buildings were revalued by the Valuer-General's Office as at 1st July 2015 and the value of the buildings was brought down by \$5,447k while land went up by \$200k.

2.2 Statement of Financial Position

Budget estimates for the 2015-16 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2015-16. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2015-16. The following variance analysis therefore includes major movements between the 30 June 2015 and 30 June 2016 actual balances.

	Note	Budget \$'000	2016 Actual \$'000	2015 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and deposits	(a)	(14)	121	(7)	135	128
Land and Buildings	(b)	37,299	31,770	37,247	(5,529)	5,477
Employee benefits	(c)	576	475	473	(101)	2

Notes to Statement of Financial Position variances

- (a) The Office has started to receive a modest income through the rental of 3 of the cottages on the Estate where the funds will be put back into the maintenance of the Estate buildings.
- (b) Land and Buildings were revalued by the Valuer-General's Office as at 1st July 2015 and the value of the buildings was brought down by \$5,447k while land went up by \$200k. Government House is a specialised, iconic heritage building. The property possesses significant intrinsic social and cultural attributes. The following were used in undertaking the valuation;
- AASB 13 "Fair Value Measurement"
 - AASB 116 "Property, Plant and Equipment"
 - Treasurer's Instruction No 303 "Recognition and Measurement of Non-Current Assets"
- (c) This was due to accrued salaries only being for 1 day in 2015-16 and 9 days in 2014-15 and was over budgeted for.

2.3 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation receipts - recurrent	(a)	3,547	3,668	(121)	(3)
Other cash receipts	(b)	-	118	(118)	(100)
Proceeds from the disposal of non-financial assets	(c)	-	96	(96)	(100)
Payments for acquisition of non-financial assets	(d)	-	(89)	89	100

Notes to Statement of Cash Flows variances

- (a) The Office received a Request for Additional Funding of \$214k for the Governor's official visit to Her Majesty Queen Elizabeth II and for salaries and wages to support the additional costs of the transition to the Tasmanian State Service Award salary structure. A savings of \$93k was also made in Reserved by Law funding due to fringe benefits tax improvements.
- (b) The Office has started to receive a modest income through the rental of 3 of the cottages on the Estate where the funds will be put back into the maintenance of the Estate buildings. The remainder is from a voluntary contribution made by the Governor and a transfer from the Department of Treasury and Finance to fund the essential upgrade of security equipment.
- (c) This included the proceeds from the sale of the old tractor and the Governor's chauffeured vehicle.
- (d) Acquisitions included the upgrade of security equipment and the purchase of outdoor equipment.

Note 3 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.

3.1 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 3.1, control arises in the period of appropriation.

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.

	2016 Budget \$'000	2016 Actual \$'000	2015 Actual \$'000
Continuing operations			
Appropriation revenue - recurrent			
Current year	3,547	3,668	3,434
Total revenue from Government	3,547	3,668	3,434

3.2 Sale of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

	2016 \$'000	2015 \$'000
Rent revenue	50	-
Other	24	-
Total	74	-

3.3 Other revenue

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

	2016 \$'000	2015 \$'000
Transfer from other agencies	29	-
Other fees and recoveries	15	9
Total	44	9

Note 4 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.

4.1 Employee benefits

(a) Employee expenses

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

	2016	2015
	\$'000	\$'000
Wages and salaries	2,292	2,276
Annual leave	133	113
Long service leave	92	17
Sick leave	30	27
Superannuation	235	213
Other employee expenses (<i>Training, uniforms, memberships</i>)	16	26
Total	2,798	2,672

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 12.85 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 of salary. In addition, the Office is also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.5 per cent of salary in respect of employees who are members of contribution schemes.

(b) Remuneration of Key management personnel

2016	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total \$'000
	Salary	Other Benefits	Superannuation	Other Benefits and Long-Service Leave		
	\$'000	\$'000	\$'000	\$'000		
<i>Key management personnel</i>						
Official Secretary, 13 August 2012	164	54	15	5	-	238
Deputy Official Secretary, 4 February 2013	126	-	12	14	-	152
Total	290	54	27	19	-	390

2015	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total \$'000
	Salary	Other Benefits	Superannuation	Other Benefits and Long-Service Leave		
	\$'000	\$'000	\$'000	\$'000		
<i>Key management personnel</i>						
Official Secretary, 13 August 2012	155	53	15	8	-	231
Deputy Official Secretary, 4 February 2013	115	-	11	(3)	-	123
Total	270	53	26	5	-	354

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 2015-16 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.

4.2 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.

Key estimate and judgement

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.

(a) Depreciation

	2016	2015
	\$'000	\$'000
Plant, equipment and motor vehicles	42	58
Buildings	230	287
Total	272	345

4.3 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the Office has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2016	2015
	\$'000	\$'000
Donations	12	-
Total	12	-

The Office does not have a grants program. The donation made in 2015-16 was part of Her Majesty Queen Elizabeth II 90th birthday celebrations. Her Majesty's birthday reception ticket receipts were donated to Foodbank to assist people affected by the 2016 Tasmanian floods.

4.4 Supplies and consumables

	2016	2015
	\$'000	\$'000
Audit fees – financial audit	11	4
Operating lease costs	50	52
Property services	198	194
Maintenance	122	97
Communications	40	35
Information technology	38	32
Travel and transport	25	16
Other supplies and consumables	282	224
Total	766	654

4.5 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.

	2016	2015
	\$'000	\$'000
Salary on-costs	17	16
Insurance	43	43
Total	60	59

Note 5 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

5.1 Net gain/loss on non-financial assets

Gains or losses from the sale of Non-financial assets are recognised when control of the assets has passed to the buyer.

	2016	2015
	\$'000	\$'000
Gain on disposal of motor vehicle	62	-
Gain on disposal of outdoor equipment	18	-
Total	80	-

Note 6 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.

6.1 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.

	2016 \$'000	2015 \$'000
Tax assets	15	7
Prepayments	1	2
Total	16	9
Settled within 12 months	16	9
Settled in more than 12 months	-	-
Total	16	9

6.2 Property, plant, equipment and motor vehicles

Key estimate and judgement

(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.

(a) Carrying amount

	2016 \$'000	2015 \$'000
Land		
At fair value (1 July 2015)	9,000	8,800
Total	9,000	8,800
Buildings		
At fair value (1 July 2015)	23,000	28,734
Less: Accumulated depreciation	(230)	(287)
Total	22,770	28,447
Plant, equipment and motor vehicles		
At cost	304	458
Less: Accumulated depreciation	(85)	(270)
Total	219	188
Heritage and cultural assets		
At fair value (dates detailed below)	3,586	3,586
Total	3,586	3,586
Total property, plant, equipment and motor vehicle	35,575	41,021

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 2015. The Valuer General provides indexation factors for the intervening years based on fair value for existing use. Government House is a specialised, iconic heritage building. The property possesses significant intrinsic social and cultural attributes. The following were used in undertaking the valuation;

- AASB 13 "Fair Value Measurement"
- AASB 116 "Property, Plant and Equipment"
- Treasurer's Instruction No 303 "Recognition and Measurement of Non-Current Assets"

(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.

2016	Land	Buildings	Plant	Heritage	Heritage	Total
	Level 2	Level 2	equipment	and	and	
	\$'000	\$'000	and motor	cultural	cultural	
	Level 2	Level 2	vehicles	assets	assets	
	\$'000	\$'000	Level 2	Level 2	Level 3	\$'000
Carrying value at 1 July	8,800	28,447	188	410	3,176	41,021
Additions	-	-	89	-	-	89
Disposals	-	-	(16)	-	-	(16)
Revaluation increments (decrements)	200	(5,447)	-	-	-	(5,247)
Depreciation and amortisation	-	(230)	(42)	-	-	(272)
Carrying value at 30 June	9,000	22,770	219	410	3,176	35,575

2015	Land	Buildings	Plant	Heritage	Heritage	Total
	Level 2	Level 2	equipment	and	and	
	\$'000	\$'000	and motor	cultural	cultural	
	Level 2	Level 2	vehicles	assets	assets	
	\$'000	\$'000	Level 2	Level 2	Level 3	\$'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

(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

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.

7.1 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.

	2016 \$'000	2015 \$'000
Creditors	39	51
Accrued expenses	33	44
Total	71	95
Settled within 12 months	71	95
Settled in more than 12 months	-	-
Total	71	95

Settlement is usually made within 30 days.

7.2 Employee benefits

Key estimate and judgement

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, 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.

	2016 \$'000	2015 \$'000
Accrued salaries	21	97
Annual leave	114	117
Long service leave	340	259
Total	475	473
Settled within 12 months	156	199
Settled in more than 12 months	319	274
Total	475	473

Note 8 Commitments and Contingencies

8.1 Schedule of Commitments

	2016	2015
	\$'000	\$'000
By type		
<i>Lease Commitments</i>		
Operating leases	209	121
<i>Total lease commitments</i>	<u>209</u>	<u>121</u>
By maturity		
<i>Operating lease commitments</i>		
One year or less	56	31
From one to five years	135	61
More than five years	18	29
<i>Total operating lease commitments</i>	<u>209</u>	<u>121</u>
Total	<u>209</u>	<u>121</u>

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 for regular vehicles are either three years or five years. The truck is 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 2016, the Office had no known contingent assets or liabilities.

Note 9 Reserves

9.1 Reserves

2016	Heritage and cultural			Total
	Land	Buildings	assets	
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance at the beginning of financial year	4,800	19,234	5,163	29,196
Revaluation increments/ (decrements)	200	(5,447)	-	(5,247)
Balance at end of financial year	5,000	13,787	5,163	23,949

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	5,139	28,886
Revaluation increments/ (decrements)	-	287	23	310
Balance at end of financial year	4,800	19,234	5,162	29,196

(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.

Note 10 Cash Flow Reconciliation

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.

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.

	2016	2015
	\$'000	\$'000
Special Deposits and Trust Fund balance		
Operating account	120	(8)
Total	120	(8)
Other cash held		
Petty cash	1	1
Total	1	1
Total cash and deposits	121	(7)

10.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2016	2015
	\$'000	\$'000
Net result from transactions (net operating balance)	(42)	(287)
Depreciation and amortisation	272	345
(Gain) loss from sale of non-financial assets	(80)	-
Decrease (increase) in Prepayments	1	-
Decrease (increase) in Tax assets	(7)	5
Increase (decrease) in Employee entitlements	2	(71)
Increase (decrease) in Payables	(12)	22
Increase (decrease) in Accrued expenses	(12)	(7)
Increase (decrease) in Other liabilities	-	-
Net cash from (used by) operating activities	122	7

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.

(c) Liquidity risk

Liquidity risk is the risk that the Office will not be able to meet its financial obligations as they fall due. The Office's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

11.2 Net Fair Values of Financial Assets and Liabilities

2016

	Total Carrying Amount \$'000	Net Fair Value \$'000
Financial assets		
Petty Cash	1	1
Cash in Special Deposits and Trust Fund	120	120
Total financial assets	121	121
Financial liabilities		
Payables	39	39
Total financial liabilities	39	39

2015

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

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.

Note 12 Other Significant Accounting Policies and Judgements

12.1 Objectives and Funding

The Office's objectives are to support the Governor in the performance of her 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 her 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.

12.2 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 Official Secretary on the 15th August 2016.

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 12.5.

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.

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.

12.3 Reporting Entity

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

12.4 Functional and Presentation Currency

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

12.5 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:

- 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 2015; Part C Financial Instruments – 1 January 2016] - 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 the 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 the 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 the Standard.

There is no financial impact.

- AASB 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 amend AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. This Standard applies to annual reporting periods beginning on or after 1 January 2016. This has resulted in some changes in the presentation of these financial statements.
- AASB 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. This Standard is applicable to annual reporting periods beginning on or after 1 July 2015. It is anticipated that there will be 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:

- 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140] – The objective of this Standard is to make amendment to Australian Accounting Standards that arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle by the IASB. This Standard applies to annual reporting periods beginning on or after 1 January 2016. There will be no financial impact.
- 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, and 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 2015-7 *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 be no financial impact.
- 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15* – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 *Revenue from Contracts with Customers*. This Standard applies to annual reporting periods beginning on or after 1 January 2017, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard shall be applied when AASB 15 is applied. It is anticipated that there will be no significant financial impact.

- **2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities** – The objective of this Standard is to make amendments to AASB 124 Related Party Disclosures to extend the scope of that Standard to include not-for-profit public sector entities. This Standard applies to annual reporting periods beginning on or after 1 July 2016. The impact is increased disclosure in relation to related parties.
- **2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15** – The objective of this Standard is to amend the mandatory effective date of AASB 15 *Revenue from Contracts with Customers* so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. It is anticipated that there will be no significant financial impact.
- **2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107** – The objective of this Standard is to amend AASB 107 *Statement of Cash Flows* to require entities preparing statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This Standard applies to annual periods beginning on or after 1 January 2017. The impact is increased disclosure in relation to cash flows and non-cash changes.
- **AASB 16 Leases** – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to leases. The Office has not yet determined the potential effect of the revised Standard on the Office's Financial Statements.

12.6 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.

12.7 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 "...".

12.8 Taxation

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

12.9 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.