

# *Office of the Governor of Tasmania*



*Annual Report 1 July 2018—30 June 2019*

*Government House  
Hobart*

*Available on the Office of the Governor website:*

*[www.govhouse.tas.gov.au](http://www.govhouse.tas.gov.au)*



## Table of Contents

Letter of Transmittal	3
Mission	4
Objectives	4
The Office of the Governor	4
Overview	4
Organisational Structure	4
Functions of the Office	5
Corporate Governance	5
Output Report	6
Output 1.1 Support of the Governor	6
Financial Performance	6
Performance Indicators for Output 1.1	6
Qualitative Assessment	7
Key Activities – Results	7
The Year in Review	8
Constitutional	8
Administration in the absence of the Governor	8
Ceremonial	8
Visitors to Government House	9
Municipal Visits	9
Significant events	9
Diplomatic Guests and Callers	9
Official Callers	10
Morning and Afternoon Teas	11
Receptions	11
Image Gallery	12
External events	20
School and community groups	22
Kitchen and Hospitality Report	22
Gardens Report	23
Monthly tours	24
The Government House website	24
Staff	24
Honorary Aides-de-Camp	24
Security Guards	25
Human Resource Management	25
Indicators of Organisational Health	25
– Sick Leave and Overtime	25
– Staff Turnover	25
– Staff Leave Balances	25
– Workers' Compensation	25

Staff Enterprise Agreement and Staff Award	25
Training and Development	26
Industrial Relations	26
Work Health and Safety	26
Asset Management and Risk Policies	26
Asset Management	26
Maintenance and Capital Programs	27
Asset Management Systems	27
Acquisition and Disposal of Assets	27
Risk Management	27
Government Procurement – Support for Local Business	27
Supplementary Information	28
Pricing Policy	28
Legislation Administered by the Office of the Governor	28
Freedom of Information Requests	28
Compliance Index to Disclosure Requirements	28
Auditor-General’s Report on Financial Statements	appended
Office of the Governor – Financial Statements 2018-2019	appended

OFFICE OF THE GOVERNOR  
GOVERNMENT HOUSE  
HOBART TASMANIA 7000



TELEPHONE : (03) 6234 2611  
EMAIL : [admin@govhouse.tas.gov.au](mailto:admin@govhouse.tas.gov.au)  
POST : GPO BOX 1574, HOBART, TAS, 7001

25 October 2019

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 2018 to 30 June 2019 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.

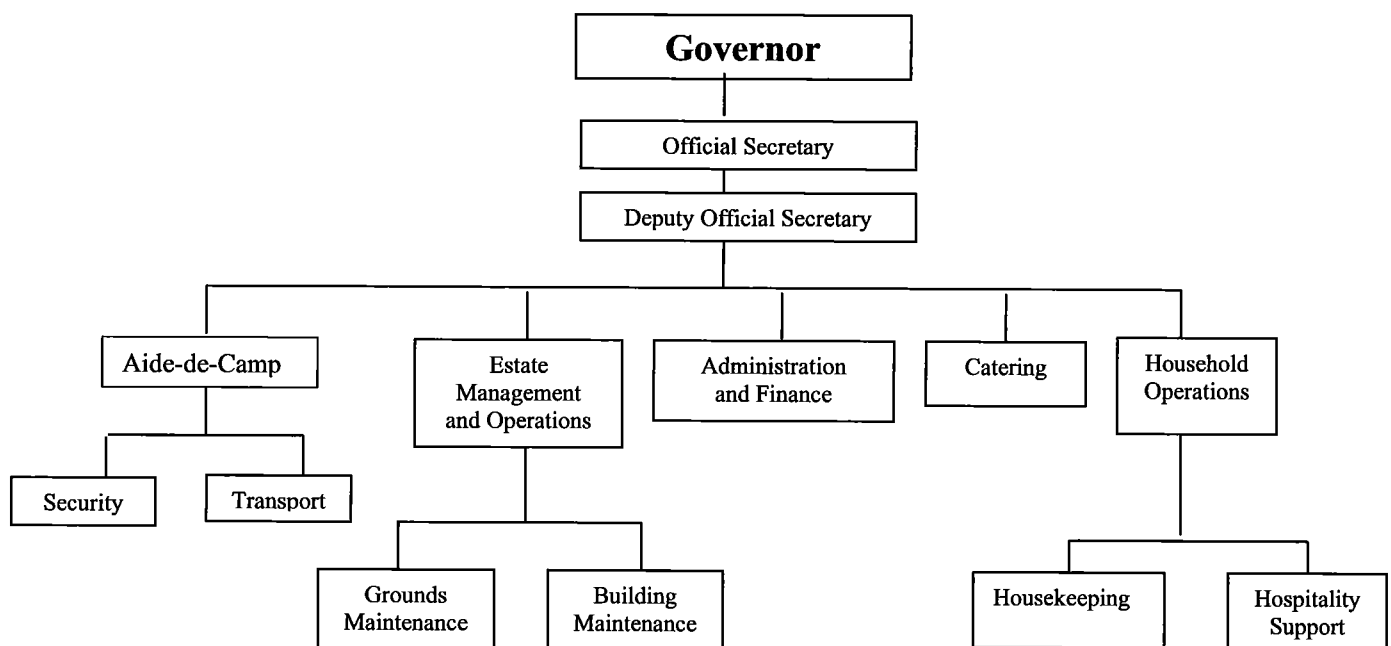
## THE OFFICE OF THE GOVERNOR

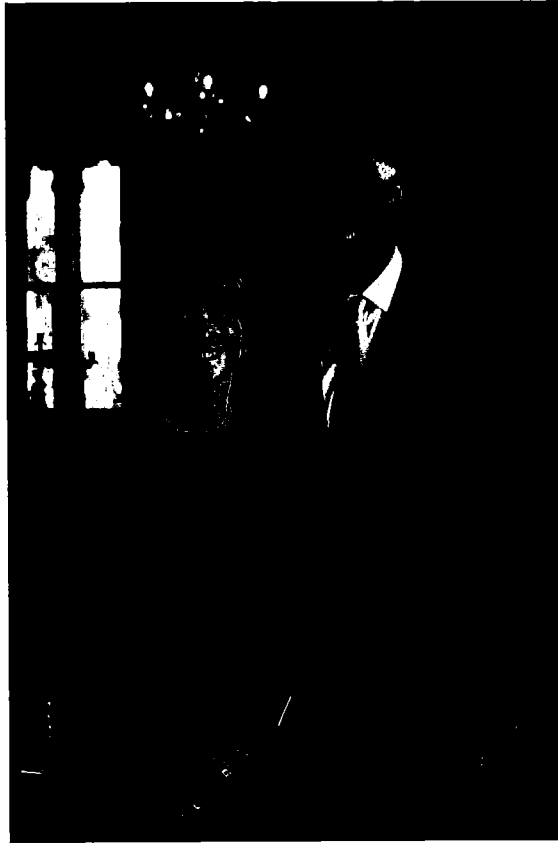
### Overview

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 AC,  
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 — 153 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 Wood 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 \$4,168 million for recurrent services.

Consolidated Fund	2018–2019 Budget \$'000	2018–2019 Actual \$'000	Variation \$'000
Recurrent Services (Appropriation)	4,168	4,263	95

### Performance Indicators for Output 1.1

Output 1.1 Support of the Governor	<p><i>Quality:</i> Satisfaction of the Governor and the organisations and individuals with whom the Office deals; meeting of heritage standards in the conservation and capital improvement of the Government House Estate;</p> <p><i>Quantity:</i> Management of the Governor's participation in 535 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.</p>
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## 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 2018–2019

Key Results	Number	
	2017-2018	2018-2019
Executive Council meetings presided over	20	28
Acts receiving Royal Assent	37	53
Receptions held at Government House	46	53
Ambassadors and High Commissioners hosted at Government House	7	11
Official dinners and luncheons	15	8
School visits to Government House	18	24
Visits to Government House by community groups, including service clubs, special interest groups, exchange students, and charitable organisations	39	34
Swearings-In, Investitures, presentation ceremonies	30	25
Official callers received by the Governor/Lt Gov/ADM*	143	134
Forums, lectures, launches, fundraising, in-house musical events	18	19
External events attended by the Governor/Lt Gov/ADM	251	235
Speeches delivered by the Governor/Lt Gov/ADM	198	194
Visitors on Open Day	5,753	-
Monthly tours	42	102
<b>Total number of guests</b>	<b>17,591</b>	<b>14,802</b>

\*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 2018–2019 Her Excellency or the Lieutenant Governor or Administrator gave Royal Assent to 53 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 2018-2019 Her Excellency or the Lieutenant Governor or Administrator presided over 28 meetings of the Executive Council.

### **Administration in the absence of the Governor**

The Lieutenant Governor of Tasmania, the Honourable Justice Alan Blow AO, administered the State from Monday 30 July 2018 to Monday 13 August 2018. The Administrator of Tasmania, the Honourable Justice Helen Wood, administered the State from Monday 16 July 2018 to Monday 30 July 2018.

### **Ceremonial**

At Government House Her Excellency officiated at a variety of ceremonial events. In the year under review there were a total of 25 investitures and presentations. Investitures and presentations vary considerably. Those such as the Order of Australia Investiture are formal and attended by up to 200 guests, comprising friends and family of the recipients and official guests, the latter being announced into the Ball Room. The Australian Army Band Tasmania perform The Fanfare, Vice-Regal Salute and the 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.

Swearings-in and related ceremonies:

Swearing-in of Cabinet Ministers (3); Presentation of the new President of the Legislative Council.

Investitures and presentations:

Australia Day Investiture; Australian Citizenship Ceremony; Boys' Brigade Tasmania Queen's Badge presentations; Churchill Fellowship Presentations; Defence Reserves Support Council Employer Awards; Duke of Edinburgh's Gold Awards; Florence Nightingale Tasmania Grants and Awards Committee presentations; Governor's Environment Scholarships; Heart Foundation Tasmania/Menzies Institute for Medical Research Honours Scholarships; Oakdale Enterprises Duke of Edinburgh's Bronze Awards presentations; Order of St John Investiture; Queen's Birthday Investiture; Queen's Scout and Guide Awards; Reconciliation Council of Tasmania 'Youth Speakout' Program State Final; Royal Flying Doctor Service Tasmania presentations and launch of Hobart office; Royal Life Saving Society Association honours presentations; The Royal Society of Tasmania Medal presentation and lecture; RSL Tasmania – Unit Citation Insignia to recognise the bravery of Vietnam Veterans; Tasmanian Assessment, Standards and Certification Outstanding Achievement Awards;

Tasmanian Export Awards 2018; Tasmanian Australian of the Year Awards presentations; Tasmanian Human Rights Awards; Tasmanian Volunteering Awards.

### **Visitors to Government House**

Events and functions hosted by the Governor and Mr Warner or the Lieutenant Governor or Administrator brought 14,802 visitors to Government House in 2018-2019, being: Receptions, 5,523; Investitures, Presentations, Lectures, Musical evenings, Fundraising events, 5,937; Morning and Afternoon Teas, 559; Other visitors (such as private tours, work experience placements), 801; School visits, 918; Lunches, Dinners, 132; Official callers, 134.

### **Municipal Visits**

In the year under review the Governor and Mr Warner paid official visits to the Tasmanian municipalities of: Brighton; City of Devonport; City of Glenorchy; Kingborough; Northern Midlands; Sorell; Waratah-Wynyard.

### **Significant events**

In January 2019, Her Excellency the Governor announced that she had been diagnosed with non-Hodgkin lymphoma but that she was confident in the medical treatment that she was receiving and that she expected to continue with her duties while undertaking several cycles of chemotherapy.

Other significant events during the year:

Anzac Day Dawn Service; Anzac Day Address (Hobart Cenotaph); A Fairer World fundraising 'Human Library Workshop'; aKIDemic Life website launch; Australian Music Examinations Board (AMEB) concert and reception; Australian Institute of International Affairs – Tasmanian Branch Annual Lecture; Bookend Trust fundraising lecture and reception; Cancer Council of Tasmania fundraising concert; 'Carols by Daylight' event for schoolchildren; Chatter Matters Tasmania Symposium, *Communicating: The Heart of Literacy*; Child Health Association of Tasmania fundraising fête; Children's University Holiday Program; Board of the Criminal Law Journal meeting;

Croquet Tasmania – 'Mayoral Challenge Exhibition Croquet Game'; Embassy of Federal Republic of Germany Art Circle Residence concert – *The Petticoat Girls*; Epilepsy Tasmania 'Open Garden for Epilepsy' fundraising garden tour; Hamilton Literary Society Annual Lecture; National Boys Choir of Australia performance; Governor's Winter Ball (Queen's Birthday charity fundraising event); Slow Food Hobart 'Lahaye's Garden' fundraising event; tunapri Booklet Project launch; Vice-Regal Gathering, Melbourne.

### **Diplomatic Guests and Callers**

Ambassadors:

Austria, His Excellency Dr Bernhard Zimburg; Brazil Federative Republic, His Excellency Dr Sergio Moreira Lima and Mrs Ana Maria Kautezky-Larder Moreira Lima; People's Republic of China, His Excellency Mr Cheng Jingye and Madam Wang Fang; European Union, His Excellency Dr Michael Pulch; Germany Federal Republic, Her Excellency Dr Anna Prinz; Indonesia Republic, His Excellency Mr Kristiarto Legowo, and Mrs Caecilia Legowo; Ireland, His Excellency Mr Breandán Ó Caollaí, and Ms Carmel Callan; Korea Republic, His Excellency Mr Baeksoon Lee and Mrs Jeeyoon Chun; Sweden, His Excellency Mr Pär Ahlberger; Switzerland, His Excellency Mr Pedro Zwahlen, and Her Excellency Ms Yasmine Chatila Zwahlen; Turkey Republic, His Excellency Mr Ahmet Vakur Gökdenizler; United States of America, His Excellency Mr Arthur B Culvahouse Jr; Australian Ambassador designate to Argentina, Mr Brett Hackett;

Australian Ambassador to Denmark, Ms MaryEllen Miller; Deputy Head of Mission, Australian Embassy in Washington DC, Ms Katrina Cooper.

**High Commissioners:**

New Zealand, His Excellency Mr Chris Seed, and Mr David Dewar, First Secretary; United Kingdom, Her Excellency Mrs Menna Rawlings CMG.

**Consuls-General:**

British Consulate in Melbourne, Mr Christopher Holtby; People's Republic of China in Melbourne, Mr Long Zhou; United States of America in Melbourne, Mr Michael Kleine, and Mr Jim Findley, Vice-Consul.

**Official Callers**

Governor-General of the Commonwealth of Australia, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd), and Lady Cosgrove; Mr Nigel Phillips CBE, Governor of the Falkland Islands; Vice Admiral Michael Noonan AO RAN, Chief of Navy and Commander Robert Curtis RAN, Senior Naval Officer – Tasmania; Major General Kathryn Campbell AO CSC, Commander 2nd Division, Australian Army; The Honourable Sir Guy Green AC, KBE, CVO and Professor Tim McCormack, Dean, Faculty of Law, University of Tasmania; Commander Luke Ryan, Commanding Officer, HMAS *Warramunga*; Commander Anita Sellick RAN, Commanding Officer of HMAS *Newcastle*;

The Honourable Elise Archer MP, Attorney-General; The Honourable Jacque Petrusma MP, Minister for Aboriginal Affairs; The Honourable Jeremy Soames, Chair of the Winston Churchill Memorial Trust; Dr David Agnew, Executive Secretary, CCAMLR, and Ms Kate Batts; Ms Harriet Baillie and Mr Charles Brewer, State Co-Directors, DFAT; Ms Bernadette Black, CEO & Founding Director, Brave Foundation; Aunty Dawn Blazely, Ms Jane Tenniswood and Mr Tom Tenniswood, Blooming Tasmania; Professor Natalie Brown, Director of the Underwood Centre; Mr Ross Carlyle, District 9830 Governor of Rotary in Tasmania; Mr Bruce Champion and Ms Christine Howells, Australian Plants Society Tasmania Inc; Ms Jay Chipman, Founder of Homely Retreats;

Ms Patricia Corby, Churchill Fellows Association of Tasmania; Mr Stephen Farquhar, Regional Manager for Qantas Tasmania; Mr Tony Ferrall, Secretary, Department of Treasury and Finance; Mr Michael Field AC, Chancellor, and Professor Rufus Black, Vice-Chancellor, University of Tasmania; Mr Bob Gordon and Dr Dianne Snowden AM, 'From the Shadows' statue project; Ms Nicole Henty, Manager, Mobile Dental Care, Ms Lorika Strickland, Dentist, Ms Sandra Taylor, Oral Health Therapist and Ms Julie Shelton, Marketing & Fundraising, Royal Flying Doctor Mobile Dental Service; Ms Margarita Hewko, Rotary Club Chicago, and Mr Tony Colman, Immediate Past District Governor, Rotary Tasmania;

Mr Nicholas Heyward, Managing Director, and Ms Caroline Sharpen, incoming Chief Executive Officer, Tasmanian Symphony Orchestra; Mr Andrew Hughes, Bookend Trust's 2019 'Swag Family' project; Mr Evan Hughes, President, Tasmanian Law Society; 2018 Australian Invictus Games team; Mr Ralph Kelly, Founder and CEO, and Ms Natalie Zelinsky, Chief Operating Officer, Thomas Kelly Youth Foundation; Professor Ross Large, President, and Ms Mary Koolhof, Vice President, The Royal Society of Tasmania; Mr Bill Lawson, Reconciliation Tasmania; Professor Elizabeth Leane and Ms Jess Radford, Rhodes Scholarship (Tasmania); Ms Elizabeth Macdonald, Chair, Mr Neil Broomfield, Director, and Mr Vaughn Bennison, Manager, Print Radio Tasmania;

Ms Fiona MacFarlane, Archivist, State Library and Heritage Service; Ms Rosie Martin, CEO of Chatter Matters Tasmania, Ms Amelia Jones, Chair, and Professor Rufus Black, patron, Square Pegs

Dyslexia Support & Advocacy; Ms Kimberley Martin, Director, Worrall Moss Martin Lawyers; Ms Leanne McLean, Commissioner for Children and Young People, Ms Elizabeth Daly, Co-Chair, and Ms Annette Fuller, Senior Project Officer, B4 Leaders Coalition; Mr Tim Munro, Chief Executive, and Mr Craig Stephens, Chairman of the Board, Theatre Royal; Heather Sculthorpe, Chief Executive Officer, Tasmanian Aboriginal Centre; Ms Alison Stone, author; Mrs Kathryn Westwood, President, Mr Harvey Lennon, Group Chief Executive, Royal Automobile Club of Tasmania;

Mr Malcolm White, President, and Ms Caroline Wells, Board Member, Royal Flying Doctor Service Tasmania; Mr John Whittington, Secretary, DPIPWE, and Dr Lloyd Klumpp, General Manager, Biosecurity Tasmania; Ms Joan Wright, Senior Choral Producer, Festival of Voices.

### **Morning and Afternoon Teas**

26TEN Week; DFAT Indo-Pacific Leaders Program; Glenview Community Services Inc 70th anniversary; Hobart City Mission Small Steps Program; Manor Gardens Club, Kingborough; Mosaic Support Services; National Boys Choir of Australia; National Youth Science Forum; Rhodes Scholarship announcement; Square Pegs Dyslexia Support and Advocacy Inc; Tasmanian Hospitals & Healthcare Facilities Auxiliaries; Teach for Australia program; United Nations Youth Australia Evatt National Finals; Women Welcome Women World Wide; World Fly Fishing Championships.

### **Receptions**

Aides-de-Camp and Honorary Aides-de-Camp to the Governor of Tasmania Reunion; Annual Congress of the Australian and New Zealand Association of Psychiatry, Psychology and Law (ANZAPPL); Annual Scientific Meeting of the Tasmanian Branch of the Royal Australian & New Zealand College of Ophthalmologists (RANZCO); Association for International Education Providers in Tasmania; Australasian and New Zealand Association of Clerks-at-the-Table (ANZACATT) Professional Development Seminar; Australia Japan Society (Tasmania) Inc re visit to Hobart by the Japanese research vessel, 'Umitaka Maru'; Australia New Zealand Association of Clinical Pastoral Education (ANZACPE) Conference; Australian Botanical Gardens Council of Heads;

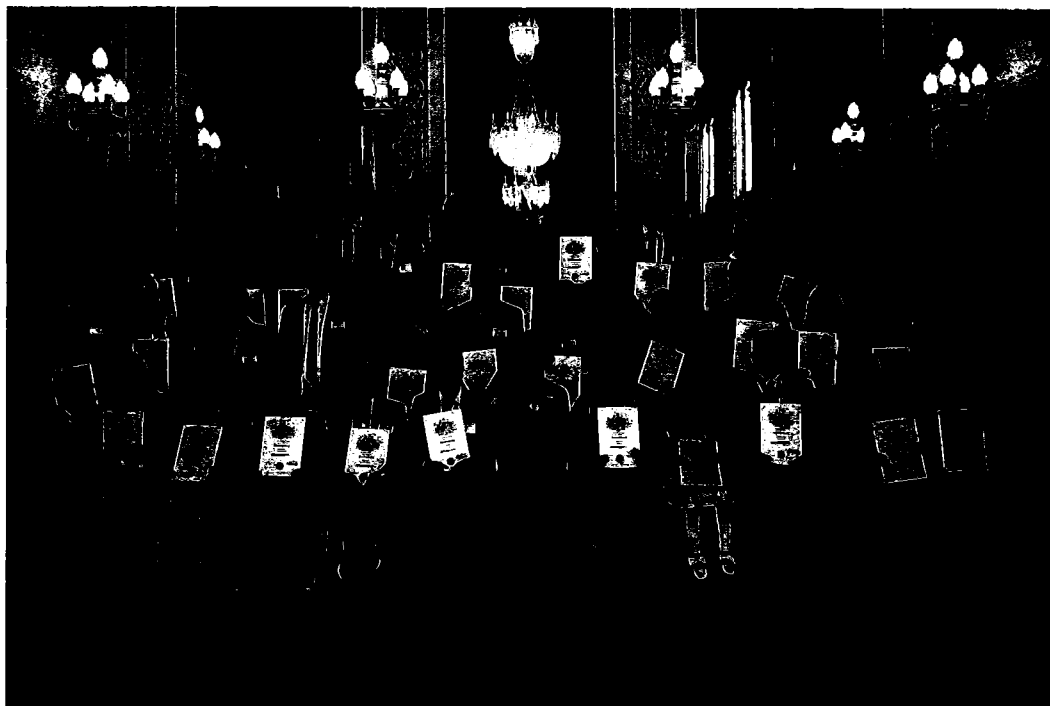
Australian Music Examinations Board (AMEB); Australian National Bridge Championships; Australian Red Cross, Tasmanian Division; Australian Rural Leadership Program; Australian Wooden Boat Festival; CCAMLR XXXVII; Chief Executives Organisation International Members; Commonwealth Day; Derwent Valley Concert Band's 125th anniversary; Eat Well Tasmania 'Producer meets Procurer'; Emerging Community Leaders Program; Firefighters and other personnel involved in the recent Tasmanian Bushfires; 'From the Shadows' statues project; Hobart International Tennis Tournament; Hobart Ionian Club 70th anniversary; International Farm Management Association (IFMA) Congress; Lady Gowrie Tasmania 80th anniversary;

Master Mariners Association of Tasmania; National Archives of Australia Advisory Council; National Breast Cancer Foundation; National Conference of the Order of Australia Association; National Science Week Southern Tasmania; Neighbourhood Houses Tasmania Statewide Conference; New Town High School Centenary; Order of St Lazarus of Jerusalem; Republic of Poland 100th anniversary of Independence Day; Rover Scouts – Tasmanian Branch Centenary; Royal Commonwealth Society 150th anniversary; Royal Hobart Regatta; Royal Hobart Show; Royal Tasmanian Botanical Gardens 200th anniversary; Sing For Your Life! Choir; Society of University Lawyers Limited (SOUL); Southern Tasmania Zone of the Garden Clubs of Australia Inc;

Supreme and Federal Courts Judges' Conference; Sweet Adelines Australia Regional Chorus and Quartet Competition; Tasmanian Conservation Trust 50th anniversary; Tasmanian Gay and Lesbian

Rights Group; Tasmanian Geography Teachers Association 50th anniversary; Tasmanian Theatre Awards; Ten Days on the Island Festival; The Royal Society of Tasmania 175th anniversary; Timor Leste Veterans Delegation; University of Tasmania Law School 125th anniversary; Wildcare Inc; Winston Churchill Memorial Trust Biennial National Convention Australia.

### IMAGE GALLERY



Australian Citizenship Ceremony, September 2018



Florence Nightingale Grants and Awards, November 2018



Courtesy call by the Ambassador of the United States of America,  
His Excellency Mr Arthur B Culvahouse Jr



Ornamental Garden Tour



Presentation ceremony for Oakdale Enterprises clients to receive their 2018 Duke of Edinburgh's Awards, December 2018



Governor's Winter Ball to mark the Birthday of Her Majesty The Queen, June 2019



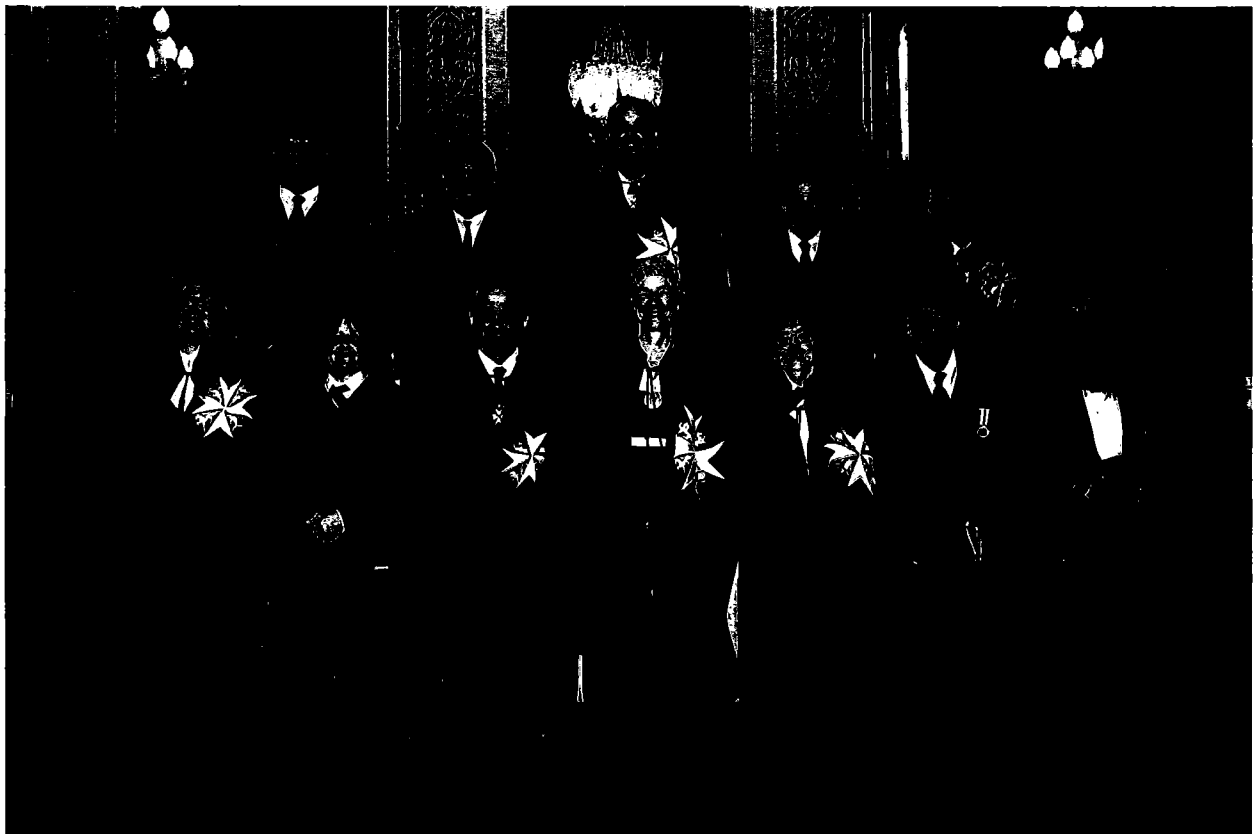
Magnolia, 'Marilyn'



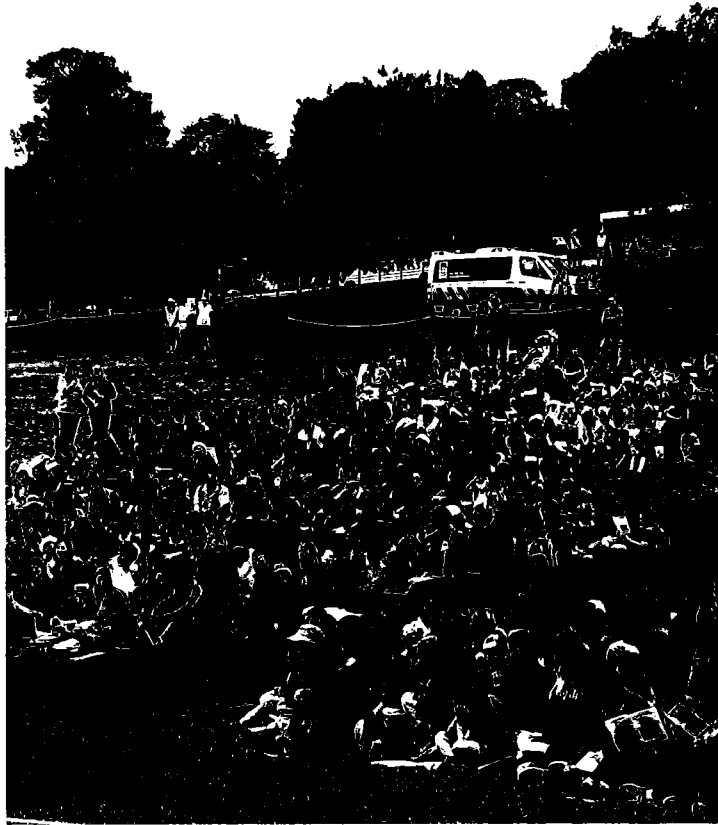
Government House Gardens, Spring



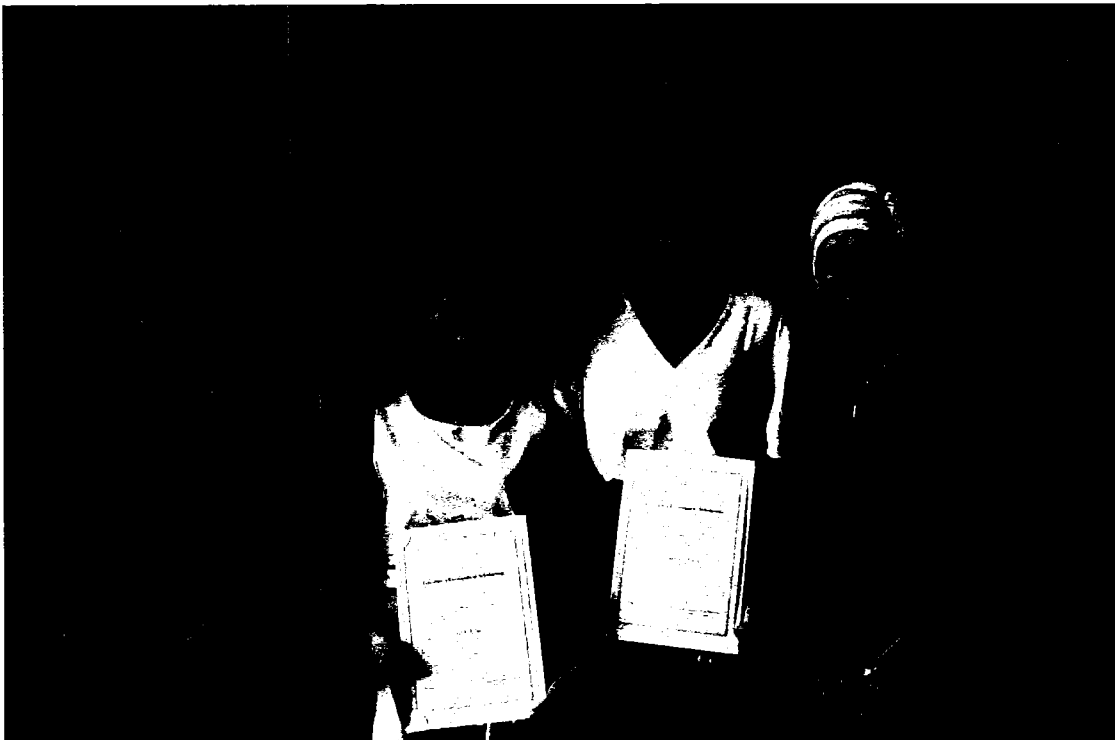
Visit by Grades 5/6 students from South George Town Primary School, May 2019



Investiture for The Most Venerable Order of the Hospital of St John of Jerusalem, March 2019



'Carols by Daylight' event for schoolchildren, December 2018



Presentation of the Governor's Environment Scholarship  
on behalf of the University of Tasmania, April 2019



Concert and reception to mark the centenary of the Australian Music Examinations Board (AMEB), August 2018



Fundraising concert in support of the Cancer Council of Tasmania and Daffodil Day, August 2018



Garden Produce Tour



First vintage, 2018 Government House Tasmania Riesling

### **External events**

12th/40th Battalion, The Royal Tasmania Regiment Family & Employers Day; 26TEN website launch; Abbie for Autism Inaugural Gala Dinner; Australian Decorative and Fine Arts Society lectures; Agfest 2019; Allegri Ensemble performance – *A Boy Was Born*; Antarctic Season opening; Armistice Commemoration Centenary Service and Dinner; Art Society of Tasmania Exhibition; Australasian Research Management Society (ARMS) Conference; Australasian Wildlife Management Society Conference; Australian and New Zealand Association of Psychiatry, Psychology and Law (ANZAPPL) 38th Annual Congress; Australian Army Cadets Tasmania Battalion 135th Anniversary Parade; Australian Army Cadets Tasmania Battalion Annual Field Exercise, Exercise Devil 2018;

Australian Institute of Company Directors Gold Medal Award Luncheon; Australian National Antarctic Research Expeditions (ANARE) Station, Macquarie Island 70th Anniversary Dinner; Australian Society of Miniature Art Tasmania Inc National Awards Exhibition; Australian Wooden Boat Festival 2019; Battle of Amiens 100th anniversary Luncheon; Battle of Britain National Commemoration; Battle of the Coral Sea; Beltana Bowls Club's 50th Anniversary; Blooming Tasmania Flower and Garden Festival 2018; Bothwell International Highland SpinIN and Fibre Festival; Cancer Council Tasmania Relay for Life, Derwent Valley; CCAMLR XXXVII opening;

Chatter Matters Tasmania 'Just Time' program graduation presentations (Ron Barwick Minimum Security Prison and Mary Hutchinson Women's Prison); Chatter Matters Tasmania, Colleagues @ The Heart of Literacy event; Chatter Matters Tasmania, *Communicating: The Heart of Literacy* opinion pieces launch; Children's University Tasmania Graduation Ceremonies in Hobart and Launceston; Christchurch, New Zealand terror attack community vigil; Combined Clubs Open Day; Commander's Residence/Hobart Town Garrison Hospital, Anglesea Barracks 200th anniversary; Council of United Commonwealth Societies Annual Queen's Birthday Luncheon; Country Women's Association, Magra Branch 60th Anniversary afternoon tea;

Czechoslovakia's 100th anniversary founding; Daffodil, Camellia and Spring Flower Show 2018; Dahlia and Floral Art Show 2019; Devonport Chamber of Commerce and Industry Inc Dinner; Engineering Heritage National Marker, Bridgewater Bridge; Field of Remembrance Annual Dedication Service; Great Chefs Series cocktail party; Great Short Walk opening, kunanyi/Mount Wellington; Hagley Farm Primary School and Visitor Centre; Health Information Management Association of Australia (HIMAA) and National Centre for Classification in Health (NCCCH) National Conference; Hellyer College visit; HMAS *Choules* reception; Hobart City Mission Blokes BBQ Breakfast; Hobart Cup Day 2019; Hobart Legacy Inc Annual Dinner;

Hobart Legacy Inc Members' Christmas Luncheon; Horizon Series Lectures – Peter Underwood Centre; Human Rights Week 2018 launch on behalf of the Friends of Willow Court; Huon Arts Awards opening; Huon Valley bushfire-affected sites visit; International Women's Day 2019; James Upcher Prize presentation (UTAS College of Arts, Law and Education and Faculty of Law); Jane Franklin Hall Commencement Dinner; John Kable Memorial Scholarship in Law; Jordan River Learning Federation Senior School 2018 Prize Giving Assembly; Just Desserts: Drug Court Incentives Group launch; Kids4Kids Conference; Launceston Branch of the Embroiderers' Guild of Tasmania Inc Golden Anniversary Exhibition; Launceston Historical Society – John West Memorial Lecture;

Launceston Legacy Inc Annual Luncheon; Legal Year opening; Lindisfarne Garden Club Inc annual flower show; Madame Butterfly performance; Mannalargenna Day 2018; Marcus Oldham College Graduation Ceremony and Presentation of Awards; Marine and Antarctic Studies (IMAS) tour of premises, Taroona; Maritime Museum, unveiling convict ship *Lady East* painting; Master Mariners Association of Tasmania Annual Dinner; Masterclass in Horticultural Business – University of Tasmania School of Land and Food Dinner; Midway Point Neighbourhood House Community Garden Open Day; Mother's Day Classic 4km walk; NAIDOC Week 2018, chair panel session; NAIDOC Week flag raising – piyura kitina (Risdon Cove);

National Maritime Museum International Wooden Boat Symposium; National Police Remembrance Day 2018; Oatlands Commissariat (1828) restoration opening; *Outlasting: communities who have survived extinction* seminar, Dr Rebe Taylor; Parliamentary Law, Practice & Procedure Course Luncheon; Playgroup Tasmania Inc Annual Children's Week Teddy Bears' Picnic; *Poles Apart* book launch, The Royal Society of Tasmania; Print Radio Tasmania interview; Queen Mary Club dinner; Reconciliation Tasmania Reconciliation Week Breakfast; Relationships Australia Tasmania Staff Conference; Relationships Australia, Tasmania 70th anniversary reception; Remembrance Bridge opening; Richard Selby Smith Oration; Richmond Village Fair;

Rotary Australia New Zealand Conference; Rotary Club of Hobart luncheon address; Royal Australian Air Force 98th anniversary; Royal Australian Infantry Corps Annual Dinner; Royal Hobart Show 2018; RYCT Race Control and Radio Room visit; St George's Mariners' Service; St Paul's Catholic School visit, Bridgewater; Science and Engineering Challenge State Final; Scout Guide Regatta 2019; Sir James Plimsoll Lecture; Soldier's Memorial Avenue Centenary; Speech Pathology Tasmania 'Perfect Pitch' Dinner; Studentworks Inc and New Horizons Tasmania; Supreme and Federal Courts Judges' Conference; Tasmanian Architecture Awards Presentation

Dinner; Tasmanian Devil Unzoo 40th anniversary celebrations; Tasmanian Leaders Program Linking Session; Tasmanian Naval Memorial dedication; The Launceston Club Dinner;

The Most Venerable Order of the Hospital of St John of Jerusalem Dinner; The Royal Society of Tasmania lectures; The Unconformity events; Thomas Francis Meagher Memorial Seat unveiling, St John's Church, Richmond; *Tomato: Know Sow Grow Feast* book launch; University Colleges of Australia (UCA) Annual Forum; University of Tasmania Graduation Ceremony for College of Arts, Law and Education (Faculty of Law/School of Social Science); Vietnam Veterans' Day Remembrance Service; *White Rag Burning. Irish Women Committing Arson to be Transported* book launch; Women in Law Breakfast; Women's Art Prize Tasmania (WAPT) launch; Women's Art Prize Tasmania Exhibition; Yacht Race presentations – Sydney to Hobart, Launceston to Hobart, King of the Derwent.

### **School and community group visits**

Bagdad Primary School; Clarence High School hospitality students; Dominic College; East Derwent Primary School Launch into Learning (Lil); Elizabeth College hospitality students; Elizabeth College and Hiroshima Inokuchi Senior High School; The Friends' School; Herdsmans Cove Primary School; Kingston School for Seniors; Moonah Primary School, New Norfolk High School; Port Sorell Primary School; Rokeby Primary School; Rose Bay High School, Sacred Heart Catholic School, Geeveston; South George Town Primary School; Spreyton Primary School; St Michael's Collegiate School, Triabunna District School; Windermere Primary School.

### **Kitchen and Hospitality Report**

Government House continues to go quietly about the business of offering a wide range of community engagement programs which are much appreciated by those who visit and/or participate in activities. Here are just a few of the examples of what we have done in the last financial year in the kitchen:

#### **Donations of Food**

Government House regularly donates food for schools to be used in their Breakfast Programs and also to various charities such as Loaves and Fishes Tasmania and to fundraising functions for school kitchen gardens. Another example is the donation of produce and allowing the Executive Chef the time to help cook Christmas lunch for 250 guests for Rokeby Primary School.



## **Work Placement and School Tour Groups**

Some 305 hospitality and kitchen studies students undertook work experience/observation studies in the kitchen on work placement during the 2018–2019 year. The students were accompanied by 39 staff, a dozen of whom chose to spend a day at different times over the year working on a Government House function as part of their professional development.

Visits included both school and local groups such as the Huon Producers' Network and Sprout Tasmania who participated in kitchen and vegetable garden tours where they tasted and discussed produce that had been processed and preserved in different ways. The groups experienced firsthand the operation of 'Paddock to Plate' and how this can be translated easily into school and home gardens.

Government House kitchen also played host to the kitchen and garden specialists from approximately 16 schools which participate in the Mona 24 Carrot Gardens project. The two groups, Fejoa and Tamarillo, were given lessons on biodynamic composting by Tara Edmondson, Deputy Estate Gardens Manager, along with talking all things fruit and vegetable with various Government House gardeners. They then picked produce and prepared several things for a shared lunch. The afternoon was spent learning different ways of utilising excess fresh produce with the Executive Chef and her staff.



## **Staff Professional development**

Government House hosted the Executive Chef, Mr Garry Rodgers, from Government House Adelaide which was a really enjoyable visit as Garry was particularly enthusiastic and interested in our community engagement program. There were long discussions on how Government House in Adelaide could offer and be involved in similar projects.

The Executive Chef, as part of her personal professional development, is a board member of EatWell Tasmania and Volunteering Tasmania – both organisations of which the Governor is patron.

## **Gardens Report**

Our dedicated on-site horticulturists continued to maintain and improve our beautiful gardens, with many new plantings and garden beds being developed. We rely heavily on our staff's expertise to maintain what is considered to be one of the best gardens in Australia.

The addition of specialised tours, including the Significant Tree tour, Garden Produce tour and our planned Winter Series of horticultural speakers, have increased visitor numbers in the gardens to record levels. The tours are jointly run by our wonderful volunteers and our own gardening staff.

The vineyard continued to produce good yields of grapes, which resulted in over 2,000 bottles of wine being produced for functions at Government House. Our production area and orchard also kept our

kitchen in good supply of fresh produce throughout the year. We also experienced a good quality supply of chicken eggs and honey. The cut flowers production has also enabled our florist to create beautiful floral displays within the House.

A landscape designer was engaged to draw up a design to redevelop our Quarry Pond, with new planting and stone walling already underway. In the year under review we have also been progressing with our recently developed tree management plan, which is a significant step forward for the future of our trees.

School groups continued to visit our gardens for educational tours and to participate in the 'Carols by Daylight' event, where more than 1,500 schoolchildren enjoyed singing Christmas carols in the Patriotic Paddock.

### **Monthly tours – State Rooms; Behind the Scenes; Furniture; Gardens; Garden Produce; Significant Trees**

These are tours for which patrons book online and are conducted by Honorary Aides-de-Camp and Garden staff and Volunteers. They are consistently popular. A limit is set for numbers to ensure a high-quality experience. In the year under review 794 bookings were made. All revenue from the tour program is directed to the maintenance and preservation of the Government House Estate, in accordance with the *Government House Land Amendment Act 2017*.

### **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 is a valuable site for increasing awareness of the role and activities of the Office.

The home page of the website provides advice on events at Government House, for which tickets are able to be reserved online. In the year under review these included concerts and the guided tours of the State Rooms, Behind the Scenes, Furniture, Gardens, Garden Produce and Significant Trees.

### **Staff**

Current Staff positions: Official Secretary; Deputy Official Secretary; Executive Chef; Executive Butler; Aide-de-Camp; Estate Gardens Manager; Building, Assets and Heritage Manager; Accountant (part-time); Senior Executive Officer (part-time); Executive Officer (part-time); Invitations Secretary; Chefs x 2 (part-time); Cook; Household Attendants (3 full-time, 2 part-time); Florist (part-time); Gardeners (1 full-time, 5 part-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. Honorary ADCs are drawn from the Royal Australian Navy, Australian Army, the Royal Australian Air Force and Tasmania Police. Honorary ADCs 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. Honorary ADCs during the period under review:

Lieutenant Jay McGlashan, RANR, ADC, Lieutenant Shona Prior, RANR, ADC, Sub Lieutenant Carolyn Docking, RANR, ADC, Captain Tom Calderwood, ADC, Captain Justin Fountain, ADC, Flight Lieutenant Paula Chatwood, ADC, Flight Lieutenant Jenna Steward, ADC, Inspector Grant Twining, ADC, Inspector Glen Woolley, APM, OAM, ADC.

## Security Guards

Government House is well serviced through appropriately trained Security Guards.

## HUMAN RESOURCE MANAGEMENT

### Indicators of Organisational Health

<b>Sick Leave &amp; Overtime</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
Average sick leave taken per FTE (days)	6.4	7.5	9.3
Total sick leave taken (days)*	139.23	166.68	222.09
Total overtime payments for the year (\$)	6,912	15,516	8,336
Total overtime payments per FTE (\$)	319	698	351

\*65 attributable to one staff member in current financial year

<b>Staff Turnover</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
Separations	0	4	1
Commencements	0	4	1
FTE at 30 June*	21.67	22.24	23.76

\*This does not include casual or externally contracted staff

<b>Staff Leave Balances</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
Current entitlements – all employees (days)	1,392	1,381	1,195
Average number of LSL days per FTE*	46	44	32
Average number of annual recreation leave days per FTE	18	18	18

\* Including pro rata leave

<b>Workers' Compensation</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
Cases at 1 July	0	0	0
New cases for F/Y	0	2	0
Completed cases at 30 June	0	1	0
Total cases at 30 June	0	1	0
Working days lost F/Y	0	6	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.

<b>Staff Development and Training</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>
Number of individual staff who received formal training	4	17	10
Number of person days training	4	20	11
Expenditure on training	\$1,000	\$5,327	\$4,027

### **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 2018–2019 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 works were undertaken in 2018-2019:

Basement office space reconfigured and relocation of stationery room.

Ceiling in Arthur suite replaced and room repainted, along with Dukes suite ceiling being repainted.

Aide-de Camp office ceiling repaired and repainted.

Royal suite ceiling repairs, repainted walls and ceiling.

Ball Room, Main Hall, Staircase, Drawing Room repaired and repainted, where required.

Cottage 1 – repainted rear and downstairs rooms.

Cottage 7 – fence rebuilt / repaired.

New three door freezer cabinet installed in kitchen and extractor upgraded to replace existing.

Gas supply upgraded in Main House to increase capacity.

Main cattle yards rebuilt and fencing repaired.

Underwood garden sculpture completed.

### **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 Policy

The Office of the Governor has only limited activities for which the pricing of goods and services is required. On occasion, the Governor of Tasmania may agree to host or co-host events of significance on behalf of other Agencies. The Office of the Governor's pricing policy is based on full-cost recovery. In addition, in accordance with the provisions of the *Government House Land Act 1964* as amended by the *Government House Land Amendment Act 2017*, the Office of the Governor undertakes activities to raise revenue to be applied for the maintenance and preservation of the site and the residence.

### 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 2018–2019.

## 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 201(1)(a) (b) & (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 201(1)(b)	Economic or other factors that have affected the achievement of operational objectives	Financial Statement
PSSRA s.13	Statement regarding contributions to non-RBF superannuation funds, including a report that the Department has met its obligations under the <i>Superannuation Guarantee (Administration) Act 1992</i> .	Financial Statement
TI 201(1)(d)(i) & (ii)	Details of maintenance projects.	Page 27
TI 201(1)(g)	Statement of asset management policies and an outline of asset management strategies and initiatives.	Page 26
TI 201(1)(f)	Statement of risk management policies and an outline of significant risk management activities and initiatives.	Page 27
TI 201(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 28

TI 201(1)(d) (i) & (ii)	Details of all major contracts awarded, including the value of work and the name and locality of contractors.	nil
TI 1111 (3)	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 27
TI 201(1)(l)	Any matters deemed relevant by the Head of Agency.	Annual Report
TI 201(1)(j) FMAA s.27(2) & (3) FMAA s.27(1)(c)	Financial statements of the Office of the Governor for the financial year.	appended
TI 201(1)(k)	Auditor-General's report on Financial Statements	appended





# Tasmanian Audit Office

## Independent Auditor's Report

### To the Members of Parliament

### Office of the Governor

### Report on the Audit of the Financial Statements

#### Opinion

I have audited the financial statements of the Office of the Governor (the Office), which comprises the statement of financial position as at 30 June 2019 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Official Secretary.

In my opinion, the accompanying financial statements:

- (a) presents fairly, in all material respects, the financial position of the Office as at 30 June 2019 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management and Audit Act 1990* and Australian Accounting Standards.

#### Basis for Opinion

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

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

...1 of 3

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

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

### **Responsibilities of the Official Secretary for the Financial Statements**

The Official Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Official Secretary is responsible for assessing the Office's ability to continue as a going concern unless the Office's operations will cease as a result of an administrative restructure. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Official Secretary.
- Conclude on the appropriateness of the Official Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability

...2 o

to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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



Stephen Morrison  
**Assistant Auditor-General Financial Audit Services**  
**Delegate of the Auditor-General**

**Tasmanian Audit Office**

21 October 2019  
Hobart





# **OFFICE OF THE GOVERNOR**

## **Financial Statements**

**For the year ended  
30 June 2019**

# Table of Contents

Statement of Certification	2
Statement of Comprehensive Income for the year ended 30 June 2019	3
Statement of Financial Position as at 30 June 2019	4
Statement of Cash Flows for the year ended 30 June 2019	5
Statement of Changes in Equity for the year ended 30 June 2019	6
Notes to and forming part of the Financial Statements for the year ended 30 June 2019	7

TELEPHONE: (03) 6234 2611

FACSIMILE : (03) 6234 2556



GOVERNMENT HOUSE  
TASMANIA 7001

## Statement of Certification

The accompanying Financial Statements of the Office of the Governor are in agreement with the relevant accounts and records and have been prepared in compliance with 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 2019 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**

13<sup>th</sup> August 2019

## Statement of Comprehensive Income for the year ended 30 June 2019

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
<b>Continuing operations</b>				
<b>Revenue and other income from transactions</b>				
Revenue from Government				
Appropriation revenue - recurrent	3.1	4,168	4,263	3,995
Appropriation Carried Forward under sec 8A(2)		-	-	40
Sale of goods and services	3.2	55	123	78
Other revenue	3.3	-	16	17
<b>Total revenue and other income from transactions</b>		<b>4,223</b>	<b>4,402</b>	<b>4,130</b>
<b>Expenses from transactions</b>				
Employee benefits	4.1	3,278	3,320	3,134
Depreciation and amortisation	4.2	298	258	257
Grants and subsidies	4.3	-	1	7
Supplies and consumables	4.4	868	814	980
Other expenses	4.5	31	158	68
<b>Total expenses from transactions</b>		<b>4,475</b>	<b>4,551</b>	<b>4,446</b>
<b>Net result from transactions (net operating balance)</b>		<b>(252)</b>	<b>(149)</b>	<b>(316)</b>
<b>Other comprehensive income</b>				
Changes in asset revaluation surplus	8.1	300	3,993	-
<b>Total other comprehensive income</b>		<b>300</b>	<b>3,993</b>	<b>-</b>
<b>Comprehensive result</b>		<b>48</b>	<b>3,844</b>	<b>(316)</b>

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 2019

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
<b>Assets</b>				
<i>Financial assets</i>				
Cash and deposits	9.1	277	230	149
Receivables	5.1	36	2	-
Other financial assets	5.2	4	10	11
<i>Non-financial assets</i>				
Inventory	5.3	-	39	-
Plant, equipment and motor vehicles	5.4	136	237	231
Land and Buildings	5.4	31,640	35,041	31,310
Heritage assets	5.4	3,586	3,586	3,586
Infrastructure	5.5	-	32	-
<b>Total assets</b>		<b>35,679</b>	<b>39,177</b>	<b>35,287</b>
<b>Liabilities</b>				
Payables	6.1	61	58	82
Employee benefits	6.2	511	572	502
<b>Total liabilities</b>		<b>572</b>	<b>630</b>	<b>584</b>
<b>Net assets</b>		<b>35,107</b>	<b>38,547</b>	<b>34,703</b>
<b>Equity</b>				
Reserves	8.1	24,549	27,942	23,949
Accumulated funds		10,558	10,605	10,754
<b>Total equity</b>		<b>35,107</b>	<b>38,547</b>	<b>34,703</b>

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 2019

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
<b>Cash flows from operating activities</b>		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash inflows</b>				
Appropriation receipts - recurrent		4,168	4,263	3,995
GST receipts		60	83	103
Other cash receipts		55	139	94
<b>Total cash inflows</b>		<b>4,283</b>	<b>4,485</b>	<b>4,192</b>
<b>Cash outflows</b>				
Employee benefits		(3,013)	(2,973)	(2,846)
Superannuation		(257)	(275)	(264)
GST payments		(60)	(86)	(85)
Other cash payments		(898)	(1,036)	(1,030)
<b>Total cash outflows</b>		<b>(4,228)</b>	<b>(4,370)</b>	<b>(4,225)</b>
<b>Net cash from (used by) operating activities</b>	9.2	<b>55</b>	<b>115</b>	<b>(33)</b>
<b>Cash flows from investing activities</b>				
<b>Cash outflows</b>				
Payments for acquisition of non-financial assets		-	(34)	(25)
<b>Total cash outflows</b>		<b>-</b>	<b>(34)</b>	<b>(25)</b>
<b>Net cash from (used by) investing activities</b>		<b>-</b>	<b>(34)</b>	<b>(25)</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<b>55</b>	<b>81</b>	<b>(58)</b>
<b>Cash and deposits at the beginning of the reporting period</b>		<b>222</b>	<b>149</b>	<b>207</b>
<b>Cash and deposits at the end of the reporting period</b>	9.1	<b>277</b>	<b>230</b>	<b>149</b>

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 2019

	Reserves	Accumulated	Total
	\$'000	Funds \$'000	Equity \$'000
<b>Balance as at 1 July 2018</b>	<b>23,949</b>	<b>10,754</b>	<b>34,703</b>
Net result	-	(149)	(149)
Other comprehensive income	3,993	-	3,993
<b>Balance as at 30 June 2019</b>	<b>27,942</b>	<b>10,605</b>	<b>38,547</b>

	Reserves	Accumulated	Total
	\$'000	Funds \$'000	Equity \$'000
<b>Balance as at 1 July 2017</b>	<b>23,949</b>	<b>11,070</b>	<b>35,019</b>
Net result	-	(316)	(316)
Other comprehensive income	-	-	-
<b>Balance as at 30 June 2018</b>	<b>23,949</b>	<b>10,754</b>	<b>34,703</b>

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 2019

Note 1	Office Output Schedules	9
1.1	Output Group Information .....	9
Note 2	Explanations of Material Variances between Budget and Actual Outcomes	9
2.1	Statement of Comprehensive Income .....	9
2.2	Statement of Financial Position .....	10
2.3	Statement of Cash Flows .....	10
Note 3	Income from transactions	11
3.1	Revenue from Government .....	11
3.2	Sale of goods and services.....	11
3.3	Other revenue.....	12
Note 4	Expenses from transactions	12
4.1	Employee benefits .....	12
4.2	Depreciation and amortisation .....	14
4.3	Grants and subsidies.....	14
4.4	Supplies and consumables .....	15
4.5	Other expenses .....	15
Note 5	Assets	15
5.1	Receivables.....	15
5.2	Other financial assets .....	16
5.3	Inventory.....	16
5.4	Property, plant, equipment and motor vehicles .....	16
5.5	Infrastructure.....	19
Note 6	Liabilities	20
6.1	Payables .....	20
6.2	Employee benefits .....	20
Note 7	Commitments and Contingencies	21
7.1	Schedule of Commitments .....	21
7.2	Contingent Assets and Liabilities .....	21
Note 8	Reserves	22
8.1	Reserves .....	22
Note 9	Cash Flow Reconciliation	22
9.1	Cash and deposits .....	22
9.2	Reconciliation of Net Result to Net Cash from Operating Activities.....	23
Note 10	Financial Instruments	23
10.1	Risk exposures.....	23
10.2	Net Fair Values of Financial Assets and Liabilities .....	24
Note 11	Other Significant Accounting Policies and Judgements	25
11.1	Objectives and Funding.....	25
11.2	Basis of Accounting .....	25

11.3	Reporting Entity.....	26
11.4	Functional and Presentation Currency .....	26
11.5	Changes in Accounting Policies.....	26
11.6	Foreign Currency .....	27
11.7	Rounding.....	27
11.8	Taxation.....	27
11.9	Goods and Services Tax .....	27

## 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 2018-19 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 or \$40,000.

### 2.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Revenue from Government	(a)	4,168	4,263	95	2
Sale of goods and services	(b)	55	123	68	124
Changes in Asset Revaluation Surplus	(c)	300	3,993	3,693	1,231

#### Notes to Statement of Comprehensive Income variances

(a) The Office received a Request for Additional Funding due to a continual increase in the Governor's program which has a flow-on effect through all aspects of Government House expenditure. A saving was also made in Reserved by Law funding due to the Governor being in Office for the majority of the year.

(b) The Office receives a modest income through the rental of four of the cottages on the Estate where the funds will be put back into the maintenance of the Estate buildings.

(c) Land and Buildings were revalued by the Valuer-General's Office via indexation as at 30<sup>th</sup> June 2019. The value of both Land and Buildings has increased considerably.

## 2.2 Statement of Financial Position

Budget estimates for the 2018-19 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2018-19. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2018-19. The following variance analysis therefore includes major movements between the 30 June 2018 and 30 June 2019 actual balances.

	Note	Budget \$'000	2019 Actual \$'000	2018 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and deposits	(a)	277	230	149	(47)	81
Plant and equipment	(b)	136	237	231	101	6
Land and Buildings	(c)	31,640	35,041	31,310	3,401	3,731
Infrastructure	(d)	-	32	-	32	32

### Notes to Statement of Financial Position variances

- (a) The Office received more income this year from the rental of four cottages due to an increase in weekly rental amounts. It is also the first full year that rental income has been received from all four cottages.
- (b) The increase included the replacement of an industrial fridge and an industrial freezer that were more than 20 years old.
- (c) Land and Buildings were revalued by the Valuer-General's Office via indexation as at 30<sup>th</sup> June 2019. The value of both Land and Buildings has increased considerably.
- (d) The inclusion of infrastructure is for the value of the Vineyard which has become viable in producing wine within this financial year.

## 2.3 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation receipts - recurrent	(a)	4,168	4,263	(95)	(2)
Other cash receipts	(b)	55	139	(84)	(153)
Other cash payments	(c)	(898)	(1,036)	138	(15)

### Notes to Statement of Cash Flows variances

- (a) The Office received a Request for Additional Funding due to a continual increase in the Governor's program which has a flow-on effect through all aspects of Government House expenditure. A savings was also made in Reserved by Law funding due to the Governor being in Office for the majority of the year.
- (b) The Office received more income this year from the rental of four cottages due to an increase in weekly rental amounts. It is also the first full year that rental income has been received from all four cottages. A large portion of these funds are also carried over from previous years in order to be expended on maintenance of the Estate as required.
- (c) There was a very small increase in cash payments from actual cash payments last year however this amount was underbudgeted this financial year.

### 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, 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.

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

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

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
<b>Continuing operations</b>			
Appropriation revenue - recurrent			
Current year	3,571	3,756	3,492
Items Reserved by Law			
Salary, Her Excellency the Governor ( <i>Governor of Tasmania Act 1982</i> )	582	499	488
Salary, The Administrator ( <i>Governor of Tasmania Act 1982, Section 5(1)</i> )	15	8	15
<b>Total</b>	<b>4,168</b>	<b>4,263</b>	<b>3,995</b>
<b>Revenue from Government - other</b>			
Appropriation carried forward under section 8A(2) of the <i>Public Account Act 1986</i> taken up as revenue in the current year	-	-	40
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40</b>
<b>Total revenue from Government</b>	<b>4,168</b>	<b>4,263</b>	<b>4,035</b>

#### 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.

	2019 \$'000	2018 \$'000
Rent revenue	88	65
Other	35	13
<b>Total</b>	<b>123</b>	<b>78</b>

### 3.3 Other revenue

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

	2019	2018
	\$'000	\$'000
Other fees and recoveries	16	17
<b>Total</b>	<b>16</b>	<b>17</b>

## 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.

	2019	2018
	\$'000	\$'000
Wages and salaries	2,741	2,644
Annual leave	127	137
Long service leave	70	29
Sick leave	55	41
Superannuation – defined contribution scheme	268	246
Superannuation – defined benefit scheme	7	18
Other post-employment benefits	27	-
Other employee expenses ( <i>Training, uniforms, memberships</i> )	25	19
<b>Total</b>	<b>3,320</b>	<b>3,134</b>

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 12.95 per cent (2018: 12.95 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 (2018: 9.5 per cent) of salary. In addition, the Office is also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.45 per cent (2018: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

(b) Remuneration of Key management personnel

2019	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total \$'000
	Salary \$'000	Other Benefits \$'000	Superannuation \$'000	Other Benefits and Long-Service Leave \$'000		
<i>Key management personnel</i>						
D. Owen, Official Secretary, 13 August 2012	168	57	16	5	-	246
R. Catt, Deputy Official Secretary, 4 February 2013	110	-	10	3	-	123
<b>Total</b>	<b>278</b>	<b>57</b>	<b>26</b>	<b>8</b>	<b>-</b>	<b>369</b>

2018	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total \$'000
	Salary \$'000	Other Benefits \$'000	Superannuation \$'000	Other Benefits and Long-Service Leave \$'000		
<i>Key management personnel</i>						
D. Owen, Official Secretary, 13 August 2012	165	56	16	5	-	242
R. Catt, Deputy Official Secretary, 4 February 2013	124	-	12	4	-	140
<b>Total</b>	<b>289</b>	<b>56</b>	<b>28</b>	<b>9</b>	<b>-</b>	<b>382</b>

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 2018-19 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.

(c) Related party transactions

There were no related party transactions with Key Management Personnel (KMP) (including Cabinet Ministers), or their Close Family Members (CFM) or entities that are controlled or jointly controlled by KMP or CFM in 2019 (2018 \$0).

## 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. Depreciation periods are:

Plant, equipment	5 years
Buildings	100 years
Other - Piano	20 years
Outdoor Utilities	10 years
Scaffolding	15 years
Security System – Upgrade	10 years
Greenhouse	15 years
Convothem Oven	10 years
Under carpet heating	15 years
Industrial Fridge & Freezer	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

	2019	2018
	\$'000	\$'000
Plant, equipment and motor vehicles	28	27
Buildings	230	230
<b>Total</b>	<b>258</b>	<b>257</b>

## 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.

	2019	2018
	\$'000	\$'000
Donations	1	7
<b>Total</b>	<b>1</b>	<b>7</b>

The Office does not have a grants program. The donation made in 2017-18 was part of Her Majesty Queen Elizabeth II 92nd birthday celebrations. For Her Majesty's 93rd birthday reception held in June 2019, the ticket receipts will be donated to the Royal Flying Doctor Service Tasmania in the 2019-20 financial year.

#### 4.4 Supplies and consumables

	2019	2018
	\$'000	\$'000
Audit fees – financial audit	11	10
Audit fees – internal audit	15	-
Operating lease costs	58	61
Property services	251	266
Maintenance	128	260
Communications	34	71
Information technology	33	38
Travel and transport	30	22
Other supplies and consumables	254	252
<b>Total</b>	<b>814</b>	<b>980</b>

#### 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.

	2019	2018
	\$'000	\$'000
Salary on-costs	34	29
Insurance	124	39
<b>Total</b>	<b>158</b>	<b>68</b>

### Note 5 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.

#### 5.1 Receivables

Receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value.

	2019	2018
	\$'000	\$'000
Receivables	2	-
<b>Total</b>	<b>2</b>	<b>-</b>
Other receivables	2	-
<b>Total</b>	<b>2</b>	<b>-</b>
Settled within 12 months	2	-
Settled in more than 12 months	-	-
<b>Total</b>	<b>2</b>	<b>-</b>

## 5.2 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.

	2019	2018
	\$'000	\$'000
Tax assets	8	6
Prepayments	2	5
<b>Total</b>	<b>10</b>	<b>11</b>
Settled within 12 months	10	11
Settled in more than 12 months	-	-
<b>Total</b>	<b>10</b>	<b>11</b>

## 5.3 Inventory

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

Inventories are measured using the weighted average cost formula.

	2019	2018
	\$'000	\$'000
Bottled wine	11	-
Grapes	28	-
<b>Total</b>	<b>39</b>	<b>-</b>
Consumed within 12 months	11	-
Consumed in more than 12 months	28	-
<b>Total</b>	<b>39</b>	<b>-</b>

## 5.4 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

	2019	2018
	\$'000	\$'000
<b>Land</b>		
At fair value (1 July 2015)	11,250	9,000
<b>Total</b>	<b>11,250</b>	<b>9,000</b>
<b>Buildings</b>		
At fair value (1 July 2015)	23,791	23,000
Less: Accumulated depreciation	-	(690)
<b>Total</b>	<b>23,791</b>	<b>22,310</b>
<b>Plant, equipment and motor vehicles</b>		
At cost	399	365
Less: Accumulated depreciation	(162)	(134)
<b>Total</b>	<b>237</b>	<b>231</b>
<b>Heritage and cultural assets</b>		
At fair value (dates detailed below)	3,586	3,586
<b>Total</b>	<b>3,586</b>	<b>3,586</b>
<b>Total property, plant, equipment and motor vehicle</b>	<b>38,864</b>	<b>35,127</b>

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. Colman, 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;
- 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.

2019	Land	Buildings	Plant	Heritage	Heritage	Total
	Level 2	Level 2	equipment and motor vehicles Level 2	and cultural assets Level 2	and cultural assets Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying value at 1 July</b>	<b>9,000</b>	<b>22,310</b>	<b>231</b>	<b>410</b>	<b>3,176</b>	<b>35,127</b>
Additions	-	-	34	-	-	34
Disposals	-	-	-	-	-	-
Revaluation increments (decrements)	2,250	1,711	-	-	-	3,961
Depreciation and amortisation	-	(230)	(28)	-	-	(258)
<b>Carrying value at 30 June</b>	<b>11,250</b>	<b>23,791</b>	<b>237</b>	<b>410</b>	<b>3,176</b>	<b>38,864</b>

2018	Land	Buildings	Plant	Heritage	Heritage	Total
	Level 2	Level 2	equipment and motor vehicles Level 2	and cultural assets Level 2	and cultural assets Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying value at 1 July</b>	<b>9,000</b>	<b>22,540</b>	<b>232</b>	<b>410</b>	<b>3,176</b>	<b>35,358</b>
Additions	-	-	25	-	-	25
Disposals	-	-	-	-	-	-
Revaluation increments (decrements)	-	-	-	-	-	-
Depreciation and amortisation	-	(230)	(26)	-	-	(256)
<b>Carrying value at 30 June</b>	<b>9,000</b>	<b>22,310</b>	<b>231</b>	<b>410</b>	<b>3,176</b>	<b>35,127</b>

(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.

5.5 Infrastructure

(a) Carrying amount

	2019 \$'000	2018 \$'000
<b>Vineyard</b>		
At fair value (30 June 2019)	32	-
<b>Total</b>	<b>32</b>	<b>-</b>

*Key estimate and judgement*

The valuation was independently conducted by a valuer at Saunders and Pitt as at 30<sup>th</sup> June 2019. The valuation was based on fair value with the valuer researching the market with regard to vineyard sales throughout the entire State and by using direct comparison methods as the most appropriate basis of assessment of the added value of the vineyard.

The carrying value of the vineyard does not include assets held under a finance lease.

The Office has not recognised the vineyard in the Statement of Financial Position in 2017-18 due to the vineyard not being productive for a reliable measurement to be met. The Office has adopted a revaluation threshold of \$10,000 above which assets are revalued on a fair value basis. Vineyard infrastructure asset is subject to revaluation and is revalued every 5 years.

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

	2019 Level 2 \$'000	2019 Total \$'000	2018 Total \$'000
<b>Carrying amount at 1 July</b>	-	-	-
Additions	-	-	-
Revaluation increments (decrements)	32	32	-
Depreciation expense	-	-	-
<b>Carrying amount at 30 June</b>	<b>32</b>	<b>32</b>	<b>-</b>

## Note 6 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.

### 6.1 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.

	2019	2018
	\$'000	\$'000
Creditors	30	50
Accrued expenses	28	32
<b>Total</b>	<b>58</b>	<b>82</b>
Settled within 12 months	58	82
Settled in more than 12 months	-	-
<b>Total</b>	<b>58</b>	<b>82</b>

Settlement is usually made within 30 days.

### 6.2 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.

	2019	2018
	\$'000	\$'000
Accrued salaries	44	36
Annual leave	145	131
Long service leave	383	335
<b>Total</b>	<b>572</b>	<b>502</b>
Settled within 12 months	269	212
Settled in more than 12 months	303	290
<b>Total</b>	<b>572</b>	<b>502</b>

## Note 7 Commitments and Contingencies

### 7.1 Schedule of Commitments

	2019	2018
	\$'000	\$'000
<b>By type</b>		
<i>Lease Commitments</i>		
Operating leases	139	123
<i>Total lease commitments</i>	<u>139</u>	<u>123</u>
<b>By maturity</b>		
<i>Operating lease commitments</i>		
One year or less	50	49
From one to five years	88	74
More than five years	1	-
<i>Total operating lease commitments</i>	<u>139</u>	<u>123</u>
<b>Total</b>	<u>139</u>	<u>123</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 purchase 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 purchase options are contained in the lease arrangements.

### 7.2 Contingent Assets and Liabilities

As at 30 June 2019, the Office had no known contingent assets or liabilities.

## Note 8 Reserves

### 8.1 Reserves

2019	Land \$'000	Buildings \$'000	Heritage and cultural		Total \$'000
			assets \$'000	Infrastructure \$'000	
<b>Asset revaluation reserve</b>					
Balance at the beginning of financial year	5,000	13,787	5,162	-	23,949
Revaluation increments/(decrements)	2,250	1,711	-	32	3,993
<b>Balance at end of financial year</b>	<b>7,250</b>	<b>15,498</b>	<b>5,162</b>	<b>32</b>	<b>27,942</b>

2018	Land \$'000	Buildings \$'000	Heritage and cultural		Total \$'000
			assets \$'000	Infrastructure \$'000	
<b>Asset revaluation reserve</b>					
Balance at the beginning of financial year	5,000	13,787	5,162	-	23,949
Revaluation increments/(decrements)	-	-	-	-	-
<b>Balance at end of financial year</b>	<b>5,000</b>	<b>13,787</b>	<b>5,162</b>	<b>-</b>	<b>23,949</b>

#### (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 9 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.

### 9.1 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.

	2019 \$'000	2018 \$'000
<b>Special Deposits and Trust Fund balance</b>		
Operating account	229	147
<b>Total</b>	<b>229</b>	<b>147</b>
<b>Other cash held</b>		
Petty cash	1	2
<b>Total</b>	<b>1</b>	<b>2</b>
<b>Total cash and deposits</b>	<b>230</b>	<b>149</b>

## 9.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2019	2018
	\$'000	\$'000
Net result from transactions (net operating balance)	(149)	(316)
Depreciation and amortisation	258	257
Decrease (increase) in Receivables	(2)	14
Decrease (increase) in Prepayments	3	(3)
Decrease (increase) in Tax assets	(2)	15
Decrease (increase) in Inventory	(39)	-
Increase (decrease) in Employee entitlements	70	15
Increase (decrease) in Payables	(20)	24
Increase (decrease) in Accrued expenses	(4)	1
Increase (decrease) in Other liabilities	-	(40)
<b>Net cash from (used by) operating activities</b>	<b>115</b>	<b>(33)</b>

## Note 10 Financial Instruments

### 10.1 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 has no credit risk from Receivables and has had no impairment in the past,

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.

## 10.2 Net Fair Values of Financial Assets and Liabilities

2019

	Total Carrying Amount \$'000	Net Fair Value \$'000
<b>Financial assets</b>		
Petty Cash	1	1
Cash in Special Deposits and Trust Fund	229	229
Receivables	2	2
<b>Total financial assets</b>	<b>232</b>	<b>232</b>
<b>Financial liabilities</b>		
Payables	58	58
<b>Total financial liabilities</b>	<b>58</b>	<b>58</b>

2018

	Total Carrying Amount \$'000	Net Fair Value \$'000
<b>Financial assets</b>		
Petty Cash	2	2
Cash in Special Deposits and Trust Fund	147	147
<b>Total financial assets</b>	<b>149</b>	<b>149</b>
<b>Financial liabilities</b>		
Payables	82	82
<b>Total financial liabilities</b>	<b>82</b>	<b>82</b>

### *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 11 Other Significant Accounting Policies and Judgements**

### **11.1 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.

### **11.2 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 13 August 2019.

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 11.5.

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.

### 11.3 Reporting Entity

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

### 11.4 Functional and Presentation Currency

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

### 11.5 Changes in Accounting Policies

#### (a) Impact of new and revised Accounting Standards

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

- *AASB 7 Financial Instruments: Disclosures* - the objective of this Standard is to require entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance; and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks. The amendments to this Standard have resulted in a reconciliation being required where there is a reclassification of financial assets or liabilities resulting from the adoption of AASB 9. There is no financial impact. The Office does not have material financial assets and liabilities.
- *AASB 9 Financial Instruments* - the objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. AASB 9 has replaced accounting for impairment losses with a forward looking expected credit loss approach. The Office has applied AASB 9 on a cumulative basis and has not restated comparative information which was reported under AASB 139. The Office does not have material financial assets and liabilities. There is no financial impact.

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

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

- *AASB 15 Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with *2015-8 Amendments to Australian Accounting Standards - Effective Date of AAS 15*, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it will disclose that fact. It is anticipated that there will be no future 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 when AASB 15 is applied, 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 will be applied when AASB 15 is applied. It is anticipated that there will be no financial impact.
- *2016-3 Amendments to Australian Accounting Standards - Clarifications to AASB 15* - The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to revenue. It is anticipated that there will be no financial impact.

- **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. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of the Office's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value leases and short-term leases. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. The Office's current operating lease cost is shown at notes 4.4. In the Statement of Cash Flows, lease payments will be shown as cash flows from financing activities instead of operating activities. Further information on the Office's current operating lease position can be found at notes 7.1. There will not be a significant impact of the revised Standard on the Office's Financial Statements. The only leases to be considered are the leasing of five motor vehicles.
- **AASB 1058 Income of Not-for-Profit Entities** – The objective of this Standard is to establish principles for not-for-profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not-for-profit entities. The Office expects there to be no financial impact of the revised Standard on the Office's Financial Statements.
- **AASB 1059 Service Concession Arrangements: Grantors** – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2020. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. The Office is not a Grantor, there will be no financial impact of the revised Standard on the Office's Financial Statements.

#### **11.6 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.

#### **11.7 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 "...".

#### **11.8 Taxation**

The Office is exempt from all forms of taxation except Fringe Benefits Tax, Goods and Services Tax and WET (Wine Equalisation Tax). The Office is liable for WET but qualifies for full rebate.

#### **11.9 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.