



ANNUAL REPORT

2020-21

MAST

MARINE and SAFETY TASMANIA
making boating better



Marine and Safety Tasmania

Annual Report 2020-21

Marine and Safety Tasmania
GPO Box 607 | Hobart | Tasmania | 7001
(03) 6235 8888
Email: admin@mast.tas.gov.au

An electronic version of the Report is available on the MAST website:
www.mast.tas.gov.au

Published October 2021

CONTENTS

4

LETTER TO MINISTER

5

AT A GLANCE

8

CHAIR AND CEO REVIEW

12

OUR ORGANISATION

15

OUR PERFORMANCE

34

SUPPORTING INFORMATION

43

FINANCIAL STATEMENTS



Letter to the Minister

7 October 2021

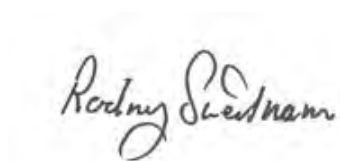
Hon Michael Ferguson MP
Minister for Infrastructure and Transport
Salamanca Place
HOBART TAS 7000

Dear Minister

In accordance with the requirements of Section 28 of the *Marine and Safety Authority Act 1997* I am pleased to submit for your information and presentation to Parliament the Annual Report of the Authority for the year ended 30 June 2021.

In accordance with Section 28(3) of the *Marine and Safety Authority Act 1997*, copies of the Annual Report have also been provided to the Treasurer and the Auditor-General.

Yours sincerely,

A handwritten signature in black ink that reads "Rodney Sweetnam". The signature is written in a cursive, flowing style.

Rod Sweetnam
Chair

At a Glance

321

navigation
aids
maintained in
Tasmanian
waters

66,380

recreational boat
licences, an average
of two licence
holders per boat

4,882km

of coastline (including
islands) (highlighting the
importance of reliable aids
to navigation and the
provision of VHF radio
coverage and distress
monitoring

1,260

commercial vessels
operate in Tasmanian
waters contributing to
the Tasmanian
economy

31,843

registered recreational
vessels, each boat
used 18 times per year
with an average trip
time of four
hours

4,389

registered
moorings
audited on a
regular
basis

6,984

students engaged -
and 66 schools visited
through the Swimming
and Water Safety
Education
program

63

facilities managed
across the state,
consisting of 33 jetties,
16 boat ramps, 8
pontoons and 6
breakwaters

\$27.2m

spent on upgrading
over 527 facilities for
the recreational
boater since 1998
through the
Recreational Boating
and Licence Fees

Ongoing

boating safety and
regulation - resulting
in an overall decrease
in fatalities over
20 years

Our Vision



To make our waterways safe and enjoyable for all users



Our Year in Review



Chair and CEO's Review

The 2020-21 financial year has seen a strong performance by Marine and Safety Tasmania (MAST). This performance could not be achieved without the commitment of both the Board and staff.

The safety of all vessels is a primary function of MAST and therefore the development and promotion of a safety culture through education and enforcement is fundamental to MAST's operations.

The third year of the "BE BOATWISE – There are NO second chances" safety campaign focused on the transition to life jackets complying with Australian Standard 4758 by 1 January 2021, servicing of inflatable jackets, checking the weather, being diligent when purchasing a second-hand boat and the carriage of the correct safety equipment. The campaign included TV and radio advertising and ran from November 2020 to May 2021.

To assist stakeholders with the transition to AS4758 life jackets MAST implemented a \$240 000 voucher project. Each voucher had a value of \$20, redeemable when purchasing a new AS4758 life jacket. This three-year voucher project was extended until 31 January 2021, providing additional time for those holding vouchers to redeem them.

MAST's continued collaborative relationship with the Department of Education's swimming and water safety program has resulted in the successful delivery of core boating safety elements to children throughout the State. The relationship was further enhanced this year with the signing of a Memorandum of Understanding. MAST's commitment to this valuable program is highlighted by the employment of a qualified

teacher to work with the department to review existing resources and to provide an online platform for teachers to access these resources. This program is central to establishing a safety culture in recreational boating.

To assist with compliance and enforcement during boat ramp checks, MAST has developed an app to capture the information and record it against vessel and owner records. This data can then be analysed and used for education and compliance purposes. Tasmania Police, together with authorised officers from Inland Fisheries, Parks and Wildlife Service and Surf Life Saving Tasmania play a vital role in enforcement of MAST's legislation and ensure the safety culture is strengthened.

2020-21 saw the transition from the 20-year-old Recreational Boating Fund to the Marine Infrastructure Plan. This Plan identifies the projects to be undertaken over five years, allowing MAST to obtain all necessary approvals and cost estimates, plus appoint contractors well in advance of the scheduled construction timeframe. This provides certainty in the delivery of projects. \$1.3 million has been allocated annually. In addition to the Infrastructure Plan, MAST provides \$300 000 per annum to fund smaller projects up to \$75 000 which the public may still apply for under the Small Boating Fund (SBF) and applied criteria.

Some of the more significant projects facilitated through the Infrastructure Plan and the Small Boating Fund include design and approvals for the upgrade of Dover boat ramp and the installation of a pontoon at Stanley, upgrades to York Cove and Catamaran pontoons, an upgrade to Yellow Sandbanks boat ramp, installation of a walkway at Dee Lagoon and a pontoon at Cramps Bay.

With grants received from the Government for the maintenance and upgrade of MAST-

owned infrastructure, design work was completed on the replacement of Cygnet Jetty. Through this funding and the Public Building Maintenance Fund, repairs completed include sand and fender removal at Swansea Jetty, Prosser River training wall repairs, Triabunna Jetty pile repairs, Opossum Bay fendering, pile wrapping at Boomer Bay landing stage, fender wrapping at Pirates Bay Jetty, ladder replacement at Battery Point Jetty and new navigation piles at Port Sorell.

With funding provided by Government, MAST continues to deliver election commitments. This year fishing aggregation devices were installed and design and approvals for the installation of artificial reefs completed.

Effective waterways management is achieved through collaboration with key government agencies, Tasports, aquaculture companies, yacht clubs and organisations such as Rowing Tasmania and Jet Ski Tas. MAST continued to monitor both the Marion Narrows and approaches to the Denison Canal and managed the contract for dredging to retain access to the Port of St Helens.

Engagement with our stakeholders is a priority for MAST and critical to MAST's success in achieving its strategic priorities. Every opportunity is taken to educate and listen. MAST communicates through publications, safety campaigns, Facebook, boat ramp checks and a variety of face-to-face events. This year a major upgrade to MAST's website was completed to engage visitors and ensure they can readily access information that is related to their primary visitation purpose.

MAST's partnership with the Australian boating safety app Deckee provides Tasmanian recreational boaters with specific safety information, speed zones, weather forecasts, swell and tide information and the location of public moorings. It also provides access to MAST safety information. Deckee

also has partnerships with Western Australia and NSW.

Ensuring a results-driven, resilient and progressive organisation continues to be a Board priority. The internal audit program continued testing the adequacy and effectiveness of MAST's systems of management, internal control and the management of financial and operational risk. The importance of good corporate governance documentation cannot be underestimated. A comprehensive review of all MAST's policies and procedures was undertaken this year, including a review of the work health and safety documentation. The Board also commenced a review of the risk register.

Ongoing improvements to MAST's business systems have provided enhanced levels of system redundancy, data security and productivity. Enhancements to the mooring, navigation aid and facilities databases were completed to improve functionality and reporting capability and further improvements made to online systems to streamline processing and offer flexibility for lodgement and payment of fees. The Board also endorsed a digital strategy that identifies a pathway for implementing digital services that will assist in improving client interactions and to streamline business processes.

Sue Smith Chaired the MAST Board for six years and was in the role for the majority of this reporting period prior to her retirement. On behalf of the Board and staff we would like to formally recognise the significant contribution that Sue made as Chair.

We would also like to acknowledge the valuable six-year contribution made by Mark Nikolai who also completed his tenure with the Board this year.

Our sincere thanks to all Board members and staff for their ongoing commitment to making

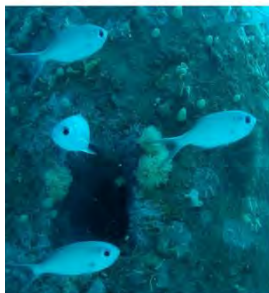
our waterways safe and enjoyable for all users.

Rodney Sweetnam

Rod Sweetnam
Chair

Lia Morris

Lia Morris
Chief Executive



When buying a boat, particularly second-hand, there's no such thing as a cheap one.



MAST

Safety Campaign



Our Organisation



Who We Are

Marine and Safety Tasmania is a Statutory Authority that was established on 30 July 1997. MAST is managed by a Board appointed by the Minister for Infrastructure and Transport, which represents the various sectors of the boating community. The Board is responsible to the Minister for the performance by the Authority of its functions and ensuring that the business and affairs of the Authority are managed and conducted in a manner that is in accordance with sound commercial practice.

Our Role

MAST has four primary functions which are conferred by the Marine and Safety Authority Act 1997 as follows:

- a) ensure the safe operation of vessels (recreational and commercial),
- b) perform the functions delegated to it by the Australian Maritime Safety Authority,
- c) provide and manage marine facilities, and
- d) manage environmental issues relating to vessels.

MAST has jurisdiction in and over:

- The waters of all inland lakes, rivers and streams,
- Coastal waters,
- Any vessel not covered by Commonwealth legislation,
- Any matters delegated to it by the National Regulator for Domestic Commercial Vessels, and

- Any marine facility under the control of the Authority.

Our Values and Behaviours

Our success is built on our people and the way we work. There is a commitment to a shared set of values that guide how we behave towards our customers, our community and our colleagues.

- **Approachable and accountable** – we always attempt to be approachable and deliver services that focus on the needs of our stakeholders.
- **Professional** – we employ people with a range of professional skills and experience. Our people come from the maritime industry, policy and regulatory backgrounds and with operational compliance experience and are committed to providing a professional service that is timely.
- **Risk focused** – we recognise and manage risk, reporting regularly to the Board.
- **Proactive** – we recognise the value of being proactive and will identify and develop innovative solutions to problems.

Governance

MAST has a range of processes to ensure that we effectively manage our risks and resources to deliver our strategic priorities.



MAST Board

In accordance with Section 13 of the *Marine and Safety Authority Act 1997*, the MAST Board is responsible to the Minister for:

- The performance by the Authority of its functions, and
- Ensuring that the business and affairs of the Authority are managed and conducted in a manner that is in accordance with sound commercial practice.

The Board oversees a robust internal audit program and risk management framework and examines procurement processes for all goods and services over \$250 000 to ensure the process is fair and equitable prior to a contract being awarded. Delegation is provided to the Chief Executive Officer for procurement processes under \$250 000.

The Chief Executive has overall responsibility for the performance and management of MAST and is accountable to the Board of MAST. MAST's management team provides leadership and manages human, physical and financial resources to achieve our strategic priorities.

Work Health and Safety Committee

The Work Health and Safety Committee is established under the *Work Health and Safety Act 2012*. The Committee provides a forum for communication and consultation between employees and management on health and safety issues.

MAST is fully committed to Work Health and Safety and fully supports each member of the committee by allowing them time from their usual work activities to prepare for meetings, attend the meetings and any related activities (such as workplace inspections).

The primary function of MAST's Work Health and Safety Committee is to provide a way for workers and management to meet regularly to discuss, develop and monitor health and safety programs and resolve any health, safety and welfare issues.

The Committee makes recommendations to the Responsible Officer (Chief Executive Officer) relating to the health and safety of all MAST staff and visitors (including contractors and members of the public) who enter all MAST premises and all staff while undertaking prescribed fieldwork activities.

Membership comprises representatives from each area of MAST.



Our Performance



In June 2017 the Strategic Plan for 2017-2022 was adopted by the MAST Board. This Plan focuses on the Board's strategic priorities consistent with the longer-term vision to make Tasmania's waterways safe and enjoyable for all users:

1. Ensuring the safety of all vessels in Tasmanian waters.
2. Providing and managing marine infrastructure that delivers safer access to waterways for all users.

3. Supporting key agencies on matters relating to the maritime environment.
4. Engaging with key stakeholders, recreational boaters and the community to achieve strategic goals.
5. Ensuring a results-driven, resilient and progressive organisation.

The Plan sets out objectives and supporting initiatives to achieve these priorities. This section highlights key achievements under each of the five priority areas.



Strategic Priority 1 – Ensuring the safety of all vessels in Tasmanian waters

Continue to develop and promote a safety culture through education and enforcement

MAST works collaboratively with the Department of Education (DoE) through the Swimming and Water Safety Program (SWSP) to build knowledge and understanding of boating safety amongst young people in Tasmania. This program is recognised by MAST as being fundamental to further reducing the long-term recreational boating fatality trend. The relationship has resulted in the successful delivery of core boating safety elements to children throughout the State. This year MAST visited 66 schools across the State, educating over 6948 students. The importance of this program to MAST is highlighted by the employment of a teacher to work with DoE to further develop resources for this program and to provide an online platform for teachers.

- The MAST safety campaign – BE BOATWISE – There are NO second chances – has been running since December 2018. Key messages for the 2020-21 summer were:

- the transition to life jackets complying with Australian Standard 4758 by 1 January 2021
- servicing of inflatable life jackets
- checking the weather
- being diligent when purchasing a second-hand boat; and

- the carriage of the correct safety equipment and ensuring it is in date and accessible.

A key component of the safety campaign is television and radio advertising. The total cumulative audience figures for this year's television campaign were 850 566 across 234 programs, with radio providing over 1900 advertisements statewide.

- Legislation removing references to older life jacket standards (AS 1512, 1499, 2260) was implemented on 1 January 2021 resulting in only AS4758 life jackets being compliant. At the completion of the life jacket voucher program, 10 003 vouchers were distributed at a value of \$200 060.
- We continued to increase the number of BoatSafe and PaddleSafe Partners. The important relationship that exists between MAST and retailers through this partnership plays a vital role in boating safety education. This initiative gives the public confidence when seeking boating and paddling advice and provides a conduit for MAST to further educate the public on emerging safety issues such as the servicing of inflatable life jackets. These partners were also instrumental in the distribution of life jacket vouchers.
- Boat ramp checks were conducted across the State, targeting times of peak usage. To streamline the process and to capture information at these boat ramp checks, MAST developed a compliance app. Each ramp check is now available against the vessel and owner record in the system

for future reference. The record of ramp checks can be used in the preparation of any Infringement (or Caution) notices. Ramp check data can also be used to produce reports such as safety equipment compliance, assessment of vessel condition and trips by area of operation. The data is used to analyse any emerging trends in compliance or behavior that can then be addressed through future enforcement activity or safety/educational campaigns.

- Presentations were also delivered to a variety of clubs and community organisations statewide. These play an important part in MAST's ongoing safety education. Unfortunately, COVID-19 continues to impact on some of the long-standing events that MAST has participated in over many years.
- We continued to work collaboratively with Rowing Tasmania to improve the safety of all rowers. As the peak body, Rowing Tasmania plays a critical role in the development of workable legislative provisions and recognises the importance of ensuring all rowers are safe on the water.
- Additional YouTube clips have been produced and are available on the MAST website. These are a major educational tool and a useful resource for the public. Many existing clips have been rebranded to reflect MAST's safety campaign – BE BOATWISE – There are NO second chances.

The Marine Division of Tasmania Police plays an integral role in the enforcement of MAST's legislation and the valuable provision of infringement notice data allows MAST to identify where further education is required. MAST authorised officers within Inland Fisheries, Parks and Wildlife and Surf Life Saving Tasmania

also play an important role in enforcement and education.

Establish and maintain effective regulatory systems and processes

Amendments to the *Marine and Safety (Motor Boats and Licences) By-laws 2013* became effective on 1 January 2021.

Amendments included:

- the removal of references to outdated Australian Standards for life jackets ensuring only life jackets that meet or exceed AS4758 are compliant;
- introduction of a minimum age of 16 to register a motor boat;
- removal of the requirement for physical registration labels and subsequent changes to any related references;
- removal of the general exemption clause and the subsequent inclusion of specific clauses detailing when certain requirements do not apply; and
- amendments to prohibited areas for navigation in Schedule 2 based on advice from Hydro Tasmania following risk assessments of its lakes.

Amendments to the *Marine and Safety (General) Regulations 2013* also became effective on 1 January 2021. These amendments included:

- the removal of references to outdated Australian Standards for life jackets ensuring only AS4758 life jackets are compliant;
- Further clarifying the circumstances when an AS4758 life jacket does not have to be worn – for example,

rowing shells accompanied by a powered craft;

- Updating safety equipment to include lighting requirements for rowing shells to ensure these craft are visible for at least one nautical mile when operated between sunset and sunrise; and
- Clarifying the application of the annual infrastructure administration fee to commercial vessels operating in Tasmanian Waters.

The *Marine and Safety (Fees) By-laws 2020* were introduced and became effective on 27 September 2020. These by-laws required remaking under the *Subordinate Legislation Act 1992*.

MAST commenced a review of the *Marine and Safety (Limits of Operational Areas of Vessels) By-laws 2013*. Through this review process MAST has considered the expansion of the aquaculture industry into areas that previously had limited commercial traffic.

Through a Deed of Agreement, MAST delegates certain powers and functions under the *Marine and Safety (Pilotage and Navigation) Regulations 2017* to Tasports. MAST undertook the annual audit of Tasports to ensure compliance with these Regulations, visiting multiple ports and the Vessel Traffic Service and meeting with key Tasports' personnel.

- The bi-annual audits of Tas Maritime Radio (TMR) were conducted during the year to ensure compliance with the requirements of the *Marine and Safety (Radio) Regulations 2012*. Ongoing compliance with these Regulations allows the dedicated volunteers at TMR to maintain the status of a MAST-approved marine radio station.

- MAST reviewed the requirements to become an accredited training provider for the delivery of a personal watercraft endorsement on a boat licence.

A new audit process of accredited licence and PWC endorsement providers was also introduced. This involves a survey that is sent automatically to all licence and PWC course participants.

- The updated *National Standard for the Australian Builders Plate for Recreational Vessels* was approved by Infrastructure and Transport Ministers. The updated standard removes ambiguity when calculating safe loads and requires boat builders to closely observe international standards when determining vessel loading masses. MAST played a significant role on the working group that proposed the amendments.
- MAST also participated on the working group responsible for amendments to the Australian Standard for Life Jackets (AS 4758). Key amendments to the standard were originally proposed by MAST and subsequently supported by the Australian Recreational Boating Safety Committee, representing all jurisdictions.

Amendments include:

- the marking of inflatable life jackets with manual or automatic,
- a consistent service period for all manufacturers
- provision of a crotch strap; and
- changes to the in-water testing of jackets.

Standards Australia has now progressed the amendments to consultation stage.

- Policies relating to Treasurer's Instructions have been reviewed as required to ensure ongoing compliance.
- To meet obligations under the *Public Interest Disclosures Act 2002*, MAST's Public Interest Disclosure Procedures were approved by the Ombudsman on 7 April 2021.
- MAST's work health and safety framework and its effectiveness was reviewed during the year.

This review resulted in a revised policy to manage the safety of contracted workers. This policy sets the minimum safety standard required for the management of contractors and serves as a reference for the processes to be undertaken by all parties, including pre and post engagement.

MAST is in the process of expanding its compliance app to accommodate site inspection checklists to automatically record the findings.



Boat ramp checks



Boat Safety program at schools



Safety presentations to clubs



Audits of Tas Maritime Radio



Working with Rowing Tas

Effective management of waterways

- In 2020-21 MAST continued its statewide mooring audit program. These audits are an important management tool for MAST and focus on identification of the mooring, correct location, and the condition of both the mooring and the vessel attached to it. Amendments to MAST's GIS now allows enhanced on-water auditing through automatic transfer of audit data to MAST's records.
- MAST has further expanded the number of cruising moorings around the State adding two at Prime Seal Island. All 24 cruising moorings are managed and maintained by MAST with annual servicing.
- During the year MAST conducted inspections of marine farm leases for marine farm debris and marine farming gear that falls outside the lease area. In accordance with the Government's zero tolerance approach to marine debris, infringement notices are issued where breaches are identified.
- 271 fish farm boundary markers are also inspected by MAST to ensure they are positioned correctly and maintained.
- In 2020-21 MAST issued 320 Notices to Mariners for various reasons including advice on prohibited areas for the finish of the Sydney to Hobart Yacht Race, closure of boat ramps, floating hazards, navigation aid outages and mooring works on marine farm leases. Notices are issued via email to over 700 subscribers, posted on MAST's Facebook page and advertised in the daily papers, where required, to ensure mariners are

aware of issues that may affect safe navigation.

- Incidents reported to MAST during 2020 - 21 totalled 35. Of these, six involved commercial vessels under 35 metres in length, seven involved commercial vessels in excess of 35 metres and 22 related to recreational vessels. 13 out of the 22 recreational incidents related to rowing sculls. Unfortunately, there were four fatalities recorded in the 2020-21 reporting period, all of which are being investigated by the Coroner. Three of these involved recreational vessels, with the remaining incident relating to a commercial vessel.
- Navigable access to the Port of St Helens is maintained through a contract for regular dredging adjacent to Pelican Point to maintain an agreed depth. Dredging occurs three times a year. Prior to this, agitation dredging was undertaken sporadically.
- MAST has continued to monitor both the Marion Narrows and the approaches to the Denison Canal for depth and provides this information to boaters via the MAST website. The monitoring is undertaken regularly throughout the year, particularly during busy boating times such as Christmas and Easter. Route data is provided to download to mobile devices and to some chart plotters via portable storage devices.
- With an increase in interest to access more remote locations within Tasmanian waters, MAST continued work with Tourism Tasmania, Tasports, Parks and Wildlife and the Environment Protection Authority to analyse potential anchorages within these remote areas.
- MAST worked collaboratively with Tasports on the management of

waterways within defined ports and Vessel Traffic Service areas to address the needs of all users. This includes enhancing relationships with sailing and yacht clubs to ensure improved communication, particularly when a vessel is under pilotage or under the command of a pilot exempt master.

- The pandemic has resulted in an increase in interstate marathon swimmers attempting to swim the 34 kilometres from New Norfolk to the Tasman Bridge. As a result, MAST, in consultation with the Australian Maritime Safety Authority (AMSA), TasPorts, representatives of escort vessel operators and marathon swimmers, has developed guidelines for escort vessels and swimmers to ensure their safety whilst undertaking this swim.

- MAST continued to work directly with marine farmers to further enhance the marking requirements on leases.

Implement the National System for Domestic Commercial Vessel Safety

- Certification services for domestic commercial vessels transitioned to AMSA on 1 July 2018.
- MAST works collaboratively with AMSA on maritime safety issues where jurisdictional boundaries are ambiguous or overlap such as incident investigations and sea-trialing of new vessels.



Strategic Priority 2 – Providing and managing marine infrastructure that delivers safe access to waterways for all users

Deliver new and updated infrastructure for the recreational boater through the Recreational Boating Fund •

- Following extensive consultation, MAST has now transitioned to the Marine Infrastructure Plan to replace the 20-year-old Recreational Boating Fund. This Plan identifies the projects to be undertaken over five years, allowing MAST to obtain all necessary approvals and cost estimates, plus appoint contractors well in advance of the scheduled construction timeframe. The plan also allows MAST to allocate funds to specific safety initiatives to make boating safer and more enjoyable for all. The total spend on infrastructure and safety initiatives through the fund is \$1.3 million per annum.
- Works commenced under this plan during 2020-21 include design concepts for two projects at Port Davey, the design, approval and tender for a significant upgrade to the Dover boat ramp plus design, approval and tender process for a pontoon at Stanley. Completed projects include a new pontoon at the St Helens town ramp, a new pontoon at Wilmot on Lake Barrington, provision of a pump-out facility at Margate Marina for boats with

holding tanks and a new navigation aid at Sunken Rock near Hawley.

In addition to the projects funded through the Infrastructure Plan, MAST also provides \$300 000 per annum to fund smaller projects up to \$75 000 which the public may still apply for under the Small Boating Fund (SBF) and applied criteria. Applications approved under this fund in 2020-21 include new fendering at Coles Bay boat ramp, installation of a security light at Garden Point boat ramp, upgrades to York Cove and Catamaran pontoons, upgrade to Yellow Sandbanks boat ramp, installation of a walkway at Dee Lagoon and a pontoon at Cramps Bay.

- The provision of these recreational boating facilities funded from the annual recreational boating registration fees and triennial licence fees provide well-designed facilities that meet engineering standards and user expectation and at the same time delivered an improved safety outcome.

Maintain MAST owned marine infrastructure

- MAST conducted remedial maintenance on its 63 marine facilities in accordance with the three-yearly structural audit findings. During 2020-21 MAST spent \$344 000 on remedial maintenance of its facilities. Large maintenance projects

were completed on four jetties – Triabunna, Margate and Kettering as well as the St Helens Berthing Piers.

- Funds received under the State Government's Public Building Maintenance Fund have been used to complete major paint repairs at Opossum Bay Jetty and to install new navigation piles at Denison Canal.
- Work was completed on the design and approvals for the replacement of the Cygnet Jetty and the tender advertised. Work will commence on this replacement early 2021-22.
- Monitoring of some of the highly utilised facilities with CCTV (such as Dunalley Jetty, Sullivans Cove pontoon and Nubeena Jetty) has assisted MAST in managing usage under the provisions of the *Marine and Safety (Jetties) By-laws 2017*.
- A statewide review of MAST signage was undertaken, and a project commenced to replace and upgrade all existing signage.
- An upgrade of MAST's facility database was completed. The system records details of all MAST owned/managed facilities as well as other marine infrastructure owned by Councils or other government departments that are likely to be used by MAST stakeholders. A complete history is maintained for each asset managed by MAST including maintenance inspections, items of major and minor expenditure as well as various services and signage that is associated with each facility. The system is also used to record future planned maintenance resulting from engineering audits and periodic inspections as well as to capture details of over 900 signs associated with marine facilities.
- The 321 MAST owned navigation aids are maintained by Remote Maritime Maintenance Pty Ltd under contract. During 2020-21, \$354 000 was spent on the maintenance of these aids. Works included preventative maintenance, remedial tasks as well as breakdowns from outages. A revaluation of these aids was also completed during 2020-21 in accordance with accounting standards.

Maintain and enhance the VHF radio coverage

- In 2020-21, preventative maintenance checks were undertaken at Moaners Tier, Cape Tourville, Bluff Hill Point, Three Hummock Island, Maria Island, South Sister, Cape Sorell, Elliott Range, Maatsuyker Island and Mt Horror.
- MAST continued to provide resources to Tas Maritime Radio and its team of dedicated volunteers who provide their time and expertise in the development, maintenance and operation of the marine communications network throughout the State, enhancing boating safety. Support was also provided to Tas Maritime Radio (TMR) for a back-up diesel generator at Mt Mangana. Mt Mangana is the prime marine VHF base station servicing the south east of the State, providing coverage over Storm Bay, the D'Entrecasteaux Channel and lower reaches of the Huon River including Cygnet, as well as Southport and Recherche Bay.
- This year saw the retirement of Mary Kay after 25 years of dedicated service running Smithton Radio. She was instrumental in having the Channel 21 repeater established on Three Hummock Island and then more recently the multi-channel base station that filled the void

that existed in North-West region. TMR assumed Mary's role from 1 April 2021.



Strategic Priority 3 – Supporting key agencies on matters relating to the maritime environment

In conjunction with EPA, Tasports and DPP, reduce the number of derelict, abandoned and unseaworthy vessels in Tasmanian waters

- With an ageing recreational and commercial fleet in Tasmania, work continued on the implementation of strategies to improve the management of derelict, abandoned and unseaworthy vessels. This includes working across jurisdictions through the Australian Recreational Boating Safety Committee.
- MAST continued to proactively manage potential derelict vessels through mooring audits. The condition of the vessel is assessed during an audit and owners subsequently requested to remove the vessel from the water or make the required repairs. Infringement notices are issued if the owner fails to comply with the request.
- The moorings by-laws require the permit holder to provide ownership details for the primary vessel on the mooring, even if it does not require registration. This ensures MAST can identify an owner of a derelict or unseaworthy vessel.
- MAST assists the Environment Protection Authority (EPA) through participation in the State Marine Pollution Committee. This year MAST staff undertook additional marine pollution response training provided by AMSA.
- MAST has a collaborative relationship with the EPA and Tasports to mitigate the adverse impacts resulting from sunken or grounded vessels.
- We continued to work with Tasports and other government agencies on the regulation of commercial shipping activities occurring outside defined port areas. Work continued with Tasports, EPA, Tourism Tasmania and Parks and Wildlife on the management of navigational safety and the marine environment in these areas.

Assist the Marine Farming Branch to reduce the amount of marine debris from aquaculture farms

- A primary function of MAST under the *Marine and Safety Authority Act 1997* is to ensure the safe operation of all vessels, both recreational and commercial. During the year, MAST has continued to work with the Marine Farming Branch of the Department of Primary Industries, Parks, Water and Environment (DPIPWE) in relation to debris.
- MAST has two officers authorised under the *Living Marine Resources Management Act 1995* to monitor and respond to breaches, in accordance with DPIPWE procedures, where marine farm equipment is found outside marine farm lease areas. No infringement notices were issued by these authorised officers in 2020-21 for marine farm equipment found outside marine farm lease areas.

Provide infrastructure where appropriate that helps to protect the maritime environment

- MAST maintains 24 public cruising moorings in the South and East of the State and around Flinders Island.

Some of these moorings are located in sensitive areas where it is preferable for boaters to use a mooring rather than anchoring.



Strategic Priority 4 – Engaging with key stakeholders, recreational boaters and the community to achieve strategic priorities

Regularly engage the recreational boater and broader community on issues relating to safety and infrastructure

- MAST's safety campaign BE BOATWISE – There are NO second chances ran for the third consecutive year. The 2020-21 campaign ran from November 2020 until May 2021 and engaged stakeholders using television, radio, print and social media.
- The MAST website was upgraded and launched in November 2020. The website has over 130 000 visits per year with most people using the site to gain information on how to obtain a motor boat licence, register/transfer a vessel, check if their licence or registration is valid and to access information about fees and other general boating safety information. The redesign ensures visitors can readily access information that is related to their primary visitation purpose and encourages them to seek other safety information.
- The MAST website also contains a number of boating safety videos. The 65 videos produced by MAST cover a range of safety issues from operating a marine radio to marine farm lighting. These videos are also available on YouTube.
- The biannual Boatwise publication informs licence holders and boat owners on important issues. With a distribution in excess of 60 000 per issue, Boatwise is a vital method in conveying safety messages and other significant boating news including infrastructure upgrades. It continues to be a major educational tool and demands high interest from our stakeholders.
- Between Boatwise issues, MAST sends out an electronic newsletter to over 2 000 subscribers. This e-newsletter provides information on infrastructure upgrades and safety tips.
- The biannual Commercial Vessel Newsletter informs owners and operators of domestic commercial vessels of upgrades to facilities and navigation aids, together with waterways management issues.
- MAST partnership with the Australian boating safety app Deckee was further enhanced. Deckee provides Tasmanian recreational boaters with specific safety information, speed zones, weather forecasts, swell and tide information and the location of public moorings. It also provides access to MAST safety information, links to boat registration and licensing, trip preparation checklists and navigational rules. Reminders and expiry dates for boat licences, boat registration and safety equipment (such as lifejackets, flares, emergency beacons and fire extinguishers) can also be set by the user.
- Notices to Mariners are the primary means for disseminating information

concerning aids to navigation, hazards to navigation and other items of marine information of interest to mariners. In 2020-21 MAST invested in a new management system that streamlines the dissemination of these notices via email and on Facebook. Subscription to these Notices more than tripled during the financial year.

- MAST's Facebook site allows quick and efficient distribution of safety information, including Notices to Mariners, updates on infrastructure upgrades and key safety messages. During the year MAST posted on Facebook 459 times. Engagement via Facebook continues to see growth with the number of followers now exceeding 13,000.
- MAST worked with the Local Government Association of Tasmania to develop a model for the safe disposal of marine flares. The majority of councils agreed to collect expired marine flares where MAST provides the suitable containers and then collects them for disposal. This model ensures expired flares are not disposed of in landfill sites and provides recreational boaters with a year-round option for safe disposal.
- Direct contact with stakeholders allows MAST to gain valuable feedback on important safety issues and how the public feels about MAST's service delivery, messaging and boating infrastructure upgrades around the State. MAST attended dealer boat shows, spoke at fishing club meetings, attended schools, coordinated the marine precinct at Agfest and undertook checks at boat ramps across the State. Unfortunately, some events that MAST usually attends were cancelled or downgraded due to COVID-19.



Enhance relationships with key stakeholders to increase understanding of safety rules and equipment

- MAST continues to engage with a variety of key stakeholders including Tasports, Tasmania Police, yacht and boating clubs, PWC clubs, Rowing Tasmania and affiliated rowing clubs, Surf Life Saving Tasmania, Accredited Training Providers, Tas Maritime Radio, inland angling clubs, Inland Fisheries, Parks and Wildlife and Rowing Tasmania.
- The BoatSafe and PaddleSafe Partners are also important stakeholders providing an important conduit to the recreational boater and paddler. MAST educates these businesses on key safety issues to ensure their knowledge is current. These businesses played an important role in the transition of life jacket standards.
- MAST has been a member of the Australian and New Zealand Safe Boating Education Group (ANZSBEG) for over 20 years. ANZSBEG identifies national recreational boating issues, addresses them through coordinated public

education strategies and provides a forum for the exchange of ideas and knowledge to reduce incidents and fatalities in the Australian recreational fleet. Projects and initiatives for 2020-21 included the checking and servicing of inflatable life jackets, the development of a life jacket portal and the ANZSBEG website.

- MAST is also a member of the Australian Recreational Boating Safety Committee (ARBSC). This committee aims to improve recreational boating safety, reduce injuries and deaths and promote uniform approaches to the regulation of recreational vessels. Issues currently being addressed by ARBSC include education on the revised Australian Builders Plate, investigation into a national Hull Identification Number for recreational boats and a national approach on derelict/end of life vessels.
- Standards Australia is currently reviewing the life jacket standard AS4758. MAST is a member of the working group.

Continue to utilise media to facilitate safety messages

- During the year, MAST has proactively engaged with the media to discuss safety and other relevant matters including conducting live radio interviews, TV interviews, opinion pieces and regular advertising.



Enhance the BoatSafe school education program

- In 2020-21 MAST signed an MOU with the Department of Education. MAST further enhanced the BoatSafe school education program by attending and presenting at the Australian Council for Health Physical Education and Recreation (ACHPER) annual conference. MAST has employed a teacher to review existing resources, develop new resources and to expand the program into high schools.



Strategic Priority 5 – Ensuring a results-driven, resilient and progressive organisation

Sound financial management to deliver identified outcomes

- MAST Financial Statements are prepared in accordance with Australian Accounting Standards (AAS) and Interpretations issued by the Australian Accounting Standards Board (AASB). Crowe-Horwath was appointed by the Auditor-General to undertake the financial audit of MAST for 2020-21.
- MAST's internal audit program includes testing the adequacy and effectiveness of MAST's systems of management, internal control and the management of financial and operational risk. In 2020-21 the Board reviewed and considered internal audit reports, including reports on procurement and grants administration. The Board ensures that where deficiencies in internal controls or procedures occur, that appropriate and timely action is taken by management.
- Despite the pandemic there has been strong activity in boat registrations and the sale and purchase of second-hand boats. There was also strong growth in the number of new licences issued with an increase of more than 44% compared to the prior year. Conversely the pandemic has had a negative impact on contractor and product availability and increased material costs. This, coupled with ongoing delays in planning decisions, has resulted in the delay of a number of projects. Delayed projects that were scheduled for completion during the year have been re-budgeted into 2021-22.

Comprehensive Corporate Governance

- The Board is appointed by the Minister and responsible for:
 - the performance by the Authority of its functions; and
 - ensuring that the business and affairs of the Authority are managed and conducted in a manner that is in accordance with sound commercial practice.

Risk Management

Risk management is integral to the delivery of services and infrastructure provided by MAST. The current Risk Register (Strategic and Operational) was adopted in February 2019. This is reported against at every Board meeting. A major risk review was undertaken in June 2021.

BDO Audit (Tas) was appointed in November 2018 to provide internal audit and risk management services for a period of three years from 1 January 2019. Internal audit activity is directed to areas of heightened risk identified in the MAST Risk Register.

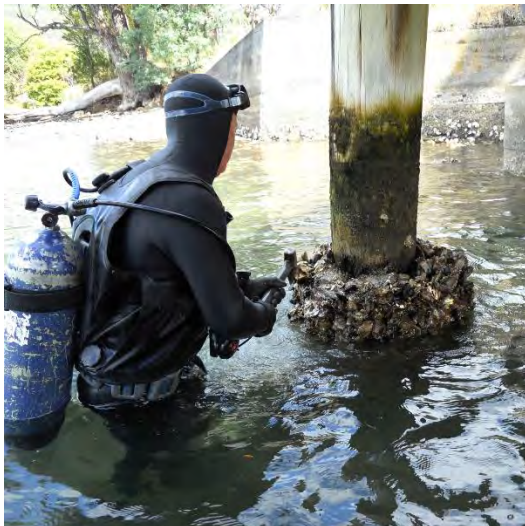
Asset Management

MAST owns and manages 63 individual marine facilities and 321 aids to navigation across the State, all listed in a Strategic Asset Management Plan.

A structural audit of marine facilities is undertaken by an engineering consultancy on a three-yearly basis and the Asset Management Plan updated accordingly.

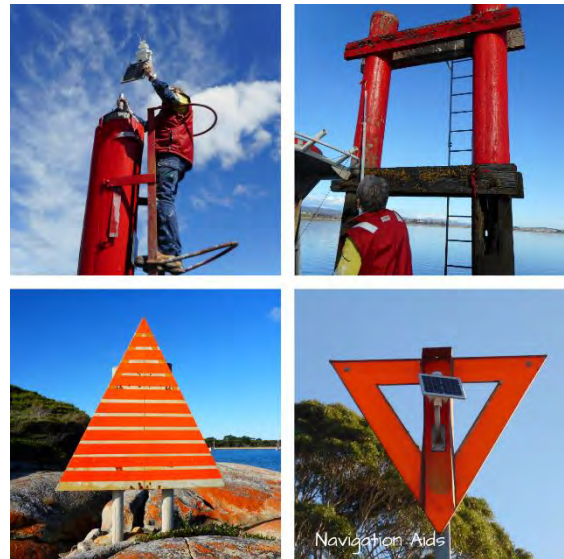
In addition to the structural audit, MAST officers undertake inspection of facilities at the following intervals:

- jetties, wharves, etc - 3 monthly
- pontoons - 3 monthly
- boat ramps - 6 monthly
- breakwaters - 6 monthly
- training walls - 6 monthly



MAST contracts out the maintenance of aids to navigation. The contract is currently held by Remote Maritime Maintenance, formerly known as Australian Maritime Services.

MAST has a policy of revaluing its marine infrastructure with sufficient regularity to ensure that the carrying amount of an asset does not differ materially from its fair value at reporting date. The revaluation of MAST owned navigation aids was conducted in March 2021. To ensure the accuracy of the revaluation, MAST engaged its internal auditors to review best practice against MAST practice. The auditors found the current approach sound and functional.



Policies and Procedures

A complete review of all MAST's policies and procedures was undertaken during the year, including all documentation relating to work, health and safety and Treasurer's Instructions.

Regulation that is relevant and robust

The Board endorsed the following legislation that came into force in the 2020-21 reporting period:

- *Marine and Safety (Fees) By-laws 2020*
- *Marine and Safety (General) Amendment Regulations 2020*
- *Marine and Safety (Motor Boats and Licences) Amendment By-laws 2020.*

Work continued on a major review of the *Marine and Safety (Motor Boats and Licences) By-laws 2013*, the *Marine and Safety (General) Regulations 2013*, and the *Marine and Safety (Limits of Operational Areas) By-laws 2013*.

Business systems that support current and future needs

- With over 65 000 clients MAST's financial systems, operational databases and records management systems are fundamental. Ongoing improvements to MAST's business systems have provided improved levels of system redundancy, data security and productivity.
- Work was completed on a significant upgrade to the MAST website to deliver a more user-friendly site. This included a revised Notice to Mariners management system.
- Enhancements were made to the mooring, navigation aids and facilities databases to improve functionality to meet operational needs and improve reporting capability.
- Further enhancements were made to the online systems enabling online boat registration and the development of a compliance app for boat ramp checks. A new online system for the processing of motor boat licences was also completed. These systems improve data quality, streamline processing and offer flexibility for lodgement and payment of fees.
- New features were added to the knowledge management system that accommodates all MAST's policies and procedures.
- Additional improvements have been made to deliver a more streamlined and secure remote access for all staff. This is essential to ensure client services are maintained and operations continue seamlessly should working from home be enforced due to a pandemic.
- During 2020-21 a digital strategy was prepared for MAST. The strategy was scoped to examine MAST's current

service provision to the public, identify which processes could readily be transformed to online delivery and to outline a pathway for implementing digital services that will assist in improving client interactions and to streamline business processes. Work has commenced on the implementation of this strategy.

Professional, flexible and knowledgeable staff

- As at 30 June 2021 MAST had 14.86 full time equivalents (FTEs) compared to 15.06 in 2019-20. Overall, numbers have reduced due to the transition out of commercial vessel service delivery and the use of casuals.
- Professional, knowledgeable and flexible staff is fundamental to MAST delivering outcomes in accordance with its strategic objectives. This is consistently demonstrated with the volume of work completed by a small but dedicated team.



Supporting Information



The MAST Board

The membership of the Board during the 2020-21 financial year.



Sue Smith - Chair

Appointed 2 March 2015

Term expired 2 March 2021

Sue has dedicated the majority of her career to serving Tasmania's north west community since first being elected a Councillor for Ulverstone in 1981. She subsequently held the positions of Central Coast Mayor, President of the Local Government Association of Tasmania and was an independent member of the Legislative Council of Tasmania for 16 years. She was the first female President of the Legislative Council of Tasmania, retiring in 2013. Sue is a past Independent Director of TFGA, a Director of RACT, past Commissioner Glenorchy City Council 2017 and a Member of Local Government Code of Conduct Panel.



Rod Sweetnam - Chair

Appointed 3 March 2021

Current Term expires 2 March 2024

Rod has more than 20 years' experience in corporate governance including as Commissioner and then Independent Chair of the State Fire Commission and as a Director of the Parks and Leisure Australia National Board. Over his career he has held Director and senior management roles with the City of Launceston covering areas such as civil construction and maintenance works, parks and recreation, and the construction and management of major public facilities. He is a Graduate of the Australian Institute of Company Directors. Rod is a volunteer fire fighter and keen fly fisherman.



Mark Nikolai

Appointed 1 October 2014

Re-appointed 1 October 2017

Re-appointed 1 October 2018

Term expired 31 December 2020

Mark was the CEO of TARFish from 2008 to 2019 and is an avid recreational fisher in fresh and saltwater. He is an experienced senior manager with over 20 years' extensive, practical hands-on experience in large, medium and small Australian organisations. Combined with this extensive experience, Mark has attained a master's degree in Business Administration (MBA Executive) from Australia's premier business school, The Australian Graduate School of Management at UNSW. Mark returned to Tasmania in 2005 to take up a role as General Manager in a professional services organisation in Hobart and has a diverse background with senior management roles in Finance and Accounting, Strategic Planning, Management Consulting, Information Technology, Customer Service, Internal Sales, Credit Management and Distribution.



Hughie Lewis

Appointed 1 October 2014

Re-appointed 1 October 2017

Re-appointed 2 October 2019

Term expires 1 October 2022

Hughie has extensive experience in recreational boating.

He has been the Managing Director of Lewis Marine for the past 35 years and previous Board Member of the Bellerive Yacht Club for 12 years.

Hughie owns a number of recreational boats and used to water ski at a State level.



Rodney Treloggen

Appointed 1 October 2017

Re-appointed 2 October 2020

Current term expires 2 October 2023

Rodney has been an amateur and commercial fisher for most of his working life, fishing all areas of Tasmania, including Flinders Island. He was involved with many fishing bodies and served as Chairman and Chief Executive Officer of the Tasmanian Rock Lobster Fishermen's Association, Chair and Vice Chair of the Southern Rock Lobster Board and Seafood Services Australia and member of the Tasmanian Seafood Industry Council. He has also served on the St Helens Hospital Board. Rodney was also a member on the Fisheries Research and Development Corporation Selection Panels, as well as other State and Federal Boards. Rodney currently serves as a member of the St Helens Marine Rescue Association.



Carolyn Pillans

Appointed 1 January 2021

Current term expires 1 January 2024

Carolyn is a qualified Chartered Secretary and a skilled non-executive director with broad experience in the water, energy, aviation, banking and HR industries. She has extensive governance experience including as non-executive director of the Westpac Rescue Helicopter Service, Lifeline Tasmania and Exercise and Sports Science Australia. She has also served in Treasurer, Compliance Officer, Governance Advisor and Committee Member roles with the Tasmanian Jet Sport Boating Club. Carolyn is the Principal Consultant with CTP Consulting specialising in governance and management consultation. Carolyn is a Fellow of the Governance Institute of Australia and a Graduate of the Australian Institute of Company Directors. She is also an enthusiastic jet skier.



Lia Morris - Chief Executive

Lia is the Chief Executive of Marine and Safety Tasmania and was appointed to her current role in 2011. Lia is a graduate of the University of Tasmania, holding a Bachelor of Arts (Hons) and a Masters in Town Planning and has over 20 years' experience in senior management roles.

Lia has worked in both government and private sectors and is a Graduate of the Australian Institute of Company Directors.

Attendance at Board Meetings during 2020-21

	14 August	16 October	11 December	5 February	1 April	28 May	25 June email
Sue Smith	◆	◆	◆	◆			
Hughie Lewis	◆	◆	◆	◆	◆	◆	◆
Mark Nikolai	◆	◆	◆	◆	◆	◆	◆
Rodney Treloggen	◆	◆	◆	◆	◆	◆	◆
Rod Sweetnam					◆	◆	◆
Carolyn Pillans				◆	◆	◆	◆
Lia Morris	◆	◆	◆	◆	◆	◆	◆

The Board's remuneration is in accordance with the Tasmanian Government Board Fee Policy administered by the Department of Premier and Cabinet.

Employment terms and conditions of the MAST leadership team are contained in individual contracts. The 2020-21 financial statements detail the remuneration of key management personnel.

Gifts, Benefits and Hospitality

MAST maintains a register to record gifts declared or given by our staff. No gifts were recorded in 2020-21.

Legislative Compliance

MAST is committed to complying with all relevant legislative and regulatory obligations including:

Right to Information Act 2009

The *Right to Information Act 2009* (RTI Act) provides for greater access to information held by government bodies. There were two requests received under the *Right to Information Act 2009* for the financial year 2020-21.

Integrity Commission Act 2009

Under Section 32 of the *Integrity Commission Act 2009*, MAST is required to ensure staff are given the appropriate training in relation to ethical conduct. MAST is committed to ongoing provision of this training.

MAST has a comprehensive set of policies that support an ethical framework including:

- Code of Ethics and Conduct
- Fraud and Corruption Control
- Misconduct Complaints Handling
- Complaints Handling

Public Interest Disclosures Act 2002

MAST is committed to the aims and objectives of the *Public Interest Disclosures Act 2002*. It does not tolerate improper conduct by its employees, officers, or members, or the taking of detrimental action against those who come forward to disclose such conduct.

MAST adopted a revised set of Public Interest Disclosure procedures in April 2021 in accordance with s 60 (3) of the *Public Interest Disclosures Act 2002*. The Board also adopted a Whistleblower Policy that outlines MAST's approach to disclosures made under this Act. A copy of these procedures together with the Complaints Handling Policies can be viewed at MAST during office hours or accessed via the MAST website, www.mast.tas.gov.au, under MAST Publications.

Disclosures made in 2020-21

Disclosures made to MAST during the year	Nil
Disclosures determined to be a public interest disclosure	Nil
Disclosures determined by MAST to be public interest disclosure that MAST investigated during the year	Nil
Disclosed matters referred to MAST during the year by the Ombudsman	Nil
Disclosed matters referred during the year by MAST to the Ombudsman to investigate	Nil
Investigations of disclosed matters taken over by the Ombudsman from MAST	Nil
Disclosed matters that MAST has declined to investigate during the year	Nil
Disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation	Nil
Any recommendations made by the Ombudsman that relate to MAST	Nil

Procurement

Procurement is undertaken in accordance with the mandatory requirements of the Treasurer's Instructions relating to procurement, including the requirement to give Tasmanian businesses every opportunity to compete for business.

A summary of the level of participation by local businesses for contracts, tenders and/or quotations with a value of \$50,000 or over (excluding GST) is set out in the table below.

Summary of Participation by Tasmanian Businesses 2020-21
(for contracts/procurement processes with a value of \$50,000 or more)

Total number of contracts awarded	3
Total number of contracts awarded to Tasmanian businesses	3
Value of contracts awarded	\$490,199.00
Value of contracts awarded to Tasmanian businesses	\$490,199.00
Total number of procurement processes run	0
Total number of submissions (bids) received	12
Total number of submissions (bids) received by Tasmanian businesses	10

The following table provides information on contracts that MAST has awarded this year with a value of \$50,000 or over (excluding GST).

Contracts with a value of \$50,000 or more (excluding consultancy contracts)

Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract
ASD Diving	Hobart	Pontoon Wilmot (Lake Barrington) boat ramp	8 weeks	\$162,736.00
Leale Fishing	St Helens	Dredging of navigation channel at Pelican Point, Georges Bay	52 weeks	\$216,050.00
AJR Construct	Devonport	Dee Lagoon boat ramp upgrade	8 weeks	\$111,413.00

Contracts with a value of \$50,000 or more (consultancy contracts)

Name of consultant	Location of consultant	Description of consultancy	Period of consultancy	Total value of contract
Nil				

During 2020-21 there were no disaggregated contracts and no contract extensions.

Two contracts were awarded by MAST as a result of a direct sourcing process during 2020-21.

Name of supplier	Description of contract	Reason for approval	Total value of contract
Gradco	Prosser River training wall remedial works	Lack of suitably experienced contractors available at short notice to meet the bird breeding season deadline	\$72,000.00
ASD Diving	Pontoon installation at St Helens boat ramp on behalf of Break O'Day Council	Break O'Day Council (BODC) owns and manages the facility. BODC requested the pontoon system be the same as others in the municipality for asset management and maintenance reasons.	\$94,470.00

Grants

MAST administers several Grants. The Grants for 2020-21 are reported below and are meeting their intended objectives.

Grant	Paid 2020-21	Purpose and intended outcome
Margate Marina	\$ 50,000.00	Partial funding to install a sewage pump out facility for public use at the Margate Marina
Kingborough Council	\$100,000.00	Election Commitment – Access to jetties – Barnes Bay jetty
Devonport City Council	\$ 15,750.00	Election Commitment – Access to jetties – Mussel Rock fishing platform
Sorell Council	\$ 21,750.00	Election Commitment – Access to jetties – Pedestrian lighting at Sorell Municipality jetties
Glamorgan/Spring Bay Council	\$100,00.00	Election Commitment – Access to jetties – Fishing pontoon – Little Swanport
Break O'Day Council	\$ 60,000.00	Election Commitment – Georges Bay Jetties – Replacement of Beauty Bay jetty
Break O'Day Council	\$144,000.00	Election Commitment – Georges Bay Jetties – Replacement of Kirwans Beach jetty

Financial Statements



Financial Report

for the year ended 30 June 2021



Marine and Safety Authority

ABN 65 826 980 806

MAST

MARINE and SAFETY TASMANIA
making boating better

Statement of Comprehensive Income

for the year ended 30 June 2021

	Note	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Income from continuing operations				
Commercial vessels		85	129	177
Recreational boating		4 542	5 070	2 769
Moorings		405	430	422
State Government grants	3.1	3 627	3 433	2 383
Interest		54	21	76
Other income		154	283	453
Total revenue from continuing operations		8 867	9 366	6 280
Net gain/(loss) on non-financial assets	5	(790)	(16)	(64)
Total income from continuing operations		8 077	9 350	6 216
Expenses from continuing operations				
Employee benefits	4.1	1 908	1 899	1 856
Supplies and consumables	4.2	3 315	1 652	1 112
Facilities maintenance	4.3	1 591	1 120	914
Recreational boating funding program	4.4	2 232	873	1 843
Depreciation charges	4.5	1 426	1 392	1 385
Other expenses	4.6	249	235	200
Total expenses from continuing operations		10 721	7 171	7 310
Net result from continuing operations		(2 644)	2 179	(1 094)
Other comprehensive income				
Items that will not be reclassified subsequently to net result in subsequent periods				
Changes in asset revaluation reserve	9	-	370	-
Total other comprehensive income		-	370	-
Comprehensive result		(2 644)	2 549	(1 094)

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 1 of the accompanying notes.

Statement of Financial Position

as at 30 June 2021

	Note	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash & deposits	10.1	4 845	9 109	6 053
Receivables	6.1	267	79	230
<i>Non-financial assets</i>				
Property, plant & infrastructure	6.2	31 043	31 725	32 487
Right-of-use assets	6.3	247	239	345
Other assets	6.4	37	67	72
Total assets		36 439	41 219	39 187
Liabilities				
Payables	7.1	261	219	425
Lease liabilities	7.2	275	279	398
Contract liabilities	7.3	-	-	262
Employee benefits	7.4	611	642	577
Other liabilities	7.5	36	42	37
Total liabilities		1 183	1 182	1 699
Net assets		35 256	40 037	37 488
Equity				
Contributed capital		9 939	9 939	9 939
Reserves	9	20 888	21 258	20 888
Accumulated funds		4 429	8 840	6 661
Total equity		35 256	40 037	37 488

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 1 of the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2021

	Note	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Cash flows from operating activities				
<i>Cash inflows</i>				
State Government grants		3 627	3 433	2 344
Sales of goods and services		5 032	5 867	3 411
GST receipts		811	439	620
Interest received		54	21	76
Other cash receipts		154	281	454
Total cash inflows		9 678	10 041	6 905
<i>Cash outflows</i>				
Employee benefits		(1 908)	(1 834)	(1 836)
GST payments		(737)	(472)	(550)
Interest payments		(25)	(16)	(23)
Supplies and consumables		(3 483)	(1 966)	(1 424)
Facilities maintenance		(1 591)	(1 123)	(914)
Recreational boating funding program		(2 232)	(873)	(1 843)
Repayment of grant funds		-	(190)	-
Other cash payments		(200)	(217)	(177)
Total cash outflows		(10 176)	(6 691)	(6 767)
Net cash from/(used by) operating activities	10.2	(498)	3 350	138
Cash flows from investing activities				
Proceeds from disposal of non-financial assets		-	-	-
Payments for non-financial assets		(624)	(161)	(1 143)
Net cash from/(used by) investing activities		(624)	(161)	(1 143)
Cash flows from financing activities				
Repayment of lease liabilities (ex interest)		(131)	(133)	(128)
Net cash from/(used by) financing activities		(131)	(133)	(128)
Net increase/(decrease) in cash and cash equivalents held		(1 253)	3 056	(1 133)
Cash and cash equivalents held at the beginning of the reporting period		6 098	6 053	7 186
Cash and cash equivalents held at the end of the reporting period	10.1	4 845	9 109	6 053

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 1 of the accompanying notes.

Statement of Changes in Equity

for Year Ended 30 June 2021

	Contributed Equity \$'000	Accumulated Funds \$'000	Reserves \$'000	Total Equity \$'000
Balance as at 1 July 2020	9 939	6 661	20 888	37 488
Comprehensive result	-	2 179	370	2 549
Balance at 30 June 2021	9 939	8 840	21 258	40 037

	Contributed Equity \$'000	Accumulated Funds \$'000	Reserves \$'000	Total Equity \$'000
Balance as at 1 July 2019	9 939	7 969	20 888	38 796
Adjustment due to change in accounting policy	-	(214)	-	(214)
Restated balance as at 1 July 2019	9 939	7 755	20 888	38 582
Comprehensive result	-	(1 094)	-	(1 094)
Balance at 30 June 2020	9 939	6 661	20 888	37 488

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

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2019-20 Budget Papers and is not subject to audit.

Statement of Comprehensive Income variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$20,000.

1.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Commercial vessels	(a)	85	129	44	52
Recreational boating	(b)	4 542	5 070	528	12
Moorings	(c)	405	430	25	6
State Government grants	(d)	3 627	3 433	(194)	(5)
Interest	(e)	54	21	(33)	(61)
Other Income	(f)	154	281	127	82
Supplies and consumables	(g)	3 315	1 652	1 663	(50)
Facilities maintenance	(h)	1 591	1 120	471	(30)
Recreational boating funding program	(i)	2 232	873	1 359	(61)
Depreciation charges	(j)	1 426	1 392	(34)	(2)
Other expenses	(k)	249	235	(14)	(6)

Notes to Statement of Comprehensive Income variances.

- Due to the significant impact of Covid-19 on the commercial sector, the Board agreed to waive the 2020-21 administration fee. Taking into account the anticipated timing of payments for the 2021-22 year the budget included fees expected to be received prior to 30 June. The variance to actual revenue received is due to the better than anticipated receipt of payments for the 2021-22 commercial vessel facilities administration fee.
- The variance is due to the timing of the receipt of payments for recreational licences and motorboat registration renewals compared to budget. In addition, income from new registrations and transfers of ownership were above budgeted levels.
- Variance relates to better than expected mooring renewal payments received during the period.
- Grants from Government are less than budget due to timing of completion of works under the Public Building Maintenance Fund. This amount has been re-budgeted for 2021-22.
- Interest rates continue to be at historical lows impacting on revenue.
- Other Income is above budget due to non-budget contributions by a number of municipal councils and Hydro Tasmania towards projects undertaken through the Recreational Boating Fund program.
- The underspend against budget is mainly due to delays in planned expenditure for projects under year 3 Election Commitments program and include the establishment of artificial reefs, jetty replacements in the Break O'Day municipality, improvements to the Coles Bay Breakwater as well as improving jetty access for recreational fishers. It is expected these projects will be completed in 2021-22 with unspent funds re-budgeted.
- Facilities maintenance costs were less than budget due to delays caused by contractor availability. This line item also includes maintenance works carried out under the Public Building Maintenance Fund as described at (d) above.
- The amount expended under the Recreational Boating Funding Program was less than expected due to a number of factors including planning delays and contractor availability. The delayed projects have been reprogrammed for completion in 2021-22.
- The budget included expected depreciation costs on completion of the new Cygnet Jetty. This project is now not due to be completed until 2021-22.
- Budget variance mainly relates to unused legal fees included in the budget.

1.2 Statement of Financial Position

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Cash & deposits	(a)	4 845	9 109	4 264	88
Receivables	(b)	267	79	(188)	(70)
Property plant & infrastructure	(c)	31 043	31 725	682	2
Other assets	(d)	37	67	30	81
Payables	(e)	261	219	(42)	(16)
Employee benefits	(f)	611	642	31	5
Other liabilities	(g)	36	42	6	17
Reserves	(h)	20 888	21 258	370	2
Accumulated funds	(i)	4 429	8 842	4 413	100

Notes to Statement of Financial Position variances.

- (a) Cash and deposits are higher than expected due to the income and expenditure variances described in this note.
- (b) Receivables are less than budget as a result of timing differences compared to budgeted balances at year end.
- (c) Property Plant & Infrastructure balances are higher than expected due to the revaluation increment attributable to Navigations Aids that was not budgeted for as well as the expected transfer of the Binalong Bay Breakwater to Break O'Day Council not proceeding as expected. The budget also assumed the completion of the Cygnet Jetty that will now take place in 2021-22.
- (d) The budget assumed flexmat material purchased in 2019-20 would be used in Recreational Boating Fund projects during the year. The flexmat is expected to be used in projects during 2021-22.
- (e) The payables variance is mainly due to timing of receipt of trade creditors invoices at year end compared to the budgeted balance.
- (f) Employee benefits higher than anticipated due to staff leave profile differing from budget expectations.
- (g) An increase in the provision for employee on-costs was not factored into the 2020-21 budget.
- (h) The budget did not include the revaluation increment as a result of the Navigation Aid revaluation during 2020-21.
- (i) Variance in accumulated funds is due to the higher-than-expected surplus achieved compared to budget as a result of the variances described in this note.

1.3 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
State Government grants	(a)	3 627	3 433	(194)	(5)
Sales of goods and services	(b)	5 032	5 867	835	17
GST receipts/payments (net)	(c)	74	(33)	(107)	(145)
Interest received	(d)	54	21	(33)	(61)
Other cash receipts	(e)	154	281	127	82
Employee benefits	(f)	(1 908)	(1 834)	74	(4)
Interest payments	(g)	(25)	(16)	9	(36)
Supplies and consumables	(h)	(3 483)	(1 966)	1 517	(44)
Facilities maintenance	(i)	(1 591)	(1 123)	468	(29)
Recreational boating funding program	(j)	(2 232)	(873)	1 359	(61)
Repayment of grant funds	(k)	-	(190)	190	(100)
Payments for non-financial assets	(l)	(624)	(161)	463	(74)

Notes to Statement of Cash Flows variances

- (a) As per note 1.1(d), Grants from Government are less than budget due to timing of completion of works under the Public Building Maintenance Fund.
- (b) Sales of goods and services were higher than budget due to timing of the receipt of licence renewal fees compared to budget. Renewal of boat registrations were better than expected and the number of new licences and boat registration were more than budgeted.
- (c) Variance due to timing difference of GST refunds/payments.
- (d) Interest rates continue to be at historical lows impacting on revenue.
- (e) Other Income was above budget due to non-budget contributions as described at note 1.1(f) above.
- (f) Employee benefit payments were less than budget due to the planned appointment of a part-time project officer not proceeding.
- (g) Interest payments associated with leases less were than expected during 2020-21.
- (h) The main contribution to the underspend against budget is due to delays in planned expenditure for projects under year 3 Election Commitments program as described at note 1.1(g) above.
- (i) Facilities maintenance costs were less than budget due to delays caused by contractor availability as described at note 1.1(h) above.
- (j) The amount expended under the Recreational Boating Funding Program was less than expected as described at note 1.1(i) above.
- (k) The variance represents the return of unused grant funding to the Department of Primary Industry Water and Environment relating to completed works for the Fish Aggregation Device project as detailed an note 7.3
- (l) The reconstruction of the Cygnet Jetty did not proceed as planned during 2020-21. Works are now programmed to commence in 2021-22.

Note 2: Underlying Net result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the result from continuing operations. However, the corresponding capital expenditure is not included in the calculation of the result from continuing operations. Accordingly, the result from continuing operations will portray a position that is better than the true underlying financial result. For this reason, the net operating result is adjusted to remove the effects of funding for capital projects.

	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Net result from continuing operations	(2 644)	2 179	(1 094)
Less impact of Non-operational capital funding			
State Government Grants	350	350	100
Underlying Net result from continuing operations	(2 294)	1 829	(1 194)

Note 3: Revenue

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

Grants revenue, where there is a sufficiently specific performance obligation attached, is recognised when the Authority satisfies the performance obligation and transfers the promised goods or services.

The Grant is recognised as revenue over time as expenditure against the project subject to the Grant is incurred.

Grants revenue without a sufficiently specific performance obligation are recognised when the Authority gains control of the asset (typically Cash).

	2021 \$'000	2020 \$'000
Grants with sufficiently specific performance obligations		
Fish aggregation devices	72	38
Total	72	38
Grants without sufficiently specific performance obligations		
Marine Facilities – preventative maintenance	1 282	1 253
Election commitments	1 460	790
Cygnnet jetty replacement	350	100
Coles Bay breakwater and jetty extension	-	100
Public building maintenance fund	269	52
Artificial reef consultation	-	50
Total	3 361	2 345
Total Grants	3 433	2 383

3.2 Commercial vessel revenue

An Annual Infrastructure Administration Fee is charged to commercial vessel operators to recover costs associated with the provision and management of State-owned marine infrastructure and the management of State waterways.

The Infrastructure fee was previously incorporated into the annual administration fee charged to commercial vessel operators prior to the transfer of operations to the Commonwealth and the ongoing state-based fee ensures an equitable contribution to the management of infrastructure managed by the Authority.

3.3 Recreational boating and mooring revenue

Revenue from recreational boating and moorings is received for the renewal of vessel and mooring registrations on an annual basis. Recreational licences are renewed every three years.

The Authority has applied the recognition exemption permitted by AASB 15 that allows the revenue from short term and low value licences to be recognised at the point in time the licence is issued.

3.4 Interest

Interest on funds invested is recognised as it accrues using the effective interest rate method.

Note 4: Expenses

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

4.1 Employee benefits

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

(a) Employee expenses

	2021	2020
	\$'000	\$'000
Wages and salaries	1 480	1 473
Annual leave	124	124
Long service leave	77	42
Superannuation	164	164
Board fees	54	53
Total	1 899	1 856

(b) Remuneration of key management personnel

2021	Short-term benefits		Long Term Benefits			Total
	Salary	Other Benefits	Superannuation	Other Benefits and Long Service Leave	Termination Benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Key management personnel						
Susan Smith, Chair (To 2 March 2021)	11	-	1	-	-	12
Rodney Sweetnam, Chair (From 3 March 2021)	5	-	1	-	-	6
Hughie Lewis, Director	11	-	1	-	-	12
Mark Nikolai, Director (To 31 December 2020)	5	-	1	-	-	6
Carolyn Pillans, Director (From 1 January 2021)	5	-	1	-	-	6
Rodney Treloggen, Director	11	-	1	-	-	12
Lia Morris, Chief Executive	210	26	20	10	-	266
William Batt, Chief Operating Officer	157	22	15	(2)	-	192
Peter Hopkins, General Manager – Recreational Boating Safety & Facilities	148	26	14	4	-	192
Toby Greenlees, Manager – Marine Certification	147	1	14	5	-	167
Total	710	75	69	17	-	871

2020	Short-term benefits		Long Term Benefits			Total
	Salary	Other Benefits	Superannuation	Other Benefits and Long Service Leave	Termination Benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Key management personnel						
Susan Smith, Chair	16	-	2	-	-	18
Hughie Lewis, Director	11	-	1	-	-	12
Mark Nikolai, Director	11	-	1	-	-	12
Rodney Treloggen, Director	11	-	1	-	-	12
Lia Morris, Chief Executive	205	28	19	(2)	-	250
William Batt, Chief Operating Officer	158	21	15	(4)	-	190
Peter Hopkins, General Manager – Recreational Boating Safety & Facilities	148	26	14	10	-	198
Toby Greenlees, Manager – Marine Certification	147	1	14	8	-	170
Total	707	76	67	12	-	862

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

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 and superannuation obligations.

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

AASB 124 Related Party Disclosures requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that the Authority's financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

The extent of information disclosed about related party transactions and balances is subject to the application of professional judgement by the Authority. It is important to understand that the disclosures included in this note will vary depending on factors such as the nature of the transactions, the relationships between the parties to the transaction and the materiality of each transaction. Those transactions which are not materially significant by their nature, impact or value, in relation to the Authority's normal activities, are not included in this note.

Prior to Mr Lewis's appointment to the MAST Board in 2014, the Authority entered into an agreement with the H & J Property Unit Trust, of which Mr Lewis is a principal, for the use of a boat storage facility.

During 2017 the Authority re-negotiated a 5-year lease agreement with lease rental payments based on market rates as determined by an independent valuer.

4.2 Supplies and consumables

	2021 \$'000	2020 \$'000
Election commitments	926	500
Advertising and promotion	46	35
Property services	39	39
Travel and transport	80	116
Information technology	164	120
Communications	139	87
Insurance	45	42
Consultants	32	13
Other operating expenses	181	160
Total	1 652	1 112

4.3 Facilities maintenance

	2021 \$'000	2020 \$'000
Maintenance - Navigation aids	306	302
Dredging – St Helens	213	197
Maintenance – Jetties	296	192
Public Building Maintenance	187	75
Maintenance - Breakwaters	43	64
Other	31	45
Maintenance – Radio equipment	44	39
Total	1 120	914

4.4 Recreational boating fund program

Infrastructure fund	314	1 501
Small boating fund	190	18
Boating education and safety services	369	324
Total	873	1 843

The recreational boating fund is a long-standing program that provides new and updated community boating infrastructure as well as the provision of education and safety services. The program is funded from revenue received from annual boat registration fees and triennial licence fees.

4.5 Depreciation

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.

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

Major depreciation periods are:

Navigation Aids	5-20 years
Marine Facilities	5-50 years
Plant and equipment	2-5 years
Right-of-use assets	2-10 years

Depreciation		
Navigation aids	118	121
Marine facilities	1 044	1 037
Plant & equipment	110	111
Right-of-use assets	120	116
Total	1 392	1 385

4.6 Other expenses

Employee on-costs	108	105
Bank fees	59	30
Audit fees – internal audit	35	25
Interest on lease liabilities	16	23
Audit fees – financial audit	17	16
Other	-	1
Total	235	200

Note 5: Net gain/(loss) on non-financial assets

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

	2021 \$'000	2020 \$'000
Net gain/(loss) on disposal of Navigation aids	(16)	(25)
Net gain/(loss) on disposal of Marine facilities	-	(39)
Total net gain/(loss) in non-financial assets	(16)	(64)

Note 6: Assets

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

6.1 Receivables

Receivables are recognised at amortised cost, less an allowance for any credit losses that the Authority expects to incur. Due to the short settlement period, receivables are not discounted back to their present value.

Receivables	2	190
Less:		
Expected credit loss	(1)	(2)
	1	188
Other receivables	78	42
	79	230
Settled within 12 months	79	230
Settled in more than 12 months	-	-
	79	230

6.2 Property, plant & infrastructure**(i) Valuation basis**

Infrastructure assets comprising of marine facilities and navigation aids, are held at fair value less accumulated depreciation. All other non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. 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 infrastructure or plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant, equipment and infrastructure.

(ii) Subsequent costs

The cost of replacing part of an item of infrastructure or 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 Authority and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of plant, equipment and infrastructure are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Authority is \$5 000. Assets valued at less than \$5 000 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

Infrastructure is grouped on the basis of having a similar nature or function in the operations of the Authority. Infrastructure is revalued every three years by independent experts to ensure the carrying amount does not vary significantly from its fair value.

(v) Construction and Work in Progress

Construction and work in progress is valued at cost. Cost includes both variable and fixed costs relating to specific contracts and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

(a) Carrying amount

	2021 \$'000	2020 \$'000
Navigation aids		
At fair value	2 539	2 195
Less accumulated depreciation	(1 487)	(1 427)
Total	1 052	768
Marine facilities		
At fair value	49 862	49 807
Less accumulated depreciation	(19 636)	(18 593)
Total	30 226	31 214
Plant and equipment		
At cost	1 354	1 270
Less accumulated depreciation	(1 044)	(960)
Total	310	310
Work in progress (at cost)	137	195
Total property, plant & infrastructure	31 725	32 487

Valuations

Navigation Aids were revalued at 31 March 2021 by Australian Maritime Systems Ltd. Marine facilities, comprising jetties, wharves, launching ramps, breakwaters and training walls were valued in March 2019 by Burbury Consulting.

Assets subject to revaluation are valued at their Current Replacement Cost. The current replacement cost is the amount that would be required to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence. The Authority assesses obsolescence at the end of each reporting period by an evaluation of conditions and events specific to the Authority that may be indicative of obsolescence. No assets have been recognised as obsolete in respect of Property, Plant and Infrastructure assets for the reporting period.

Because of the specialised nature of these assets, their valuations are based on inputs that are not observable and significant to the overall fair value measurement. These inputs are categorised as level 3 in a fair value hierarchy, which gives the highest priority to quoted prices in active markets for identical assets (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

(b) Reconciliation of movements and level 3 fair value

Reconciliations of the carrying amounts of each class of Property, Plant and Infrastructure 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.

2021	Navigation Aids Level 3 \$'000	Marine Facilities Level 3 \$'000	Plant & Equipment \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at 1 July	768	31 214	310	195	32 487
Additions	48	39	50	27	164
Transfers from work in progress	-	17	60	(77)	-
Transfers from work in progress to profit & loss	-	-	-	(8)	(8)
Disposals	(16)	-	-	-	(16)
Revaluation increments/(decrements)	370	-	-	-	370
Depreciation expense	(118)	(1 044)	(110)	-	(1 272)
Carrying amount at 30 June	1 052	30 226	310	137	31 725

The transfer of work in progress to the profit and loss relates to costs incurred in preliminary work undertaken on the 2018 election commitment relating to the delivery of recreational fishing portal. Responsibility for the delivery of the project was transferred to the Department of Primary Industries, Water and Environment.

2020	Navigation Aids Level 3 \$'000	Marine Facilities Level 3 \$'000	Plant & Equipment \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at 1 July	801	31 046	382	446	32 675
Additions	113	914	39	79	1 145
Transfers from work in progress	-	330	-	(330)	-
Disposals	(25)	(39)	-	-	(64)
Revaluation increments/(decrements)	-	-	-	-	-
Depreciation expense	(121)	(1 037)	(111)	-	(1 269)
Carrying amount at 30 June	768	31 214	310	195	32 487

6.3 Right-of-use assets

AASB 16 requires the Authority to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The Authority has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases (less than 12-months), and

leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. A right-of-use asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the assets useful life or the term of the lease. Where the Authority obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Authority will exercise a purchase option, the Authority depreciates the right-of-use asset over its useful life.

2021	Leasehold property \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value at 1 July	283	62	345
Additions	-	9	9
Disposals / derecognition	-	-	-
Depreciation and amortisation	(97)	(23)	(120)
Other movements	5	-	5
Carrying value at 30 June	191	48	239

2020	Leasehold property \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value at 1 July	-	-	-
Initial adoption of AASB 16	371	34	405
Additions	-	50	50
Disposals / derecognition	-	-	-
Depreciation and amortisation	(95)	(22)	(117)
Other movements	7	-	7
Carrying value at 30 June	283	62	345

6.4 Other assets

	2021 \$'000	2020 \$'000
Prepayments	43	36
Flexmat & Pontoon stock	24	36
	67	72
Utilised within 12 months	67	72
Utilised in more than 12 months	-	-
	67	72

Note 7: Liabilities

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

7.1 Payables

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

	2021 \$'000	2020 \$'000
Trade creditors	102	261
Accrued expenses	117	164
	219	425
Settled within 12 months	219	425
Settled in more than 12 months	-	-
	219	425

Settlement is usually made within 30 days.

7.2 Lease Liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

The Authority has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases (less than 12-months), rental arrangements for which the Authority has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

The Authority has entered into the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements	
Property Lease	Property leases exist for the Hobart office accommodation and a storage facility at Cambridge. Leases are non-cancellable with seven and five-year terms respectively. The property leases each contain renewal options of 3 years. Currently there is no certainty the options will be exercised with a review to be conducted prior the respective lease expiry dates.	
Information Technology Equipment Lease	IT equipment is leased on four-year terms. Rent is payable quarterly in arrears. An option exists to renew the leases at the end of the term or purchase the equipment at fair market value.	

	2021 \$'000	2020 \$'000
Expected to settle within 12 months		
Lease liabilities	136	125
Expected to settle in more than 12 months		
Lease liabilities	143	273
Total	279	398

The following amounts are recognised in the Statement of Comprehensive Income

	2021 \$'000	2020 \$'000
Interest on lease liabilities included in note 4.6	16	23
Lease expenses included in note 4.2:		
Lease of low-value assets	2	13
Net expenses from leasing activities	18	46

7.3 Contract Liabilities

A Contract Liability relates to the Authority's obligation to transfer goods or services to a customer for which the Authority has received consideration.

	2021 \$'000	2020 \$'000
Contract liabilities		
Opening balance	262	-
Initial adoption of AASB15	-	150
Grant funding instalments received as per Deed arrangements	-	150
Revenue from performance obligations met	(72)	(38)
Transfer of unsatisfied performance obligations to Grantor	(190)	-
Balance at 30 June 2021	-	262

In May 2019 the Authority entered into an agreement with the Department of Primary Industries, Parks, Water and Environment to procure and install four Fish Aggregation Devices at suitable locations around the State's coastline. The total amount of the Grant was \$450,000 to be paid progressively over a four-year period.

Agreed works under the provision of the Deed were completed during the year at a cost significantly less than expected. As a result, the Deed was terminated by mutual agreement between parties, with \$190,000 of unused funds returned to the Grantor and payment of the remaining \$150,000 grant instalment due in 2021-22 not required.

7.4 Employee Benefit Liabilities

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 benefits 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.

A liability for sick leave is not recognised as sick leave is non-vesting and because it is probable that sick leave expected to be taken in future reporting periods will be less than entitlements which are expected to accrue in those periods.

	2021 \$'000	2020 \$'000
Accrued salaries	42	46
Annual leave	156	150
Long service leave	444	381
Total	642	577
Settled within 12 months	590	459
Settled in more than 12 months	52	118
Total	642	577

7.5 Other liabilities

Employee benefits – on-costs	42	37
Total	42	37
Settled within 12 months	39	30
Settled in more than 12 months	3	7
Total	42	37

7.6 Superannuation

Contributions to defined benefit and other complying superannuation schemes are charged as an expense as the contribution becomes payable. The Authority does not recognise a liability for the accruing superannuation benefits of Authority employees.

For employees who are members of the Retirement Benefits Fund defined benefit plan the liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

Note 8: Commitments and Contingencies

8.1 Schedule of commitments

Commitments represent those contractual arrangements entered into by the Authority that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2021 \$'000	2020 \$'000
By type		
<i>Lease Commitments</i>		
Low value operating leases	3	5
Total Lease commitments	3	5

	2021 \$'000	2020 \$'000
<i>Other commitments</i>		
Navigation aid maintenance contract	292	461
Marine facilities	204	-
Vehicle rental agreements	38	47
Recreational Boating Fund Program	13	-
Managed IT Services	34	-
<i>Total other commitments</i>	581	508
Total	584	514
<i>By maturity</i>		
<i>Lease commitments</i>		
One year or less	22	37
From one to five years	19	15
More than five years	-	-
<i>Total lease commitments</i>	41	52
<i>Other commitments</i>		
One year or less	538	230
From one to five years	5	231
More than five years	-	-
<i>Total other commitments</i>	543	461
Total	584	514

Lease Commitments

The Authority holds an office equipment lease that is considered low-value under provisions of Treasurers Instruction FC-19 where lease payments are recognised as expense on a straight-line basis over the term of the lease.

Other commitments

A 5-year contract for the maintenance of State-owned Navigation Aids commenced in 2017-18. A total of \$1.09 million is contracted to be spent under the contract for planned and preventative maintenance over the period.

Motor vehicles operated by the Authority are owned and managed by Treasury. The Authority makes a monthly payment to Treasury via LeasePlan for use of the vehicles.

As there is no lease contract between Treasury and the Authority for the purposes of AASB 16, the Authority does not recognise a lease liability and right-of-use asset for motor vehicles and costs are recognised as an expense as incurred.

Vehicles are held by the Authority over a standard thirty-six month or 60,000km period.

There were no contingent assets or liabilities at year end.

Note 9: Reserves

2021	Navigation Aids \$'000	Marine Facilities \$'000	Total \$'000
Asset revaluation reserve			
Balance at 1 July 2020	1 409	19 479	20 888
Revaluation increments/(decrements)	370	-	370
Balance at 30 June 2021	1 779	19 479	21 258

2020	Navigation Aids \$'000	Marine Facilities \$'000	Total \$'000
Asset revaluation reserve			
Balance at 1 July 2019	1 409	19 479	20 888
Revaluation increments/(decrements)	-	-	-
Balance at 30 June 2020	1 409	19 479	20 888

(a) Nature and purpose of reserves

Asset Revaluation Reserve

The Asset Revaluation Reserve is used to record increments and decrements on the revaluation of Non-financial assets, as described in Note 6.2 (iv).

Note 10: Cash Flow Reconciliation

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions.

Cash means notes, coins, any deposits held at call with a bank or financial institution. Deposits are recognised at amortised cost, being their face value

10.1 Cash and deposits

	2021 \$'000	2020 \$'000
Investment account – Westpac	271	216
Tascorp cash index fund	8 838	5 837
Total cash and deposits	9 109	6 053

10.2 Reconciliation of net result to net cash from operating activities

Net result from continuing operations	2 179	(1094)
Depreciation	1 392	1 385
(Gain) loss from sale of non-financial assets	16	64
Transfer of discontinued work-in-progress to P&L	5	-
(Increase) decrease in trade receivables	151	(282)
(Increase) decrease in prepayments	4	(25)
(Increase) decrease in tax assets	1	21
Increase (decrease) in payables	(194)	(223)
Increase (decrease) in contract liability	(262)	262
Increase (decrease) in other Liabilities	5	1
Increase (decrease) in employee benefits	65	20
Increase (decrease) in tax liabilities	(12)	9
Net cash from (used by) operating activities	3 350	138

10.3 Reconciliation of liabilities arising from financing activities

2021	Lease Liabilities \$'000
Balance as at 1 July 2020	398
New leases	9
Other movements	5
Changes from financing cash flows:	
Cash payments	(133)
Balance at 30 June 2021	279

2020	Lease Liabilities \$'000
Balance as at 1 July 2019	-
Recognition Lease Liabilities	469
New leases	50
Other movements	7
Changes from financing cash flows:	
Cash payments	(128)
Balance at 30 June 2020	398

Note 11: Financial Instruments

(a) Risk management policies

The Authority has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

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

(b) Credit risk exposures

Credit risk is the financial loss to the Authority if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables	The Authority has a debt management cycle where all outstanding debts are reviewed weekly. At 30th June, 48% of debtors were in excess of 30 days.	Normal credit terms are 30 days.
Cash and deposits	The Authority aims to maintain a positive cash balances equal to or greater than its liabilities. This target was met as at 30 th June 2021.	Cash means notes, coins and any deposits held at call with a bank or financial institution.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Authority's maximum exposure to credit risk without taking into account of any collateral or other security.

There has been no change to credit risk policy since the previous reporting period. Collectability of receivables is reviewed at balance date and an allowance for expected credit loss is made when collection of a debt is judged to be doubtful. The Authority has no major customers and thus the credit risk is low. The following tables analyse financial assets that are past due but not impaired.

Receivables age analysis – expected credit loss

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows:

Expected credit loss analysis of receivables as at 30 June 2021				
	Not past due	Past due 30 days	Past due 60 days	Total
	\$'000	\$'000	\$'000	\$'000
Total gross carrying amount (A)	78	-	1	79
Expected credit loss rate (B)	0.5%	-	0.5%	
Expected credit loss (A x B)	0.5	-	0.5	1

Expected credit loss analysis of receivables as at 30 June 2020				
	Not past due	Past due 30 days	Past due 60 days	Total
	\$'000	\$'000	\$'000	\$'000
Total gross carrying amount (A)	225	1	4	230
Expected credit loss rate (B)	1 %	1%	25%	
Expected credit loss (A x B)	2	-	1	3

(c) Liquidity risk

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

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Liabilities		
Payables	The Authority analyses its liquidity requirements daily via reconciliation of its operating bank account and analysis of upcoming accounts payable transactions. The Authority expects that all payables accrued as at 30 th June 2021 will be paid within 30 days.	The Authority pays within suppliers' credit terms. Where there are no credit terms specified payment is made within 30 days.

Lease Liabilities	The authority holds property leases and leases for IT equipment. Lease liabilities are recognised once a lease contract is entered into. Lease liabilities are measured at the present value of the lease payments that are not paid using the interest rate implicit in the lease, or if not readily determined, the Lessee's incremental borrowing rate.	Contractual payments are made on a regular basis.
-------------------	--	---

The following tables detail the undiscounted cash flows payable by the Authority by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2021	Maturity analysis for financial liabilities							
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted total	Carrying amount
Financial liabilities	\$	\$	\$	\$	\$	\$	\$	\$
Payables	219	-	-	-	-	-	219	219
Lease Liabilities	136	127	12	2	2	-	279	279
Total	355	127	12	2	2	-	498	498

2020	Maturity analysis for financial liabilities							
	1 Year	2 Years	3 Years	4 Years	5 Years	More than 5 Years	Undiscounted total	Carrying amount
Financial liabilities	\$	\$	\$	\$	\$	\$	\$	\$
Payables	425	-	-	-	-	-	425	425
Contract Liabilities	261	-	-	-	-	-	261	261
Lease Liabilities	126	137	124	11	-	-	398	398
Total	812	137	124	11	-	-	1 084	1 084

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Authority is exposed to is interest rate risk.

There has been no change to policies in relation to market risk since the previous reporting period.

At the reporting date, the interest rate profile of the Authority's interest-bearing financial instruments was:

	2021 \$'000	2020 \$'000
Variable rate instruments		
Financial assets	9 109	6 053
Total	9 109	6 053

Changes in variable rates of 100 basis points at reporting date would have the following effect on the Authority's profit or loss.

Sensitivity analysis of Authorities exposure to possible changes in interest rates

	Statement Comprehensive Income		Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	100 basis points decrease
	\$	\$	\$	\$
30 June 2021				
Financial asset – 1%	91	(91)	91	(91)
Net sensitivity	91	(91)	91	(91)
30 June 2020				
Financial asset – 1%	61	(61)	61	(61)
Net sensitivity	61	(61)	61	(61)

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 2020.

Categories of financial assets and liabilities

	2021 \$'000	2020 \$'000
Financial assets		
Cash and cash equivalents	9 109	6 053
Loans and receivables	79	230
Total	9 188	6 283
Financial Liabilities		
Financial liabilities at amortised cost	498	1 084
Total	498	1 084

Derecognition of Financial Assets

The Authority has not transferred any financial assets.

Comparison between Carrying Amount and Net Fair Value of Financial Assets and Liabilities

	Carrying Amount 2021 \$'000	Net Fair Value 2021 \$'000	Carrying Amount 2020 \$'000	Net Fair Value 2020 \$'000
Financial assets				
Cash at bank	9 109	9 109	6 053	6 053
Receivables	79	79	230	230
Total financial assets	9 188	9 188	6 283	6 283
Financial liabilities				
Payables	219	219	424	424
Contract Liabilities	-	-	262	262
Lease Liabilities	279	279	398	398
Total financial liabilities	498	498	1 084	1 084

Note 12: Events Occurring after Balance Date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while there has been a financial impact on the Authority up to 30 June 2021, it is not practicable to estimate the potential negative impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Authorities operations, the results of those operations, or the Authorities state of affairs in future financial years

Note 13: Other Significant Accounting Policies and Judgements

13.1 Objectives and funding

Marine and Safety Tasmania (Authority) seeks to be widely recognised as a proactive, approachable and knowledgeable organisation, carrying out the functions required by it under the *Marine and Safety Authority Act 1997*. These functions are to:

- ensure safe operations of vessels;
- to perform the functions delegated to it by the National Regulator;
- provide and manage marine facilities; and
- manage environmental issues relating to vessels.

The Authority reports to the Hon. Michael Ferguson, MP, Minister for Infrastructure. The supporting agency is the Department of State Growth (DSG).

The Authority is a Tasmanian Government not-for-profit entity that is largely self-funding with income derived from recreational boat registrations and licence fees. These activities are largely fee for service. Income is also received from the operators of commercial vessels as a contribution to the administration and management of marine infrastructure.

An annual grant is received through DSG and used for the maintenance of government owned marine infrastructure where the management of the infrastructure has been vested in the Authority.

Additional funding from Government through DSG is also received for specific infrastructure replacement or maintenance projects.

13.2 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;
- *Marine and Safety Authority Act 1997*; and

- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*.

The Financial Statements were signed by the Board on 13 August 2021.

Compliance with Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Authority 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 are 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 13.4.

The Financial Statements have been prepared as a going concern. The continued existence of the Authority in its present form, undertaking its current activities, is dependent on Government policy and on the continued receipt of grants for the maintenance and rebuilding of government owned infrastructure.

The Authority 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.

13.3 Functional and presentation currency

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

13.4 Changes in accounting policies

(a) Impact of new and revised Accounting Standards

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

- AASB 1059 *Service Concession Arrangements*: 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 applied on 1 January 2020. The impact of this Standard was enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities.

There was not any financial impact.

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

No new standards have been issued by the AASB that are relevant to the operations of the Authority that are yet to be applied.

(c) Voluntary changes in accounting policy

The Authority has not adopted any new accounting policies that impact on the Financial Statements.

(d) Impact of COVID-19 on Financial Reporting for 2020-21

The Authority has undertaken an assessment of the ongoing impact of Covid-19 on the financial statements for the 30 June 2021 year end.

Travel restrictions have seen positive increase in the number of new licences and registrations processed during the year compared to prior years which has off-set the impact of the loss of revenue due to the decision by government not to index 2020-21 fees under the Fee Units process as part of Covid-19 recovery.

The Authority provided assistance the commercial vessel sector by waiving the Commercial Vessel Infrastructure Administration Fee for 2020-21.

During the year, the Authority received additional grant funding under the Public Building Maintenance Fund which was directed to the maintenance of publicly owned marine infrastructure. The revenue was off-set by commensurate expenditure under the fund.

Covid-19 has negatively impacted on infrastructure upgrades and new construction projects where increases in material and contractor costs have been experienced.

13.5 Comparative figures

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

The Recreational Boating Funding Program was restructured during the year and items of expenditure directly related to the provision of recreational boating infrastructure as well as educational/safety services previously categorised as supplies and consumables are now classified under the recreational boating funding program.

13.6 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 “-”.

13.7 Taxation

The Authority is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax (GST).

13.8 Goods and services tax

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

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

13.9 Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Authority based on known information. This consideration extends to the nature of the services offered, customers, supply chain, staffing and geographic regions in which the Authority operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Authority unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The Authority determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets

The Authority assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Authority and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 7.4, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 14: Auditor's Remuneration

The Tasmanian Audit Office audits the accounts for the Authority. The total remuneration to the Tasmanian Audit Office exclusive of GST is:

	2021	2020
	\$	\$
Fees for Audit	16 760	16 180
Fees for other services	-	-
	16 760	16 180

DIRECTORS DECLARATION

In the opinion of the Directors of the Marine and Safety Authority:

(a) the financial statements and notes of the Authority comply with the *Marine and Safety Authority Act 1997*, including:

- (i) present fairly the results and cash flows for the 2020-21 financial year and the financial position as at 30 June 2021 of the Authority; and
- (ii) subject to the Treasurer's Instructions; issued under provisions of the *Financial Management Act 2016* complying with Australian Accounting Standards and Interpretations.

(b) There are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due.

This declaration has been made after receiving the following declaration from the Chief Executive Officer and Chief Financial Officer of the Authority:

- (i) the financial records of the Authority for the 2020-21 financial year have been properly maintained in accordance with the *Marine and Safety Authority Act 1997*;
- (ii) the financial statements, and notes comply with Australian Accounting Standards and Australian Accounting Interpretations adopted by the Australian Accounting Standards Board; and
- (iii) the financial statements and notes for the 2020-21 financial year present fairly.

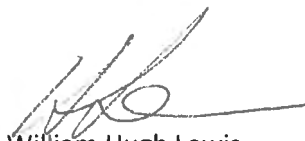
Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Rod Sweetnam
Non-Executive Director and Chair

13 August 2021



William Hugh Lewis
Non-Executive Director

13 August 2021

Independent Auditor's Report
To the Members of Parliament
Marine and Safety Authority
Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Marine and Safety Authority (the Authority), which comprises the statement of financial position as at 30 June 2021 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 directors

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the Authority's financial position as at 30 June 2021 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Marine and Safety Authority Act 1997*, the *Financial Management Act 2016* 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 Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial 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.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. 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 directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority is to be dissolved by an Act of Parliament, or the directors intends to cease operations, or has no realistic alternative but to do so.

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 this 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Authority's ability to continue as a going concern. If I conclude that a material

uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial 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 Authority 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 represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors 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.



Jeff Tongs
Assistant Auditor-General – Audit
Delegate of the Auditor-General
Tasmanian Audit Office

20 August 2021
Hobart

