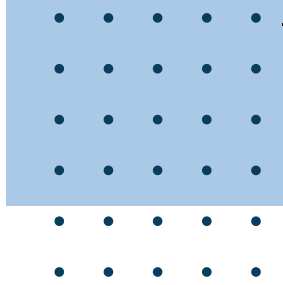


ANNUAL REPORT



2022-
23



MAST

MARINE and SAFETY TASMANIA
making boating better





Marine and Safety Tasmania

Annual Report 2022-23

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

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Letter to the Minister



Hon Michael Ferguson MP
Deputy Premier
Minister for Infrastructure and Transport
Executive Building
15 Murray Street
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 2023.

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.

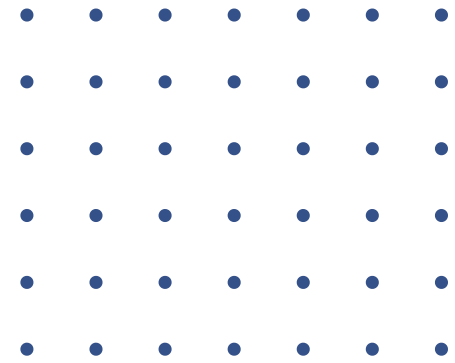
Yours sincerely,

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

Rod Sweetnam,
Chair
October 2023

At a Glance





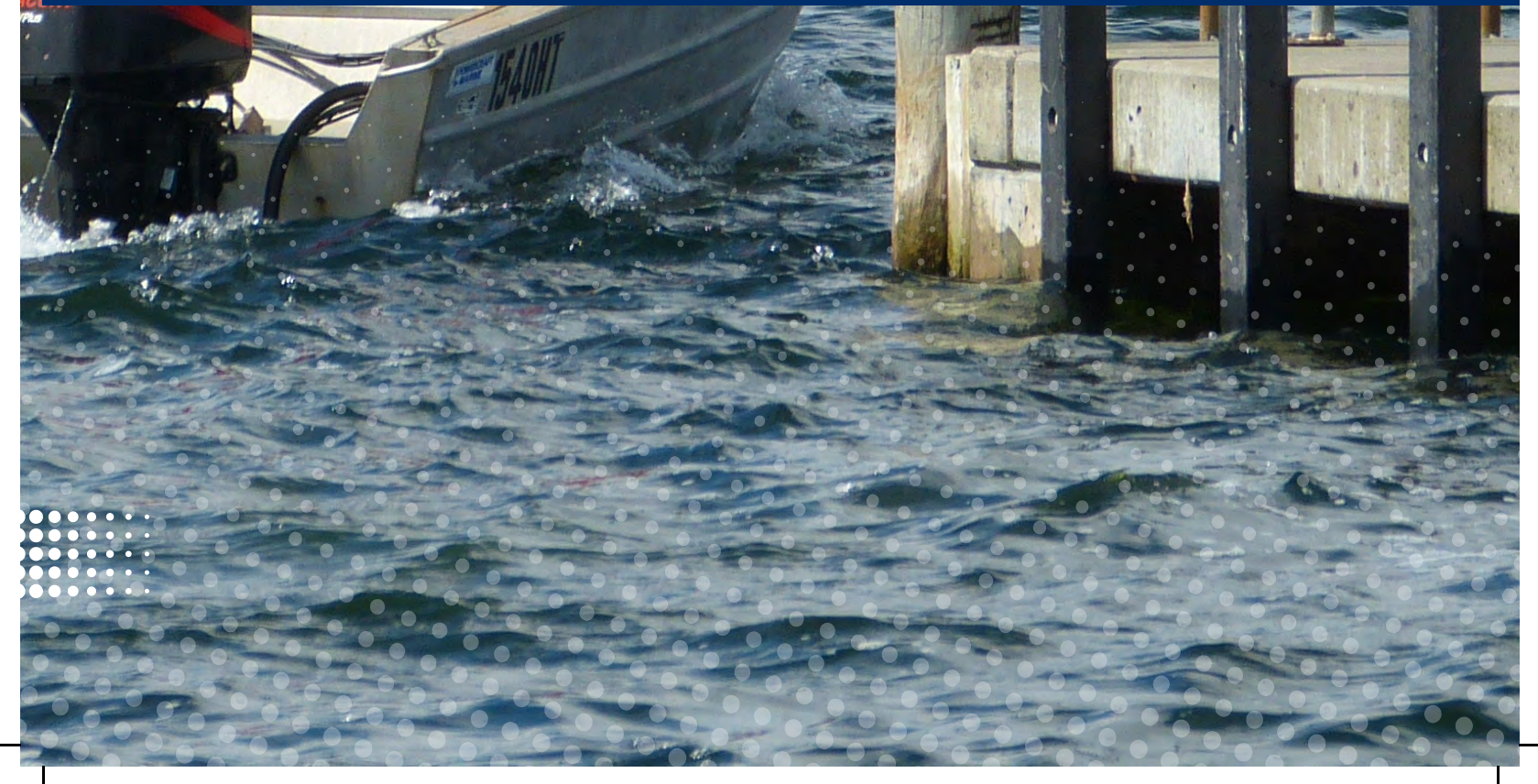
OUR VISION



*To make our
waterways safe and
enjoyable for all users*



OUR YEAR IN REVIEW



Chair and CEO's Review

The 2022-23 financial year has seen another strong performance by Marine and Safety Tasmania (MAST) in achieving our strategic priorities to deliver the longer-term vision of making Tasmania's waterways safe and enjoyable for all users.

As a safety regulator, the development and promotion of a safety culture through education and enforcement are fundamental to MAST's operations. We continued our summer and winter safety campaigns, strengthened our relationship with the Department of Education, Children and Young People, working collaboratively on the swimming and water safety program (building knowledge and understanding of boating safety in Grades 3, 4 and 5) and widened our reach into schools through the implementation of a boating safety program targeting grades 9 and 10. These programs are critical in further reducing the long-term recreational boating fatality trend.

A significant legislative change was completed in 2022-23 with the option to carry electronic visual distress signals instead of handheld red and orange flares now available, provided a GPS-enabled EPIRB and VHF radio are carried on board. This option embraces new technology without compromising safety and has a positive environmental impact by reducing the number of flares to be disposed of. MAST is the first jurisdiction in Australia to introduce electronic visual distress signals as approved safety equipment. MAST has also been instrumental in instigating amendments to the relevant Australian Standard to incorporate this technology. Another important legislative change focuses on ensuring a vessel is not unsafe as part of the registration or transfer of the registration process.

MAST continued the distribution of regular e-newsletters in addition to the *Boatwise* publication and introduced a new e-newsletter for PWC operators. As part of MAST's digital strategy, subscribers to the electronic version of *Boatwise* and e-newsletters have significantly increased, now representing 17% of our client base. Additional media platforms have also been trialled to increase the reach of MAST's safety messaging.

The Marine Infrastructure and Safety Plan 2021-25 sets the parameters and guidelines for the delivery of new and updated recreational boating facilities and services in Tasmania over a five year period. Some of the more significant projects completed this year through the Plan include the second stage of the Dover boat ramp upgrade, the Burns Bay boat ramp approach and apron upgrade, and the extension to the landing stage at the Apex Point boat ramp. Small Boating Fund projects approved and completed in 2022-23 included the breakwall repair at Arthurs Lake Dam Wall, excavation of sediment at the toe of Garden Point boat ramp, replacement of a safety buoy line at Craighourne Dam, improvements to the grade of Lake Mikany boat ramp, launch area upgrade at Eddystone Point and boat ramp upgrade at Surveyors Bay (Lower Huon River). In June 2023, the Board approved an updated Plan for implementation in 2023-24.

MAST manages a large number of marine facilities and navigation aids and conducts a three-yearly structural audit to ensure these are maintained adequately and replacements can be planned. The replacement of Cygnet Jetty and a major upgrade to the Cape Barren Island Jetty were completed this year. MAST also undertook dredging of the shallower areas of Denison Canal and managed the contract for dredging to maintain navigable access to the Port of St Helens.

Approval processes were completed to undertake dredging works in Triabunna to improve navigation. Preventative maintenance checks also continued on the VHF radio network and resources were again provided to Tas Maritime Radio and its team of dedicated volunteers who run this valuable marine communications network, enhancing boating safety.

With funding provided by Government, MAST continued to deliver 2018 election commitments, many of which were funded over a four-year period. With the installation of two artificial reefs, these election commitments are now largely completed. As part of the 2021 election commitment, MAST received a \$5 million grant for improvements to the Bridport foreshore. Detailed environmental and engineering reports have commenced to inform potential approval processes with expected completion dates in 2023.

MAST works collaboratively with key stakeholders to deliver its strategic objectives. These stakeholders include key government agencies, Tasmania Police, MAST Boatsafe Partners, MAST authorised officers within Inland Fisheries, Parks and Wildlife and Surf Life Saving Tasmania, Tasports, yacht clubs and organisations such as Rowing Tasmania, Jetski Tas and Australian Sailing. Over many years, MAST has also established strong relationships with international organisations such as the United States and Canadian Safe Boating Councils. These relationships provide great insight into the operations of large safety organisations and the resultant information sharing has been invaluable. This was demonstrated when Peter Hopkins, MAST's Manager- Recreational Boating Safety was recently awarded a Canadian Safe Boating Council Certificate of Merit for his significant contribution to boating safety initiatives and his support to the Council over the past 12 years, including the role of Special Correspondent. This is the first time the award has been presented to anyone outside of Canada. Peter was also invited to attend the International Boating and Water Safety Summit in the United States in April 2023 and delivered a keynote address.

Ensuring a results-driven, resilient and progressive organisation continues to be a strategic priority. The ongoing internal audit program tests the adequacy and effectiveness of MAST's systems of management, internal control and the management of financial and operational risk. In early 2023, the Risk and Audit Committee undertook a major review of risk and instigated improved reporting capabilities from the electronic risk register. Work was also completed on a new Strategic Asset Management Framework, Policy and Plan and cyber security assessment. The implementation of recommendations from MAST's Workforce Plan commenced to address future workforce changes, succession planning and knowledge transfer.

Ongoing improvements to MAST's business systems have provided enhanced levels of system redundancy, data security and productivity functionality and reporting capability. The implementation of MAST's digital strategy continued with work completed on the development of a client portal for common transactions such as recreational boat registrations, recreational licences and moorings. Further work was also undertaken to implement suggested improvements resulting from a cyber security assessment.

Our sincere thanks to the Board and the dedicated staff for their contributions to the many and varied functions of the Authority and for their ongoing commitment to the delivery of positive safety outcomes for all waterway users.

Rod Sweetnam
Chair

Lia Morris
Chief Executive



OUR ORGANISATION



The image is a composite of two photographs. The top photograph shows a row of white sailboats docked at a pier. The masts are covered with blue tarps. The water is calm, and the background shows a hazy sky. The bottom photograph shows the stern of a boat with a black Suzuki outboard motor. The boat's hull is dark blue and features the logo for 'MAST MARINE and SAFETY TASMANIA' in white and blue. The boat is moving through the water, creating a wake. In the foreground, there are yellow and grey buoys. The text 'OUR ORGANISATION' is overlaid in white on a dark blue background in the center of the image.

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 for 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 attempt at all times 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.

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 members of the MAST Board are Ministerial appointments with the exception of the Chief Executive. Membership during 2022-23:



Rod Sweetnam - Chair

Appointed 3 March 2021

Current term expires 3 March 2024

Rod has extensive experience in corporate governance over more than 20 years 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 keen fly fisherman.



Hughie Lewis

Appointed 1 October 2014

Reappointed 1 October 2017

Reappointed 2 October 2019

Reappointed 2 October 2022

Current term expires 2 October 2024

Hughie has extensive experience in recreational boating. He has been the Managing Director of Lewis Marine for the past 36 years and a previous Board member of the Bellerive Yacht Club for 14 years. Hughie owns a number of recreational boats and used to water ski at a State level.



Rodney Treloggen

Appointed 1 October 2017

Reappointed 2 October 2020

Current term expires 2 October 2023

Rodney has been an amateur and commercial fisher for most of his working life, fishing in 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 a non-executive director. She is President of Lifeline Tasmania Inc, and Chair of Sorell Council's Audit Panel. After many years on the Committee, Carolyn is President of the Tasmanian Jet Sports Boating Club (Jet Ski Tas). 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

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 member of the Australian Institute of Company Directors.

| | 12 AUGUST | 16 SEPTEMBER | 30 SEPTEMBER | 25 NOVEMBER | 15 DECEMBER | 30 JANUARY | 17 FEBRUARY | 21 APRIL | 9 JUNE | 26 JUNE |
|------------------|--------------|-----------------|-----------------|----------------|----------------|---------------|----------------|-------------|-----------|------------|
| Rod Sweetnam | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |
| Hughie Lewis | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |
| Rodney Treloggen | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |
| Carolyn Pillans | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |
| Lia Morris | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ | ★ |

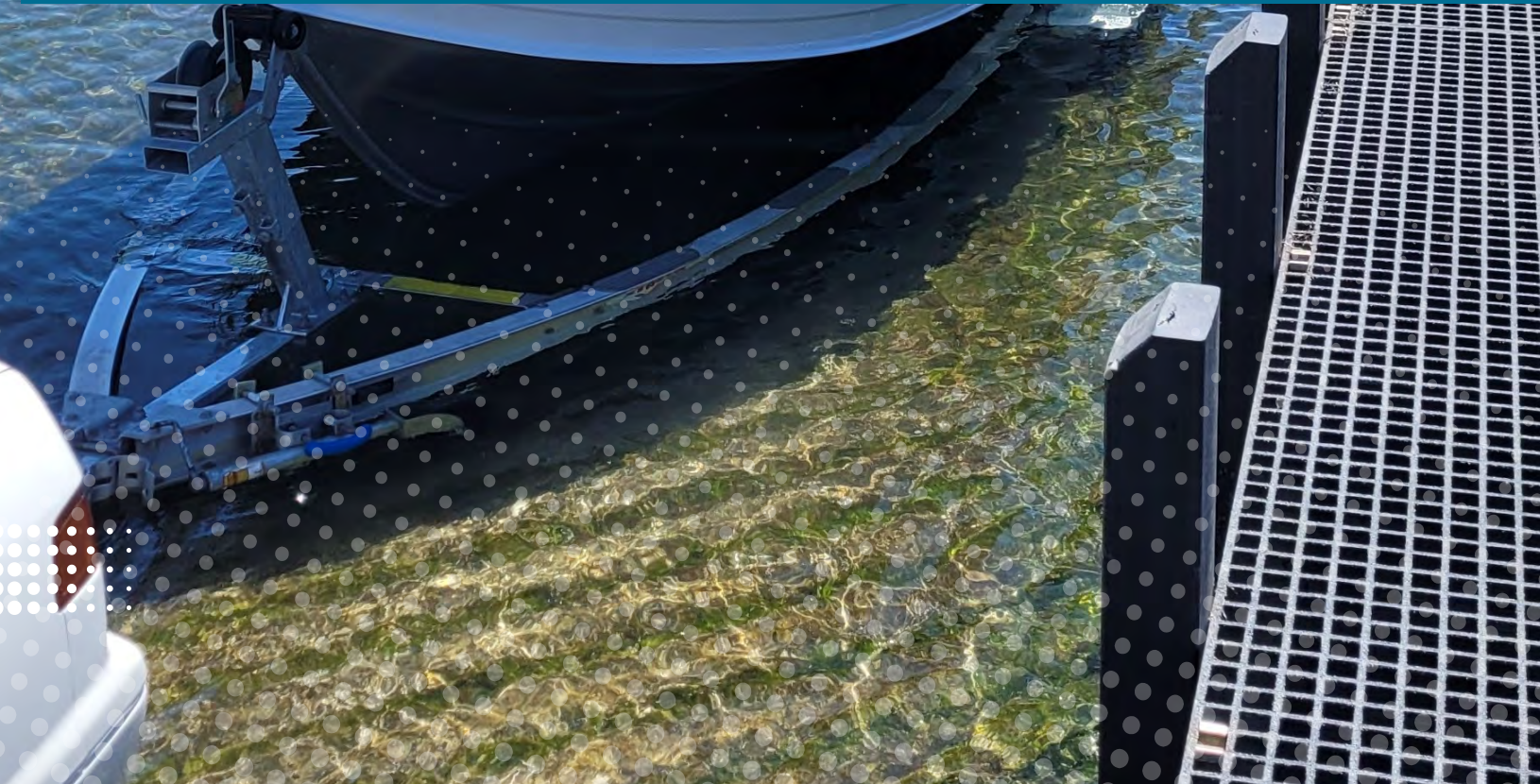
The Board oversees a robust internal audit program and risk management framework and examines procurement processes for all goods and services over \$250,000 to ensure the process is fair and equitable prior to a contract being awarded.

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.

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 2022-23 financial statements detail the remuneration of key management personnel.



OUR PERFORMANCE



Strategic Priorities

In November 2021, the Strategic Plan for 2022-2025 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 the 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, environmentally-conscious and progressive organisation

The Plan identifies a series of focus areas to be progressed to achieve these priorities.

A work plan is developed annually and the key achievements for each of the five focus areas for 2022-23 are detailed below.

Strategic Priority 1 - Ensuring the safety of all vessels in Tasmanian Waters



Improved safety outcomes are achieved through education, legislative change and working collaboratively with all stakeholders.

Safety Awareness and Education in the Community

This year, MAST's summer safety campaign focused on complacency in older boaters, the safety of paddle craft, speaking up if you feel unsafe on a boat and making the right decisions. Television and radio advertising play important roles in the public awareness campaign. The total cumulative audience figures for this year's television campaign were 452,665, with radio providing over 3,240 advertisements statewide. There were also over 96,000 website impressions.

A Winter Safety Campaign was launched in April 2023 with a focus on being properly prepared with safety equipment close at hand, servicing of life jackets, the dangers of cold water immersion and the importance of buoyancy. This campaign is predominantly via social media.

As part of any safety campaign, MAST proactively engages with the media to discuss safety and other relevant matters including live radio interviews, TV interviews, opinion pieces and regular advertising. Improvements to the MAST website are ongoing to ensure stakeholders are readily engaged. With the website having 139,400 visits this year, it is an important tool to engage stakeholders on safety information.



Over 96 boating safety videos are contained on YouTube, including 16 uploaded in 2022-23. Recent additions include safety videos on the setting of cray pots, ramp etiquette, trailer maintenance and using electronic visual distress signals. These videos are also available on YouTube with 83,635 views in 2022-23.

MAST's Facebook site allows quick and efficient distribution of safety information, including Notice to Mariners, updates on infrastructure upgrades and key safety messages. During the year MAST posted on Facebook 327 times. Engagement via Facebook continues to see growth with the number of followers over 15,000.

The biannual *Boatwise* publication informs licence holders and boat owners on important issues. With distribution in excess of 60,000, *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.

The biannual Commercial Vessel Newsletter informs owners and operators of domestic commercial vessels of upgrades to facilities and Aids to Navigation, together with waterways management issues.

MAST's e-newsletters are produced regularly and are a great way of engaging stakeholders between the distribution of *Boatwise*. E-newsletters specifically for MAST BoatSafe Partners are sent on a bi-monthly basis and this year an e-newsletter specifically for PWC operators was also introduced. There are now collectively over 10,000 subscribers to our e-newsletter.

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 2022-23, MAST issued 257 Notices to Mariners for various reasons including advice on aid to navigation outages and mooring works on marine farm leases. Notices are issued via email to over 1700 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.



Boat Ramp Checks

Boat ramp checks are conducted to engage and educate stakeholders on the importance of safety gear and its accessibility, trip planning and general boating information. These checks also provide MAST with valuable feedback. Boat ramp checks were conducted across the State, targeting times of peak usage and results being recorded. Ramp check data is used to produce reports such as safety equipment compliance, assessment of vessel condition and trips by area of operation. The data is analysed to identify any emerging trends in compliance or behaviour that can then be addressed through future enforcement activity or safety/educational campaigns.

Deckee

MAST continued its partnership with Deckee on a free mobile app (iOS and Android) to help boaters have better and safer experiences on the water. The app offers a great way to explore waterways safely and plan a trip on the water, check the weather, identify anchorages, public moorings, boat ramps and more. 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.

This year MAST worked with Deckee to improve incident reporting. Over 39,000 Tasmanians have downloaded the app with over 12,000 regular users.

AGFEST

AGFEST plays a key role in promoting boating safety in the community. MAST continues to organise a marine precinct at AGFEST, ensuring the presence of different segments of the boating industry. 2022-23 provided a significant challenge with the event being held twice - in August 2022 and May 2023.



Digital Strategy for Safety Messaging

As MAST stakeholders are increasingly using digital and online media platforms for information, a digital strategy for safety messaging was completed in 2021-22, committing MAST to trial additional media platforms to increase the reach of its safety messaging. The implementation of this strategy continued in 2022-23 with a focus on the younger generation. As part of this strategy, subscribers for the electronic version of *Boatwise*, e-newsletters and Notices to Mariners have significantly increased.

Safety Review

A safety review was conducted by MAST in September 2021 resulting in a Safety Plan for 2021-2025. This plan is reviewed on an annual basis and integrated into MAST's public awareness campaigns, digital safety messaging, strategic work plan and communications plan. Implementation of this plan continued in 2022-23.

Incident Reporting

Incidents reported to MAST during 2022-23 totalled 25. Of these, five involved commercial vessels under 35 metres in length, two involved commercial vessels in excess of 35 metres and 18 related to recreational vessels. Nine out of the 18 recreational vessel incidents involved rowing sculls. Unfortunately, there were two fatalities recorded in 2022-23, both of which are being investigated by the Coroner.

Deliver the School Education Program

Under a Memorandum of Understanding, MAST continues to work with the Department for Education, Children and Young People on the swimming and water safety program for Grades 3, 4 and 5. This program is recognised by MAST as being fundamental to further reducing the long-term recreational boating fatality trend and resources are available to all schools on the website. In 2022-23 MAST contributed to the review of this program.

Resources aligning with the year 9 and 10 Australian Curriculum have been completed to target teenagers to better understand the importance of being safe when in and around boats. Work continues to expand the delivery of these resources in high schools, both public and private. During 2022-23 MAST trainers visited 71 schools across the State, educating over 8000 students. This number is in addition to those students involved with in-water training through the Grades 3, 4 and 5 SWSP estimated to be in excess of 12,000.



Update Legislation

Work was completed on the review of radio regulations with the *Marine and Safety (Radio) Regulations 2022* implemented on 20 December 2022. These regulations define a limited coast radio station and enable MAST to declare such stations to be approved marine radio stations.

A review of the *Marine and Safety (Motor Boats and Licences) By-laws 2013* was also completed. This review resulted in significant changes including:

- Registration - Part 2 of the by-laws relating to the process of registration of motor boats. Registration of motor boats, as with vehicle registration, is an important tool to identify vessels in Tasmanian waters and therefore the registered operator. Improvements have been made to the administrative procedures required to obtain a certificate of registration to ensure proper identification and to provide for the transfer of registered operator with protections for new buyers (unsafe vessel declarations).
- Licensing – improved administrative processes required to determine eligibility and to obtain and maintain a licence and PWC endorsement, the maintenance of records and circumstances under which licences can be cancelled or suspended.
- Mandatory safety equipment - option to carry electronic visual distress signals instead of handheld red and orange flares provided a GPS-enabled EPIRB and VHF radio is carried on board.
- Prohibited areas for navigation – inclusion of prohibited areas covering intakes, spillways and dam walls.
- Increasing the age of an observer when towing from 10 years of age to 14 years of age (or 12 years of age if a provisional licence is held) in accordance with a Coroner’s recommendation.
- Inclusion of a 5-knot zone for the whole of the Prosser River in accordance with a Coroner’s recommendation.
- Requirements for approved training providers that deliver boat licence courses.

The new *Marine and Safety (Motor Boats and Licences) By-laws 2023* were implemented on 1 July 2023.

A review of the *Marine and Safety (General) Regulations 2013* was also undertaken resulting in the following significant changes:

- Prohibited areas for navigation – inclusion of a schedule of prohibited areas for navigation (that duplicates the schedule in the *Marine and Safety (Motor Boats and Licences) By-laws 2023* to ensure these prohibited areas also apply to lightweight craft and commercial vessels for safety reasons.
- Removal of existing provisions - with the introduction of the National Law for commercial vessels and subsequent procedural changes adopted by the National Regulator (the Australian Maritime Safety Authority), provisions relating to towage permits and dangerous cargo requirements are now redundant.

- Mandatory safety equipment - option to carry electronic visual distress signals instead of handheld red and orange flares provided a GPS-enabled EPIRB and VHF radio is carried on board the lightweight craft.

The *Marine and Safety (General) Regulations 2023* were implemented on 1 July 2023.

Consequential amendments required as a result of the *Marine and Safety (Motor Boats and Licences) By-laws 2023* and the *Marine and Safety (General) Regulations 2023* were made through the *Marine and Safety (Fees) Amendment By-laws 2023* and the *Marine and Safety (Infringement Notices) Amendment Regulations 2023*.

The *Marine and Safety (Prescribed Offences) By-laws 2023* were also re-made and implemented on 1 July 2023. These by-laws prescribe offences against the provisions of MAST by-laws and the penalty payable under an infringement notice served in respect of those offences.

As a result of a review of the *Marine and Safety (Limits of Operational Areas of Vessels) By-laws 2013* MAST considered the expansion of the aquaculture industry into areas that previously had limited commercial traffic and the safety of the vessels used in these areas. The outcomes of the review will be included in the remake of these by-laws that is currently being undertaken by the Office of Parliamentary Counsel.

Australian Standards

MAST instigated a revision of Australian Standard 2092 Pyrotechnic Marine Distress Flares and Signals for Pleasure Craft to include electronic visual distress signals. Standards Australia has convened a committee to work through amendments with a view to implementing the revised standard in 2024. MAST is represented on the committee.

These amendments were supported by the Australian Recreational Boating Safety Committee (ARBSC), representing all jurisdictions.

Port Services Regulatory Review

To ensure that the regulatory functions of Tasmanian ports meet contemporary standards, the Government is conducting a regulatory review of port services with reference to the existing arrangements between MAST, Tasports and the Environmental Protection Agency.

The objective of the review will be the creation of a regulatory framework that operates in the State's best interest, providing safe, contemporary, fair and cost-competitive services at Tasmanian ports. MAST is participating in this review that is being conducted by the Department of State Growth.

MAST is supportive of the review, noting the current arrangements, which reflect historic ports and operational structures, do not provide adequate scope to allow the regulator (MAST) and service providers to respond to changing market conditions and needs.



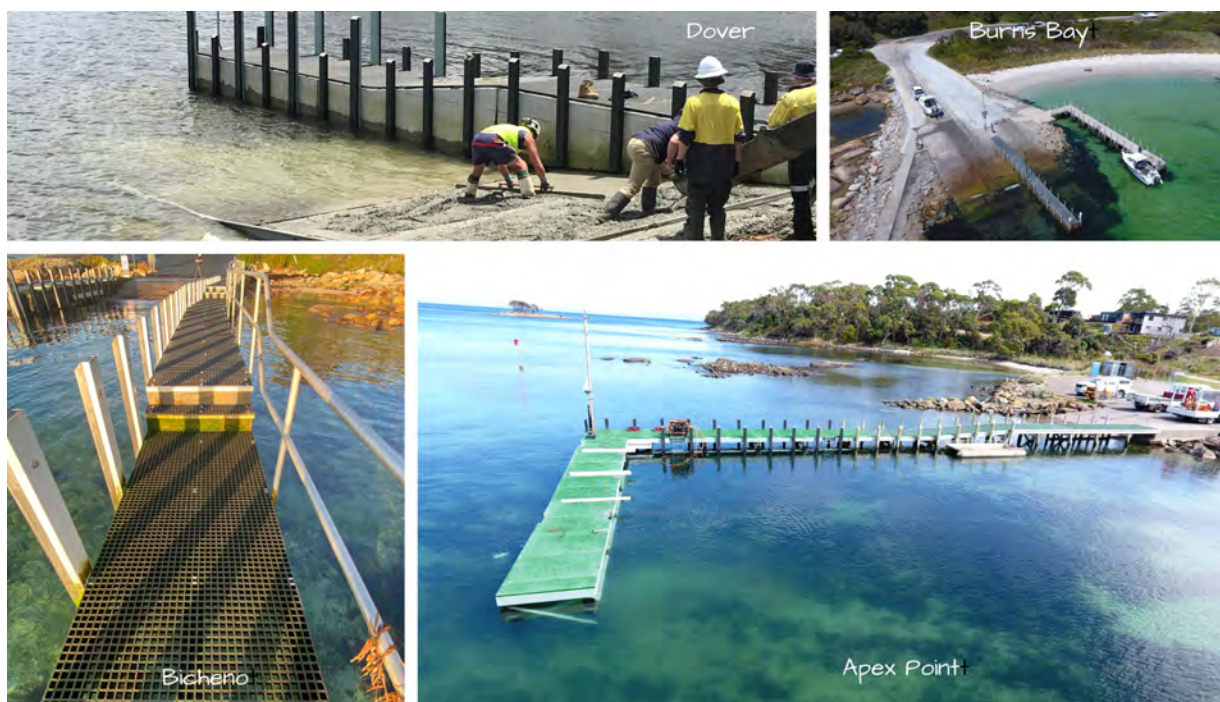
Strategic Priority 2 - Providing and managing marine infrastructure that delivers safe access to waterways for all users

Marine Infrastructure and Safety Plan

The Marine Infrastructure and Safety Plan 2021-25 sets the parameters and guidelines for delivering new and updated recreational boating facilities and services in Tasmania over a five-year period. This Plan allows MAST to focus on projects and commence what can sometimes be a lengthy approval process to ensure infrastructure upgrades are “shovel” ready when the funding is available. The Plan also enables 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 funding is \$1.6 million per annum - \$1.3 million for projects under the Plan and a further \$300,000 committed to the Small Boating Fund where the boating public can make applications for projects throughout the year.

Whilst planning for scheduled projects can be undertaken in advance, forecasting projects five years in advance is not always accurate and is impacted by approval delays and the availability of contributing funding from facility owners. This has been evident each year since inception, resulting in some projects being delayed and others being brought forward in their place. For this reason, the Plan is reviewed annually.

Infrastructure projects completed in 2022-23 included Dover boat ramp upgrade (installation of a second ramp and jetty upgrade), Burns Bay boat ramp approach and apron upgrade and extensions to the landing stages at Apex Point (White Beach), Bicheno Gulch and Gordon Street (Swansea) boat ramps.



Small Boating Fund projects approved and completed in 2022-23 included excavation of sediment at the toe of Garden Point boat ramp, replacement of the safety buoy line at Craigbourne Dam, improvements to the grade of Lake Mikany boat ramp launch area and upgrades of the boat ramps at Lake Binney and Surveyors Bay (Lower Huon River).

Climate change, accessibility and the use of environmentally friendly materials are considered during the design phase of projects. During 2022-23, disability tactiles and pedestrian lighting were installed across a number of facilities. MAST also works constructively with local councils providing support in the development of marine infrastructure asset management plans where required.

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 expectations and at the same time deliver an improved safety outcome.

In June 2023, the Board reviewed the Marine Infrastructure and Safety Plan and approved an updated Plan. The Marine Infrastructure Plan 2023-2026 lists proposed projects to be funded across this period.



MAST-owned Marine Infrastructure

MAST manages 66 marine facilities and 332 Aids to Navigation (AToN) through Grant appropriation.

A three-yearly structural audit regime of MAST's marine facilities ensures these facilities are maintained adequately and provides residual lifespans so facility replacements can be planned. The most recent audit was conducted in December 2021.

Maintenance of MAST-owned marine infrastructure is identified and prioritised in accordance with the structural audit findings as well as the three-monthly audits conducted by MAST which identify more recent damage and urgent items that may impact safety. During 2022-23, MAST spent \$608,000 on remedial maintenance of its facilities. The replacement of Cygnet Jetty was completed during the year at a total cost of \$1.12 million. Work was also completed on an upgrade to the Cape Barren Island Jetty. The total cost capitalised for the upgrade was \$255,674.

Monitoring some of the highly utilised facilities with CCTV (Dunalley Jetty, Sullivans Cove pontoon, Dover and Nubeena jetties) continued with Margate, Kettering and Port Arthur added to the network this year. CCTV assists MAST in managing usage under the *Marine and Safety (Jetties) By-laws 2017* provisions.

The 332 MAST-owned AtoNs are maintained by Australian Maritime Systems under contract. During 2022-23, \$359,000 was spent on the maintenance and replacement of navigation aids. Works included preventative maintenance and remedial tasks as well as breakdowns from outages. The structural audit of all aids to navigation is scheduled for 2023-24.



Maintain and Enhance the VHF Radio Coverage

In 2022-23, preventative maintenance checks were undertaken at Moaners Tier, Cape Tourville, Bluff Hill Point, Three Hummock Island, Maria Island, South Sister, Cape Sorell, Elliott Range 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 this valuable marine communications network throughout the State, enhancing boating safety.

Management of Key Waterways

MAST continued the mooring audit program in 2022-23 that focuses on the location, identification and condition of moorings. These audits also provide an opportunity to assess the condition of the vessel on the mooring. Post flooding in the northwest, a bathymetric survey was conducted to determine mooring locations in the Mersey River.

An additional public cruising mooring was installed in 2022-23 at Lewisham in the south. All MAST public cruising moorings are serviced on an annual basis.

During the year, MAST conducted regular inspections of marine farm leases to ensure equipment was contained within the lease area and there was no floating debris. Fish farm boundary markers are also inspected to ensure they are positioned correctly and maintained.

Navigable access to the Port of St Helens was maintained through a contract for regular dredging adjacent to Pelican Point to maintain an agreed depth. Dredging of shallower areas in the Denison Canal was completed and monitoring of depth continued with information provided to boaters via MAST's website.

Approvals were received for dredging to improve the access to the Port of Triabunna.



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



MAST works with a number of agencies to deliver positive outcomes for the marine environment.

Management of Derelict/End-of-Life Vessels

Like all other jurisdictions, Tasmania has derelict/end-of-life vessels scattered across the State.

MAST has continued to proactively manage these vessels through mooring audits to prevent adverse environmental outcomes.

With an ageing recreational and commercial fleet in Tasmania, work has also progressed on the implementation of strategies to further improve the management of derelict vessels. This includes working across jurisdictions through the Australian Recreational Boating Safety Committee and the provision of targeted communications with owners of vessels older than 15 years advising them to check the structural integrity of their vessels. An education campaign has also targeted the sale of second-hand vessels.

Recognising the State's ability to manage risks associated with derelict/end-of-life vessels is limited by the current regulatory framework and the costs of removing and disposing of such vessels, the Department of State Growth is leading the development of a joint proposal by EPA, MAST, Parks and Wildlife and other agencies for a preferred financial and regulatory model to improve the State's ability to address the risks posed by these vessels.

Marine Oil Pollution

MAST assists the Environment Protection Authority (EPA) through participation in the State Marine Pollution Committee and ensuring three staff members are trained. This year, MAST staff undertook further 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.

MAST purchased oil spill kits for Southport and St Helens wharves during 2022-23 to contain potential spills from the fueling facilities provided at these wharves.



Marine Farming

Given 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), MAST has continued to work with the Department of Natural Resources and Environment Tasmania (DNRE) to implement its Marine Farming Debris Zero Tolerance Policy.

MAST has three officers authorised by DNRE to monitor and respond to breaches where identifiable marine farm equipment is found outside marine farm lease areas and floating in the water.

MAST Cruising Moorings

MAST has installed and maintains 26 public cruising moorings in the south and east of the State and around King and Flinders Islands. Some of these moorings are located in sensitive areas where it is preferable for boaters to use a mooring rather than anchoring to protect the marine environment.

Port Services Regulatory Review

Through the Port Services Regulatory Review, managed by the Department of State Growth, consideration is being given to how the regulatory model may be improved to support future delivery of port services including the delivery of oil and chemical spill pollution management and response capability. MAST is working with the Department, Tasports and EPA on this review.



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



Beyond the public awareness campaigns, detailed under Strategic Priority 1, MAST continues to strengthen relationships with key stakeholders. Direct contact with stakeholders provides MAST with valuable feedback on important safety issues and what the public thinks about MAST's service delivery, messaging and boating infrastructure upgrades around the State.

BoatSafe Partners

The important relationship that exists between MAST and retailers through the BoatSafe partnership plays a vital role in boating safety education. All BoatSafe Partners receive training from MAST officers. This initiative, therefore, 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. The network of BoatSafe Partners is 43 Statewide. During 2022-23, all BoatSafe partners were surveyed with overwhelming support for the program. The training manual was also reviewed and reissued.

Accredited Providers

To obtain a Tasmanian Recreational Motor Boat licence, it is a requirement to complete an approved course combining a written theory test and a competency-based practical component. Boat licence courses are run by training providers approved by MAST. These providers play an important role in improving safety outcomes, working with MAST to further develop the course content and examination process. MAST also audits participants to ensure the courses are delivered in accordance with requirements and this provides further feedback to improve course delivery.

Rowing Tasmania

As the peak body, Rowing Tasmania plays a critical role in delivering safety education for rowers. During 2022-23, MAST and Rowing Tasmania reviewed the *Making Rowing Safer* document and worked collaboratively with Tasports to reduce the interactions between rowing sculls and commercial shipping in Hobart.

Australian Sailing

MAST has strengthened its relationship with Australian Sailing (Tasmanian division) to deliver education and safety messaging to this stakeholder group. MAST will also commence work on a *Making Sailing Safer* document for distribution to affiliates of Australian Sailing in Tasmania.

ANZSBEG and ARBSC

MAST has been a member of the Australian and New Zealand Safe Boating Education Group (ANZSBEG) for over 25 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 2022-23 included continued education on the revised Australian Builders Plate and the review of national core competencies for a recreational boat licence.

In 2022-23, MAST hosted a meeting of ANZSBEG with delegates from all jurisdictions, with Papua New Guinea and New Zealand attending.

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 the investigation into a national Hull Identification Number for recreational boats, a national approach on derelict/end-of-life vessels and investigating possible parameters around novel craft. This year ARBSC unanimously agreed to amend Australian Standard 2092 Pyrotechnic Marine Distress Flares and Signals for Pleasure Craft to include electronic visual distress signals.

Tasmania Police and Authorised Officers

The Marine Division of Tasmania Police plays an essential role in safety awareness and education together with MAST authorised officers within Inland Fisheries, Parks and Wildlife Service and Surf Life Saving Tasmania. The provision of valuable infringement notice data by Tasmania Police allows MAST to identify where further education is required.

International Organisations

Over the years, MAST has developed strong relationships with the Canadian Safe Boating Council, the US-based National Safe Boating Council, Transport Canada and the US Coast Guard. The exchange of information between MAST and these stakeholders has been valuable in developing safety legislation.

Survey of Stakeholders

MAST conducts regular surveys of its stakeholders. A survey was conducted in late 2022. Surveys provide an opportunity to obtain feedback on whether MAST is delivering effective communications and contemporary business systems that cater for the stakeholders' needs.

Tasports

MAST continued to work collaboratively with Tasports to ensure Tasmania's working ports are safe for all users.

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



Sound Financial Management

MAST's Financial Statements are prepared in accordance with Australian Accounting Standards (AAS) and Interpretations issued by the Australian Accounting Standards Board (AASB). The Tasmanian Audit Office conducted the 2022-23 audit.

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 2022-23 the Board reviewed and considered internal audit reports on procurement, strategic asset management and payroll. A cyber security assessment was also completed. This project concentrated on the cyber security maturity of MAST's assets and people and assessed whether its current security controls were sufficient to protect against attacks. This assessment did not identify any high risks but did recommend improvements to some controls. The Board ensures that where deficiencies in internal controls or procedures occur, appropriate and timely action is taken by management.

There continue to be delays in contractor and product availability. This has resulted in the increased cost and delay of some projects. These delays have contributed to the amount of uncontracted yet committed funds detailed in Note 10.4 in the financial statements.

Comprehensive Corporate Governance

The Board is appointed by the Minister and is 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 Risk and Audit Committee oversees MAST's internal audit program. BDO Audit (Tas) was originally appointed in November 2018 to provide internal audit and risk management services for a period of three years from 1 January 2019. This contract has subsequently been extended for a further three years. Internal audit activity is directed to areas of heightened risk identified in the MAST Risk Register. These audits enable MAST to test and refine the adequacy of its controls to manage risks.

The Risk and Audit Committee undertook a major review of MAST's electronic risk register in 2022-23 including treatment plans and the effectiveness of these plans. Emerging risks were also added, and reporting capability further enhanced. This register is reviewed on a six-monthly basis.

Asset Management

MAST owns and manages 66 individual marine facilities and 332 aids to navigation across the State, all listed in a Strategic Asset Management Plan. In 2022-23, the Board approved a new Asset Management Framework, Asset Management Policy and Strategic Asset Management Plan to align with ISO55000.

A structural audit of marine facilities is undertaken by an engineering consultancy on a three-yearly basis and the Asset Management Plan is updated accordingly. The most recent audit was conducted in December 2021. This process is designed to manage the risks associated with marine infrastructure.

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 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 most recent revaluation of MAST-owned marine facilities (excluding aids to navigation) was conducted in April 2022 as part of the triennial structural audit. This revaluation resulted in a net increase in the value of marine facilities due to estimated replacement costs and was reflected in the financial statements for 2021-22. A revaluation of MAST aids to navigation is scheduled for 2023-24.

Policies and Procedures

MAST's policies and procedures are reviewed on a regular basis to ensure compliance with work, health and safety laws and Treasurer's Instructions. A major review of procurement policies was undertaken in 2022-23.

Digital Transformation Strategy

During 2022-23, the implementation of the Digital Transformation Strategy continued with 17% of clients choosing e-billing and e-newsletters.

Online forms for new vessel registration, transfer of registration and acceptance of registration for existing vessels have been developed and implemented to streamline the registration process.

Work has been completed on the development of MAST's client portal. This portal is geared to services and transactions that are most commonly undertaken by MAST's clients such as recreational boat registrations, recreational licences and moorings. Testing of this portal will occur prior to it going live together with penetration testing to ensure the integrity of MAST's data.

Business systems that support current and future needs

With over 69,000 unique 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.

Further enhancements were made to the mooring, and facilities databases to further improve functionality to meet operational needs and improve reporting capability. A key part of this work has resulted in the generation of infringement notices directly from MAST's database. Work has also progressed on a facilities audit checklist to be completed on-site via a mobile web app.

Workforce culture protected and developed

Professional, knowledgeable and flexible staff is fundamental to MAST delivering outcomes in accordance with its strategic objectives. This is consistently demonstrated by the volume of work completed by a small but dedicated team. As of 30 June 2023, MAST had 16 full-time equivalents (FTEs), the same number as the previous year.

Workforce planning has been a focus in 2022-23 where recommendations for a future workforce structure and succession planning have been implemented.





Keeping rowers safe



Installation of artificial reefs



Working with Tasmania Police



Structural audit of MAST facilities



AGFEST 2023

Buying a Life Jacket Consider...

- Is the firing mechanism easy to use?
- Try it on! Does it fit correctly? Is it Aust Standard AS-1775?
- Is it auto or manual inflation?
- Crotch straps WILL make work better!
- Don't buy an inflatable or PWC.
- Is this the right jacket for you?

Chances of survival better with a life jacket

MAST MARINE and SAFETY TASMANIA making boating better



SUPPORTING INFORMATION



Legislative Compliance

Right to Information Act 2009

The *Right to Information Act 2009* (RTI Act) provides for greater access to information held by government bodies. MAST has a legal duty to respond to requests for information in accordance with this Act.

The RTI Act:

- authorises and encourages disclosure of information without the need for formal requests or applications
- gives members of the public an enforceable right to information
- provides that access to information is restricted only in the limited circumstances defined in the Act

During 2022-23 there were two applications for assessed disclosure under the RTI Act. A full statistical return is provided to the Department of Justice, which publishes a comprehensive annual report on the operation of the RTI Act. This report is available from the Department of Justice website.

Integrity Commission Act 2009

The Integrity Commission is an independent body established on 1 October 2010 by the *Integrity Commission Act 2009* (the Act).

The three primary objectives of the Integrity Commission are to:

- improve the standard of conduct, propriety and ethics in public authorities in Tasmania
- enhance public confidence that misconduct by public officers will be appropriately investigated and dealt with
- enhance the quality of, and commitment to, ethical conduct by adopting a strong, educative, preventative and advisory role.

MAST is committed to upholding the aims and objectives of the Act.

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 the 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

The purpose of the *Public Interest Disclosures Act 2002* (the Act) is to encourage and facilitate the making of disclosures about the improper conduct of public officers or public bodies.

The Act provides protection to persons who make disclosures in accordance with the Act, and establishes a system by which the matters disclosed can be investigated and action to rectify any deficiencies can be taken.

MAST is committed to the aims and objectives of the Act. It has zero tolerance for improper conduct by its employees, officers or members, or the taking of detrimental action against those who come forward to disclose such conduct.

Procedures for reporting disclosures can be viewed at MAST during office hours or accessed via the MAST website, www.mast.tas.gov.au, under MAST Publications.

MAST did not receive any disclosures, either directly or indirectly referred via the Ombudsman, in the year to 30 June 2023.

Work Health and Safety Act 2002

MAST's Work Health and Safety system is based on the requirements set out within the Act and includes the policy, guidelines, vessel safety management plans and procedures.

MAST's 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.

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 Office (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 while undertaking prescribed fieldwork activities. Membership comprises representatives from each area of MAST.

Gifts, Benefits and Hospitality

All MAST staff must adhere to the Code of Ethics and Conduct Policy that requires the declining of gifts and benefits in certain circumstances and the declaration of acceptance of gifts in others. MAST maintains a register to record gifts declared or given by our staff. No gifts were recorded in 2022-23.

Procurement

MAST ensures procurement is undertaken in accordance with the mandatory requirements of the Treasurer's Instructions, including the requirement to give Tasmanian businesses every opportunity to compete for business. MAST supports Tasmanian businesses whenever they offer the best value for money.

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 2022-23 (for contracts/procurement processes with a value of \$50,000 or more)

| | |
|---|--------------|
| Total number of contracts awarded | 4 |
| Total number of contracts awarded to Tasmanian businesses | 4 |
| Value of contracts awarded | \$707,919.02 |
| Value of contracts awarded to Tasmanian businesses | \$707,919.02 |
| Total number of procurement processes run | 3 |
| Total number of submissions (bids) received | 12 |
| Total number of submissions (bids) received by Tasmanian businesses | 12 |

The following table provides information on contracts that MAST has awarded this year, excluding consultancy contracts, 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 |
|-------------------------------------|------------------------|--|--------------------|-------------------------|
| Tas Marine Construction | Hobart | Cape Barren Island Jetty – Remediation and upgrade | 6 weeks | \$222,877.00 |
| Hunter Diving & Marine Construction | Hobart | Dover Boat Ramp upgrade – Stage 2 | 12 weeks | \$247,668.14 |
| AJR Construct | Devonport | Burns Bay (St Helens) Boat Ramp Access upgrade | 8 weeks | \$178,771.38 |
| Tas Marine Construction | Hobart | Southport Jetty – Lower Landing Extension | 4 weeks | \$58,602.50 |

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

Consultancy Contracts with a value of \$50,000 or more

| Name of Consultant | Location of Consultant | Description of Consultant | Period of Consultancy | Total Value of Contract |
|--------------------|------------------------|---------------------------|-----------------------|-------------------------|
| Nil | | | | |

One contract was awarded by MAST as a result of a direct sourcing process during 2022-23.

| Name of Supplier | Description of Contract | Reason for Approval | Total Value of Contract |
|------------------|-----------------------------------|--|-------------------------|
| Datawise Pty Ltd | Development of MAST Client Portal | Datawise was appointed in 2021-22 to provide support to MAST's highly customised internal database systems. Datawise was subsequently appointed to develop the client portal and update the closely related internal systems due to their demonstrated capability in developing and maintaining MAST's systems. A full procurement process would have resulted in lengthy delays with DataWise needing to be involved to a significant extent in any case. | \$87,037.50 |

During 2022- 2023 there were no disaggregated contracts, no contract extensions approved in accordance with Treasurer's Instruction PP-6 and no contracts which contain confidentiality provisions in accordance with the requirements of Treasurer's Instruction C-1.

Grants

Grant Deeds signed in 2022-23 are reported below and are meeting their intended objectives.

| Grant | Paid 2022-23 | Purpose and intended outcome |
|--------------------------|--------------|--|
| Kingborough Council | \$125,000.00 | Election commitment - Kingston Beach Groyne - Disabled Access |
| Kingborough Council | \$50,000.00 | Groyne Repairs - Kingston Beach |
| Flinders Council | \$30,000.00 | Election Commitment - Whitemark (Flinders Island) Boat Ramp Design Consultancy |
| Devonport Council | \$6,629.11 | Water supply and fish cleaning facilities and the Mussel Rock fishing platform in the Mersey River |
| Inland Fisheries Service | \$20,000.00 | Lake Mikany Boat Ramp |
| Tasmanian Irrigation | \$20,000.00 | Craigbourne Dam - Spillway buoy line |



FINANCIAL STATEMENTS

Financial Report

for the year ended 30 June 2023



Marine and Safety Authority

ABN 65 826 980 806



Statement of Comprehensive Income

for the year ended 30 June 2023

| | Note | 2023 Budget \$'000 | 2023 Actual \$'000 | 2022 Actual \$'000 |
|---|------|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | | |
| Commercial vessels | 3.2 | 262 | 254 | 263 |
| Recreational boating | 3.3 | 2 764 | 2 876 | 4 017 |
| Moorings | | 435 | 417 | 408 |
| State Government grants | 3.1 | 1 345 | 1 751 | 8 672 |
| Interest | 3.4 | 25 | 426 | 55 |
| Other income | | 139 | 308 | 215 |
| Total revenue from continuing operations | | 4 970 | 6 032 | 13 630 |
| Net gain/(loss) on non-financial assets | 5 | (763) | (3) | (3) |
| Total income from continuing operations | | 4 207 | 6029 | 13 627 |
| Expenses from continuing operations | | | | |
| Employee benefits | 4.1 | 2 101 | 2 134 | 1 993 |
| Supplies and consumables | 4.2 | 708 | 868 | 850 |
| Facilities maintenance | 4.3 | 1 134 | 940 | 1 154 |
| Marine infrastructure and safety plan | 4.4 | 1 773 | 1 743 | 1 621 |
| Election commitments | 4.5 | 2 000 | 258 | 850 |
| Depreciation charges | 4.6 | 1 408 | 1 634 | 1 420 |
| Other expenses | 4.7 | 272 | 179 | 179 |
| Total expenses from continuing operations | | 9 396 | 7 756 | 8 067 |
| Net result from continuing operations | | (5 189) | (1 727) | 5 560 |
| Other comprehensive income | | | | |
| Items that will not be reclassified subsequently to net result in subsequent periods | | | | |
| Changes in asset revaluation reserve | 9 | - | - | 4 973 |
| Total other comprehensive income | | - | - | 4 973 |
| Comprehensive result | | (5 189) | (1 727) | 10 533 |

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 2023

| | Note | 2023 Budget \$'000 | 2023 Actual \$'000 | 2022 Actual \$'000 |
|----------------------------------|------|--------------------------|--------------------------|--------------------------|
| Assets | | | | |
| <i>Financial assets</i> | | | | |
| Cash & deposits | 10.1 | 7 007 | 13 084 | 15 244 |
| Receivables | 6.1 | 86 | 121 | 114 |
| <i>Non-financial assets</i> | | | | |
| Property, plant & infrastructure | 6.2 | 32 815 | 36 744 | 36 699 |
| Right-of-use assets | 6.3 | 123 | 419 | 119 |
| Other assets | 6.4 | 129 | 72 | 66 |
| Total assets | | 40 160 | 50 440 | 52 242 |
| Liabilities | | | | |
| Payables | 7.1 | 142 | 449 | 796 |
| Lease liabilities | 7.2 | 106 | 422 | 139 |
| Employee benefits | 7.3 | 735 | 681 | 695 |
| Other liabilities | 7.4 | 39 | 45 | 42 |
| Total liabilities | | 1 022 | 1 597 | 1 672 |
| Net assets | | 39 138 | 48 843 | 50 570 |
| Equity | | | | |
| Contributed capital | | 9 939 | 9 939 | 9 939 |
| Reserves | 9 | 24 936 | 26 231 | 26 231 |
| Accumulated funds | | 4 263 | 12 673 | 14 400 |
| Total equity | | 39 138 | 48 843 | 50 570 |

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 2023

| | Note | 2023 Budget \$'000 | 2023 Actual \$'000 | 2022 Actual \$'000 |
|--|------|--------------------------|--------------------------|--------------------------|
| Cash flows from operating activities | | | | |
| <i>Cash inflows</i> | | | | |
| State Government grants | | 1 345 | 1 751 | 8 672 |
| Sales of goods and services | | 3 444 | 3 581 | 4 755 |
| GST receipts | | 410 | 606 | 480 |
| Interest received | | 25 | 426 | 45 |
| Other cash receipts | | 156 | 308 | 215 |
| Total cash inflows | | 5 380 | 6 672 | 14 167 |
| <i>Cash outflows</i> | | | | |
| Employee benefits | | (2 101) | (2 147) | (1 941) |
| GST payments | | (398) | (618) | (551) |
| Interest payments | | (6) | (12) | (10) |
| Supplies and consumables | | (727) | (986) | (833) |
| Facilities maintenance | | (1 162) | (1 052) | (787) |
| Marine infrastructure and safety plan | | (1 818) | (1 836) | (1 445) |
| Election Commitments | | (2 000) | (319) | (850) |
| Other cash payments | | (272) | (166) | (168) |
| Total cash outflows | | (8 484) | (7 136) | (6 585) |
| Net cash from/(used by) operating activities | 10.2 | (3 104) | (464) | 7 582 |
| Cash flows from investing activities | | | | |
| Payments for non-financial assets | | - | (1 555) | (1 302) |
| Net cash from/(used by) investing activities | | - | (1555) | (1 302) |
| Cash flows from financing activities | | | | |
| Repayment of lease liabilities (ex interest) | | (190) | (141) | (145) |
| Net cash from/(used by) financing activities | | (190) | (141) | (145) |
| Net increase/(decrease) in cash and cash equivalents held | | (3 294) | (2 160) | 6 135 |
| Cash and cash equivalents held at the beginning of the reporting period | | 10 301 | 15 244 | 9 109 |
| Cash and cash equivalents held at the end of the reporting period | 10.1 | 7 007 | 13 084 | 15 244 |

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 2023

| | Contributed Equity \$'000 | Accumulated Funds \$'000 | Reserves \$'000 | Total Equity \$'000 |
|----------------------------------|---------------------------------|--------------------------------|--------------------|---------------------------|
| Balance as at 1 July 2022 | 9 939 | 14 400 | 26 231 | 50 570 |
| Comprehensive result | - | (1 727) | - | (1 727) |
| Balance at 30 June 2023 | 9 939 | 12 673 | 26 231 | 48 843 |

| | Contributed Equity \$'000 | Accumulated Funds \$'000 | Reserves \$'000 | Total Equity \$'000 |
|----------------------------------|---------------------------------|--------------------------------|--------------------|---------------------------|
| Balance as at 1 July 2021 | 9 939 | 8 840 | 21 258 | 40 037 |
| Comprehensive result | - | 5 560 | 4 973 | 10 533 |
| Balance at 30 June 2022 | 9 939 | 14 400 | 26 231 | 50 570 |

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 2023

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

Budget information refers to original estimates as disclosed in the 2022-23 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 % |
|---------------------------------------|------|------------------|------------------|--------------------|---------------|
| Recreational Boating | (a) | 2 764 | 2 876 | 112 | 4 |
| State Govt Grants | (b) | 1 345 | 1 751 | 406 | 23 |
| Interest | (c) | 25 | 426 | 401 | 94 |
| Other Income | (d) | 139 | 308 | 107 | 53 |
| Gain/(loss) on non-financial assets | (e) | 763 | 3 | (760) | (100) |
| Employee benefits | (f) | 2 101 | 2 134 | 33 | 2 |
| Supplies and consumables | (g) | 708 | 868 | 160 | 18 |
| Facilities maintenance | (h) | 1 134 | 940 | (194) | (17) |
| Marine Infrastructure and Safety plan | (i) | 1 773 | 1 743 | (30) | (2) |
| Election commitments | (j) | 2 000 | 258 | (1 742) | (87) |
| Depreciation charges | (k) | 1 408 | 1 643 | 226 | 17 |
| Other expenses | (l) | 272 | 179 | (93) | (34) |

Notes to Statement of Comprehensive Income variances.

| | |
|-----|--|
| (a) | The variance is due to better-than-expected revenue from registration renewals. |
| (b) | The Authority received an additional \$400,000. from Government to undertake dredging works at Triabunna. The project is due for completion in early 2023-24. |
| (c) | Increased interest rates that were not envisaged at the time the budget was prepared coupled higher than expected cash holding have impacted significantly on revenue from interest. |
| (d) | The variance is mainly due to the receipt of funds from external agencies to undertake works on recreational boating infrastructure on behalf of that agency. |
| (e) | The variance is due to the expected transfer of the Binalong Breakwater to Break O' Day Council and the disposal of the old Cygnet Jetty which did not occur. |
| (f) | Employee benefits were more than budget expectations due to higher than a higher than expected increase to salaries under the State Wages agreement and an adjustment to the long service leave provision at year end. |
| (g) | The variance is mainly due to the receipt of funds from external agencies to undertake works on recreational boating infrastructure on behalf of that agency. The projects were funded from revenue received as described at (d) above. |
| (h) | The full facilities maintenance budget was not expended during the year. Unspent funds will be carried forward into 2023-24. |
| (i) | Expenditure under the marine infrastructure and safety plan was largely expended as budgeted. Unspent project funds will be carried forward into 2023-24. |
| (j) | Works under the Governments election commitment program continued during the year. The underspend relates to projects subject to final planning and environmental approvals before works can be completed. Unspent funds will be carried forward into 2023-24. |
| (k) | Depreciation charges are higher than budget due to the impact of increased values of marine infrastructure that was revalued in 2021-22. |
| (l) | Variance due to a reduction in FBT costs as well as the budgeted legal cost allowance not required during 2022-23. |

1.2 Statement of Financial Position

| | Note | Budget \$'000 | Actual \$'000 | Variance \$'000 | Variance % |
|---------------------------------|------|------------------|------------------|--------------------|---------------|
| Cash & deposits | (a) | 7 007 | 13 084 | 6 077 | 87 |
| Receivables | (b) | 86 | 121 | 35 | 41 |
| Property plant & infrastructure | (c) | 32 815 | 36 744 | 3 929 | 12 |
| Right-of-use assets | (d) | 123 | 419 | 296 | 241 |
| Other assets | (e) | 129 | 72 | (57) | (44) |
| Payables | (f) | 142 | 449 | 307 | 216 |
| Lease liabilities | (g) | 106 | 422 | 316 | 298 |
| Employee benefits | (h) | 735 | 681 | (54) | (7) |
| Reserves | (i) | 24 936 | 26 231 | 1 295 | 5 |
| Accumulated funds | (j) | 4 263 | 12 673 | 8 410 | 197 |

Notes to Statement of Financial Position variances.

| | |
|-----|--|
| (a) | Cash variance due to timing differences for the completion of projects. The bulk of the variance relates to funds held for the Bridport Foreshore development that is now expected to be completed over the forward estimates. |
| (b) | Variance is mainly due to accrued revenue relating to June interest to be received in July 2023. |
| (c) | Variance to budget is mainly due to the higher-than-expected revaluation increment for marine infrastructure as well as the transfer of the Binalong Bay Breakwater to Break O' Day Council not proceeding as expected. In addition, the costs attributable to the establishment of two artificial reefs were recognised as capital works in progress. |
| (d) | The increase in right-of-use assets over budget estimates relates to the take-up of a 3-year extension to the Hobart office lease during the period. |
| (e) | Variance due to an overall reduction of other assets |
| (f) | The payables variance is mainly due to the timing of receipt of trade creditors invoices at year-end compared to the budgeted balance |
| (g) | The increase in lease liabilities over budget estimates is due to the recognition of the take-up of a 3-year extension to the Hobart office lease during the period. |
| (h) | Employee benefits are less than anticipated due to staff leave profile differing from budget expectations. |
| (i) | The budget did not include the revaluation increment attributable to the revaluation of marine infrastructure undertaken during the year. |
| (j) | 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 Gov Grants | (a) | 1 345 | 1 751 | 406 | 30 |
| Sales of goods and services | (b) | 3 444 | 3 581 | 137 | 4 |
| GST receipts/payments (net) | (c) | 12 | (12) | (24) | (200) |
| Interest received | (d) | 25 | 426 | 401 | 1604 |
| Other cash receipts | (e) | 156 | 308 | 152 | 97 |
| Employee benefits | (f) | (2 101) | (2 147) | (46) | 2 |
| Supplies and consumables | (g) | (727) | (986) | (259) | 36 |
| Facilities maintenance | (h) | (1 162) | (1 052) | 110 | (9) |
| Election Commitments | (i) | (2 000) | (319) | 1 681 | 84 |
| Other cash payments | (j) | (272) | (166) | 106 | (39) |
| Payments for non-financial assets | (k) | - | (1 555) | (1 555) | 100 |
| Repayment of lease liabilities | (l) | (190) | (141) | 49 | (26) |

Notes to Statement of Cash Flows variances

| | |
|-----|--|
| (a) | The Authority received an additional \$400,000. from Government to undertake dredging works at Triabunna. The project is due for completion in early 2023-24. |
| (b) | The variance is due to better-than-expected revenue from registration renewals. |
| (c) | Variance reflects timing differences of the receipt of GST refunds over the end of financial years. |
| (d) | Variance due to higher than anticipated cash held at year end in conjunction with higher than anticipated interest rate increases during the year. |
| (e) | The variance is mainly due to the receipt of funds from external agencies to undertake works on recreational boating infrastructure on behalf of that agency. |
| (f) | Employee benefits were more than budget expectations due to higher than a higher-than-expected increase to salaries under the State Wages agreement. |
| (g) | Mainly due to works undertaken on behalf of external agencies owned by external agencies. The projects were funded from revenue received as described at (e) above |
| (h) | Facilities maintenance costs were less than budget due to continuing delays caused by contractor availability. |
| (i) | Works under the Government's election commitment program continued during the year. The underspend relates to projects subject to final planning and environmental approvals before works can be completed. Unspent funds will be carried forward into 2023-24. |
| (j) | Variance due to a reduction in FBT costs as well as the budgeted legal cost allowance not required during 2022-23. |
| (k) | Variance relates to cash payments for capital projects that were originally expected to be completed in the prior year. In addition, some marine infrastructure items that were originally budgeted as maintenance were classified as capital expenditure during the year. |
| (l) | Lease liability costs less than expected. |

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.

| | 2023 Budget \$'000 | 2023 Actual \$'000 |
|---|--------------------------|--------------------------|
| Net result from continuing operations | (5 189) | (1 727) |
| Less impact of Non-operational capital funding | | |
| State Government Grants | - | 400 |
| Underlying Net result from continuing operations | (5 189) | (2 127) |

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.

Grant revenue without a sufficiently specific performance obligation is recognised when the Authority gains control of the asset (typically cash).

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Grants without sufficiently specific performance obligations | | |
| Marine Facilities – preventative maintenance | 1 351 | 1 312 |
| Triabunna dredging | 400 | - |
| Election commitments | - | 6 640 |
| Cygnets jetty replacement | - | 300 |
| Public building maintenance fund | - | 420 |
| Total Grants | 1 751 | 8 672 |

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.

This 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

| | 2023 \$'000 | 2022 \$'000 |
|--------------------|----------------|----------------|
| Wages and salaries | 1 664 | 1 585 |
| Superannuation | 197 | 180 |
| Annual leave | 146 | 139 |
| Long service leave | 70 | 31 |
| Board fees | 57 | 58 |
| Total | 2 134 | 1 993 |

(b) Remuneration of key management personnel

| 2023 | Short-term benefits | | Long Term Benefits | | Total |
|---|---------------------|----------------|--------------------|---------------------------------------|--------------|
| | Salary | Other Benefits | Super-annuation | Other Benefits and Long Service Leave | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Key management personnel | | | | | |
| Rodney Sweetnam, Chair | 17 | - | 2 | - | 19 |
| Hughie Lewis, Director | 12 | - | 1 | - | 13 |
| Carolyn Pillans, Director | 12 | - | 1 | - | 13 |
| Rodney Treloggen, Director | 12 | - | 1 | - | 13 |
| Lia Morris, Chief Executive | 232 | 23 | 24 | 6 | 285 |
| William Batt, Chief Operating Officer | 171 | 21 | 18 | 14 | 224 |
| Peter Hopkins, Manager – Recreational Boating | 162 | 28 | 17 | (7) | 200 |
| Justin Foster – Manager, MAST Assets & Projects (from 9 September 2022) | 131 | 14 | 14 | 13 | 172 |
| Toby Greenlees, Manager – Waterways Management | 165 | - | 17 | 2 | 184 |
| Total | 914 | 86 | 95 | 28 | 1 123 |

| 2022 | Short-term benefits | | Long Term Benefits | | Total |
|---|---------------------|----------------|--------------------|---------------------------------------|------------|
| | Salary | Other Benefits | Super-annuation | Other Benefits and Long Service Leave | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Key management personnel | | | | | |
| Rodney Sweetnam, Chair | 17 | - | 2 | - | 19 |
| Hughie Lewis, Director | 12 | - | 1 | - | 13 |
| Carolyn Pillans, Director | 12 | - | 1 | - | 13 |
| Rodney Treloggen, Director | 12 | - | 1 | - | 13 |
| Lia Morris, Chief Executive | 215 | 23 | 21 | - | 259 |
| William Batt, Chief Operating Officer | 159 | 21 | 16 | 8 | 204 |
| Peter Hopkins, General Manager – Recreational Boating Safety & Facilities | 151 | 27 | 15 | 3 | 196 |
| Toby Greenlees, Manager – Waterways Management | 151 | - | 15 | 8 | 174 |
| Total | 729 | 71 | 72 | 19 | 891 |

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 2022-23 the Authority negotiated a new 3-year lease agreement with lease rental payments based on market rates as determined by an independent valuer. Lease rental payments totalling \$19 415 were made during the year.

In addition, during 2022-23 MAST conducted an open tender for a replacement work vessel. Lewis Marine was the successful tenderer with the proposed vessel providing best value for money. The vessel is currently under construction with \$16 005 expended during the year.

4.2 Supplies and consumables

| | 2023 \$'000 | 2022 \$'000 |
|------------------------------------|----------------|----------------|
| Information technology | 168 | 228 |
| External Agency Project Management | 135 | - |
| Travel and transport | 122 | 93 |
| Communications | 76 | 135 |
| Consultants | 70 | 75 |
| Advertising and promotion | 45 | 51 |
| Insurance | 43 | 46 |
| Property services | 35 | 36 |
| Other operating expenses | 174 | 186 |
| Total | 868 | 850 |

4.3 Facilities maintenance

| | | |
|-------------------------------|------------|--------------|
| Maintenance - Navigation aids | 332 | 315 |
| Dredging – St Helens | 206 | 177 |
| Maintenance – Jetties | 311 | 184 |
| Public Building Maintenance | - | 340 |
| Maintenance - Breakwaters | 38 | 69 |
| Other | 24 | 15 |
| Maintenance – Radio equipment | 29 | 54 |
| Total | 940 | 1 154 |

4.4 Marine infrastructure and safety plan

| | | |
|---------------------------------------|--------------|--------------|
| Infrastructure fund | 984 | 958 |
| Small boating fund | 309 | 242 |
| Boating education and safety services | 450 | 421 |
| Total | 1 744 | 1 621 |

The marine infrastructure and safety plan is a long-standing funding 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 Election commitments

| | | |
|----------------------------------|------------|------------|
| Improve jetty access | 125 | 314 |
| Bridport Foreshore | 82 | 34 |
| Flinders Island Ramps | 46 | - |
| Jetty Replacements – Break O’Day | 5 | 204 |
| Volunteer marine rescue funding | - | 270 |
| Online marketing portal | - | 25 |
| Coles Bay Breakwater | - | 2 |
| Fish Aggregation Devices | - | 1 |
| Total | 258 | 850 |

Budget initiatives relating to boating and fishing infrastructure and related services were announced by Government in 2018 and 2021 to be delivered progressively over a number of years. The Authority has continued to deliver infrastructure and services in 2022-23 with a number of major projects completed or nearing completion.

Work will continue in future periods to fully deliver Government commitments.

4.6 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

| | 2023 | 2022 |
|---------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Marine facilities | 1 270 | 1 059 |
| Right-of-use assets | 127 | 124 |
| Navigation aids | 122 | 123 |
| Plant & equipment | 115 | 114 |
| Total | 1 634 | 1 420 |

4.7 Other expenses

| | | |
|-------------------------------|------------|------------|
| Audit fees – internal audit | 49 | 30 |
| Bank fees | 27 | 43 |
| Audit fees – financial audit | 18 | 17 |
| Interest on lease liabilities | 12 | 10 |
| Employee on-costs | 3 | 1 |
| Other | 70 | 78 |
| Total | 179 | 179 |

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.

| | | |
|--|------------|------------|
| Net gain/(loss) on disposal of Navigation aids | (3) | (3) |
| Net gain/(loss) on disposal of Marine facilities | - | - |
| Total net gain/(loss) in non-financial assets | (3) | (3) |

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 initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is

recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. The Authority has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable

| | 2023 \$'000 | 2022 \$'000 |
|--------------------------------|-------------------|-------------------|
| Receivables | 11 | 9 |
| Less: | | |
| Expected credit loss | (1) | (1) |
| | <u>10</u> | <u>8</u> |
| Other receivables | 111 | 106 |
| | <u>121</u> | <u>114</u> |
| Settled within 12 months | 121 | 114 |
| Settled in more than 12 months | - | - |
| | <u>121</u> | <u>114</u> |

6.2 Property, plant & infrastructure

(i) Valuation basis

Infrastructure assets comprising 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

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Navigation aids | | |
| At fair value | 2 540 | 2 548 |
| Less accumulated depreciation | (1 685) | (1 596) |
| Total | 855 | 952 |
| Marine facilities | | |
| At fair value | 60 810 | 58 150 |
| Less accumulated depreciation | (25 279) | (24 009) |
| Total | 35 531 | 34 141 |
| Plant and equipment | | |
| At cost | 1 443 | 1 419 |
| Less accumulated depreciation | (1 274) | (1 159) |
| Total | 169 | 260 |
| Work in progress (at cost) | 189 | 1 346 |
| Total property, plant & infrastructure | 36 744 | 36 699 |

Valuations

Marine facilities, comprising jetties, wharves, launching ramps, breakwaters and training walls were valued in April 2022 by Burbury Consulting. Navigation Aids were revalued at 31 March 2021 by Australian Maritime Systems Ltd.

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.

| 2023 | Navigation Aids Level 3 \$'000 | Marine Facilities Level 3 \$'000 | Plant & Equipment \$'000 | Work in Progress \$'000 | Total \$'000 |
|--|--------------------------------|----------------------------------|--------------------------|-------------------------|---------------|
| Carrying amount at 1 July | 952 | 34 141 | 260 | 1 346 | 36 699 |
| Additions | 27 | 1 317 | 24 | 186 | 1 554 |
| Transfers from work in progress | - | 1 343 | - | (1 343) | - |
| Transfers from work in progress to profit & loss | - | - | - | - | - |
| Disposals | (3) | - | - | - | (3) |
| Revaluation increments/(decrements) | - | - | - | - | - |
| Depreciation expense | (122) | (1 269) | (115) | - | (1 506) |
| Carrying amount at 30 June | 854 | 35 532 | 169 | 189 | 36 744 |

| 2022 | Navigation Aids Level 3 \$'000 | Marine Facilities Level 3 \$'000 | Plant & Equipment \$'000 | Work in Progress \$'000 | Total \$'000 |
|--|--------------------------------|----------------------------------|--------------------------|-------------------------|---------------|
| Carrying amount at 1 July | 1 052 | 30 226 | 310 | 137 | 31 725 |
| Additions | 26 | - | 25 | 1 251 | 1 302 |
| Transfers from work in progress | - | - | 39 | (39) | - |
| Transfers from work in progress to profit & loss | - | - | - | (3) | (3) |
| Disposals | (3) | - | - | - | (3) |
| Revaluation increments/(decrements) | - | 4 973 | - | - | 4 973 |
| Depreciation expense | (123) | (1 058) | (114) | - | (1 295) |
| Carrying amount at 30 June | 952 | 34 141 | 260 | 1 346 | 36 699 |

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.

| 2023 | Leasehold property \$'000 | Plant and Equipment \$'000 | Total \$'000 |
|----------------------------------|------------------------------|-------------------------------|-----------------|
| Carrying value at 1 July | 96 | 23 | 119 |
| Additions | 359 | 66 | 425 |
| Disposals / derecognition | - | - | - |
| Depreciation and amortisation | (102) | (25) | (127) |
| Other movements | 2 | - | 2 |
| Carrying value at 30 June | 355 | 64 | 419 |

| 2022 | Leasehold property \$'000 | Plant and Equipment \$'000 | Total \$'000 |
|----------------------------------|------------------------------|-------------------------------|-----------------|
| Carrying value at 1 July | 191 | 48 | 239 |
| Additions | - | - | - |
| Disposals / derecognition | - | - | - |
| Depreciation and amortisation | (99) | (25) | (124) |
| Other movements | 4 | - | 4 |
| Carrying value at 30 June | 96 | 23 | 119 |

6.4 Other assets

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------------|----------------|----------------|
| Prepayments | 50 | 42 |
| Flexmat & Pontoon stock | 22 | 24 |
| | 72 | 66 |
| Utilised within 12 months | 72 | 66 |
| Utilised in more than 12 months | - | - |
| | 72 | 66 |

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.

| | | |
|--------------------------------|------------|------------|
| Trade creditors | 215 | 669 |
| Accrued expenses | 234 | 127 |
| | 449 | 796 |
| Settled within 12 months | 449 | 796 |
| Settled in more than 12 months | - | - |
| | 449 | 796 |

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. The Authority exercised its 3-year extension option for the Hobart office accommodation during the year. |
| 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. |

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Expected to settle within 12 months | | |
| Lease liabilities | 131 | 128 |
| Expected to settle in more than 12 months | | |
| Lease liabilities | 291 | 11 |
| Total | 422 | 139 |

The following amounts are recognised in the Statement of Comprehensive Income

| | | |
|--|-----------|-----------|
| Interest on lease liabilities included in note 4.7 | 12 | 10 |
| Lease expenses included in note 4.2: | | |
| Lease of low-value assets | 2 | 2 |
| Net expenses from leasing activities | 14 | 12 |

7.3 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.

| | 2023 \$'000 | 2022 \$'000 |
|--------------------------------|----------------|----------------|
| Long service leave | 492 | 453 |
| Annual leave | 185 | 178 |
| Flexi-time | 4 | - |
| Accrued salaries | - | 64 |
| Total | 681 | 695 |
| Settled within 12 months | 382 | 322 |
| Settled in more than 12 months | 299 | 373 |
| Total | 681 | 695 |

7.4 Other liabilities

| | | |
|--------------------------------|-----------|-----------|
| Employee benefits – on-costs | 45 | 42 |
| Total | 45 | 42 |
| Settled within 12 months | 42 | 40 |
| Settled in more than 12 months | 3 | 2 |
| Total | 45 | 42 |

7.5 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.

| | 2023 \$'000 | 2022 \$'000 |
|-------------------------------------|----------------|----------------|
| By type | | |
| <i>Lease Commitments</i> | | |
| Low value operating leases | 5 | 1 |
| <i>Total Lease commitments</i> | 5 | 1 |
| <i>Other commitments</i> | | |
| Navigation aid maintenance contract | 623 | 825 |
| Marine facilities | 238 | 1 364 |
| Election Commitments | 55 | 605 |
| Vehicle rental agreements | 26 | 58 |
| Recreational Boating Fund Program | 54 | 119 |
| IT Services | 61 | 142 |
| <i>Total other commitments</i> | 1 057 | 3 113 |
| Total | 1 062 | 3 114 |
| By maturity | | |
| <i>Lease commitments</i> | | |
| One year or less | 2 | 1 |
| From one to five years | 3 | - |
| More than five years | - | - |
| <i>Total lease commitments</i> | 5 | 1 |
| <i>Other commitments</i> | | |
| One year or less | 745 | 2 325 |
| From one to five years | 312 | 513 |
| More than five years | - | 275 |
| <i>Total other commitments</i> | 1057 | 3 113 |
| Total | 1 062 | 3 114 |

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 three-year extension to the 5-year contract for the maintenance of State-owned Navigation Aids that commenced in 2017-18 was negotiated in 2021-22. A total of \$623,000 is expected to be spent under the contract for planned and preventative maintenance over the remaining extension 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

| 2023 | Navigation Aids \$'000 | Marine Facilities \$'000 | Total \$'000 |
|-------------------------------------|---------------------------|-----------------------------|-----------------|
| Asset revaluation reserve | | | |
| Balance at 1 July 2022 | 1 779 | 24 452 | 26 231 |
| Revaluation increments/(decrements) | - | - | - |
| Balance at 30 June 2023 | 1 799 | 24 452 | 26 231 |

| 2022 | Navigation Aids \$'000 | Marine Facilities \$'000 | Total \$'000 |
|-------------------------------------|---------------------------|-----------------------------|-----------------|
| Asset revaluation reserve | | | |
| Balance at 1 July 2021 | 1 779 | 19 479 | 21 258 |
| Revaluation increments/(decrements) | - | 4 973 | 4 973 |
| Balance at 30 June 2022 | 1 779 | 24 452 | 26 231 |

(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

| | 2023 \$'000 | 2022 \$'000 |
|--------------------------------|----------------|----------------|
| Investment account – Westpac | 74 | 123 |
| Tascorp cash index fund | 13 010 | 15 121 |
| Total cash and deposits | 13 084 | 15 244 |

10.2 Reconciliation of net result to net cash from operating activities

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Net result from continuing operations | (1 727) | 5 560 |
| Depreciation | 1 634 | 1 420 |
| (Gain) loss from sale of non-financial assets | 3 | 3 |
| Transfer of discontinued work-in-progress to P&L | - | 3 |
| (Increase) decrease in trade receivables | (48) | 4 |
| (Increase) decrease in prepayments | (4) | - |
| (Increase) decrease in tax assets | 40 | (38) |
| Increase (decrease) in payables | (350) | 576 |
| Increase (decrease) in contract liability | - | - |
| Increase (decrease) in other Liabilities | - | 1 |
| Increase (decrease) in employee benefits | (14) | 52 |
| Increase (decrease) in tax liabilities | 2 | 1 |
| Net cash from (used by) operating activities | (464) | 7 582 |

10.3 Reconciliation of liabilities arising from financing activities

| 2023 | Lease Liabilities \$'000 |
|------------------------------------|--------------------------------|
| Balance as at 1 July 2022 | 139 |
| New leases | 423 |
| Other movements | 1 |
| Changes from financing cash flows: | |
| Cash payments | (141) |
| Balance at 30 June 2023 | 422 |

| 2022 | Lease Liabilities \$'000 |
|------------------------------------|--------------------------------|
| Balance as at 1 July 2021 | 279 |
| New leases | - |
| Other movements | 4 |
| Changes from financing cash flows: | |
| Cash payments | (144) |
| Balance at 30 June 2022 | 139 |

10.4 Uncontracted committed expenditure

The Authority has committed in its forward estimates to deliver the Bridport foreshore infrastructure upgrades as part of the 2021 election commitment funding program. The Authority has also committed to continue the funding towards community projects under the 2018 and 2021 election commitment program as well as the marine infrastructure and safety plan, in addition to the ongoing marine facility maintenance program.

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| By project | | |
| Bridport foreshore | 5 400 | 5 490 |
| Infrastructure and safety plan | 2 800 | 3 592 |
| Facilities maintenance | 925 | 1 454 |
| Triabunna Dredging | 440 | - |
| Coles Bay breakwater | 424 | 479 |
| Pirates Bay Walkway | 214 | - |
| Flinders Island ramps | 82 | 132 |
| Artificial Reefs | 28 | - |
| Recreational fishing – improve jetty access | - | 205 |
| Recreational fishing – Jetty replacement Break O’Day | - | 292 |
| Total | 10 313 | 11 644 |
| By maturity | | |
| One year or less | 6 710 | 6 264 |
| From one to five years | 3 603 | 5 380 |
| More than five years | - | - |
| Total | 10 313 | 11 644 |

The uncontracted committed expenditure is in addition to the amounts shown in Note 8 - *Commitments and Contingencies* and is funded from grant revenue received from Government as well as licence and registration revenue to be received in future periods.

Uncontracted expenditure refers to forward budget estimates and has not been subject to audit.

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 2023. | 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 2023 | | | | |
|---|--------------|------------------|------------------|------------|
| | Not past due | Past due 30 days | Past due 60 days | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Total gross carrying amount (A) | 119 | - | 2 | 121 |
| Expected credit loss rate (B) | - | - | 0.5% | |
| Expected credit loss (A x B) | - | - | 0.5 | 0.5 |

| Expected credit loss analysis of receivables as at 30 June 2022 | | | | |
|---|--------------|------------------|------------------|------------|
| | Not past due | Past due 30 days | Past due 60 days | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Total gross carrying amount (A) | 113 | - | 1 | 114 |
| Expected credit loss rate (B) | - | - | 0.5% | |
| Expected credit loss (A x B) | - | - | 0.5 | 0.5 |

(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 2023 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. |

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:

| 2023 | Maturity analysis for financial liabilities | | | | | | | Undiscounted total | Carrying amount |
|------------------------------|---|----------|----------|----------|----------|-------------------|------------|--------------------|-----------------|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | | | |
| Financial liabilities | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Payables | 449 | - | - | - | - | - | 449 | 449 | |
| Total | 449 | - | - | - | - | - | 449 | 449 | |

| 2022 | Maturity analysis for financial liabilities | | | | | | | Undiscounted total | Carrying amount |
|------------------------------|---|----------|----------|----------|----------|-------------------|------------|--------------------|-----------------|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | | | |
| Financial liabilities | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Payables | 796 | - | - | - | - | - | 796 | 796 | |
| Total | 796 | - | - | - | - | - | 796 | 796 | |

(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:

| | 2023 \$'000 | 2022 \$'000 |
|----------------------------------|----------------|----------------|
| Variable rate instruments | | |
| Financial assets | 13 084 | 15 244 |
| Total | 13 084 | 15 244 |

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 2023 | | | | |
| Financial asset – 1% | 131 | (131) | 131 | (131) |
| Net sensitivity | 131 | (131) | 131 | (131) |
| 30 June 2022 | | | | |
| Financial asset – 1% | 152 | (152) | 152 | (152) |
| Net sensitivity | 152 | (152) | 152 | (152) |

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 2022.

Categories of financial assets and liabilities

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Financial assets | | |
| Cash and cash equivalents | 13 084 | 15 244 |
| Loans and receivables | 121 | 114 |
| Total | 13 205 | 15 358 |
| Financial Liabilities | | |
| Financial liabilities at amortised cost | 449 | 796 |
| Total | 449 | 796 |

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 2023 \$'000 | Net Fair Value 2023 \$'000 | Carrying Amount 2022 \$'000 | Net Fair Value 2022 \$'000 |
|------------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Financial assets | | | | |
| Cash at bank | 13 084 | 13 084 | 15 244 | 15 244 |
| Receivables | 121 | 121 | 114 | 114 |
| Total financial assets | 13 205 | 13 205 | 15 358 | 15 358 |
| Financial liabilities | | | | |
| Payables | 449 | 449 | 796 | 796 |
| Contract Liabilities | - | - | - | - |
| Total financial liabilities | 449 | 449 | 796 | 796 |

Note 12: Events Occurring after Balance Date

There have been no events subsequent to balance date which would have a material effect on the Authority's Financial Statements as at 30 June 2023.

Any material events that:

- occurred after the end of the financial reporting period; and
- provide evidence of conditions that existed at the reporting date

must be adjusted for in the Financial Statements.

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 11 August 2023.

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

No new standards have been adopted in current year that are relevant to the operations of the Authority.

(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.

13.5 Comparative figures

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

Costs relating to projects funded through grants received under government's election commitment program that were previously categorised as supplies and consumables continue to be classified as a separate line item in the Statement of Comprehensive Income and Statement of Cash Flows.

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.

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 7.3, 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:

| | 2023 | 2022 |
|-------------------------|---------------|---------------|
| | \$ | \$ |
| Fees for Audit | 17 800 | 17 260 |
| Fees for other services | - | - |
| | 17 800 | 17 260 |

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 2022-23 financial year and the financial position as at 30 June 2023 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 2022-23 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 2022-23 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

11 August 2023



Lia Morris
Chief Executive

11 August 2023



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

Opinion

I have audited the financial statements of the Marine and Safety Authority (the Authority), which comprises the statement of financial position as at 30 June 2023, statements of comprehensive income, cash flows and changes in equity for the year then ended, notes to the financial statements, including a summary of significant accounting policies 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 2023 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Marine and Safety 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 Statement* 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 statement 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 the *Marine and Safety Act 1997* and section 42(1) of the *Financial Management Act 2016* and for 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 intend to cease operations, or have 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 is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

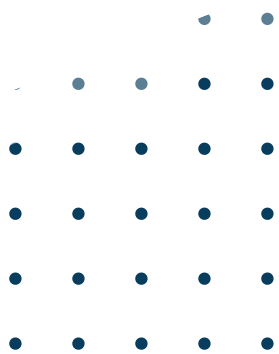
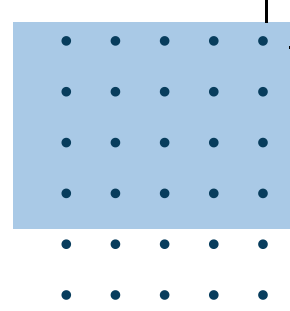
I communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Jeff Tongs
Assistant Auditor-General
Tasmanian Audit Office

15 August 2023
Hobart





MAST



MARINE and SAFETY TASMANIA
making boating better