



ANNUAL REPORT 2022-23

PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY





*Front Cover: Port Arthur Gallery Image: Remi Chauvin
Back Cover: School Holiday Program at Cascades
Female Factory Image: Rosie Hastings; Port Arthur Tour
Image: Remi Chauvin
Above: Visitors at the Penitentiary Image: Kathrin Becker*

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An electronic version of this report is available
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Report.pdf](https://portarthur.org.au/wp-content/uploads/2023/11/2022-23-PAHSMA-Annual-Report.pdf)

October 2023

Disclaimer: The information contained within
the 2022–23 Annual Report is considered to be
correct at the time of publication. Images used
within the publication remain the property of
PAHSMA.

PAHSMA proudly manages three of the 11 historic places that together form the Australian Convict Sites World Heritage property.

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OUR VISION

To connect people with a complex history to inspire, engage and shape the future.

OUR MISSION

To be the leader in conserving, creating and sharing our extraordinary Australian convict places, experiences and stories.

To enrich the lives of our communities by providing cultural, social, environmental and economic benefit.

FIRST PEOPLE'S ACKNOWLEDGEMENT

Port Arthur Historic Site Management Authority recognises the deep history and culture of lutruwita/ Tasmania. We acknowledge the Palawa people, the traditional owners of the Land upon which we work. We acknowledge and pay our respects to all Aboriginal Communities — all of whom have survived invasion and dispossession, and continue to maintain their identity and culture.

OUR VALUES



UNITY

We work as one to achieve PAHSMA's Vision and Purpose.



PEOPLE MATTER

We acknowledge and show respect to our people – past, present and future.



ACCOUNTABILITY

We hold ourselves, and each other, accountable for our actions and behaviours.



PASSION AND PRIDE

We are committed to being world class.

DIRECTORS' STATEMENT

To the Honourable Madeleine Ogilvie MP,
Minister for Heritage and the Honourable
Michael Ferguson MP, Treasurer,

In accordance with section 55 of the
Government Business Enterprises Act 1995,
we hereby submit for your information and
presentation to Parliament, the report of
the Port Arthur Historic Site Management
Authority for the year ended 30 June 2023.

The report has been prepared in accordance
with the provisions of the *Government Business
Enterprises Act 1995*.

Signed in accordance with a resolution of the
Board.



GRANT O'BRIEN

Chair
26 September 2023



ENRICO DE SANTI

Director
26 September 2023

CHAIR & CEO REVIEW

On behalf of the Board and Management of Port Arthur Historic Site Management Authority (PAHSMA), we present the 2022–23 Annual Report. This report outlines our activities and performance across our heritage, commercial, financial and regulatory responsibilities.

We are pleased to report that visitation has increased at all PAHSMA's sites during 2022–23 as tourism numbers move ever closer to pre-COVID levels. The Port Arthur Historic Site welcomed 320 621 daytime visitors, the Cascades Female Factory had 35 260 visitors and the Coal Mines recorded 17 474 visitors. Our teams have done a terrific job in catering for the increased numbers by ensuring that our sites and visitor experiences have been of the highest quality. As a result of increased tourism, our financial performance was significantly better than anticipated – improving from a budgeted loss for the year of \$3.796M to an actual loss of \$930K.

We were grateful for the Tasmanian Government's continued support as we recover from the impacts of COVID, this year with an equity injection of \$4M that continued

to support the employment of our people and our operations. This is the third of four instalments from the total \$20M agreed with the Tasmanian Government at the beginning of the COVID-19 pandemic to assist the authority to maintain our iconic Tasmanian heritage and tourism operation; and play a broader role as an important economic driver for the region.

During the year the Board and management's focus has been on creating a Strategic Plan and Roadmap that will inform decision-making over short, medium and long-term horizons. This major piece of work is to be finalised and communicated to stakeholders early in the 2023-24 financial year.

Our Strategic Plan will identify and map our future focus:

- To conserve, preserve and present our sites and meet our World Heritage obligations
- To create and deliver engaging, and compelling experiences, on-site, off-site and online
- To create increased visitor engagement and sustainable commercial returns
- To future-proof PAHSMA through secure and diverse funding and adaptive environmental and business practices

*Grant O'Brien and
Will Flamsteed
Image: Alastair Bett*



- To ensure PAHSMA is appropriately resourced and managed through a skilled, engaged and developing workforce with an inclusive and agile culture.

PAHSMA also completed several notable conservation and interpretation initiatives:

- The Matron’s Quarters at the Cascades Female Factory was re-opened to the public on International Women’s Day. It features a temporary exhibition highlighting the history and conservation of the home.
- Stage One of the Convict Memorial Hub project was completed in conjunction with the National Trust and Heritage Tasmania, with a business plan provided.
- Structural steel at the Hospital and Pauper’s Mess has been repainted to protect the steelwork from weather.
- Fibre optic cabling was installed to service the Separate Prison to support our ongoing interpretation for this significant building.

A significant change to our Executive Leadership Team occurred with the recruitment of Will Flamsteed as Chief Executive Officer in January 2023. Considerable thanks go to Melinda Percival who acted in the CEO role during a nationwide recruitment search. Steve McLean also joined the Executive Leadership Team in March 2023 as Manager People & Culture.

Board changes included the farewell of respected and long-standing Non-Executive

Director the Hon. Peter McKay, and we welcomed a new Board Director, Richard Mulvaney.

We are thankful for the ongoing commitment and support from our Minister for Heritage, the Hon Madeleine Ogilvie MP, and our Treasurer, the Hon Michael Ferguson MP along with the Tasmanian and Australian Governments.

We acknowledge that the better than budget financial results and the reported achievements of PAHSMA together with our future success are attributed to the efforts of our people who proudly conserve our sites and provide exceptional service to our visitors. We thank our team for their dedication and commitment and welcome the opportunities that the year ahead offers.



GRANT O'BRIEN

Chair



WILLIAM FLAMSTEED

Chief Executive Officer



Port Arthur visitor activity
Image: Remi Chauvin

320 621
DAY VISITORS TO
PORT ARTHUR

19 514
GHOST TOUR VISITORS
TO PORT ARTHUR

35 260
VISITORS TO CASCADES
FEMALE FACTORY

17 474
VISITORS TO
COAL MINES

THE YEAR AT A GLANCE

PORT ARTHUR HISTORIC SITE

- 320 621 Total Day Visitors, increase of 71.3% on previous year
- 19 514 Ghost Tour Visitors, increase of 14.4% on previous year
- 12 886 walkers commenced the Three Capes Track
- Education program hosted 4 957 students and 704 teachers – a 209% increase on 2021-22
- 18 cruise ship visits from 26 originally booked
- \$57.34 Yield – Individual visitor spend (target \$61.39)
- Visitor Satisfaction NPS score of 85.4 (target 70+)
- Tripadvisor People's Choice Award July 2022
- Community events — *Maker's Markets*, *Tasmanian ThylaSing Love, Loss & Hope*
- Temporary closure of 1830 Restaurant & Bar from 30 May 2023 to reset operations and upgrade technology
- Gold Winner in the Tasmanian Tourism Awards Major Tourism Attraction category and Highly Commended at the Qantas Australian Tourism Awards.

COAL MINES HISTORIC SITE

- Approximately 17 474 Visitors, an increase of 11% on previous year
- Around 11 586 vehicles accessing the car park.

CASCADES FEMALE FACTORY

- 35 260 Total Visitors
- Hosted 1579 School Students accompanied by 273 teachers — an increase of 233% on previous year
- \$24.99 Yield — Individual visitor spend (target \$21.99)
- Visitor Satisfaction NPS score of 84.6
- Tripadvisor People's Choice Award July 2022
- Re-opening of the Matron's Quarters on International Women's Day
- New tour (aligned to Winter OFF Season Campaign) — *Notorious Strumpets & Dangerous Girls*
- Community events — *This is Eden* history talk and Festival of Voices *Walk with Me* performance.

CONSERVATION, INFRASTRUCTURE, EDUCATION & INTERPRETATION

- Operating expenditure of \$8.990M on Conservation, Infrastructure, Education & Interpretation in addition to \$1.212M on capital projects.

CASCADES FEMALE FACTORY

- New interpretive installation in the Matron's Quarters
- Refreshed Education and school holiday program offerings developed and delivered
- Development of a new audio guide experience.

PORT ARTHUR HISTORIC SITE

- Junior Medical Officer's House roof re-shingling
- Repainting the Asylum and Asylum bakehouse
- Laser scanning of historic retaining walls and ruins to monitor conditions
- Visiting Magistrate's House basement masonry conservation
- Root flushing system to protect heritage Oak trees
- Significant specialist arborist work to ensure tree health and public safety
- Multimedia interactive refreshment
- Refreshed wayfinding in the Visitor Centre and on-site
- Development of a new audio guide experience
- Development of a new series of site talks and guide experiences
- Refreshed Education and school holiday program offerings developed and delivered
- Development of a visitor journey mapping project.

\$8.990M
CONSERVATION, INFRASTRUCTURE, EDUCATION
& INTERPRETATION OPERATING EXPENDITURE

\$930K
OPERATING LOSS

OUR PEOPLE

- 180 employees at 30 June 2023
- Key executive roles recruited with new CEO and Manager People & Culture
- New Board Director recruited
- One employee engagement pulse survey
- Participation in Tasmanian State Service Employee Engagement Survey.

SUSTAINABILITY

Sustainability in visitation, operations and our environment remain a priority. New sustainability initiatives for 2022-23 include:

- Introduced new compostable food containers and coffee cups
- Improved fleet of electric carts to support visitors and cleaners mobility
- Developed a Climate Action Plan for Summer 2024.

FINANCIAL RESULTS

- \$930K Net operating loss (Budget loss \$3.796M).

OFFICIAL VISITORS

We are always pleased to host official visitors, and during the past year we welcomed:

PORT ARTHUR HISTORIC SITE

- July 2022: HE Mr Mark Glauser, High Commissioner for Canada
- August 2022: HE Mr Roslan Abdul Rahman, High Commissioner of Malaysia
- January 2023: HE Mr Vasyl Myroshnychenko, Ambassador of Ukraine
- May 2023: HE Ms Caroline Kennedy, Ambassador of the United States of America
- May 2023: Australian Political Exchange Council — The 14th Delegation from Philippines — 6 Delegates and 2 Council secretaries.

CASCADES FEMALE FACTORY

- October 2022: Cr Anna Reynolds, Lord Mayor Hobart City Council
- December 2022: Australian Heritage Council
- March 2023: HE Ms Arjaree Sriratanaban, Ambassador of Thailand.

WORK HEALTH AND SAFETY & WELLBEING

- Lost time Injury Frequency Rate of 14.94
- Support for our people to receive both COVID and Flu vaccinations
- 400 units of WHS & Wellbeing training delivered.

SUPPORTING THE LOCAL COMMUNITY

PAHSMA proudly acknowledges the importance of our local communities to our operations and future, ensuring that local views are considered, consulted and celebrated by our Sites in a variety of ways, including:

- Free entry to local ratepayers and residents
- Local artisans and producers featured at *Maker's Markets* at Port Arthur Historic Site
- Local provedore section in the Port Arthur Historic Site Gift Shop
- Free performances for Tasman residents and ratepayers featuring Moreton Bay Orchestra, NZ Youth Choir and Century High Choir
- Community Advisory Committees at Port Arthur and Cascades Female Factory
- Hosting the Peninsula Art Group Exhibition
- Port Arthur Sports Club Boxing Day Carnival held on Site
- Participation in the Tasman Business & Tourism Association
- Supporting the Female Convicts Research Centre
- Providing in-kind support and donations to a variety of community organisations and events including:
 - Lightwave Festival
 - Port Arthur Cricket Club
 - Konya Garlic Festival
 - Tasman Art & Craft Exhibition, with the Port Arthur Historic Site Award supporting this major fundraiser for the Tasman Community Swimming Pool.





Cookery Book Image: David Perkins

Our strategic framework focus for 2022-23 was on:

- Interpretation & Visitation
- Our People
- Conservation & Presentation
- Technology
- Funding & Financial Structure.

The challenges of changing tourism markets, increased visitor and staff expectations, advances in technology and changes in the leadership at PAHSMA, combined with stringent conservation and financial obligations are recognised by the Board. The focus of 2022-23 has been to create a new Strategic Plan that will inform PAHSMA's future decision making. This is due to be finalised in 2023-24.

INTERPRETATION

MATRON'S QUARTERS REOPENING

During March 2023 the Matron's Quarters at the Cascade Female Factory was successfully re-opened. This notable achievement represents a renewed dedication to preserving the historical significance of the site and commemorating the individuals who resided and toiled within its walls.

This new installation showcases a comprehensive exploration of the building's past, highlighting the captivating stories of its former inhabitants. Visitors are invited to delve deep into the rich tapestry of the building's history via interpretive panels. A thought-provoking visitor reflection activity has been introduced, encouraging introspection and personal connection with the site's legacy. Captivating window decals featuring poignant

quotes from both convict era sources and modern historians further enhance the interpretive experience.

Notably, we republished the esteemed 1864 cookbook, *The English And Australian Cookery Book — Cookery For The Many, As Well As For The Upper Ten Thousand* by Edward Abbot. This remarkable culinary compendium, enriched by a foreword by Dr Dianne Snowden AM, now features within our interpretive materials. Full-colour reprint copies are available for purchase by visitors as a cherished and meaningful souvenir.

Through meticulous curation and engaging experiences, we strive to foster an enduring appreciation for the site's historical significance and the invaluable contributions of those who shaped its narrative.

Female convicts sometimes managed to overcome prejudice and inequality to succeed – despite all odds.



Matron's Quarters windows
Image: David Perkins



Notorious Strumpets and Dangerous Girls promotion aligned with Tourism Tasmania's The OFF-Season

NOTORIOUS STRUMPETS AND DANGEROUS GIRLS

As part of our Winter marketing campaign aligned with Tourism Tasmania's The OFF-Season, a new tour was launched at the Cascades Female Factory — *Notorious Strumpets and Dangerous Girls*.

A story telling experience that takes visitors on an emotional journey through the lives of seven remarkable convict women. In sharing their stories, we explore the attitude towards convict women, the challenges they faced and the resilience they demonstrated.

Visitors are taken through the separate apartments and silent regime of Yard 3 and into the heartbreak of the Yard 4 Nursery. Then gathering around a hand-warming bonfire stories are shared of the women who spent time at the Cascades Female Factory.

Seen by society as “notorious strumpets”, the convict women were underestimated, belittled and forgotten. In this experience, visitors learn there was, in fact, so much more to each and every woman.

Notorious Strumpets and Dangerous Girls was only offered on Saturday afternoons, making it a special, premium experience as well as an opportunity to attract return visitors to the site. Since commencing in May 2023, the tour consistently achieves strong attendance and has fast become the popular tour offer at Cascades Female Factory.

Convict labour was a necessary part of the economy of the fledgling colony, not just male convict labour but also female convict labour — domestic servants, laundry workers, needleworkers, children's maids and nurses, dairymaids, and, of course, those who worked in the kitchens of the grand, and not so grand, colonial houses. Dr Dianne Snowden AM

Visitors at Port Arthur
Image: Kathrin Becker



VISITATION

OUR VISITORS

During the summer, enhancements to the visitor experience at Port Arthur were introduced including simplifying the online booking process, streamlining site arrival processes, introducing new wayfinding signage in the Visitor Centre and featuring a new *Welcome to Port Arthur* video in the gallery.

A notable change is the new daily site talks at key locations across the site replacing previous introductory tours. These give visitors the opportunity to ask questions of our knowledgeable guides and other specialist staff — allowing for a uniquely personalised experience.

This new way of facilitating engagement between our visitors and our people has resulted in high levels of visitor satisfaction and positive employee feedback.

Our 2023 visitor survey conducted by Myriad Research has provided valuable information about our visitors that will inform our product development, visitor experience and marketing strategies. Our visitor satisfaction Net Promoter Score (NPS) for Port Arthur Historic Site was a positive 85.4 while the Cascades Female Factory NPS was 84.6. Both of these scores quantify our visitor satisfaction as ‘world class’.

PORT ARTHUR HISTORIC SITE

76% of visitors are from interstate
Average length of visit is 4 hours
27% had visited the site before
75% of visitors purchased food and beverages
50% used our website to inform their trip
57% purchased tickets on arrival

CASCADES FEMALE FACTORY

75% of visitors from interstate
Average length of visit is 1.8 hours
80% visited due to general historic interest
61% of visitors experienced the Convict Women’s Tour
4% had visited before
Visits in an average group size of 2.4 people
Only 5% of visitors bring children
37% used our website to inform their trip
87% purchased tickets on arrival

*We welcome visitors from
around the state, the country
and the world.*



Young visitors at Cascades Female Factory
Image: Rosie Hastings



Left: Premier of Tasmania, the Hon Jeremy Rockliff MP and Peter Williams

OUR PEOPLE

LONGSTANDING & UPCOMING TRADE SKILLS

PAHSMA has a team of specialised tradespeople who undertake the essential conservation and maintenance of our sites. We also employ talented people in our commercial operations to provide hospitality services to our visitors. This year we celebrated:

BUILDING & WORKS SUPERVISOR

Peter Williams (Pete) retired in March 2023 after 40+ years of service at the Port Arthur Historic Site, extending well beyond the existence of PAHSMA itself.

At age 19 he was appointed as a temporary Parks Assistant at Port Arthur when the site was managed by National Parks and Wildlife. In 1987 when PAHSMA was established, Pete was appointed as a Building Assistant. He was then recommended for a carpentry apprenticeship with PAHSMA and was later nominated for a Master Builders' Apprentice of the Year Award in 1993.

During his tenure Pete's contribution has been fundamental to the delivery of many of PAHSMA's key projects. His dedication and diligence in his final role as the Building & Works Supervisor and going above and beyond the call of duty on countless occasions and at all hours in the name of caring for our places and our people, holds a special place in the hearts of many of our PAHSMA team.

Pete's skills, knowledge, commitment, passion and contribution cannot be overstated. His legacy at PAHSMA is not fleeting, the ripples of his contribution will exist in our places into the future.

HORTICULTURE TRAINEE

A key success this year was the permanent employment of our Horticultural Trainee, April Williams.

April joined PAHSMA in 2019 as a school-based trainee, working with our Grounds & Gardens crew part-time to fulfil requirements of a Certificate II Horticulture. In late 2022 she completed her Certificate III qualification and was offered a fixed-term position by PAHSMA as a Junior Horticulturalist, enabling her to continue her professional development while working as part of our crew.

In June 2023 April was selected for a permanent Trades Assistant position. It has been incredibly rewarding to observe April's journey over the years and see her flourish as she has conscientiously and diligently completed her studies with PAHSMA's support.

She is a highly valued member of our team, and her engagement as a permanent employee is a measure of success for all involved.

APPRENTICE CHEF

Our Apprentice Chef, Treena Patterson, is in her final year. She won a silver medal in a WorldSkills Regional Cooking Competition hosted by TasTAFE in Launceston and then joined a four-person team representing Tasmania at the Food Service Australia competition in Melbourne where the team won gold.

The ripples of their contribution will exist in our places into the future.



Far left: April Williams
Image: Jodie Green

Left: Treena Patterson



CONSERVATION & PRESENTATION

One of PAHSMA's most important responsibilities is conserving, managing and presenting our places' heritage values, in particular as part of the Australian Convict Sites World Heritage Property. In 2022-23 we continued to care for our buildings and landscapes.

JUNIOR MEDICAL OFFICER'S HOUSE

Keeping our traditional skills alive and thriving is the reshingling project at the Junior Medical Officer's House.

The buildings of the Port Arthur penal settlement were almost uniformly roofed with timber shingles. This material is indicative of the abundance of timber resources that was one of the reasons for establishing the settlement.

The shingled roofs also contributed to the intensive damage caused by bushfires in the 1890s.

The roof of the Junior Medical Officer's House is being re-shingled to reconstruct its original form. This work has involved all members of our crews. The Grounds & Gardens crew sourced *Eucalyptus obliqua* (stringybark) and *Eucalyptus amygdalina* (black peppermint) timbers and split the shingles and our Works Crew are laying the shingles with additional support from a carpenter contracted for the work.

This project is an exemplar of the continuity of traditional heritage trade skills being practiced at Port Arthur.

TARLETON OAK TREES

Rising sea levels have caused an increase in the water table at the Port Arthur foreshore, particularly to the reclaimed areas around the oval, Penitentiary and Tarleton Street.

The increasing salinity of the groundwater has had a detrimental effect on the Convict-era oak trees along Tarleton Street. In consultation with ENSPEC Environmental Services we have installed a sub-surface irrigation system. This will flush the salt water from the root systems of the trees using fresh water, improving their health, and supporting the continued longevity of these significant landscape elements.

Above: Junior Medical Officer's House reshingled roof Image: Pamela Hubert



Above: Junior Medical Officer's House reshingling Image: Pamela Hubert

Right: Shingle splitting Image: Pamela Hubert

Far right: Oak tree stabilisation Image: Dr Caitlin Vertigan



We are known as experts in conserving our heritage and convict history and we share this deep knowledge with visitors and the world.

EXTERNAL HERITAGE PARTNERSHIPS

We led, collaborated and contributed to a range of programs to inform, promote and mentor a diverse range of people. We presented and explored how PAHSMA is conserving, managing and presenting our heritage values and places.

- University of Tasmania — Master of Tourism, Environmental and Cultural Heritage. This field school explored the opportunities and challenges in managing World Heritage, and the balance required between conservation, tourism, experiences and the commercial reality
- Australian World Heritage Forum 2022 – *Adaptive management to respond to climate change* presentation
- Deakin University — Master of Cultural Heritage and Museum Studies. This field school conducted a review of the Port Arthur Historic Site's house museums
- At the Tasmanian Government's request, PAHSMA supported the Convict Memorial Hub project Stage 1 development in partnership with Heritage Tasmania and the National Trust by providing guidance and project oversight. The Authority did not participate in Stage 2 of the project.

- Open House Hobart — Cascades Female Factory tours
- Commonwealth Heritage Forum — *Convict Cemeteries* co-presentation
- Archaeology Advisory Panel Workshop — improving the identification and management of archaeology in Tasmania.



Above: UTAS Students at the Coal Mines Historic Site
Image: Sylwana Szydzik



Left: UTAS Students
Image: Sylwana Szydzik

GRANT O'BRIEN (CHAIR)

MAICD

Tasmanian born, Grant O'Brien was appointed as Chair to the PAHSMA Board in December 2019. Grant enjoyed a 29-year career with Woolworths Limited, including appointment as Chief Executive in 2011, before retiring in 2016. His career with Woolworths provided extensive skills in Finance, Commercial and Business Operations, Marketing and Retail. He is a former Chairman of both Australian Leisure & Hospitality and Hydrox Holdings and a former Director of Pankind. Grant is the present Chair of the Australian Sports Foundation, Deputy Chair of the Stars Foundation, a Director of the Lauderdale Trust and a member of the Tasmanian Government's AFL task force. In 2021, Grant was appointed as the Chair of Tourism Tasmania. The Board recognises Grant as an independent Director.

KRISTAL BUCKLEY AM

BA (Hons), DipSocSci, MPubPol, GradCertHigherEd

Kristal Buckley AM is an experienced cultural heritage practitioner with more than 40 years' professional experience in academia, teaching, consulting and government roles bringing extensive experience in cultural heritage management in Australia and internationally, including World Heritage. Kristal is a former international Vice-President of the International Council on Monuments and Sites (ICOMOS), a past president of Australia ICOMOS and a past member of Kingston and Arthur's Vale Historic Area (KAVHA) Advisory Committee. She has represented ICOMOS at the annual session of the World Heritage Committee since 2007 and was appointed a member of the Order of Australia in 2013 for services to cultural heritage and education. As a Director of PAHSMA since September 2013, the Board recognises Kristal as an independent Director.

HON. PETER MCKAY

(to 15 December 2022)

Peter McKay was appointed to the Board in September 2013 with a past extensive political career in the Tasmanian Legislative Council. Peter was a member of the PAHSMA Audit, Risk and Governance Committee.



He is the owner-operator of Uplands Stables and Pembroke vineyard, a 21ha intensive farming property at Cambridge in Tasmania. Peter is a Director of Workforce Health Assessors Pty Ltd, and also operates a holiday rental at Port Arthur. The Board recognised Peter as an independent Director. The Board and management are grateful to Peter for the years of service and advice that he has provided to PAHSMA.

MELINDA PERCIVAL

(from 16 February 2023)

BBus GAICD

Melinda Percival is an experienced leader, having worked in multiple sectors including aviation, tourism, energy and telecommunications. She has held several executive positions including the General Manager Product and Marketing at Aurora Energy, Manager National Markets at Tourism Tasmania and General Manager Corporate Affairs and Aviation for Hobart Airport focusing on areas of business development, strategy, customer experience, marketing and corporate affairs. During this year Melinda served as PAHSMA's Acting CEO while a recruitment process was underway. Melinda is a past Director for the Australian Airports Association, Tourism Industry Council Tasmania and Antarctic Tasmania and a current Director of Mjoll Pty Ltd. She is also a member of PAHSMA's Audit Risk and Governance Committee. The Board recognises Melinda as an independent Director.



From left: Ric De Santi, Roseanne Heyward, Grant O'Brien, Kristal Buckley, Richard Mulvaney, Melinda Percival
Image: Alastair Bett

ROSEANNE HEYWARD

Roseanne Heyward was appointed to the PAHSMA Board in February 2019 as a community representative due to her longstanding ties with the Tasman community. Roseanne served on the Tasman Council as a Councillor for two years then as Deputy Mayor (2007–2014) and Mayor (2014–2018). Roseanne continues her ties with the Local Government Sector on a Steering Committee for a review of the *Local Government Act* and is also a member of the Local Government Code of Conduct Panel. Her local community volunteering includes President of the Tasman Forester Historical Society, Tasman Peninsula Power committee, Koonya Hall Committee and Coast Care. Roseanne has been a member of the PAHSMA Community Advisory Committee since 2009 and is now its PAHSMA Board representative. She is a member of the PAHSMA Audit, Risk and Governance Committee. The Board recognises Roseanne as an independent Director.

RICHARD MULVANEY

(from 13 December 2022)

Richard Mulvaney was appointed to the PAHSMA Board in December 2022, having over 35 years' experience in the cultural sector and being a strong advocate for museums and heritage sites. He is a past Director of the Queen Victoria Museum and Art Gallery, past CEO of NSW Rail Transport Museum and a Director of Bradman Museum and Foundation. He was also the former president of Museums Australia, Tasmania and has held Board roles on the Tasmanian Arts Advisory Board, Theatre North, Churchill Memorial Trust, and NSW Museums Advisory Board. Richard was appointed as a member of the PAHSMA Audit, Risk and Governance Committee during this year. The Board recognises Richard as an independent Director.

ENRICO (RIC) DE SANTI

BBus GAICD, FCPA

Enrico (Ric) De Santi was appointed to the PAHSMA Board in March 2022. He has extensive public sector experience in management, financial and performance audit and reporting. Ric holds a number of governance roles such as a member of the audit committees of the Australian Accounting Standards/Australian Auditing Standards Boards and the South Australian Audit Office. He also serves on a number of Council Audit Panels, including as Chair of the Launceston City and Brighton Council panels. Ric's other roles include Deputy Chair of the Catholic Education Commission of Tasmania, Board Member for the Tasmanian Community Fund and Director of the Launceston City Soccer Club. He is also a member of the Local Government Board undertaking the Future of Local Government Review and a casual academic with the University of Tasmania. Ric served as the Deputy Auditor-General for the Tasmanian Audit Office and was a Director of CPA Australia, including Deputy President and Chair of the Audit, Risk and Compliance Committee in 2021. Ric is the Chair of the PAHSMA Audit, Risk and Governance Committee. The Board recognises Ric as an independent Director.

EXECUTIVE LEADERSHIP TEAM

CEO

MELINDA PERCIVAL
BBus, GAICD
(to 15 January 2023)

WILL FLAMSTEED
BA (Media&Comm), MAICD
(from 16 January 2023)

CHIEF FINANCIAL OFFICER

DAVID NELAN
BCom, FCA, GAICD

DIRECTOR CONSERVATION & INFRASTRUCTURE

SARAH JANE BRAZIL
BA, MA, MICOMOS

DIRECTOR INTERPRETATION & EXPERIENCE

EMILY CLARKE
*BA (Professional Writing), GCertArt History,
MArtCur, MAICD*

DIRECTOR TOURISM OPERATIONS

ANNE McVILLY

MANAGER PEOPLE & CULTURE

JENNY GOULDING
(to 12 September 2022)

STEVE McLEAN
(from 13 March 2023)

MANAGER TRANSFORMATION

CAROL ARMSTRONG
JP, BCom, BA (Prof Hons), MAHRI
(to 24 August 2022)

THANK YOU

The Board would like to acknowledge and give sincere thanks to Melinda Percival who acted in the role of Chief Executive Officer from 18 May 2022 to 15 January 2023.

Melinda's contribution to PAHSMA and her focus on stakeholder relations was extremely valuable. Her leadership was fundamental to PAHSMA commencing the formation of the PAHSMA Strategic Plan that will ensure our ongoing success.

The Board would also like to acknowledge the retirement of Carol Armstrong after 20 years of service. As a key member of the Executive, Carol's professional focus and considered approach to all matters related to human resources, payroll and WHS was greatly appreciated.

From left: David Nelan,
Will Flamsteed, Sarah
Jane Brazil, Anne McVilly,
Emily Clarke, Steve McLean
Image: Alastair Bett



GOVERNANCE ARRANGEMENTS

PAHSMA operates in accordance with the State Government’s *Guidelines for Tasmanian Government Businesses — Corporate Governance Principles*.

The Audit, Risk and Governance Committee assists the Board to fulfil oversight responsibilities: financial statements, internal controls, compliance and the annual external audit.

The committee was initially chaired by Ric De Santi and included the Hon Peter McKay and Roseanne Heyward as members, with support provided by the CEO and the Chief Financial Officer. During the year, with Peter McKay’s term expiring and the committee charter being reviewed, the Board revised the committee composition to include both Melinda Percival and Richard Mulvaney as additional members.

During the year, Grant O’Brien was reappointed as the PAHSMA Chair for a further two-year term.

Melinda Percival was reappointed as a Director following her tenure as CEO, to complete the remainder of her previous Board tenure expiring on 19 October 2023.

RISK MANAGEMENT

PAHSMA maintains Risk Registers and Emergency Management Plans for all three of our Sites to ensure that safe and effective systems and procedures are in place to mitigate risks and respond to challenges or emergencies.

PAHSMA refers to a Records Retention and Disposal Schedule to help reduce corporate risks; and it heeds government advice on cyber security and technological risk mitigation.

In June 2023 it was reported that the Tasmanian Archives had published some PAHSMA employee personal information online from documents dating from 1979 to 2006 in error with 36 people impacted. This resulted in the Tasmanian Archives taking remedial actions in consultation with PAHSMA. Risk mitigation measures have been implemented to ensure similar personal information is not published in the future.

OVERSEAS TRAVEL

PAHSMA has no overseas travel to declare for 2022–23.

BOARD & EXECUTIVE PERFORMANCE

The PAHSMA Board Charter is published on PAHSMA’s website. Performance reviews for the Board were conducted by the Chair, while the Chair’s own performance was reviewed by the Chair of the Audit, Risk and Governance Committee (referencing the *Guidelines for Tasmanian Government Businesses – Assessing Board Performance*). Additionally, overall Board performance was reviewed by the Board collectively in February 2023.

Executive performance reviews were completed for the team.

BOARD ADVISORY COMMITTEES

Two Community Advisory Committees, Port Arthur and Cascades Female Factory, create a link to the communities in which we operate, providing community representation and input.

The Port Arthur Community Advisory membership was expanded to include a representative from the CWA Highcroft-Stormlea branch.

PAHSMA’s Conservation Advisory Committee provides advice to the Board and management on significant projects and issues that have the potential to impact our places’ heritage values. It also provides a mechanism for the active involvement of the broader Australian heritage community.

We gratefully acknowledge all committee members and the respective Chairs for their time and support.

2022–23 BOARD APPOINTMENTS & MEETING ATTENDANCE

	BOARD MEETINGS ATTENDED	AUDIT, RISK AND GOVERNANCE MEETINGS ATTENDED	ORIGINAL APPOINTMENT	START DATE OF CURRENT TERM	EXPIRY DATE OF CURRENT TERM
Grant O'Brien (Chair)	7/7	....	23/12/2019	23/12/2022 ¹	22/12/2024
Peter McKay	2/3	2/2	2/9/2013	2/12/2021	1/12/2022 ²
Melinda Percival	3/3 ³	3/4	20/10/2020	16/2/2023	19/10/2023
Kristal Buckley	7/7	....	2/9/2013	2/12/2021	1/12/2023
Roseanne Heyward	7/7	7/7	26/2/2019	28/2/2022	27/2/2024
Enrico (Ric) De Santi	6/7	7/7	21/3/2022	21/3/2022	20/3/2025
Richard Mulvaney	3/4	0/1	13/12/2022	13/12/2022	12/12/2025
Melinda Percival (CEO)	3/3 ⁴	2/2 ⁵	....	....	....
William Flamsteed (CEO)	4/4 ⁴	5/5 ⁵	....	....	....

1. Chair was reappointed for two years from 23 December 2022.
2. Director's last date of service was 15 February 2023.
3. Director stood down from Directorship while employed in the CEO role from 18 May 2022 to 15 January 2023 while a CEO recruitment process was under way and was then reappointed during the year to serve the original remaining term.
4. The CEO attends Board Meetings but is not a member of the Board.
5. The CEO attends Audit Risk and Governance Meetings for reporting purposes only and is not a member of the Committee.



*Asylum Bakehouse repainted
Image: Georgia Gray*

OUR BUSINESS

PAHSMA is responsible for the conservation and development of visitor experiences at the Port Arthur Historic Site and adjacent area (since 1987), Coal Mines Historic Site at Saltwater River (since 2004) and the Cascades Female Factory Historic Site in South Hobart (since 2010).

The functions of the Authority, as defined in Section 7 of the *Port Arthur Historic Site Management Authority Act 1987* are to occupy, and provide the care, control, management, maintenance, and improvement of the subject land. PAHSMA shall:

- ensure the preservation and maintenance of the historic site[s] as an example of a major British convict settlement and penal institution of the 19th Century
- co-ordinate archaeological activities on the historic site[s]
- promote an understanding of the historical and archaeological importance of the historic site[s]
- consistently with the Management Plan, promote the historic site[s] as a tourist destination
- provide adequate facilities for visitor use
- use its best endeavours to secure financial assistance by way of grants, sponsorship and other means, for the carrying out of its functions.

OUR OPERATIONS

PAHSMA proudly manages three of the eleven sites that make up the Australian Convict Sites World Heritage property. Managing the careful balance between tourism operations, conservation and maintenance of the sites for future generations is detailed in the *Port Arthur Historic Sites Statutory Management Plan 2008* (SMP) with the tenet that ‘there is nothing more important about the future management of the Historic Sites than the obligation to achieve their long-term conservation’.

Our aim is to engage, inspire and inform visitors with authentic, meaningful and quality products, services and experiences that communicate the Sites’ heritage significance.

Annual conservation grant funding is provided by the Tasmanian Government. Any profits derived from Tourism Operations (including site entry, tours, food and beverage and retail) contribute to conservation and infrastructure works. Reduced visitation since COVID-19 has continued to impact our commercial revenue stream.

Our goal is to achieve a yield from commercial operations that is balanced with a fair value proposition for visitors to our sites.

NON-COMMERCIAL ACTIVITIES

In accordance with our Ministerial Charter, the Tasmanian Government provides funding to help meet the cost of non-commercial activities (our community service obligations) that PAHSMA is required to undertake.

These obligations are to conserve, preserve and maintain the convict historic sites known as Port Arthur Historic Site, Coal Mines Historic Site and Cascades Female Factory Historic Site.

During 2022–23 PAHSMA expended \$10.202M across both capital and operational expenditure projects relating to conservation, infrastructure, education and interpretation. \$5.176M or 51% of this expenditure was related to conservation, education and interpretation programs that were funded by Government grant contributions.

PAHSMA is Tasmania’s only heritage and tourism Government Business Enterprise (GBE) and is committed to making a positive difference to Tasmania. PAHSMA creates economic benefits to the State and the Tasman Peninsula through local employment, buying local, attracting visitors through promotion of our sites, and the excellent experiences offered.

From an environmental and community perspective, PAHSMA’s commitment to conserve and present these sites guarantees that they will remain for future generations.

OUR OPERATING ENVIRONMENT

As a GBE, PAHSMA balances its responsibilities – as a public sector agency, major employer in the Tasman community and custodian of National and World Heritage- listed places – with the realities of operating in a competitive commercial market.

Factors influencing PAHSMA’s operating environment during 2022–23 include:

- The gradual recovery from the impacts of COVID-19 with interstate and international tourist visitation is still not achieving pre-COVID levels.
- Employee absences due to COVID-19 illness or isolation impacted normal operations.
- Recruitment, retention and accommodation challenges associated with the Port Arthur Historic Site’s regional location on the Tasman Peninsula. Workforce shortages, particularly in the hospitality and trades sectors impacted our staffing levels and daily operations.
- The obligation to undertake conservation and interpretation activities in accordance with legislation, international conventions and industry standards. In an environment of constrained tourist revenue, there is a greater reliance on self-generated and external funding to ensure that PAHSMA can adequately meet its legislated conservation and interpretation obligations.

PERFORMANCE AGREEMENT

PAHSMA operates under the *Government Business Enterprises Act 1995* (GBE Act). This Act requires PAHSMA to provide a Statement of Corporate Intent (SCI) each year that is a high-level summary of our Corporate Plan and includes the performance agreement between the Board and PAHSMA's Shareholder Ministers. This was agreed by the Hon Madeleine Ogilvie MP, as Minister for Heritage, and the Hon Michael Ferguson MP as Treasurer.

The 2022–23 SCI was agreed based on the key priority being a year of consolidation and detailed planning to create a roadmap for PAHSMA's future based on the goals of excellence in conservation, heritage, tourism and business efficiency.

The projections for the SCI remained highly sensitive to the impacts of COVID-19 on tourism revenue, staffing and general operational costs.

Underpinning the delivery of the 2022–23 Corporate Plan was the Government's commitment to provide an additional equity injection of \$4M in support of the ongoing recovery from COVID-19.

The reduction in daily yield from target for the Port Arthur site is a combination of higher visitation and product mix changes lowering yield. The 1830 Restaurant was closed for an extended period due to staffing constraints and this is a high yielding area.

Convict Memorial Hub revenue was \$1M below target as was the corresponding Convict Memorial Hub expenditure as the Authority did not participate in Stage 2 of the project.

During the year, the basis for measuring visitation at the Cascades Female Factory was amended to align with the Port Arthur Historic Site methodology, and therefore appears lower than was originally budgeted. The target was based on the number of programs each visitor engaged with rather than unique visitors to the Site. The visitation target also assumed an optimistic lift in visitation to that site given the first full year with the new History & Interpretation Centre.

The table below shows the results against SCI targets.

STATEMENT OF CORPORATE INTENT

KEY PERFORMANCE MEASURES		
FINANCIAL INDICATORS 2022–23	TARGET	ACTUAL
Operating profit/(loss) (\$'000)	(3 796)	(930)
Commercial Revenue (\$'000)	18 584	20 682
Commercial Expenses (\$'000)	17 214	17 186
Yield per day visitor – Port Arthur (\$)	61.39	57.34
Yield per day visitor – Cascade Female Factory (\$)	21.99	24.99
Conservation, Convict Hub, Infrastructure, Education & Interpretation Revenue – all sites (\$'000)	5 560	4 565
Conservation, Convict Hub, Infrastructure, Education & Interpretation Expenses – all sites (\$'000)	10 725	8 990
NON-FINANCIAL INDICATORS 2022–23	TARGET	ACTUAL
Port Arthur Historic Site Day Entry visitors	265 000	320 621
Port Arthur Historic Site Ghost tour participants	19 520	19 514
Cascades Female Factory visitors	63 150	35 260
Employee Satisfaction (TSS Survey)	70+	60 ¹
% of annual conservation projects completed within budget, scope and on time	80%	85%

1. Note as the TSS survey did not provide an overall 'Employee Satisfaction' measurement, an alternative Agency Engagement score has been reported that is not directly comparable to the target.

FINANCIAL RESULT

PAHSMA's operating loss for 2022–23 was (\$930K) compared to a loss of (\$4.303M) in the previous year. This loss is a 76% improvement on the budgeted loss of (\$3.796M). Day entry visitation to Port Arthur was 21% above the budget of 265 000 visitors for the year.

Growth in visitation for the recently upgraded Cascades Female Factory was slower than projected with visitation 44% below target. This can be attributed to the change in methodology aforementioned. Yield for that site however has been 14% higher than planned. Focus has been on setting the site up to better enhance the visitor experience and this has delayed the investment in promotion of the site to drive growth.

Due to the ongoing effects of COVID-19 on the tourism sector, PAHSMA received support from the State during the year in the form of a \$4M equity injection which was used to retire all existing debt with TASCORP.

This financial result is supported by the following observations:

REVENUE:

- PAHSMA generated 82% of revenue from commercial activities which is a 10% improvement on 2021-22 outcomes.
- Entry fee, tour, merchandise and food and beverage income increased \$8.678M or 77% on the previous year as visitation to all sites increased and with the Cascades Female Factory being open for the full year.

- Recurrent conservation grant funding income of \$4.283M received from the State increased annually in line with 2.4% indexation.
- Final Convict Memorial Hub funding of \$210K was recognized with the Authority not participating in Stage 2 of the project.
- Rent, service and licence fee income of \$291K increased 13% due to indexation and improved caravan park occupancy rates.

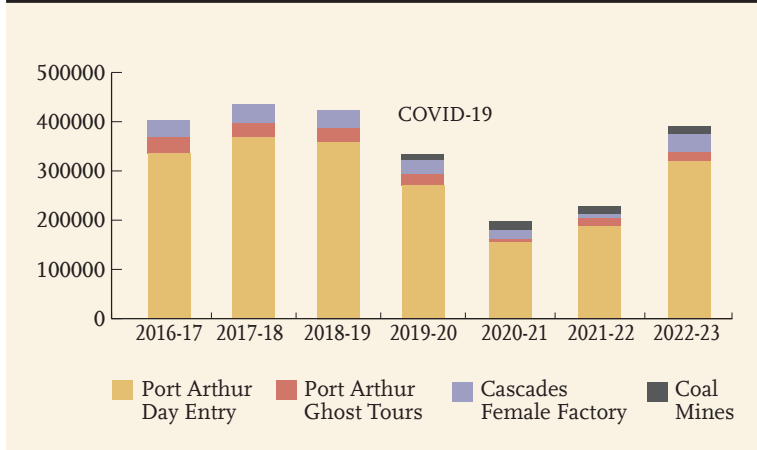
EXPENDITURE:

- Expenditure to revenue ratios at 1.04 times improved 18% from 2021-22 as a result of the increased visitation and commercial revenue outcomes.
- Employee expenses increased by 16% on the previous year, due to the need for extra staff to accommodate improved visitation combined with increases in base salaries and superannuation as negotiated under the *Port Arthur Historic Site Management Authority Staff Agreement 2022*. Employee expenses for 2022–23 at \$12.975M, represents 50% of total annual PAHSMA expenditure, compared to 55% for the previous year.
- Cost of Goods Sold increased by \$1.120M which was in line with revenue growth.
- Depreciation expense increased by \$325K or 22% on the prior year due to the revaluation of land, buildings and infrastructure undertaken in 2021-22.
- A review of the right of use assets increased amortisation by \$483K and lease interest by \$116K on 2021-22 costs.

FINANCIAL RESULTS					
Year ending 30 June	2019	2020	2021	2022	2023
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Operating Profit/(Loss)	(219)	(1 575)	(5 078)	(4 303)	(930)
Tickets and Tours Revenue	12 406	9 602	5 533	7 845	14 543
Food and Beverage Revenue	2 789	2 710	1 659	2 255	3 554
Retail Revenue	1 501	1 300	748	1 098	1 779
Cash Flow from Operating Activities	2 109	274	(1 127)	(1 934)	1 456
Conservation, Infrastructure & Interpretation Expenditure	4 643	3 712	4 397	7 247	8 990
Net Assets	38 265	36 607	42 717	62 521	65 799
VISITATION					
Port Arthur Day Entry visitors	357 411	270 685	156 217	187 203	320 621
Port Arthur Ghost Tour visitors	30 785	24 131	6 492	17 056	19 514
Cascades Female Factory visitors	34 803	26 788	18 550	9 563	35 260

CONTRIBUTION TO THE ECONOMY

VISITORS TO PAHSMA SITES



In 2022–23 PAHSMA contributed a direct positive impact to our economy and community by:

- directly recruiting, training and developing employees in a region where unemployment exceeds the State average
- engaging many Tasmanian businesses to supply goods and services
- sourcing local products for sale in our Gift Shops
- using local produce in food and beverage outlets where possible
- organising *Maker's Markets* for local producers to gain increased sales and exposure to customers
- partnering with other Tasmanians entities.

BUY LOCAL

We are committed to buying local to support our community and State, while showcasing the local produce to our visitors. With 64 local suppliers and contractors located within a 70km radius of Port Arthur Historic Site, this focus results in excellent quality food, improved local relationships and reduced food miles and travel time.

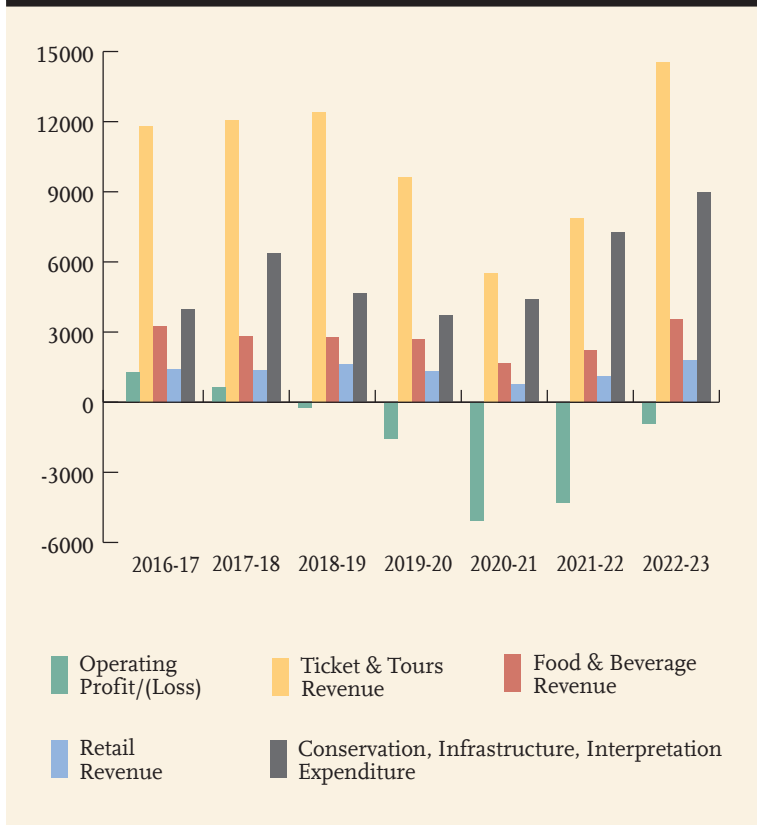
Under the *Buy Local Guidelines*, PAHSMA is required to report on purchases from Tasmanian businesses or consultancies. During the 2022–23 year, 93.2% of PAHSMA purchases — equating to \$12,184,803 — were from Tasmanian businesses, or national businesses with offices and staff in Tasmania as provided for in the guidelines.

PAYMENT OF ACCOUNTS

In accordance with the *Payment of Accounts Guidelines*, all accounts are to be paid within 30 days or, if a shorter term has been agreed, within that shorter term. During 2022–23, PAHSMA's average creditor days were 15.55 days, with 3 796 invoices equating to \$10,304,364 paid within agreed terms and 970 invoices — equalling \$3,822,723 outstanding on their due date.

No interest was paid on overdue accounts. Payments not made by the due date required further action before payment could be made as invoices may have been incomplete, inaccurate or disputed, may not have been received, or the goods or services had not yet been received at the time of invoicing.

FINANCIAL RESULTS ('000s)



BUSINESS GROWTH & INNOVATION PARTNERS

PAHSMA collaborates with and support like-minded businesses and organisations to continue to grow and innovate.

PAHSMA proudly partners with Tasmania Parks and Wildlife Service and Pennicott Wilderness Journeys in delivering the world-class Three Capes Track walking experience. In 2022–23, a total of 12 886 walkers undertook this award-winning experience.

Marketing and Communications Manager, Jennifer Bett represents PAHSMA on the local Tasman Business and Tourism Association (TBTA). At a national level, Jennifer Bett represents PAHSMA as Vice-Chair of the Tasmanian Branch Committee of the Australian Tourism Export Council (ATEC).

PAHSMA is a gold member of Destination Southern Tasmania (DST). DST is responsible for advocacy, marketing and development of the tourism industry in Southern Tasmania. Jennifer Bett is a Board Member of DST and

sits on both the Audit, Risk and Governance Committee and the Marketing Committee. This involvement provides PAHSMA with the scope to grow business opportunities and shape the development and promotion of the region.

Director of Tourism Operations, Anne McVilly is the Treasurer of Cultural Attractions of Australia. This group presents the best of Australia's cultural offering to the world in a single repository of premium, behind-the-scenes experiences.

PAHSMA's Director of Conservation & Infrastructure, Sarah Jane Brazil is the Chair of the Australian Convict Sites Steering Committee. This role includes being a member on the Australian World Heritage Forum Advisory Committee. Sarah Jane Brazil is also a member of the Joint Tasmanian Archives Consultative Forum.

Conservation Manager, Pamela Hubert is a member of the Longford Academy Board.

These affiliations assisted PAHSMA to maintain networks and knowledge across tourism and heritage sectors, while contributing to business growth.

CONSULTANCIES VALUED AT MORE THAN \$50 000 (EXC GST)

Name of Consultant	Location	Description	Period of Engagement	Amount
Sandwalk Partners	NSW	Provision of services relating to Strategic Plan development	October 2022 – June 2023	\$194 489
Poulter Consulting	NSW	Provision of services relating to food and beverage operations	October 2022 – June 2023	\$164 201
University of Melbourne	Victoria	Provision of services relating to mural preservation	July 2022	\$54 132
Purcell	Tasmania	Provision of services relating to Asset Management Plan	March 2023 – June 2023	\$54 079
Total				\$466 901
There were 18 consultants engaged for \$50 000 or less totalling				\$201 430
Total Payments to Consultants				\$668 331

PEOPLE MANAGEMENT ACTIVITIES

Our people are Tasmanian State Service employees. PAHSMA's employment practices are principally governed by the *State Service Act 2000* and its related regulations and employment directions.

INDUSTRIAL RELATIONS CONSULTATIVE COMMITTEE (IRCC)

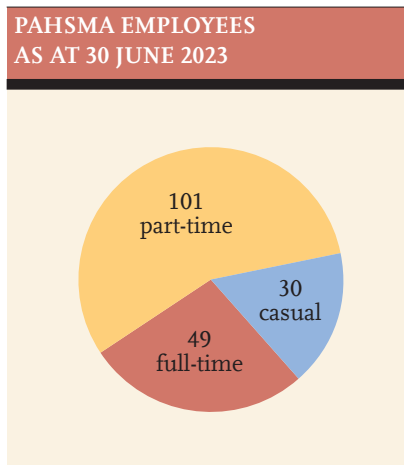
Our IRCC provides a forum to discuss issues of organisational significance between PAHSMA, our employees and the CPSU to maintain collaborative working relations. Membership includes union workplace delegates, the PAHSMA CEO, executive representatives and a CPSU Organiser.

RECRUITMENT & RETENTION

Growth in visitation necessitated a subsequent increase in our workforce by 6.7% across our Tourism Operations, Interpretation & Experience and Administration departments.

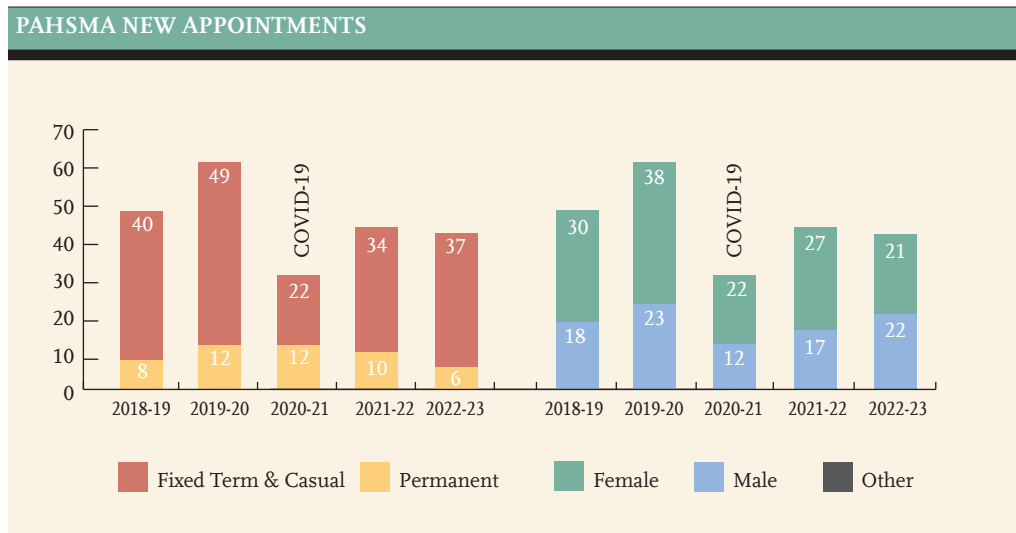
As of 30 June 2023, PAHSMA employed 180 people, corresponding to 113.44 Full Time Equivalent (FTE) employees. Consistent with industry trends, PAHSMA supported staff who are seeking additional flexibility and work-life balance by moving to part-time hours.

A total of 43 new appointments included 6 permanent positions and 37 fixed-term and casual roles. The movement in paid FTEs over the past summer and winter seasons is provided.



FULL TIME EQUIVALENT EMPLOYEES (FTEs)

MONTH	PAID FTEs	MONTH	PAID FTEs
Jan 23	136.54	Jun 23	113.44
Jan 22	111.36	Jun 22	119.54
Jan 21	105.47	Jun 21	102.45
Jan 20	159.47	Jun 20	108.78
Jan 19	168.22	Jun 19	118.48
Jan 18	162.79	Jun 18	115.62
Jan 17	159.92	Jun 17	110.11



OUR CULTURE

With the aim for continual improvement, an Employee Pulse Survey was conducted in October 2022 to continue to measure employee satisfaction and inform management decision making on organisational culture matters.

The survey encouraged employee feedback on the key areas of:

- Leadership and our values
- Workplace conduct and behaviour
- Workplace bullying
- Organisational transformation
- Overall satisfaction.

In January 2023 PAHSMA introduced a fixed-term People and Culture Development Specialist role to focus on strengthening employee capability, leadership and overall culture.

In March 2023, PAHSMA employees participated in the Tasmanian State Service Employee Survey that measured employee perceptions on Workplace Behaviours & Conditions, Workplace Diversity, and Agency Engagement. Results released in late June 2023 indicated PAHSMA needs improvement in areas including workplace culture and behaviours, engagement, capability development, and diversity.

Importantly however, the survey revealed improvements in areas that will provide a great foundation upon which we can build, including the strong personal attachment our people have with PAHSMA. Results showed an increase in employee awareness of policies to report improper conduct and behaviour. The results also showed an almost 20% increase in positive feedback that performance conversations with managers are helping to identify work priorities and training and development needs. The top reasons for working at PAHSMA are job security, a good team environment, and the range of people with whom we work.

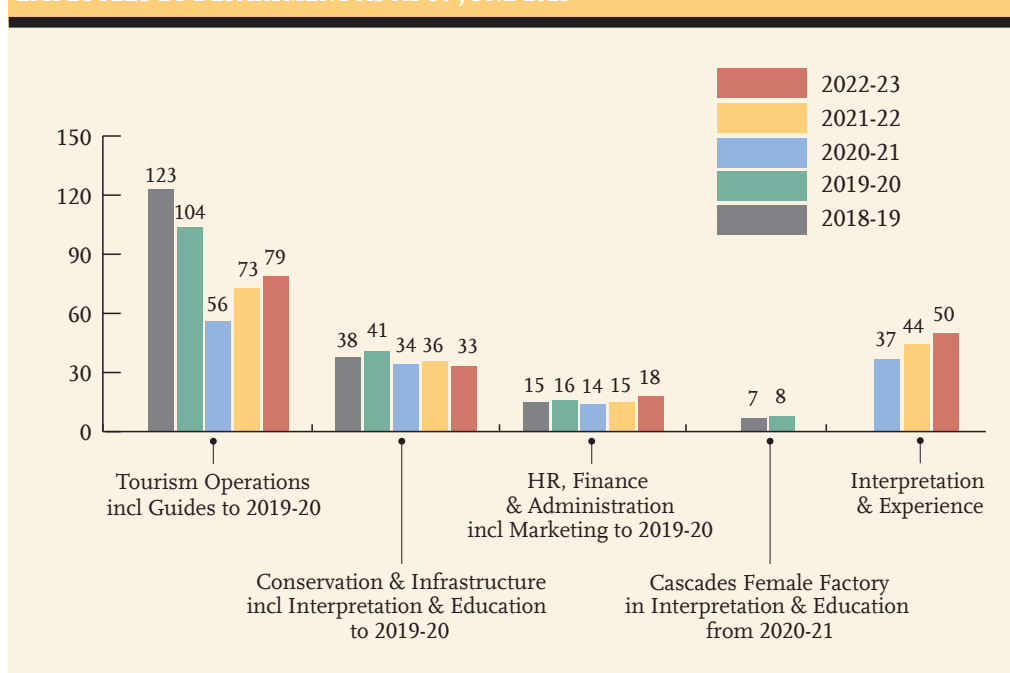
DIVERSITY & INCLUSION

PAHSMA continues to encourage an inclusive workplace that values a range of unique backgrounds, knowledge, skills and experiences in our people.

Through our recruitment processes, we aim to employ people from different cultural, personal, life and work experiences. About 5% of the workforce come from non-English-speaking backgrounds.

To raise awareness of inclusion principles, PAHSMA engaged Tasmanian-based company The Belrose Group to deliver Respectful Workplace Behaviour training.

EMPLOYEES BY DEPARTMENT AS AT 30 JUNE 2023





PAHSMA Board and Executive at Aboriginal Cultural Awareness training

PAHSMA was represented at the Aboriginal Employee Network gathering in November 2022.

In June 2023 the PAHSMA Board and Executive attended Cultural Awareness Training facilitated by the Tasmanian Aboriginal Centre, with the insights gained to inform our future Reconciliation Action Plan.

As of 30 June 2023, PAHSMA employed 103 females and 77 males.

YOUTH EMPLOYMENT & TRAINEES

As youth employment contributes to the sustainability of our business and our region, our youth employment initiatives included:

- supporting a Horticulture Certificate III trainee who secured permanent employment with PAHSMA
- recruiting a trainee in our corporate team to undertake a Certificate IV in Information Technology.

Other trainee support included:

- a member of our Grounds & Gardens crew continuing his Certificate II in Public Safety, partnering with National Parks & Wildlife to gain valuable skills in fire management.

Additionally, two members of our Executive and an employee represented PAHSMA's participation in the Beacon Foundation's *Polish* program at Tasman District School providing employment guidance and inspiration to young people.

TRAINING & DEVELOPMENT

MANAGEMENT & COMMUNICATION

One manager completed the Tasmanian State Service Managers Essentials Program. Other training opportunities completed during the year included Conflict Resolution; Writing Clearly; ABC of Strategy and Strategic Thinking; General Media Relations and MS Teams.

CONSERVATION

Three employees attended training at the Longford Academy in May 2023 that covered topics of paint stripping; salt attack and rising/

falling damp; roofing repair and conservation; lime, lime mortars, repointing; lime plasters, plastering, limewashing; and preservation and repair of structural timber.

Eleven Conservation and Cleaning employees undertook a series of webinars on caring for historic building fittings, fixtures and furnishings, through the Society for Protection of Ancient Buildings (SPAB).

One manager attended a three-day Disaster Risk Management interstate training course related to heritage collections.

COMMUNITY ENGAGEMENT

PAHSMA invited local businesses to take advantage of First Aid training on-site, resulting in community member involvement.

Pre-employment training discussions with TasTAFE resulted in a Responsible Service of Alcohol course being offered to the broader community in October, hosted by PAHSMA in our 1830 Restaurant & Bar.

WORK HEALTH AND SAFETY & WELLBEING

PAHSMA's Work Health & Safety (WHS) Policy confirms our commitment to care for our employees, volunteers, contractors and visitors in our workplaces.

Our WHS Consultative Committee met regularly throughout the year. The focus is the safety and wellbeing of our people and putting into action a renewed focus on workplace inspections.

We continue to encourage our people to receive COVID-19 vaccinations and boosters, and have reinforced 'keeping self and others safe' messages through employee communications.

During 2022–23 the WHS training focus was on maintaining first aid qualifications, fire evacuation response, workplace behaviours, and induction and introductory WHS education. In total, 400 units of WHS training were completed, for a positive impact on the health, safety and wellbeing of our people and our visitors. The WHS training summary for the period is included.

Vaccinations (including COVID, Influenza and Hepatitis) and health and environmental monitoring continued as part of PAHSMA's health surveillance schedules.



PAHSMA is guided by *Employment Direction No. 27 Workforce Health and Safety*. The Workers Compensation claim data for the reporting period is provided.

PAHSMA's Injury Management Program has been updated and was approved by the Delegate of the WorkCover Tasmania Board in June 2023.

Ten new workers compensation claims were lodged during the reporting period with seven of these resulting in lost time with an average of 20 days per claim. This is a calculated injury rate (IR) of 0.0007.

The Lost Time Injury Frequency Rate (LTIFR) was 14.95. Following national trends, the prevalence of mental health injuries and absence increased.

WORKERS COMPENSATION	
Claim Type	Incident Rate (IR)** 1 July 2022–30 June 2023
Claims resulting in lost time of one (1) week or more	0.0007
Musculoskeletal injury and disease claims resulting in one (1) or more weeks off work	0.0006
Psychological Injury claims (Mental Disease) resulting in one (1) or more weeks off work	0.0001
Average lost time for all claims # of days lost time for all claims/# of lost time claims	20 days per claim
** Formula: IR = [# claims > 1 week] / 1000 workers e.g. 5 claims>1 week / 1000=0.0005	

WHS & WELLBEING TRAINING 2022–23		
Topic	No. of People Trained	Attendees
Chainsaw Use	10	Employees
Coxswain Grade 2 Near Coastal qualification	2	Employees
EAP Awareness – Mental Health Tips	94	Employees / Managers / Executive
Emergency Evacuation Drill	24	Employees / Managers / Executive
Fall Trees Manually	1	Supervisor
Fire Warden/Chief Fire Warden	19	Emergency Wardens
Forklift Operation	1	Employee
Injury Management & Reporting Toolbox	7	Employees
Introduction to WHS	38	Employees
Mental Health Awareness for Managers	2	Supervisor / Manager
Mental Health First Aid accreditation	4	Employees / Manager
Provide First Aid	68	Employees / Managers
Respectful Workplace Behaviours	62	Employees / Managers / Executive
Traffic Control accreditation	7	Employees
Trauma Informed Practice	1	Executive
WHS Corporate Induction for new employees	44	Employees
WHS Responsible Officer – March 2023	12	Board / Executive
Work Safely in the Construction Industry (White Card)	4	Employees



Visitors at Port Arthur's Penitentiary Image: Kathrin Becker

PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY

FINANCIAL STATEMENTS

for the year ended 30 June 2023

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023		2023	2022
	Notes	\$'000s	\$'000s
<i>Continuing operations</i>			
REVENUE			
Fees, tours and merchandise income	2(a), 9	19 876	11 198
Grant income	2(b)	4 493	4 573
Interest income	2(c)	180	9
Other income	2(d)	697	365
TOTAL REVENUE		25 246	16 145
EXPENSES			
Employee expenses	2(e)	(12 975)	(11 228)
Cost of goods sold		(3 129)	(2 009)
Contractors		(1 552)	(906)
Depreciation	4.3(b)	(1 798)	(1 473)
Amortisation		(1 120)	(637)
Loan interest expense		(28)	(67)
Lease interest expense		(201)	(85)
Net superannuation interest expense		(348)	(253)
Materials		(243)	(255)
Marketing		(534)	(348)
Communications		(62)	(63)
Property services		(993)	(781)
Interpretation		(219)	(46)
Information technology		(656)	(457)
Visitor information		(151)	(175)
Assets derecognised		(190)	(617)
Other operating expenses		(1 977)	(1 048)
TOTAL EXPENDITURE		(26 176)	(20 448)
PROFIT/(LOSS) FOR THE YEAR		(930)	(4 303)
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Items that will not be reclassified subsequently to profit or loss			
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	208	1 200
Changes in asset revaluation reserve	7.1	....	13 908
COMPREHENSIVE RESULT		(722)	10 805

This Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023		2023	2022
	Notes	\$'000s	\$'000s
ASSETS			
<i>Current assets</i>			
Cash and deposits	11.1	8 132	6 408
Receivables	4.1	439	682
Inventories	4.2	544	423
Prepayments, accruals and other assets		375	281
Total current assets		9 490	7 794
<i>Non-current assets</i>			
Property, plant and equipment and infrastructure	4.3	66 654	67 639
Right-of-Use assets	4.4	5 652	5 229
Total non-current assets		72 306	72 868
TOTAL ASSETS		81 796	80 662
LIABILITIES			
<i>Current liabilities</i>			
Payables		1 049	1 114
Provisions	5.1	2 868	2 563
Unearned revenue	5.2	115	431
TASCORP loans	5.3	....	2 000
Lease liabilities	5.4	1 113	814
Total current liabilities		5 145	6 922
<i>Non-current liabilities</i>			
Provisions	5.1	6 313	6 804
Lease liabilities	5.4	4 539	4 415
Total non-current liabilities		10 852	11 219
TOTAL LIABILITIES		15 997	18 141
NET ASSETS		65 799	62 521
EQUITY			
Contributed equity		26 970	22 970
Reserves	7.1	26 320	26 320
Accumulated surpluses		12 509	13 231
TOTAL EQUITY		65 799	62 521

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

		2023	2022
	Notes	\$'000s	\$'000s
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		19 627	10 944
Grants from government		4 494	4 572
Interest received		180	9
GST receipts		548	335
Payments to suppliers and employees		(22 299)	(16 510)
Interest paid		(229)	(152)
GST payments		(865)	(1 132)
NET CASH FROM OPERATING ACTIVITIES	11.2	1 456	(1 934)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and infrastructure		(687)	(405)
Payments for work in progress		(316)	(5 666)
Proceeds from the sale of assets		86	53
NET CASH (USED BY) INVESTING ACTIVITIES		(917)	(6 018)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities		(815)	(617)
Equity injection from State Government		4 000	9 000
Proceeds from / (Payments to) TASCORP		(2 000)	(1 000)
NET CASH (USED BY) FINANCING ACTIVITIES		1 185	7 383
NET INCREASE/(DECREASE) IN CASH HELD			
		1 724	(569)
Cash 1 July		6 408	6 977
CASH 30 JUNE	11.1	8 132	6 408

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023		Contributed equity	Reserves	Accumulated surpluses	Total equity
	Notes	\$'000s	\$'000s	\$'000s	\$'000s
BALANCE AS AT 1 JULY 2022		22 970	26 320	13 231	62 521
Profit/(loss) for the year		....	....	(930)	(930)
Other comprehensive income:					
Changes in asset revaluation reserve	7.1	....	....	....	....
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	....	....	208	208
BALANCE AS AT 30 JUNE 2023		22 970	26 320	12 509	61 799
Equity injection by State Government		4 000	....	....	4 000
TOTAL EQUITY BALANCE AS AT 30 JUNE 2023		26 970	26 320	12 509	65 799
		Contributed equity	Reserves	Accumulated surpluses	Total equity <i>Restated</i>
		\$'000s	\$'000s	\$'000s	\$'000s
BALANCE AS AT 1 JULY 2021		13 970	12 412	16 334	42 716
Profit/(loss) for the year		....	....	(4 303)	(4 303)
Other comprehensive income:					
Changes in asset revaluation reserve	7.1	....	13 908	....	13 908
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	....	....	1 200	1 200
BALANCE AS AT 30 JUNE 2022		13 970	26 320	13 231	53 521
Equity injection by State Government		9 000	....	....	9 000
TOTAL EQUITY BALANCE AS AT 30 JUNE 2022		22 970	26 320	13 231	62 521

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

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NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 OBJECTIVES AND FUNCTION

The Port Arthur Historic Site Management Authority (the Authority) is a for profit Government Business Enterprise, established in 1987, in accordance with the *Port Arthur Historic Site Management Act 1987* and is domiciled in Tasmania, Australia. The Authority's registered office and principal place of business is 6973 Arthur Highway, Port Arthur, TAS 7182. The Authority's main objectives are to:

- ensure the preservation and maintenance of the historic site as an example of a major convict settlement and penal institution of the 19th Century;
- use its best endeavours to secure financial assistance by way of grants, sponsorship and other means;
- provide adequate facilities for the use of visitors;
- co-ordinate archaeological activities on the site;
- promote an understanding of the historical and archaeological importance of the site; and
- promote the site as a tourist destination.

The financial report was authorised for issue by the Directors on 26 September 2023.

1.2 BASIS OF ACCOUNTING

The Financial Statements of the Authority are General Purpose Financial Statements and have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB), the *Government Business Enterprises Act 1995* (GBE Act) and applicable Treasurer's Instructions.

As detailed in Note 13.7, as part of Government's response to the COVID-19 pandemic, the Treasurer has ensured that the Authority has access to sufficient funds. As a result, the Financial Statements have been prepared on the basis that the Authority is a going concern.

1.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

1.4 CHANGES IN ACCOUNTING POLICIES

Adoption of new and amended Accounting Standards

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

(i) Standards and Interpretations in issue but not yet adopted.

On the date the Financial Statements were authorised, there were no Standards or Interpretations that were in issue but not yet effective that are likely to materially effect the Authority.

The Authority does not intend to adopt any pronouncements before their effective dates.

NOTE 2 REVENUE AND EXPENSES

INCOME FROM TRANSACTIONS

Income is recognised in the Statement of Profit or Loss and Other 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.

	2023	2022
	\$'000s	\$'000s
(a) Fees, Tours and Merchandise Income		
Entrance fees and tour income	12 995	7 066
Ghost tours	604	535
Food and merchandising sales	5 392	3 353
Cascades Female Factory tours and commercial operations	881	207
Education and training programs	4	37
	19 876	11 198

Tourism Revenue

Amounts earned in exchange for the provision of goods (such as food at the cafes and restaurant or products available through the gift shop) are recognised at the time of sale. Revenue from the provision of services (entrance and tour fees) is recognised when the service in respect to the fee is provided.

	2023	2022
	\$'000s	\$'000s
(b) Grant Income		
State grant – Port Arthur Conservation	3 843	3 754
State grant – Cascades Female Factory	440	430
State grant – Payroll Tax Grant (i)	....	351
State grant – Convict Hub (ii)	210	38
	4 493	4 573

Grants

Government Grants are recognised as revenue when there is reasonable assurance that the Authority is able to meet the qualifying conditions.

The State Government provided the following grants to the Authority that were acquitted in accordance with the *Port Arthur Historic Site Management Act 1987* and the Authority's *Statutory Management Plan 2008*.

- Monetary grant funding of \$3,842,801 to the Authority during 2022-23 and \$3,753,612 during 2021-22 for conservation purposes across the Port Arthur and Coal Mines Historic Sites.
- Monetary grant funding of \$440,498 to the Authority during 2022-23 and \$429,800 for

2021-22 in support of operations at the Cascades Female Factory Historic Site.

- (i) During 2021-22, the Authority received a non-recurring Payroll Tax Grant of \$350,743 as part of a State Government support package provided to tourism, hospitality, and ancillary services for that year.
- (ii) The Convict Memorial Hub Project was finalised in 2022-23 with \$250,000 of funding received for Stage 1 acquitted over two years in accordance with the program Grant Deed. Later stages of this project are no longer the responsibility of the Authority.

	2023	2022
	\$'000s	\$'000s
(c) Interest Income		
Interest	180	9

Interest

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

	2023	2022
	\$'000s	\$'000s
(d) Other Income		
Rent, service and licence fees	291	258
Fair value gain in leases	306	65
Gain/(Loss) on disposal of assets	83	32
Other	17	10
	697	365

Other Income

Revenue from rent and service fees is recognised on a straight-line basis over the term of the relevant agreement.

EXPENSES FROM TRANSACTIONS

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

	2023	2022
	\$'000s	\$'000s
(e) Employee Expenses		
Employee expenses (i)	11 088	9 881
Payroll tax (ii)	649	316
Defined benefit superannuation	742	570
Other post-employment benefits	425	365
Worker's compensation	71	96
	12 975	11 228

Employee Expenses

- (i) Employee Expenses include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.
- (ii) During the 2021-22 financial year, the Authority received a non-recurring refund of Payroll tax of \$261,501 as part of a State Government initiative to support tourism, hospitality and ancillary industries through payroll tax waiver and grants.

NOTE 3 SEGMENT INFORMATION

2023	Port Arthur Historic Site		Cascades Female Factory Historic Site	Total
	Conservation	Tourism		
	\$'000s	\$'000s	\$'000s	\$'000s
REVENUE				
Grant	4 053	....	440	4 493
Sales	....	18 995	881	19 876
Interest Revenue	....	180	....	180
Gain/(Loss) on disposal of assets	83	....	....	83
Other Income	5	609	....	614
	4 141	19 784	1 321	25 246
EXPENDITURE				
Conservation & Infrastructure expenses	6 174	....	204	6 378
Interpretation & Experience expenses	741	....	....	741
Interest expense	....	229	....	229
Depreciation	883	701	214	1 798
Amortisation	....	1 120	....	1 120
Assets Derecognised	190	....	....	190
Operating expenses	988	13 234	1 497	15 719
	8 976	15 285	1 915	26 176
RESULT 30 JUNE 2023	(4 835)	4 499	(594)	(930)
NET ASSETS				
TOTAL ASSETS DEPLOYED	45 829	28 819	7 148	81 796
TOTAL LIABILITIES INCURRED	(3 350)	(11 946)	(701)	(15 997)
NET ASSETS DEPLOYED	42 479	16 873	6 447	65 799

2022	Port Arthur Historic Site		Cascades Female Factory Historic Site	Total
	Conservation	Tourism		
	\$'000s	\$'000s	\$'000s	\$'000s
REVENUE				
Grant	3 988	154	430	4 572
Sales	....	10 991	207	11 198
Interest Revenue	....	9	....	9
Gain/(Loss) on disposal of assets	34	....	(2)	32
Other Income	3	331	....	334
	4 025	11 485	635	16 145
EXPENDITURE				
Conservation & Infrastructure expenses	4 882	....	389	5 271
Interpretation & Experience expenses	381	....	....	381
Interest Expense	....	152	....	152
Depreciation	622	788	63	1 473
Amortisation	....	637	....	637
Assets Derecognised	617	....	....	617
Operating expenses	346	10 602	969	11 917
	6 849	12 178	1 421	20 448
RESULT 30 JUNE 2022	(2 824)	(693)	(786)	(4 303)
NET ASSETS				
TOTAL ASSETS DEPLOYED	46 197	27 093	7 373	80 663
TOTAL LIABILITIES INCURRED	(5 186)	(12 316)	(640)	(18 142)
NET ASSETS DEPLOYED	41 011	14 777	6 732	62 521

The Authority derived income from:

(i) Tourism:

- a. Entrance fees and Ghost tours at the Port Arthur Historic Site
- b. Entrance fees and tours at the Cascades Female Factory Historic Site
- c. Food and merchandise sales
- d. Rentals, services and licence fees

(ii) Conservation:

- a. Grant funding from the State Government for the continual conservation of the Sites
- b. Publication and research fees
- c. Donations

Geographical Information – the Authority operates solely within Australia.

NOTE 4 ASSETS

4.1 RECEIVABLES

	2023	2022
	\$'000s	\$'000s
Trade receivables	117	98
Less provision for Expected Credit Loss (ECL)	(5)	(18)
Other receivables	305	600
Insurance claim – worker’s compensation	22	2
TOTAL	439	682

Receivables are recognised at amortised cost, less any impairment losses. The Authority always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Authority’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

4.2 INVENTORIES

	2023	2022
	\$'000s	\$'000s
Port Arthur gift shop stock	403	301
Food and beverage stock	76	63
Cascades Female Factory gift shop stock	53	42
Fuel stock	12	17
TOTAL	544	423

Inventories are measured using the lower of cost or net realisable value.

4.3 PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

(a) Carrying amount

Land and building assets, including heritage buildings, were last independently valued as at 30 June 2022. The valuer was David Duffield AAPI, Certified Practising Valuer of Acumentis, 7 Castray Esplanade, Hobart, Tasmania. The revaluation was based on market value.

Infrastructure assets were last independently valued as at 30 June 2022. The valuer was Robert Casimaty FIE, Aust, CPEng, BEng (Hons) of Pitt & Sherry, 199 Macquarie Street, Hobart. The revaluation was based on replacement cost.

Heritage Collection assets comprising artefacts and exhibition equipment were last independently valued as at the 1 July 2021. The valuer was Chris Tassell of Quantitative Research Group, 21 Swanston Street, New Town, Tasmania. The revaluation was based on market value.

	2023	2022
	\$'000s	\$'000s
LAND		
At fair value	10 325	10 325
TOTAL	10 325	10 325
BUILDINGS		
At fair value	22 088	22 088
Less: Accumulated depreciation	(572)	....
TOTAL	21 516	22 088
HERITAGE		
Buildings at fair value	14 195	14 195
Artefacts and exhibition equipment	4 042	4 042
TOTAL	18 237	18 237
PLANT, EQUIPMENT AND VEHICLES		
At cost	7 049	6 229
Less: Accumulated depreciation	(4 207)	(3 675)
TOTAL	2 842	2 554
INFRASTRUCTURE		
At fair value	22 953	22 857
Less: Accumulated depreciation	(9 780)	(9 239)
TOTAL	13 173	13 617
CAPITAL WORKS IN PROGRESS	561	817
TOTAL PROPERTY, PLANT, EQUIPMENT AND INFRASTRUCTURE	66 654	67 639

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of property, plant and equipment 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.

2023	Land	Buildings	Heritage Assets	Plant, Equipment and Vehicles	Infra-structure	Capital Works in Progress	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CARRYING VALUE AT 1 JULY 2022	10 325	22 088	18 237	2 555	13 617	817	67 639
Additions	....	....	....	674	12	316	1 003
Disposals	....	....	....	....	....	....	....
Transfers	....	....	....	298	85	(383)	....
Asset de-recognition	....	....	....	....	....	(190)	(190)
Revaluation increments (decrements)	....	....	....	....	....	....	....
Depreciation	....	(572)	....	(685)	(541)	....	(1 798)
CARRYING VALUE AT 30 JUNE 2023	10 325	21 516	18 237	2 842	13 173	561	66 654

2022	Land	Buildings	Heritage Assets	Plant, Equipment and Vehicles	Infra-structure	Capital Works in Progress	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CARRYING VALUE AT 1 JULY 2021	8 173	13 768	14 220	1 905	8 713	2 990	49 770
Additions	....	....	....	404	....	5 666	6 070
Disposals	....	....	....	(18)	....	....	(18)
Transfers	....	4 305	....	877	2 657	(7 839)	....
Asset de-recognition	....	....	....	....	(617)	....	(617)
Revaluation increments (decrements)	2 152	4 404	4 017	....	3 334	....	13 907
Depreciation	....	(390)	....	(613)	(470)	....	(1 473)
CARRYING VALUE AT 30 JUNE 2022	10 325	22 088	18 237	2 555	13 617	817	67 639

(c) Fair value measurement hierarchy for assets as at 30 June 2023

Fair Value Hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset held at fair value by the Authority. The table presents the Authority's assets measured and recognised at fair value at 30 June 2023.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for the Authority's infrastructure and heritage assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

2023	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:	
		Level 2	Level 3
	\$'000s	\$'000s	\$'000s
Land at fair value	10 325	10 325	....
Buildings at fair value	21 516	....	21 516
Infrastructure at fair value	13 173	....	13 173
Heritage Assets			
Buildings	14 195	....	14 195
Artefacts and exhibition equipment	4 042	4 042	....
Total Heritage Assets	18 237	4 042	14 195

2022	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:	
		Level 2	Level 3
	\$'000s	\$'000s	\$'000s
Land at fair value	10 325	10 325	....
Buildings at fair value	22 088	....	22 088
Infrastructure at fair value	13 617	....	13 617
Heritage Assets			
Buildings	14 195	....	14 195
Artefacts and exhibition equipment	4 042	4 042	....
Total Heritage Assets	18 237	4 042	14 195

(d) Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
HERITAGE ASSETS				
Buildings	Replication cost	Direct cost per square metre	\$1 700–\$3 800/m ² (\$2 600)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value
Artefacts and exhibition equipment	Market Value	Cost per item	N/A	N/A
INFRASTRUCTURE				
Roads, footpaths and infrastructure earthworks	Current replacement cost	Cost per metre	\$55–\$270 per metre (\$190 per metre)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life	25–40 years (30 years)	Design and useful lives are reviewed regularly but generally remain unchanged. As a result it is unlikely that significant variations in values will arise in the short term
Jettys, pontoons, boat ramps and sea walls	Current replacement cost	Cost per metre	\$100–\$7 400 per metre (\$1 600 per metre)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life	25–50 years (48 years)	Design and useful lives are reviewed regularly but generally remain unchanged. As a result it is unlikely that significant variations in values will arise in the short term
Water, sewage, fire readiness and pumping infrastructure	Current replacement cost	Cost per system/unit	\$57 000–\$1 100 000 per system/unit (\$362 000)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life	20–100 years (52 years)	Design and useful lives are reviewed regularly but generally remain unchanged. As a result it is unlikely that significant variations in values will arise in the short term.

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. Land and Heritage Assets are not depreciated.

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

Land	Nil
Buildings – Non Specialised	10–40 years
Heritage assets	Nil
Exhibitions	5 years
Plant and equipment	1–20 years
Infrastructure assets	
Roads, footpaths and bridges	50–100 years
Lighting and communication	20–70 years
Grounds and gardens	7–40 years
Drainage	70–85 years

Property, plant, equipment and infrastructure

(i) Valuation basis

Land, buildings, infrastructure and other long-lived assets are recorded at fair value. All other non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses. Heritage buildings are valued at replication cost. Artefacts and exhibition equipment are valued at reproduction cost.

Heritage Assets includes those items from the Props Collection which are on public display in the open houses, museum and interpretation gallery as well as those items from the Props and Port Arthur Collection purchased over time and kept in storage. The assessment of the fair value of Heritage Asset items from these collections which met the asset threshold definition as defined by the PAHSMA Board was undertaken in accordance with Australian Accounting Standards AASB 116 and AASB 13. The valuation assessment involved the physical assessment of each item from the collection on display as well as items in the Props and Port Arthur Collections purchased over time.

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

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

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment and infrastructure 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 property, plant and equipment are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Authority is \$2,000 (2021-22 \$1,000). Assets valued at less than \$2,000 are charged to the Statement of Profit or Loss

and Other 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) Asset revaluation

The Authority undertakes a detailed review of all land, building and infrastructure assets every five years as part of a revaluation and between these years applies indexation to the values if appropriate.

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

Land, buildings and infrastructure assets are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

There has been no change to the valuation technique during the year.

(v) Asset impairment

Assets that have an indefinite useful life are not depreciated but are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

4.4 RIGHT-OF-USE ASSETS

(a) Carrying amount

	2023	2022
	\$'000s	\$'000s
Right of Use Assets		
Buildings	72	78
Vessels and Vehicles	5 580	5 151
TOTAL	5 652	5 229

NOTE 5 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.

PAYABLES

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

5.1 PROVISIONS

	2023	2022
	\$'000s	\$'000s
Accrued wages and salaries	422	379
Annual leave	896	771
Long service leave	1 173	1 079
On-costs for leave	384	335
Superannuation	6 306	6 803
TOTAL	9 181	9 367
Current	2 868	2 563
Non-current	6 313	6 804
TOTAL	9 181	9 367

Employee Provisions

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

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

5.2 UNEARNED REVENUE

Government Grants are recognised as revenue when there is reasonable assurance that the Authority is able to meet the qualifying conditions.

	2023	2022
	\$'000s	\$'000s
Unexpended grant funds – Convict Hub	1	212
Gift voucher clearing	12	11
Prepaid Ticket Sales	102	208
TOTAL	115	431

5.3 TASCORP LOANS

	2023	2022
	\$'000s	\$'000s
Current Liability – TASCORP Loan	2 000
Non-Current Liability – TASCORP Loan
TOTAL	2 000

5.4 LEASE LIABILITIES

	2023	2022
	\$'000s	\$'000s
Current Liability – Lease Liability	1 113	814
Non-Current Liability – Lease Liability	4 539	4 415
TOTAL	5 652	5 229
Maturity Analysis – contractual undiscounted cashflows		
Less than one year	1 314	1 015
One to five years	4 827	4 785
More than five years	....	....
Total Undiscounted Cash flows	6 141	5 800

5.4(a) The Authority's leasing activities and how these are accounted for

The Authority leases various equipment, vessels and buildings. Rental contracts are typically made for fixed periods of 36 months to 15 years, but may have extension options as described below. Contracts may contain both lease and non-lease components.

The Authority allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

- amounts expected to be payable by the Authority under residual value guarantees
- the exercise price of a purchase option if the Authority is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Authority exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The incremental borrowing rate (IBR) is determined in accordance with the applicable TASCORP indicative lending rate including the relevant administration margin, as an incremental borrowing rate.

The Authority is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Authority is reasonably certain to exercise

a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture with an individual value of less than \$2,000.

5.4(b) Variable lease payments

The lease of a vessel contains variable payment terms that are linked to visitors undertaking a harbour cruise. Variable lease payments that depend on increased harbour cruise passenger numbers are recognised in the profit or loss in the period in which the condition that triggers those payments occurs.

5.4(c) Extension and termination options

Extension and termination options are included in the vessel lease. These are used to maximise operational flexibility in terms of managing the assets used in the Authority's operations.

5.5 SUPERANNUATION

5.5(a) Movement in Net Defined Benefit Liability/Asset

The following table shows how the Statement of Financial Position item relating to superannuation under AASB 119 has changed over the last two years:

Financial year ending	30 June 2023	30 June 2022
	\$'000s	\$'000s
Net defined benefit liability/(asset) at start of year	6 803	8 181
(+) Defined benefit cost recognised in Profit or Loss	453	392
(+) Defined benefit cost (remeasurements) recognised in OCI	(208)	(1 200)
(-) Employer Contributions	(742)	(570)
Net defined benefit liability/ (asset) at end of year	6 306	6 803

5.5(b) Estimate of Defined Benefit Cost for year ending 30 June 2024

The estimate of Port Arthur's defined benefit cost for the year ended 30 June 2024 is summarised below:

Financial year ending	30 June 2024
	\$'000s
Current Service Cost	61
Net Interest	340
Past service cost/curtailments [^]	^
Gain/loss on settlements [^]	^
Estimated defined benefit cost	401

[^] not known until end of year

The defined benefit cost recognised in Profit or Loss will be affected by any past service costs, curtailments or settlements that occur during the year.

5.5(c) Estimate of Net Defined Benefit Liability/Asset for year ending 30 June 2024

An estimate of the net defined benefit liability that will need to be included in Port Arthur's Statement of Financial Position at 30 June 2024 is shown below. It has been calculated assuming that actual experience matches the assumptions made.

Financial year ending	30 June 2024
	\$'000s
Net defined benefit liability/ (asset) at start of year	6 306
(+) Estimated defined benefit cost recognised in Profit or Loss	401
(+) Estimated defined benefit cost (remeasurements) recognised in OCI [^]
(-) Estimated employer contributions	(665)
Estimated net defined benefit liability/(asset) at end of year	6 042

[^] amount not known until end of year

5.5(d) Nature of the benefits provided by the Scheme – Defined Contribution Plans

Members of the Contributory Scheme receive lump sum benefits on resignation and lump sum or pension benefits on retirement, death or invalidity. The Contributory Scheme is closed to new members.

5.5(e) Description of the regulatory framework

The Scheme operates under the *Public Sector Superannuation Reform Act 2016* and the *Public Sector Superannuation Reform Regulations 2017* (as amended from time to time).

Although the scheme is not formally subject to the Superannuation Industry (Supervision) (SIS) legislation, the Tasmanian Government

has undertaken (in a Heads of Government Agreement) to operate the scheme in accordance with the spirit of the SIS legislation, as far as practicable.

As an exempt public sector superannuation scheme (as defined in the SIS legislation), the scheme is not subject to any minimum funding requirements.

RBF is a complying superannuation fund within the provisions of the *Income Tax Assessment Act 1997* such that the fund's taxable income is taxed at a concessional rate of 15%. However, RBF is also a public sector superannuation scheme which means that employer contributions may not be subject to the 15% tax (if the Tasmanian Government and RBF elect) up to the amount of "untaxed" benefits paid to members in the year.

5.5(f) Description of other entities' responsibilities for the governance of the Scheme

The Superannuation Commission (the Commission) has fiduciary responsibility for, and oversees the administration of, the Scheme. The day to day running of the Scheme is managed by the Office of the Superannuation Commission, within the Department of Treasury and Finance.

5.5(g) Description of risks

There are a number of risks to which the Scheme exposes the Authority. The more significant risks relating to the defined benefits are:

- **Investment risk** – The risk that investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- **Salary growth risk** – The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.

- **Inflation risk** – The risk that inflation is higher than anticipated, increasing pension payments and the associated employer contributions over the long term.
- **Benefit options risk** – The risk is that a greater proportion of members who joined prior to 1 July 1994 will elect the pension option, which is generally more costly than the alternative lump sum option.
- **Pensioner mortality risk** – The risk is that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- **Legislative risk** – The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

5.5(h) Description of significant events

During the year the *Public Sector Superannuation Reform Regulations 2017* were amended, but these amendments did not materially affect the defined benefits payable under the Scheme. There were no curtailments or settlements during the year.

5.5(i) Reconciliation of the Net Defined Benefit Liability/(Asset)

As at	2023	2022
	\$'000s	\$'000s
Defined Benefit Obligation	7 499	8 024
(-) Fair value of plan assets	(1 193)	(1 221)
Deficit/ (surplus)	6 306	6 803
(+) Adjustment for effect of asset ceiling	....	....
Net defined benefit liability/ (asset)	6 306	6 803
Current net liability	665	530
Non-current net liability	5 641	6 273
	6 306	6 803

5.5(j) Reconciliation of the Fair Value of Scheme Assets

Financial Year Ending	2023	2022
	\$'000s	\$'000s
Fair value of plan assets at beginning of the year	1 221	1 417
(+) Interest income	64	44
(+) Actual return on plan assets less interest income	15	(161)
(+) Employer contributions	742	570
(+) Contributions by plan participants	51	65
(-) Benefits paid	(898)	(704)
(-) Taxes, premiums & expenses paid	(2)	(10)
Fair value of plan assets at end of the year	1 193	1 221

5.5(k) Reconciliation of the Defined Benefit Obligation

Financial Year Ending	2023	2022
	\$'000s	\$'000s
Present value of defined benefit obligations at beginning of the year	8 024	9 598
(+) Current service cost	105	139
(+) Interest cost	412	297
(+) Contributions by plan participants	51	65
(+) Actuarial (gains)/losses arising from changes in demographic assumptions	50	....
(+) Actuarial (gains)/losses arising from changes in financial assumptions	(155)	(1 262)
(+) Actuarial (gains)/losses arising from liability experience	(88)	(99)
(-) Benefits paid	(898)	(704)
(-) Taxes, premium & expenses paid	(2)	(10)
Present value of defined benefit obligations at end of the year	7 499	8 024

5.5(l) Reconciliation of the Effect of the Asset Ceiling

The asset ceiling has no impact on the net defined benefit liability/(asset).

5.5(m) Fair value of Scheme assets[^]

	Total	Quoted Prices in active markets for identical assets – Level 1	Significant observable inputs – Level 2	Unobservable inputs – Level 3
As at 30 June 2023				
	\$'000s	\$'000s	\$'000s	\$'000s
Asset Category				
Cash Deposits	....	....	....	....
Australian Equities	185	....	185	....
International Equities	224	....	224	....
Infrastructure	190	....	47	143
Diversified Fixed Interest	281	....	281	....
Direct Property	226	....	23	203
Alternative Investment	87	....	87	....
TOTAL	1 193	....	847	346

[^]Estimated based on assets allocated to Port Arthur as at 30 June 2023 and asset allocation of the RBF Scheme as at 30 June 2023.

5.5(n) Fair value of Entities Own Financial Instruments

The fair value of Scheme assets includes no amounts relating to:

- any of the Authority's own financial instruments
- any property occupied by, or other assets used by the Authority.

Assets are not held separately for each reporting entity but are held for the Fund as a

whole. The fair value of Scheme assets for each reporting entity was estimated by allocating the total Fund assets in proportion to the value of each reporting entity's funded liabilities, calculated using the assumptions outlined in this report, with the exception of the discount rate. For the purposes of allocating assets to each reporting entity, we have used the Government Bond yield of 4.3%, in order to be consistent with the allocation of assets reported to the Department of Treasury and Finance.

5.5(o) Significant Actuarial Assumptions at the Reporting Date

Financial year ending	30 June 2023	30 June 2022
Assumptions to Determine Defined Benefits Cost		
Discount rate (active members)	5.35% pa	3.20% pa
Discount rate (pensioners)	5.35% pa	3.20% pa
Expected rate of increase of compulsory preserved amounts	5.50% for 2022–23, and then 3.55% pa	3.00% pa
Expected salary increase rate	3.50% pa	3.00% pa
Expected pension increase rate	5.50% for 2022–23, 3.25% for 2023–24, and then 2.50% pa	2.25% pa

Financial year ending	30 June 2023	30 June 2022
Assumptions to Determine Defined Benefit Obligation		
Discount rate (active members)	5.70% pa	5.35% pa
Discount rate (pensioners)	5.70% pa	5.35% pa
Expected rate of increase of compulsory preserved amounts	3.50% pa	5.50% for 2022–23, and then 3.5% pa
Expected salary increase rate	3.50% pa	3.50% pa
Expected pension increase rate	3.50% for 2023–24 3.50% for 2024–25 3.00% for 2025–26, and then 2.50% pa	5.50% for 2022–23, 3.25% for 2023–24, and then 2.50% pa

5.5(p) Sensitivity Analysis

The defined benefit obligation as at 30 June 2023 under several scenarios is presented below. Scenarios A and B relate to discount rate sensitivity. Scenarios C and D relate to expected pension increase rate sensitivity.

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1% pa discount rate	+1% pa discount rate	-1% pa pension increase rate	+1% pa pension increase rate
Discount rate	5.70% pa	4.70% pa	6.70% pa	5.70% pa	5.70% pa
Pension increase	2.50% pa	2.50% pa	2.50% pa	1.50% pa	3.50% pa
Defined benefit obligation (\$'000)	7 499	8 150	6 946	7 087	7 999

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

The pension increase assumptions in the above table are long term pension increase assumptions. Higher rates are assumed for the next two years. In scenarios C & D, both the short term and long term assumptions have been adjusted.

5.5(q) Asset-Liability Matching Strategies

We are not aware of any asset and liability matching strategies adopted by the Fund.

5.5(r) Funding Arrangements

The employer contributes a percentage of each lump sum or pension benefit payment. This percentage may be amended by the Minister on the advice of the Actuary.

5.5(s) Expected Contributions

Financial Year Ending 30 June 2024

	\$'000s
Expected employer contributions	665

5.5(t) Maturity Profile of Defined Benefit Obligation

The weighted average duration of the defined benefit obligation for Port Arthur is 8.4 years.

NOTE 6 COMMITMENTS AND CONTINGENCIES

6.1 CONTINGENT ASSETS AND LIABILITIES

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

	2023	2022
	\$'000s	\$'000s
Contingent Liabilities

Following a decision of the Full Court of the Supreme Court in *Gutwein v Tasmanian Industrial Commission [2021] TASSC 2*, the Authority is now reviewing payroll records back to 1 October 2014 in order to ascertain what impact, if any, may exist for former employees. Due to the significant timeframe and complexity of the review process, the financial impact of additional amounts being owed to former employees, if any, has yet to be quantified.

NOTE 7 RESERVES

7.1 ASSET REVALUATION RESERVE

2023	Land	Buildings	Infrastructure	Heritage Assets	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Asset revaluation reserve					
Balance at the beginning of financial year	5 445	7 924	7 961	4 990	26 320
Revaluation increments/(decrements)	....	....	....	....	....
Balance at end of financial year	5 445	7 924	7 961	4 990	26 320

2022					
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Asset revaluation reserve					
Balance at the beginning of financial year	3 293	3 520	4 626	973	12 412
Revaluation increments/(decrements)	2 152	4 404	3 335	4 017	13 908
Balance at end of financial year	5 445	7 924	7 961	4 990	26 320

NOTE 8 AUDITOR'S REMUNERATION

	2023	2022
	\$'000s	\$'000s
Amounts paid or payable to the external auditors for the audit of the accounts	50	39
	50	39

NOTE 9 DISCOUNTED REVENUE

The Authority offers discounts to holders of student and pension cards on the sale of site tickets. Revenue from ticket sales as disclosed in Note 2(a) is net of these discounts.

	2023	2022
	\$'000s	\$'000s
Normal ticket sales	2 618	1 197
Discount given	(564)	(274)
Net ticket sales	2 053	923

NOTE 10 REMUNERATION REPORT

10.1 STATEMENT OF COMPLIANCE

The Authority has complied with the *Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration* for the year ended 30 June 2023.

10.2 DIRECTOR REMUNERATION

The following tables disclose the remuneration details for each person who acted as a Director during the current and previous financial years. Directors are appointed in accordance with the Board Appointment guideline as issued by the Department of Treasury and Finance.

2023 DIRECTOR REMUNERATION¹

Name	Position	Period	Director Fees	Other Benefits ²	Super-annuation ³	Total ³
			\$'000s		\$'000s	\$'000s
NON-EXECUTIVE DIRECTORS						
Grant O'Brien	Chairperson	Full term	34	....	4	38
Kristal Buckley	Director	Full term	15	....	2	17
Roseanne Heyward	Director	Full term	15	....	2	17
Melinda Percival	Director	16/2/2023– 30/6/2023	6	1	1	8
Peter McKay	Director	1/7/2022– 15/2/2023	7	3	1	11
Ric De Santi	Director	Full term	15	....	2	17
Richard Mulvaney	Director	13/12/2022– 30/6/2023	8	....	1	9
TOTAL			100	4	11	115

2022 DIRECTOR REMUNERATION¹

Name	Position	Period	Director Fees	Other Benefits ²	Super-annuation ³	Total
			\$'000s		\$'000s	\$'000s
NON-EXECUTIVE DIRECTORS						
Grant O'Brien	Chairperson	Full year	35	....	3	38
Kristal Buckley	Director	Full year	15	....	2	17
Roseanne Heyward	Director	Full year	15	....	2	17
Michael Field	Director	1/7/2021–28/2/2022	10	....	1	11
Melinda Percival	Director	1/7/2021–17/5/2022	13	....	1	14
Peter McKay	Director	Full year	15	....	2	17
Ric De Santi	Director	21/3/2022–30/6/2022	4	....	....	5
TOTAL			109	....	11	120

10.3 BOARD REMUNERATION NOTES AND STATEMENTS

- 1 Amounts are all forms of consideration paid, payable or provided by the entity, i.e., disclosure is made on an accruals basis as at 30 June.
- 2 Melinda Percival was paid \$1,257 in consulting fees during the transition from Acting CEO to Director. Peter McKay was paid a consultant fee and travel totalling \$2,617 whilst Richard Mulvaney was transitioned onto the Board.
- 3 Superannuation means the contribution to the superannuation fund of the individual, including accrued superannuation.

10.4 NON-EXECUTIVE DIRECTORS

Non-executive Directors are appointed by the Governor-in-Council on the joint recommendation of the Treasurer and Portfolio Minister / by the Treasurer and Portfolio Minister. Each instrument of appointment is for a maximum period of three years and prescribes the relevant remuneration provisions. Directors can be re-appointed in accordance with the relevant *Guidelines for Tasmanian Government Businesses — Board Appointments*. The level of fees paid to Non-executive Directors is administered by the Department of Premier and Cabinet, as is additional fees paid in respect of their work on Board committees.

Superannuation is paid at the appropriate rate as prescribed by superannuation guarantee legislation. No other leave, termination or retirement benefits are accrued or paid to Directors. Directors are entitled to reimbursement of reasonable expenses incurred while attending to Board business. Non-executive Directors' remuneration is reviewed periodically with increases subject to approval by the Treasurer and Portfolio Minister.

10.5 EXECUTIVE REMUNERATION

The CEO is appointed by the Premier and Portfolio Minister following selection and recommendation by the Board.

The employment terms and conditions of Senior Executives are contained in individual employment contracts, which prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, the Authority may provide non-monetary benefits and contribute to post-employment superannuation plans on their behalf.

The performance of each Senior Executive, including the CEO, is reviewed annually which includes a review of their remuneration package.

The terms of employment of each Senior Executive, including the CEO, contain a termination clause that requires the Senior Executive or the Board to provide a minimum notice period of up to 6 months prior to termination of the contract. Whilst not automatic, contracts can be extended. The only Senior Executive position that this applies to at the Authority is that of Director, Conservation & Infrastructure. Other members of the Executive Leadership Team are permanent State Servants.

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

The following table discloses the remuneration details for personnel that acted as a Senior Executive during the current and previous financial year:

2023 EXECUTIVE REMUNERATION

	Period	Short-Term Incentive Salary ¹	Short-Term Incentive Payments ²	Other Monetary Benefits ³	Vehicle Benefits ⁴	Other Non-Monetary Benefits ⁵	Super-annuation ⁶	Reported Remuneration ⁷	Other Long-Term Benefits ⁸	Termination Benefits ⁹	Total
		\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
EXECUTIVE REMUNERATION											
Will Flamsteed Chief Executive Officer	16/1/2023– 30/6/2023	116	....	....	7	7	12	141	11	....	152
Melinda Percival Acting Chief Executive Officer	1/7/2022– 15/1/2023	137	....	....	21	17	16	191	(2)	12	201
Sarah Jane Brazil Director Conservation & Infrastructure	Full year	184	....	....	24	30	19	258	46	....	304
Anne McVilly Director Tourism Operations	Full year	174	....	....	1	....	18	193	17	....	211
Carol Armstrong Transformation Manager	1/7/2022– 24/8/2022	21	....	....	....	....	2	24	(17)	....	6
David Nelan Chief Financial Officer	Full year	158	....	....	....	....	17	175	3	....	178
Emily Clarke Director Interpretation & Education	Full year	168	....	....	....	....	18	186	6	....	192
Steve McLean People & Culture Manager	13/3/2023– 30/6/2023	43	....	....	....	7	5	54	4	....	59
Jennifer Goulding People & Culture Manager	1/7/2022– 12/9/2022	29	....	....	....	....	4	33	(9)	11	34
SUB-TOTAL		1 031	....	....	52	61	111	1 255	59	23	1 337
ACTING ARRANGEMENTS											
SUB-TOTAL		....	....	....	....	....	....	....	....	....	....
TOTAL		1 031	....	....	52	61	111	1 255	59	23	1 337

2022 EXECUTIVE REMUNERATION

	Period	Salary ¹ \$'000s	Short-Term Incentive Payments ² \$'000s	Other Monetary Benefits ³ \$'000s	Vehicle Benefits ⁴ \$'000s	Other Non- Monetary Benefits ⁵ \$'000s	Super- annua- tion ⁶ \$'000s	Reported Remun- eration ⁷ \$'000s	Other Long- Term Benefits ⁸ \$'000s	Termi- nation Benefits ⁹ \$'000s	Total \$'000s
EXECUTIVE REMUNERATION											
Jonathan Fisher Chief Executive Officer	1/7/2021– 17/5/2022	211	....	61	8	....	22	302	(12)	72	362
Melinda Percival Acting Chief Executive Officer	18/5/2022– 30/6/2022	24	....	....	....	....	2	26	3	....	29
Jane Harrington Director Conservation & Infrastructure	1/7/2021– 27/8/2021	31	....	....	4	....	11	46	(76)	77	47
Sarah Jane Brazil Director Conservation & Infrastructure	4/4/2022– 30/6/2022	40	....	9	....	....	4	53	4	....	57
Anne McVilly Director Tourism Operations	Full year	169	....	....	....	....	17	186	4	....	190
Carol Armstrong Transformation Manager	Full year	122	....	....	....	....	12	134	(44)	....	90
David Nelan Chief Financial Officer	Full year	134	....	....	....	....	13	147	4	....	151
Emily Clarke Director Interpretation & Education	Full year	156	....	....	....	....	16	172	6	....	178
Jennifer Goulding People & Culture Manager	Full year	126	....	....	....	....	13	139	10	....	149
SUB-TOTAL		1 013	....	70	12	....	110	1 205	(101)	149	1 253
ACTING ARRANGEMENTS											
David Roe Acting Director Conservation	28/8/2021– 2/3/2022 ¹⁰	107	....	....	4	....	9	120	(20)	....	100
Katy Ross Acting Director Infrastructure	28/8/2021– 3/4/2022 ¹⁰	131	....	....	....	....	13	144	7	....	151
SUB-TOTAL		238	....	....	4	....	22	264	(13)	....	251
TOTAL		1 251	....	70	16	....	132	1 469	(114)	149	1 504

10.6 EXECUTIVE REMUNERATION NOTES AND STATEMENTS

Amounts are all forms of consideration paid, payable or provided by the entity, i.e., disclosure is made on an accruals basis and includes all accrued benefits at 30 June.

- Salary includes all forms of consideration paid and payable for services rendered and compensated absences during the period.
- There were no short-term non-recurring incentive payments paid or payable during the year.
- Other monetary benefits include all other forms of employment allowances (excludes reimbursements

such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable to the Executive, either directly or indirectly.

- Vehicle Benefits includes the personal use component of the total cost of providing and maintaining a vehicle for an executive's use and is calculated using the Fringe Benefits Tax (FBT) taxable value of the personal use component for the financial year plus the FBT payable thereon.
- Other non-monetary benefits represent the cost of providing short-term housing benefits and, where applicable, is calculated using the Fringe Benefits Tax (FBT) taxable value of the housing benefit for the financial year plus the FBT payable thereon. The housing benefit provided to Sara Jane Brazil was subject to Fringe Benefits Tax (FBT).

- 6 Superannuation means the contribution paid or payable to the superannuation fund of the individual, measured as the amount of superannuation contributions paid and accrued in the accumulation superannuation scheme.
- 7 Reported Remuneration includes the individual's salary, short term incentive payments, other monetary benefits, vehicle benefits, other non-monetary benefits and superannuation. For the purposes of assessing compliance with the Guidelines, Other long-term employee benefits and termination benefits are not included in the Reported Remuneration amount.
- 8 Other long-term benefits include movements in annual leave accruals and long service leave provisions.
- 9 Termination benefits include all forms of benefit paid or accrued as a consequence of termination, including leave entitlements and superannuation paid out on termination.
- 10 Period includes when Higher Duties Allowance was paid as transitional support for incoming Executive staff.

10.7 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.

There were no acting arrangements in place for the current year.

10.8 TERMINATION PAYMENT DURING THE CURRENT YEAR

Melinda Percival (Acting Chief Executive Officer) ceased employment in that role on 15 January 2023 and was paid out accrued leave entitlements totalling \$12,345 in addition to applicable superannuation on unused leave of \$1,296.

Jennifer Goulding (People & Culture Manager) ceased employment on 12 September 2022 and was paid out accrued leave entitlements totalling \$10,604 in addition to applicable superannuation on unused leave of \$1,113.

Carol Armstrong (Transformation Manager) ceased employment on 24 August 2022 having fully taken all accrued leave entitlements.

10.9 RELATED PARTY DISCLOSURES

Peter McKay (Director) was provided water and wastewater services by the Authority on the same commercial terms and conditions as other residents and businesses who connect to these services.

Sarah Jane Brazil (Director of Conservation & Infrastructure) rented Thompson's Cottage from the Authority from 1 March 2023 in accordance with a formal Rental Tenancy Agreement. Total rent paid during this period totalled \$5 100.

The partner of Emily Clarke (Director of Interpretation & Experience) is the principal owner of a business that has provided web hosting, development, support, and graphic design services to the Authority since 2017. The total amount invoiced to the Authority during the year for work performed was \$32 945. The Director of Interpretation & Experience had no involvement or influence in the engagement of these services.

The son of David Nelan (Chief Financial Officer) was employed during the year as a casual employee of the Authority working within the visitor services and food and beverage areas. The selection and employment processes were independent to the role of the Chief Financial Officer and all employment terms and conditions were in accordance with the relevant Industrial Agreement at the level required for the role performed.

All related party transactions have been entered into on an arm's length basis with full disclosure and declarations.

There were no applicable related party transactions between any State Government Ministers and the Authority during the year.

NOTE 11 CASH FLOW RECONCILIATION

11.1 CASH AND DEPOSITS

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

	2023	2022
	\$'000s	\$'000s
Cash	5 186	3 480
Automatic teller machine	15	2
Deposits at call	2 931	2 926
TOTAL	8 132	6 408

11.2 RECONCILIATION OF NET RESULT TO NET CASH FROM OPERATING ACTIVITIES

	2023	2022
	\$'000s	\$'000s
Net result from Profit/(Loss) for the year	(930)	(4 303)
Depreciation and amortisation	2 919	2 109
Loss / (Gain) on sale of property, equipment and vehicles	(83)	(32)
Fair value gain on leased assets	(306)	(65)
Assets derecognised	190	617
Non cash movement in superannuation	(289)	(178)
Decrease / (Increase) in receivables	401	(336)
Decrease / (Increase) in prepayments, accruals and deposit paid	(95)	(62)
Decrease / (Increase) in inventories	(121)	(57)
Increase / (Decrease) in employee benefits	311	162
Increase / (Decrease) in creditors	(225)	1
Increase / (Decrease) in unearned revenue	(316)	210
Net cash from / (used by) operating activities	1 456	(1 934)

11.3 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

2023	Non-Cash Changes					Cash Flows		Closing Balance
	Closing Balance	Transfers to/ (from) Other Government Entities	New Leases Acquired	Changes in Fair Value	Other	Cash Received	Cash Repayments	
Liabilities	2022							2023
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Borrowings	2 000	....	....	....	....	....	(2 000)	....
Leases	5 229	....	....	1 237	201	....	(1 015)	5 652
TOTAL	7 229	....	....	1 237	201	....	(3 015)	5 652

2022

Liabilities	Closing Balance	Non-Cash Changes				Cash Flows		Closing Balance
		Transfers to/ (from) Other Government Entities	New Leases Acquired	Changes in Fair Value	Other	Cash Received	Cash Repayments	
	2021							2022
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Borrowings	3 000	....	....	....	....	....	(1 000)	2 000
Leases	3 255	....	85	2 505	85	....	(702)	5 229
TOTAL	6 255	....	85	2 505	85	....	(1 702)	7 229

NOTE 12 FINANCIAL INSTRUMENTS

12.1 RISK EXPOSURES

Risk Management Policies

The Authority's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The Board of Directors has overall responsibility for the establishment of the Authority's financial risk management framework. This includes the development of policies covering specific areas such as price risk, interest rate risk, credit risk and liquidity risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Authority's activities. The day-to-day risk management is carried out by the Authority's finance function under policies and objectives which have been approved by the Board of Directors. Management has been delegated by the Authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate, price, liquidity and foreign exchange rate risks and assessment of market forecasts for interest rate and foreign exchange movements.

The Board receives bi-monthly reports which provide details of the effectiveness of the processes and policies in place.

The Authority does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Mitigation strategies for specific risks faced are described below.

(a) Credit risk exposures

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

The Authority does not have any material credit risks.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of these financial assets (net of any provisions) as presented in the Statement of Financial Position.

The Authority has no significant concentration of credit risk with any single counterparty or group of counterparties.

The following table analyses financial assets that are past due but not impaired:

	2023	2022
	\$'000s	\$'000s
Trade Receivables		
Current	60	54
30 days	18	15
60 days	8	3
91+ days	30	26
	116	98
Expected Credit Losses (ECL)	(5)	(18)
TOTAL	111	80

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 it will always have sufficient liquidity to meet its liabilities when they fall due through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities
- monitoring undrawn credit facilities
- obtaining funding from a variety of sources
- maintaining a reputable credit risk profile
- managing credit risk related to financial assets

- investing surplus cash
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

(b) 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.

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

SENSITIVITY ANALYSIS OF AUTHORITY'S EXPOSURE TO POSSIBLE CHANGES IN INTEREST RATES

	Statement of Comprehensive Income		Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	100 basis points decrease
2023				
Financial assets	81	(81)	81	(81)
Financial liabilities	....	....	....	....
Net sensitivity	81	(81)	81	(81)
2022				
Financial assets	64	(64)	64	(64)
Financial liabilities	(20)	20	(20)	20
Net sensitivity	44	(44)	44	(44)

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

12.2 FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS

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

	Weighted average effective interest rate	Floating interest rate	Fixed interest rate maturing in 1 year or less	Non-interest bearing	Total carrying amount per Statement of Financial Position
2023	(%)	\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash	3.36	5 167	2 931	34	8 132
Receivables and accruals	....	....	....	814	814
TOTAL		5 167	2 931	848	8 946
Financial liabilities					
Creditors and accruals	....	....	....	1 049	1 049
TASCORP loan	....	....	....	....	....
TOTAL		....	....	1 049	1 049
2022					
		\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash	0.40	3 461	2 926	21	6 408
Receivables and accruals	....	....	....	963	963
TOTAL		3 461	2 926	984	7 371
Financial liabilities					
Creditors and accruals	....	....	....	1 115	1 115
TASCORP loan	1.31	....	2 000	....	2 000
TOTAL		....	2 000	1 115	3 115

NOTE 13 OTHER SIGNIFICANT ACCOUNTING POLICIES

13.1 JUDGEMENTS AND ASSUMPTIONS

In the application of Australian Accounting Standards, the Authority is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by the Authority which have significant effects on the Financial Statements include:

- Provisions, Note 5.1
- Superannuation, Note 5.5
- Property, plant and equipment and infrastructure, Note 4.3

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.

13.2 FOREIGN CURRENCY

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

13.3 TAXATION

The Authority is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax. Section 66 of the *Government Business Enterprises Act 1995* specifies those GBEs that are required to pay income tax equivalents. The Authority has been exempted from paying income tax equivalents.

13.4 COMPARATIVES

The previous year's figures are provided in the financial report for comparative purposes. Where applicable, the comparative figures have been adjusted to conform to changes in presentation and classification in the current year.

13.5 ROUNDING

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated.

13.6 GOODS AND SERVICES TAX

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

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

13.7 COVID-19 PANDEMIC IMPACTS

As part of the Government's response to the COVID-19 pandemic, the Treasurer has ensured that all Government businesses have access to sufficient funds. On 14 August 2020, the Treasurer provided explicit support for the Authority to increase the maximum borrowing limit with the Tasmanian Public Finance Corporation to \$12.5M.

In addition to increased borrowing facilities with TASCORP, the Treasurer also agreed to provide additional financial support of \$20M by way of funding to be received over four years as follows:

YEAR	\$'000s	
2020–21	8 000	<i>(Received 2020–21 as equity funding)</i>
2021–22	6 000	<i>(Received 2021–22 as equity funding)</i>
2022–23	4 000	<i>(Received 2022–23 as equity funding)</i>
2023–24	2 000	<i>(To be received as non-recurrent grant revenue)</i>
Total	20 000	

These funds will allow the Authority to manage the slow recovery in visitation from international and domestic visitors and the increased costs of operating and maintaining the sites.

13.8 EVENTS OCCURRING AFTER BALANCE DATE

There have been no events subsequent to balance date which would have a material effect on the Authorities Financial Statements at the date of certification.

AUDITOR'S INDEPENDENCE DECLARATION



Level 2, 144 Macquarie Street, Hobart, Tasmania, 7000
Postal Address GPO Box 851, Hobart, Tasmania, 7001
Phone: 03 6173 0900
Email: admin@audit.tas.gov.au
Web: www.audit.tas.gov.au

26 September 2023

The Board of Directors
Port Arthur Historic Site Management Authority
6973 Arthur Highway, Port Arthur
PORT ARTHUR TAS 7182

Dear Board Members

Auditor's Independence Declaration

In relation to my audit of the financial report of the Port Arthur Historic Site Management for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of Australian Auditing Standards in relation to the audit
- (b) any applicable code of professional conduct in relation to the audit.

As agreed with the Audit, Risk and Governance Committee, a copy of this declaration must be included in the Annual Report.

Yours sincerely

A handwritten signature in black ink, appearing to read "J. Tongs".

Jeff Tongs
Assistant Auditor-General
Delegate of the Auditor-General



**Independent Auditor's Report
To the Members of Parliament
Port Arthur Historic Site Management Authority
Report on the Audit of the Financial Report**

Opinion

I have audited the financial report of the Port Arthur Historic Site Management Authority (the Authority), which comprises the statement of financial position as at 30 June 2023 and statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification signed by the directors.

In my opinion, the accompanying financial report is in accordance with the *Government Business Enterprises Act 1995*, including:

- (a) giving a true and fair view of the Authority's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year then ended
- (b) complying with 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 Report* 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 report 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 confirm that the independence declaration was provided to the directors of the Authority on the same date as this auditor's report.

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

Responsibilities of the Directors for the Financial Report

The directors of the Authority are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Government Business Enterprises Act 1995* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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 directors either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report 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 this financial report.

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 report, 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 report 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 report, including the disclosures, and whether the financial report represents 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.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.



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

26 September 2023
Hobart

STATEMENT OF CERTIFICATION

In the opinion of the directors of Port Arthur Historic Site Management Authority:

- a) the financial statements and notes of the Authority are in accordance with the *Government Business Enterprises Act 1995* including:
 - i. giving a true and fair view of the results and cash flows for the year ended 30 June 2023 and the financial position at the 30 June 2023 of the Authority; and
 - ii. complying with the Australian Accounting Standards and Interpretations and with the Treasurer's Instructions.
- b) there are reasonable grounds to believe 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:

- a) the financial records of the Authority for the year ended 30 June 2023 have been properly maintained in accordance with section 51 of the *Government Business Enterprises Act 1995*;
- b) the financial statements and notes for the year ended 30 June 2023 have been prepared in accordance with section 52 of the *Government Business Enterprises Act 1995*; and
- c) the financial statements and notes for the year ended 30 June 2023 give a true and fair view.

Signed in accordance with a resolution of the Directors:



GRANT O'BRIEN

Chair
26 September 2023



ENRICO DE SANTI

Director
26 September 2023



Accepting 2022 Tasmanian
Tourism Awards Gold Award
Image: Alastair Bett

CONSERVATION EXPENDITURE

In the opinion of the Directors of the Port Arthur Historic Site Management Authority, all grants, including Capital Investment Program Funds, provided by the Tasmanian Government for conservation expenditure, have been reported in accordance with Treasurer's Instruction GBE 08-52-10P *Accounting for Grants Used to Fund Conservation Expenditure*.

Signed in accordance with a resolution of the Board.



GRANT O'BRIEN

Chair
26 September 2023



ENRICO DE SANTI

Director
26 September 2023



Electric Cleaning Cart
Image: Georgia Gray

PUBLIC INTEREST DISCLOSURES

PAHSMA complies with the *Public Interest Disclosures Act 2002* (the Act).

In accordance with section 86 of the Act, PAHSMA advises that for the 2022-23 financial year:

- a) The PAHSMA Public Interest Disclosures procedure is accessed on our website portarthur.org.au under 'About Us'.
- b) No disclosures of public interest were requested of PAHSMA.
- c) No public interest disclosures were investigated by PAHSMA.
- d) No disclosed matters were referred by the Ombudsman to PAHSMA.
- e) No disclosed matters were referred to the Ombudsman to investigate by PAHSMA.
- f) No investigations of disclosed matters by PAHSMA were taken over by the Ombudsman.
- g) There were no disclosed matters that were decided not to be investigated by PAHSMA.
- h) There were no disclosed matters substantiated on investigation as there were not any disclosed matters during the year.
- i) The Ombudsman made no recommendations under the Act that relate to PAHSMA.


WILLIAM FLAMSTEED

Chief Executive Officer
26 September 2023



School Holiday Program at Cascades Female Factory
Image: Rosie Hastings

SUPERANNUATION CERTIFICATION

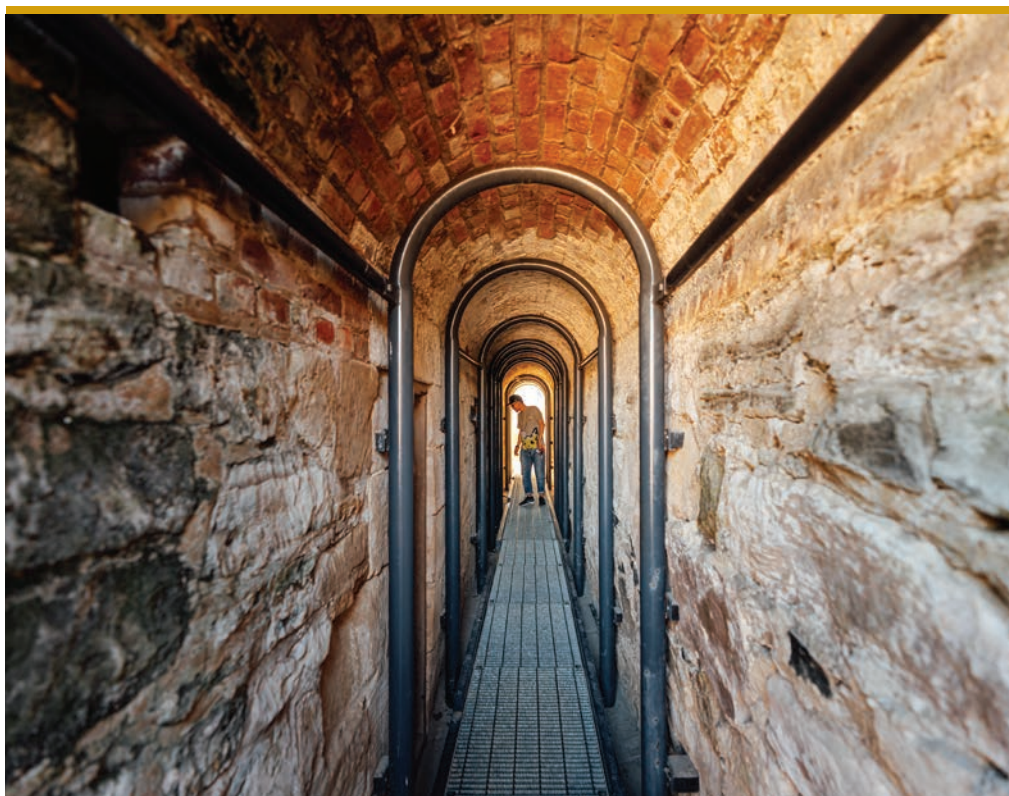
In the opinion of the Chief Executive Officer, PAHSMA has met its obligations under the *Superannuation Guarantee (Administration) Act 1992 (Cth)* for any employee for which PAHSMA makes Superannuation Guarantee contributions who is or becomes a member of a complying superannuation scheme, or a Retirement Savings Account (RSA) other than the Contributory Scheme (Section 55 of the *Public Sector Superannuation Reform Act 2016*).



WILLIAM FLAMSTEED

Chief Executive Officer
26 September 2023

Coal Mines Historic Site Image: Matt Osborne





School holiday activity at Cascades Female Factory Image: Katy Warner

- Our professional and committed PAHSMA employees and volunteers
- Minister for Heritage, the Hon Madeleine Ogilvie MP
- Tasmania's Treasurer, the Hon Michael Ferguson MP
- Tasmania's Premier, the Hon Jeremy Rockliff MP
- PAHSMA Board for their ongoing support and guidance
- PAHSMA Executive Leadership Team
- Our Work Health & Safety Consultative Committee
- Our Industrial Relations Consultative Committee
- Port Arthur and the Cascades Female Factory Community Advisory Committee members and their respective Chairs, Barry Jennings and Dr Dianne Snowden AM
- PAHSMA Conservation Advisory Committee members, chaired by Helen Lardner
- Our Three Capes Track partners at Tasmania Parks & Wildlife Service and Pennicott Wilderness Journeys
- Tasmanian and Australian Governments for their continued support of our conservation program
- Mayors Kelly Spaulding and Rod Macdonald, General Manager, Councillors and employees of the Tasman Council
- Tasman District School staff and community
- The Tasman Community
- Female Convict Research Group
- The teams at Tourism Australia, Tourism Tasmania, Destination Southern Tasmania, Heritage Tasmania and the Tourism Industry Council of Tasmania
- Representatives of the Hobart City Council
- Peter, John & Michael Roche and the Navigators team
- *Tasman Gazette* staff
- Tasman Business and Tourism Association
- Festival of Voices
- University of Tasmania
- Deakin University
- And our many suppliers, local accommodation providers, contractors and trade partners.

**THANK YOU
TO OUR
STAKEHOLDERS**



PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY

