



BALLARAT CEMETERIES TRUST

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# ANNUAL REPORT 2017

*“REMEMBERING THE PAST  
CARING FOR THE PRESENT  
PLANNING FOR THE FUTURE”*

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# ANNUAL REPORT 2016 - 2017

## INDEX

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MESSAGE FROM THE CHAIR OF THE TRUST	4
Responsible Bodies Declaration	5
MESSAGE FROM THE CEO	8
ANNUAL REPORT OF OPERATIONS	10
FOR THE YEAR ENDED JUNE 30, 2017	10
GENERAL INFORMATION	10
FUNCTION OF THE TRUST	11
Cemeteries and Crematoria Act 2003 (as amended)	14
SUMMARY OF ACTIVITIES FOR THE REPORTING PERIOD	14
SERVICES PROVIDED	18
SUMMARY	18
BURIAL	18
CREMATION MEMORIAL	19
WHAT WE DELIVERED DURING 2016-2017	21
BURIAL	22
CREMATION	22
MEMORIALISATION	22
OUR TRUST MEMBERS	24
INDEPENDENCE OF TRUST MEMBERS	25
AUDIT AND RISK COMMITTEE	25
COMMITTEES OF THE TRUST	25
TRUST MEMBERS ATTENDANCE AT MEETINGS	26
MANAGEMENT	27
EMPLOYMENT AND CONDUCT PRINCIPLES	27
ORGANISATIONAL CHART	27
RECOGNITION OF SERVICE	29
VOLUNTEERS	30
GOVERNANCE AND ACCOUNTABILITY	32
OPERATIONAL OBJECTIVES, FINANCIAL POSITION AND FINANCIAL RESULT	
FOR 2016/2017	32
FIVE YEAR SUMMARY OF FINANCIAL RESULTS	33

OPERATIONAL CHANGE	33
CONSULTANCIES	33
GOVERNMENT ADVERTISING EXPENDITURE	34
DETAILS OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE	34
ENVIRONMENTAL MANAGEMENT	35
OCCUPATIONAL HEALTH AND SAFETY MATTERS	35
BUILDING ACT 1993 COMPLIANCE	36
FREEDOM OF INFORMATION	36
PROTECTED DISCLOSURE ACT 2012	36
DECLARATION OF PECUNIARY INTEREST AND SHARES	36
NATIONAL COMPETITION POLICY	36
PUBLICATIONS AND RECORDS	36
SCALE OF FEES	36
EXTERNAL REVIEWS	37
RESEARCH AND DEVELOPMENT	37
OVERSEAS VISITS	37
INDUSTRIAL RELATIONS	37
COMPLIANCE WITH DATAVIA ACCESS POLICY	37
EX GRATIA PAYMENTS	37
VICTORIAN INDUSTRY PARTICIPATION POLICY	37
LOCAL JOBS FIRST - VICTORIAN INDUSTRY PARTICIPATION POLICY DISCLOSURE	37
CARERS RECOGNITION ACT	37
PROCUREMENT	37
MEMBERSHIPS	37
RELATED PARTY DISCLOSURES	38
RISK MANAGEMENT ATTESTATION	39
ATTESTATION ON DATA INTEGRITY	39
DISCLOSURE INDEX	40
INDEPENDENT AUDITORS REPORT	44
FINANCIAL STATEMENT	46

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# MESSAGE FROM THE CHAIR OF THE TRUST

The Trust is committed to bringing to life the core values that guide our strategic planning objectives and vision now and into the future.

‘Remembering the Past, Caring for the Present and Planning for the Future’ provides a compelling framework for the delivery of our five strategic priorities for the next four years with our focus being on building a viable and sustainable organization, developing our people and workforce, enhancing relationships, ensuring good governance and providing leadership.

To help us build a financially sustainable business model we placed a strong emphasis on stakeholder engagement and community consultation in 2016/2017 and also undertook extensive industry benchmarking and research, to help us review our charges and inform our new fee schedule. The outcome was a significant reduction in cremation fees for our community, by offsetting costs against higher end products and building in business efficiencies and greater organisational capacity.

We launched a new brand for the Ballarat Cemeteries Trust and website along with tailored products to drive greater community awareness for the work we do and the services we offer, including the cremation, burial and memorialisation options available to people. While many still prefer the beautiful botanical garden settings as a final resting place, an increasing number of people planning for end of life are seeking more environmentally friendly or themed landscape burial sites that resonate with them as individuals including our Birdsong, Poets Walk and Dreamtime sites.

The strong emphasis on good governance continued this year and for the first time the Trust has appointed an external member to its Audit and Risk committee, which compliments the internal audit function. Compliance and reporting against our statutory obligations remains a priority as we set new targets for

OH&S, risk management and performance standards.

Our staff continued to provide exemplary customer service in their delivery of professional and sensitive guidance to our community when making decisions regarding the memorialisation of their loved ones.

Our Community Advisory Committee remained very active throughout the year and we welcomed a number of new members to the committee. Their experience and expertise continues to provide valuable insight into improving our community engagement work.

We also held a number of very successful events throughout 2016/2017, with the most significant being the flag ceremony, which was held on Anzac Day in partnership with local RSL's and primary schools. The efforts of the Ballarat Specialist School students and our Work For the Dole program also saw participants make a massive contribution to landscaping and maintenance of the old and new cemetery grounds.

Our rose pruning workshop once again proved to be very popular and provided a wonderful opportunity to both promote our beautiful botanical gardens and encourage participation in the maintenance of our grounds. We anticipate expanding this event in the future to include horticultural topics and discussions with our many local gardening enthusiasts.

As a Trust, we are privileged to be the custodians of a rich and valuable heritage which includes the many stories of the people and events who shaped our city - from our first settlers and those who arrived during the heady gold rush days to the vital and thriving city we live in today.

In June 2017, the Ballarat New Cemetery turned 150 years old, and this was seen as a

***“we placed a strong emphasis on stakeholder engagement and community consultation in 2016/2017”***

unique opportunity by the Trust to share not only our stories of the many remarkable individuals interred here, but in particular the courageous pioneering women of Ballarat, whose stories often lie silent and - in some cases - unrecognised in their graves.

As part of our celebrations we asked the community to share their stories and memories of the women within our grounds who have contributed in both small and large ways to who we are as individuals and as a community - and importantly to commemorate their lives.

This year work continued on the chapel and we look forward to its final refurbishment and unveiling which is expected to be completed in September 2017.

Lastly, may I extend my personal thanks to all our Trust members for their support and commitment over the past twelve months, and we wish three of our very valuable Trust members the very best. Ian Howes, Lorraine Stuart and Eleanor Veal have stepped down this year and their service has been greatly appreciated. My thanks also goes to the management and staff for their untiring commitment, work and passion in what has proven to be another very busy year.

### **J A VERLIN AM CHAIRPERSON**



### **RESPONSIBLE BODIES DECLARATION**

In accordance with the Financial Management Act 1994 I am pleased to present the Report of Operations for The Ballarat General Cemeteries Trust for the year ending June 30, 2017

A handwritten signature in black ink, appearing to read 'J A Verlin'.

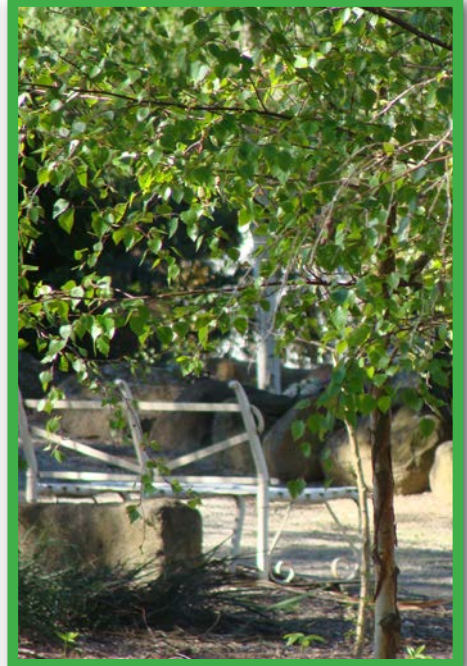
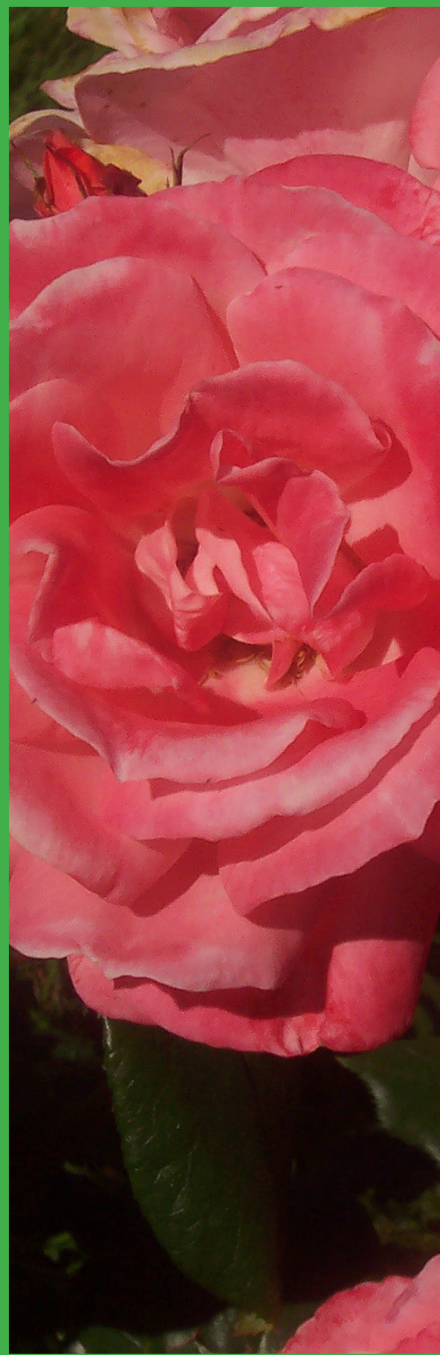
**DR J A VERLIN AM  
TRUST CHAIRPERSON  
BALLARAT GENERAL CEMETERIES TRUST**

**DATED THIS 30<sup>TH</sup> DAY OF JUNE 2017**



***“one of ballarat  
cemeteries historic  
rotundas”***







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# MESSAGE FROM THE CEO

This year is my second anniversary as CEO of the Ballarat Cemeteries Trust and it has been an exciting time as we take the business forward and begin to plan with the community what our cemeteries will look like in the future and how we can meet the needs and wishes of our diverse community over the next sixty years.

As part of that vision, the Trust will be inviting feedback over the next 12 months to understand how we can best use this important community asset - and through good land use planning, deliver a fiscally and environmentally sustainable business model for the future as we begin consultation work on our Masterplan.

We sought feedback on the review of our fee and service charges to ensure they remained affordable to the wider community while also supporting the cost involved in managing and running the cemeteries in our care.

This was done with the support of our Community Advisory Committee who helped us value our different services and places of rest, allowing us to reduce the cost of certain services such as cremation.

Engaging with our community is an important part of our role and this year we took the opportunity to invite the community to actively participate in our 150th anniversary, which celebrated the opening of the New Cemetery on June 10 1867. This included encouraging the community to share their stories of their loved ones buried here and to also share the cemeteries many other stories and spaces.

Cemeteries are in many ways the unknown secret gardens of our community. They are places where people can reflect, remember and talk about how to plan for their own end of life. They are also places where people come together as a community to commemorate important days such as Anzac Day, personal anniversaries or work side by side on the care

of its botanic gardens and restoration of its graves.

The care of our people was another key priority this year, and saw the delivery of a full suite of Human Resource and OHS policies to ensure all employees work within a safe environment. A strategic risk framework aligned to state government requirements was also developed to support our strategic direction, and articulate the business risk to the cemetery which continues to operate in a highly competitive market.

The year saw the Trust and myself work closely with other cemeteries to provide advice to the government on the sectors future direction and strategic opportunities, sharing ideas and consultation with other trusts across the region.

Finally, we launched a new brand to deliver a fresh look for the cemetery to reflect its beautiful botanical gardens, to make it more welcoming and accessible to the general community not only as a place of rest but also recreation, contemplation and exploration.

I wish to thank our wonderful staff who work tirelessly and with great compassion to ensure each service reflects the wishes of the families we serve, and the many unseen workers in the cemetery who provide a seamless experience for our clients and their families.



A handwritten signature in black ink, reading 'A de Jong'.

**A DE JONG**  
**CHIEF EXECUTIVE**  
**OFFICER**



***“Cemeteries are  
in many ways the  
unknown secret  
gardens of our  
community.”***

# ANNUAL REPORT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2017

## GENERAL INFORMATION

Ballarat General Cemeteries Trust is a statutory Trust of up to nine Trust Members appointed by Governor in Council.

The appointment of the Trust Board Members and their power and duties are governed by the Cemeteries and Crematoria Act of 2003. All Trust Board Members are part time with one elected as Chairperson. Under the Act, the Trust Board Members have the power to make Rules and Regulations in administering the Cemeteries operation.

The Ballarat General Cemeteries Trust is a Class A Trust with five other cemeteries within Victoria. As a Class A Trust we have a legislative responsibility to support all other Class B trusts within Victoria.

The Trust is responsible to the Honourable Jill Hennessy MP Minister for Health.

## FUNCTION OF THE TRUST

The Ballarat General Cemeteries Trust is responsible for providing to the community of Ballarat and the surrounding areas of Central and Western Victoria the best possible service and facilities in burial, cremation and memorialisation that fall within the constraints of available funds. The Trust also has a commitment to preserving the heritage and history of both Cemeteries.

The Ballarat General Cemeteries Trust has the responsibility to manage:-

- The Ballarat Old Cemetery established in 1856
- The Ballarat New Cemetery established in 1867
- The Ballarat Crematorium established in 1958

The administration office is situated at the Ballarat New Cemetery, 1250 Doveton Street North, Ballarat.

The Cemeteries & Crematoria Act 2003 specifically states the functions as;

Cemeteries and Crematoria Act 2003 (as amended)

Part 2 – Cemeteries and Cemetery Trusts  
Section 12A Functions of Class A cemetery trusts

### **1) The functions of a Class A cemetery trust are—**

- a) to properly and efficiently manage and maintain each public cemetery for which it is responsible;
- b) to develop, in accordance with this Act, annual plans and strategic plans for the operation of The Trust and to monitor compliance with those plans;
- c) to develop annual business plans, strategies and budgets to ensure the efficient and accountable provision of services under the Act and the long term viability of the cemetery trust;
- d) to establish and maintain effective systems to ensure that—
  - i) the services provided by the Cemetery Trust meet the needs of the communities which it serves; and

- ii) the views of those communities are taken into account;
- e) to oversee the organisational structure of the Cemetery Trust;
  - f) to employ a chief executive officer (by whatever title called) for the effective operation and management of the Cemetery Trust and each public cemetery for which it is responsible;
  - g) to monitor the performance of the Chief Executive Officer;
  - h) to ensure there are systems in place to enable effective and accountable risk management, financial management and records management of the cemetery Trust;
  - i) to provide leadership, assistance and advice as requested to listed Class B cemetery trusts;
  - j) to establish committees in accordance with the Act and ensure those committees operate effectively;
  - k) to ensure the Secretary is informed as soon as practicable of—
    - i) any significant issues of public concern in relation to the Cemetery Trust, cemetery or crematoria services provided by that Cemetery Trust or the public cemeteries for which that Cemetery Trust is responsible; or
    - ii) any significant risks that affect, or may affect, the Cemetery Trust or cemetery or crematoria services provided by that Cemetery Trust or the public cemeteries for which that Cemetery Trust is responsible;
  - l) to develop or adopt a code of conduct for Board members of the Cemetery Trust and for staff of The Trust;
  - m) to ensure Board members of the Cemetery Trust receive adequate training to enable them to meet their obligations as members of the Board of the Cemetery Trust;
  - n) to carry out any other function conferred on a Class A cemetery trust by or under this Act or any other Act.

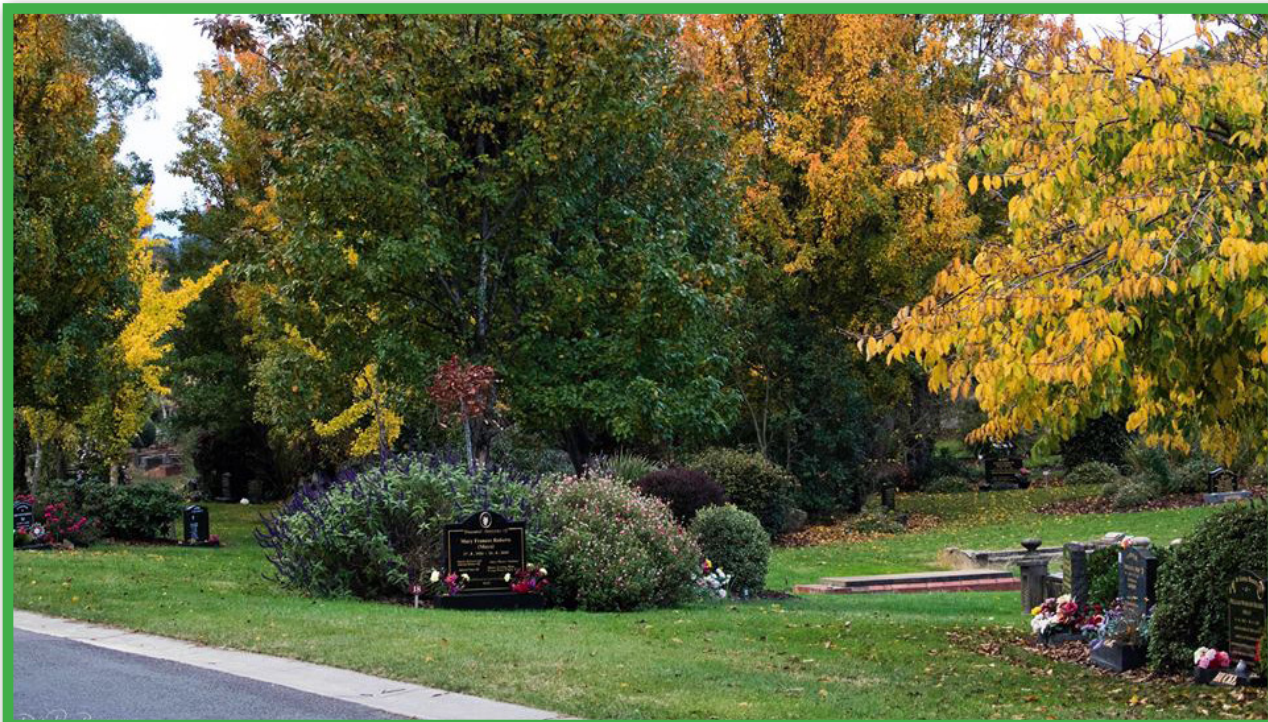


**2) In exercising its functions, a Class A Cemetery Trust must have regard to—**

- a) its obligations in relation to funding of the perpetual maintenance of the public cemetery for which it is responsible; and
- b) the cultural values and religious values (if any) of the community; and
- c) the heritage values (if any) of the public cemetery for which it is responsible; and
- d) the need to ensure that it uses its resources in an effective and efficient manner; and
- e) the need to ensure that public resources across the cemeteries and crematoria sector are used effectively and efficiently.







## SUMMARY OF ACTIVITIES FOR THE REPORTING PERIOD

The 2016 – 2017 financial year saw the Trust continue to develop its relationship with the community and its commitment to integrating the cemetery, its role and its services into the lives of the Ballarat community. It's strategic direction and operations are supported and delivered through its Mission Statement.

“Remembering the Past,  
Caring for the Present  
Planning for the Future”.

During this period, the Trust continued to maintain and present a high standard of botanical cemetery grounds in line with community expectations and delivered a range of events for community members to engage with the cemetery.

### Event and Community involvement included:

- Our Annual Remembrance Ceremony supported by the Cemetery to commemorate babies and children lost.
- Rose Pruning Demonstrations – where 49 participants enrolled to learn how to manage, prune and propagate roses under the guidance of our cemetery gardeners.
- Our ANZAC Day event in partnership with local primary schools to commemorate all service personnel who served in the First World War. Staff and children from the Ballarat North Primary School, Pleasant Street Primary School and Macarthur Street Primary School placed Australian Flags on over 1300 veteran's graves and memorials. We also thank Haymes Paint who generously donated the containers used to place the flags in on the monumental graves.
- The cemetery supported Ballarat's Royal South Street Society in the restoration and unveiling of the restored monument of their founder WD Hill, as part of their 125th anniversary celebrations
- The continuance of a horticultural learning program with the Ballarat Specialist School which actively involves students in the growing of plants for the cemetery gardens.
- We continued to engage with our armed

services community groups and through the memorials in our cemeteries to foster greater recognition around the remarkable contribution of our returned service men and women.

- The Ballarat New Cemetery turned 150 on the 10th of June 2017 and saw the launch of a 12 month program which will celebrate 150 years through 150 stories of the Women who shaped and built Ballarat. The New Cemetery was formally declared open on 10th June 1867 and today the Ballarat Cemeteries Trust not only provides burial and memorial services to families, but also actively promotes the importance of cemeteries as places of great social, cultural and historical significance.
- Throughout this financial year and the next, the Trust is bringing to life the stories of the many women who have made Ballarat the vibrant and progressive city it is today. Well known figures identified by the Trust to date include entrepreneurs Eleanor Lucas, Matilda Thompson and Mary Sutton, artists Helen Noonan, Gertrude Healy, Alma Matthews and Rosalie Bonighton, educators Mother Bonaventure and Mother Hilda, political activists and politicians such as Aileen Palmer, Mary Morrison, Jessie Scott and Karen Overington, and health care reformers Alice Pittard and Helen Gardiner.

### Marketing and Community Engagement

- The Trust continued to implement its branding strategy with a suite of new fresh marketing material which strongly reflects our beautiful botanical cemetery and the different services and themed sites available to the community. This included new brochures and a new website, which provides information around our services and products and also a database for people interested in their family history.
- The Trust continued to seek feedback from its key stakeholders to understand their needs, inform our service offerings and review and update our marketing tools.



## Sector Engagement

- Participation in the Strategic Working Group with other Class A Trusts, Department of Health and Human Services and Cemeteries & Crematoria Association of Victoria to provide advice to the government on the sector's future direction and strategic opportunities.
- Participation in group discussions with other Class A Trusts to discuss collaboration and sharing of community interest.
- Participation in the National Cemetery Trust Forum - "Understanding Grief - An intimate session with Dr Alan Wolfelt"
- Continued support, discussion and consultation with Class B Cemetery Trusts in our region and the wider western region

## Master Planning

- The Trust has now produced an initial schematic for the next stage of the cemetery's development. The plan has been shared with our funeral directors and will be followed by establishment of a communication and feedback program for our community.
- The Trust also reviewed all of its services and prepared a new fees and charges document for community input and feedback, which is now with the Department of Health and Human Services for endorsement. The review identified that we have a range of unique products which we offer to our community and that these services needed to be valued and reflected in the review.

## Volunteers

- The Work for the Dole program continued to provide significant contribution to the improvement and beautifying of the surrounds of the Old and New Cemeteries.
- The program included 95 Participants as part of the Work for the Dole programme. Twenty Six participants subsequently gained employment.
- Projects in the Old Cemetery included grave surround restoration work and stage 1 reinstatement, comprising the replacement of brick work, stones and reinstatement of grave surrounds.
- Old Cemetery and New Cemetery work included the maintenance of grounds and

clearing of roads and paths.

## Grants

- This year, the Trust was successful in obtaining grants for capital funding of the extension of Birdsong Road.
- We were also successful in obtaining a partial grant for the establishment of a storage facility.

## Governance

- The Board completed their performance review as part of their strategic planning program which saw an increase in the Board's understanding of the organisation's governance and compliance requirements.
- The Board participated in a Strategic Risk workshop which was the start of a six month program to review the strategic plan and establish a complete and comprehensive Risk program for the Trust.
- This included the establishment of the Audit and Risk Committee to focus on risk, governance and compliance
- A compliance register was established and will be used to provide regular reports to the Audit and Risk Committee.



ANZAC DAY WITH LOCAL SCHOOLS



ROSE PRUNING DAY



EUREKA RE-ENACTMENT





1300 ANZAC DAY FLAGS



ANZAC DAY THANK-YOU



UNVEILING W D HILL MONUMENT



W D HILL FOUNDER OF ROYAL SOUTH STREET



CLASS B FORUM



SPRING TIME

## SERVICES PROVIDED

### SUMMARY

Ballarat General Cemeteries Trust provides essential services for its local community including burial, memorialisation and cremation services.

Honouring the life of a family member and establishing a lasting legacy is a significant decision for people and often a challenging one. We provide professional and sensitive guidance to our community when choosing the appropriate setting for a loved one and ensuring their wishes are acknowledged.

Ballarat General Cemeteries Trust is a not-for-profit Memorial Park with a long and proud history of meeting the diverse and growing needs of the community.

### BURIAL

#### **Beam Lawns -**

are set in a spacious area of lush lawns, with personalised bronze plaques commemorating loved ones.

#### **Dreamtime Burial Area –**

in collaboration with local Aboriginal Community provides a designated area that represents significant cultural beliefs. This area also includes options for natural burial.

#### **Garden Lawns -**

feature carefully maintained lawns lined with fragrant roses, flowering shrubs and trees while other areas consist solely of Australian native plantings.

#### **Headstone Garden Lawns –**

offer havens of peace and tranquillity, with picturesque surroundings featuring graves set among a serene blending of beautiful trees, shrubs and carefully maintained lawns. Birdsong Gardens, The Terraces and Conifer Gardens provide families with a variety of choices to best reflect the life being honoured.

#### **Monumental Sections -**

in Ballarat New Cemetery are divided into different religious and non-denominational areas and have the provision for an individually crafted monument to be erected.

#### **RSL Section –**

Ballarat New Cemetery has a beautifully manicured section that recognises and provides a special area to commemorate our returned service men and women. We have a special association with the Ballarat Avenue of Honour where a number of our service personnel are remembered in both locations of our community.

#### **Babies and Children. -**

cherishing the memory of young lives lost is an integral part of what we do, and as part of our philosophy, we honour, celebrate and recognise those lives with special, dedicated spaces.

#### **Tree of Memories -**

is located adjacent to the Babies Lawn and is a tree sculptured in bronze that features hand crafted bronze leaves with individual inscriptions. This memorial provides the opportunity for families to commemorate any baby up to the age of twelve months including those lost through miscarriage, stillbirth or neonatal death.



## CREMATION MEMORIAL

Memorials pay respect to the departed but are equally important for the living. They provide a tangible focal point and place for family members, friends and future generations to share and reflect on their many precious memories, as well as providing an important repository for historians and those researching their family history.

**Contemplation Garden -** provides a place where families may visit after a cremation service. There is no charge for this service which allows the cremated remains of loved ones to be placed in a sealed underground cylinder identified with their name plate on a granite block. This is a temporary placement while families decide on a permanent memorial.

**Niche Walls -** are set in the Cemetery's surrounding garden areas. Cremated remains are sealed in a special container, and placed within a niche faced by a single bronze plaque.

**Garden Memorials –** provides a number of options available for the location of cremated remains including perimeter garden beds, native and bush areas, and a range of shrub selections that provide for both bronze and headstone memorials.

**Individual Roses –** offers selected garden beds of standard bush and weeping roses provide up to six memorial placements at each site, with the stunning variety of roses creating an abundant array of colour from October to June.

**Memorial Shrubs –** are set throughout the gardens, and a variety of trees and shrubs provide a personal choice of flowering or evergreen memorials. Up to sixteen placements and eight plaques may be made at each site allowing for extensive family memorials to be created and continued for future generations.

**Poets Walk –** is set in native Australian bushland and through individually positioned rocks in private coves provides a sense of being at peace with nature.

**Birdsong Walk –** is a tranquil setting with a poetic fusion of sustainable native plantings and calming water features. Meandering streams flow among a landscape of rock and granite features highlighted by flowering Australian shrubs with an aspect overlooking water.

**Dreamtime–** in collaboration with local Aboriginal Community provides a designated area that represents significant cultural beliefs. This area in a rustic natural bush setting.

**Birch Forest -** overlooks Birdsong Gardens and is set amongst an area of colour that offers memorialisation with an individual tree and provides up to sixteen placements and eight plaques.

**Tanderra Memorial Gardens –** is a picturesque setting of large garden beds within a sweeping lawn area. The gardens feature a variety of trees and shrubs that transform the area through each season of the year. Urns containing cremated remains are placed in the garden beds where memorials in natural stone may be erected in accordance with Trust regulations. Each memorial has provision for six placements enabling an ongoing family area to be created.

**The Book of Remembrance -** serves as a permanent record and dignified memorial for those who have passed away. Memorial entries are carefully inscribed by highly skilled artists and entered into the Book under any date(s) selected. Books are displayed in a protective glass case, and remain open on the corresponding day, enabling entries to be viewed at each anniversary in an atmosphere of privacy. Personal copies of entries are also available.

***“variety in  
burial options  
to meet the  
public need”***

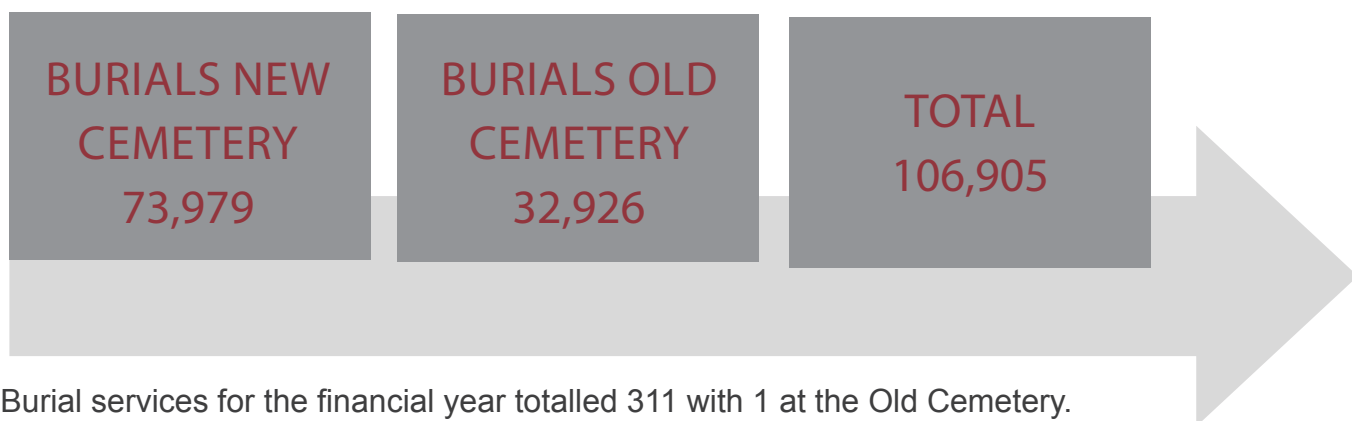




## WHAT WE PROUDLY DELIVERED DURING 2016-2017



## BURIAL

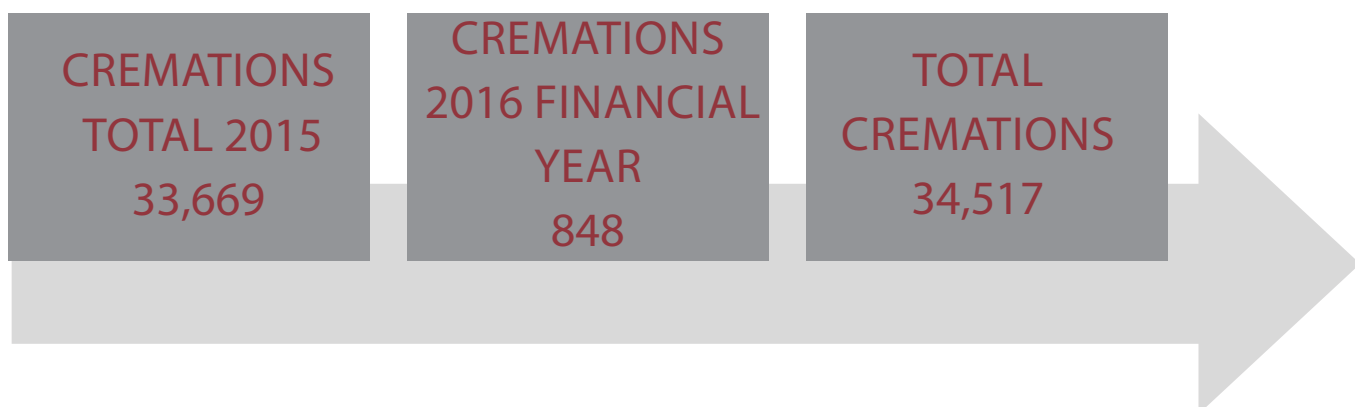


Burial services for the financial year totalled 311 with 1 at the Old Cemetery.

Throughout the financial year, 120 people pre-purchased interment services and 74 burial locations were pre-purchased, with the most popular locations being our beautiful lawn sections of the cemetery.

There were also 36 placements of ashes in burial locations throughout the cemetery.

## CREMATION



Cremation services for the financial year totalled 848 and serviced areas throughout Western and Central Victoria.

## MEMORIALISATION

During the 2016-2017 financial year, 221 cremation memorials and at need placements were purchased.

Our community members and families also planned their end of life ahead with a further 150 cremation services and 88 memorials/placements were pre-purchased during the year.



SOME OF OUR CARING  
STAFF AT WORK



## OUR TRUST MEMBERS



The Ballarat General Cemeteries Trust is governed by a board of nine Trust Members and reports to the Minister for Health the Hon. Jill Hennessy MP, through the Cemeteries and Crematoria Regulation Unit of the Department of Health and Human Services.

Trust members are appointed for a term of three years and may re-apply in accordance with schedule 1A of the 'Cemeteries and Crematoria Act 2003'.

Dr J A Verlin AM	Chairperson – Appointed to 31st August 2017
Mr I G Howes	Appointed to 31st August 2017
Mr P Jenkins OAM	Appointed to 31st August 2017
Mrs L E Stuart	Appointed to 31st August 2017
Mr R Tommasini	Appointed to 31st August 2017
Ms E J Veal	Appointed to 31st August 2017
Ms A M von Bibra	Appointed to 31st August 2017
Ms R McQuilten	Appointed to 30th June 2018
Mr J Wilkinson	Appointed to 30th June 2018



## INDEPENDENCE OF TRUST MEMBERS

Declarations of conflict of interest are required at the beginning of each Trust meeting. Trust members also complete an annual Declaration of Interest Statement.

## AUDIT AND RISK COMMITTEE

The Ballarat General Cemeteries Trust was previously granted an exemption under directions reference 2.2 Audit Committee and 2.5 internal audits noting the Trust as a small entity with appropriate current policies and procedures in place to meet the requirements.

This year the Trust established the Audit and Risk Committee in March 2017 with members being: -

### Members

- Mr R Tommasini, Chairperson
- Dr J Verlin
- Mr R Ainio
- Mrs L Stuart

## COMMITTEES OF THE TRUST

The Trust also established the following committees to assist in the execution of Trust responsibilities.

### The Finance Committee: -

has an advisory role assisting the Trust to fulfil its financial management, planning and major financial decision making functions. On the 27th April 2016, the Trust determined that all members of the Trust Board would be members of this committee and that this committee would be absorbed into the monthly Trust Meeting.

### Members

- Dr J Verlin AM - Chair
- Mr I G Howes
- Mr P Jenkins OAM
- Mrs L E Stuart
- Mr R Tommasini

- Ms E Veal
- Ms A von Bibra
- Ms R McQuilten
- Mr J Wilkinson

## THE RISK MANAGEMENT COMMITTEE:

Has an advisory role assisting the Trust to fulfil the governance and compliance responsibilities of risk management, legislative compliance and internal controls. This Committee was re-established an Audit and Risk Committee in March 2017.

### Members

- Mr R Tommasini – Chair
- Mrs L Stuart
- Dr J Verlin AM

## THE ORGANISATION CAPACITY & REMUNERATION COMMITTEE: -

Has an advisory role assisting the Trust to fulfil the CEO remuneration and performance management function.

### Members

- Ms A von Bibra – Chair
- Dr J Verlin AM
- Mr J Wilkinson

## THE PROJECT COMMITTEE: -

Has an advisory role assisting the Trust to oversee the infrastructure planning and major capital works operations as presented in the Trust's Annual and Strategic Plans.

### Members

- Ms E Veal – Chair
- Dr J Verlin AM
- Ms R McQuilten

## THE COMMUNITY ADVISORY COMMITTEE-

Was established in March 2011 in accordance with the Cemeteries and Crematoria Act 2003 and its purpose is to provide advice and guidance to the Trust in carrying out its community engagement and participation responsibilities.

### Members

- Mr P Jenkins OAM - Chair
- Mrs L Stuart
- Mr L Holloway
- Mrs S Doon
- Mr G Snowden OAM
- Mr P Le Lievre
- Mr B Kiley
- Mrs D Wickham
- Ms S Kennedy
- Mr N. Buchanan

All Trust members attended additional full day meetings for the following purposes:-

- Strategic Planning full day facilitated by Governance Today Pty Ltd – 2nd February 2017

Trust members also attended other strategic meetings:-

- Business Day out Commerce Ballarat

## TRUST MEMBERS ATTENDANCE AT MEETINGS

	TRUST MEETING*	AGM	RISK MANAGEMENT COMMITTEE	AUDIT & RISK COMMITTEE	ORGANISATION CAPACITY & REMUNERATION COMMITTEE	PROJECT COMMITTEE	COMMUNITY ADVISORY COMMITTEE
MEETINGS HELD	13	1	6	3	2	6	4
MR I HOWES	13	1					
MR P JENKINS OAM	12	1					4
MRS L STUART	10	1	5	3			3
MR R TOMMASINI	12	1	6	3			
MS E VEAL	11	1				4	
DR J VERLIN AM	12	1	5	3	2	5	2
MS A VON BIBRA	11	1			2		
MRS R MCQUILTEN	12	1				6	
MR J WILKINSON	12	1			2		

\* Special meetings were held on the 13th July and 15th August 2017 to consider Budgets and the annual accounts. These meetings are included in the Trust Meeting figures above.

# MANAGEMENT

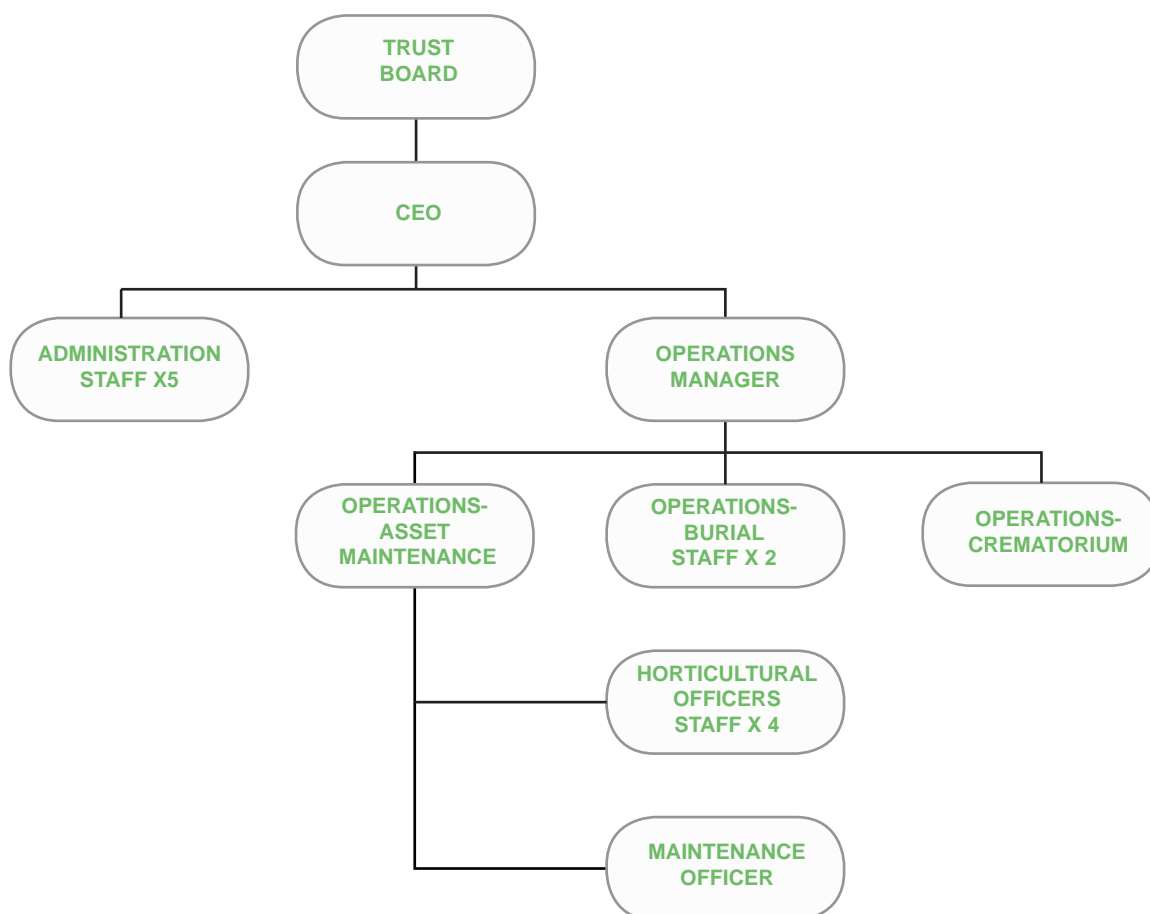
## EMPLOYMENT AND CONDUCT PRINCIPLES

The Ballarat General Cemeteries Trust is committed to ensuring its employment practices are free of any direct or indirect discrimination on the basis of sex, race, age, disability and all other attributes that apply in Victoria under federal and state laws. Recruitment is conducted according to merit based on relative ability, knowledge, skills and organisational fit.

The appointment process is equitable, fair, inclusive and based on legislative requirements and Ballarat General Cemeteries Trust policies.

The Ballarat General Cemeteries Trust acknowledges the legal responsibility to comply with the Charter of Human Rights and Responsibilities Act 2006 and the Equal Opportunity Act 2010.

## ORGANISATIONAL CHART



The Executive is comprised of Annie De Jong, CEO and Neville Monson, Operations Manager.



Labour Category	June 2017
CEO	1
Executive Team	1
Sales and Administration	5
Crematorium Staff	1
Gravediggers	2
Horticultural Staff	6
Total	16

Ongoing Employees						
	number (headcount)	full time (headcount)	part time (headcount)	fte	Male (Headcount)	Female (Headcount)
June 2016	19	18	1	18.8	11	8
June 2017	16	15	1	15.8	8	8

	June 2016 ongoing		June 2017 ongoing	
	number (headcount)	fte	number (headcount)	fte
age				
under 25				
25-34				
35-44	2	2	1	1
45-54	8	7.8	7	6.8
55-64	9	9	8	8
over 64				

*Key – 2017 refers to the current year, 2016 refers to the previous year  
Refer to 'Notes' below.*

## NOTES

All figures reflect active employees in the last full pay period of June of each year.

Ongoing employees means people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.

FTE means full time staff equivalent.

The headcounts exclude those persons on leave without pay or absent on secondment, external contractors/consultants, temporary staff employed by employment agencies, and a small number of people who are not employees but appointees to a statutory office, as defined in the Public Administration Act 2004 (e.g. persons appointed to a non-executive board member role, to an office of Commissioner, or to a judicial office).



## RECOGNITION OF SERVICE

The standard of service provided to the community and the presentation of our grounds is recognised as one of the best throughout the state. This is due to the quality of our staff, their standard of care and their dedicated service.

## Ballarat Cemeteries Staff and Volunteers

### 30 to 39 Years of Service

Kevin Frawley, Horticultural Officer

### 10 to 19 Years of Service

Ian Walker, Gravedigger

### 5 to 9 Years of Service

Brenda Bowers, Administration

Jeanette Cheesman, Administration

Neville Monson, Operations Manager

Jenny McGrath, Administration

Peter Silvey, Crematorium

Daryl Tuddenham, Asset Maintenance Supervisor

Alf Bailey, Volunteer

### 20 to 29 Years of Service

David Odgers, Maintenance Officer

Mark Block, Horticultural Officer

### 0 to 5 years of Service

Annie De Jong, CEO

Gillian Emmerson, Administration

Janelle Fletcher, Horticultural Officer

Jude Leach, Administration

Garry McNabb, Gravedigger

Karen Rowan, Horticultural Officer

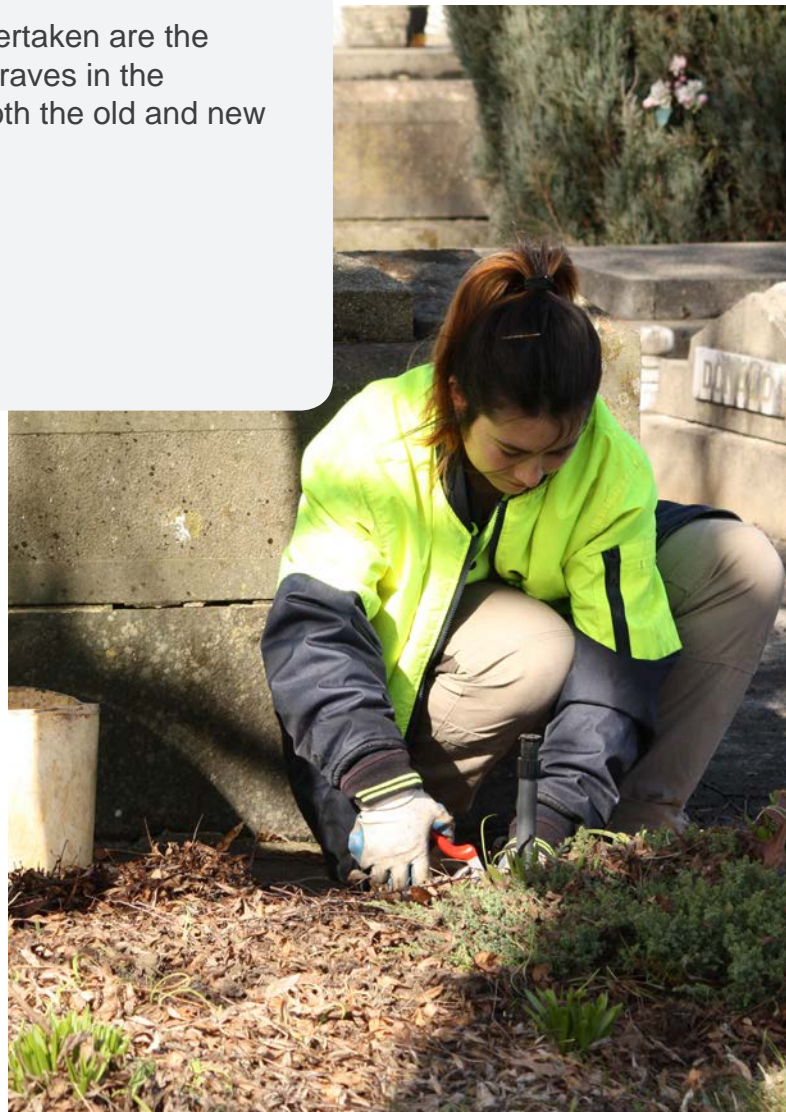
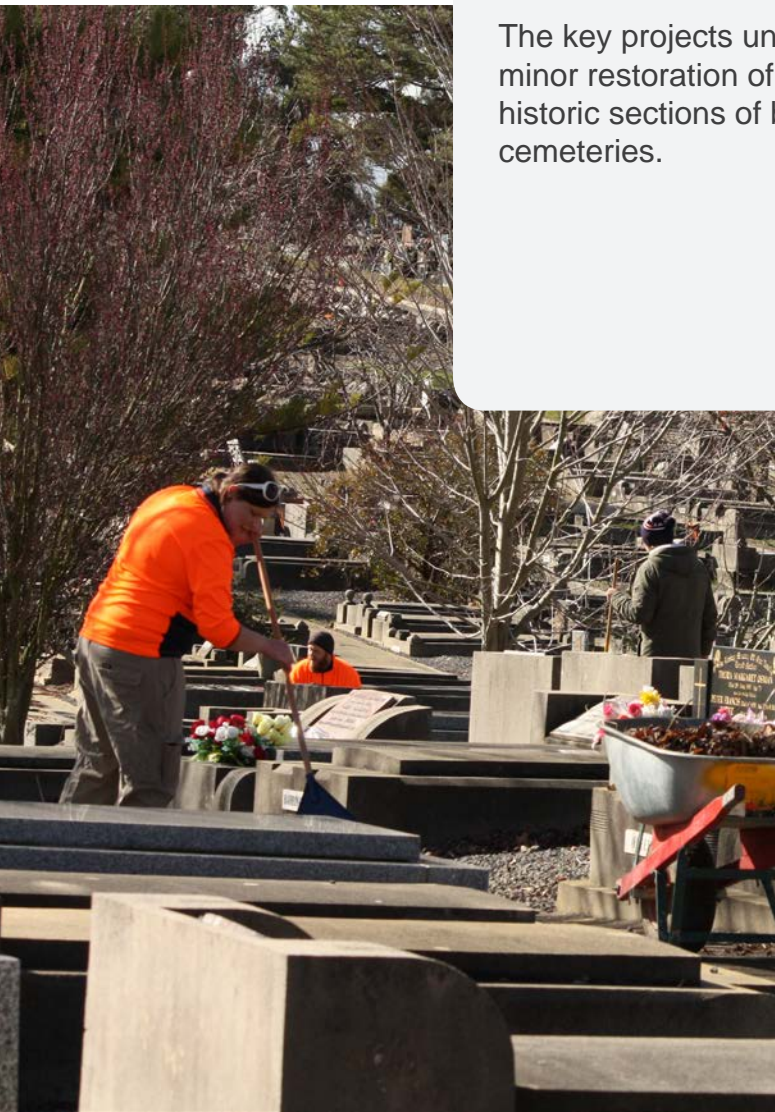




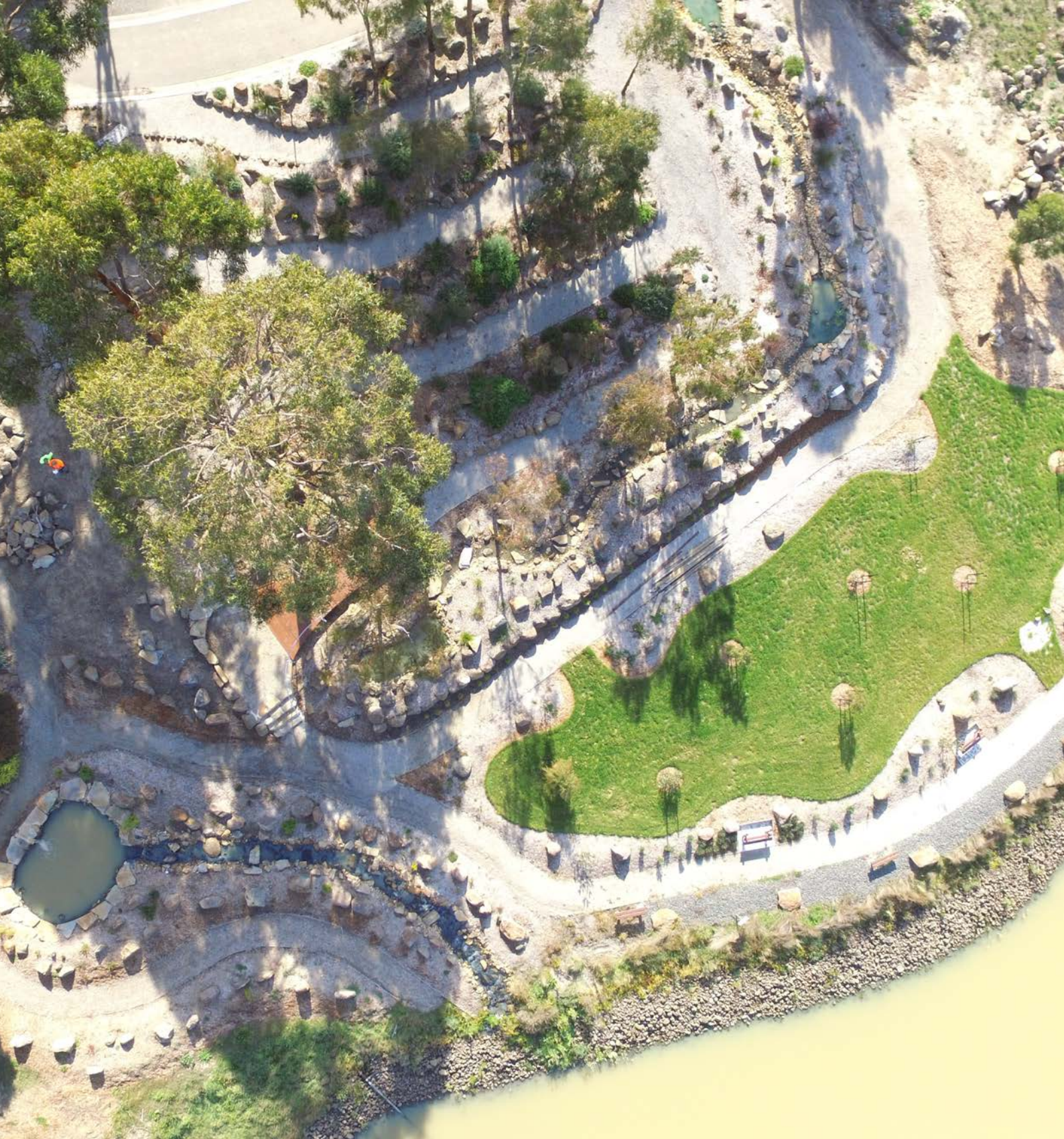
## VOLUNTEERS

The cemetery has a long history working with participants from Centrecare and employs 36 placements each week under the work for the dole program. This includes 18 placements who operate two days a week in maintaining the old Cemetery and 18 placements who operate two days a week in the new cemetery. A total of 95 participants have worked within the program over the last 12 months

The key projects undertaken are the minor restoration of graves in the historic sections of both the old and new cemeteries.







***“our new birdsong  
walk memorial area”***



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# GOVERNANCE AND ACCOUNTABILITY

## OPERATIONAL OBJECTIVES, FINANCIAL POSITION AND FINANCIAL RESULT FOR 2016/2017

The Trust recorded an operating surplus of \$367,927 after all year-end adjustments have been actioned and recognised, subject to final approval from the audit process. As advised last year, this result now includes costs associated with the recognition of on costs on staff leave entitlements and the recognition of a “Loss on Pre-paid Fees” cost item first recognised in 2015-16. The surplus also includes an “extra-ordinary item” being the call back of the Macquarie investment and the recognition of the subsequent surplus from that investment of \$321,503.

Excluding this extra-ordinary item, income is approximately \$30,000 up on last year with ROI and Memorialisation income both above budget and Interment Income and Cremation Fees both below budget.

The Balance Sheet shows the Trust is in a relatively strong position with Assets now in excess of \$12 Million following a full revaluation of the Trust’s Infrastructure Assets as at 30 June 2017 (as required by FRD 103F). This revaluation includes the first time

recognition of Land under Infrastructure of \$159K and the revaluation of existing asset categories of Land, Buildings, Roads and Other Infrastructure.

There has also been a prior year adjustment identified during the audit process whereby Undeveloped Land (for Inventory) had been overstated, as 100% of the land value for the New Cemetery was recognised rather than the undeveloped component, which is 41.57%, resulting in a reduction in Assets of \$665,199 and this has flowed through to 2016-17.

Liabilities have increased over the past 12 months with the key movements being the recognition of grant funds of \$82K as pre-paid income and an overall increase in pre-paid fees of \$118K.

The combination of the calling back of the Macquarie Investment, Revaluation of all Infrastructure Assets, the Undeveloped Land adjustment and the Operating Surplus from 2016/17 has resulted in an Equity increase of \$2,581K for the 2016/17 Financial Year.

## FIVE YEAR SUMMARY OF FINANCIAL RESULTS

	2017	2016	2015	2014	2013
	\$000	\$000	\$000	\$000	\$000
TOTAL REVENUE	\$2,813	\$2,461	\$2,714	\$2,653	\$2,510
TOTAL EXPENSES	\$2,445	\$2,482	\$2,490	\$2,167	\$2,066
OPERATING SURPLUS (DEFICIT)	\$368	\$(21)	\$224	\$486	\$444
ACCUMULATED FUNDS	\$1,601	\$1,483	\$1,618	\$1,578	\$1,307
TOTAL ASSETS	\$12,416	\$9,639	\$10,181	\$9,828	\$9,292
TOTAL LIABILITIES	\$3,887	\$3,691	\$3,534	\$3,406	\$3,357
NET ASSETS	\$8,529	\$5,948	\$6,647	\$6,422	\$5,935
TOTAL EQUITY	\$8,529	\$5,948	\$6,647	\$6,422	\$5,935

## OPERATIONAL CHANGE

In 2016/2017 the Trust committed to identifying operational efficiencies and commenced a program of identification and improvement activities. Part of this program identified the need to review its operational structure and make changes that reduced our EFT. The Trust reviewed and adopted new service standards for the presentation of its two memorial parks.

The Trust undertook a complete review of its fees and charges. This reduced our cremation fees and saw us submit new fee proposals to the Department of Health and Human Services.

## CONSULTANCIES

Details of Consultancies (under \$10,000)

In 2016-17 there were 11 consultancies with total fees payable to consultants less than \$10,000. The total expenditure incurred during 2016-17 in relation to these consultancies was \$40,472 (excluding GST).



## Details of Consultancies (over \$10,000)

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excl GST)	Expenditure 2016-17 (Excl GST)	Future Expenditure
BJT Legal	Legal Advice	01/10/2016	31/10/2017	\$15,000	\$13,768	\$1,232
Geelong Cemeteries Trust	Financial Advice	01/07/2017	31/06/2017	Hourly Rate	\$35,711	Nil

Note – Information on the consultancies is obtainable from the CEO at the Ballarat Cemeteries administration office.

## GOVERNMENT ADVERTISING EXPENDITURE

The Ballarat General Cemetery Trust had no advertising expenditure in excess of \$100,000 in the 2016/2017 financial year.

The Trust has established a relationship with Jenny Dickson and GSD Digital for marketing and engagement strategic work.

The Trust currently utilises the following companies to assist with printing and advertising; 61 Design, Waller & Chester, King Print, Quick Print, The Courier Newspaper, and The Miner Newspaper.

## DETAILS OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

The total ICT expenditure incurred during 2016-17 was \$63,680 (excluding GST) with the details show below.



**ROSE PRUNING WORKSHOP**

Business as Usual (BAU) ICT Expenditure	Non-Business as Usual (non BAU) ICT Expenditure
Total Operations = \$36,516	Total Operations \$ Nil
Total Capital = \$27,164	Total Capital \$ Nil

Note – all figures are excluding GST

## ENVIRONMENTAL MANAGEMENT

The Trust through its development of a formal Environmental Management Program has led to making the environment central to its future planning, operations and policy decisions.

The Trust continues to be a willing participant in the Cemeteries and Crematoria Association of Victoria (CCAV) recycling of metals after cremation program. This program reduces the demand on the use of non-renewable resources thus helping protect our environment long term. Any money returned to us from this program has been donated to a charity of our choice and this year we supported Compassionate Friends Ballarat.

Through the implementation of our environmental management program we continue to recycle materials such as cardboard, paper and plastic.

We completed an assessment of our air flow and dust capture efficiencies. The report makes recommendations for air quality improvement which would result in a safer working environment for our staff and visitors

As required under our private dam licencing agreement with Southern Rural Water we continue to maintain a Surveillance and Emergency Management Plan (SEMP). A requirement of this plan is to have our dam inspected annually by a qualified engineer. The report conclusion stated that “generally the structure appeared in serviceable condition with no urgent works required to improve safety or mitigate identified hazards”.

Gorse Control continues to be a challenge for our undeveloped section of the cemetery. We worked with the Victorian gorse taskforce and the Ballarat City Council to continue to clean up gorse within our cemeteries.

## OCCUPATIONAL HEALTH AND SAFETY MATTERS

In 2016/2017 Safety in the workplace continued to be paramount to the Trust, Management and Staff. During 2016/2017, the OH&S Committee met to discuss and implement measures to improve Health and Safety for all staff and meet the Trusts OH&S obligations under the Occupational Health and Safety Act 2004. All procedures are reviewed by the OH&S Committee and dealt with accordingly.

A new OH&S Manual and Handbook was created and endorsed by the OH&S Committee. These have been distributed to staff. The organisation undertook workplace audits to ensure continued safety of staff and visitors. These audits have been discussed at the OH&S committee and appropriate action is being undertaken.

The number of incidents reported for the year was three, resulting in a review of operating procedures. This is 50% less than last year. Discussions are held at every staff meeting regarding worksite safety - and any hazards identified are corrected.

One injury had lost time of two weeks and the staff member returned to work to undertake different duties until the injury was healed. Action has been taken by the Trust to reduce risk and possible further incidents occurring. KPIs have been established to report to the Trust on lost time percentage with the KPI being zero Lost Time.

During the year, the OH&S Committee and staff updated their first aid skills, and were offered and undertook influenza vaccinations. In addition, the committee has established an annual training calendar.

## **BUILDING ACT 1993 COMPLIANCE**

All new works and re-development of existing properties are carried out to conform to the current building regulations and the provision of the Building Act 1993 as updated.

## **FREEDOM OF INFORMATION**

For the period ending June 30 2017, the Cemetery Trust received no formal requests from the general public for information under the Freedom of Information Act 1982.

The Trust receives regular requests for historical information (particularly family research) and provides this information to our community on request.

## **PROTECTED DISCLOSURE ACT 2012**

The Protected Disclosure Act 2012 was introduced in Victoria on February 10th 2013.

The legislation enables people to make disclosures about improper conduct within the public sector without fear of reprisal. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

There were no disclosures reported for the period of this annual report.

## **DECLARATION OF PECUNIARY INTEREST AND SHARES**

All members of the Trust and the CEO have signed declarations noting any pecuniary interest in the operation of the cemetery. This includes details of any Shares held by Trust Members and the CEO. The Trust Members are asked to declare any matters in relation to which they have a conflict of interest at all Trust Committee meetings.

## **NATIONAL COMPETITION POLICY**

The Trust operates and complies with the Code of Practice as published by the Victorian Government Department of Health and Human Services relating to the sale and supply of memorialisation and services by Cemetery Trusts and other alternative suppliers in Victorian Public Cemeteries.

## **PUBLICATIONS AND RECORDS**

A central correspondence, burial and cremation register is held at the administration offices at the New Cemetery. Access is available to these records and a fee is charged for material printouts.

A touch screen computer is installed at both the Ballarat Old Cemetery and Ballarat New Cemetery for public use in obtaining deceased burial and cremation records. The same information is made available via the Trust's website [www.ballaratcemeteries.com.au](http://www.ballaratcemeteries.com.au).

Promotional material is made available by the Trust for the public. This includes brochures on Scale of Fees as well as burial, cremation and memorial services provided by the Trust, along with location maps and plans of the cemetery.

## **SCALE OF FEES**

In compliance with government regulations the fees for services provided by the Trust were approved with a 1.9% (including GST) increase on 1st July 2017. The Trust has reviewed all its fees for service in the 2016/2017 year.



## EXTERNAL REVIEWS

No major external reviews were carried out on the entity for the year.

## RESEARCH AND DEVELOPMENT

There were no major research and development activities undertaken by the Trust during the year that is reportable under the directions. The Trust is undertaking research into the women buried within our cemetery as part of its 150th anniversary celebrations and theme of 105 years, 150 stories. The Trust also undertook significant research and benchmarking as part of its fees and charges review.

## OVERSEAS VISITS

No members of the Trust or staff conducted overseas visits for the Trust in the 2016-2017 year.

## INDUSTRIAL RELATIONS

There were no industrial disputes during the year and no time lost.

## COMPLIANCE WITH DATAVIC ACCESS POLICY

The Trust is very aware of the DataVic Access Policy and understands all the requirements of making available machine readable format information on the datavic website being <http://www.data.vic.gov.au>. The Trust will consider in future years making its deceased data available on this website.

## EX GRATIA PAYMENTS

No ex gratia payments were made during the year.

## VICTORIAN INDUSTRY PARTICIPATION POLICY

There were no contracts commenced or completed during the financial period to which this policy applied.

Local Jobs First - Victorian Industry Participation Policy Disclosure

There were no contracts commenced or completed during the financial period to which Section 9 of the Victorian Industry Participation Policy Act 2003 applied.

## CARERS RECOGNITION ACT

The Trust has implemented Flexible Working policy within its employee handbook. The Trust will review this policy annually in compliance with the Carers Recognition Act.

## PROCUREMENT

Ballarat General Cemeteries Trust tendering and procurement policy and procedures are aligned with the Victorian Government Purchasing Board (VGPD) policies and guidelines.

## MEMBERSHIPS

Ballarat General Cemeteries Trust is a member of the Cemeteries and Crematoria Association of Victoria and Australian Cemeteries and Crematoria Association, Ballarat Regional Tourism, Commerce Ballarat, Victorian Tourism.

## RELATED PARTY DISCLOSURES

The Trust has prepared related party disclosures for the year based on reasonable enquiries made by management in relation to the Governing Board and their related parties and the information available to the organisation, with the transition to full implementation of AASB 124 and any applicable financial reporting directions.

There were no other related party transactions with the members of the Governing Board and their related parties, which occurred during the normal course of business, apart from remuneration of Board directors which is disclosed in Note 21(a) of the Financial Statements.



## RISK MANAGEMENT ATTESTATION

I, Annette De Jong, certify that the Ballarat General Cemeteries Trust has complied with the Ministerial Standing Direction 3.7.1 – Victorian Government Risk Management Framework and Processes. The Ballarat General Cemeteries Trust, Audit and Risk Committee verifies this.



**A. DE JONG'**  
**CHIEF EXECUTIVE OFFICER**

**DATE:**      **30TH**      **AUGUST**      **2017**

## ATTESTATION ON DATA INTEGRITY

I, Annette de Jong certify that the Ballarat General Cemeteries Trust has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Ballarat General Cemeteries Trust has critically reviewed these controls and processes during the year.



**A. DE JONG'**  
**CHIEF EXECUTIVE OFFICER**

**DATE:**      **30TH**      **AUGUST**      **2017**



## DISCLOSURE INDEX

The annual report of the Ballarat General Cemeteries Trust is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Cemeteries' compliance with statutory disclosure requirements.

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Ministerial Directions & Financial Reporting Directions		
Report of operations		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant Ministers	Page 10
FRD 22H	Purpose, functions, powers and duties	Page 11
FRD 8D	Departmental objectives, indicators and outputs	Page 14
FRD 22H	Key initiatives and projects	Page 14
FRD 22H	Nature and range of services provided	Page 18
<b>Management and structure</b>		
FRD 22H	Organisational structure	Page 27
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	Page 32
FRD 8D	Budget portfolio outcomes	Page 32
FRD 10A	Disclosure index	Page 40
FRD 12B	Disclosure of major contracts	Page 14
FRD 15D	Executive officer disclosures	Page 98
FRD 22H	Employment and conduct principles	Page 27
FRD 22H	Occupational health and safety policy	Page 35
FRD 22H	Summary of the financial results for the year	Page 32
FRD 22H	Significant changes in financial position during the year	Page 32
FRD 22H	Major changes or factors affecting performance	Page 32
FRD 22H	Subsequent events	Page 100
FRD 22H	Application and operation of Freedom of Information Act 1982	Page 36
FRD 22H	Compliance with building and maintenance provisions of Building Act 1993	Page 35
FRD 22H	Statement on National Competition Policy	Page 36
FRD 22H	Application and operation of the Protected Disclosure Act 2012	Page 36
FRD 22H	Application and operation of the Carers Recognition Act 2012	Page 37
FRD 22H	Details of consultancies over \$10 000	Page 34
FRD 22H	Details of consultancies under \$10 000	Page 33

FRD 22H	Disclosure of government advertising expenditure	Page 34
FRD 22H	Disclosure of ICT expenditure	Page 34
FRD 22H	Statement of availability of other information	Page 36
FRD 24C	Reporting of office based environmental impacts	Page 35
FRD 25C	Victorian Industry Participation Policy disclosures	Page 37
FRD 29B	Workforce Data disclosures	Page 28
SD 5.2	Specific requirements under Standing Direction 5.2	Page 11
<b>Compliance attestation and declaration</b>		
SD 3.7.1	Attestation for compliance with Ministerial Standing Direction	Page 36
SD 5.2.3	Declaration in report of operations	Page 36
Financial statements		
Declaration		
SD 5.2.2	Declaration in financial statements	Page 48



LEGISLATION	REQUIREMENT	PAGE REFERENCE
Ministerial Directions & Financial Reporting Directions		
Other requirements under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Page 48
SD 5.2.1(a)	Compliance with Ministerial Directions	Page 48
Other disclosures as required by FRDs in notes to the financial statements (a)		
FRD 9A	Departmental Disclosure of Administered Assets and Liabilities by Activity	Page 50
FRD 11A	Disclosure of Ex gratia Expenses	Page 37
FRD 13	Disclosure of Parliamentary Appropriations	Page 54
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	Page 97
FRD 103F	Non Financial Physical Assets	Page 67
FRD 110A	Cash Flow Statements	Page 52
FRD 112D	Defined Benefit Superannuation Obligations	Page 92

Note:

(a)

References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

## Legislation

Freedom of Information Act 1982

Building Act 1993

Protected Disclosure Act 2012

Carers Recognition Act 2012

Victorian Industry Participation Policy Act 2003

Financial Management Act 1994







# Independent Auditor's Report

## To the Trust of the Ballarat General Cemeteries Trust

<b>Opinion</b>	<p>I have audited the financial report of the Ballarat General Cemeteries Trust (the cemetery) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2017</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including a summary of significant accounting policies</li> <li>• trust member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li> </ul> <p>In my opinion the financial report is in accordance with Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> <li>• presenting fairly, in all material respects, the financial position of the cemetery as at 30 June 2017 and of its financial performance and its cash flows for the year then ended</li> <li>• complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.</li> </ul>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the cemetery in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Trust's responsibilities for the financial report</b>	<p>The Trust of the cemetery is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Trust determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trust is responsible for assessing the cemetery'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 it is inappropriate to do so.</p>

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 our 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 cemetery's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust
- conclude on the appropriateness of the Trust's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the cemetery'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 conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the cemetery 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 Trust 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 Trust 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, related safeguards.

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MELBOURNE  
1 September 2017

  
Charlotte Jeffries  
as delegate for the Auditor-General of Victoria





*Ballarat Cemeteries*

**BALLARAT GENERAL CEMETERIES TRUST**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2017**

## **BALLARAT GENERAL CEMETERIES TRUST**

### **TRUST MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE & ACCOUNTING OFFICER'S DECLARATION**

We certify that the attached Financial Statements for the Ballarat General Cemeteries Trust have been prepared in accordance with Standing Direction 5.2 of the Financial Management Act 1994, applicable Financial Reporting Directions (FRDs), the Australian Charities and Not For Profits Commission Act 2012, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to the Financial Statements, presents fairly the financial transactions during the year ended 30 June 2017 and the financial position of the Ballarat General Cemeteries Trust at 30 June 2017.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the Financial Statements to be misleading or inaccurate.

We authorise the attached Financial Statements for issue on this day.



**DR. J.A. VERLIN CHAIR**



**MS. A. DE JONG**

**CHIEF EXECUTIVE OFFICER**



**MR. T.J. COLBERT CPA**

**CHIEF FINANCE AND ACCOUNTING OFFICER**

Ballarat, Victoria  
30 August 2017

**BALLARAT GENERAL CEMETERIES TRUST****COMPREHENSIVE OPERATING STATEMENT****FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

	<b>Note</b>	<b>2017</b> <b>\$</b>	<b>2016</b> <b>\$</b>
<b>Revenue</b>			
Cemetery Operations Income	2(a)	2,387,394	2,369,762
Cost of Sales	2(d)	<u>( 212,409)</u>	<u>( 213,392)</u>
		2,174,985	2,156,370
Investment Income	2(b)	426,041	90,862
<b>Total Revenue</b>		<u><b>2,601,026</b></u>	<u><b>2,247,232</b></u>
<b>Expenses</b>			
Employee Benefits	2(c)	( 1,438,621)	( 1,358,100)
Depreciation	2(e)	( 197,691)	( 177,071)
Administrative Costs	2(f)	( 300,161)	( 308,047)
Maintenance and Operating Costs	2(g)	( 223,088)	( 353,467)
Cemetery Levy	2(h)	( 73,538)	( 72,135)
<b>Total Expenses</b>		<u><b>( 2,233,099)</b></u>	<u><b>( 2,268,820)</b></u>
<b>Operating Result for the Year</b>		<u><b>367,927</b></u>	<u><b>( 21,588)</b></u>
<b>Other Comprehensive Income</b>			
<b>Items that may be reclassified subsequently to net result</b>			
Net fair value gains/(losses) on Other Financial Assets	13(c)	-	( 11,893)
<b>Items that will not be reclassified to net result</b>			
Net fair value revaluation on Non Financial Assets	13(c)	2,496,285	-
		<u><b>2,496,285</b></u>	<u><b>( 11,893)</b></u>
<b>Comprehensive Result for the Year</b>		<u><u><b>2,864,212</b></u></u>	<u><u><b>( 33,481)</b></u></u>

The Comprehensive Operating Statement should be read in conjunction with the accompanying notes.



# BALLARAT GENERAL CEMETERIES TRUST

## BALANCE SHEET

AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>Current Assets</b>			
Cash and cash equivalents	4	1,995,273	326,871
Receivables	5	146,036	120,395
Inventories	6	45,784	57,692
Other financial assets	8	2,113,135	3,408,779
Other current assets	7	13,680	1,815
<b>Total Current Assets</b>		<b>4,313,908</b>	<b>3,915,552</b>
<b>Non-Current Assets</b>			
Inventories	6	1,123,600	1,159,927 <sup>1</sup>
Land - infrastructure	9	159,046	-
Infrastructure works	9	2,593,000	1,958,865
Buildings and improvements	9	3,631,270	2,003,268
Plant and machinery	9	541,863	563,033
Property, plant and equipment	9	53,325	38,687
<b>Total Non-Current Assets</b>		<b>8,102,104</b>	<b>5,723,780</b>
<b>Total Assets</b>		<b>12,416,012</b>	<b>9,639,332</b>
<b>Current Liabilities</b>			
Payables	10	347,309	282,440
Provision for employee benefits	11(a)	204,716	206,560
Other provisions	11(b)	60,411	35,180
Unearned income	12	3,199,369	3,081,023
<b>Total Current Liabilities</b>		<b>3,811,805</b>	<b>3,605,203</b>
<b>Non-Current Liabilities</b>			
Provision for employee benefits	11(a)	75,646	86,098
<b>Total Non-Current Liabilities</b>		<b>75,646</b>	<b>86,098</b>
<b>Total Liabilities</b>		<b>3,887,451</b>	<b>3,691,301</b>
<b>Net Assets</b>		<b>8,528,561</b>	<b>5,948,031</b>
<b>Equity</b>			
Contributed capital	13(a)	2,163,727	2,163,727
Accumulated surplus	13(b)	1,601,197	1,483,270
Reserves	13(c)	4,763,637	2,301,034 <sup>1</sup>
<b>Total Equity</b>		<b>8,528,561</b>	<b>5,948,031</b>
Commitments for expenditure	15	266,101	275,500
Contingent assets	16	-	-
Contingent liabilities	17	-	-

The Balance Sheet should be read in conjunction with the accompanying notes.

<sup>1</sup> Prior period adjustment

**BALLARAT GENERAL CEMETERIES TRUST**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

	Note	Equity at 1 July 2016 \$	Movements \$	Equity at 30 June 2017 \$
<b>2017</b>				
<b>Accumulated Surplus</b>	13(b)	<b>1,483,270</b>	<b>367,927</b>	<b>1,851,197</b>
Transfer (to)/from General Reserve	13(b)	-	-	-
Transfer (to)/from Perpetual Maintenance Reserve	13(b)	-	( 250,000)	( 250,000)
		<b>1,483,270</b>	<b>117,927</b>	<b>1,601,197</b>
<b>Contributed Capital</b>	13(a)	<b>2,163,727</b>	-	<b>2,163,727</b>
		<b>2,163,727</b>	-	<b>2,163,727</b>
<b>Reserves</b>				
Asset Revaluation Reserves	13(c)	789,740	2,496,285	3,286,025
Other Reserves	13(c)	1,227,612	250,000	1,477,612
Available for Sale Investments Revaluation Surplus	13(c)	283,682	( 283,682)	-
		<b>2,301,034</b>	<b>2,462,603</b>	<b>4,763,637</b>
<b>Total Equity at the end of the Year</b>		<b>5,948,031</b>	<b>2,580,530</b>	<b>8,528,561</b>
		Equity at 1 July 2015 \$	Movements \$	Equity at 30 June 2016 \$
<b>2016</b>				
<b>Accumulated Surplus</b>	13(b)	<b>1,618,101</b>	<b>( 21,588)</b>	<b>1,596,513</b>
Transfer (to)/from General Reserve	13(b)	-	-	-
Transfer (to)/from Perpetual Maintenance Reserve	13(b)	-	( 113,243)	( 113,243)
		<b>1,618,101</b>	<b>( 134,831)</b>	<b>1,483,270</b>
<b>Contributed Capital</b>	13(a)	<b>2,163,727</b>	-	<b>2,163,727</b>
		<b>2,163,727</b>	-	<b>2,163,727</b>
<b>Reserves</b>				
Asset Revaluation Reserves	13(c)	789,740	-	789,740
Other Reserves	13(c)	1,114,369	113,243	1,227,612
Available for Sale Investments Revaluation Surplus	13(c)	295,575	( 11,893)	283,682
		<b>2,199,684</b>	<b>101,350</b>	<b>2,301,034</b>
<b>Total Equity at the end of the Year</b>		<b>5,981,512</b>	<b>( 33,481)</b>	<b>5,948,031</b>

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

**BALLARAT GENERAL CEMETERIES TRUST**

**CASH FLOW STATEMENT**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

	Note	2017 Inflows/ (Outflows) \$	2016 Inflows/ (Outflows) \$
<b>Cash Flows from Operating Activities</b>			
Receipts from burials and cremations (inclusive of GST)		2,146,658	2,268,330
Other income (inclusive of GST)		835,999	410,375
Payments to suppliers & employees (inclusive of GST)		( 2,217,321)	( 2,320,070)
Interest received		103,652	87,452
GST recovered from the Australian Taxation Office		82,112	96,702
GST paid to the Australian Taxation Office		( 206,138)	( 178,788)
<b>Net Cash Inflows from Operating Activities</b>	14(b)	<b>744,962</b>	<b>364,001</b>
<b>Cash Flows from Investing Activities</b>			
Payments for investments		-	( 136,132)
Redeemed investments (excluding earnings)		1,011,962	-
Payments for property, plant & equipment		( 120,187)	( 226,906)
Proceeds from sale of property, plant & equipment		31,665	68,774
<b>Net Cash Flows (Used In) Investing Activities</b>		<b>923,440</b>	<b>( 294,264)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>1,668,402</b>	<b>69,737</b>
Cash and Cash Equivalents at Beginning of the Financial Year		326,871	257,134
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	14(a)	<b>1,995,273</b>	<b>326,871</b>

The Cash Flow Statement should be read in conjunction with the accompanying notes.



## Notes to the Financial Statements for the year ended 30 June 2017

Contents	Note Number
Statement of Significant Accounting Policies	1
Net Results from Operations	2
Net Gain on Disposal of Non-Current Assets	3
<b>Current Assets</b>	
Cash and Cash Equivalents	4
Receivables	5
Inventories	6
Other Current Assets	7
<b>Non-Current Assets</b>	
Inventories	6
Other Financial Assets	8
Property, Plant and Equipment	9
Gross Carrying Amount and Accumulated Depreciation	9(a)
Reconciliation of Property, Plant and Equipment	9(b)
Aggregate Depreciation Recognised as an Expense During the Year	9(c)
Fair Value Measurement Hierarchy for Assets as at 30 June 2017	9(d)
Reconciliation of Level 3 Fair Value	9(e)
Description of Significant Unobservable Inputs to Level 3 Valuations	9(f)
<b>Liabilities</b>	
Payables	10
Provisions - Employee Benefits and Related On-Costs Provisions	11(a)
Provisions - Other Provisions	11(b)
Unearned Income	12
<b>Equity</b>	13
Contributed Capital	13(a)
Accumulated Surplus	13(b)
Reserves	13(c)
Notes to the Cash Flow Statement	14
Reconciliation of Cash	14(a)
Reconciliation of Net Result for the Year to Net Cash Inflows from Operating Activities	14(b)
Commitments for Expenditure	15
Contingent Assets	16
Contingent Liabilities	17
Financial Instruments	18
Financial Risk Management Objectives and Policies	18(a)
Credit Risk	18(b)
Liquidity Risk	18(c)
Market Risk Exposure	18(d)
Fair Value	18(e)
Superannuation	19
Remuneration of Auditors	20
Responsible Persons Disclosure	21(a)
Executive Officer Disclosures	21(b)
Related Parties	21(c)
Events Occurring after Balance Sheet Date	22
Ex-Gratia Expenses	23
Correction of Prior Period Error	24

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies**

These financial statements of the Ballarat General Cemeteries Trust (the Trust) constitute a general purpose financial report which has been prepared in accordance with the *Financial Management Act 1994*, the *Australian Charities and Not For Profits Commission Act 2012*, applicable Australian Accounting Standards (AAS's) which includes interpretations issued by the Australian Accounting Standards Board.

The financial statements also comply with relevant Financial Reporting Directions (FRD) issued by the Department of Treasury and Finance, and relevant Standing Directions (SD) authorised by the Minister for Finance. In complying with AAS, the Ballarat General Cemeteries Trust has, where relevant, applied those paragraphs applicable for not-for-profit entities.

The financial statements were authorised for issue by the Trust Members of the Ballarat General Cemeteries Trust on 30 August 2017.

***Basis of Accounting Preparation and Measurement***

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2017, and the comparative information for the year ended 30 June 2016.

The going concern basis was used to prepare these financial statements.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Trust.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definition and recognition criteria for those items, that is they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except for:

- non-current physical assets, which subsequent to acquisition, are measured at their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made and are re-assessed when new indices are published by the Valuer General of Victoria (VGV) to ensure that the carrying amounts do not materially differ from their fair values; and
- other financial assets, namely available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised (i.e. other comprehensive income - items that may be reclassified subsequent to net result).

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Consistent with AASB 13 *Fair Value Measurement*, the Trust determines the policies and procedures for recurring fair value measurements such as property, plant & equipment and financial instruments, and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant FRD's.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies (*continued*)**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- (a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the Trust can access at measurement date.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - Unobservable inputs for the asset or liability.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General of Victoria (VGV) is the Trust's independent valuation agency.

The Trust, in conjunction with VGV, monitors the changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

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 and assumptions made by management in the application of AAS that have significant effect on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, relate to:

- (i) the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 9)
- (ii) superannuation (refer to Note 19)
- (iii) assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 11(a))
- (iv) cost assumptions for the calculation of the provision for loss on pre-paid fees (refer to Note 11(b))

**(a) Reporting Entity**

The financial report includes the controlled activities of the Ballarat General Cemeteries Trust. The Ballarat General Cemeteries Trust was established under the *Cemeteries Act 1958* and the operations are governed by the *Cemeteries and Crematoria Act 2003*.

The financial statements of the Ballarat General Cemeteries Trust include the operations of the Ballarat Old Cemetery and the Ballarat New Cemetery.

The principal address of the Trust is 1250 Doveton Street North, Ballarat, Victoria, 3350

The objective of the Trust is to provide cemeteries, crematorium and memorialisation services to the public.



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies (*continued*)**

**(b) Scope and Presentation of Financial Statements**

**Comprehensive Operating Statement**

The Comprehensive Operating Statement presents the operating result of the Ballarat General Cemeteries Trust. It presents significant categories of income and expenses included in the operating result to enhance the understanding of the financial performance of the Trust. It also shows other comprehensive income included in the comprehensive result for the year.

**Balance Sheet**

Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered more than 12 months after the reporting period), and are disclosed in the notes where relevant.

**Statement of Changes in Equity**

The Statement of Changes in Equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

**Cash Flow Statement**

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with the requirements of AASB107 *Statement of Cash Flows*.

**Comparative Information**

Where necessary, the previous year's figures have been reclassified to facilitate comparisons. Changes to this year's comparatives are detailed in Note 24.

**(c) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (a) where the amount of GST incurred is not recoverable from the Australian Taxation Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (b) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified as cash flows from operating activities.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies (*continued*)**

**(d) Rounding of Amounts**

All amounts shown in the financial report have been rounded to the nearest dollar.

**(e) New Accounting Standards and Interpretations**

Certain accounting standards and interpretations have been published that are not mandatory for the 30 June 2017 reporting period. As at 30 June 2017, the following standards and interpretations had been issued by AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Ballarat General Cemeteries Trust has not and does not intend to adopt these standards early.

<b>Standard / Interpretation</b>	<b>Summary</b>	<b>Applicable for reporting periods beginning on</b>	<b>Impact on Trust's Financial Statements</b>
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. While there will be no significant impact arising from AASB 9, there will be a change to the way financial instruments are disclosed.
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2010)	The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows: - The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and - Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI). Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed.

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 1 Statement of Significant Accounting Policies (*continued*)

##### (e) New Accounting Standards and Interpretations (*continued*)

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Trust's Financial Statements
AASB 2014-1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i>	Amends various AAS's to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i>	Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: - the entity's right to receive payment of the dividend is established; - it is probable that the economic benefits associated with the dividend will flow to the entity; and - the amount can be measured reliably.	1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AAS's to incorporate the consequential amendments arising from the issuance of AASB 9.	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies (*continued*)**

**(e) New Accounting Standards and Interpretations (*continued*)**

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Trust's Financial Statements
AASB 2015-8 <i>Amendments to Australian Accounting Standards - Effective Date of AASB 15</i>	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 Jan 2018	This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 <i>Amendments to Australian Accounting Standards - Clarifications to AASB 15</i>	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: - a promise to transfer to a customer a good or service that is "distinct" to be recognised as a separate performance obligation; - For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and - For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above.
AASB 2016-4 <i>Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i>	The standard amends AASB 136 <i>Impairment of Assets</i> to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 Jan 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 <i>Fair Value Measurement</i> is the same as the depreciated replacement cost concept under AASB 136.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 1 Statement of Significant Accounting Policies (*continued*)**

**(e) New Accounting Standards and Interpretations (*continued*)**

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Trust's Financial Statements
AASB 2016-7 <i>Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities</i>	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 Jan 2019	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019-20 reporting period.
AASB 2016-8 <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities</i>	This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events. The amendments: - require non-contractual receivables arising from statutory requirements (i.e. taxes, rates and fines) to be initially measured and recognised in accordance with AASB 9 as if those receivables are financial instruments; and - clarifies circumstances when a contract with a customer is within the scope of AASB 15.	1 Jan 2019	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 9 and AASB 15 above.
AASB 1058 <i>Income of Not-for-Profit Entities</i>	This standard replaces AASB 1004 <i>Contributions</i> and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable the not-for-profit entity to further its objectives.	1 Jan 2019	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2016-17 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2016-2 *Amendments to Australian Accounting Standards - Disclosure Initiative; Amendments to AASB 107.*

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

Note 2 Net Results from Operations	Note	2017 \$	2016 \$
<b><u>Revenue</u></b>			
<b>(a) Cemetery Operations Income</b>			
Grave and interment fees		1,135,531	1,121,033
Cremation fees		788,479	847,108
Memorial fees		366,856	320,170
Government grants		4,000	10,000
Other income		59,335	34,924
Gain on disposal of property, plant & equipment	3	27,535	33,787
Recoups		5,658	2,740
<b>Total Revenue</b>		<b>2,387,394</b>	<b>2,369,762</b>
<b>(b) Investment Income</b>			
Investment income		104,538	90,862
Gain on disposal of investments		321,503	-
<b>Total Investment Income</b>		<b>426,041</b>	<b>90,862</b>

Revenue is recognised in accordance with AASB118 *Revenue* to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured at fair value.

#### **Sale of Investments**

The gain/loss on the sale of investments is recognised when the investments are realised.

#### **Donations and Other Bequests**

Donations and bequests are recognised as revenue when received.

#### **Fees**

Fees received for the rights of interment for graves and cremation memorials are recognised as revenue at the time of purchase except for the memorialisation portion which is recognised at the time of interment.

Fees received for interment, cremation and certain memorialisation products such as granite and plaques are recognised as revenue in the period that the goods or services are provided. Fees received in advance of service provision are recorded as unearned income as detailed in Note 12.

#### **Interest Revenue**

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset and allocates the interest over the relevant period.

#### **Resources Provided and Received Free of Charge or for Nominal Consideration**

Contributions of resources and resources provided free of charge or for nominal consideration are recognised at their fair value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.



# BALLARAT GENERAL CEMETERIES TRUST

## Notes to the Financial Statements for the Year Ended 30 June 2017

### Note 2 Net Results from Operations (*continued*)

	Note	2017 \$	2016 \$
<b>Expenses</b>			
<b>(c) Employee Benefits</b>			
Salaries and wages		1,246,126	1,133,729
Salaries and wages on-costs		192,495	224,371
<b>Total Employee Benefits</b>		<b>1,438,621</b>	<b>1,358,100</b>
<b>(d) Cost of Sales</b>			
Cost of goods sold - inventory		212,409	213,392
<b>Total Cost of Sales</b>		<b>212,409</b>	<b>213,392</b>
<b>(e) Depreciation</b>			
Buildings and improvements	9(b)	43,457	43,458
Infrastructure works	9(b)	43,915	43,877
Plant and equipment	9(b)	98,640	78,626
Furniture and fittings	9(b)	11,679	11,110
<b>Total Depreciation</b>		<b>197,691</b>	<b>177,071</b>
<b>(f) Administrative Costs</b>			
Administration		263,645	252,963
Audit fees	20	10,878	17,100
Computer costs		25,363	37,709
Insurance		275	275
<b>Total Administrative Costs</b>		<b>300,161</b>	<b>308,047</b>
<b>(g) Maintenance and Operating Costs</b>			
Cemeteries and crematorium		223,088	353,467
<b>Total Maintenance and Operating Costs</b>		<b>223,088</b>	<b>353,467</b>
<b>(h) Cemetery Levy</b>		<b>73,538</b>	<b>72,135</b>

### Expense Recognition

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

#### (i) Cost of Sales

Costs of sales are recognised when the sale of an item or right of interment occurs by transferring the cost or value of the item/s or value of land related to the right of interment from inventories.

#### (ii) Administrative Costs

Administrative costs are recognised in the period to which they relate and includes the operation of the main Administration Office at the Ballarat New Cemetery.

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 2 Net Results from Operations (*continued*)

##### Expenses (*continued*)

##### (iii) Depreciation

Depreciation is calculated on a reducing balance basis to write off the cost or valuation of each item of property (excluding land) over their expected useful life to the Trust.

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

	<u>2017</u>	<u>2016</u>
Property infrastructure	Up to 40 years	Up to 40 years
Buildings	Up to 100 years	Up to 100 years
Plant & Equipment	Up to 5 years	Up to 5 years
Furniture & Fittings	Up to 5 years	Up to 5 years

The useful life of assets are assessed annually.

##### (iv) Cemetery Levy

As outlined in Section 18Q (1) of the *Cemeteries and Crematoria Act 2003* (the Act), an annual levy is payable to the Department of Health and Human Services by each Class A Cemetery Trust based on their gross income for the financial year. The levy was introduced to assist in defraying the costs of administering the Act, making improvements in cemetery trust governance and administration and the provision of services to the community. The levy is currently set at 3% of gross income and Ballarat General Cemeteries Trust has recognised the levy as an accrued expense in Note 10 - Other Creditors for the amount of \$73,538 (2016 - \$72,135).

##### (v) Maintenance and Operating Costs

Maintenance and Operating costs generally represent the day-to-day operating costs of each of the cemetery sites and crematorium administered by the Trust. All costs are expensed in the period they are incurred and the majority of the expenses relate to maintenance of lawn and monument areas within the two sites.

#### Note 3 Net Gain on Disposal of Non-Current Assets

	<u>2017</u>	<u>2016</u>
	\$	\$
Proceeds from sale of assets	31,665	68,774
Written down value of assets sold	( 4,130)	( 34,987)
	<u>27,535</u>	<u>33,787</u>

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 4 Cash and Cash Equivalents</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	600	600
Cash at bank	1,994,673	326,271
	<b><u>1,995,273</u></b>	<b><u>326,871</u></b>

Cash and cash equivalents comprise cash on hand, cash at bank, deposits at call and highly liquid investments with an original maturity of 6 months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

### Note 5 Receivables

#### Current

##### Contractual

Trade debtors	108,814	86,126
Provision for Doubtful Debts	( 2,820)	( 2,820)
Sundry debtors	38,476	37,089

##### Statutory

GST Recoups from the ATO	1,566	-
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#### Total Current Receivables

<b><u>146,036</u></b>	<b><u>120,395</u></b>
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#### Total Receivables

<b><u>146,036</u></b>	<b><u>120,395</u></b>
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Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services and accrued investment income; and
- statutory receivables, which includes GST input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off are classified as an expense.

Trade debtors are carried at nominal amounts due, and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis and debts which are known to be uncollectable are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.



## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 6 Inventories</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b><u>Current</u></b>		
<b>Finished Goods</b>		
ROI - Graves	31,647	31,125
Grave Vaults	1,610	13,875
Books	12,527	12,692
<b>Total Current Inventories</b>	<b>45,784</b>	<b>57,692</b>
<b><u>Non-Current</u></b>		
<b>Work in Progress/Undeveloped</b>		
W.I.P. Birdsong Development	49,052	35,178
Inventory - Undeveloped Land *	473,255	473,255
	<b>522,307</b>	<b>508,433</b>
<b>Finished Goods</b>		
ROI - Graves	601,293	651,494
	<b>601,293</b>	<b>651,494</b>
<b>Total Non-Current Inventories</b>	<b>1,123,600</b>	<b>1,159,927</b>
<b>Total Inventories</b>	<b>1,169,384</b>	<b>1,217,619</b>

\* The balance of Inventory - Undeveloped Land for 30 June 2016 was corrected as a result of identification of a prior year error. Refer to Note 24 for details.

Inventories expected to be sold/utilised within 12 months are recorded as current, with the balance recorded as non-current assets.

#### **Right of Interment**

Inventories - Right of Interment are measured at the lower of cost and net realisable value. Costs are assigned to graves and memorial positions (under development and developed) on a specific identification of cost basis, with the costs of development and construction averaged over the number of graves or memorial positions in the construction.

#### **Land Allocated for Interment Purposes**

Inventories include land allocated for interment purposes held for sale. Inventory of land allocated for interment purposes is measured at the lower of cost and net realisable value on the basis of weighted average cost and includes adjacent land and landscaping that add to the amenity of the land for interment.

#### **Note 7 Other Current Assets**

Prepayments	<b>13,680</b>	<b>1,815</b>
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## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 8 Other Financial Assets</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Fixed Term Deposits at cost	2,113,135	2,467,689
Managed Funds at fair value	-	941,090
<b>Total Other Financial Assets</b>	<b><u>2,113,135</u></b>	<b><u>3,408,779</u></b>

Other financial assets are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Ballarat General Cemeteries Trust classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

Ballarat General Cemeteries Trust assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. All financial assets are subject to annual review for impairment.

Financial Assets have been assessed for impairment in accordance with Australian Accounting Standards. Where the fair value of an investment in an equity instrument at balance date has reduced by 20% or more than its cost price; or where its fair value has been less than its cost price for a period of 12 or more months, the financial instrument is treated as impaired.

In order to determine an appropriate fair value as at 30 June 2017 for its portfolio of financial assets, the Ballarat General Cemeteries Trust prepared a valuation based on the market value of the investments as at 30 June 2017.

# BALLARAT GENERAL CEMETERIES TRUST

## Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 9 Property, Plant and Equipment</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>(a) Gross Carrying Amount and Accumulated Depreciation</b>		
<b>Land - Infrastructure</b>		
Land at valuation	159,046	-
<b>Total Land - Infrastructure</b>	<b>159,046</b>	<b>-</b>
<b>Infrastructure Works</b>		
Infrastructure works at valuation	5,010,000	4,375,000
less Accumulated depreciation	( 2,417,000)	( 2,432,416)
	2,593,000	1,942,584
Infrastructure works at cost	-	16,529
less Accumulated depreciation	-	( 248)
	-	16,281
<b>Total Infrastructure Works</b>	<b>2,593,000</b>	<b>1,958,865</b>
<b>Buildings and Improvements</b>		
Buildings and improvements at valuation	6,680,000	3,816,500
less Accumulated depreciation	( 3,061,000)	( 1,813,232)
	3,619,000	2,003,268
Works-in-Progress - Buildings at fair value	12,270	-
<b>Total Buildings and Improvements</b>	<b>3,631,270</b>	<b>2,003,268</b>
<b>Plant and Machinery</b>		
Plant and machinery at fair value	1,355,381	1,358,142
less Accumulated depreciation	( 813,518)	( 795,109)
	541,863	563,033
<b>Total Plant and Machinery</b>	<b>541,863</b>	<b>563,033</b>
<b>Furniture and Fittings</b>		
Furniture and fittings at fair value	214,300	187,983
less Accumulated depreciation	( 160,975)	( 149,296)
	53,325	38,687
<b>Total Furniture and Fittings</b>	<b>53,325</b>	<b>38,687</b>
<b>Total Property, Plant and Equipment</b>	<b>6,978,504</b>	<b>4,563,853</b>



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 9 Property, Plant and Equipment (*continued*)**

**Recognition and Valuation of Non-Current Physical Assets**

The capitalisation threshold for the recognition of all non-current physical assets is \$3,000 (2016 - \$3,000).

Non-current physical assets measured at fair value are revalued in accordance with FRD 103F. This revaluation process normally occurs every 5 years, based on the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in value. Revaluation increments and decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are recognised in other comprehensive income and accumulated in the property, plant & equipment revaluation surplus reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised as income in determining the net result.

Revaluation decrements are recognised immediately as an expense in the net result, except that, to the extent that a credit balance exists in the asset revaluation surplus reserve in respect of the same class of asset, they are debited directly to the asset revaluation surplus reserve.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class, but are not offset in respect of assets in different classes. Revaluation surplus reserves are not transferred to accumulated funds on derecognition of the relevant asset.

**Land - Cemetery Use**

Crown land controlled by the Ballarat General Cemeteries Trust, which has been reserved for cemetery and crematoria purposes, is measured at fair value with regard to the land's highest and best use (HBU) after due consideration is made of any legal and/or constructive restrictions imposed on the land. These restrictions, whereby the land has been reserved for a cemetery, have been assessed by the Valuer-General of Victoria (VGV) as reducing the land's highest and best use value by a discount factor of 95%. The discount of 95% represents the community service obligation (CSO) of providing the cemetery to the Victorian public.

Cemetery use land was valued as at 30 June 2017 by Mr. R.L. Baird, Certified Practising Valuer, in accordance with the requirements of the applicable Financial Reporting Direction (currently FRD 103F *Non-current Physical Assets*), issued pursuant to the Financial Management Act. The next scheduled revaluation under FRD 103F is set for 30 June 2022, or earlier if there is an indication that fair values have moved materially since the last valuation. The valuation has been prepared in accordance with the policy detailed above.

	2017 \$	2016 \$
The calculation of the value of land for cemetery use is:		
Land at HBU (unrestricted) value	3,180,920	-
less CSO (discount of 95%)	3,021,874	-
Total Land at Valuation - Cemetery Use	<u>159,046</u>	<u>-</u>

Valuation of buildings and improvements and infrastructure works was also undertaken, effective 30 June 2017, based on the opinion of Mr. R. L. Baird, Certified Practising Valuer, as agent of the Valuer-General of Victoria to represent the "fair value" of the replacement cost of the remaining economic value of those assets.

**Property, Plant and Equipment**

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/machinery of Government change are transferred at their carrying amount.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 9 Property, Plant and Equipment (*continued*)**

**Recognition and Valuation of Non-Current Physical Assets (*continued*)**

**Plant, equipment and vehicles** are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying values.

**Buildings and improvements** are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

**Impairment of Non-Financial Assets**

All Property, Plant & Equipment are assessed annually for indications of impairment and if there is an indication of impairment, the asset concerned is tested as to whether its carrying value exceeds its possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be debited to an asset revaluation surplus reserve applicable to that same class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

# **BALLARAT GENERAL CEMETERIES TRUST**

## **Notes to the Financial Statements for the Year Ended 30 June 2017**

### **Note 9 Property, Plant and Equipment (continued)**

#### **(b) Reconciliation of Property, Plant and Equipment**

Reconciliations of the carrying amount of each class of property, plant and equipment at the beginning and end of the current and previous financial years are set out below.

<b>2017</b>	<b>Land - Infrastructure \$</b>	<b>Buildings \$</b>	<b>Infrastructure Works \$</b>	<b>Plant and Machinery \$</b>	<b>Furniture &amp; Works-in-Progress Fittings \$</b>	<b>Buildings \$</b>	<b>Total \$</b>
Carrying amount at start of the year	-	2,003,268	1,958,865	563,033	38,687	-	4,563,853
Additions/Transfers	-	-	-	81,600	26,317	12,270	120,187
Disposals	-	-	-	(4,130)	-	-	(4,130)
Depreciation - Note 2(e)	-	(43,457)	(43,915)	(98,640)	(11,679)	-	(197,691)
Revaluation increments/(decrements)	159,046	1,659,189	678,050	-	-	-	2,496,285
<b>Carrying amount at end of year</b>	<b>159,046</b>	<b>3,619,000</b>	<b>2,593,000</b>	<b>541,863</b>	<b>53,325</b>	<b>12,270</b>	<b>6,978,504</b>
<b>2016</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Carrying amount at start of the year	-	2,046,726	1,998,611	459,501	44,165	-	4,549,003
Additions/Transfers	-	-	4,131	217,145	5,632	-	226,908
Disposals	-	-	-	(34,987)	-	-	(34,987)
Depreciation - Note 2(e)	-	(43,458)	(43,877)	(78,626)	(11,110)	-	(177,071)
<b>Carrying amount at end of year</b>	<b>-</b>	<b>2,003,268</b>	<b>1,958,865</b>	<b>563,033</b>	<b>38,687</b>	<b>-</b>	<b>4,563,853</b>



# BALLARAT GENERAL CEMETERIES TRUST

## Notes to the Financial Statements for the Year Ended 30 June 2017

### Note 9 Property, Plant and Equipment (*continued*)

#### Note 9 (c) Aggregate Depreciation Recognised as an Expense During the Year \*

	2017 \$	2016 \$
Buildings and Improvements	43,457	43,458
Infrastructure Works	43,915	43,877
Plant and Equipment	98,640	78,626
Office Equipment, Furniture and Fittings	11,679	11,110
<b>Total Depreciation</b>	<b>197,691</b>	<b>177,071</b>

\* The useful lives of Assets as stated in Note 2(iii) are used in the calculation of depreciation.

#### Note 9 (d) Fair Value Measurement Hierarchy for Assets as at 30 June 2017

	Carrying Amount as at 30 June 2017	Fair value measurement at end of reporting period using:		
		Level 1 *	Level 2 *	Level 3 *
	\$	\$	\$	\$
Land - Infrastructure at fair value	159,046	-	-	159,046
Infrastructure Works at fair value	2,593,000	-	-	2,593,000
Buildings and Improvements at fair value	3,631,270	-	-	3,631,270
Plant and Equipment at fair value	541,863	-	-	541,863
Furniture and Fittings at fair value	53,325	-	-	53,325
	<b>6,978,504</b>	-	-	<b>6,978,504</b>

	Carrying Amount as at 30 June 2016	Fair value measurement at end of reporting period using:		
		Level 1 *	Level 2 *	Level 3 *
	\$	\$	\$	\$
Land - Infrastructure at fair value	-	-	-	-
Infrastructure Works at fair value	1,958,865	-	-	1,958,865
Buildings and Improvements at fair value	2,003,268	-	-	2,003,268
Plant and Equipment at fair value	563,033	-	-	563,033
Furniture and Fittings at fair value	38,687	-	-	38,687
	<b>4,563,853</b>	-	-	<b>4,563,853</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 9 Property, Plant and Equipment (continued)**

**Note 9 (d) Fair Value Measurement Hierarchy for Assets as at 30 June 2017 (continued)**

There have been no transfers between levels during the period.

The Trust acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Trust who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

Plant and Equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the period to 30 June 2017.

For all assets measured at fair value, the current use is considered the highest and best use.

**Note 9 (e) Reconciliation of Level 3 Fair Value \***

	Land - infrastructure at fair value	Infrastructure Works at fair value	Buildings and Improvements at fair value	Plant and Equipment at fair value	Office Equipment, Furniture and Fittings at fair value	Works in Progress Buildings
2017	\$	\$	\$	\$	\$	\$
<b>Opening Balance</b>	-	1,958,865	2,003,268	563,033	38,687	-
Purchases (Sales)	-	-	-	77,470	26,317	12,270
Transfers in (out) of Level 3	-	-	-	-	-	-
Revaluation Increment	159,046	678,050	1,659,189	-	-	-
Gains or losses recognised in net result - Depreciation	-	( 43,915)	( 43,457)	( 98,640)	( 11,679)	-
<b>Subtotal</b>	<b>159,046</b>	<b>634,135</b>	<b>1,615,732</b>	<b>( 21,170)</b>	<b>14,638</b>	<b>12,270</b>
Items recognised in income - Transfers from Other Trusts	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>159,046</b>	<b>2,593,000</b>	<b>3,619,000</b>	<b>541,863</b>	<b>53,325</b>	<b>12,270</b>

\* Classified in accordance with the fair value hierarchy as detailed in Note 1.

There have been no transfers between levels during the period.

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 9 Property, Plant and Equipment (*continued*)

##### Note 9 (f) Description of Significant Unobservable Inputs to Level 3 Valuations

	Valuation technique	Significant unobservable inputs
Land - Infrastructure	Market approach	Community Service Obligation (CSO) adjustments
Infrastructure	Depreciated replacement cost	Useful life of infrastructure
Buildings and Improvements	Depreciated replacement cost	Useful life of the building
Plant and Equipment	Depreciated replacement cost	Useful life of plant and equipment
Office Equipment, Furniture and Fittings	Depreciated replacement cost	Useful life of office equipment, furniture and fittings

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 10 Payables</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Current Contractual</b>		
Trade creditors	97,555	114,398
Other creditors	249,754	157,483
<b>Statutory</b>		
GST payable	-	10,559
	<b>347,309</b>	<b>282,440</b>

Payables consist of:

- contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the cemetery trust prior to the end of the financial year that are unpaid, and arise when the cemetery trust becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

The credit terms for accounts payable are usually Net 30 days.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

### Note 11 Provisions

#### (a) Employee Benefits and Related On-Costs Provisions

##### Current Provisions

Employee Benefits (including on-costs)

- Annual Leave (unconditional and expected to be settled within 12 months)	83,617	88,532
- Annual Leave (unconditional and expected to be settled after 12 months)	14,805	26,083
- Long Service Leave - unconditional and expected to be settled within 12 months	106,294	91,945
- Long Service Leave - unconditional and expected to be settled after 12 months	-	-

<b>Total Current Provisions</b>	<b>204,716</b>	<b>206,560</b>
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##### Non-Current Provisions

- Long Service Leave - (conditional and expected to be settled after 12 months)	75,646	86,098
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<b>Total Non-Current Provisions</b>	<b>75,646</b>	<b>86,098</b>
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<b>Total Employee Benefits and Related On-Costs</b>	<b>280,362</b>	<b>292,658</b>
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**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

<b>Note 11 Provisions (<i>continued</i>)</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>(a) Employee Benefits and Related On-Costs Provisions (<i>continued</i>)</b>		
<b>Movement in Long Service Leave:</b>		
<b>Balance at start of year</b>	178,043	173,892
Provision made during the year		
- Revaluations	( 4,315)	41,881
- Expense recognising employee service	8,212	16,438
Settlement made during the year	-	( 54,168)
<b>Balance at the end of the year</b>	<b>181,940</b>	<b>178,043</b>
<b>Movement in Annual Leave:</b>		
<b>Balance at start of year</b>	114,615	161,458
Provision made during the year		
- Expense recognising employee service	77,412	38,002
Annual leave taken	( 93,605)	( 84,845)
<b>Balance at the end of the year</b>	<b>98,422</b>	<b>114,615</b>

Provisions are recognised when either a legal or constructive obligation exists, as a result of a past event, at the balance sheet date and where the amount of the obligation can be reliably estimated.

**Wages and Salaries and Annual Leave**

Liabilities for wages and salaries, including non-monetary benefits, and annual leave are recognised in the provision for employee benefits as "Current Liabilities", because the Trust does not have an unconditional right to defer settlement of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- (i) Undiscounted value - if the Trust expects to wholly settle within 12 months; or
- (ii) Present value - if the Trust does not expect to wholly settle within 12 months.

**Long Service Leave (LSL)**

Liability for LSL is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the Trust does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- (i) Undiscounted value - if the Trust expects to wholly settle within 12 months; and
- (ii) Present value - if the Trust does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability because there is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current liability is measured at Present Value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow.

**On-Costs**

Employee benefit on-costs (workers compensation and superannuation) are included within the provision for employee benefits.

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

<b>Note 11 Provisions (<i>continued</i>)</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Other Provisions</b>		
<b>Current Provisions</b>		
Provision for Onerous Contracts	60,411	35,180
<b>Total Other Provisions</b>	<b>60,411</b>	<b>35,180</b>
<b>Total Provisions</b>	<b>340,773</b>	<b>327,838</b>

A provision is recognised in relation to pre-paid fees where the cost of providing the purchased goods and services is expected to be greater than the amount received/revenue to be recognised. The provision represents the present value of the expenditure required to provide the goods and services, less the amount of revenue to be recognised.

<b>Note 12 Unearned Income</b>		
Memorial Reservations	3,736	4,515
Lawn Reservations	2,147,798	2,089,127
Cremation Fees	1,047,835	987,381
	<b>3,199,369</b>	<b>3,081,023</b>
 Amounts expected to be settled within 12 months of the reporting date	 319,937	 308,102
Amounts expected to be settled after 12 months from the reporting date	2,879,432	2,772,921
	<b>3,199,369</b>	<b>3,081,023</b>

Cremation and interment fees received in advance of the relevant service being provided are carried forward as a liability and not brought into account as revenue until the year in which each individual service is provided by the Trust. All prepaid fees are shown as a current liability as the Trust does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Details above identify the amount of the liability that is expected to be converted to revenue in the next year, based on past experience.

# BALLARAT GENERAL CEMETERIES TRUST

## Notes to the Financial Statements for the Year Ended 30 June 2017

### Note 13 Equity

	2017 \$	2016 \$
<b>(a) Contributed Capital</b>		
Balance at beginning of the reporting period	2,163,727	2,163,727
<b>Balance at end of the reporting period</b>	<b>2,163,727</b>	<b>2,163,727</b>

Consistent with Australian Accounting Interpretation 1038 *"Contributions by Owners Made to Wholly-Owned Public Sector Entities"* and FRD 119A *"Contributions by Owners"*, appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions that have been designated as contributed capital are treated as contributed capital.

### (b) Accumulated Surplus

Balance at beginning of the reporting period	1,483,270	1,618,101
Net result for the reporting period	367,927	( 21,588)
Transfer from / (to) Other Reserves	( 250,000)	( 113,243)
<b>Balance at end of the reporting period</b>	<b>1,601,197</b>	<b>1,483,270</b>

### (c) Reserves

Asset Revaluation Reserves	3,286,025	789,740 *
Available for Sale Investments Revaluation Surplus	-	283,682
Perpetual Maintenance	1,127,575	877,575
Other	350,037	350,037
<b>Total Reserves</b>	<b>4,763,637</b>	<b>2,301,034</b>
<b>Total Equity</b>	<b>8,528,561</b>	<b>5,948,031</b>

### Asset Revaluation Reserves

The property, plant & equipment revaluation surplus reserve is used to record increments and decrements on the revaluation of non-current assets, as detailed in Note 9.

\* The balance of the Asset Revaluation Reserve for 30 June 2016 was corrected as a result of identification of a prior year error. Refer to Note 24 for details.

### Buildings

Balance at beginning of the reporting period	-	-
Net revaluation increment/(decrement) during the reporting period	1,659,189	-
<b>Balance at end of the reporting period</b>	<b>1,659,189</b>	<b>-</b>

### Land

Balance at beginning of the reporting period	789,740	789,740 *
Net revaluation increment/(decrement) during the reporting period	159,046	-
<b>Balance at end of the reporting period</b>	<b>948,786</b>	<b>789,740</b>

### Infrastructure - Roads

Balance at beginning of the reporting period	-	-
Net revaluation increment/(decrement) during the reporting period	79,248	-
<b>Balance at end of the reporting period</b>	<b>79,248</b>	<b>-</b>

### Infrastructure - Other than Roads

Balance at beginning of the reporting period	-	-
Net revaluation increment/(decrement) during the reporting period	598,802	-
<b>Balance at end of the reporting period</b>	<b>598,802</b>	<b>-</b>

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 13 Equity (*continued*)

2017  
\$

2016  
\$

#### (c) Reserves (*continued*)

#### Available for Sale Investments Revaluation Surplus

The available for sale investments revaluation surplus reserve is used to record increments and decrements associated with the valuation of long term investments, carried out at the end of each reporting period.

The available-for-sale investment revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to that financial asset is recognised in the comprehensive operating statement. Where a revalued financial asset is impaired, that portion of the reserve which relates to that financial asset is recognised as an expense.

#### Available for Sale Investments Revaluation Surplus

Balance at beginning of the reporting period	283,682	295,575
Net revaluation gain/(loss) during the reporting period	37,821	( 11,893)
Transfer to Operating Income	( 321,503)	-
<b>Balance at end of the reporting period</b>	<b>-</b>	<b>283,682</b>

#### Other Reserves

#### Perpetual Maintenance Reserve

The perpetual maintenance reserve is used to provide funds for the perpetual maintenance requirements of the Trust for each of the sites administered by the Trust. The amount of the allocation is determined having regard to the requirement to finance the future maintenance of Trust cemeteries in perpetuity.

Details of the obligations of the Trust are provided in Note 17 Contingent Liabilities.

#### Perpetual Maintenance Reserve

Balance at beginning of the reporting period	877,575	764,332
Transfer from Accumulated Surplus	250,000	113,243
<b>Balance at end of the reporting period</b>	<b>1,127,575</b>	<b>877,575</b>

#### General Reserve

Balance at beginning of the reporting period	350,037	350,037
Transfer from Accumulated Surplus	-	-
Transfer (to) Accumulated Surplus	-	-
<b>Balance at end of the reporting period</b>	<b>350,037</b>	<b>350,037</b>



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 14 Notes to the Cash Flow Statement**

		<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
	<b>Note</b>		
<b>(a) Reconciliation of Cash</b>			
For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:			
Cash on hand	4	600	600
Cash at bank	4	1,994,673	326,271
<b>Total Cash as per Cash Flow Statement</b>		<b><u>1,995,273</u></b>	<b><u>326,871</u></b>
<b>(b) Reconciliation of Net Result for the Year to Net Cash Inflows from Operating Activities</b>			
<b>Net result for the year</b>		<b>367,927</b>	<b>( 21,588)</b>
<b>Non-Cash Movements</b>			
Depreciation		197,691	177,071
(Net Gain) on disposal of property, plant and equipment		( 27,535)	( 33,787)
<b>Changes in net assets and liabilities:</b>			
(Increase)/Decrease in Receivables		( 25,641)	80,989
(Increase)/Decrease in Inventories		48,235	( 6,330)
(Increase)/Decrease in Prepayments		( 11,865)	11,195
Increase/(Decrease) in Payables		64,869	84,420
Increase/(Decrease) in Provisions		12,935	( 7,512)
Increase/(Decrease) in Unearned Income		118,346	79,543
<b>Net cash inflows from operating activities</b>		<b><u>744,962</u></b>	<b><u>364,001</u></b>

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

Note 15 Commitments for Expenditure	2017 \$	2016 \$
<b>Capital Commitments</b>		
GST exclusive capital expenditure commitments	-	275,500
Road development	70,628	-
Storage facility	23,546	-
Chapel restoration	171,927	-
	<b>266,101</b>	<b>275,500</b>
<b>These Commitments are due:</b>		
Not longer than 1 Year	266,101	275,500
1 - 5 Years	-	-
Longer than 5 Years	-	-
	<b>266,101</b>	<b>275,500</b>

#### Note 16 Contingent Assets

There are no known contingent assets at 30 June 2017. (2016: \$nil)

#### Note 17 Contingent Liabilities

##### Perpetual Maintenance

The Trust has an obligation under the *Cemeteries and Crematoria Act 2003* to manage and maintain each public cemetery for which it is responsible. As stated in Section 12 of the Act, in exercising its functions the Trust must have regard to its obligation in relation to the funding of the perpetual maintenance of each public cemetery. At this time the Trust is aware that there will be ongoing significant cash outflow for perpetual maintenance of each public cemetery but is unable to calculate a sufficiently reliable estimate of any related present obligation which may arise under the accounting standards and accordingly has not recognised a value for this obligation in these financial statements.

The Trust has nevertheless created a related reserve, which is now fully cash backed and is disclosed as a *Perpetual Maintenance Reserve* in Note 13.

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of notes above and, if quantifiable, are measured at nominal value.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments**

**(a) Financial Risk Management Objectives and Policies**

The cemetery trust's principal financial instruments comprise of:

- Cash Assets
- Receivables (excluding statutory receivables)
- Available for Sale Investments
- Payables (excluding statutory payables)

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in this Note.

The cemetery trust's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk. The Trust manages these financial risks in accordance with its financial risk management policy.

The Trust uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Audit & Risk Committee of the Trust and is mitigated by compliance with the Trust's Investment Policy.

The main purpose in holding financial instruments is to prudentially manage cemetery trust financial risk within the government policy parameters.

**Categorisation of Financial Instruments**

	<b>Note</b>	<b>Category</b>	<b>2017 \$</b>	<b>2016 \$</b>
<b>Financial Assets</b>				
Cash and Cash Equivalents	4	Cash	1,995,273	326,871
Receivables	5	Receivables (at Amortised Cost)	144,470	120,395
Other Financial Assets	8	Available-for-Sale Investments (at Fair Value Through Equity)	2,113,135	3,408,779
<b>Total Financial Assets</b>			<b>4,252,878</b>	<b>3,856,045</b>
<b>Financial Liabilities</b>				
Payables	10	Financial Liabilities (at Amortised Cost)	347,309	271,881
Unearned Income	12	Financial Liabilities (at Amortised Cost)	3,199,369	3,081,023
<b>Total Financial Liabilities</b>			<b>3,546,678</b>	<b>3,352,904</b>

**Net holding gain/(loss) on financial instruments by category**

	<b>2017 \$</b>	<b>2016 \$</b>
<b>Financial Assets</b>		
Available-for-Sale at Fair Value through Equity	37,821	( 11,893)
<b>Total Financial Assets</b>	<b>37,821</b>	<b>( 11,893)</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments (*continued*)**

**Net holding gain/(loss) on financial instruments by category (*continued*)**

For Available-for-Sale financial assets, the net gain or loss is calculated by taking the interest revenue, plus or minus market gains or losses from revaluation of the financial assets, and minus any impairment recognised in the net result.

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets.

**(b) Credit Risk**

Credit risk arises from the financial assets of the Ballarat General Cemeteries Trust, which comprise cash and cash equivalents, trade and other receivables and available for sale investments. The exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Ballarat General Cemeteries Trust. Credit risk is measured at fair value and is monitored on a regular basis.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

**(i) Policy in Managing Credit Risk**

Ballarat General Cemeteries Trust does not have any material credit risk exposure to a single debtor or group of debtors. In respect to trade and sundry receivables, Ballarat General Cemeteries Trust minimises concentrations of credit risk by undertaking transactions with a limited numbers of clients, all with a good credit rating based on past transactions with the Trust. Trade debtors are normally paid within 30 days of end of month. Sundry debtor terms are also 30 days from end of month.

In addition, management reviews on an ongoing basis the age analysis of receivables to assess the quality of them and apply any action required to ensure the collectability of the debt. According to successful past experience in managing the credit risk on receivables, Ballarat General Cemeteries Trust has assessed this risk as low.

Management has assessed the credit risk associated with the cash and cash equivalents as minimal. The amounts are allocated to reputable financial institutions which have a high credit rating.

Investments are managed in accordance with our investment policy, which stipulates, where applicable, minimum credit ratings. The Trust also ensures investments are placed with a number of financial institutions to mitigate any credit risk. The investment policy is reviewed regularly by the Trust.

Ballarat General Cemeteries Trust manages all investments allocated as available for sale financial assets. The total funds invested are diversified across a range of reputable and experienced financial institutions and only in capital guaranteed or capital protected investment products. This mitigates the credit risk on this class of financial assets.



Notes to the Financial Statements  
for the Year Ended 30 June 2017

Note 18 Financial Instruments (*continued*)

(b) Credit Risk (*continued*)

(ii) Maximum Exposure to Credit Risk

The Trust's maximum exposure to credit risk at balance date in relation to each class of financial asset is represented below:

	2017	2016
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	1,995,273	326,871
Receivables	144,470	120,395
Available for Sale Investments	2,113,135	3,408,779
<b>Total</b>	<b>4,252,878</b>	<b>3,856,045</b>

Currently Ballarat General Cemeteries Trust does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

(iii) Credit Quality of Contractual Financial Assets that are neither past due nor impaired.

	Financial Institutions (AAA Credit Rating) \$	Government Agencies (AAA Credit Rating) \$	Government Agencies (BBB Credit Rating) \$	Other (min. BBB Credit Rating) \$	Total \$
<b>2017</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	-	-	-	1,995,273	1,995,273
Receivables	-	-	-	144,470	144,470
Investments	-	-	-	2,113,135	2,113,135
<b>Total Financial Assets</b>	-	-	-	<b>4,252,878</b>	<b>4,252,878</b>
<b>2016</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	-	-	-	326,871	326,871
Receivables	-	-	-	120,395	120,395
Investments	-	-	-	3,408,779	3,408,779
<b>Total Financial Assets</b>	-	-	-	<b>3,856,045</b>	<b>3,856,045</b>

Notes to the Financial Statements  
for the Year Ended 30 June 2017

Note 18 Financial Instruments (*continued*)

(b) Credit Risk (*continued*)

(iv) Ageing Analysis of Financial Assets as at 30 June

	Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired			Impaired Financial Assets \$
			Less than 1 month \$	1 - 3 months \$	Over 3 months \$	
<b>2017</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	1,995,273	1,995,273	-	-	-	-
Receivables	144,470	144,470	-	-	-	-
Investments	2,113,135	2,113,135	-	-	-	-
<b>Total Financial Assets</b>	<b>4,252,878</b>	<b>4,252,878</b>	-	-	-	-
<b>2016</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	326,871	326,871	-	-	-	-
Receivables	120,395	120,395	-	-	-	-
Investments	3,408,779	3,408,779	-	-	-	-
<b>Total Financial Assets</b>	<b>3,856,045</b>	<b>3,856,045</b>	-	-	-	-

**Contractual financial assets that are either past due or impaired**

There are no material financial assets which are individually determined to be impaired. Currently the Trust does not hold any collateral as security nor credit enhancements relating to its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at their carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

(c) Liquidity Risk

Liquidity risk arises when Ballarat General Cemeteries Trust is unable to meet obligations associated with financial liabilities when they fall due.

(i) Policy in Managing Liquidity Risk

Ballarat General Cemeteries Trust objectives in managing liquidity risk is to ensure that all obligations will be met as they fall due, while ensuring maximum funds are available for investment to meet longer term perpetual maintenance requirements.

Ballarat General Cemeteries Trust manages liquidity risk by monitoring cash flows to ensure sufficient funds are maintained in the transactional bank accounts to meet liabilities as they fall due. This is done while ensuring that surplus funds are transferred for investment. Daily monitoring occurs, with monthly reports presented to the Trust regarding the cash flow position and cash flow forecasts. Ballarat General Cemeteries Trust believes that this policy ensures sufficient funds are held to allow for the proper administration of the cemetery.

Ballarat General Cemeteries Trust has assessed this risk as minimal considering the positive current position of current assets compared against current liabilities.

Notes to the Financial Statements  
for the Year Ended 30 June 2017

Note 18 Financial Instruments (*continued*)

(c) Liquidity Risk (*continued*)

(ii) Maximum Exposure to Liquidity Risk

The maximum exposure to liquidity risk is the carrying amounts of financial liabilities as follows:

Financial Liabilities	2017 \$	2016 \$
Payables	347,309	271,881
Unearned Income	3,199,369	3,081,023
<b>Total</b>	<b>3,546,678</b>	<b>3,352,904</b>

(iii) Maturity Analysis of Financial Liabilities as at 30 June

The following table discloses the contractual maturity analysis for financial liabilities at the respective reporting dates:

	Carrying Amount \$	Nominal Amount \$	Maturity Dates			
			Less than 1 month \$	1 - 3 months \$	3 months - 1 Year \$	Over 1 Year \$
<b>2017</b>						
<b>Financial Liabilities</b>						
Payables	347,309	347,309	347,309	-	-	-
Unearned Income	3,199,369	3,199,369	26,661	53,322	239,954	2,879,432
<b>Total Financial Liabilities</b>	<b>3,546,678</b>	<b>3,546,678</b>	<b>373,970</b>	<b>53,322</b>	<b>239,954</b>	<b>2,879,432</b>
<b>2016</b>						
<b>Financial Liabilities</b>						
Payables	271,881	271,881	271,881	-	-	-
Unearned Income	3,081,023	3,081,023	25,675	51,350	231,077	2,772,921
<b>Total Financial Liabilities</b>	<b>3,352,904</b>	<b>3,352,904</b>	<b>297,556</b>	<b>51,350</b>	<b>231,077</b>	<b>2,772,921</b>

The amounts disclosed above are the contractual undiscounted cash flows of each class of financial liabilities.

**Note 18 Financial Instruments (*continued*)**

**(d) Market Risk Exposure**

Ballarat General Cemeteries Trust has diversified investments across a range of investments, including investments in the Australian and International share market, in order to fund pre-paid fees and long-term perpetual maintenance obligations. These markets are subject to volatility. It is accepted that the share market is cyclical and that there is inherent volatility.

Investments are managed in accordance with our investment policy, which stipulates, asset allocation ranges to diversify and mitigate risk. The investment policy is reviewed regularly by the Trust. The Trust manages its own investment portfolio. The performance of investments is monitored and reported to the Trust monthly.

Ballarat General Cemeteries Trust's exposure to market risk is through currency risk, interest rate risk, and other price related risks. Objectives, policies and processes used to manage each of these risks are disclosed as follows:

**(i) Currency Risk and Policy in Managing Currency Risk**

The Ballarat General Cemeteries Trust is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies.

**(ii) Interest Rate Risk and Policy in Managing Interest Risk**

*Financial Liabilities*

Exposure to interest rate risk is minimal as Ballarat General Cemeteries Trust does not hold interest bearing liabilities.

*Available for Sale Investments*

The objective of managing interest rate risk is to minimise and control the risks of losses due to interest rate changes and to take advantage of potential profits.

Interest risk is managed by diversifying investment in a range of securities including investments with fixed interest rates, floating interest rates and market based placements.

**(iii) Other Market Risk and Policy in Managing Other Market Risk**

Exposure to other price risk arises due to inherent risk associated with the possibility of a fall in the market value of Available for Sale Financial Assets.

Ballarat General Cemeteries Trust's objective of managing other price (primarily equity market) risk is to minimise negative impacts on investment value due to the volatility of the stock markets.

Ballarat General Cemeteries Trust manages all investments and through the current diversification, together with the required capital guarantee and/or capital protection, minimises the risk associated with these investments. All investments are placed as per the investment policy of the Trust, which is reviewed on a regular basis.



Notes to the Financial Statements  
for the Year Ended 30 June 2017

Note 18 Financial Instruments (*continued*)

(d) Market Risk Exposure (*continued*)

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

2017	Weighted average effective interest rate %	Carrying Amount \$	Interest Rate Exposure		
			Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$
<b>Financial Assets</b>					
Cash and cash equivalents	0.01%	1,995,273	-	1,994,673	600
Receivables	N/A	144,470	-	-	144,470
Investments	2.44%	2,113,135	2,113,135	-	-
<b>Total Financial Assets</b>		<b>4,252,878</b>	<b>2,113,135</b>	<b>1,994,673</b>	<b>145,070</b>

<b>Financial Liabilities</b>					
Payables	N/A	347,309	-	-	347,309
Unearned Income	N/A	3,199,369	-	-	3,199,369
<b>Total Financial Liabilities</b>		<b>3,546,678</b>	<b>-</b>	<b>-</b>	<b>3,546,678</b>

2016	Weighted average effective interest rate %	Carrying Amount \$	Interest Rate Exposure		
			Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$
<b>Financial Assets</b>					
Cash and cash equivalents	0.01%	326,871	-	326,271	600
Receivables	N/A	120,395	-	-	120,395
Investments	2.96%	3,408,779	2,467,689	941,090	-
<b>Total Financial Assets</b>		<b>3,856,045</b>	<b>2,467,689</b>	<b>1,267,361</b>	<b>120,995</b>

<b>Financial Liabilities</b>					
Payables	N/A	271,881	-	-	271,881
Unearned Income	N/A	3,081,023	-	-	3,081,023
<b>Total Financial Liabilities</b>		<b>3,352,904</b>	<b>-</b>	<b>-</b>	<b>3,352,904</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments (continued)**

**(d) Market Risk Exposure (continued)**

**(iv) Sensitivity Analysis on Other Price Risk**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Trust believes the following movements are reasonably possible in the forthcoming 12 months. This sensitivity analysis has been prepared for the next 12 months. The Trust does not believe that it is possible to reasonably estimate the variables used further than for 12 months.

- A shift of -0.5% and +0.5% in market interest rates from year-end rates of 2.5%.

Ballarat General Cemeteries Trust manages all investments as per the current policies, requiring investments to be either capital guaranteed or capital protected and diversified across a number of investment options ranging from three months through to ten years.

The following tables disclose the impact on net operating result and equity for each category of financial instrument held by Ballarat General Cemeteries Trust at year end as presented to the Trust, if changes in the relevant risk occur.

2017	Carrying Amount \$	Interest Rate Risk			
		-0.5%		0.5%	
		Net Result \$	Equity \$	Net Result \$	Equity \$
<b>Financial assets</b>					
Cash and cash equivalents	1,995,273	( 9,976)	( 9,976)	9,976	9,976
Receivables	144,470	-	-	-	-
Investments	2,113,135	( 10,566)	( 10,566)	10,566	10,566
<b>Financial liabilities</b>					
Payables	347,309	-	-	-	-
Unearned Income	3,199,369	( 15,997)	( 15,997)	15,997	15,997
<b>Total Increase/(Decrease)</b>		<b>( 36,539)</b>	<b>( 36,539)</b>	<b>36,539</b>	<b>36,539</b>

2016	Carrying Amount \$	Interest Rate Risk			
		-0.5%		0.5%	
		Net Result \$	Equity \$	Net Result \$	Equity \$
<b>Financial assets</b>					
Cash and cash equivalents	326,871	( 1,634)	( 1,634)	1,634	1,634
Receivables	120,395	-	-	-	-
Investments	3,408,779	( 17,044)	( 17,044)	17,044	17,044
<b>Financial liabilities</b>					
Payables	271,881	-	-	-	-
Unearned Income.	3,081,023	( 15,405)	( 15,405)	15,405	15,405
<b>Total Increase/(Decrease)</b>		<b>( 34,083)</b>	<b>( 34,083)</b>	<b>34,083</b>	<b>34,083</b>

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments (continued)**

**(e) Fair Value**

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- the fair value of financial instrument assets and liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial instrument assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Trust considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full. All longer-term investments are either capital guaranteed or capital protected with any movements in market prices recognised in the Available-for-sale Investment Reserve.

The following table shows both the Carrying Amount and Fair Value of the financial assets and financial liabilities of the Trust.

**Comparison between carrying amount and fair value**

	<b>Carrying Amount 2017 \$</b>	<b>Fair Value 2017 \$</b>	<b>Carrying Amount 2016 \$</b>	<b>Fair Value 2016 \$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	1,995,273	1,995,273	326,871	326,871
Receivables	144,470	144,470	120,395	120,395
Investments	2,113,135	2,113,135	3,408,779	3,408,779
<b>Total Financial Assets</b>	<b>4,252,878</b>	<b>4,252,878</b>	<b>3,856,045</b>	<b>3,856,045</b>
<b>Financial Liabilities</b>				
Payables	347,309	347,309	271,881	271,881
Unearned Income	3,199,369	3,199,369	3,081,023	3,081,023
<b>Total Financial Liabilities</b>	<b>3,546,678</b>	<b>3,546,678</b>	<b>3,352,904</b>	<b>3,352,904</b>

**Financial assets measured at fair value**

	<b>Carrying Amount as at 30 June \$</b>	<b>Fair value measurement at end of reporting period using:</b>		
		<b>Level 1 \$</b>	<b>Level 2 \$</b>	<b>Level 3 \$</b>
<b>2017</b>				
Available for sale financial assets				
- Managed Funds	-	-	-	-
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2016</b>				
Available for sale financial assets				
- Managed Funds	941,090	941,090	-	-
<b>Total Financial Assets</b>	<b>941,090</b>	<b>941,090</b>	<b>-</b>	<b>-</b>

There have been no transfers between levels during the period.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments (*continued*)**

**Accounting Policy Notes**

**Financial Instruments**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Ballarat General Cemeteries Trust's activities, certain financial assets and financial liabilities arise under statute rather than contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

**Categories of Non-Derivative Financial Instruments**

**Financial Assets and Liabilities at Fair Value Through Profit or Loss**

Financial assets are categorised as fair value through profit or loss at trade date if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed by the Trust based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies.

Financial instruments at fair value through profit or loss are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in "other comprehensive income".

Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in net result incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in this Note.

**Available-for-Sale Financial Assets**

Available-for-sale financial instrument assets are those designated as available-for-sale or not classified in any other category of financial instrument asset. Such assets are initially recognised at fair value. Subsequent to initial recognition, gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in net result for the period. Fair value is determined in the manner described in this Note.

**Receivables**

Receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method, less any impairment.

Receivables includes trade receivables and other receivables, but not statutory receivables.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 18 Financial Instruments (*continued*)**

**Accounting Policy Notes (*continued*)**

**Financial Instruments (*continued*)**

**Held-to-Maturity Investments**

If the Trust has the positive intent and ability to hold nominated investments to maturity, then such financial assets may be classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

The Trust makes limited use of this classification because any sale or reclassification of more than an insignificant amount of held-to-maturity investments not close to their maturity would result in the whole category being reclassified as available-for-sale. The Trust would also be prevented from classifying investment securities as held-to-maturity for the current and the following two financial years.

The held-to-maturity category includes certain term deposits and debt securities for which the Trust intends to hold to maturity.

**Financial Liabilities at Amortised Cost**

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include the Trust's contractual payables and deposits held.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017****Note 19 Superannuation****(a) Local Authorities Superannuation Fund (LAS), managed by Vision Super**

The Ballarat General Cemeteries Trust ("the Trust") makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund ("the Fund"). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The Defined Benefit category provides lump sum benefits based on years of service and final average salary. In certain circumstances a defined benefit member may be eligible to purchase a lifetime pension with up to 50% of their lump sum benefit. The accumulation category receives fixed contributions from the Trust and the Trust's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Operating Statement when they are made or due.

Obligations for contributions to other Funds are also recognised as an expense in the Comprehensive Operating Statement when they are made or due.

**Accumulation**

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings. For the year ended 30 June 2017, this was 9.50% (2015-16 - 9.50%) as required under Superannuation Guarantee legislation. Our commitment to accumulation plans is limited to making contributions in accordance with our minimum statutory requirements. No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

The Superannuation Guarantee (SG) rate will remain at 9.50% for the next 4 years, increasing to 10.0% from 1 July 2021, and eventually to 12.0% from 1 July 2025.

**Defined Benefit**

As provided under Paragraph 34 of AASB 119 - *Employee Benefits*, Ballarat General Cemeteries Trust does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a multi-employer sponsored plan.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, there is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of the Trust in the Fund cannot be measured as a percentage compared with other participating employers. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 because of the pooled nature of the Fund's Defined Benefit category.

**Funding arrangements**

The Trust makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2016, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. It was determined that the Vested Benefit Index (VBI) of the Defined Benefit category of which the Trust is a contributing employer was 102.0% (105.8% at 30 June 2015).

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 19 Superannuation (*continued*)**

***Funding arrangements (continued)***

The Australian Prudential Regulation Authority (APRA) superannuation prudential standard (SPS 160) - *Defined Benefit Matters* determines the funding requirements of a defined benefit (DB) arrangement. Under this standard:

- the VBI is the measure to determine whether there is an unfunded liability; and
- Any unfunded liability that arises must be paid within three years.

Under SPS 160, the VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation showed that the Defined Benefit category was in a satisfactory financial position under SPS 160. As a result, the Fund Actuary determined that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

The Fund's employer funding arrangements comprise of three components as follows:

1. Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
2. Funding calls - which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
3. Retrenchment increments - which are additional contributions to cover the increase in liability arising from retrenchments.

The Trust is also required to make additional contributions to cover the contribution tax payable on components 2 and 3 referred to above.

Employees are also required to make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

***Employer contributions***

***Regular contributions***

On the basis of the results of the 2016 interim actuarial investigation conducted by the Fund Actuary, the Trust makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2017, this rate was 9.50% of members' salaries (9.50% in 2015-16). This rate will increase in line with the SG increases.

In addition, the Trust reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

***Funding calls***

The Fund is required to comply with the superannuation prudential standards. Under the superannuation prudential standard SPS 160, the Fund is required to target full funding of its vested benefits. There may be circumstances where:

- a fund is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100% at the date of the actuarial investigation); or
- a fund's VBI is below its shortfall limit at any time other than at the date of the actuarial investigations.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 19 Superannuation (*continued*)**

***Funding calls (*continued*)***

If either of the above occur, the fund has a shortfall for the purposes of SPS 160 and the fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. There may be circumstances where APRA may approve a period longer than three years.

The Fund monitors its VBI on a quarterly basis and the Fund has set the Defined Benefit category's shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Ballarat General Cemeteries Trust) are required to make an employer contribution to cover the shortfall. The methodology used to allocate the shortfall was agreed in 1997 to fairly and reasonably apportion the shortfall between the participating employers.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

The pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund are based on:

- The service periods of all active members split between the active members pre-1 July 1993 and post-30 June 1993 service period; and
- The pensioner (including fixed term pension) liabilities which are allocated to the pre-1993 period.

The pre-1 July 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at 30 June 1993.

The post-30 June 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. In the unlikely event that the Fund is wound up and there is a surplus in the Fund, the surplus cannot be applied for the benefit of the defined benefit employers where there are on-going defined benefit obligations. The surplus would be transferred to the fund accepting those defined benefit obligations (including the lifetime pension obligations) of the Fund.

In the event that a participating employer is wound up, the defined benefit obligations of that employer will be transferred to that employer's successor.

***Differences between calculations***

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions), for the calculation of accrued benefits as required in AAS 25 and for the values needed for the AASB 119 disclosure in the Ballarat General Cemeteries Trust's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

***Retrenchment increments***

During 2016/17, the Trust was not required to make payments to the Fund in respect of retrenchment increments (2015/16 - Nil). The Trust's liability to the Fund as at 30 June 2017, for retrenchment increments, accrued interest and tax is Nil (2015/16 - Nil).



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 19 Superannuation (*continued*)**

**The 2016 interim actuarial investigation surplus amounts**

The 2016 interim actuarial investigation identified the following in the Defined Benefit category of which the Trust is a contributing employer.

- A VBI surplus of \$40.3 million; and
- A total service liability surplus of \$156 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2016.

The total service liability surplus means that the current value of the assets in the Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Ballarat General Cemeteries Trust was notified of the 30 June 2016 VBI during August 2016.

**The 2015 full triennial actuarial investigation surplus amounts**

The Fund's last full actuarial investigation was as at 30 June 2015. This investigation identified the following:

- A VBI surplus of \$130.8 million; and
- A total service liability surplus of \$239 million.

**The 2017 full triennial actuarial investigation**

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

**Accrued benefits**

The Fund's liability for accrued benefits was determined in the 2016 interim actuarial investigation pursuant to the requirements of Australian Accounting Standards Board AAS 25 - *Financial Reporting by Superannuation Funds* as follows:

	<b>30-Jun-16 (Interim) \$ million</b>	<b>30-Jun-15 (interim) \$ million</b>
Net Market Value of Assets	2,275.9	2,379.2
Accrued Benefits (per accounting standards)	2,079.9	2,083.1
Difference between Assets and Accrued Benefits	<u>196.0</u>	<u>296.1</u>
Vested Benefits (Minimum sum which must be paid to members when they leave the fund)	<u>2,235.6</u>	<u>2,248.4</u>

The financial assumptions used to calculate the Accrued Benefits for the Defined Benefit category of the Fund were:

	<b>30-Jun-16</b>	<b>30-Jun-15</b>
Net Investment Return	7.00% p.a.	7.00% p.a.
Salary Inflation	4.25% p.a.	4.25% p.a.
Price Inflation	2.50% p.a.	2.50% p.a.

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 19 Superannuation (*continued*)

##### (b) Superannuation contributions

Contributions by the Trust (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2017 are detailed below:

	2017 \$	2016 \$
Vision Super Defined Benefits - 9.50% (2016 - 9.50%)	61,445	62,163
Other Funds Super Guarantee Contributions - 9.50% (2016 - 9.50%)	69,588	137,603
	<u>131,033</u>	<u>199,766</u>

##### (c) Contributions Outstanding as at Year End

Super Guarantee Contributions

-	-
<u>-</u>	<u>-</u>

There were no loans issued from or to the above schemes as at 30 June 2017. (2016 - Nil)

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 is \$38,654.

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by the Ballarat General Cemeteries Trust to the relevant superannuation plans in respect to the services of Ballarat General Cemeteries Trust's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that Ballarat General Cemeteries Trust is required to comply with.

#### Note 20 Remuneration of Auditors

Audit fees paid or payable to the Victorian Auditor-General's Office for the audit of the Trust's financial report:

Audit of financial statements	16,700	17,100
	<u>16,700</u>	<u>17,100</u>

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 21 (a) Responsible Persons Disclosure

In accordance with the Ministerial Direction issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

##### Responsible Minister:

The Honourable Jill Hennessy, Minister for Health, Minister for Ambulance Services      **Period**  
01/07/2016 - 30/06/2017

The following were Trustees of the Ballarat General Cemeteries Trust during the reporting period:

Dr. J.A. Verlin	Chair	01/07/2016 - 30/06/2017
Mr. I.G. Howes		01/07/2016 - 30/06/2017
Mr. G.P. Jenkins		01/07/2016 - 30/06/2017
Ms. R. McQuilten		01/07/2016 - 30/06/2017
Mrs. L.E. Stuart		01/07/2016 - 30/06/2017
Mr. R. Tommasini		01/07/2016 - 30/06/2017
Ms. E.J. Veal		01/07/2016 - 30/06/2017
Ms. A.M. von Bibra		01/07/2016 - 30/06/2017
Mr. J. Wilkinson		01/07/2016 - 30/06/2017

Chief Executive Officer: Ms. A. De Jong

#### Remuneration

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

The number of responsible persons and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of responsible persons is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

Income Band	TOTAL REMUNERATION		BASE REMUNERATION	
	2017 No.	2016 No.	2017 No.	2016 No.
\$0 - 9,999	8	10	8	10
\$10,000 - 19,999	1	1	1	1
\$140,000 - 149,999	1	1	1	1
<b>Total Number of Responsible Persons</b>	<b>10</b>	<b>12</b>	<b>10</b>	<b>12</b>
<b>Total Amount</b>	<b>\$ 224,537</b>	<b>\$ 208,468</b>	<b>\$ 215,987</b>	<b>\$ 199,468</b>

During the reporting period, and previous reporting period, the Executive Officer received bonus payments approved by the Trust at the respective August Trust meetings following a comprehensive performance review of the Executive Officer.

#### Other Transactions of Responsible Persons and Their Related Parties

##### Retirement Benefits

There were no amounts paid by the Trust to Trust Members in connection with the retirement of responsible persons of the Trust during the reporting period. (2016 - Nil)

##### Loans

There were no loans in existence at 30 June 2017 that have been guaranteed or secured by the Trust to responsible persons of the Trust, nor any person related to the responsible persons of the Trust. (2016 - Nil)

## BALLARAT GENERAL CEMETERIES TRUST

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### Note 21 (a) Responsible Persons Disclosure (*continued*)

##### Transactions

There were no other transactions between the Trust and Trust Members and their related parties during the reporting period. (2016 - Nil)

##### Superannuation

There was no amount paid to a superannuation fund, or other entity, by the Trust in connection with the retirement of any responsible person during the reporting period. (2016 - Nil)

#### Note 21 (b) Executive Officer Disclosures

Other than the accountable officer, as disclosed in Note 21(a), there were no other executive officers or contractors with key management responsibilities in the 2016/17 financial year.

#### Note 21 (c) Related Parties

Related parties of Ballarat General Cemeteries Trust include:

- All key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have a significant influence over);
- All cabinet ministers and their close family members; and
- All departments and public sector entities that are controlled and consolidated in the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

#### Significant transactions with government-related entities

During the financial year, the following aggregate transactions were undertaken and balances held with other Victorian Government controlled entities. These transactions were undertaken in the ordinary course of operations.

	2017 \$	2016 \$
Payments:		
Cemetery Levy to Department of Health and Human Services (Note 2(h))	73,538	72,135

Key management personnel of the Trust includes the Governing Board and Accountable Officer, which includes:

Dr. J.A. Verlin  
Mr. I.G. Howes  
Mr. G.P. Jenkins  
Ms. R. McQuilten  
Mrs. L.E. Stuart  
Mr. R. Tommasini  
Ms. E.J. Veal  
Ms. A.M. von Bibra  
Mr. J. Wilkinson  
Ms. A. De Jong



**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 21 (c) Related Parties (continued)**

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis plus bonuses, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long-service benefit or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

**Share-based payments** are cash or other assets paid or payable as agreed between the Ballarat General Cemeteries Trust and the employee, provided specific vesting conditions, if any, are met.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the Parliamentary Salaries and Superannuation Act 1968 and is reported within the Department of Parliamentary Services' Financial Report.

<b>Compensation of KMP's</b>	<b>2017 \$</b>
Short-term employee benefits (a)	202,748
Post-employment benefits	18,739
Other long-term benefits	3,050
Termination benefits	-
Share-based payments	-
<b>Total compensation</b>	<b>224,537</b>

(a) Total remuneration paid to KMP's employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.

**Transactions and balances with key management personnel and other related parties**

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

There were no other related party transactions with the members of the Trust and their related parties, which occurred during the normal course of business, apart from remuneration of Board directors which is disclosed in Note 21(a).

The Trust has prepared related party disclosures for the year based on reasonable enquiries made by management in relation to the Trust and their related parties and the information available to the organisation, with the transition to full implementation of AASB 124 and any applicable financial reporting directions.

**Notes to the Financial Statements  
for the Year Ended 30 June 2017**

**Note 22 Events Occurring after Balance Sheet Date**

**Events After the Reporting Period**

Assets, liabilities, income or expenses arise from past transactions or other past events. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Disclosed below are events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

**Trust Investments - Volatility of World Financial Markets**

Since the reporting date, world financial markets have shown volatility that has affected the carrying value of the Trust's investment portfolio. The Trust continues to maintain a conservative investment strategy to manage our exposure to this volatility.

**Note 23 Ex-Gratia Expenses**

The Ballarat General Cemeteries Trust has not made any ex-gratia payments during the current reporting period or previous reporting period. The Trust also has not written off any amounts during the current reporting period or previous reporting period.

**Note 24 Correction of Prior Period Error**

Accounting errors were made in prior years in relation to undeveloped land:

- In the financial year ended 30 June 2012, Inventory - Undeveloped Land, was recognised for the first time and measured based on an independent valuation performed by the Valuer-General Victoria (VGV). The value of Inventory - Undeveloped Land was measured incorrectly at that time on the basis of 100% of the total land valuation (following recognition of the Community Service Obligation (CSO)) rather than the actual percentage relating to the proportion of land which was undeveloped at that time.
- As this land remains undeveloped there has been no Operating Statement impact but represents a balance sheet prior year error as follows:

**STATEMENT OF FINANCIAL POSITION (EXTRACT)**

Account	Note	30 June 2016 \$	Increase/ (Decrease) \$	30 June 2016 (Restated) \$
<b>Assets</b>				
Inventory - Undeveloped Land	6	1,138,454	( 665,199)	473,255
Other Assets		9,166,077	-	9,166,077
<b>Liabilities</b>		( 3,691,301)	-	( 3,691,301)
<b>Net Assets</b>		<b>6,613,230</b>	<b>( 665,199)</b>	<b>5,948,031</b>
<b>Equity</b>				
Reserves		1,511,294	-	1,511,294
Contributed Capital		2,163,727	-	2,163,727
Asset Revaluation Reserve	13(c)	1,454,939	( 665,199)	789,740
Accumulated Surplus		1,483,270	-	1,483,270
<b>Total Members Funds</b>		<b>6,613,230</b>	<b>( 665,199)</b>	<b>5,948,031</b>