

Heritage Council of Victoria
Annual Report
2015-16



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consequence which may arise from you
relying on any information in this
publication.

FRONT COVER:

**A table recovered from the wreck of the
SS City of Launceston which was
conserved at the Conservation Centre,
is set with crockery, pottery, glassware
and silver from similar wrecks. See full
story page 28-29.**

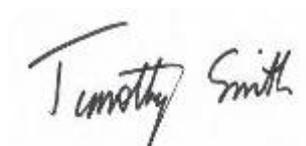
Images: Martin Zweep, Heritage Victoria.

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Accountable Officer's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Annual Report for the Heritage Council of Victoria for the year ending 30 June 2016.

A handwritten signature in black ink that reads "Timothy Smith". The signature is written in a cursive style with a large initial 'T'.

Tim Smith
Accountable Officer

OUR ROLE - IN SUMMARY

ADVISING THE MINISTER FOR PLANNING on Victoria's cultural heritage.

Determining which places and objects are included on the **VICTORIAN HERITAGE REGISTER**.

Hearing **APPEALS** against permit decisions of the Executive Director.

PROMOTING public understanding of Victoria's cultural heritage.

ADVICE AND LIAISON to assist other bodies responsible for Victoria's heritage.

Initiating and undertaking **RESEARCH** into Victoria's heritage.

1 - YEAR IN REVIEW

Vision, Mission, Values

Vision

Victoria's diverse cultural heritage is understood and valued as integral to our lives and to future generations.

Mission

To lead in the recognition and conservation of Victoria's cultural heritage.

Values

The Heritage Council values Victoria's heritage as an asset to be enjoyed and appreciated by all, as an expression of our history and culture.

We are committed to providing opportunities for people to engage with and understand Victoria's heritage, now and into the future.

We value the knowledge others bring to heritage conservation, and encourage the sharing of experiences and information.

We will continue to cultivate the development of our own skills and resources, and advocate for best practice heritage management across the State to ensure the longevity of our precious heritage resources.

We value the exploration of new approaches to ensure a sustainable future for Victoria's unique cultural heritage.

We have respect for the responsibilities conferred upon us and will endeavour to fulfil our obligations in the most efficient and effective manner.

Chair's Report

This year has been one of change for the Council with the retirement of six experienced members and the introduction of 11 new members and alternates, including myself. The newcomers have brought the Council to full strength and provided respite from the heavy demands on members in 2014–15.

Even at full strength the Council is dealing with an increasing volume of regulatory responsibilities. This year it completed four permit appeals, part-heard another, and held five registration hearings. Many of the hearings involved multiple days and complex assessments and reports. The Council has recognised the increasing level and complexity of this work and is committed to fulfilling its statutory responsibilities. We are increasing training to support new members and improving processes with an emphasis on streamlining our hearings and appeals, and providing information in 'plain English'.

With the Council allocating more resources to its regulatory functions there is also growing recognition of the need to ensure our other roles, particularly the promotion and communication of heritage, are not sidelined. Our strategic planning process provides a welcome opportunity to define priorities, goals and objectives and identify opportunities, barriers and risks facing the Council.

A strategic planning workshop was held at Como in May to find ways to expand engagement with stakeholders, enhance community understanding of heritage and ensure best practice in all our roles and responsibilities. A new Strategic Plan, to be finalised late in 2016, will shape the Council's work and set priorities for the next five years. The development of the plan provides an opportunity for members to set directions for the Council, and heritage more broadly, and to take time from the 'day to day' to reflect on how far we have come since the release of the Heritage Council's inaugural Strategic Plan in 2010.

Part of the increased complexity in regulatory activities is a result of an evolving understanding of heritage. From its inception as the Register of Historic Buildings, the Victorian Heritage Register has expanded to include objects, trees, landscapes and structures, and to represent diverse values from technical achievement to social significance. It is important that we continue to explore the boundaries of cultural heritage and how it can be appreciated and communicated.

The Council is proud to work with partners such as Open House Melbourne to foster debate through events. The recent conversation with Graeme Gunn and screening of 'Bunkers, Brutalism and Bloody-mindedness' at ACMI was so popular that it had to be rescreened. This illustrates the appetite in the community for an exploration of these values. The Council is also continuing to work on the project 'Recognising Aboriginal and Shared Cultural Values', in partnership with the Aboriginal Heritage Council, and this year we commenced a project looking at the barriers and opportunities for recognising large area landscapes.

Another major task is the review of the Heritage Act 1995. Council continues to provide significant input into consultation on the Heritage Act Review, with particular attention on aspects of the Act that define the Council's roles and responsibilities and how it carries out its work. This is a timely opportunity to review the Act and we hope it will allow us to streamline and simplify our regulatory functions, and make it easier for people to engage with Council processes.

The Council also engaged extensively with the Victorian Environmental Assessment Council's *Historic Places Investigation: Draft Proposals Paper*, released in October 2015 for public comment, and looks forward to seeing the final report.

This year's Regional Engagement trip took us east to Gippsland for the first time for several years, and allowed us to meet some passionate and enthusiastic owners, local council staff and officials, volunteers and supporters. We visited a range of heritage sites, from Warragul railway station to the Lakes Entrance New Works, the Swing Bridge near Sale to Wonthaggi Coal Mine. We explored the many aspects of Old Gippsland Heritage Park at Moe and Gippsland Regional Maritime Museum at Port Albert.

We were also welcomed at a variety of heritage homes, including early homesteads such as Grassdale at Sale, Strathfieldsaye at Perry Bridge, Nyerimilang near Lakes Entrance and Woodcot Park at Tarraville. At the latter, which featured in the inaugural 'Restoration Australia' series, we were extremely impressed by the work of Marcus Blyth and Joanne McFadyen in utilising traditional skills and materials to restore the house and their extensive research, which adds to understanding of the history of the place.

The tour is a highlight of the yearly calendar and enables members to get out of Melbourne and see first-hand the challenges of managing cultural heritage in regional areas. It is an opportunity to visit many of the fascinating heritage places in Victoria and to recognise and engage with the work of local governments, owners and volunteers.

This year's Heritage Address and Volunteer award also had a link to Gippsland as the Sale historian and volunteer Peter Synan received the 2016 Ray Tonkin Award for Heritage Volunteers. During our trip, Peter showed us over the Sale Powder Museum and told us the story of its rediscovery and restoration. He is also involved in the Sale Historical Society and Swing Bridge committee, and is the author of several books on the history of Sale and the Gippsland Lakes. He hopes to use his prize as seed funding for the establishment of a water supply museum in the city's original water tower.

The Council also agreed to present the occasional Heritage Council award to the Victoria State Rose Garden volunteers. Council member Trish Vejby and I visited the garden to present the award and inspect the results of their work. The Rose Garden would not exist except for the supporters group formed in 1993 that today contributes more than 10,000 volunteer hours annually. The Rose Garden provides a valuable contribution to the Werribee Park heritage precinct by attracting many visitors who are then introduced to the history of the site.

Dr Patrick Greene OBE, retiring CEO of Museum Victoria, presented the annual Heritage Address – 'A Heritage Journey in Three Chapters'. Patrick examined the role of Heritage through the lens of three major projects in which he played a lead role – Norton Priory in Cheshire, UK; the Museum of Science and Industry in Manchester, UK, and Museum Victoria. He described some of the factors that have influenced his approach to heritage projects and lessons learnt.

RECOGNISING COUNCIL MEMBERS

We welcomed new councillors who took up their role with me this year:

- Historian member Professor Andrew May and alternate Garrie Hutchinson
- Legal member Juliette Halliday and alternate Patrick Doyle
- Engineering/Building Construction member Paul Coffey
- Alternate Property member Leigh Mackay
- Alternate Heritage/Conservation Architect member Louise Honman

- Alternate General members Penelope Smith (Martyn), Lucinda Peterson and Jennifer Moles

The former alternate member Lindsay Merritt took on the Property member role and also became Deputy Chair.

I would like to express our appreciation of the dedicated work by staff of the Secretariat and in particular thank Dr Leo Martin for his strong leadership and commitment to heritage. Leo left the Secretariat at the end of 2015 after five years as Manager and was instrumental in the development of the Heritage Council Secretariat.

On behalf of Council, I express my special thanks to the Heritage Council members who retired at the end of June 2016:

- Archaeology member Anita Smith and alternate Oona Nicolson
- National Trust member Ursula de Jong and alternate Bryn Davies
- Engineering/Building Construction alternate member Max Chester OAM

I acknowledge all the Council Members for their dedicated service to the State's heritage.

PROFESSOR STUART MACINTYRE AO

Chair



Heritage Council members and staff, Heritage Victoria staff and owners Marcus Blyth and Joanne McFadyen at Woodcot, Tarraville, during the Heritage Council regional engagement trip to Gippsland.

Establishment

The Heritage Council of Victoria is an independent statutory authority established under the *Heritage Act 1995* as the Victorian Government's primary decision-making body on the identification of places and objects of (non-Indigenous) cultural heritage significance to the State of Victoria. Made up of 10 Members and 10 Alternate Members, the Heritage Council draws on a wide range of professional disciplines and organisations.

The relevant Minister for the reporting period was the Minister for Planning, the Hon Richard Wynne MP.

Services

The Council lists places and objects of state-wide cultural heritage significance in the Victorian Heritage Register, and hears appeals on registration matters and permit determinations by the Executive Director of Heritage Victoria.

It is active in promoting public understanding of Victoria's cultural heritage through publications, online material and the support of relevant events and activities.

It provides advice and liaison to assist owners and other bodies responsible for Victoria's heritage, including initiating appropriate research projects.

Functions and duties

THE STATUTORY ROLE OF THE HERITAGE COUNCIL OF VICTORIA

The Heritage Council has the following statutory functions, as set out in the *Heritage Act 1995*:

- to advise the Minister on the state of Victoria's cultural heritage resources and on any steps necessary to protect and conserve them;
- to promote public understanding of Victoria's cultural heritage and develop and conduct community information and education programs;
- to develop, revise and publish from time to time the assessment criteria to be used in considering the cultural heritage significance of places and objects and determining whether those places or objects warrant inclusion in the Heritage Register;
- to add places or objects to the Heritage Register;
- to remove places or objects from the Heritage Register, or to amend the registration of an object or place;
- to hear appeals against decisions of the Executive Director relating to permits and applications for permits for undertakings or works affecting a registered place or registered object;
- to advise government departments and agencies and municipal councils on matters relating to the protection and conservation of places and objects of cultural heritage significance;
- to advise the Minister administering the *Planning and Environment Act 1987*, on proposed amendments to planning schemes which may affect the protection or conservation of places and objects of cultural heritage significance;
- to liaise with other bodies responsible for matters relating to the protection, conservation, management and promotion of Victoria's cultural heritage;
- to initiate and undertake programs of research related to the identification, conservation or interpretation of Victoria's cultural heritage;
- to report annually to the Minister on –
 - (i) the carrying out of its functions under the (Heritage) Act; and
 - (ii) the state of Victoria's cultural heritage; and
 - (iii) the operation of this (Heritage) Act;
- to provide the Minister annually with a business plan of its proposed works and operations for the next year; and
- to carry out any other functions conferred on the Heritage Council under this Act or any other Act.

Performance

The Heritage Council's Strategic Plan highlights its strategic directions and actions.

Among its key aims is to improve connections between Victorians and their heritage resources, the Council demonstrated innovation by:

- continued enhancement of the Victorian Heritage Database which now provides mobile-friendly access to the Victorian Heritage Register and the heritage records of the National Trust and the majority of local councils. The new VHD has seen visitation increase by 50 percent and page views more than double. The new VHD allows anyone to create a user account, save searches, create tours and contains a myriad of other tools to allow Victorian heritage information to be better used and explored
- ongoing development of the Heritage Council's website
- conducting further workshops to enable owners and managers to better manage war heritage places and objects
- developing a partnership with the Victorian Aboriginal Heritage Council, and preparing a methodology to assess places with 'shared values'.

Other Key achievements

The Heritage Council of Victoria, in fulfilling its core responsibilities during 2015-16, achieved the following outcomes.

PROMOTION

The Heritage Council works to promote public understanding of Victoria's cultural (non-Indigenous) heritage. Building appreciation of our heritage is the first step in ensuring it is well cared for into the future.

- As long-term Heritage partner, the Heritage Council supported the ever-successful Open House Melbourne weekend. The weekend is a timely reminder of the enduring value of heritage properties which always attract high attendance.
- The Heritage Council's partnership with Open House Melbourne also involved screening of the film "Bunkers, Brutalism and Bloodymindedness: Concrete Poetry" part of a broader program of talks and tours focussing on Brutalism. The evening included a pre-screening Q&A with architecture luminary, Graeme Gunn and the initial May screening was so popular, it was repeated in July.
- Council presented the sixth Ray Tonkin Heritage Volunteer Award to Sale historian Peter Synan for his dedication to preserving and promoting the history of Sale and the Gippsland Lakes, attracting extensive local media coverage.
- The occasional Heritage Council award was presented to the Victoria Rose Garden Supporters Group at Werribee Park precinct for their dedication and contribution in adding to the attractions of the heritage precinct. The award featured in the Age 'spectrum' insert and local media.

- In partnership with Museum Victoria, the Council hosted the eighth annual Heritage Address. Keynote speaker, retiring Museum CEO Dr Patrick Greene spoke about his career: “A Heritage Journey in Three Chapters”
- The Heritage Council, in partnership with the Heritage Council of NSW, supported a national heritage architecture award with ‘Houses’ magazine. The 2015 award was won by a Victorian project by Steffen Welsch Architects. ‘House in House’ is a new build in an inner-city Melbourne streetscape with significant heritage value.
- Council continued to support Channel 31’s Sacred Spaces with Chair Stuart McIntyre speaking about the 1948-50 Robert Cochrane Kindergarten in Hawthorn, included in the register in February 2013.



Chair Stuart Macintyre with two budding filmmakers during filming of Sacred Spaces at Robert Cochrane Kindergarten.

- The Council supported the 2015 open day at the Murtoa Stick Shed during Murtoa’s BIG Weekend. The Heritage Council has spent \$1.6 million on its restoration over several years and the open days continue to attract large crowds. The Heritage Council, with support from Heritage Victoria, was successful in obtaining an \$80,000 grant from the Federal Government for further works to the shed, and a new entry and separate carpark will be constructed as management is transferred to a Committee of Management. Expressions of Interest for committee members were invited during the year.
- The Council continued its Blue Plaque program providing the distinctive plaques to places included in the Victorian Heritage Register. A plaque was presented to the Tatura War Cemetery during its annual commemorative service, and to the Swing Bridge near Sale during the Heritage Council trip.



Chair Stuart Macintyre and Wellington Shire Mayor Darren McCubbin unveil a blue Heritage Council plaque on the Swing Bridge at Longford.

ADVISING THE MINISTER

One of the Heritage Council's key roles is to advise the Minister for Planning on the State of Victoria's cultural (non-indigenous) heritage resources and any steps necessary to protect and conserve them.

The Council provided submissions in relation to the:

- ⇒ Heritage Act Review, holding several meetings to provide input on ways a revised Act could enhance the Council's operation.
- ⇒ Investigation into Historic Places Draft Proposals Paper – the Council provided comments on the *Historic Places Investigation Draft Proposals Paper* and has been working closely with VEAC to progress their enquiry.

RESEARCH

The Heritage Council initiates and undertakes research to identify Victoria's heritage and assist in its conservation and interpretation.

- A planning workshop was held in May to identify priorities for the Council as a basis for a new strategic plan.
- The Council, in partnership with the Victorian Aboriginal Heritage Council, has commissioned research and a series of case studies to enhance the recognition of Aboriginal and 'shared' values for places recognised under the Heritage Act.

- Victoria continued to support the National Data Collection project now led by the Commonwealth. The project provides a national perspective on heritage management in Australia. Combining data from the heritage councils and heritage agencies of the Australian Commonwealth, States and Territories, the project is a response to the Productivity Commission's 2006 inquiry, which identified a lack of national heritage data.

ADVICE AND LIAISON

The Heritage Council has an advice and liaison role to assist other bodies and individuals with responsibilities in heritage protection and conservation in Victoria. This includes local government, community organisations and heritage owners/managers.

- A Heritage Advisor's toolkit was prepared with Heritage Victoria as a training resource for use by local government to improve understanding of heritage by their staff and councillors. The PowerPoint slides and speaker's notes are designed to be modified by each local council to include relevant local planning information, such as local policies, municipal strategic statements and heritage studies and other information specific to your particular municipality. Photos of heritage places and objects throughout the slides and can be replaced with local examples. This special resource, although designed for advisors, can be presented by any of Council's heritage staff. Available online, the resource was prepared by Heritage Consultants, Context Pty Ltd.
- The Council partnered with Heritage Victoria, Veterans and the City of Whittlesea to present a further workshop on the care of stone, metal and timber in war memorials and honour rolls outlining basic repairs and appropriate cleaning techniques and control of biological stains like lichen and algae.
- The new Landscape Assessment Guidelines developed to help understand and assess the cultural heritage values of landscapes and identify appropriate recognition and protection mechanisms have been available for about 12 months and users are being invited to comment on their usefulness and any suggested enhancements.
- The Joint Working Group with the Victorian Aboriginal Heritage Council continued to progress projects of shared interest to enhance the recognition of Aboriginal and 'shared' values (e.g. those of contact, exchange, conflict and interaction between Aboriginal and non-Aboriginal people) for places recognised under the *Heritage Act 1995*.
- The *Victorian Government Asset Management – Conducting a Heritage Audit* toolkit, which provides a simple four-step methodology to assist asset managers, is being revised for use by private owners. The toolkit will provide guidance on undertaking an audit of the future maintenance and improvement requirements of heritage properties to ascertain the investment needed to guarantee their future upkeep.

SUMMARY OF FINANCIAL OPERATIONS

	Notes	2016 \$'000	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Revenue	1	1,135	1,501	1,759	2,389	2,209
Expenses	2	1,002	2,011	3,357	1,612	2,212
Net Result		133	(510)	(1,598)	777	(4)
Total Assets	3	2,728	2,735	4,634	5,955	4,003
Total Liabilities	4	368	495	1884	1607	432

Notes:

- 1) Operating Revenue is due to a reduction in grant money.
- 2) Operating Expenses have reduced due to fewer grants paid out and lower project expenses.
- 3) Total Assets have decreased due to repayment of security deposits and other payables. 2015 total assets and total liabilities have been changed however the Net Assets remain the same (see Note 1(p)).
- 4) Total Liabilities have decreased due to reduced payables.

Other Roles

FINANCIAL ASSISTANCE

Under the Heritage Act, the Heritage Council also has the role of approving or rejecting recommendations for loans and grants from the Heritage Fund. It can also seek special assistance for owners through land tax remission.

A \$15,000 grant was provided to Mintaro (H2317) *pictured below*, an 1881 Italianate mansion near Romsey, for consultants to prepare a Conservation Management Plan. The history has been researched and the CMP is nearing completion.



LAND TAX REMISSION

Under section 144 of the Heritage Act, the Heritage Council may seek approval, on behalf of an owner, to remit or defer payment of land tax attributable to a place on the Victorian Heritage Register. The Heritage Council must first seek consent from the Minister for Planning, before approaching the Treasurer for approval. Although this is a form of financial assistance, it is not financed through the Heritage Fund.

Current Land Tax Remission

Trades Hall and Literary Council, 2 Lygon Street, Carlton

WORLD HERITAGE MANAGEMENT

The Royal Exhibition Building and Carlton Gardens was inscribed on the United Nations Educational, Scientific and Cultural Organisation (UNESCO) World Heritage List on 1 July 2004, becoming Australia's first built heritage site to be recognised by UNESCO.

In November 2013 the then Planning Minister approved a management plan for the world heritage listed site developed by the Steering Committee after extensive public consultation.

The approved plan was sent to the Federal Minister who forwarded it to the UNESCO World Heritage Centre in Paris. In 2014 UNESCO accepted receipt of the management plan and provided comment on its scope to guide future reviews.

The World Heritage Management Plan, which underwent extensive public consultation and is subject to regular review, is made up of five components:

- World Heritage Management Plan (over-arching document)
- Royal Exhibition and Carlton Gardens, Carlton, Conservation Management Plan (October 2007, updated June 2008) prepared by Lovell Chen for Heritage Victoria
- Carlton Gardens Master Plan (May 2005) prepared by the City of Melbourne
- Royal Exhibition Building and Exhibition Reserve Master Plan (February 2007) prepared by Museum Victoria and endorsed by Museums Board of Victoria
- World Heritage Environs Area Strategy Plan: Royal Exhibition Building and Carlton Gardens (2009) prepared by Lovell Chen for the Executive Director (Heritage Victoria), modified by the Heritage Council of Victoria and approved with amendments by the Minister for Planning.

The Minister for Planning re-appointed the Royal Exhibition Building Steering Committee in July 2016, established under the Heritage Act 1995, for a new three year term.



Image: John Gollings

Victorian Heritage Register

The Victorian Heritage Register provides the State's highest level of legal protection for our cultural (non-indigenous) heritage. The Heritage Council determines which places and objects are of State heritage significance.

ASSESSMENTS

When a place or object is nominated for the Register, Heritage Victoria undertakes a thorough assessment of its cultural heritage significance. The Executive Director, Heritage Victoria, publishes a recommendation on the nomination, followed by a 60-day period for public submissions.

The Heritage Council then assesses the recommendation and considers any submissions before making the final decision. A hearing may be held if requested by interested parties. The Heritage Council can decide to include the place or object on the Victorian Heritage Register, refer it to the relevant local council to provide appropriate protection or recommend no heritage protection. State heritage protection includes permit requirements for changes or alterations.

ASSESSMENTS IN 2015-2016

Nominations accepted	56
Number of assessments completed	51
Executive director recommendations for addition to the register	13
Executive director recommendations to amend	34
Executive director did not recommend for addition to the register	4
Interim protection orders requested	11
Interim protection orders issued by the executive director	1
Interim protection orders issued by the Heritage Council	0
Heritage Council Registration Committee	
2015-16 hearings	4
2015-16 meetings	1
Pending	1

HERITAGE COUNCIL DETERMINATIONS

Additions to the register	12
Amendments to existing registrations	33
Removals from register	0

CERTIFICATES

Heritage certificates are used mainly by the conveyancing industry to reveal whether a property is affected by the Heritage Act in any way.

In 2015-2016:

- 6616 (an average of 551 per month) certificates were issued
- 1196 (an average of 100 per month or around 9%) were affected by the Heritage Act (or had a HERMES record).

These figures represent a decrease of approximately 6% from the previous year. The number of certificates issued tends to vary in line with activity in the real estate market.

PLACES ADDED TO THE VICTORIAN HERITAGE REGISTER IN 2014-15

There was a wide range of places and objects included in the Victorian Heritage Register during the year. A study to identify important places related to the First World War which had not previously been assessed led to the inclusion of the German War Cemetery at Tatura. This was supported by Veterans Branch, Department of Premier and Cabinet.

H2354 – CHANDLER HIGHWAY BRIDGE

Chandler Highway Alphington and Kew.
Boroondara City and Yarra City

Added June 2016

The Chandler Highway Bridge (1890) is an uncommon lattice truss bridge and one of the last surviving remnants of Melbourne's steam-era Outer Circle Railway Line. In 1930 the Bridge was converted to accommodate vehicular traffic.



H2350– FENNER HOUSE

228 Domain Road, South Yarra.
Melbourne City

Added February 2016

Designed by prominent Melbourne architect Neil Clerehan and built in 1964, this is one of the most celebrated and influential houses of the 1960s. It is of particular note as a prototype for the town house type.



H2358 – FORMER BENALLA MIGRANT CAMP

1 & 57 Samaria Road, Benalla. Benalla
Rural City

Added May 2016

Victoria's longest lasting holding centre is a rare survivor of a network of post-World War II camps which accommodated migrants in Victoria. It played a distinctive role settling non-British migrants.



H2351 – FORMER CHAPEL OF ST JOSEPH

27-29 Strabane Avenue, Mont Albert North.
Whitehorse City

Added February 2016

This award winning design by Maggie Edmond and Peter Corrigan was one of the first examples of Postmodern architecture in Victoria. Completed in 1978 its small scale, materials and style are reminiscent of local vernacular architecture.



H2347 – GERMAN WAR CEMETERY

155 Winter Road, Tatura. Greater
Shepparton City

Added August 2015

The first foreign war cemetery established in Australia, this cemetery provided for the reburial of 250 German civilians and Prisoners of War who died while interned in Australia, many in nearby camps, as a result of WWI and WWII.



H2348 – NERRE NERRE WARREN

Churchill Park Drive, Endeavour Hills.
Casey City.

Added April 2016

Nerre Nerre Warren is an important site of Aboriginal-settler interactions in the early Port Phillip settlement. It was the Native Police headquarters in 1837 and 1842-52 and the location of the 1841 Westernport Aboriginal Protectorate. From 1853-31 it was the Victoria Police Horse Stud and paddocks.



H2363 - NICHOLS POINT SHELTER SHED

110 Koorlong Avenue, Nichols Point.
Mildura Rural City

Added June 2016

A fine and highly intact example of a rotunda or shelter shed, it demonstrates the importance of providing students with shelter from the elements, particularly in the harsh climate of the north-west.



H2352 – OLD COBRAM-BAROOGA BRIDGE

Barooga Road, Cobram. Moira Shire

Added February 2016

The bridge is of significance to the people of northern Victoria and the Riverina region of New South Wales as it improved road, rail and river links between the states which encouraged the agricultural and economic development of these regions.



H2355 – SANDRINGHAM MASONIC HALL

23 Abbott Street, Sandringham. Bayside City

Added June 2016

Designed in a highly unusual Egyptian Revival style, this masonic hall was built for the freemasons in 1931 and became the meeting place for a number of masonic lodges. It retains highly intact Egyptian-themed interior decoration.



H2353 – TYNTYNDYER HOMESTEAD

20 TYNTYNDER Homestead Road,
Beverford. Swan Hill Rural City

Added April 2016

Developed by the Beveridge family from 1846, this pastoral station demonstrates the earliest phase of settlement in north-western Victoria. It contains buildings which display early vernacular techniques such as drop log construction.



AMENDMENTS

**H1558 – ALBERT PARK
RAILWAY STATION COMPLEX,
SOUTH MELBOURNE**
February 2016

**H0697 – ALFRED GRAVING
DOCK, WILLIAMSTOWN**
August 2015

**H1521 – ANDERSONS MILL
COMPLEX, SMEATON**
February 2016

**H0405 – ARMYTAGE HOUSE,
NEWTOWN**
October 2015

**H1865 – CHRIST CHURCH,
GEELONG**
February 2016

**H0193 – CORIO VILLA,
GEELONG**
October 2015

**H0272 – CORIYULE HOMEAD,
CURLEWIS**
April 2015

**H0810 – DEANSIDE
HOMESTEAD COMPLEX,
PLUMPTON**
December 2015

**H0283 – ELCHO HOMESTEAD,
LOVELY BANKS**
October 2015

**H1083 - FLINDERS STREET
RAILWAY STATION**
July 2015

**H0426 – FORMER BAPTIST
CHURCH, NEWTOWN**
October 2015

**H0189 – FORMER ES&A BANK,
GEELONG**
October 2015

**H0390 – FORMER ES&A BANK,
MELBOURNE**
December 2015

**H0188 – FORMER GEELONG
GRAMMAR SCHOOL**
October 2015

**H1510 – FORMER OVENS
BENEVOLENT ASYLUM,
BEECHWORTH**
March 2016

**H1527 – FORMER TELEGRAPH
STATION, GEELONG**
October 2015

**H0104 – GOLDSBOROUGH
MORT BUILDING, WILLIAM
STREET, MELBOURNE**
December 2015

**H0940 – JOHN KELLY'S
FORMER HOUSE, BEVERIDGE**
August 2015

**H1565 – KANGAROO FLAT
RAILWAY STATION COMPLEX**
October 2015

**H1645 – MATTHEW FLINDERS
SCHOOL NO 8022, GEELONG**
October 2015

**H1189 – MAYDAY HILLS
HOSPITAL, BEECHWORTH**
February 2016

**H0192 – MERCHISTON HALL,
GEELONG**
October 2015

**H0214 – OBERWYL,
BURNETT STREET
ST KILDA**
February 2016

**H1723 – PIRRA HOMESTEAD,
LARA**
October 2015

**H1543 – POLICE STATION,
CARLTON**
December 2015

H0389 – PORTARLINGTON MILL
October 2015

**H0417 – PORTLAND HOUSE,
MELBOURNE**
August 2015

**H1971 – PREFABRICATED
BUILDING, KEILOR NORTH**
October 2015

**H0088 – RESIDENCE
130 POWLETT ST EAST
MELBOURNE**
December 2015

**H0218 – ST LUKES CHURCH,
SOUTH MELBOURNE**
February 2016

**H0187 – ST PAULS ANGLICAN
CHURCH, GEELONG**
October 2015

H0212 – THE MANSE, ST KILDA
February 2016

**H0190 – TRUSTEES CHAMBERS,
GEELONG**
October 2015

Permits and Consents

Changes to places or objects on the Victorian Heritage Register require a permit from the Executive Director, Heritage Victoria. When a permit decision by the Executive Director is appealed, the Heritage Council hears the appeal and decides the outcome. Works to excavate or damage an archaeological site require a consent from the Executive Director, Heritage Victoria.

PERMITS

Permits issued by Heritage Victoria during the year included:

H2298 EMULATION HALL, Rochester Road, Canterbury

This Egyptian Revival style former Masonic Lodge was constructed in 1927 and added to the Victorian Heritage Register in 2012. In 2014, it was acquired by new owners who are in the process of restoring and renovating the building for community use. They are carrying out much of the work themselves, with input from a heritage consultant and specialist contractors.

The most visible changes to the exterior are the new galvanised steel roof and the dramatic change in the external colour scheme (*below*). Previously painted a blue-grey colour, research and paint analysis indicated that the building originally had a sandy-gold render finish, of which a large section to the north elevation was still intact, providing the ability to closely match this finish in the new works. This area of the building has remained as is, providing clearly visible evidence of its original treatment, now weathered over time. Decorative external elements were originally finished in strong green, turquoise and carmine hues, and it was decided to repaint these elements to match their original finishes.

Carrying out the work themselves over a number of weeks, meant that the transformation was both highly visible, not being undertaken behind shade-cloth and that the owners were on-hand to answer questions from interested passers-by. The response to date has been overwhelmingly positive and augurs well for the returning of the building to community use in the near future.



H1204 FORMER KENSINGTON PROPERTY EXCHANGE, Bellair Street, Kensington

The former Kensington Property Exchange, its associated residence Islington, and the adjoining shop and residence, were designed by architect E Owen Hughes for real estate agent and local identity, James Wales. They were constructed by Rowse & Son in 1891-92. The heavily ornamented facade has pedimented Corinthian pavilions on each elevation, one of which forms an arcaded loggia at first floor level. The building is well known in the local area and used as a private residence for many years until recently when it was purchased by new owners who intend to open a patisserie and cafe on the ground floor.

When completed, the works will reinstate public access to the commercial tenancy, an intention of the design when completed in 1892. The relatively low-key approved works will allow public access to a shop interior, which displays a high level of integrity and intactness, and seeks to keep change to the minimum. The use of the premises for a café, where limited cooking and food preparation is required, is a compatible use that is likely to attract the curious and interested to enjoy the premises – to which access has long been restricted.

H0829 JOHN DARLING AND SON FLOUR MILL, Sydney Street, Albion

The red brick mill building with its tower, signage parapets, cornice, and distinctive gable ends is perhaps the most elaborate brick mill of the early twentieth century in Victoria, but has been vacant and unused for many years. A permit was issued for the adaptive reuse of the former Mill building to provide office space and a ground floor café. The permit required conservation works to the building and installation of an interpretation program incorporating some of the milling machinery to provide visitors to the cafe and offices with an understanding of how flour was milled in Victoria.

H0438 FORMER STATE THEATRE, Flinders Street, Melbourne

The Forum and Rapallo Cinemas, formerly the State Theatre, were designed by the American cinema architect John Eberson in association with the prominent Melbourne architects Bohringer, Taylor and Johnson in 1928. It was built at the climax of the boom years in cinema construction, and was operated by Union Theatres. It had the largest capacity of any cinema in the country with 3371 seats. Unlike most picture palaces, this form of cinema design attempted to create the illusion of an exotic walled garden in the auditorium, complete with appropriate statuary, a blue ceiling, twinkling stars and projected clouds. The interior incorporates elements of Italian medieval, Renaissance, Baroque and Spanish Mission styles combined with bold classical Roman and Renaissance architectural forms to create a lush, impossibly exotic atmosphere.

The Former State Theatre has been in a deteriorated state for many years. A number of permits were issued during the year which approved a considerable amount of conservation and restoration works to be undertaken on the external façade. The majority of these works focus on reinstating features of the building when it was opened in 1929 based on historical photographs and plans. Other approved works included some internal changes to accommodate increased patron numbers and improvements to the amenity of the building to facilitate its ongoing use as an entertainment venue.

Permits and Appeals and Consents in 2015-2016

Total permits issued by the Executive Director	236
Cost of works covered by permits issued	\$1,040,441,974
Permit exemptions issued by the Executive Director pursuant to section 66(3)	677
Cost of works covered by permit exemptions	\$44,313,235
Total value of works covered by Heritage Permits and exemptions	\$1,084,755,210
Permits refused or part refused	5
Permit amendments approved	45
Permit amendments refused	1
Appeals lodged with Heritage Council	6
Appeals determined by Heritage Council	2
Appeals called in by Minister for Planning	0
Appeals withdrawn	1
Appeals pending (as at June 30, 2015)	3
Archaeological consents	
Consents to Damage (over half of site)	14
Consents to Damage (under half of site)	35
Consents to Excavate	25
Total	74
(Plus 10 permits issued for works on Archaeological places on the VHR included in permit figures.)	
Maritime Permits	
Permits under Victorian Act	32
Extensions	0
Permits under Commonwealth Act	3

Other Initiatives



Bendigo Mayor Cr Peter Cox inspects a complete Hoytema gin bottle found in the Wills Street excavation in September 2015.

Archaeology: Goldrush games

Did you know a Noah's Ark game was a popular children's toy in the nineteenth century?

Simple wooden figures of Noah and his family and pairs of animals were found at an 1850s Wills Street home in Bendigo.

The excavation monitored by Heritage Victoria's Archaeologists perfectly illustrated the value of archaeology and the information it can provide about life in the past.

The purpose of archaeology is to learn more about past societies and the development of civilization and technologies. Obviously not all archaeology is about prehistoric cultures and even in times that are relatively well recorded, many aspects of everyday life are unrecorded.

The excavation at the historic home revealed aspects of family life during the late goldrush period.

The small subfloor deposit contained rare wooden toys, intact bottles, pieces of ceramic from domestic dishes, sewing pins, and buttons with fabric still attached.

A highlight from the collection is a small brooch that bears the name 'Lizzie'.





Wooden figure from Noah's Ark game unearthed from a goldrush era house at Wills Street, Bendigo

HERITAGE SURVEY

The Living Heritage 'health check', an Andrews Government commitment to undertake a heritage survey in 2015-16, was conducted between August and December 2015. A condition and maintenance assessment of 155 places on the Victorian Heritage Register was undertaken.

Owners and managers were provided with a report which documented and prioritised repair and maintenance requirements to help guide works on these properties. It has also helped identify places at risk for current and future grant programs.

CONSERVATION CENTRE/ARTEFACT REPOSITORY

While all conservation activities at the Heritage Victoria Artefact Repository in Abbotsford ceased in June 2014, the facility continues to accession, manage and curate artefacts recovered from land and maritime excavations across the state, and to provide access to the collection via exhibitions, research support, and volunteer and work experience opportunities.

Conservation of archaeological material is now carried out by external conservators, administered, advised and approved by Heritage Victoria archaeological and curatorial staff through the *Heritage Act 1995*.

Material has been loaned to Melbourne University, the La Trobe University, Harcourt Heritage Centre and the Museum of Australian Democracy at Eureka. Loans to the Chinese Museum and Queenscliff Maritime Museum have concluded.

A major interpretive scheme funded through the Commonwealth was developed over 2015-2016 (see *below* and pages 28-29)

An Education Kit for primary school students, funded by the Heritage Council, is being developed using artefacts from assemblages within the collection assessed as being of low significance. This will place physical artefacts in schools across Victoria along with activities and documentation that allow the exploration of artefacts and archaeology in line with the Victorian Curriculum.

Continuing its partnership with the Grimwade Centre for Cultural Materials Conservation at Melbourne University, the Artefact Repository has supported the teaching program by providing objects for treatment by post-graduate students.



COMMUNITY OUTREACH

ON THE COVER

An evocative first class dining setting, bathed in blue light to simulate an underwater setting, formed a pop-up installation at the Mission to Seafarers in Melbourne.

The display showcased a variety of items recovered from seven shipwrecks in the mid to late 1800s, to create an evocative first class dining setting.

This major interpretive scheme, funded through the Commonwealth Historic Shipwrecks Program, was developed over 2015-2016. The physical display of artefacts from seven different shipwrecks, was photographed and the images are being added to the Google Cultural Institute as a digital platform for interpretation.

The display was first mounted for three days at the Mission to Seafarers in June and will appear in the Department of Environment, Land, Water and Planning stand at the Coast to Coast conference at the MCG in August. It is hoped to present the collection at venues around the state.

The artefacts include a table, which underwent extensive conservation at the Conservation Centre laboratory, on a special mount, with crockery, tumblers, platter cover, wine bottle, ceramic jar from the **SS City of Launceston**. There are etched liqueur glasses from the **Fiji**; cutlery, a cruet set, sauce bottle, oil bottle, fluted pickle jar from the **Loch Ard**; a glass vase and champagne bottle from the **PS Clonmel**; candlesticks from the **Sacramento**, and serving spoons from the **SS Cheviot** and a ceramic ladle from **Light of the Age**.

The shipwrecks

Departing Melbourne for Launceston, the **SS City of Launceston** sank on 19 November 1865 north of West Channel, Port Phillip Bay, following a collision with the **SS Penola**. Passengers and crew transferred with difficulty to the **Penola**.

It is one of the most intact iron steamship wrecks of its age in Australian waters, is technically and scientifically significant for the remains of its engine and boiler, and evidence of the experimental salvage attempts using Patented Maquay hydrogen gas generating devices. The **City of Launceston** is archaeologically highly significant for the state of preservation of a complete intra-colonial steamship with evidence of its cabin fittings, passengers luggage and cargo which included English mails, luggage, drapery inc. crinolines, cases of brandy, port, rum, cigars, tea, boots, sheepwash

A typical 19th century international sailing ship with cargo, the barque **Fiji** left Hamburg on 22 May 1891 and went ashore at Moonlight Head at 3 am on the morning of 6 September in squally and boisterous weather soon after sighting Cape Otway. Attempts were made to launch the boats but they were swamped and dashed to pieces. Delays in getting the lifeboat and rocket apparatus to the scene resulted in 12 of the 25 crew drowning, and a local resident lost his life trying to save one of the crew who was struggling in the surf.

A fast and large wooden clipper ship originally named the **Beacon Light**, the **Light of the Age** was carrying a mixed general cargo worth A£12,000 and 42 passengers from Liverpool bound for Melbourne. It ran aground on Point Lonsdale Beach, half a mile west from Point Lonsdale on 6 January 1868 after an eventful trip, amid rumours of drunkenness and other problems. The salvage operation resulted in the death of six men, including two salvage divers, when their boat overturned.

The wreck of the 1693 ton iron clipper **Loch Ard** on 1 June 1878 is one of Victoria's worst shipwreck tragedies. Nearing the end of a voyage from Gravesend to Melbourne, the *Loch Ard* sank after striking Mutton Bird Island near Port Campbell in calm foggy weather and 52 of the 54 crew and passengers were lost. A nearby gorge, into which the only two survivors, 18-year-olds Tom Pearce and Eva Carmichael, were able to get ashore, is named Loch Ard Gorge.

The paddle steamer **Clonmel** was one of the first steam-powered vessels on the Australian coast. However, its career was short, being wrecked on its third voyage, on what is now known as Clonmel Island at the Port Albert entrance, on 3 January 1841. All on board reached safety, but much of the cargo was lost. The wreck of the *Clonmel* was instrumental in the settlement of Gippsland.

The **Sacramento** was a 430-ton net (447-ton gross) three-masted wooden barque built in Sunderland, England bound for Melbourne from London. Carrying about 300 government immigrants, 30 tons of spirits and ale and A£60,000 in gold sovereigns, it drifted on to Lonsdale Reef on a clear moonlit night on 27 April 1853, renewing calls for a lighthouse at Point Lonsdale. Adding to the emigrants' distressed state at being shipwrecked so close to their destination, was the loss of most of their possessions, as little was saved.

A typical example of a coastal trading passenger and cargo steamship the **SS Cheviot** has the tragic distinction of being one of Victoria's worst shipwrecks with 35 lives lost on 20 October 1887. The loss of propeller while on outer edge of Rip made the vessel unmanageable and it broke in two before going to pieces. The Queenscliff lifeboat was unable to get out through Heads, due to the appalling weather. A rocket life-line and boatswain's chair saved 24 passengers and crew.



MARITIME

The Heritage Council has continued its support for maritime heritage projects through the Maritime Heritage Advisory Committee.

Two significant events this year were linked to the wreck of the *City of Launceston*. The shipwreck is significant to Victoria as its discovery in 1980 drove the momentum for the enactment of the first state-based historic shipwreck legislation in Australia and the formation of a Maritime Heritage Unit to administer it.

To mark the 150th anniversary of the November evening in 1865 when the *City of Launceston* collided with the *Penola* and sank, successful public access open days were trialled at the wreck site. In November and January, the open days enabled recreational divers to enter the wreck's protected zone to explore it. This was the first time in ten years the wreck has been opened to the public.

In addition a dining table excavated from the *City of Launceston* is the centrepiece of the 'From the Deep' installation which combines artefacts from seven wrecks to evoke an underwater dining experience (see page 28-9).

Anniversaries

There were several other shipwreck milestones during the year including the 175th anniversary of the *Clonmel* wreck at the Port Albert entrance. This wreck was instrumental in the settlement of Gippsland and the establishment of the towns of Port Albert, Tarraville and Alberton.

Three wrecks linked with wartime activities occurred 75 years ago and were specially declared as historic because of their association with the war. The British merchant ship, *Cambridge*, and a US merchant ship *City of Rayville* sank after hitting German-laid mines in Bass Strait within a 24 hour period. A subsequent disaster occurred when the small minesweeper *Goorangai* collided with the *Duntroon* as it headed back to Bass Strait to help clear the area of further mines. The *Goorangai* sank in Port Phillip Bay with all 24 hands, the worst RAN disaster to that point.

Another vessel, the passenger steamer *Orungal* ran aground at Barwon Heads on 20 November 1940 and officially became an historic shipwreck in 2015. Its massive boilers can be seen sticking up through the water at Barwon Heads at low tide.

Data and fieldwork

A number of historic anchors, protected under historic shipwreck legislation but disturbed during dredging or development, have been moved to an underwater site 50 metres to the north west of Pope's Eye, creating a new and educational dive attraction. Each anchor has a plaque detailing the type and history of the anchor.

Work was undertaken to update the shipwreck information in the Victorian Heritage Database to ensure consistency and improve information available to the public and, using QGIS software, to improve the accuracy of shipwreck positions. A significance assessment was completed for the iron paddle steamer *Thistle* which sank in 1878 near Port Albert.

Ongoing compliance trips helped increase awareness among fishing boat operators about Protected Zones and several warnings were issued throughout the year.

Heritage Victoria Maritime archaeology staff and volunteers completed inspections of several historic shipwrecks and have also undertaken work on 3D photogrammetry models of a number of shipwreck artefacts and underwater sites.

Heritage Victoria staff provided two AIMA/NAS – part 1 courses to recreational dive groups during the year. The courses provide an introduction to the ethical management and use of underwater cultural heritage sites.

Financial and Other Reports

The annual report of the Heritage Council is prepared in accordance with all relevant Victorian legislations and pronouncements.

SIGNIFICANT CHANGES IN FINANCIAL POSITION

There were no significant matters which changed the financial position of the Heritage Council during the reporting period.

MAJOR CHANGES OR FACTORS AFFECTING PERFORMANCE

There were no significant changes or factors which affected the performance of the Heritage Council during the reporting period.

CAPITAL PROJECTS

The Heritage Council of Victoria does not manage any capital projects.

SUBSEQUENT EVENTS WHICH WILL AFFECT OPERATIONS IN FUTURE YEARS

The Heritage Council is not aware of any events that have occurred since balance date which would impact on its future financial position.

2 - GOVERNANCE AND ORGANISATIONAL STRUCTURE

ORGANISATIONAL STRUCTURE

The Heritage Council does not employ any staff but is supported by a Secretariat consisting of Department of Environment, Land, Water and Planning (DELWP) employees.

OCCUPATIONAL HEALTH & SAFETY

The Heritage Council is supported by the Heritage Council Secretariat staff, who are employed within the DELWP and are embraced by the Department's OH&S Management. There were no incidents reported during the year.

HERITAGE COUNCIL

The Heritage Council of Victoria is an independent statutory authority established under the *Heritage Act 1995*. The Council's 10 members and 10 alternate members represent a broad cross-section of heritage specialists and the community. Members are appointed by the Governor-in-Council on the recommendation of the Minister for Planning.

HERITAGE COUNCIL MEMBERS 2015-16

Chair

Stuart Macintyre,
(Period of appointment
14/7/15 – 30/6/18)

Alternate

Jennifer Moles
(14/7/15 – 30/6/18)

**Deputy Chair/ Property
Management**

Lindsay Merritt
(14/7/15 – 30/6/18)

Alternate

Leigh Mackay
(14/7/15 – 30/6/18)

Archaeologist

Anita Smith
(13/8/13 – 30/6/16)

Alternate

Oona Nicolson
(13/8/13 – 30/6/16)

Historian

Andrew May
(14/7/15 – 30/6/18)

Alternate

Garrie Hutchinson
(14/7/15 – 30/6/18)

Architect

Callum Fraser – resigned 24 May
(30/9/14 – 30/6/17)

Alternate

Louise Honman
(14/7/15 – 30/6/18)

General Member

Trish Vejby
(30/9/14 – 30/6/17)

Alternate

Penelope Smith (Martyn)
(14/7/15 – 30/6/18)

Engineering/Building

Paul Coffey
(14/7/15 – 30/6/18)

Alternate

Max Chester
(13/8/13 – 30/6/16)

Planning Law

Juliette Halliday
(14/7/15 – 30/6/18)

Alternate

Patrick Doyle
(14/7/15 – 30/6/18)

General Member

Tony Darvall
(15/9/14 – 30/6/17)

Alternate

Lucinda Peterson
(14/7/15 – 30/6/18)

National Trust

Ursula de Jong
(13/8/13 – 30/6/16)

Alternate

Bryn Davies
(13/8/13 – 30/6/16)

MEETINGS REPORT 2015-16

	Heritage Council	Communications	Finance & Risk Management	Heritage Policy and Practice	Protocols	Registration Hearings*	IPOs	Permit Appeals*	Archaeology Advisory	Landscape Advisory	Technical Advisory	HC/VAHC Joint Working Group	Intangible & Moveable Cultural Heritage Adv
Members													
Stuart Macintyre	8		7			1	1						
Lindsay Merritt	8		7	5		2	1	1					
Anita Smith	6	2			3			7	4			4	1
Andrew May	8					1		2		4		3	
Paul Coffey	8	6				2					5		
Juliette Halliday	7		7			1	1	1					
Ursula de Jong	8	6	4					1		2			
Tony Darvall	7				6	1							
Callum Fraser	1												
Trish Vejby	8	6											
Alternates													
Leigh Mackay	8	6			3	1		1					
Garrie Hutchinson	7	5				1							
Oona Nicolson	2			5		2			3				1
Bryn Davies	2			2						5		3	
Louise Honman	7		8	4				2			5		
Max Chester	8			5									
Patrick Doyle	6				6	1							
Penelope Smith (Martyn)	7				6	2							
Lucinda Peterson	6			5				3					
Jenny Moles	6				5			2					

*- Some hearings involved multiple days of hearings.

Members and Alternates attended a range of other meetings and workshops.

HERITAGE COUNCIL COMMITTEES

Finance and Risk Management

Role: to ensure the financial affairs of the Council are well managed and that risks facing the Council are appropriately managed.

Heritage Council Members

Chair: Lindsay Merritt. Ursula de Jong, Stuart Macintyre, Louise Honman, Juliette Halliday, Callum Fraser.

Registrations

Role: to conduct registration meetings and hearings.

Heritage Council Members

All Members

Chair: Anita Smith

Permit Appeals

Role: to conduct permit appeal hearings.

Heritage Council Members

All Members

Chair: Lindsay Merritt

Heritage Policy and Practice

Role: to champion and support exemplary heritage conservation and practice.

Heritage Council Members

Chair: Oona Nicolson. Max Chester, Lindsay Merritt, Bryn Davies, Lucinda Peterson, Louise Honman

Protocols

Role: to provide the Heritage Council with policy advice and develop protocols and procedures for Heritage Council processes.

Heritage Council Members

Chair: Tony Darvall. Leigh Mackay, Anita Smith, Penelope Smith (Martyn), Patrick Doyle, Jenny Moles

Communications

Role: to engage Victorians in discourse about our cultural heritage and its enduring contribution to identity and quality of life.

Heritage Council Members

Chair: Ursula de Jong. Anita Smith, Trish Veijby, Garrie Hutchinson, Leigh Mackay, Paul Coffey

HC/VAHC Joint Working Group

Role: the Joint Working Group consists of up to three members each of the Heritage Council of Victoria and the Victorian Aboriginal Heritage Council. The purpose of the Joint Working Group is to “work towards a better understanding of places and objects with shared values”.

Heritage Council Members

Anita Smith (co-chair), Bryn Davies, Andrew May

Victorian Aboriginal Heritage Council Members

Eleanor Burke (co-chair), Jennifer Beer, Nellie Flagg

HERITAGE COUNCIL ADVISORY COMMITTEES

Archaeology Advisory Committee

Role: advises the Heritage Council of Victoria on issues of archaeological heritage. One of its aims is to increase the knowledge and appreciation of archaeological heritage within the community.

Heritage Council Members

Anita Smith, Oona Nicolson

Heritage Victoria Member

Jeremy Smith, Brandi Bugh (Secretary)

External Members

Mark Eccleston, Susan Lawrence, Peter Lovell, Charlotte Smith, Kristal Buckley, Andrew Jamieson, Catherine Tucker

Chair - Anita Smith

Landscape Advisory Committee

Role: advises the Heritage Council on landscapes of Cultural Heritage Significance in Victoria. Recommends priorities for identification of cultural landscapes, gardens, trees and plants, works, precincts and sites.

Heritage Council Members

Bryn Davies, Andrew May, Ursula de Jong

Heritage Victoria Members

John Hawker

External Members

Helen Martin, Kristal Buckley, Anna Foley, Claire Scott, Robin Crocker

Chair - Bryn Davies

Local Government and Urban Areas Advisory Committee

Role: provides direction on the management of heritage protection through planning schemes, considers the design of new buildings in heritage areas, provides guidance on local heritage policies and controls and promotes the protection of places in planning schemes where recommended by the Heritage Council.

Heritage Council Members

Lucinda Peterson, Patrick Doyle, Lindsay Merritt

Heritage Victoria Members

Geoff Austin

External Members

Jim Norris, Sherry Hopkins, Helen Martin, Gabrielle Moylan

Chair – Lucinda Peterson

Maritime Heritage Advisory Committee

Role: considers and advises the Heritage Council on matters related to historic shipwrecks, historic shipwreck relics and remains of ships and articles associated with ships that might be registered as historic shipwrecks or historic shipwreck relics.

Heritage Council Members

Lucinda Peterson, Oona Nicolson, Leigh Mackay

Heritage Victoria Members

Peter Harvey, Jane Mitchell

External Members

Jan Carey, Wayne Hill, Shirley Strachan, Peter Abbott, Kellie Clayton, Catherine Tucker, Peter Taylor, Rick Bullers

Chair - Lucinda Peterson

Technical Advisory Committee

Role: supplements the skills and expertise of Heritage Victoria in technical and practical issues of conservation of (principally) built heritage, and to steer and monitor the standards of technical advice provided by the Heritage Victoria and the Heritage Council. It also aims to raise standards of, and promote best practice in, materials and conservation.

Heritage Council Members

Louise Honman, Paul Coffey

Heritage Victoria Members

Jenny Dickens

Other Members

Susan Balderstone, David Beauchamp, Donald Ellsmore, Meredith Gould, Peter Lovell, Stuart McLennan, David Rowe, David Young, Ken MacLeod, Helen Lardner

Chair – Louise Honman

HERITAGE COUNCIL REPRESENTATION

Victorian Heritage Restoration Fund – Lindsay Merritt

History Council – Garrie Hutchinson

Murtoa Stick Shed – Lindsay Merritt

3 – WORKFORCE DATA

WORKFORCE DATA

The Heritage Council does not employ any staff but is supported by the Executive Director, Heritage Victoria and a Secretariat consisting of DELWP employees.

MERIT AND EQUITY

The Council notes the merit and equity principles under the *Public Administration Act 2004* and complies with these principles. It also follows its own protocols designed to ensure its actions are fair, impartial and responsive.

4 – OTHER DISCLOSURES

VICTORIAN INDUSTRY PARTICIPATION POLICY

The Heritage Council has not engaged or had any ongoing contracts (tenders) to which the Victorian Industry Participation Policy (VIPP) applies. Therefore it has not implemented the VIPP.

CONSULTANCY EXPENDITURE

In 2015-16, there were no consultancies where the total fees payable to the consultants were \$10,000 or greater.

MAJOR CONTRACTS

The Heritage Council's contract with Period Restoration Services for the repair and restoration of the Murtoa Stick Shed Grain Store continued. The Victorian Government has expended \$1.6 m on this project over several years.

No major contracts (above \$10 million) were entered into in the 2015-2016 reporting period.

FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the Heritage Council. There was one request received during the 2015-2016 reporting period.

Freedom of Information requests are made in writing describing the documents requested and including payment of the \$27.90 (as at 1 July 2016). Further charges may be payable. FOI fees and charges are not subject to GST.

Requests are sent to:

Rhonda McLaren

Manager - Heritage Council Secretariat

PO Box 2392

Melbourne, 3001

Telephone: (03) 9208 3666

email: heritage.council@delwp.vic.gov.au

BUILDING ACT 1993

The Heritage Council does not have its own offices. However, the Council's approach to the use of Department of Environment, Land, Water and Planning (DELWP) buildings has enabled DELWP to meet its obligations in relation to compliance with the building and maintenance provisions of the *Building Act 1993*.

NATIONAL COMPETITION POLICY

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. The Heritage Council continues to implement and apply this principle in its business undertakings.

PROTECTED DISCLOSURE ACT 2012

The *Protected Disclosure Act 2012* (PD Act) enables people to make disclosures about improper conduct by public officers and public bodies. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

What is a 'protected disclosure'?

A protected disclosure is a complaint of corrupt or improper conduct by a public officer or a public body. The Heritage Council of Victoria is a "public body" for the purposes of the Act.

What is 'improper or corrupt conduct'?

Improper or corrupt conduct involves substantial:

- mismanagement of public resources; or
- risk to public health or safety or the environment; or
- corruption.

The conduct must be criminal in nature or a matter for which an officer could be dismissed.

How do I make a 'Protected Disclosure'?

You can make a protected disclosure about the Heritage Council of Victoria or its board members, officers or employees by contacting IBAC on the contact details provided below.

Please note that Heritage Council of Victoria is not able to receive protected disclosures.

How can I access the Heritage Council of Victoria's procedures for the protection of persons from detrimental action?

The Heritage Council of Victoria is establishing procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about the Heritage Council of Victoria based on the procedure used by DELWP.

Contacts

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria

Address: Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000.

Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001

Internet: www.ibac.vic.gov.au

Phone: 1300 735 135

Email: see the website above for the secure email disclosure process, which also provides for anonymous disclosures

COMPLIANCE WITH THE HERITAGE ACT

Under the *Heritage Act 1995* the Council is required to report annually to the Minister on –

- the carrying out of its functions under the (Heritage) Act; and
- the state of Victoria's cultural heritage; and
- the operation of this (Heritage) Act.

The Annual Report provides the information required under the Act.

The council is also required to provide the Minister annually with a business plan of its proposed works and operations for the next year. A copy of the council's 2015-16 Business Plan was provided to the Minister.

OFFICE BASED ENVIRONMENTAL IMPACTS

The Heritage Council does not have its own offices. However, the Council supports programs implemented by the Department of Environment, Land, Water and Planning (DELWP) to minimise environmental impacts through reduced energy use, waste production, paper use and water consumption and transportation.

It also gives preference to environmentally friendly products in print and other purchases.

AVAILABILITY OF OTHER INFORMATION

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the Department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

(a) a statement that declarations of pecuniary interests have been duly completed by all relevant council members

(b) Publications

Publication	Produced	How obtained
Annual Report 2015-16	September 2016	See: http://heritagecouncil.vic.gov.au/about-heritage-council/annual-reports/ or email heritage.council@delwp.vic.gov.au

(c) Changes in fees and charges – The Heritage Council does not charge fees but some of the permit and consent fees and certificate fees charged by Heritage Victoria were increased as per the Heritage (General) Regulations 2015 on 1 July 2015 – see <http://www.dtpli.vic.gov.au/heritage/apply-for-heritage-permits/how-to-apply-for-a-permit>

(d) There was no major research or development activity (more than \$100,000) carried out on the entity during the 2015-16 financial year.

The information is available on request from:

The Manager

Heritage Council Secretariat

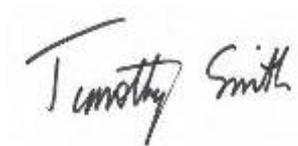
Phone: (03) 9208 3694

Email: heritage.council@delwp.vic.gov.au

RISK MANAGEMENT FRAMEWORK

Attestation for compliance with the Australian/New Zealand Risk Management Standard

I, Tim Smith certify that the Heritage Council of Victoria has complied with the Ministerial Standing Direction 4.5.5 – Risk Management Framework and Processes.

A handwritten signature in black ink that reads "Timothy Smith". The signature is written in a cursive style with a large initial 'T'.

Tim Smith
Accountable Officer
Heritage Council of Victoria

30 June 2016

5 - FINANCIAL REPORT

Accountable Officer's declaration and statutory certification

The attached financial statements for the Heritage Council of Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, 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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2016 and financial position of the Council at 30 June 2016.

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.

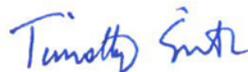
We authorise the attached financial statements for issue on 19 September 2016.



Stuart Macintyre

Chair
Heritage Council of Victoria

Melbourne
19 September 2016



Timothy Smith

Accountable Officer
Heritage Council of Victoria

Melbourne
19 September 2016

INDEPENDENT AUDITOR'S REPORT

To the Council Members, Heritage Council of Victoria

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Heritage Council of Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the accountable officer's declaration and statutory certification.

The Council Members' Responsibility for the Financial Report

The Council Members of the Heritage Council of Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Council Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

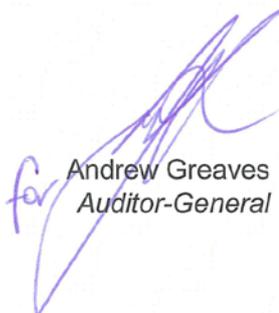
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates have complied with the applicable independence requirements of the Australian Auditing Standards and relevant ethical pronouncements.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Heritage Council of Victoria as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
21 September 2016



Andrew Greaves
Auditor-General

Heritage Council of Victoria

Financial Statements 30 June 2016

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This financial report covers the Heritage Council of Victoria as an individual entity and is presented in the Australian currency.

The Heritage Council of Victoria is an independent, statutory office of the State of Victoria. Its principal address is:

Heritage Council of Victoria

1 Spring Street

Melbourne VIC 3000

A description of the nature of the Council's operations and its principal activities is included in the Report of Operations.

The financial report was authorised for issue by the Chair – Stuart Macintyre and Accountable Officer – Tim Smith on 19 September 2016.

For queries in relation to our financial reporting please call (03) 8392 5161, or visit our website <http://heritagecouncil.vic.gov.au>

Comprehensive operating statement for the financial year ended 30 June 2016

	Notes	2016 \$	2015 \$
Income from transactions			
Grants from DELWP	1(e), 2(a)	500,000	1,122,049
Planning certificates fees and permit fees	1(e), 2(b)	573,537	307,758
Interest income	1(e), 2(c)	52,165	68,769
Other income	1(e), 2(d)	9,225	2,400
Total income from transactions		1,134,927	1,500,976
Expenses from transactions			
Administration expenses	1(f), 3(a)	(747,676)	(832,661)
Heritage project expenses	1(f), 3(b)	(19,199)	(353,221)
Grants for historic property restoration	1(f), 3(c)	0	(640,700)
Members fees	1(f), 3(d)	(234,871)	(184,831)
Total expenses from transactions		(1,001,746)	(2,011,413)
Net result from transactions (net operating balance)		133,181	(510,437)
Other economic flows included in net results			
Net gain/(loss) on financial instruments	1(g), 4	(12,740)	0
Comprehensive result		120,441	(510,437)

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet as at 30 June 2016

	Notes	2016 \$	2015 \$
Assets			
Financial assets			
Cash and deposits	1 (i), 11, 12	2,066,608	2,073,513
Receivables	1 (i), 5, 11	111,294	111,097
Investments	1 (i), 11	550,000	550,000
Total financial assets		2,727,902	2,734,610
Total assets		2,727,902	2,734,610
Liabilities			
Payables	1 (j), 6, 11	113,887	241,236
Security deposits	1 (j), 7, 11	254,191	253,991
Total liabilities		368,078	495,227
Net assets		2,359,824	2,239,383
Equity			
Accumulated surplus		829,811	709,370
Contributed capital	1 (k)	1,530,013	1,530,013
Net worth		2,359,824	2,239,383

Commitments for expenditure

1 (l), 9

Contingent assets and contingent liabilities

1 (m), 10

The balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity for the financial year ended 30 June 2016

	Accumulated surplus/(deficit) \$	Contributed capital \$	Total \$
Balance at 1 July 2014	1,219,807	1,530,013	2,749,820
Comprehensive result	(510,437)	0	(510,437)
Balance as at 30 June 2015	709,370	1,530,013	2,239,383
Comprehensive result	120,441	0	120,441
Balance as at 30 June 2016	829,811	1,530,013	2,359,824

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Cash flow statement for the financial year ended 30 June 2016

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Receipts			
Receipt from government		500,000	1,122,049
Receipts from other entities		557,955	211,925
Interest received		53,286	70,100
GST recovered from ATO		10,750	47,354
Total receipts		1,121,991	1,451,428
Payments			
Payments to suppliers and contractors		(1,129,096)	(1,642,325)
Grants for historic property restoration		0	(640,700)
Total payments		(1,129,096)	(2,283,025)
Net cash flows from/(used in) operating activities	12(b)	(7,105)	(831,597)
Cash flows from investing activities			
Proceed from security deposits		200	0
Payments for investments		0	(550,000)
Repayment of loans from others parties		0	8,350
Repayment of security deposits		0	(1,105,200)
Net cash flows from/(used in) investing activities		200	(1,646,850)
Net increase/(decrease) in cash and cash equivalents		(6,905)	(2,478,447)
Cash and deposits at the beginning of the financial year		2,073,513	4,551,960
Cash and deposits at the end of the financial year	12(a)	2,066,608	2,073,513

Cash movements disclosed in the cash flow statement are those cash transactions completed by the Department of Environment Land, Water and Planning on behalf of the Heritage Council of Victoria.

The cash flow statement should be read in conjunction with the notes to the financial statements.

Note 1. Summary of significant accounting policies

These annual financial statements represent the audited general purpose financial statements for the Heritage Council of Victoria (the Council) for the year ended 30 June 2016.

(a) Statement of compliance

These general purpose financial statements have been prepared on a going concern basis and in accordance with *the Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS), which include Interpretations issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

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.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 16.

These annual financial statements were authorised for issue by the Council on 19 September 2016.

(b) Basis of accounting preparation

These financial statements have been prepared in accordance with the historical cost convention, except for certain assets and liabilities which, as noted, are at valuation.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

(c) Reporting entity

The financial statements cover the Heritage Council of Victoria as an individual reporting entity. The Council is a body corporate established by the *Heritage Act 1995* and is a controlled entity of the State of Victoria.

Its principal address is:

Heritage Council of Victoria
1 Spring Street
Melbourne, VIC 3000

A description of the nature of the Council's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Objectives and funding

The Council's statutory objectives are to:

- advise the Minister for Planning on the protection and conservation of Victoria's cultural heritage;
- decide which places and objects are added to the Victorian Heritage Register;
- hear appeals on permit applications;
- promote public understanding of Victoria's cultural heritage and conduct community education and information programs;
- undertake research related to identification, conservation and interpretation of cultural heritage; and
- advise and liaise with state government departments and agencies and municipal councils on the protection and conservation of places and objects of cultural significance.

The Council is funded by accrual based grants provided by the Department of Environment Land, Water and Planning (DELWP).

(d) Scope and presentation of financial statements

Comprehensive operating statement

The net result is equivalent to profit or loss derived in accordance with AASs.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

Refer to Note 16 for a definition of 'net result from transactions'.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

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

Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

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 related to 'Transactions with owner in its capacity as owner'.

Rounding

Amounts in the financial statements have been rounded to the nearest dollar unless otherwise stated. Figures in the financial statements may not equate due to rounding.

(e) Income from transactions

Government grants

Government contributions are recognised when the Council obtains control of the funds. All other revenue is recognised when controlled (i.e. when received or receivable).

Planning certificate fees

Certificate fees are levied to advise an applicant whether or not a place or object is included in the Heritage Register under the *Heritage Act 1995* and the category in which it is registered. Planning certificate fees are recognised at the time applications are lodged together with payment of fees.

Permit and consent fees

The *Heritage (General) regulations 2005* set out the prescribed fee required to accompany an application for a permit or consent application pursuant to the *Heritage Act 1995*. A permit is required for alterations to a place included in the Victorian Heritage Register unless a permit exemption is provided. A consent is required for works which may affect the historical archaeology of a Heritage Inventory site. Permit and consent fees are recognised when the applications are lodged, together with payment of fees.

Interest income

Interest income is interest received on term deposits and other investments held with Treasury Corporation Victoria. Interest is recognised on an accrual basis.

Other income

Other income mainly relates to miscellaneous income from product sales.

Archaeological security deposits

Until 1 February 2014, proponents undertaking works in accordance with approvals issued under the Heritage Act, that are likely to contain significant historical archaeological artefacts, have been required to provide payment of an Archaeological Security Deposit. The security deposit funds conservation and collection management work at the Conservation Centre.

On the generation of a security deposit, 20% of the amount is recognised as revenue. The remaining amount is withheld in a liability account to fund all required artefact conservation works at the conclusion of the excavation project. At the completion of the conservation works, an assessment is done to verify the value of the completed works, and the corresponding amount is recognised as revenue. The remainder is returned to the proponent (less the initial 20% levy).

(f) Expenses from transactions

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

Administration costs

Relates to the hiring of professional services for heritage building feasibility studies, education and training, conservation management plans, advertising, publicity and information costs.

Heritage project expenses

Relates to project staffing and expenses for contractors.

Grants for historic property restoration

Grants to third parties are recognised as an expense in the reporting period in which they are paid or payable. These grants assist with the conservation of any part of Victoria's cultural heritage. These grants are provided based on the consent of the Executive Director of the Heritage Council.

Members fees

Council members are remunerated for attending various Council meetings.

(g) Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 1(h)); and
- disposals of financial assets and derecognition of financial liabilities.

(h) 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 council'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*.

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

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, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Receivables category includes cash and deposits (refer to Note 1(i)), term deposits with maturity date less than three months and trade but not statutory receivables.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they originate. 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 interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of the Council's contractual payables and deposits held at fair value through the comprehensive operating statement.

(i) Financial assets

Cash and deposits

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

Receivables

Receivables consist predominantly of accrued revenue, loans receivable and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Taxes and other statutory receivables are not classified as financial instruments.

The Council provides grants and low interest loans to persons currently in the possession of buildings of historic significance, for restoration and maintenance. When a loan is provided, a signed contract is entered into to secure the Council's interest. Prior to 1991, the need for a Bank Guarantee was determined by the Heritage Council of Victoria Finance Committee, based on the loan applicant's ability to repay the loan at that point in time. Subsequently the Council now requires that all loans to be fully secured by a Bank Guarantee with the exception of loans provided to church authorities and local and state government authorities.

A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

Investments

Investments are classified as loans and receivables.

The classification depends on the purpose for which the investments were required. Management determines the classification of its investments at initial recognition.

Any interest earned on the financial asset is recognised in the comprehensive operating statement as a transaction.

(j) Liabilities

Payables

Payables consist of:

- contractual payables, such as accounts payable and unearned income. Accounts payable represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 1(h)). 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.

Provisions

Provisions are recognised when the Council has a present obligation, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting period date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows using the discount rate that reflects the time value of money and risks specific to the provision.

Employee benefits

The Council does not employ any staff directly. The staffing resources are provided by Heritage Victoria within the Department of Environment, Land, Water and Planning. All provisions for employee benefits are held by the Department.

Long-term security deposits

Section 74(4) of the *Heritage Act 1995* allows the Executive Director to impose a condition on a permit requiring security to be given to ensure satisfactory completion of works. This generally applies to conservation works. It also allows the form and amount of security to be determined by the Executive Director.

(k) Equity

Contributed Capital

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

(l) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 9) at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditure cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(m) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer to Note 10) and are measured at nominal value if quantifiable. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(n) Accounting for the goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, except where GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the balance sheet.

Commitments and contingent assets and liabilities are also stated inclusive of GST.

(o) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where a transaction results from an agreement between the council and other parties, the transaction is only recognised when the agreement is irrevocable before or at the end of the reporting period.

Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and before the date when the financial statements are authorised for issue. A note disclosure made about 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 that are considered to be of material interest.

(p) Comparative amounts

Where the presentation or classification of items in the financial statements changes, the comparative amounts are also reclassified unless it is impractical to do so. The nature, amount and reason for the reclassification is also disclosed. If the reclassification affects an item on the balance sheet, a third statement of financial position is also presented.

The GST Recoverable and GST Payable for 2014-15 were reported separately in Receivables and Payables. There was a net GST Recoverable in 2014-15. Accordingly, Receivables and Payables were both reduced by the GST Payable amount (\$6,208). This also impacted the cash flow statement.

Cash and deposits has been adjusted in the 2014-15 financial year. The investment portion (\$550,000) that previously formed part of cash and deposits has been separated out. This has also impacted the cash flow statement.

(q) Australian Accounting Standards (AAS) issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2016 reporting period. The Department of Treasury and Finance (DTF) assesses the impact of all these new standards and advises the Council of their applicability and early adoption where applicable.

As at 30 June 2016, the following AASs have been issued by the AASB. These are not yet effective but may have a material impact on the Council. They become effective for the first financial statements for reporting periods commencing after the stated operating date as follows:

Standard/ Interpretation	Summary	Applicable annual reporting periods beginning on or after	for Impact on public sector entity financial statements
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	While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
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: <ul style="list-style-type: none">• 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 indicated that there will be no impact on the Council as its liabilities are measured at amortised cost.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 2014-1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i>	Amends various AASs 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 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AASs 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 Council.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires the Council to recognise revenue when the Council 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. A potential impact will be the upfront recognition of revenue from licenses and leases that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening retained earnings if there are no former performance obligations outstanding.
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: <ul style="list-style-type: none"> • the council'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 council; 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 Council.
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 to the 2018-19 reporting period in accordance with the transition requirements.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 2016-3 <i>Amendments to Australian Accounting Standards Clarifications 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: <ul style="list-style-type: none"> • 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 council 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 Council, other than the impact identified in AASB 15.
AASB 2014-4 <i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation</i> [AASB 116 & AASB 138]	Amends AASB 116 <i>Property, Plant and Equipment</i> and AASB 138 <i>Intangible Assets</i> to: <ul style="list-style-type: none"> • establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; • prohibit the use of revenue-based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset. 	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2015-6 <i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i> [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 <i>Related Party Disclosures</i> to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the Council's key management personnel (KMP), and the related party transactions.

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 2015-16 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on the Council.

- AASB 1057 *Application of Australian Accounting Standards*
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-9 *Amendments to Australian Accounting Standards – Scope and Application Paragraphs* [AASB 8, AASB 133 & AASB 1057]
- AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*
- AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

Note 2. Income from transactions

	2016	2015
	\$	\$
(a) Grants		
State government contributions	500,000	1,122,049
Total grants	500,000	1,122,049
(b) Planning certificates fees and permit fees		
Planning certificates fees and permit fees	573,537	307,758
Total planning certificates fees and permit fees	573,537	307,758
(c) Interest		
Interest from investments	52,165	68,769
Total interest	52,165	68,769
(d) Other income		
Other income	9,225	2,400
Total other income	9,225	2,400

Note 3. Expenses from transactions

	2016	2015
	\$	\$
(a) Administration expenses		
Administrative costs	(691,117)	(655,967)
Advertising, publicity and information	(56,559)	(176,694)
Total administration expenses	(747,676)	(832,661)
(b) Heritage project expenses		
Project staffing and contractors expenses	(19,199)	(353,221)
Total heritage project expenses	(19,199)	(353,221)
(c) Grants for historic property restoration		
Grants for historic property restoration	0	(640,700)
Total grants	0	(640,700)
(d) Members fees		
Members fees	(234,871)	(184,831)
Total members fees	(234,871)	(184,831)

Note 4. Other economic flows included in net result

	2016	2015
	\$	\$
Net gains/(losses) on financial instruments		
Impairment of receivables	(12,740)	(0)
Total other gains/(losses) from other economic flows	(12,740)	(0)

Note 5. Receivables

	2016 \$	2015 \$
Current receivables		
Contractual		
Accrued revenue	32,537	32,482
Trade receivables	10,891	0
	43,428	32,482
Statutory		
GST input tax credit recoverable	36,604	47,354
	36,604	47,354
Total current receivables	80,032	79,836
Non-current receivables		
Contractual		
Loans receivable	31,262	31,262
Total non-current receivables	31,262	31,262
Total receivables	111,294	111,098

(a) Ageing analysis of contractual financial assets

Refer to Table 11.2 in Note 11 for the ageing analysis of contractual financial assets.

Note 6. Payables

	2016 \$	2015 \$
Current payables		
(a) Contractual		
Accrued expenses	99,042	81,700
Other creditors	0	159,537
Other payables (includes superannuation)	349	0
	99,391	241,237
(b) Statutory		
Amounts payable to Government and agencies	14,301	0
Taxes payable	195	0
	14,496	0
Total current payables	113,887	241,237
Total payables	113,887	241,237

Notes:

- (i) The average credit period is 30 days. No interest is charged on the trade creditors or other payables for the first 30 days from the date of the invoice. Thereafter, interest may be charged at differing rates determined by the individual trade arrangements entered into.

(a) Maturity analysis of contractual payables

Refer to Table 11.3 in Note 11 for the maturity analysis of contractual payables.

(b) Nature and extent of risk arising from contractual payables

Refer to Note 11 for the nature and extent of risks arising from contractual payables.

Note 7. Security deposits

	2016 \$	2015 \$
(a) Current security deposits		
Archaeological security deposits	35,000	34,800
Total current security deposits	35,000	34,800
(b) Non-current security deposits		
Archaeological security deposits	69,191	69,191
Long term security deposits	150,000	150,000
Total non-current security deposits	219,191	253,991
Total security deposits	254,191	253,991

Notes:

- (i) Archaeological security deposits are held in trust to ensure the site is returned to its former state and the proper cataloguing and conservation of any excavated material.

Note 8. Superannuation

Government Employees' Superannuation Fund

Members of the Council are entitled to receive superannuation benefits and the Council contributes to defined contribution plans.

The Council does not recognise any defined benefit liability in respect of the plan because the Council has no legal or constructive obligation to pay future benefits relating to its members; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial statements.

Superannuation contributions paid or payable for the reporting period are included as member benefits in the comprehensive operating statement of the Council.

The name, details and amounts expensed in relation to major member superannuation funds and contributions made by the Council are as follows:

Fund	Paid contribution for the year		Contribution outstanding at year end	
	2016 \$	2015 \$	2016 \$	2015 \$
Defined contribution plans:				
Victorian Superannuation Fund – Vic Super Scheme	10,724	9,142	4,196	0
Various other	4,637	3,953	1,815	0
	15,361	13,095	6,011	0

The bases for contributions are determined by the various schemes.

All members of the Council are entitled to varying levels of benefits on retirement, disability or death. Some superannuation plans provide defined benefits based on years of service and final average salary. The others are classified as contribution schemes. Contributions by the council of a minimum of 9.50% of member's wages and salaries are legally enforceable on the Council.

The amounts were measured as at 30 June of each year or in the case of employer contributions they relate to the years ended 30 June.

Note 9. Commitments

Commitments to pay out loans and grants

In addition to the loans and grants issued during the year, total approvals given by the Heritage Council up to 30 June 2016 provide for the issue of \$530,983 (2015 - \$522,839) in loans and grants in future years.

These commitments are represented in the table below. These are not reflected in the Comprehensive Operating Statement and Balance Sheet until the option has been taken up by the applicant.

	2016	2015
Grant commitments		
Not later than one year	150,019	10,000
Later than one year but no later than five years	357,964	489,839
Later than five years	23,000	23,000
Total	530,983	522,839

Commitments for expenditure

At reporting date the Heritage Council of Victoria has no operating commitments (2015: Nil).

Commitments for capital expenditure

At reporting date, the Heritage Council of Victoria has no commitments for capital expenditure (2015: Nil).

Note 10. Contingencies

Contingent Liabilities and Contingent Assets

At reporting date, there are no contingent liabilities.

At the reporting date, the following contingent assets exist:

Bank guarantees, totalling \$2,549,637 (2015: \$4,515,437) are held by the Heritage Council Victoria as financial security for the following:

- (a) pursuant to a condition of a permit \$2,376,200 (2015: \$4,342,000)
- (b) loans \$128,833 (2015: \$128,833)
- (c) Murtoa Stick Shed Contracts \$44,604 (2015: \$44,604)

Unquantifiable Contingent Liabilities

At the reporting date, the unquantifiable contingent liabilities are as follow:

Heritage Council and the Executive Director, Heritage Victoria are joint defendants for a Supreme Court appeal hearing that was heard on 16 August 2015. The Court's decision has been handed down in favour of the Heritage Council and the Executive Director and costs have been awarded but are currently under appeal.

Note 11. Financial instruments

(a) Financial risk management objectives and policies

The council's principal financial instruments comprise of:

- cash and deposits;
- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- security deposits.

Note 11. Financial instruments (continued)

Details of 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, financial liability and equity instrument disclosed in Note 1 of these financial statements. The main purpose in holding financial instruments is to prudentially manage the council's financial risks in the government policy parameters.

The carrying amounts of the council's financial assets and financial liabilities by category are in Table 11.1.

Table 11.1: Categorisation of financial instruments

			2016		2015	
	Contractual financial assets – loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$	Contractual financial assets – loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
Contractual financial assets						
Cash and deposits	2,066,608	0	2,066,608	2,073,513	0	2,073,513
Receivables⁽ⁱ⁾						
Accrued revenue	32,537	0	32,537	32,482	0	32,482
Loans receivables	31,262	0	31,262	31,262	0	31,262
Trade receivables	10,891	0	10,891	0	0	0
Investments	550,000	0	550,000	550,000	0	550,000
Total contractual financial assets	2,691,298	0	2,691,298	2,687,257	0	2,687,257
Contractual financial liabilities						
Payables⁽ⁱⁱ⁾						
Accrued expenses	0	99,042	99,042	0	81,700	81,700
Other creditors	0	0	0	0	159,537	159,537
Other payables	0	349	349	0	0	0
Security deposits⁽ⁱⁱⁱ⁾						
Archaeological security deposits	0	104,191	104,191	0	103,991	103,991
Long term security deposits	0	150,000	150,000	0	150,000	150,000
Total contractual financial liabilities	0	353,582	353,582	0	495,228	495,228

Notes:

(i) The amount of receivables disclosed excludes statutory receivables (i.e. taxes receivable) – Refer Note 5

(ii) The amount of payables disclosed excludes statutory payables (i.e. taxes payable) – Refer Note 6

(iii) Refer Note 7

(b) Credit risk

Credit risk arises from the contractual financial assets of the Council's debtors. The Council's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Council. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Council's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than Government, it is the Council's policy to only deal with entities with high credit ratings and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, the Council does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest.

Provision of impairment for financial assets is recognised when there is objective evidence that the Council will not be able to collect a receivable.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Council's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Note 11. Financial instruments (continued)

Contractual financial assets that are either past due or impaired

Currently the council does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the contractual financial assets are impaired.

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 the carrying amounts as indicated.

The following table discloses the aging only of contractual financial assets that are past due but not impaired:

Table 11.2: Ageing analysis of contractual financial assets

	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 Month	1 – 3 months	3 months – 1 year	1 – 5 years
	\$	\$	\$	\$	\$	\$
2016						
Cash and deposits	2,066,608	2,066,608	0	0	0	0
Receivables ⁽ⁱ⁾						
Accrued revenue	32,537	32,537	0	0	0	0
Loans receivables	31,262	31,262	0	0	0	0
Trade receivables	10,891	10,891	0	0	0	0
Investments	550,000	550,000	0	0	0	0
Total	2,691,298	2,691,298	0	0	0	0
2015						
Cash and deposits	2,073,513	2,073,513	0	0	0	0
Receivables ⁽ⁱ⁾						
Accrued revenue	32,482	32,482	0	0	0	0
Loans receivables	31,262	31,262	0	0	0	0
Trade receivables	0	0	0	0	0	0
Investments	550,000	550,000	0	0	0	0
Total	2,687,257	2,687,257	0	0	0	0

Notes:

(i) The amount of receivables disclosed excludes statutory receivables (i.e. taxes receivable) – Refer Note 5.

(c) Liquidity risk

Liquidity risk is the risk that the Council would be unable to meet its financial obligations as they fall due. The Council operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution.

Risk is managed through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The following table discloses the contractual maturity analysis for the council's contractual financial liabilities.

Note 11. Financial instruments (continued)

Table 11.3: Maturity analysis of contractual financial liabilities

	Carrying Amount \$	Nominal amount \$	Maturity dates				
			Less than 1 month \$	1 – 3 months \$	3 months – 1 year \$	1 – 5 years \$	5+ years \$
2016							
Payables ⁽ⁱ⁾							
Accrued expenses	99,042	99,042	99,042	0	0	0	0
Other creditors	0	0	0	0	0	0	0
Other payables	349	349	349	0	0	0	0
Security deposits ⁽ⁱⁱ⁾							
Archaeological security deposits	104,191	104,191	0	0	35,000	69,191	0
Long term security deposits	150,000	150,000	0	0	0	150,000	0
Total	353,582	353,582	99,391	0	35,000	219,191	0
2015							
Payables ⁽ⁱ⁾							
Accrued expenses	81,700	81,700	81,700	0	0	0	0
Other creditors	159,537	159,537	159,537	0	0	0	0
Other payables	0	0	0	0	0	0	0
Security deposits ⁽ⁱⁱ⁾							
Archaeological security deposits	103,991	103,991	0	0	34,800	69,191	0
Long term security deposits	150,000	150,000	0	0	0	150,000	0
Total	495,228	495,228	241,237	0	34,800	219,191	0

Notes:

(i) The amount of payables disclosed exclude statutory payables (i.e. taxes payable) – Refer Note 6.

(ii) Refer Note 7.

(d) Market risk

The Council's exposures to market risk are primarily through interest rate risk with insignificant exposure to foreign currency and other price risks.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Council does not hold any interest bearing financial instruments that are measured at fair value and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Council has minimal exposure to cash flow interest rate risks through its term deposits.

The carrying amount of financial assets and financial liabilities that are exposed to interest rate risk are set out in the table below:

Note 11. Financial instruments (continued)

Table 11.4: Interest rate exposure of financial instruments

	Weighted average interest rate	Carrying amount \$	Interest rate exposure		
			Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2016					
Contractual financial assets					
Cash and deposits	1.83%	2,066,608	1,900,000	50,000	116,608
Receivables⁽ⁱ⁾					
Accrued revenue	n/a	32,537	0	0	32,537
Loans receivables	n/a	31,262	0	0	31,262
Trade receivables	n/a	10,891	0	0	10,891
Investments	2.11%	550,000	550,000	0	0
Total		2,691,298	2,450,000	50,000	191,298
Contractual financial liabilities					
Payables:⁽ⁱⁱ⁾					
Accrued expenses	n/a	99,042	0	0	99,042
Other creditors	n/a	0	0	0	0
Other payables	n/a	349	0	0	349
Security deposits⁽ⁱⁱⁱ⁾					
Archaeological security deposits	n/a	104,191	0	0	104,191
Long term security deposits	n/a	150,000	0	0	150,000
Total		353,582	0	0	353,582
2015					
Contractual financial assets					
Cash and deposits	2.04%	2,073,513	1,900,000	50,000	123,513
Receivables⁽ⁱ⁾					
Accrued revenue	n/a	32,482	0	0	32,482
Loans receivable	n/a	31,262	0	0	31,262
Trade receivables	n/a	0	0	0	0
Investments	2.23%	550,000	550,000	0	0
Total		2,687,257	2,450,000	50,000	187,257
Contractual financial liabilities					
Payables⁽ⁱⁱ⁾					
Accrued expenses	n/a	81,700	0	0	81,700
Other creditors	n/a	159,537	0	0	159,537
Other payables	n/a	0	0	0	0
Security deposits⁽ⁱⁱⁱ⁾					
Archaeological security deposits	n/a	103,991	0	0	103,991
Long term security deposits	n/a	150,000	0	0	150,000
Total		495,228	0	0	495,228

Notes:

(i) The amount of receivables disclosed excludes statutory receivables (i.e. taxes receivable) – Refer Note 5

(ii) The amount of payables disclosed exclude statutory payables (i.e. taxes payable) – Refer Note 6

(iii) Refer Note 7.

Note 11. Financial instruments (continued)

Sensitivity disclosure analysis and assumptions

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia)

- A parallel shift of +1.0% and -1% in market interest rates (AUD) from year-end rates

Table 11.5: Interest rate sensitivity

	Carrying amount \$	2016 Interest rate risk	
		-1% -100 basis points	1% 100 basis points
2016			
Contractual financial assets			
Cash and deposits – floating interest	2,066,608	(500)	500
Total	2,066,608	(500)	500
2015			
Contractual financial assets			
Cash and deposits – floating interest	2,073,513	(500)	500
Total	2,073,513	(500)	500

(e) Fair value

Table 11.6: Comparison between carrying amount and fair value

	2016		2015	
	Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Contractual financial assets				
Cash and cash deposits	2,066,608	2,066,608	2,073,513	2,073,513
Receivables⁽ⁱ⁾				
Accrued revenue	32,537	32,537	32,482	32,482
Loans receivables	31,262	31,262	31,262	31,262
Trade receivables	10,891	10,891	0	0
Investments	550,000	550,000	550,000	550,000
Total contractual financial assets	2,691,298	2,691,298	2,687,257	2,687,257
Contractual financial liabilities				
Payables⁽ⁱⁱ⁾				
Accrued expenses	99,042	99,042	81,700	81,700
Other creditors	0	0	159,537	159,537
Other payables	349	349	0	0
Security deposits⁽ⁱⁱⁱ⁾				
Archaeological security deposits	104,191	104,191	103,991	103,991
Long term security deposits	150,000	150,000	150,000	150,000
Total contractual financial liabilities	353,582	353,582	495,228	495,228

Notes:

(i) The amount of receivables disclosed excludes statutory receivables (i.e. taxes receivable) – Refer Note 5

(ii) The amount of payables disclosed exclude statutory payables (i.e. taxes payable) – Refer Note 6

(iii) Refer Note 7

Note 12. Cash flow information

	2016 \$	2015 \$
(a) Reconciliation of cash and deposits		
At call deposits	1,950,000	1,950,000
Cash equivalent	116,608	123,513
Total cash and deposits disclosed in the balance sheet	2,066,608	2,073,513
Balance per cash flow statement	2,066,608	2,073,513
(b) Reconciliation of net result for the period		
Comprehensive result	120,441	(510,437)
Movements in assets and liabilities		
(Increase)/Decrease in receivables	(197)	(37,131)
Increase/ (Decrease) in payables	(127,349)	(284,029)
Net cash flows from/(used in) operating activities	(7,105)	(831,597)

Note 13. Responsible persons

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

(a) Names

The persons who held the above positions in relation to the Heritage Council of Victoria at any time during the reporting period are:

Minister for Planning	The Hon. Richard Wynne MP	1 July 2015 to 30 June 2016
Chair	Stuart Macintyre	1 July 2015 to 30 June 2016
Accountable Officer	Tim Smith	1 July 2015 to 30 June 2016
Member	Anita Smith	1 July 2015 to 30 June 2016
Member	Tony Darvall	1 July 2015 to 30 June 2016
Member	Ursula De Jong	1 July 2015 to 30 June 2016
Member	Andrew May	14 July 2015 to 30 June 2016
Member	Paul Coffey	14 July 2015 to 30 June 2016
Member	Juliette Halliday	14 July 2015 to 30 June 2016
Member	Trish Vejby	1 July 2015 to 30 June 2016
Member	Lindsay Merritt	1 July 2015 to 30 June 2016
Member	Callum Fraser	1 July 2015 to 24 May 2016
Alternate Member	Max Chester	1 July 2015 to 30 June 2016
Alternate Member	Oona Nicholson	1 July 2015 to 30 June 2016
Alternate Member	Bryn Davies	1 July 2015 to 30 June 2016
Alternate Member	Patrick Doyle	14 July 2015 to 30 June 2016
Alternate Member	Leigh Mackay	14 July 2015 to 30 June 2016
Alternate Member	Jennifer Moles	14 July 2015 to 30 June 2016
Alternate Member	Garrie Hutchinson	14 July 2015 to 30 June 2016
Alternate Member	Louise Honman	14 July 2015 to 30 June 2016
Alternate Member	Lucinda Peterson	14 July 2015 to 30 June 2016
Alternate Member	Penelope Smith (Martyn)	14 July 2015 to 30 June 2016

Note 13. Responsible persons (continued)

(b) Remuneration

Remuneration received or receivable by responsible persons (excluding the Minister and the Accountable Officer) during the reporting period was in the range:

	2016	2015
	No.	No.
Income band		
\$0 – 9,999	11	10
\$10,000 – 19,999	9	5
\$20,000 – 29,999	0	1
Total numbers	20	16
Total remuneration	\$196,704	\$138,446

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet. The Accountable Officer is reported separately in the Financial Statements of the Department of Environment, Land, Water and Planning. The Heritage Council of Victoria does not have any Executive Officers.

(c) Other transactions

Other related party transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

Note 14. Remuneration of auditors

	2016	2015
	\$	\$
Victorian Auditor General's Office		
Audit or review of the financial statements	15,100	14,700
	15,100	14,700

Note 15. Subsequent events

The Council is not aware of any other circumstances that have arisen, or information that has become available between 30 June 2016 and the date of final approval of this general purpose financial report that qualifies for inclusion as a post balance date event.

Note 16. Glossary of terms and style conventions

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non cancellable contractual or statutory sources.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other non-owner movements in equity.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefit superannuation plans, and defined contribution superannuation plan.

Note 16. Glossary of terms and style conventions (continued)

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
 - (i) To deliver cash or another financial asset to another entity; or
 - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
 - (i) A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

A complete set of financial statements comprises:

- (a) A statement of financial position as at the end of the period;
- (b) A statement of profit or loss and other comprehensive income for the period;
- (c) A statement of changes in equity for the period;
- (d) A statement of cash flows for the period;
- (e) Notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) Comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 Presentation of Financial Statements; and
- (g) A statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement in accordance with paragraphs 41 of AASB 101.

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Note 16. Glossary of terms and style conventions (continued)

Interest expense

Costs incurred in connection with the borrowing of funds includes interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net worth

Assets less liabilities, which is an economic measure of wealth.

Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets;
- fair value changes of financial instruments and agricultural asset; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows – other comprehensive income include:

- (a) Changes in physical asset revaluation surplus;
- (b) Share of net movement in revaluation surplus of associates and joint ventures; and
- (c) Gains and losses remeasuring available-for-sale financial assets.

Payables

Includes short and long term trade debt and accounts payable, grants and interest payable.

Receivables

Includes amounts owing from government grants, short and long term trade credit and accounts receivable, accrued investment income and interest receivable.

Supplies and services

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the entity.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

APPENDIX 1 DISCLOSURE INDEX

This index has been prepared to facilitate identification of the Council's compliance with statutory disclosure requirements.

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