



ANNUAL REPORT 2020-21

PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY



OUR VISION

The Port Arthur Historic Site Management Authority is globally recognised for excellence in telling the Australian convict story through outstanding conservation and tourism experiences.

OUR PURPOSE

To conserve and enhance the heritage values of our World Heritage convict sites and to share the stories of these places and the people connected to them.

OUR VALUES



UNITY

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



PEOPLE MATTER

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



ACCOUNTABILITY

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



PASSION AND PRIDE

We are committed to being world class.

FIRST PEOPLE'S ACKNOWLEDGEMENT

We acknowledge and pay respect to the Tasmanian Aboriginal people as the traditional and original owners and continuing custodians of this land and sea.

Cover: Tasmanian Symphony Orchestra Chorus

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femalefactory.org.au
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An electronic version of this report is available at
<https://portarthur.org.au/pahsma-annual-report-2020-21/>

October 2021

Disclaimer: The information contained within the 2020-21 Annual Report is considered to be correct at the time of publication. Images used within the publication remain the property of PAHSMA.

DIRECTORS' STATEMENT

To the Honourable Roger Jaensch MP,
Minister for Heritage and the Honourable
Peter Gutwein MP, Treasurer,

In accordance with section 55 of the
Government Business Enterprises Act 1995,
we hereby submit for your information and
presentation to Parliament, the report of
the Port Arthur Historic Site Management
Authority for the year ended 30 June 2021.

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

Signed in accordance with a resolution of the
Board.



MICHAEL FIELD

Director
23 September 2021



ROSEANNE HEYWARD

Director
23 September 2021

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On behalf of our Port Arthur Historic Site Management Authority (PAHSMA) Board and Management we are pleased to present our 2020-21 Annual Report, while extending our deepest thanks to our employees who have ensured the provision of consistently excellent and safe service and support to our sites, our visitors and the community.

Excitedly, and with a focus on new ways of working following the previous 105 days of COVID-19 related closures, our sites thankfully re-opened to Tasmanian visitors on 3 July 2020 and have since enjoyed welcoming domestic travellers. While COVID-19 border closures and increased Work Health and Safety requirements continued to impact visitation and work practices, our teams have positively managed the many challenges and changing circumstances, displaying our values of Unity, Accountability, People Matter and Passion and Pride.

Sincere recognition and thanks is bestowed on the Executive Leadership Team and fellow Board Directors who have provided considerable support to our people and steered a well-considered course through the unprecedented COVID challenges.

PAHSMA is extremely thankful for the support and guidance provided by our previous Minister for Heritage, the Hon. Elise Archer MP, new Minister for Heritage, the Hon. Roger Jaensch MP, and our Treasurer and Premier, the Hon. Peter Gutwein MP, together with the Tasmanian and Australian Governments.

We particularly recognise the Tasmanian Government as our major stakeholder for the ongoing advice and financial support provided to ensure that PAHSMA can continue to fulfil our responsibilities as an employer, as a key tourism destination, as custodian of three of the sites in the Australian Convict Sites World Heritage listing and as a Government Business Enterprise.

During the year, the Tasmanian Government have committed to contributing \$20M from 2020-21 to 2023-24 to ensure that we can sustainably meet our obligations and manage our sites and our people in response to COVID-19 challenges. This Annual Report

clearly shows the detrimental impact that COVID-19 continues to have on our financial results particularly with regard to reduced revenue.

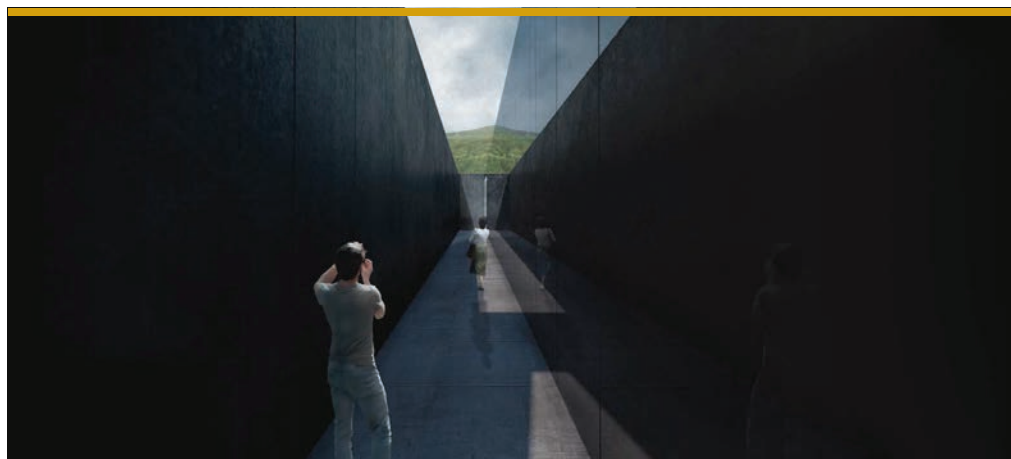
We have been cognisant of the need to balance our financial responsibilities and a desire to keep our sites open with the aim for employees to be engaged and occupied for the benefit of both our people and our local communities. As such, given the absence of our usual visitor base, a number of our team took on roles outside of their usual job description to continue contributing to the sites.

During 2020-21 the Port Arthur Historic Site welcomed 156 217 day time visitors, being 43.7% of our pre COVID-19 visitation for 2018-19. Although we have had a reduction in visitors, the conservation of our sites has continued unabated and we have been able to focus on undertaking important conservation works including commencing archaeological excavations in the Workshops area near the Penitentiary and completing Stage 3 of Isle of the Dead walkways. From a tourism perspective, we trialled a new dramatised play product, *Prison & Power*, and visitors enjoyed the *Underworld: Mugshots from the Roaring Twenties* travelling exhibition that was on display for three months.

The Cascades Female Factory also experienced a reduction in visitation, welcoming 18 550 visitors during 2020-21. Despite the COVID impacts on visitation, there was reason for real excitement as we were the grateful recipients of a combined \$5M plus in funding from the Tasmanian and Federal Governments. This has enabled the commencement of construction of the new Cascades Female Factory History & Interpretation Centre, with Hansen Yuncken as the appointed construction and design contractor. The Site closed to visitors from 27 May 2021 to enable demolition and construction to commence. We expect that the Site will reopen with the new History & Interpretation Centre in early 2022.

The Coal Mines Historic Site at Saltwater River has recorded an increase in visitation, with 16 889 visitors being up by 20% for this

Cascades Female Factory History & Interpretation Centre planned entrance Image: Liminal Studios





'Post-Covid Thanks and Welcome Back'
Image: Maggie D'Souza

reporting year. The monitoring of impacts of climate change on this site continues to be a focus.

COVID has necessitated a new plan as we are now in such a different environment and likely to be for some time. We have approached this in a proactive manner, taking the opportunity to look forward and imagine the available visitor markets and the way they will need to be served. The Board together with the Executive Leadership Team have taken the time to necessarily review and redefine our goals and strategies for the future. We are now actively implementing a number of the key initiatives that will set the platform for the future of PAHSMA and our sites over the next five years.

This year has seen the progression of Our Transformation, as we have established a new organisational structure and recruited key roles with a new Director Interpretation & Experience, Human Resources Manager and Transformation Manager. We have trained managers in new ways of working and have been learning to adapt our service, marketing and product offering to our new visitor audience expectations as international tourism markets are now not anticipated to open until later in 2022.

In October 2020 we welcomed Melinda Percival to our PAHSMA Board, bringing strengths in tourism, marketing, strategy and customer experience knowledge at a time that we are responding to COVID-19 challenges.

On behalf of the entire PAHSMA team, we would like to formally recognise our previous CEO, Stephen Large, for his immense contribution to the State of Tasmania and to PAHSMA over more than 20 years of service. Stephen has left behind a legacy of many achievements that have contributed to PAHSMA's ongoing success.

We also wish to acknowledge the seven months of leadership from November 2020 to June 2021 that Dr Jane Harrington provided in the role of Acting CEO that enabled PAHSMA

to continue to progress in our aims while the CEO recruitment process was underway.

On 28 June 2021 Jonathan Fisher commenced with PAHSMA as CEO. Jonathan brings extensive experience across conservation, heritage, community engagement and environmental and cultural tourism in government, charity, and commercial operations in the United Kingdom and Australia. Jonathan is looking forward to using his skill and knowledge to further assist the Board to ensure that our strategic goals are achieved in the coming years.

As PAHSMA's success continues to be attributed to the combined knowledge, skills, professionalism, efforts and visitor-centric approach by each of our team, and with a refreshed organisational strategy determined for the future, we look forward to the opportunities that lay ahead.

GRANT O'BRIEN

Chair



JONATHAN FISHER

Chief Executive Officer



THE YEAR AT A GLANCE

156 217
DAY VISITORS TO PORT
ARTHUR

6 492
GHOST TOUR VISITORS

18 550
VISITORS TO CASCADES
FEMALE FACTORY

16 889
VISITORS TO COAL MINES

\$4.397M
CONSERVATION
EXPENDITURE

COVID-19 CLOSURE

- PAHSMA sites re-opened to visitors on 3 July 2020 after having been closed for 105 days due to COVID-19 impacts.

PORT ARTHUR HISTORIC SITE

- 156 217 Total Day Visitors (target 108 700)
- 6 492 Ghost Tour Visitors (target 5 400)
- 8 726 walkers checked-in for the Three Capes Track (3 July 2020 to 30 June 2021)
- Education program hosted 3 056 students and 441 teachers
- Approximately 380 families participated in school holiday programs
- \$46.84 Yield – Individual visitor spend (target \$45.27)
- Launched *Prison & Power* performance in the Separate Prison
- New activities – Long Table Dinners and *Maker's Market*.

COAL MINES HISTORIC SITE

- 16 889 Visitors (increased from 13 982 last year)

CASCADES FEMALE FACTORY

- 18 550 Total Visitors (target 14 600) – noting the Site closed from 27 May 2021 for construction
- 1 325 School Student visits
- \$11.66 Yield – Individual visitor spend (target \$14.25)
- Cascades Female Factory History & Interpretation Centre progressed with design and demolition completed and construction by Hansen Yuncken commenced on \$5M plus project, with thanks to funding from the Tasmanian and Commonwealth Government.

OUR PEOPLE

- 141 employees at 30 June 2021
- Progression of Our Transformation with key executive roles recruited including CEO, Director Interpretation & Experience, Human Resources Manager and Transformation Manager.
- New Board Director recruited
- New Rostering software implemented to benefit both employees and employer
- Creation of Industrial Relations Consultative Committee

WHS & WELLBEING

- COVID-19 Safety plan regular reviews
- 186 units of WHS Training delivered
- Support for employees to receive both COVID-19 vaccinations and flu-vax.

CONSERVATION

CONSERVATION EXPENDITURE OF \$4.397M (target \$5.613M)

Significant achievements included:

- Completion of Stage 3B of the Isle of the Dead walkways
- Clerk of Works' House roof replacement
- Commenced archaeological excavations to better understand the convict experience at Port Arthur, as the final stage of the Penitentiary Project
- Repairing the sawpit wall at Point Puer
- Prepared historic wallpaper report for the Commandant's House, Trentham and the Master Shipwright's House
- Completing laser scanning of ruins at the Coal Mines Historic Site, the crane base in Mason's Cove and the aqueduct at the Port Arthur Historic Site
- Intensive conservation and collection maintenance works at the Commandant's House
- Completion of reloadings of the littoral strip and its early mining-heritage features along the Coal Mines foreshore
- Creation of the design and documentation required for a development application for a new Collections Store with Xsquared Architects
- Removing abandoned fuel tanks at the Garden Point Caravan Park
- Resurfacing the Port Arthur Historic Site Visitor Centre Car Park Level 1.

Penitentiary Workshops
mid-excavation
Image: Sylvana Szydzik



FINANCIAL RESULTS

- \$4.801M Net loss

SUSTAINABILITY

Improving sustainable visitation and operations and our environment is a priority. In addition to ongoing endeavours our 2020-21 sustainability initiatives included:

- progressing the project, *Understanding complex climate change impacts on a complex cultural heritage site*, with a grant from the Tasmanian Climate Change Office under its Climate Research Grants Program
- monitoring threatened species including white-bellied sea-eagles, *Caladenia caudata* orchids, hairstreak butterflies and forty-spotted pardalotes
- continued embracing technology in lieu of previously printed reporting and administration tasks
- encouraging good employee health and wellbeing in the workplace and for those working from home
- sourcing local produce and services for Port Arthur Historic Site with 69 local suppliers and contractors located within 70 km, resulting in excellent quality food, improved local relationships and reduced food miles and travel time.

OFFICIAL VISITORS

Following are the notable visitors that have been welcomed during the year:

PORT ARTHUR HISTORIC SITE

- 21 November 2020: The Hon Elise Archer MP, Minister for Heritage, Tasmania
- 8 December 2020: HE Mr Paul Larsen, Ambassador of Norway
- 16 February 2021: HE Mr Jeong-sik Kang, Ambassador of the Republic of Korea
- 19 May 2021: HE Dr Thomas Fitschen, Ambassador of Germany.

CASCADES FEMALE FACTORY

- 16 February 2021: HE the Hon Kate Warner AC, Governor of Tasmania
- 24 May 2021: HE Mrs Victoria Treadell CMG MVO, British High Commissioner to Australia.

PORT ARTHUR TALKS PROGRAM

Port Arthur Historic Site hosted free talks relevant to our history, conservation, environment and research.

- 30 September 2020: Dorothy Hallam with James Parker *A Town like Port Arthur* film and interview
- 26 November 2020: Sam Lennox *Three Capes Track*
- 9 February 2021: Robert Jarman, Artist in Residence: *Creating an Imagined Life*
- 30 March 2021: Professor Lucy Frost *Children on the Run: Absconding Apprentices from the Queen's Orphan Schools*
- 13 April 2021: Caitlin D'Gluyas *The Landscape Archaeology of Point Puer*.

25TH ANNIVERSARY COMMEMORATION SERVICE

The 25th Anniversary of the 1996 Massacre was commemorated on 28 April 2021. It was a very emotional day for many staff and community members, and others from around the country. The service provided a special time to remember, respect and reflect on a dreadful day in Port Arthur and Australia's history. It also reinforced the benefits of the gun law changes that were enacted so swiftly 25 years ago. The service was conducted in the Memorial Garden alongside the Reflection Pool. There were approximately 150 attendees. Beautiful and poignant music was provided by the Tasmanian Symphony Orchestra Chorus, together with Cait Vertigan and Ali Hart. Keynote speaker was the designer of the Memorial Garden, Torquil Canning. We will always remember the many victims of this horrific event.



1996 Commemoration
Image: Luke Bowden

SUPPORTING THE LOCAL COMMUNITY

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

- Free entry to local ratepayers and residents
- Port Arthur Talks program
- Local artisans and producers featured at *Maker's Markets* and at *Meet the Makers* presentations in our Gift Shop
- Local provedore section in the Port Arthur Historic Site Gift Shop
- International Gin Day celebrations with our local distillers
- Mother's Day Lunch and High Tea plus Spring and Asian themed long table dinners
- International Women's Day Breakfast with guest speaker, Tasmania's Anti-Discrimination Commissioner, Sarah Bolt
- Community Advisory Committees at Port Arthur and Cascades Female Factory
- Participation in the Tasman Business & Tourism Association
- Supporting the Female Convicts Research Centre and *From the Shadows* statue project
- Providing in-kind support and donations to community organisations.



GRANT O'BRIEN (CHAIR)

MAICD

Tasmanian born, Grant O'Brien was appointed as Chair to the PAHSMA Board in December 2019. Grant enjoyed a 29 year career with Woolworths

Limited, one of Australia's largest publicly listed companies, and was appointed Chief Executive in 2011 before retiring in 2016. His career with Woolworths has provided extensive skills in Finance, Commercial and Business Operations, Marketing and Retail. He is a former Chairman for both Australian Leisure and Hospitality and Hydrox Holdings.

Grant is currently Chair of the Australian Sports Foundation, Acting Chairman of the Stars Foundation, a Director of Pankind (formerly the Avner Pancreatic Cancer Foundation) and a member of the Tasmanian Government's AFL task force. The Board recognises Grant as an independent Director.



HON. MICHAEL FIELD AC

BA, LLD (HON)

Michael Field AC was appointed to the PAHSMA Board in December 2005. A former Premier of Tasmania, Michael has also held the position of Chancellor of the University of Tasmania since January 2013.

Michael has been Deputy Chair of the Board since 2012 and is the Chair of the PAHSMA Audit, Risk and Governance Committee. Michael is a proud resident of the Tasman Peninsula. The Board recognises Michael as an independent Director.



ROSEANNE HEYWARD

Roseanne Heyward was appointed to the PAHSMA Board in February 2019 as a community representative due to her longstanding ties with the local Tasman community. After 15 years working in Hobart as a Practice Manager she returned to live on the Tasman Peninsula in 1995. Roseanne served on the Tasman Council as a Councillor and as Deputy Mayor (2007-2014) and Mayor (2014-2018).

Roseanne has been a member of the PAHSMA Community Advisory Committee since 2009 and is now the PAHSMA Board representative. She is also a member of the PAHSMA Audit, Risk and Governance Committee and a Member of the Local Government Review Panel with the Department of Premier and Cabinet. As an active local community volunteer, she is involved with the Koonya Garlic Festival, The Tasman Feast, Koonya Hall Committee, Tasman Peninsula Historical Society, Tasman Peninsula Power and the Tasman Holiday Experience (for children with a disability) Inc. The Board recognises Roseanne as an independent Director.

HON. PETER MCKAY



Peter McKay was appointed to the Board in September 2013, and is a member of the PAHSMA Audit, Risk and Governance Committee.

With a past extensive political career in the Tasmanian Legislative Council, he is the current owner-operator of Uplands Stables and Pembroke vineyard, a 21ha intensive farming property at Cambridge in Tasmania. During the year Peter ceased to be a Director of Brooke St Pier. He is a Director of Workforce Health Assessors Pty Ltd and also operates a holiday rental at Port Arthur. The Board recognises Peter as an independent Director.

KRISTAL BUCKLEY AM

BA (Hons), DipSocSci, MPubPol, GradCertHigherEd



Kristal Buckley AM has been a Director of PAHSMA since September 2013. With extensive experience in cultural heritage management in Australia and internationally, including World Heritage, Kristal's long-standing professional connection to Port Arthur dates back to the 1980s. She is currently a Lecturer in Cultural Heritage at Deakin University, Melbourne and has served as an international Vice President of the International Council on Monuments and Sites (ICOMOS) 2005-2014, and now works as an ICOMOS World Heritage Advisor. Kristal was a member of Kingston and Arthur's Vale Historic Area (KAVHA) Advisory Board until March 2021. The Board recognises Kristal as an independent Director.

MELINDA PERCIVAL

BBus AICD



Melinda Percival is an experienced leader having worked in multiple sectors including aviation, tourism, energy and telecommunications. She has held a number of executive positions including the General Manager Product and Marketing at Aurora Energy, Manager National Markets at Tourism Tasmania and General Manager Corporate Affairs and Aviation for Hobart Airport focusing on areas of business development, strategy, customer experience, marketing and corporate affairs.

Melinda is a past Director for the Australian Airports Association, Tourism Industry Council Tasmania, and Antarctic Tasmania. She is currently a Director of Mjoll Pty Ltd. The Board recognises Melinda as an independent Director.

THANK YOU

The Board would like to acknowledge and give sincere thanks to the following key management personnel:

STEPHEN LARGE

(to 4 November 2020)

Stephen Large was the Chief Executive Officer for PAHSMA for over 20 years, joining the Authority as Acting CEO in February 2000 before being appointed to the position on 1 July 2000.

Stephen attended PAHSMA Audit, Risk and Governance Committee meetings together with actively participating in PAHSMA's Community Advisory Committees. Enjoying being of service to the community, Stephen was the Secretary of the Rotary Club of Tasman Peninsula.

While retiring from the Board in October 2020 and leaving the role of CEO in November 2020, without doubt Stephen has left a legacy of progress, consultation and community care that will endure.



JENNIFER BETT

(July 2020–March 2021)

Our Marketing & Communications Manager, Jennifer Bett, filled a vital role on our Executive Team prior to our organisational restructure. Jennifer was particularly helpful in ensuring our stakeholders received relevant communications related to our COVID-19 re-opening. While her role no longer sits within the Executive Leadership Team, she continues to valuably contribute in setting the path for our marketing activities and advertising campaigns for the future.

DR JANE HARRINGTON

(5 November 2020–27 June 2021)

Jane Harrington joined PAHSMA in 2006 as Director Conservation & Infrastructure. In November 2020 Jane accepted the role of Acting CEO to continue to progress PAHSMA's aims while a recruitment process was underway for a permanent CEO.

Jane's leadership during this period is greatly appreciated, particularly as it involved a focus on PAHSMA's recovery plan emanating from COVID-19 challenges.

DR DAVID ROE

(5 November 2020–27 June 2021)

As PAHSMA's Archaeology Manager, David Roe capably worked in the role of Acting Director Conservation & Infrastructure during the year. In addition to the usual tasks associated with the role, he also provided active leadership related to the Cascades Female Factory History & Interpretation Centre project for which we are grateful.

SUSAN HOOD

An event of note was the retirement of our Research Centre Manager, Susan Hood, after more than 33 years with PAHSMA. Susan leaves an extraordinary legacy, including the advancement of convict-record research across the entire state.

To celebrate the contribution of Susan Hood to research and public outreach at our sites, PAHSMA has created a new annual event, *The Susan Hood Lecture*. The inaugural lecture, *Children on the Run: Absconding Apprentices from the Queen's Orphan Schools*, was given by Professor Lucy Frost.



Stephen Large
Image: Peter Mathew

EXECUTIVE LEADERSHIP TEAM

The Executive Team as at 30 June 2021 included:



CEO JONATHAN FISHER

MA, BSC, DipBldgCons, MRICS, MICOMOS

Joining PAHSMA on 28 June 2021, with many years' experience as a CEO, Jonathan's career has given him relevant experience across conservation, heritage, community engagement and environmental and cultural tourism in government, charity, and commercial operations in the United Kingdom and across Australia. Jonathan has spent much of the last twelve years working for the National Trust of Australia, Queensland as CEO of Currumbin Wildlife Sanctuary, before promotion to CEO across the Queensland heritage

portfolio. Before moving to Tasmania, Jonathan spent 9 months as CEO with Binna Burra Lodge, where bushfire destroyed the heritage-listed Lodge and 42 cabins, re-opening the same after 12 months of road closure, demolition focusing on strategic planning, grant applications and creation of the Reconciliation Action Plan.

Support to the CEO and Board is provided by Tanya Dalton.



FINANCE AND ADMINISTRATION DAVID NELÁN

BCom, FCA, GAICD

Finance and Administration has responsibility for financial and budget management, reporting, treasury and investment, IT services, contract management, insurance and risk management, and development of the Annual Report and Corporate Plan. As Chief Financial Officer, David was supported by an excellent team consisting of Tom Nilsson, Debbie Williams, Peter Brown and Leila Yuan whose focus on accountability and unity is greatly appreciated.



TOURISM OPERATIONS ANNE MCVILLY

Tourism Operations comprises all tourism and commercial operations at Port Arthur Historic Site including Visitor Services, Retail, Food &

Beverage services and product development. This year the PAHSMA Marketing team moved across to be a very important part of Tourism Operations. The experienced management team includes Jennifer Bett, Maria Stacey, Ben Bate, Gabrielle Earnshaw and Isabelle Clarkson, supported by Cathy Howard, Debbie Williams, Maggie D'Souza, Meahd Bradshaw and fabulous and passionate employees in each business unit. Together they deliver outstanding service to our many visitors.

CONSERVATION AND INFRASTRUCTURE JANE HARRINGTON

PhD, BSc, BA (Hons), Grad Dip Sec Studies, MICOMOS

Conservation & Infrastructure has responsibility for general heritage and infrastructure projects and maintenance, Archaeology, the Resource Centre, Grounds and Gardens, Buildings and Works and natural heritage. The team of expert managers includes David Roe, Pamela Hubert, James O'Regan and Katy Ross. Supported by Vicki Skeggs and team Supervisors, Peter Williams, Gareath Plummer and Nigel Lange, together with outstanding heritage conservation, building and grounds teams who are committed to enhancing the international recognition of our sites' heritage values.



HUMAN RESOURCES JENNY GOULDING

Human Resources has responsibility for People, Culture and Employee Relations, Work Health Safety & Wellbeing, Pay & Conditions, Employment & Organisational Design, and Workforce Planning & Development. In delivering these employment responsibilities the team includes Philip Johnston, Anne Hoyle, Tracey Rainbird, Pauline Wood and Susan Brown. Together the HR team seek to communicate with strength, clarity and fairness to provide a positive, powerful and motivating environment for employees.



INTERPRETATION AND EXPERIENCE EMILY KOCAJ

BA, GCertArt History, MArtCur

A newly created division in 2020-21, the Interpretation & Experience team is responsible for developing, delivering and maintaining the content based experiences at our three World Heritage sites. This includes site interpretation, exhibitions and house museums, guided and live experiences and education programs and managing the Cascades Female Factory. The team is made up of passionate story tellers, educators and interpretation specialists. The team is supported by managers, Jake Bradshaw and Greta McDonald.



OUR TRANSFORMATION CAROL ARMSTRONG

JP, BCom, BA (Prof Hons), MAHRI

Our Transformation is of key importance to PAHSMA and is now in its second year of implementation. The project is based on our norm that people are our most valued asset. Together we are building a safe, strong working environment based on engagement, commitment, support and trust. Key success markers will be achieved when we have an open flow of communication, views and ideas across the organisation and our people are involved, safe, valued and heard.



GOVERNANCE ARRANGEMENTS

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

The Audit, Risk and Governance Committee assists the Board in fulfilling oversight responsibilities relating to financial statements, internal controls, compliance and the annual external audit. During the year the committee comprised of Board members, the Hon. Michael Field AC, the Hon. Peter McKay and Roseanne Heyward with support provided by the CEO and the Chief Financial Officer. The Board have endorsed the committee member composition and tenure to be extended for a further year.

RISK MANAGEMENT

PAHSMA maintains comprehensive Risk Registers and Emergency Management Plans for all three of our Sites to ensure safe and effective systems and procedures are in place to mitigate risks and to respond to challenges or emergencies. During 2020-21 management identified the need for pandemic and Coal Mines vandalism to be included as items in the risk register.

PAHSMA refers to a Records Retention and Disposal Schedule to assist in reducing corporate risks and heeds government advice with regard to cybersecurity and technological risk mitigation.

OVERSEAS TRAVEL

PAHSMA has no overseas travel to declare for 2020-21.

BOARD & EXECUTIVE PERFORMANCE

The Board reviewed the Board Charter in October 2020 and this is published on PAHSMA's website.

Performance reviews for the Board were conducted by the Chair referencing the *Guidelines for Tasmanian Government Businesses – Assessing Board Performance*. Additionally, overall Board performance and training requirements were formally reviewed by the Board in December 2020 with outcomes reported to the Minister for Heritage and the Treasurer.

Due to interrupted workloads resulting from COVID-19 recovery plans and the departure of our previous CEO, Executive Leadership Team performance reviews were not completed in 2020-21 but will be a priority action item for 2021-22 for PAHSMA's new CEO.

BOARD ADVISORY COMMITTEES

Our two Community Advisory Committees (at Port Arthur and Cascades Female Factory) continued to meet, including with new engagement via teleconference.

Our Conservation Advisory Committee has provided considerable support for the CFF History & Interpretation Centre project including providing valuable advice into façade finishes.

We gratefully acknowledge all committee members and the respective chairs, Barry Jennings, Dr Dianne Snowden AM and Helen Lardner.

2020-21 BOARD APPOINTMENTS & MEETING ATTENDANCE

	BOARD MEETINGS ATTENDED	AUDIT, RISK AND GOVERNANCE MEETINGS ATTENDED	ORIGINAL APPOINTMENT	COMMENCEMENT DATE OF CURRENT TERM	EXPIRY DATE OF CURRENT TERM
Grant O'Brien	12/12	....	23/12/2019	23/12/2019	22/12/2022
Michael Field	12/12	5/5	12/12/2005	26/2/2019	25/2/2022
Kristal Buckley	12/12	....	2/9/2013	2/12/2019	1/12/2021
Peter McKay	11/12	5/5	2/9/2013	2/12/2019	1/12/2021
Roseanne Heyward	12/12	5/5	26/2/2019	26/2/2019	25/2/2022
Melinda Percival	6/6	....	20/10/2020	20/10/2020	19/10/2023
Stephen Large	7/7 ²	2/2 ¹	3/4/2000	1/7/2015	4/11/2020 ²
Jane Harrington	5/5 ³	3/3 ¹	...	...	...

1. CEO/Acting CEO attends Audit Risk and Governance Meetings for reporting purposes only and is not a member of the Committee.

2. The previous CEO was no longer a member of the PAHSMA Board effective 19 October 2020.

3. The Acting CEO attended Board Meetings, however is not a member of the Board.

Port Arthur Historic Site Management Authority (PAHSMA) operates under the *Government Business Enterprises Act 1995* (GBE Act) and the *Port Arthur Historic Site Management Authority Act 1987*. The GBE Act requires PAHSMA to include a Statement of Corporate Intent each year in both our Corporate Plan and Annual Report. The Statement of Corporate Intent summarises our core business, general direction, key outcomes expected and the performance targets agreed with PAHSMA's Shareholder Ministers. This was agreed by the Hon. Elise Archer MP, then Minister for Heritage, and the Hon. Peter Gutwein MP as Treasurer and Premier.

OUR BUSINESS

Since 1987, PAHSMA has been responsible for conserving and maintaining one of Australia's most important heritage sites and major tourism destinations, the Port Arthur Historic Site and adjacent area. Management of the Coal Mines Historic Site at Saltwater River (2004) and the Cascades Female Factory Historic Site in South Hobart (2010) have since been included in PAHSMA's portfolio of responsibility.

The main functions of the Authority, which are defined in Section 7 of the *Port Arthur Historic Site Management Authority Act 1987*, include to:

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

OUR OPERATIONS

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

Annual conservation grant funding is provided by the Tasmanian Government.

PAHSMA was also successful in gaining an additional \$40K via a Climate Research Grant of which \$36K was received during the year.

Funds derived from Tourism Operations are traditionally applied to conservation and infrastructure works. A notable reduction in visitors during 2020-21 has reduced the ability for Tourism Operations to contribute towards funding of conservation endeavours during this year.

Our aim is to engage, inspire and inform visitors with authentic, meaningful and quality products, services and experiences that communicate the sites' heritage significance. Our goal is to maximise yield from commercial operations while ensuring that any service fees represent fair value to visitors.

COMMUNITY SERVICE OBLIGATIONS

In accordance with PAHSMA's Ministerial Charter, the Tasmanian Government provide funding to assist in meeting the cost of non-commercial activities (Community Service Obligations) required to be undertaken by PAHSMA.

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

During 2020-21, the conservation expenditure cost to PAHSMA to meet these financial obligations was \$4.397M with a further \$3.149M being spent on supporting infrastructure for a total spend of \$7.546M. These obligations were funded by \$4.038M in Government contributions, in addition to PAHSMA's commercial activities.

OUR OPERATING ENVIRONMENT

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

Key factors influencing PAHSMA's operating environment during 2020-21 include:

- The continuing impacts of COVID-19, particularly related to ongoing unexpected border closures and subsequent reductions in interstate and international visitation. The need for PAHSMA to be agile and respond to the dynamic tourism market is crucial.
- The necessity to continually forecast and adjust to COVID-19 influences while being empathetic to both the economic and health implications for our visitors and our team.
- The obligation to protect the heritage values of the sites and to undertake conservation and interpretation activities in accordance with relevant legislation, international conventions and industry standards. PAHSMA remains unable to generate sufficient income from its tourism

operations to fully meet these substantial requirements, thus creating an ongoing reliance on external funding.

- The Port Arthur Historic Site is located on the remote Tasman Peninsula, presenting ongoing challenges in recruiting, retaining and accommodating employees.
- The Cascades Female Factory is located 100km from PAHSMA's main administrative centre resulting in additional travel requirements to enable effective training, administration and management. This has been exacerbated with the commencement of works associated with the History & Interpretation Centre project.
- Understanding and respect for the special connection that the Tasman Peninsula residents and Tasmanian community share with the historic sites and their respective post-convict histories.

OUR STRATEGIC DIRECTION

In early 2020, the PAHSMA Board began the quest to review PAHSMA's strategic direction in response to changing circumstances associated with financial sustainability and COVID-19.

The agreed new strategic framework was finalised during this financial year and has been communicated with our team and government stakeholders. The focus areas for 2021-22 and beyond being:

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

PERFORMANCE AGREEMENT

The Statement of Corporate Intent (SCI) formally commits PAHSMA to strive to achieve set corporate plan targets. The key performance measures include both financial and non-financial indicators based on financial forecasts and our strategic objectives.

The 2020-21 SCI was agreed and finalised based on the estimated impacts of COVID-19, at a time when such influences on the tourism industry could not be predicted.

PAHSMA's performance with regard to revenue, visitation and the ability to complete all scheduled conservation and infrastructure works, are quantified in the below table.

PAHSMA are considerably grateful to the support offered by Tasmanian travellers during the year that contributed to better than expected visitation levels.

*Port Arthur Historic Site
Visitor Centre
Image: Stuart Jamieson*



KEY PERFORMANCE MEASURES		
FINANCIAL INDICATORS 2020-21	TARGET	ACTUAL
Operating profit/(loss) (\$'000)	(9 306)	(5 078)
Commercial revenue (\$'000)	6 022	8 224
Yield per visitor – Port Arthur(\$)	45.27	46.84
Yield per visitor – Cascade Female Factory(\$)	14.25	11.66
Commercial expenses (\$'000)	11 254	11 345
Conservation expenses (all sites)(\$'000)	5 613	4 397
NON-FINANCIAL INDICATORS 2020-21	TARGET	ACTUAL
Port Arthur Historic Site Day Entry visitors	108 700	156 217
Ghost tour participants	5 400	6 492
Cascades Female Factory visitors	14 600	18 550
Visitor Satisfaction Net Promoter Score (NPS)	+70	No Survey
% of annual conservation projects completed within budget, scope and on time	80%	61%
% of Isle of the Dead boardwalk replacement Stage 4 completed at 30 June	80%	80%

CONTRIBUTION TO THE STATE ECONOMY

PAHSMA is Tasmania's only heritage and tourism Government Business Enterprise and is committed to making a positive difference to Tasmania. PAHSMA brings economic benefits to the State and the Tasman Peninsula by attracting visitors with ongoing promotion of our sites, and the excellent experiences offered. From an environmental and community perspective, PAHSMA's commitment to conserve and present these sites guarantees they will remain for future generations.

In 2020-21 PAHSMA contributed a direct positive impact to our economy and community by:

- directly recruiting, training and developing employees in a region that has unemployment rates that exceed the State average and at a time that others in the tourism industry were unable to sustain employment.
- contracting a Tasmanian based company for the construction of the Cascades Female Factory History & Interpretation Centre

- engaging many Tasmanian businesses to supply goods and services
- sourcing local products for sale in our Gift Shops
- using local produce in food and beverage outlets where possible
- organising *Maker's Markets* for local producers to gain increased sales and exposure to customers
- partnering with other Tasmanian entities such as the TSO Chorus to market our sites.

BUY LOCAL

Under the *Buy Local Guidelines*, PAHSMA is required to report on purchases from Tasmanian businesses or consultancies. During the 2020-21 year, 93.6% of PAHSMA purchases equating to \$8 516 678 were from Tasmanian businesses or national businesses with offices and staff in Tasmania as provided for in the definition within the guidelines.

FINANCIAL RESULTS							
Year ending 30 June	2015	2016	2017	2018	2019	2020	2021
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Operating Profit/(Loss)	211	1 718	1 265	622	(219)	(1 575)	(5 078)
Food and Beverage Revenue	2 680	3 056	3 259	2 824	2 789	2 710	1 659
Retail Revenue	1 490	1 615	1 419	1 271	1 501	1 300	748
Conservation Expenditure	7 810	3 870	3 959	3 665	4 643	3 712	4 397
Cash Flow from Operating Activities	(844)	2 429	2 112	2 282	2 109	274	(1 127)
Net Assets	30 098	32 021	37 695	38 569	38 265	36 607	41 831
VISITATION							
Day Entry visitors	272 653	308 612	336 499	368 862	357 411	270 685	156 217
Ghost Tour visitors	34 097	35 568	33 315	29 648	30 785	24 131	6 492
Cascades Female Factory visitors	28 663	30 725	33 558	38 576	34 803	26 788	18 550

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

Name of Consultant	Location	Description	Period of Engagement	Amount
HR Strategic Partners	Victoria	Provision of services relating to Organisation Transformation, staff training and advice to the Board	1 July 2020–30 June 2021	\$88 918
Curio Projects Pty Ltd	Tasmania	Provision of services relating to interpretative design	1 January 2021–30 June 2021	\$58 614
Total				\$147 532
There were 9 consultants engaged for \$50 000 or less totalling				\$81 080
Total Payments to Consultants				\$228 613

FINANCIAL RESULT

PAHSMA's operating loss for 2020-21 was (\$5.078M) compared to a loss of (\$1.575M) in the prior year. This loss represents a 45.4% improvement on the budgeted loss of (\$9.306M) that COVID-19 was projected to impose for the year. The 56% reduction in day entry visitors from pre-COVID 2018-19 numbers has impacted the commercial revenue streams of PAHSMA during the year. Whilst visitation was lower than prior years, PAHSMA did experience stronger domestic participation than budget, thereby improving commercial revenue by 37% and yield targets for Port Arthur by 3.5%. These improved revenue outcomes have greatly assisted in improving the recovery of fixed costs and minimising the operating loss.

PAHSMA has experienced increased complexity and cost of doing business from both a commercial and conservation perspective with social distancing impacting site visitor capacity, tour sizes, and conservation project completion. PAHSMA received support from the State in the form of an \$8M equity injection plus reimbursement of casual and seasonal wages retained during shutdown and the subsequent periods of low visitor demand.

This financial result is supported by the following observations:

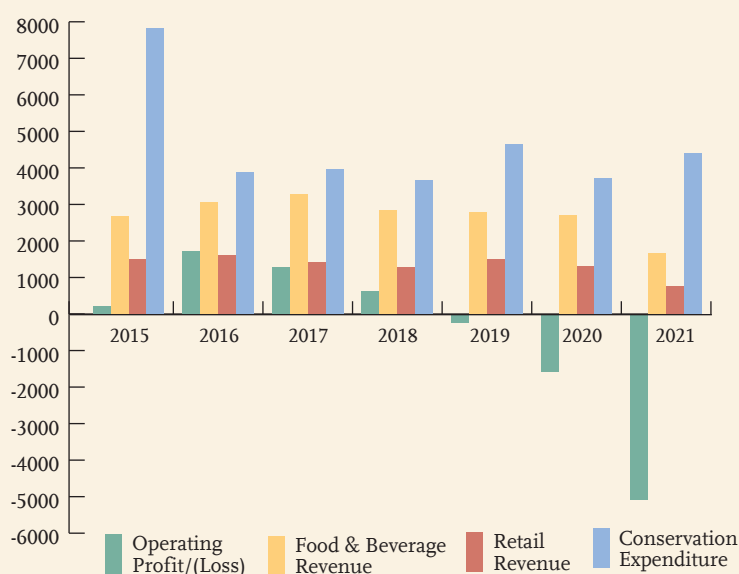
REVENUE:

- Entry fees, tours and merchandise income fell \$5.696M or 42% on prior year due to the decrease in visitors across all sites.
- Grant funding income increases annually in line with indexation. The 2020-21 year also included additional grant funding from the State of \$587K to reimburse for the deliberate retention of casual and seasonal wages together with State climate change grant funding of \$36K received.

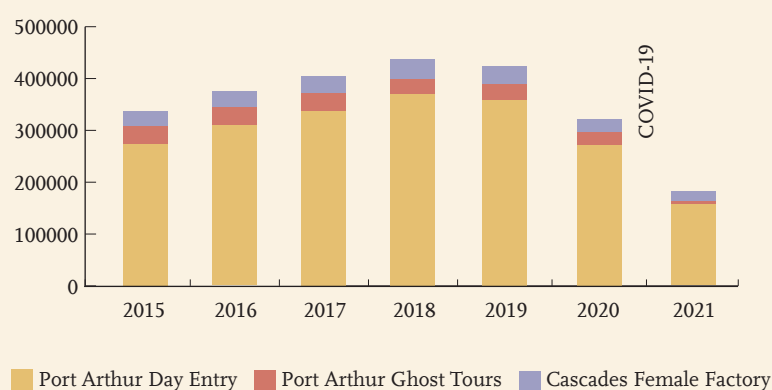
EXPENDITURE:

- In line with the decrease in commercial revenue, the related cost of goods sold for food and beverage and retail items decreased by 40% compared to the prior year.
- Employee expenses decreased by 5.2% compared to the prior year due largely to delays in staff appointments, resignations and taking of leave. Employee expenses for 2020-21 at \$10.519M, represents 59% of total annual PAHSMA expenditure compared to 57% in the prior year.
- During the year PAHSMA has invested additional resources into COVID-19 management in line with Public Health directives.
- PAHSMA has recognised in the 2020-21 results a loss on the demolition of a non-heritage building of \$298K in preparation for the construction of the History & Interpretation Centre at the Cascades Female Factory. In addition, project costs

KEY PERFORMANCE INDICATORS ('000s)



VISITORS TO PAHSMA SITES



accumulated since 2017-18 totalling \$268K were derecognised as capital work in progress and expensed during the year as they did not reflect a direct cost relationship to the new building.

PAYMENT OF ACCOUNTS

In accordance with the *Payment of Accounts Guidelines* all accounts are required to be paid within 30 days or, if a shorter term has been agreed, within the shorter term. During 2020-21, PAHSMA's average creditor days were 14.7 days, with 2 906 invoices equating to \$6 447 623 paid within terms and 567 invoices equating \$1 101 163 outstanding on their due date. There were no payments of interest paid on overdue accounts. Payments not made by the due date required further action to be taken before payment could be made, such as invoices may have been not received, incomplete, inaccurate, disputed or the goods or services had not yet been received.

BUSINESS GROWTH

The PAHSMA Product Development Committee responds to tourism trends to review and introduce products, services and experiences to meet the needs of our varied visitor markets. The ability to sell tickets directly to our visitors and trade partners online and through our own website continues to be improved to assist to generate business and maximise profit.

Melinda Percival joined the Board, providing business development, marketing and tourism advice to assist with our business growth strategy.

Jonathan Fisher was recruited as CEO commencing on 28 June 2021 to bring an increased commercial and business growth focus to PAHSMA's activities and operational performance while balancing these with the important conservation obligations.

Anne McVilly was a member of the Management Committee of the Australian

Cruise Association until September 2020, facilitating valued working relationships and business opportunities with the cruise ship sector.

Dr Jane Harrington was a member of the Australian Heritage Council until 12 March 2021 and sits on the Advisory Committee for the Kingston and Arthur's Vale Historic Area (KAVHA) and the Academic Advisory Board for the UTAS Master in Tourism, Environment and Cultural Heritage course. These affiliations assist PAHSMA to maintain networks and heritage knowledge, assisting with business growth particularly in the heritage and academic sectors.

Jennifer Bett is a Board Member of Destination Southern Tasmania (DST). This association is responsible for advocacy, marketing and development of the tourism industry in Southern Tasmania. This involvement provides PAHSMA with the scope to grow business opportunities and shape the development and promotion of the region.

Isle of the Dead Image: James Wood



PEOPLE MANAGEMENT ACTIVITIES

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

WORKFORCE STRATEGIC PLAN

Work continues on developing a whole-of-PAHSMA Workforce Strategic Plan that encapsulates and lays out a clear foundation to achieve the desired strategic outcomes related to the PAHSMA Corporate Plan.

Using a best practice approach of the *Tasmanian State Service Workforce Planning Model*, PAHSMA's Workforce Strategic Plan will identify three (3) key areas essential to framing the Plan for maximum results.

These areas are:

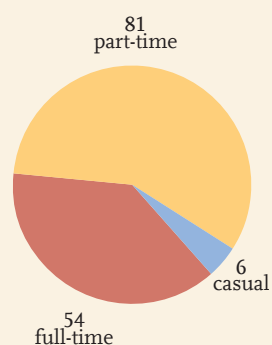
- Workforce Planning
- Workforce Management
- Workforce Development

RECRUITMENT & RETENTION

Recruitment activity was noticeably affected by the closure of the PAHSMA's sites due to COVID-19 and, in particular, the loss of international visitors due to Australian borders closing.

As at 30 June 2021, PAHSMA employed 141 people, corresponding to 102.45 Full Time Equivalent (FTEs). A total of 34 new appointments comprised 12 permanent positions (23 in previous year) and 22 fixed-term positions (38 in previous year). The movement in paid FTEs over the last seven years for summer and winter seasons is provided.

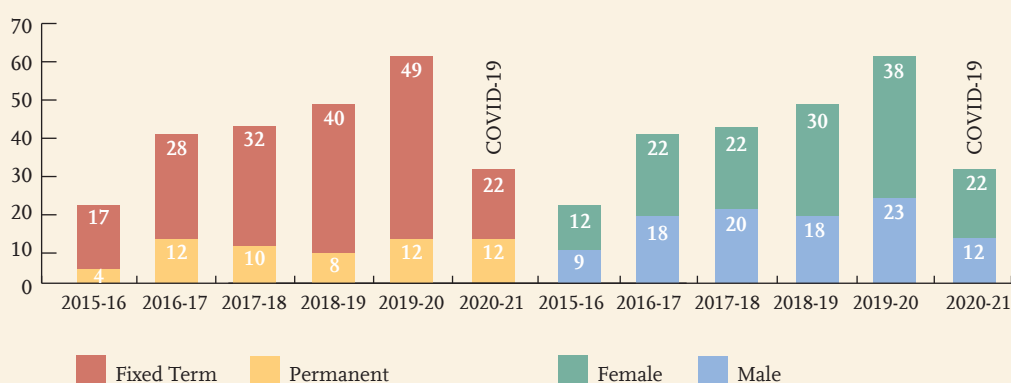
PAHSMA EMPLOYEES



FULL TIME EQUIVALENT EMPLOYEES (FTEs)

MONTH	PAID FTEs	MONTH	PAID FTEs
Jan 21	105.47	Jun 21	102.45
Jan 20	159.47	Jun 20	108.78
Jan 19	168.22	Jun 19	118.48
Jan 18	162.79	Jun 18	115.62
Jan 17	159.92	Jun 17	110.11
Jan 16	156.30	Jun 16	105.52
Jan 15	131.35	Jun 15	98.85

PAHSMA NEW APPOINTMENTS



OUR TRANSFORMATION

The implementation of recommendations from our Organisational Transformation Review has continued to be a priority for the Board and Executive Leadership Team, as we remain committed to upskilling and developing our people, and structuring our business to meet the challenges of an ever-changing landscape.

This project commenced as the Organisational Transformation Review in 2019. The review phase is now complete and the project has evolved to become Our Transformation. With the disruption that COVID placed on our business, the schedule for the program of work was initially delayed but recovered ground during the later phase of the reporting period. It is recognised that key levers for change will centre around our ways of working, strategy planning, policies and procedures and the right structure.

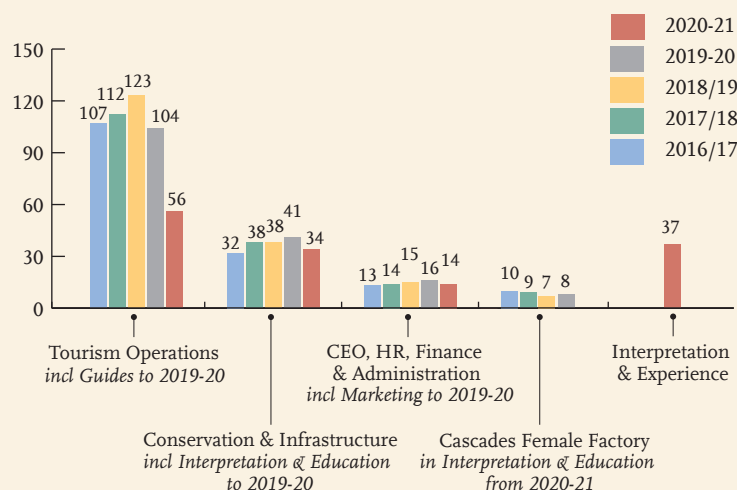
This is being supported by ongoing monitoring and measurement, particularly of key people indicators.

OUR PEOPLE

Optima Training
Image: Alastair Bett



EMPLOYEES BY DEPARTMENT AS AT 30 JUNE 2020



During 2020-21 Our Transformation organisational structure changes included:

- New Interpretation & Experience (I&E) division created
- Cascades Female Factory employees moved to I&E
- Guides transitioned from Tourism Operations to I&E
- Interpretation and Education moved from Conservation & Infrastructure to I&E
- Marketing incorporated into Tourism Operations
- New CEO commencing 28 June 2021.

DIVERSITY & INCLUSION

PAHSMA continues to strive to engage an inclusive workplace that values the range of unique backgrounds, knowledge, skills and experiences that both our current employees bring and future employees will bring to our workplace.

The richness and depth of our workforce diversity serves to enhance the experience that our visitors receive. Through our recruitment processes, we continue to employ people from different cultural, personality, life and work experiences.

To further enhance awareness of inclusion principles, in September-October 2020 many of our Tourism Operations people undertook online Disability Awareness training through Tasmanian based company, *Travel for All*.

As at 30 June 2021, PAHSMA employed 78 females and 63 males.

YOUTH EMPLOYMENT

PAHSMA supported our school-based Horticulture trainee to continue on a career pathway by enabling employment on a part-time traineeship in Cert III Horticulture. Due to COVID-19 we were unable to continue our Kitchen Operations trainee beyond the end of a Cert II qualification, while our apprentice painter transferred to another employer.

Other youth employment initiatives include:

- offering a Cert III tourism work placement for a TasTAFE Drysdale student
- hosting four Year 10 students from Tasman District School for one-week experience in grounds and gardens, and building and works crews
- hosting a Year 11 student from Tasman District School for ongoing work experience in our building and works crew

- preparations in working towards offering one school-based Construction traineeship and two school-based Administration traineeships in 2021-22.

STATE SERVICE EMPLOYEE SURVEY

The 2020 *Tasmanian State Service Employee Survey* provided opinions from employees about their work and work environment. An improvement identified and acted upon during the year included a review of internal grievance procedures. The newly launched and titled *Issues and Resolutions Policy* provides clear guidance to our people on how issues within the workplace may be resolved.

TRAINING

COMPLIANCE

Our compliance training included evacuation walk-throughs, first aid refreshers and qualification, and elevated work platform licencing. Our Grounds and Gardens Supervisor commenced a Cert II Public Safety (Firefighting operations) to meet fuel reduction and landscape management obligations at our sites. We have partnered with Parks & Wildlife Service to provide the necessary supervision, coaching and support for this qualification.

OTHER TRAINING

The new Optima rostering system was rolled out to managers during January and training support was provided to assist our rostered day workers to access their roster and other employee services online. Our new strategic framework, our organisation transformation progress, and *Above and Below the Line Behaviour* workshops were presented to our entire PAHSMA team in June.

Two managers participated in the TSS Managers Essentials Program, one completing and one commencing. All our managers participated in leadership workshops delivered by HR Strategic Partners, covering change, communication, and resilience.

PERFORMANCE & DEVELOPMENT

During 2020-21, PAHSMA performance management procedures were reviewed by an Employee Reference Group comprising employees across all areas and positions. The feedback from this group was then reviewed by management. Encouraging a process of continuous improvement, a simplified version of the Performance and Development Review template was trialled by a workgroup. Feedback for further improvements are currently being incorporated to update final documents.

CELEBRATING OUR PEOPLE

The *Tasmanian Honour Roll of Women* recognises the outstanding historical and contemporary contributions by women made to the State. This year we are extremely proud to celebrate Port Arthur's own Dora Radcliffe and PAHSMA Board member, Roseanne Heyward, both of whom were inducted to the 2021 *Tasmanian Honour Roll of Women*. We are pleased that Dora's contribution to tourism and Roseanne's service to the community will not be forgotten in the passage of time.

WORK HEALTH AND SAFETY (WHS) & WELLBEING

PAHSMA's *Work Health Safety & Wellbeing Policy* and Plans reinforce our commitment to care for our employees, volunteers, contractors and visitors in our workplaces.

Work Health and Safety was generally focused around PAHSMA's response to COVID-19 and the preparation for re-opening of the sites to visitors. Further employee training revolved around the induction of content and requirements of PAHSMA's COVID-19 Safety Plan and providing front-line and cleaning staff with infection control training.

A continuous review of COVID-19 response controls included a sub-committee being formed to examine requests to amend the controls implemented from the original risk assessments. These were considered on the basis of risk according to the COVID-19 environment and risk at that time. Individual risk assessments for specific events or functions continued to ensure activities could proceed and be conducted in a safe manner.

COVID-19 vaccinations for all eligible staff were fully encouraged and supported by allowing reasonable travelling time for employees to attend vaccination clinics during working hours.

With new appointments to the PAHSMA Board and Executive, training was provided

in their responsibilities as an "officer" under the *Work Health and Safety Act 2012*. A new Health and Safety Representative was elected in August 2020 with mandatory training undertaken with TasTAFE.

A further focus during 2020-21 was on maintaining first aid qualifications and fire evacuation response. In total, 186 units of training were completed to positively impact on health, safety and wellbeing of our people and our visitors.

The WHS training summary for the period is included.

PAHSMA adopts a proactive approach to WHS, Wellbeing and Injury Management and is guided by *Employment Direction No. 27 Workforce Health and Safety* in this regard. The Workers Compensation claim data for the reporting period is provided.

Overall reported accidents were considerably lower than the previous year, being attributed to lower visitor activity on our sites.

Vaccinations and audiometric testing continued as part of PAHSMA's health surveillance schedules.

The Work Health and Safety Consultative Committee met eight times during the year. An identified issue related to reported background noise levels within the Visitor Centre and this resulted in an external occupational hygienist undertaking a noise survey of the building.

WORKERS COMPENSATION

Claim Type	Incident Rate (IR)** 1 July 2020–30 June 2021
Claims resulting in lost time of one (1) week or more	0.0003
Musculoskeletal injury and disease claims resulting in one (1) or more weeks off work	0.0003
Psychological Injury claims (Mental Disease) resulting in one (1) or more weeks off work	NIL
**Formula: $IR = [\# \text{ claims} > 1 \text{ week}] / 1000 \text{ workers e.g. } 5 \text{ claims} > 1 \text{ week} / 1000 = 0.0005$	

WHS & WELLBEING TRAINING 2020–21

Attendees	No. of People Trained	Topic
Board/Executive	11	Responsible Officer Training
Managers/Supervisors	20	First Aid, Mental Health First Aid, COVID safety, Corporate Induction
Employees	107	First Aid, Mental Health First Aid, COVID safety, Infection Control, Corporate Induction, WHS Consultative Committee
Health and Safety Representative (HSR)	1	HSR Training
First Aid Officers	33	First Aid Training
Emergency Wardens	14	Evacuation Drills

TOURISM PLAN

The challenges we faced this year gave reason to refocus on our Strategic Tourism Priorities to ensure we continued to meet our vision:

- Maintain and develop all PAHSMA sites as attractive and desirable visitor destinations
- Continue to explore use of technology to enhance visitor experiences and create efficiencies
- Increase visitor yield at all PAHSMA sites.
- Improve profitability of tourism operations
- Invest in our people
- Continue to develop our Quadruple Bottom Line – economic, environmental, social and cultural sustainability
- Continue to develop and introduce new products, experiences and packages to meet the needs of current and emerging markets
- Continue to take a lead role in regional tourism and community engagement.

TOURISM OPERATIONS – OUR PEOPLE

While ‘pivot’ was the much used word of the year, we prefer to use agile and flexible, and once again our people showed their resilience and passion as we adapted to meet our changing market with:

- new shifts
- new opening hours
- new shared roles in Ticketing, Food & Beverage and Retail
- new procedures
- new events
- and of course, COVID safe sanitising.

VISITATION

The tourism and hospitality sectors, and subsequently PAHSMA has been heavily impacted by COVID-19. While international borders remained closed, visits to PAHSMA sites was initially limited to Tasmanians and by late 2020 had gradually increased to interstate visitors.

PAHSMA sites were reopened to visitors on 3 July 2020. The support by Tasmanians has been extraordinary during these challenging times and we extend heartfelt thanks and gratitude to each and every Tasmanian who visited and supported us.

The changing border restrictions across Australia meant that in the year ending March 2021 Tasmania had welcomed 327 600 visitors, down 75% on the previous year. The Port Arthur and Tasman Region received 29 962 overnight visitors, which is a reduction of 73% on the previous year (source: Tasmanian Visitor Survey YE March 2021).

Port Arthur welcomed 156 217 day visitors and 6 492 ghost tour patrons; and Cascades Female Factory welcomed 18 550 visitors. PAHSMA's initial projections for visitation in 2020-21 were conservative given that cruise ships and international visitors were not expected. A better than budget domestic visit performance over Easter 2021 gave rise to hope, however further lockdowns in Victoria and NSW have rapidly impacted visitation downward.

We altered our opening hours to be from 10am to 5pm and continued to offer takeaway meals that were initiated during lockdown. In September 2020, we relaunched ghost tours and opened **1830 Restaurant & Bar** three nights per week.

VISITOR RESEARCH

PAHSMA had planned to undertake follow up research with several focus groups of Victorians who had visited Port Arthur in summer 2020, however due to COVID-19 impacts this was flipped to be undertaken as telephone research.

Results included 69% of people surveyed indicating they would be interested in using technology as a medium to tell our stories; similarly 69.5% indicated they would really enjoy small group tours. This information led to the launch of a new exclusive *Commandants Tour*.

Prison & Power
Image: Alastair Bett



HOSPITALITY – FOOD & BEVERAGE

Aiming to further connect with our community, our flagship **1830 Restaurant & Bar** hosted an array of new and successful events including Mother's Day Lunch and High Tea and International Gin Day supporting our local distillers.

Following our cafe re-opening, the local community also enjoyed the Spring and Asian themed long table dinners in addition to an International Women's Day Breakfast that featured Sarah Bolt, Tasmania's Anti-Discrimination Commissioner, as guest speaker.

Our Head Chef ensures we offer fresh, seasonal and local produce supported by great service.

PRODUCT DEVELOPMENT

Guided by the Product Development Committee, new and amended experiences this year included:

- *Wheel of Fate*, which was modified to appeal to domestic travellers, to be a 4 hour tour with exclusive access and a 2 course lunch in the Visiting Magistrate's House
- The *Commandant's Tour* is a new 90-minute small group walking tour with a guide that includes visits to the Separate Prison, the Penitentiary and the Church
- The dramatic performances of *Prison & Power* showcased coercion and corruption in the convict settlement.

THREE CAPES TRACK

PAHSMA is extremely proud to partner with Tasmania Parks & Wildlife and Pennicott Wilderness Journeys in the delivery of this world class walking experience. In 2020-21, with reduced capacity due to COVID-19, a total of 8 726 walkers undertook this breathtaking experience.

MARKETING STRATEGY

PAHSMA continued to work with Tasmanian agency, Red Jelly, to create a Marketing Strategy, Public Relations and Communications Plan to reach and inspire local and interstate audiences to visit Port Arthur and Cascades Female Factory. Red Jelly developed a new brand campaign: *Stand Where They Stood*, to be launched across print, outdoor and digital media channels as interstate borders opened and consumer confidence returned.

MARKETING PARTNERSHIPS

Benefitting from the leverage of state and national tourism partnerships, Port Arthur Historic Site was featured in Tourism Tasmania's intrastate campaign *Make Yourself At Home* and Tourism Australia's domestic *Holiday Here this Year* campaign.

Trade partnerships pivoted online with PAHSMA's sites featuring in Tourism Tasmania's *TasTalk: The Movie* premiering on YouTube in July 2020.

PAHSMA continues to communicate and align with the national, state, regional and local tourism organisations. As such, Jennifer Bett represents PAHSMA on the Tasman Business and Tourism Association (TBTA) and actively coordinated marketing promotions to increase intrastate awareness and appeal for the Tasman region. PAHSMA is also a gold member of Destination Southern Tasmania (DST).

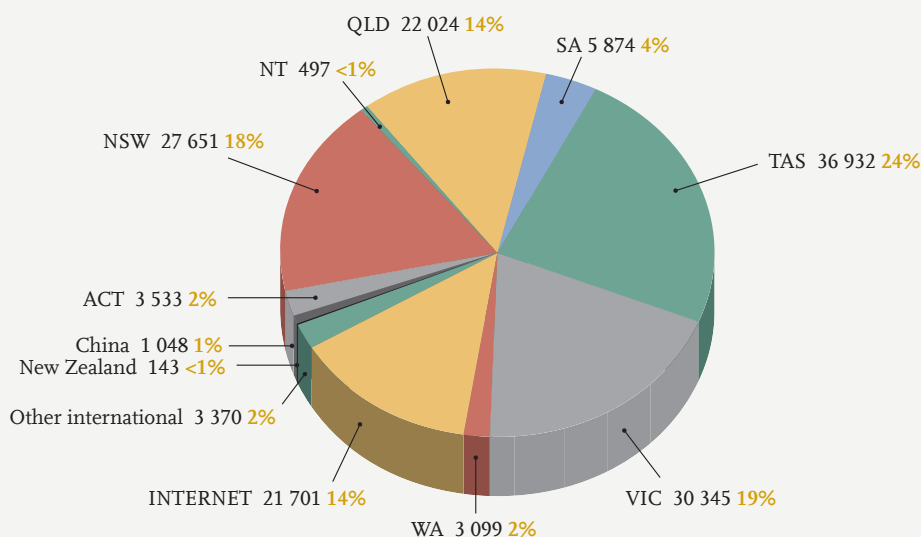
At a national level, Jennifer Bett represents PAHSMA as Vice Chair of the Tasmanian Branch of the Australian Tourism Export Council (ATEC). This year, Sales and Marketing Coordinator, Maggie D'Souza was invited to join the VIC/TAS branch of Young ATEC.

A re-engaged partnership with Nikon promoted night photography workshops at Port Arthur while partnership content development with the Tasmanian Symphony Orchestra Chorus *Sunrise Project* was a highlight for the year. See <https://www.youtube.com/watch?v=WHHDgIXqnbC>



Hand sanitising
Image: Alastair Bett

VISITOR ORIGIN FOR PORT ARTHUR HISTORIC SITE 2020-21



INTERPRETATION & EXPERIENCE

CASCADES FEMALE FACTORY

Cascades Female Factory was closed to the public from 27 May 2021 for the commencement of a site re-development project that will see the unveiling of a new History & Interpretation Centre, due for completion in 2021-22.

PAHSMA was very pleased to receive a grant of \$2.024M from the Commonwealth Government to add to the previous Tasmanian Government grant of \$3M for the project. PAHSMA engaged Hansen Yuncken to complete the design and construction of the new centre. The site was handed to Hansen Yuncken in June 2021 and demolition of the former Visitor Centre was completed within the month. Concurrent to the design and build process PAHSMA are working with Curio Projects on the design of new landscaping and interpretative experience inside the new centre. We anticipate the site being open to visitors in early 2022.

*From the Shadows
statue unveiling
Image: Alastair Bett*



FROM THE SHADOWS

As a founding supporter of *From the Shadows*, PAHSMA invested funds and in-kind support for two female convict statues by world-renowned sculptor, Rowan Gillespie.

The first statue, based on convict woman, Martha Gregory, is located opposite the site entrance. It was unveiled by Her Excellency Professor the Honourable Kate Warner AC, Governor of Tasmania, together with convict descendant Brydie Pearce on 16 February 2021. The statues will showcase the stories of convict women and connect to similar statues and stories of women and orphan children located on the Hobart waterfront and at the Orphan Schools in New Town.

SPECIAL EXHIBITIONS

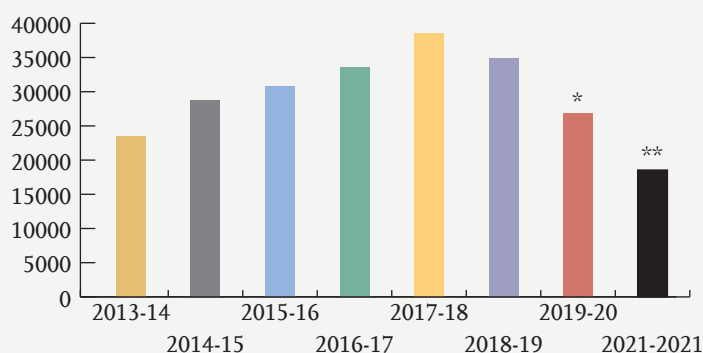
The *Underworld: Mugshots from the Roaring Twenties*, a travelling exhibition from Sydney Living Museums, was presented from 18 February to 30 May in the Asylum Museum at Port Arthur and featured over 100 captivating images of suspects taken by NSW Police between 1920 and 1930. Approximately 34 000 people visited the exhibition that received positive reviews:

'Absolutely gob smacked – amazing exhibition and so different to what we normally see in TAS.'

'Amazing exhibition, thank you for hosting it – the parallel between the old world convicts and the petty crims is intriguing.'

'Amazing pictures. Loved every minute of being here.'

CASCADES FEMALE FACTORY VISITORS



* COVID-19: Closed 21 Mar 2020–2 Jul 2020

** Redevelopment: Closed from 27 May 2021



Above: *Underworld: Mugshots from the Roaring Twenties* Image: Alastair Bett



Left: *Holiday Program* Image: James Westcott

EDUCATION

PAHSMA re-opened our sites to visitors in July 2020 and offered the 'basic student package' free-of-charge for the second half of 2020. This was well received by Tasmanian schools following a turbulent beginning to the school year. Schools from Southern Tasmania were able to take the opportunity to visit Port Arthur for day excursions.

Two holiday programs were offered in the financial year 2020-21. Around 380 families participated in a program that was offered in September-October 2020. During the 2021 Easter school holidays a program was developed in conjunction with the *Underworld: Mugshots From the Roaring Twenties* exhibition.

EDUCATION PROGRAM PARTICIPANTS (July 2020–June 2021)

Port Arthur Historic Site		
	Groups	People
Basic student package	88	3 497
Convict Brick Making	35	623
<i>Riddles & Rubbish</i>	23	488
Isle of the Dead tour	11	444
Point Puer tour	3	109
Ghost Tour	6	80
Escape from Port Arthur tour	4	162
Catering	14	693
Cascades Female Factory		
Education Entry	35	1 325
Heritage Tour	15	501
Records & Artefacts	5	223
<i>Proud & Punished</i>	21	909

The year was productive yet challenging for our teams – starting with exiting a COVID shutdown of our three sites, and finishing with full engagement with our History & Interpretation Centre project at the Cascades Female Factory.

One significant change has seen the establishment of a new PAHSMA division that incorporates interpretation and education, which had been previously managed under Conservation activities. The close connection between the two areas will be maintained, with an enhanced operational opportunity to better meet both conservation and public program needs.

CONSERVATION PROJECTS

A range of important conservation projects were undertaken in 2020–21. These included the replacement of the roof on the Clerk of Works' House. Due to the difficulties of obtaining suitable timber for shingles and the risk of bushfire, corrugated steel replaced the shingled roof last installed in 2009.

A project to repair the wall of the sawpit along the edge of the beach at Point Puer

included the replacement of some missing stones and repointing of the full length of the wall. The location of the wall at the edge of the beach makes it susceptible to regular tide and wave action.

A report on the condition of historic wallpapers in the Commandant's House, Trentham and the Master Shipwright's House was prepared and will provide guidance for conservation works in the coming three years.

ISLE OF THE DEAD

Stage 3B of the Isle of the Dead walkways was completed. This stage includes a new platform at the southern end of the Isle. Fabrication for Stage 4 has been completed, with installation occurring during July and August 2021. This will see the completion of this project and the provision of improved visitor access.

COMMANDANT'S HOUSE

The closure of the Commandant's House enabled much-needed conservation work on the building and its collection items to continue. A full cleaning of all objects, furniture and furnishings revealed new information about many of our pieces. The project has produced an extraordinary conservation result that will allow for the introduction and implementation of procedures and schedules to ensure that future maintenance works are appropriately scheduled and managed.

SCANNING

Laser scanning of ruins at the Coal Mines Historic Site, the crane base in Mason's Cove and the aqueduct at the Port Arthur Historic site was completed. These scans provide an accurate three-dimensional record of the building fabric that will allow us to monitor movement and changes in condition.

ARCHAEOLOGICAL RESEARCH AT THE PENITENTIARY WORKSHOPS

As the culmination to the Penitentiary Precinct Project (begun in 2013) PAHSMA launched the final series of archaeological excavations targeted at better understanding the convict experience at Port Arthur. The excavation plan developed from the three-year collaborative *Landscapes of Production and Punishment* ARC project with the Universities of New England (UNE), Tasmania and Liverpool (UK). Despite COVID personnel setbacks, Dr Richard Tuffin (UNE) and Sylvana Szydzik (PAHSMA) progressed a restructured program that seeks to understand the industrial workshops at the Port Arthur site since their establishment in 1835. The excavation has uncovered key evidence of foundry and blacksmithing operations and revealed unknown features such as a stone



Penitentiary Workshops Archaeological Artefacts
Image: Richard Tuffin

crane-base and the 'shadows' of the earliest wooden-framed buildings. The project has attracted considerable media attention and has been documented through a UNE blog site. The excavations are scheduled to finish in August 2021.

Technical reports on previous excavations conducted between 2013 and 2019 in the Penitentiary, its ablutions yards and laundry have been completed.

Other products from the ARC archaeological research program included the *Convict Landscapes* webmap (convictlandscapes.com.au) that demonstrates the development of the Port Arthur penal-station landscape from 1830 to 1877. The webmap was expanded in 2020 and won the 2020 APSEA (Asia-Pacific Spatial Excellence Awards) award for Spatial Enablement.

CLIMATE CHANGE RESPONSES

The development of responses to our climate change challenges and contribution to national conversations about adaptation approaches continue.

In July 2020 and March 2021 re-loadings of the littoral strip and its early mining heritage features along the Coal Mines foreshore were completed. This low cost, low visual impact approach continues to protect the fabric at the foreshore at year 3 of the anticipated 5–7 year lifespan of this method. Similar temporary interventions were also undertaken on the Isle of the Dead and Point Puer shorelines where specific erosion processes are putting Aboriginal and convict-era heritage features at risk. Damage to the seawalls at Port Arthur from a high tide and ocean swell event served as a timely reminder that there is further research required to model climate change-related weather events.

Dr David Roe and Dr Caitlin Vertigan were successful in obtaining a grant from the Tasmanian Climate Change Office under its Climate Research Grants Program. The project, *Understanding complex climate change impacts on a complex cultural heritage site*, has collated existing data and acquired new geotechnical, terrain and hydrological, bathymetrical and oceanographic data sets to better understand evolving processes. These will be used to model future trends and inform the practical management of the heritage fabric within Radcliffe Creek and its surrounds.

Dr Vertigan presented and participated in a panel discussion at the Commonwealth World Heritage Forum hosted by the Department of Agriculture, Water, and Environment in the session titled *Resilience*. As the sole representative of an organisation managing historic cultural heritage in the session, PAHSMA was able to demonstrate the practicality of values-based management with impacts of climate change to managers of natural heritage sites.



Stone Crane Base
Image: Richard Tuffin

NATURAL VALUES MANAGEMENT

PAHSMA continues to manage the natural environments at our sites through a range of short and long-term projects. These include monitoring of threatened species such as white-bellied sea-eagles, a pair of which are now permanently breeding at Point Puer; *Caladenia caudata* orchids and hairstreak butterflies at the Coal Mines, and forty-spotted pardalotes – which were tentatively identified at the Coal Mines after a 20-year absence.

Firebreaks around Port Arthur and the Coal Mines have been maintained and cleared on schedule and the Coal Mines is far better prepared for the bushfire season with the addition of a 100,000L capacity firefighting water tank that can be utilised by any firefighting service on the Tasman Peninsula.

Significant plantings at the Port Arthur site continue to be monitored. One of the heritage oak-trees required work when the 20-year-old cabling supporting the tree snapped in high winds.

INFRASTRUCTURE WORKS

FUEL TANKS

Abandoned fuel tanks at the Garden Point Caravan Park were removed during May 2021 at the request of EPA Tasmania. No evidence of tank failure or environmental contamination was observed.

PAHSMA decommissioned the fuel tanks at the Cascades Female Factory. Due to considerable risk to the stability of surrounding heritage fabric if the tanks were to be removed, the tanks were decommissioned in-situ using a grout slurry to remove any contamination source, and to avoid any potential future collapse. The EPA supported the solution.

LEVEL 1 CAR PARK RESURFACING

Resurfacing and line marking of the Visitor Centre Car Park Level 1 gave the carpark a much needed facelift this year, with the higher levels of the carpark to occur over the next 2 years.

DONATIONS

We are very grateful for the following generous donations:

Item	Donors
Basket – the property of convict Isabella Hutchinson (<i>Kinnear</i> 1848)	Mrs Eileen Smith
Terracotta Edging Tile – Government Cottage, Saltwater River	Port Macquarie Museum
Photo Wallet – <i>Murray Views of Tasman Peninsula</i>	Mrs June Ring
B&W <i>Image of Asylum</i> under renovation including Alfred Ward and Point Puer Mug	Ms Jenny Hilder
Wooden cased, Singer Sewing Machine used in Trentham Cottage	Mrs Wilma Wood
<i>Wesley's Journal</i> – No 365, Prisoners Library, Port Arthur	Ms Andrea Marian
<i>Oxford Shorter Dictionary</i> in 2 Vols	Mr Geoffrey Wood
Low-back Arm Chair from Commandant's House – A.H. Boyd family material	Mrs Penny Wadsley
Pine Chest and Blackwood side table	The estate of Mrs Shirley McCarron
Text – <i>Remarkable Adventures from Real Life</i> Text – <i>Mill on the Floss</i> – Danker family material	Mr George Whitehouse

Herringbone weave basket
Image: Michael Smith



WATER & WASTEWATER TREATMENT

The disinfection system at our water treatment plant was upgraded to include constant chlorine analysis. This will ensure that our treatment plant maintains safe drinking water for all users.

Consulting engineers pitt&sherry completed the detail design for an extended new outfall for our Wastewater Treatment Plant. The design will define the construction phase of the project.

The 2020-21 state budget provided \$500K to TasWater to progress a feasibility study into the requirements to upgrade the Port Arthur Historic Site wastewater treatment plant. This includes the potential transfer of the Port Arthur water and wastewater treatment plants to TasWater as these are not considered core business for PAHSMA. A scoping brief is near completion.

COLLECTIONS

The improvement of storage facilities for PAHSMA's collections was advanced through the Collections Store Project. The objective is to house our invaluable collection in one safe and suitable location. A PAHSMA project team worked with Xsquared architects to develop the design and documentation for a development application for a new facility. The concept design achieves the brief of amalgamating the collections into one building, with suitable processing, storage and research spaces subject to funding.

We are grateful to a number of community members who have donated objects related to our sites. These have included a herringbone weave, double basket used by convict Isabella Hutchinson and her children on the 1848 voyage of the *Kinnear* to Van Diemen's Land. The basket is a poignant reminder of the stark realities of transportation for women with children. Another donation was the nursing chair used by Marion, daughter of Port Arthur Commandant Adolarious Boyd and his wife Harriet. Marion was born on 23 December 1872. The chair has been 'stored' for the last 23 years in a stable and is in the first phase of a long conservation process.

Other donated items include a ceramic mug from the Point Puer Boys' Prison and a Singer sewing machine with hand crank used by Carrie May Trenham at Port Arthur.

In line with periodic requirements, a revaluation of the Port Arthur collection has been completed for insurance purposes.

RESOURCE CENTRE

During the year, we have taken the opportunity to review our Resource Centre services and find a much-needed new home for the centre and its collections at the Port Arthur Historic Site.

The Port Arthur Talks series recommenced in September 2020.

UNIVERSITY PARTNERSHIPS

Despite the impossibility of hosting students onsite for much of the year, our partnerships with various universities continued, including:

- Our biennial field school with the Master of Cultural Heritage and Museum Studies (Deakin University and Brandenburg University of Technology) engaged students online. Participants investigated the history of 'virtual' engagements with Port Arthur since 1877 and critically examined the options for new extended-reality engagements with our sites. Using teleconferencing software, teachers, students and PAHSMA staff conducted workshops, multi-country collaborations and the virtual delivery of course outcomes. The results were outstanding

despite this being a first foray into university engagement in virtual space.

- The University of New England Archaeology field school was re-jigged when student participation in the archaeological excavations at the workshops area became impossible due to travel restrictions. This field school was also delivered online through the use of pre-recorded interviews, 'live' video excavation sessions and the dissemination of online materials.
- Dr Jane Harrington conducted teleconference lectures to students participating in University of Western Australia's *Business of Sustainable Heritage* unit and Deakin University's Master in Cultural Heritage and Museum Studies.
- In March 2021 PAHSMA hosted and assisted in the delivery of the University of Tasmania *Critical and Contested Issues in Cultural Heritage* course unit at the Port Arthur and Coal Mines Historic sites.

Archaeology excavation drawing
Image: Richard Tuffin



Commandant's House conservation
Image: Maggie D'Souza





PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY

FINANCIAL STATEMENTS

for the year ended 30 June 2021

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021		2021	2020
	Notes	\$'000s	\$'000s
<i>Continuing operations</i>			
REVENUE			
Fees, tours and merchandise income	2(a)	7 959	13 655
Grant income	2(b)	4 661	3 927
Interest income	2(c)	24	45
Other income	2(d)	(5)	450
TOTAL REVENUE		12 639	18 077
EXPENSES			
Employee expenses	2(e)	(10 519)	(11 097)
Cost of goods sold		(1 380)	(2 281)
Contractors		(1 063)	(694)
Depreciation	4.3(b)	(1 471)	(1 637)
Amortisation		(629)	(854)
Loan interest expense		(75)	(40)
Lease interest expense		(98)	(157)
Net superannuation interest expense		(255)	(210)
Materials		(184)	(158)
Marketing		(242)	(170)
Communications		(44)	(49)
Property services		(527)	(483)
Interpretation		(24)	(31)
Information technology		(326)	(386)
Visitors information		(17)	(76)
Assets derecognised		(261)	(84)
Other operating expenses		(602)	(1 245)
TOTAL EXPENDITURE		(17 717)	(19 652)
PROFIT/(LOSS) FOR THE YEAR		(5 078)	(1 575)
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Items that will not be reclassified subsequently to profit or loss			
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	277	(53)
Changes in asset revaluation reserve	7.1	....	....
COMPREHENSIVE RESULT		(4 801)	(1 628)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021		2021	2020
	Notes	\$'000s	\$'000s
ASSETS			
<i>Current assets</i>			
Cash and deposits	11.1	6 977	3 178
Receivables	4.1	346	196
Inventories	4.2	366	666
Prepayments, accruals and other assets		220	140
<i>Non-current assets</i>			
Property, plant and equipment and infrastructure	4.3	48 884	49 378
Right-of-Use assets	4.4	3 210	3 840
TOTAL ASSETS		60 003	57 398
LIABILITIES			
<i>Current liabilities</i>			
Payables		1 113	284
Provisions	5.1	2 672	2 770
Unearned revenue	5.2	221	24
TASCORP loans	5.3	1 000	2 900
Lease liabilities	5.4	611	598
<i>Non-current liabilities</i>			
Provisions	5.1	7 911	7 963
TASCORP loans	5.3	2 000	3 000
Lease liabilities	5.4	2 644	3 252
TOTAL LIABILITIES		18 172	20 791
NET ASSETS		41 831	36 607
EQUITY			
Reserves	7.1	12 412	12 412
Accumulated surpluses		29 419	24 195
TOTAL EQUITY		41 831	36 607

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

		2021	2020
	Notes	\$'000s	\$'000s
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		8 072	13 109
Grants from government		4 661	3 927
Interest received		24	45
GST receipts		168	1 034
Payments to suppliers and employees		(13 502)	(16 907)
Interest paid		(173)	(198)
GST payments		(377)	(736)
NET CASH FROM OPERATING ACTIVITIES	11.2	(1 127)	274
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and infrastructure		(303)	(264)
Payments for work in progress		(1 234)	(493)
Proceeds from the sale of assets		31	18
NET CASH (USED BY) INVESTING ACTIVITIES		(1 506)	(739)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease liabilities		(692)	(874)
Equity injection from State Government		10 024	....
Proceeds from / (Payments to) TASCORP		(2 900)	900
NET CASH (USED BY) FINANCING ACTIVITIES		6 432	26
NET INCREASE/(DECREASE) IN CASH HELD		3 799	(438)
Cash 1 July		3 178	3 616
CASH 30 JUNE	11.1	6 977	3 178

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021		Reserves	Accumulated surpluses	Total equity
	Notes	\$'000s	\$'000s	\$'000s
BALANCE AS AT 1 JULY 2020		12 412	24 195	36 607
Profit/(loss) for the year		....	(5 077)	(5 077)
Other comprehensive income:				
Changes in asset revaluation reserve	7.1	....	....	....
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	....	277	277
BALANCE AS AT 30 JUNE 2021		12 412	19 395	31 807
Equity injection by State Government		....	10 024	10 024
RESTATED TOTAL EQUITY BALANCE AS AT 30 JUNE 2021		12 412	29 419	41 831
BALANCE AS AT 1 JULY 2019		12 412	25 853	38 265
Profit/(loss) for the year		....	(1 575)	(1 575)
Other comprehensive income:				
Changes in asset revaluation reserve	7.1	....	....	....
Net actuarial gains/(losses) of superannuation defined benefit plans	5.5(a)	....	(53)	(53)
BALANCE AS AT 30 JUNE 2020		12 412	24 225	36 637
Change in Accounting Policy		....	(30)	(30)
RESTATED TOTAL EQUITY BALANCE AS AT 30 JUNE 2020		12 412	24 195	36 607

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30 JUNE 2021**

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NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 OBJECTIVES AND FUNCTION

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

The Authority's main objectives are to:

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

The financial report was authorised for issue by the directors on 23 September 2021.

1.2 BASIS OF ACCOUNTING

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- The *Government Business Enterprises Act 1995* and related Treasurer's Instructions; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 1.4.

The Financial Statements are compliant with Australian Accounting Standards including the Australian equivalents to International Financial Reporting Standards (AIFRS).

In complying with AIFRS the Authority is ensuring that the Financial Statements and accompanying notes are also compliant with International Financial Reporting Standards (IFRS).

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

1.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

1.4 CHANGES IN ACCOUNTING POLICIES

Adoption of new and amended Accounting Standards

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

(i) AASB Revised Conceptual Framework for Financial Reporting

The revised AASB Framework was effective for the Authority's annual financial reporting period beginning on 1 July 2020. The AASB Framework provides the AASB with a base of consistent concepts upon which future accounting standards will be developed. The AASB Framework will also assist financial report preparers to develop consistent accounting policies when there is no specific or similar standard that addresses an issue.

The AASB Framework includes amendments to the definition and recognition criteria for assets, liabilities, income and expenses, guidance on measurement and de-recognition, and other relevant financial reporting concepts. The application of the revised AASB Framework did not have a material impact on the Authority's financial statements.

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

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

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

NOTE 2 REVENUE AND EXPENSES

INCOME FROM TRANSACTIONS

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

	2021	2020
	\$'000s	\$'000s
(a) Fees, Tours and Merchandise Income		
Entrance fees and tour income	5 155	8 770
Ghost tours	183	558
Food and merchandising sales	2 412	3 989
Cascades Female Factory tours and commercial operations	207	335
Education and training programs	2	3
	7 959	13 655

Tourism Revenue

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

	2021	2020
	\$'000s	\$'000s
(b) Grant Income		
State grant – Cascades Female Factory	415	400
Australian Government grant – Port Arthur	....	41
State grant – Port Arthur Labour Support	587	....
State grant – Port Arthur Conservation	3 659	3 486
	4 661	3 927

Grants

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

The State Government provided monetary grant funding of \$586,955 to the Authority during 2020-21 as reimbursement for casual and seasonal labour costs that were incurred as part of a COVID-19 staff retention strategy. This was non-recurrent funding.

The State Government provided monetary grant funding of \$3,658,700 to the Authority during 2020-21 and \$3,486,300 during 2019-

20 for conservation purposes across the Port Arthur and Coal Mines Historic Sites.

The State Government provided the following grants for the Port Arthur Historic Site which were acquitted 2020-21 in accordance with the *Port Arthur Historic Site Management Act 1987* and the Authority's Statutory Management Plan 2008.

- Conservation Funding \$3,658,700

The State Government provided monetary grant funding of \$415,300 to the Authority during 2020-21 and \$399,699 for 2019-20 in

support of operations at the Cascades Female Factory Historic Site.

The State Government provided the following grants for the Cascades Female Factory Historic Site which were acquitted 2020-21 in accordance with the *Port Arthur Historic Site Management Act 1987* and the Authority's Statutory Management Plan 2008.

- Operational funding \$415,300

	2021	2020
	\$'000s	\$'000s
(c) Interest Income		
Interest	24	45

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

	2021	2020
	\$'000s	\$'000s
(d) Other Income		
Rent, service and licence fees	212	257
Gain/(Loss) on disposal of assets	(268)	13
Other	51	180
	(5)	450

Other Income

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

EXPENSES FROM TRANSACTIONS

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

	2021	2020
	\$'000s	\$'000s
(e) Employee Expenses		
Employee expenses	9 879	10 912
Payroll tax	544	19
Worker's compensation	96	166
	10 519	11 097

Employee Benefits

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

Payroll tax was waived by the State Government during the 2019-20 year as part of the COVID-19 pandemic response.

NOTE 3 SEGMENT INFORMATION

2021	Port Arthur Historic Site	Cascades Female Factory Historic Site	Total
	Conservation	Tourism	
	\$'000s	\$'000s	\$'000s
REVENUE			
Grant	4 246	....	415
Sales	1	7 751	207
Interest Revenue	....	24	....
Gain/Loss on disposal of assets	26	....	(294)
Other Income	3	256	4
	4 276	8 031	332
EXPENDITURE			
Conservation expenses	3 551	....	5
Infrastructure expenses	1 103	....	349
Interest expense	....	173	....
Depreciation	746	707	19
Amortisation	....	629	....
Operating expenses	616	8 980	837
	6 016	10 490	1 210
Net actuarial gains/(losses)	136	141	....
RESULT 30 JUNE 2021	(1 604)	(2 318)	(878)
NET ASSETS			
TOTAL ASSETS DEPLOYED	33 805	24 217	1 982
TOTAL LIABILITIES INCURRED	(5 239)	(12 214)	(719)
NET ASSETS DEPLOYED	28 566	12 003	1 263

2020	Port Arthur Historic Site	Cascades Female Factory Historic Site	Total
	Conservation	Tourism	
	\$'000s	\$'000s	\$'000s
REVENUE			
Grant	3 486	41	3 927
Sales	1	13 320	13 655
Interest Revenue	....	45	45
Other Income	30	366	449
	3 517	13 772	18 076
EXPENDITURE			
Conservation expenses	2 874	....	2 912
Infrastructure expenses	1 539	....	1 685
Interest Expense	....	196	196
Depreciation	800	818	1 637
Amortisation	....	826	826
Operating expenses	239	11 292	12 367
	5 452	13 161	19 651
Net actuarial gains/(losses)	(26)	(27)	(53)
RESULT 30 JUNE 2020	(1 961)	584	(1 628)
NET ASSETS			
TOTAL ASSETS DEPLOYED	33 479	21 625	57 398
TOTAL LIABILITIES INCURRED	(6 127)	(13 929)	(20 791)
NET ASSETS DEPLOYED	27 352	7 696	36 607

The Authority derived income from:

- (i) Tourism:
 - a. Entrance fees and Ghost tours at the Port Arthur Historic Site
 - b. Entrance fees and tours at the Cascades Female Factory Historic Site
 - c. Food and merchandise sales
 - d. Rentals, services and licence fees
 - e. Grant funding from the Commonwealth Government for market development (2020)
- (ii) Conservation:
 - a. Grant funding from the State Government for the continual conservation of the Sites
 - b. Publication and research fees
 - c. Donations

Geographical Information – the Authority operates solely within Australia.

NOTE 4 ASSETS

4.1 RECEIVABLES

	2021	2020
	\$'000s	\$'000s
Receivables	134	287
Less provision for impairment	(65)	(169)
Other receivables	273	67
Insurance claim – worker's compensation	4	11
TOTAL	346	196

Receivables are recognised at amortised cost, less any impairment losses.

4.2 INVENTORIES

	2021	2020
	\$'000s	\$'000s
Port Arthur gift shop stock	280	538
Food and beverage stock	65	84
Cascades Female Factory gift shop stock	13	37
Fuel stock	8	7
TOTAL	366	666

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

4.3 PROPERTY, PLANT AND EQUIPMENT AND INFRASTRUCTURE

(a) Carrying amount

- The Visitor Centre Building has been recorded at fair value.
- PAHSMA elected to not undertake an asset revaluation or apply indexation in 2020-21. It is expected that PAHSMA will undertake an independent revaluation of Buildings during the 2021-22 financial year.

	2021	2020
	\$'000s	\$'000s
LAND		
At fair value	8 173	8 173
TOTAL	8 173	8 173
BUILDINGS		
At fair value	15 013	15 339
Less: Accumulated depreciation	(1 245)	(891)
TOTAL	13 768	14 448
HERITAGE		
Buildings	10 484	10 484
Artefacts and exhibition equipment	3 736	3 736
TOTAL	14 220	14 220
PLANT, EQUIPMENT AND VEHICLES		
At cost	4 902	4 635
Less: Accumulated depreciation	(2 997)	(2 434)
TOTAL	1 905	2 201
INFRASTRUCTURE		
At fair value	18 818	18 818
Less: Accumulated depreciation	(10 105)	(9 635)
TOTAL	8 713	9 183
CAPITAL WORKS IN PROGRESS	2 104	1 153
TOTAL PROPERTY, PLANT, EQUIPMENT AND INFRASTRUCTURE	48 884	49 378

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation.

2021	Land	Buildings	Heritage Assets	Plant, Equipment and Vehicles	Infra-structure	Capital Works in Progress	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CARRYING VALUE AT 1 JULY	8 173	14 448	14 220	2 201	9 183	1 153	49 378
Additions	....	....	....	303	....	1 234	1 537
Disposals	....	(294)	....	(4)	....	....	(298)
Transfers	....	....	....	21	....	(21)	....
Asset de-recognition	....	....	....	....	....	(261)	(261)
Newly identified assets	....	....	....	....	....	....	....
Revaluation increments (decrements)	....	....	....	....	....	....	....
Depreciation	....	(386)	....	(616)	(470)	....	(1 471)
CARRYING VALUE AT 30 JUNE	8 173	13 768	14 220	1 905	8 713	2 105	48 884

During the year, the demolition of a non-heritage building at the Cascades Female Factory with a written down value of \$294,000 was undertaken in preparation for the construction of the new History and Interpretation Centre.

2020	Land	Buildings	Heritage Assets	Plant, Equipment and Vehicles	Infra-structure	Capital Works in Progress	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CARRYING VALUE AT 1 JULY	8 173	14 568	14 220	2 616	9 694	1 076	50 347
Additions	....	....	....	264	....	493	757
Disposals	....	....	....	(5)	....	....	(5)
Transfers	....	266	....	34	32	(332)	....
Asset de-recognition	....	....	....	....	....	(84)	(84)
Newly identified assets	....	....	....	....	....	....	....
Revaluation increments (decrements)	....	....	....	....	....	....	....
Depreciation	....	(386)	....	(708)	(543)	....	(1 637)
CARRYING VALUE AT 30 JUNE	8 173	14 448	14 220	2 201	9 183	1 153	49 378

(c) Fair value measurement hierarchy for assets as at 30 June 2021

Fair Value Hierarchy

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

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

The table below shows the assigned level for each asset held at fair value by the Authority. The table presents the Authority's assets measured and recognised at fair value at 30 June 2021.

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

2021	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using:	
		Level 2	Level 3
	\$'000s	\$'000s	\$'000s
Land at fair value	8 173	8 173	....
Buildings at fair value	13 768	3 565	10 203
Infrastructure at fair value	8 713	....	8 713
Heritage Assets			
Buildings	10 484	....	10 484
Artefacts and exhibition equipment	3 736	....	3 736
Total Heritage Assets	14 220	....	14 220

2020	Carrying amount as at 30 June 2020	Fair value measurement at end of reporting period using:	
		Level 2	Level 3
	\$'000s	\$'000s	\$'000s
Land at fair value	8 173	8 173	....
Buildings at fair value	14 447	4 244	10 203
Infrastructure at fair value	9 183	....	9 183
Heritage Assets			
Buildings	10 484	....	10 484
Artefacts and exhibition equipment	3 736	....	3 736
Total Heritage Assets	14 220	....	14 220

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

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
HERITAGE ASSETS				
Buildings	Replication cost	Direct cost per square metre	\$100–\$2 750/m ² (\$1 700)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value
Artefacts and exhibition equipment	Market Value	Cost per item	N/A	N/A
INFRASTRUCTURE				
Infrastructure	Depreciated replacement cost	Cost per unit	\$5 000–\$8 000 per unit (\$7 000 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life of plant and equipment	1–20 years (20 years)	Design and useful lives are reviewed regularly but generally remain unchanged. As a result it is unlikely that significant variations in values will arise in the short term.
Roads and infrastructure earthworks	Depreciated replacement cost	Cost per metre	\$100–\$250 per metre (\$175 per metre)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life of plant and equipment	10–40 years (30 years)	Design and useful lives are reviewed regularly but generally remain unchanged. As a result it is unlikely that significant variations in values will arise in the short term.

Depreciation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Heritage Assets are not depreciated.

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

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

Property, plant, equipment and infrastructure

(i) Valuation basis

The Visitor Centre has been recorded at fair value.

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

Heritage Asset Valuation assessment has been split into two stages. The first centered on those items from the Props Collection which were on public display in the open houses, museum and interpretation gallery as well as those items from the Props and Port Arthur Collection purchased during the past five years. The first assessment was completed by 30 June 2016 and reflected in the 2015-16 accounts. The second assessment was completed by the 30 June 2017.

The assessment of the fair value of those Heritage items from these collections which met the asset threshold definition as defined by the PAHSMA Board was undertaken in accordance with Australian accounting standards AASB 116 and AASB 13. The valuation assessment involved the physical assessment of each item from the collection on display as well as items in the Props and Port Arthur Collections purchased during the past five years.

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

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

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment and infrastructure is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Authority and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day

servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Authority is \$1 000. Assets valued at less than \$1 000 are charged to the Statement of Profit and Loss and Other Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

(iv) Asset revaluation

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

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

The Authority's assets are re-valued with sufficient regularity to ensure they reflect fair value at balance date.

(v) Asset impairment

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

4.4 RIGHT-OF-USE ASSETS

(a) Carrying amount

	2021	2020
	\$'000s	\$'000s
Right of Use Assets		
Equipment	67	135
Vessels and Vehicles	3 143	3 705
TOTAL	3 210	3 840

NOTE 5 LIABILITIES

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

PAYABLES

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

5.1 PROVISIONS

	2021	2020
	\$'000s	\$'000s
Accrued wages and salaries	281	403
Annual leave	751	806
Long service leave	1 054	946
On-costs for leave	316	213
Superannuation	8 181	8 365
TOTAL	10 583	10 733
Current	2 672	2 770
Non-current	7 911	7 963
TOTAL	10 583	10 733

Employee Benefits

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

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

5.2 UNEARNED REVENUE

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

	2021	2020
	\$'000s	\$'000s
Gift voucher clearing	8	7
Prepaid Ticket Sales	213	17
TOTAL	221	24

5.3 TASCORP LOANS

	2021	2020
	\$'000s	\$'000s
Current Liability – TASCORP Loan	1 000	2 900
Non-Current Liability – TASCORP Loan	2 000	3 000
TOTAL	3 000	5 900

Due to the impacts of COVID-19, the Interest Coverage Ratio covenant set by TASCORP was not complied with during the year. The TASCORP Board has waived remedies available to it for this breach for the 2020-21 financial year.

5.4 LEASE LIABILITIES

	2021	2020
	\$'000s	\$'000s
Current Liability – Lease Liability	611	598
Non-Current Liability – Lease Liability	2 644	3 252
TOTAL	3 255	3 850
Maturity Analysis – contractual undiscounted cashflows		
Less than one year	694	692
One to five years	2 473	2 549
More than five years	364	983
Total Undiscounted Cash flows	3 531	4 224

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

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

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

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

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Authority under residual value guarantees
- the exercise price of a purchase option if the Authority is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Authority exercising that option.

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

environment with similar terms, security and conditions.

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

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

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

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

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

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

5.4(b) Variable lease payments

The lease of a vessel contains variable payment terms that are linked to visitors undertaking a harbour cruise. Variable lease payments that depend on increased harbour cruise passenger numbers are recognised in the profit or loss in the period in which the condition that triggers those payments occurs. The impacts of visitation to Port Arthur arising from COVID-19 and the closure of the site on 21 March 2020, gave rise to a force majeure event for this vessel lease which remained in place until the 3 July 2020.

During the period of force majeure and prior to the end of the 2019-20 financial year, the Authority and the ferry operator revised the basis for lease payments up until the next review date at the end of February 2021. These were again reviewed in March 2021 and forecast visitor numbers agreed. On the basis of visitor performance to forecast, no further change has been deemed necessary to lease payment calculations.

5.4(c) Extension and termination options

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

5.5 SUPERANNUATION

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

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

Financial year ending	30 June 2021	30 June 2020
	\$'000	\$'000
Net defined benefit liability/(asset) at start of year	8 365	8 420
(+) Defined benefit cost recognised in profit and loss	382	397
(+) Defined benefit cost (remeasurements) recognised in OCI	(277)	53
(-) Employer Contributions	(289)	(505)
Net defined benefit liability/ (asset) at end of year	8 181	8 365

5.5(b) Estimate of Defined Benefit Cost for year ending 30 June 2022

The estimate of Port Arthur's defined benefit cost for the year ended 30 June 2022 is summarised below:

Financial year ending	30 June 2022
	\$'000
Current Service Cost	139
Net Interest	253
Past service cost/curtailments^	....
Gain/loss on settlements^	....
Estimated defined benefit cost	392

^ not known until end of year

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

5.5(c) Estimate of Net Defined Benefit Liability/Asset for year ending 30 June 2022

An estimate of the net defined benefit liability that will need to be included in Port Arthur's Statement of Financial Position at 30 June 2022 is shown below. It has been calculated assuming that actual experience matches the assumptions made.

Financial year ending	30 June 2022
	\$'000
Net defined benefit liability/ (asset) at start of year	8 181
(+) Estimated defined benefit cost recognised in profit and loss	392
(+) Estimated defined benefit cost (remeasurements) recognised in OCI^	....
(-) Estimated employer contributions	(516)
Estimated net defined benefit liability/(asset) at end of year	8 057

^ amount not known until end of year

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

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

5.5(e) Description of the regulatory framework

The Scheme operates under the *Public Sector Superannuation Reform Act 2016* and the *Public Sector Superannuation Reform Regulations 2017*.

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

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

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

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

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

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

5.5(g) Description of risks

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

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

assumed, increasing defined benefit amounts and the associated employer contributions over the long term.

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

5.5(h) Description of significant events

There were no Scheme amendments affecting the defined benefits payable, curtailments or settlements during the year.

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

As at	2021	2020
	\$'000	\$'000
Defined Benefit Obligation	9 598	9 589
(-) Fair value of plan assets	(1 417)	(1 224)
Deficit/ (surplus)	8 181	8 365
(+) Adjustment for effect of asset ceiling	....	....
Net defined benefit liability/ (asset)	8 181	8 365
Current net liability	516	463
Non-current net liability	7 665	7 902
	8 181	8 365

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

Financial Year Ending	2021	2020
	\$'000	\$'000
Fair value of plan assets at beginning of the year	1 224	1 310
(+) Interest income	38	42
(+) Actual return on plan assets less interest income	170	(75)
(+) Employer contributions	289	505
(+) Contributions by plan participants	52	49
(-) Benefits paid	(356)	(607)
(-) Taxes, premiums & expenses paid	....	....
Fair value of plan assets at end of the year	1 417	1 224

5.5(k) Reconciliation of the Defined Benefit Obligation

Financial Year Ending	2021	2020
	\$'000	\$'000
Present value of defined benefit obligations at beginning of the year	9 589	9 730
(+) Current service cost	127	133
(+) Interest cost	293	306
(+) Contributions by plan participants	52	49
(+) Actuarial (gains)/losses arising from changes in demographic assumptions	....	(43)
(+) Actuarial (gains)/losses arising from changes in financial assumptions	(47)	(82)
(+) Actuarial (gains)/losses arising from liability experience	(60)	103
(-) Benefits paid	(356)	(607)
(-) Taxes, premium & expenses paid	....	....
Present value of defined benefit obligations at end of the year	9 598	9 589

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

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

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

	Total	Quoted Prices in active markets for identical assets – Level 1	Significant observable inputs – Level 2	Unobservable inputs – Level 3
As at 30 June 2021				
	\$'000	\$'000	\$'000	\$'000
Asset Category				
Cash Deposits	....	....	....	....
Australian Equities	224	....	224	....
International Equities	283	....	283	....
Infrastructure	184	....	47	137
Diversified Fixed Interest	353	....	353	....
Direct Property	268	....	20	248
Alternative Investment	105	....	105	....
TOTAL	1 417	....	1 032	385

[^]Estimated based on assets allocated to Port Arthur as at 30 June 2021 and asset allocation of the RBF Scheme as at 30 June 2020.

5.5(n) Fair value of Entities Own Financial Instruments

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

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

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

whole. The fair value of Scheme assets for each reporting entity was estimated by allocating the total Fund assets in proportion to the value of each reporting entity's funded liabilities, calculated using the assumptions outlined in this report, with the exception of the discount rate. For the purposes of allocating assets to each reporting entity, we have used the Government Bond yield of 3.00%, in order to be consistent with the allocation of assets reported to the Department of Treasury and Finance.

5.5(o) Significant Actuarial Assumptions at the Reporting Date

Financial year ending	30 June 2021	30 June 2020
Assumptions to Determine Defined Benefits Cost		
Discount rate (active members)	3.15% pa	3.25% pa
Discount rate (pensioners)	3.15% pa	3.25% pa
Expected rate of increase of compulsory preserved amounts	3.00% pa	3.00% pa
Expected salary increase rate	3.00% pa	3.00% pa
Expected pension increase rate	2.25% pa	2.50% pa

Financial year ending	30 June 2021	30 June 2020
Assumptions to Determine Defined Benefit Obligation		
Discount rate (active members)	3.20% pa	3.15% pa
Discount rate (pensioners)	3.20% pa	3.15% pa
Expected rate of increase of compulsory preserved amounts	3.00% pa	3.00% pa
Expected salary increase rate	3.00% pa	3.00% pa
Expected pension increase rate	2.25% pa	2.25% pa

5.5(p) Sensitivity Analysis

The defined benefit obligation as at 30 June 2021 under several scenarios is presented below.

Scenarios A and B relate to discount rate sensitivity.
Scenarios C and D relate to expected pension increase rate sensitivity.

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1% pa discount rate	+1% pa discount rate	-1% pa pension increase rate	+1% pa pension increase rate
Discount rate	3.20% pa	2.20% pa	4.20% pa	3.20% pa	3.20% pa
Pension increase	2.25% pa	2.25% pa	2.25% pa	1.25% pa	3.25% pa
Defined benefit obligation (A\$'000)	9 598	10 620	8 751	8 980	10 343

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

5.5(q) Asset-Liability Matching Strategies

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

5.5(r) Funding Arrangements

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

5.5(s) Expected Contributions

Financial Year Ending 30 June 2022

	\$'000
Expected employer contributions	516

5.5(t) Maturity Profile of Defined Benefit Obligation

The weighted average duration of the defined benefit obligation for Port Arthur is 10.5 years.

NOTE 6 COMMITMENTS AND CONTINGENCIES

6.1 CONTINGENT ASSETS AND LIABILITIES

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

	2021	2020
	\$'000	\$'000
Cascades Female Factory History & Interpretation Centre Commitment	5 261	547

NOTE 7 RESERVES

7.1 ASSET REVALUATION RESERVE

2021	Land	Buildings	Infra-structure	Heritage Assets	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Asset revaluation reserve					
Balance at the beginning of financial year	3 293	3 520	4 626	973	12 412
Revaluation increments/(decrements)	....	....	....	....	....
Balance at end of financial year	3 293	3 520	4 626	973	12 412

2020					
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Asset revaluation reserve					
Balance at the beginning of financial year	3 293	3 520	4 626	973	12 412
Revaluation increments/(decrements)	....	....	....	....	....
Balance at end of financial year	3 293	3 520	4 626	973	12 412

NOTE 8 AUDITOR'S REMUNERATION

	2021	2020
	\$'000s	\$'000s
Amounts paid or payable to the external auditors for the audit of the accounts	40	40
	40	40

NOTE 9 FOREGONE REVENUE

The Authority offers discounts to holders of student and pension cards on the sale of site tickets.

	2021	2020
	\$'000s	\$'000s
Potential ticket sales	966	1 911
Discount given	(242)	(237)
Net ticket sales	724	1 674

NOTE 10 REMUNERATION REPORT

NOTE 10.1 STATEMENT OF COMPLIANCE

The Authority has, where applicable, complied with the *Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration* for the year ended 30 June 2021.

NOTE 10.2 DIRECTOR REMUNERATION

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

2021 DIRECTOR REMUNERATION¹

Name	Position	Period	Director Fees	Committee Fees	Super-annuation ²	Other Benefits ³	Total
			\$'000	\$'000	\$'000	\$'000	\$'000
NON-EXECUTIVE DIRECTORS							
Grant O'Brien	Chairperson	Full year	33	....	3	....	36
Kristal Buckley	Director	Full year	14	....	1	....	15
Roseanne Heyward	Director	Full year	14	....	1	....	15
Michael Field	Director	Full year	14	....	1	....	15
Melinda Percival	Director	20/10/20– 30/6/21	10	....	1	....	11
Peter McKay	Director	Full year	14	....	1	....	15
EXECUTIVE DIRECTOR							
Stephen Large	CEO ⁴	1/7/19– 19/10/20	....	....	....	....	....
TOTAL			99	....	8	....	107

2020 DIRECTOR REMUNERATION

Name	Position	Period	Director Fees	Committee Fees	Super-annuation ²	Other Benefits ³	Total
			\$'000	\$'000	\$'000	\$'000	\$'000
NON-EXECUTIVE DIRECTORS							
Grant O'Brien	Chairperson	23/12/19–30/6/20	17	....	2	....	19
Sharon Sullivan	Chairperson	1/7/19–22/12/19	16	....	2	....	18
Kristal Buckley	Director	Full year	14	....	1	....	15
Roseanne Heyward	Director	Full year	14	....	1	....	15
Michael Field	Director	Full year	14	....	1	....	15
Judith Franks	Director	1/7/19–30/11/19	6	....	1	....	7
Peter McKay	Director	Full year	14	....	1	....	15
EXECUTIVE DIRECTOR							
Stephen Large	CEO ⁴	Full year	....	....	....	....	....
TOTAL			95	....	9	....	104

- 1 Amounts are all forms of consideration paid, payable or provided by the entity, i.e., disclosure is made on an accruals basis as at 30 June.
- 2 Superannuation means the contribution to the superannuation fund of the individual. Superannuation benefits for members of a defined benefit scheme were calculated using a notional cost based on the actuarial cost method.
- 3 There were no other benefits paid or payable during the year.
- 4 The CEO role does not receive additional remuneration as a Director. The CEO role ceased being a Director with effect from 19 October 2020.

10.3 EXECUTIVE REMUNERATION

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

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

The performance of each senior executive, including the CEO, is reviewed annually which includes a review of their remuneration package. Due to interrupted workloads resulting from COVID-19 recovery plans and appointment of a new CEO, performance reviews were deferred for 2020-21.

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

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

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

2021 EXECUTIVE REMUNERATION

	Period	Base Salary ¹	Short-Term Incentive Payments ²	Super-annuation ³	Vehicles ⁴	Other Monetary Benefits ⁵	Other Non-Monetary Benefits ⁶	Total Remuneration	Termination Benefits ⁷	Other Long-Term Benefits ⁸	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXECUTIVE REMUNERATION											
Jonathan Fisher Chief Executive Officer	28/6/21– 30/6/21	....	....	....	....	....	....	....	....	....	....
Stephen Large Chief Executive Officer	1/7/20– 4/11/20	77	....	18	4	....	11	110	324	(117)	317
Jane Harrington Acting Chief Executive Officer	4/11/20– 27/6/21										
Director Conservation & Infrastructure	1/7/20– 3/11/20	186	....	18	4	....	....	208	....	14	222
Anne McVilly Director Tourism Operations	Full year	167	....	16	....	....	....	183	....	3	186
Jennifer Bett (was Fitzpatrick) Marketing & Communications Manager	1/7/20– 31/3/21	93	....	5	....	....	....	98	....	10	108
Carol Armstrong Human Resources/ Transformation Manager	Full year	120	....	11	....	....	....	131	....	7	138
David Nelan Chief Financial Officer	6/7/20– 30/6/21	128	....	12	....	....	....	140	....	9	149
Emily Kocaj Director Interpretation & Education	21/1/21– 30/6/21	64	....	6	....	....	3	73	....	7	80
Jennifer Goulding Human Resources Manager	15/3/21– 30/6/21	35	....	3	....	....	....	38	....	4	42
SUB-TOTAL		870	....	89	8	....	14	981	324	(63)	1 242
ACTING ARRANGEMENTS											
David Roe Infrastructure	4/11/20– 27/6/21	103	....	10	3	....	....	116	....	1	117
SUB-TOTAL		103	....	10	3	....	....	116	....	1	117
TOTAL		973	....	99	11	....	14	1 097	324	(62)	1 359

2020 EXECUTIVE REMUNERATION

	Period	Base Salary ¹	Short-Term Incentive Payments ²	Superannuation ³	Vehicles ⁴	Other Monetary Benefits ⁵	Other Non-Monetary Benefits ⁶	Total Remuneration	Termination Benefits ⁷	Other Long-Term Benefits ⁸	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXECUTIVE REMUNERATION											
Stephen Large Chief Executive Officer	Full year	207	....	20	9	....	10	244	....	2	246
Jane Harrington Director Conservation & Infrastructure	Full year	173	....	16	3	....	....	194	....	12	206
Anne McVilly Director Tourism Operations	Full year	161	....	15	....	....	....	176	....	2	178
Jennifer Fitzpatrick Marketing & Communications Manager	Full year	116	....	11	....	....	....	127	....	(8)	119
Carol Armstrong Human Resources Manager	Full year	116	....	11	....	....	....	127	....	10	137
TOTAL		773	....	72	12	....	10	868	....	18	886

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

- 1 Base salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.
- 2 Short-term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. These payments are capped at 15% of base salary as per the remuneration Guidelines.
- 3 Superannuation means the contribution to the superannuation fund of the individual. Superannuation benefits for members of a defined benefit scheme were calculated using a notional cost based on actuarial cost method.
- 4 The personal use component of the total cost of providing and maintaining a vehicle for an executive's use, including registration, insurance, fuel and other consumables, maintenance cost and parking (i.e. the notional value of parking provided at premises that are owned or leased) and the reportable fringe benefits amount referable to a vehicle.
- 5 Other monetary benefits include all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable to the Executive, either directly or indirectly.
- 6 Other non-monetary benefits include housing.
- 7 Termination benefits include all forms of benefit paid or accrued as a consequence of termination.
- 8 Other long-term benefits include annual and long service leave movements.

10.4 ACTING ARRANGEMENTS

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence.

Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

In the current year, Dr David Roe assumed the position of Acting Director – Conservation & Infrastructure for the period 4 November

2020 until 27 June 2021 whilst Dr Jane Harrington moved into the role of Acting Chief Executive Officer for the same period of time.

10.5 TERMINATION PAYMENT DURING THE CURRENT YEAR

Mr Stephen Large ceased employment effective 4 November 2020 and was paid \$323 695 representing the balance of his accrued annual and long service leave entitlements (\$117 344) plus a contractual amount payable (\$206 351) paid in accordance with the Instrument of Appointment.

10.6 RELATED PARTY DISCLOSURES

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

The spouse of Stephen Large (Chief Executive Officer) was an employee of the Authority and was paid in accordance with the relevant Industrial Agreement at the level required for the role performed.

The partner of Jennifer Bett (Marketing & Communications Manager) provides the Authority with commercial photographic services.

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

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

NOTE 11 CASH FLOW RECONCILIATION

11.1 CASH AND DEPOSITS

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

	2021	2020
	\$'000s	\$'000s
Cash	4 043	284
Automatic teller machine	14	3
Deposits at call	2 920	2 891
TOTAL	6 977	3 178

11.2 RECONCILIATION OF NET RESULT TO NET CASH FROM OPERATING ACTIVITIES

	2021	2020
	\$'000s	\$'000s
Net result from Profit/(Loss) for the year	(4 801)	(1 628)
Depreciation and amortisation	2 101	2 491
Loss/(gain) on sale of property, equipment and vehicles	268	(13)
Asset devalued	261	84
Non cash movement in superannuation	(277)	24
Decrease/(increase) in receivables	(98)	45
Decrease/(increase) in prepayments, accruals and deposit paid	(81)	26
Decrease/(increase) in inventories	300	66
Increase/(decrease) in employee benefits	34	192
Increase/(decrease) in creditors	968	(993)
Increase/(decrease) in unearned revenue	197	(20)
Net cash from (used by) operating activities	(1 127)	274

11.3 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities	Closing Balance	Non-Cash Changes				Cash Flows		Closing Balance
		Transfers to/ (from) Other Government Entities	New Leases Acquired	Changes in Fair Value	Other	Cash Received	Cash Repayments	
	2020							2021
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Borrowings	5 900	....	....	....	....	....	(2 900)	3 000
Leases	3 850	....	....	....	98	....	(692)	3 255
TOTAL	9 750	....	....	....	98	....	(3 592)	6 255

NOTE 12 FINANCIAL INSTRUMENTS

12.1 RISK EXPOSURES

Risk Management Policies

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

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

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

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

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

Mitigation strategies for specific risks faced are described below.

(a) Credit risk exposures

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

The Authority does not have any material credit risks.

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

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

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

	2021	2020
	\$'000s	\$'000s
Receivables		
Current	39	13
30 days	22	4
60 days	2	2
91+ days	6	96
TOTAL	69	115

Liquidity Risk

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

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

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

(b) Market risk

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

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

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

	Statement of Comprehensive Income		Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	100 basis points decrease
2021				
Financial assets	69	(69)	69	(69)
Financial liabilities	(53)	53	(53)	53
Net sensitivity	17	(17)	17	(17)
2020				
Financial assets	31	(31)	31	(31)
Financial liabilities	(97)	97	(97)	97
Net sensitivity	(66)	66	(66)	66

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

12.2 FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS

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

	Weighted average effective interest rate (%)	Floating interest rate	Fixed interest rate maturing in 1 year or less	Non-interest bearing	Total carrying amount per Statement of Financial Position
2021		\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash	0.15	4 018	2 920	39	6 977
Receivables and accruals	....	....	....	566	566
TOTAL	....	4 018	2 920	605	7 543
Financial liabilities					
Creditors and accruals	....	....	....	1 113	1 113
Leases	2.55	3 255	....	....	3 255
TASCORP loan	1.91	2 000	1 000	....	3 000
TOTAL	....	5 255	1 000	1 113	7 368

2020		\$'000s	\$'000s	\$'000s	\$'000s
Financial assets					
Cash	1.03	258	2 891	28	3 178
Receivables and accruals	....	....	....	336	336
TOTAL	....	258	2 891	364	3 514
Financial liabilities					
Creditors and accruals	....	....	....	284	284
Leases	2.55	3 850	....	....	3 850
TASCORP loan	1.91	5 900	....	....	5 900
TOTAL	....	9 750	....	284	10 034

NOTE 13 OTHER SIGNIFICANT ACCOUNTING POLICIES

13.1 JUDGEMENTS AND ASSUMPTIONS

In the application of Australian Accounting Standards, the Authority is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

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

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

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

The Authority has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

13.2 FOREIGN CURRENCY

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

13.3 TAXATION

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

13.4 COMPARATIVES

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

13.5 ROUNDING

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

13.6 GOODS AND SERVICES TAX

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

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

13.7 COVID-19 PANDEMIC IMPACTS

As part of the Government's response to the COVID-19 pandemic, the Treasurer has ensured that all Government businesses have access to sufficient funds. On 14 August 2020, the Treasurer provided explicit support for the Authority to increase the maximum borrowing limit with the Tasmanian Public Finance Corporation from \$8.0 million to \$12.5 million.

During the year, the Authority received \$0.587 million by way of additional grant funding to reimburse the wages cost of supporting casual, seasonal and fixed term staff through site closures and low visitation levels caused by COVID-19.

In addition to increased borrowing facilities with TASCORP, the Treasurer has also agreed to provide additional financial support by way of equity funding of \$20.0 million to be received over four years commencing with \$8.0 million being received during 2020-21. In accordance with the Treasurer's advice, a further \$6.0 million is to be received in 2021-22, \$4.0 million in 2022-23 and \$2.0 million in 2023-24. These funds will be crucial for the Authority to manage the slow recovery in visitation from international and domestic visitors.

13.8 EVENTS OCCURRING AFTER BALANCE DATE

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

AUDITOR'S INDEPENDENCE DECLARATION



Level 8, 144 Macquarie Street, Hobart, Tasmania, 7000
Postal Address GPO Box 851, Hobart, Tasmania, 7001
Phone: 03 6173 0900
Email: admin@audit.tas.gov.au
Web: www.audit.tas.gov.au

28 September 2021

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

Dear Board Members

Auditor's Independence Declaration

In relation to my audit of the financial report of Port Arthur Historic Site Management Authority for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely

A handwritten signature in black ink, appearing to read "J Tongs", written over a light blue horizontal line.

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

INDEPENDENT AUDITOR'S REPORT



Independent Auditor's Report

To the Members of Parliament

Port Arthur Historic Site Management Authority

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Port Arthur Historic Site Management Authority (the Authority), which comprises the statement of financial position as at 30 June 2021 and statements of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification by the directors.

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

- (a) giving a true and fair view of the Authority's financial position as at 30 June 2021 and of its financial performance and its cash flows for the year then ended
- (b) complying with Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I confirm that the independence declaration was provided to the directors of the Authority on 28 September 2021, on the same date as this auditor's report.

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the

date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

28 September 2021
Hobart

DECLARATIONS

STATEMENT OF CERTIFICATION

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

- a) the financial statements and notes of the Authority are in accordance with the *Government Business Enterprises Act 1995* including:
 - i. giving a true and fair view of the results and cash flows for the year ended 30 June 2021 and the financial position at the 30 June 2021 of the Authority;
 - ii. complying with the Australian Standards and Interpretations and with the Treasurer's Instructions.
- b) there are reasonable grounds to believe the Authority will be able to pay its debts as and when they fall due.

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

- a) the financial records of the Authority for the year ended 30 June 2021 have been properly maintained in accordance with section 51 of the *Government Business Enterprises Act 1995*;
- b) the financial statements and notes for the year ended 30 June 2021 have been prepared in accordance with section 52 of the *Government Business Enterprises Act 1995*; and
- c) the financial statements and notes for the year ended 30 June 2021 give a true and fair view.

Signed in accordance with a resolution of the directors:



MICHAEL FIELD

Director
23 September 2021



ROSEANNE HEYWARD

Director
23 September 2021

CONSERVATION EXPENDITURE

In the opinion of the directors of the Port Arthur Historic Site Management Authority, all grants, including Capital Investment Program Funds, provided by the Tasmanian Government for conservation expenditure, have been reported in accordance with Treasurer's Instruction GBE 08-52-01P *Accounting for Grants Used to Fund Conservation Expenditure*.

Signed in accordance with a resolution of the Board.



MICHAEL FIELD

Director
23 September 2021



ROSEANNE HEYWARD

Director
23 September 2021

SUPERANNUATION CERTIFICATION

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



JONATHAN FISHER

Chief Executive Officer
20 August 2021

PUBLIC INTEREST DISCLOSURES

The following report is made in compliance with the *Public Interest Disclosures Act 2002* Section 86. The PAHSMA Public Interest Disclosures procedure can be accessed on the PAHSMA website at portarthur.org.au under 'About Us'.

Number and types of disclosures made to PAHSMA during the year and the number determined to be a public interest disclosure	Nil
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Number of disclosures determined by the relevant public body to be public interest disclosures that it investigated during the year	Nil
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The number and types of disclosed matters referred to the public body during the year by the Ombudsman	Nil
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The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	Nil
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The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	Nil
--	-----

The number and types of disclosed matters that the relevant public body has declined to investigate during the year	Nil
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The number and type of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation	Nil
---	-----

Any recommendations made by the Ombudsman that relate to the relevant public body	Nil
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JONATHAN FISHER

Chief Executive Officer
20 August 2021





Sunrise Project at the Penitentiary Image: Tasmanian Symphony Orchestra Chorus

THANK YOU TO OUR STAKEHOLDERS

- Minister for Heritage, the Hon. Roger Jaensch MP
- Tasmania's Treasurer and Premier, the Hon. Peter Gutwein MP
- previous Minister for Heritage, the Hon. Elise Archer MP
- our professional and committed PAHSMA employees and volunteers
- the PAHSMA Board for their ongoing support and guidance
- the PAHSMA Executive Leadership Team
- our Work Health and Safety Consultative Committee
- the Port Arthur and the Cascades Female Factory Community Advisory Committee members and their respective Chairs, Barry Jennings and Dr Dianne Snowden AM
- PAHSMA Conservation Advisory Committee members, chaired by Helen Lardner
- our Three Capes Track partners at Parks & Wildlife and Pennicott Wilderness Journeys
- the Tasmanian and Australian Governments for the continued support to our conservation program
- the Mayor, Kelly Spaulding, General Manager, Councillors and employees of the Tasman Council
- the Tasman District School staff and community
- the Female Convict Research Group
- the teams at Tourism Australia, Tourism Tasmania, Destination Southern Tasmania, Heritage Tasmania and the Tourism Industry Council of Tasmania
- representatives of the Hobart City Council
- Peter, John and Michael Roche and the Navigators team
- the *Tasman Gazette* staff
- the Tasman Business and Tourism Association
- the University of Tasmania
- the University of New England
- Deakin University
- the Tasmanian Symphony Orchestra Chorus
- and our many suppliers, local accommodation providers, contractors and trade partners.



PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY

