



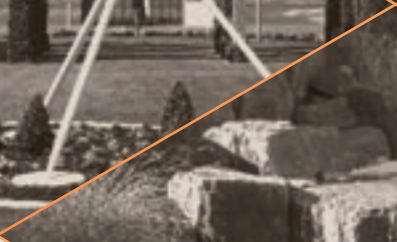
The Greater Metropolitan
Cemeteries Trust
Lasting memories, peaceful places.

ANNUAL REPORT 2015-2016

INNOVATION



SUSTAINABILITY



PRODUCTIVITY



CONNECTING GENERATIONS OF VICTORIANS TO PEOPLE, PLACE AND MEMORIES

At The Greater Metropolitan Cemeteries Trust (GMCT) we believe in caring for your loved ones with dignity and compassion.

In addition to the funeral services we provide, we commit to caring for your loved ones long into the future. Our perpetual maintenance fund ensures all of our cemeteries are maintained in perpetuity, giving you, your family and future generations peace of mind.

We understand that the passing of a loved one is a difficult experience and that everyone grieves in their own way. Making decisions about how to honour someone's life, such as choosing a final resting place, can be challenging. At GMCT, we are dedicated to assisting individuals and families to make important, long-term decisions that reflect their needs and wishes, and which honour and celebrate life.

We respect all peoples, our heritage, our communities and the environment.

We also recognise that every journey is different, whether that journey involves making arrangements for someone recently deceased or planning ahead for your own funeral and memorialisation. Our role is to provide compassionate guidance and support to help you make decisions that are right for you.

ABOUT THIS REPORT

The Greater Metropolitan Cemeteries Trust Annual Report 2015–2016 provides information about the trust's governance arrangements, objectives, functions, performance and achievements.

It highlights GMCT's work throughout the year and includes information about management, operations, infrastructure and planning, workforce, sector leadership, stakeholder engagement and financial operations. It includes a joint report from the chair and chief executive officer.

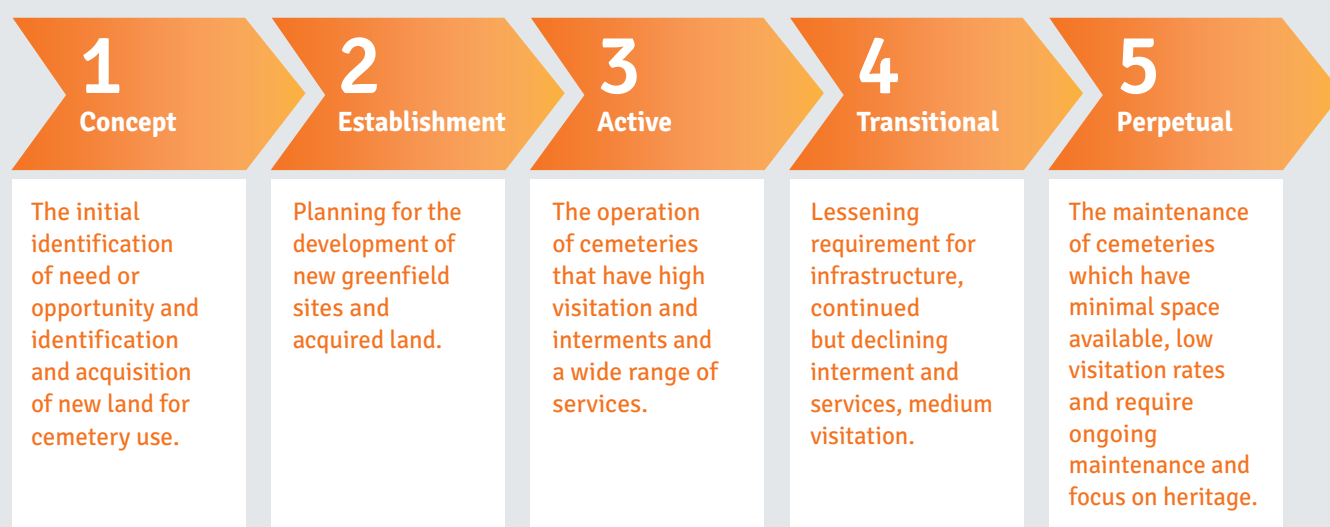
The annual report is a statutory obligation under the *Cemeteries and Crematoria Act (2003)*. It complies with financial reporting directions and meets the requirements outlined in the model report of operations. The GMCT annual report is tabled in the Victorian Parliament before being released.

This report covers the financial year ended 30 June 2016.

An alternative accessible version of the annual report is available on the GMCT website at <http://gmct.com.au/about-us/annual-report/>

CEMETERY LIFECYCLE

GMCT manages 21 sites allocated for cemetery use under the Victorian Government Gazette. A number of sites have been providing services to the local community for more than 150 years, with many considered to be reaching peak capacity or to have entered a level of perpetual maintenance.



Cover design

The cover of this report shows a selection of community events hosted by GMCT throughout 2015-16 and highlights the diversity of our cemeteries.

OUR VISION

Lasting memories, peaceful places

OUR MISSION

We provide the final care for your loved ones, with dignity and kindness.

We respect all peoples, our heritage, our communities and the environment.

OUR VALUES

Compassion

Respect

Sustainability

Integrity

OUR PURPOSE

The Greater Metropolitan Cemeteries Trust offers a wide range of burial, cremation and interment options, which allow Melbourne's diverse community to make choices according to their, or their loved one's, cultural, personal and religious preferences.

We make sure every experience with us is helpful and supportive, so that the memories you associate with your loved one's final resting place are positive from the start.

All of our cemeteries have strong connections with the local communities they serve.

We are committed to maintaining beautiful, restful and sustainable places that are also rich in history.

OUR STRATEGIC OBJECTIVES

GMCT's 2013-16 strategic plan focused on five key areas:

- 1 Providing strong leadership
- 2 Building a viable and sustainable organisation
- 3 Enhancing relationships with the community, clients and stakeholders
- 4 Developing our people and workforce
- 5 Demonstrating strong governance and accountability

In addition, each year of the three-year plan was assigned a core theme to provide even greater focus and was used to establish annual priorities, objectives, plans and activities.

2015-16 Innovation and product development

2014-15 Customer care

2013-14 Build capability

OUR KEY STAKEHOLDERS

GMCT works with a number of stakeholders across the funeral and cemetery sector, local communities and government. We greatly value these relationships and the positive impact they have on our business and service delivery.



To
The Hon. Jill Hennessy MP
Minister for Health
Level 22, 50 Lonsdale Street
Melbourne, VIC 3000

Dear Minister

We have pleasure in submitting to you, for presentation to Parliament, the Annual Report of The Greater Metropolitan Cemeteries Trust (GMCT) for the year ending 30 June 2016.

The report was endorsed at an extraordinary meeting of the GMCT trust on 10 August 2016.

It has been prepared in accordance with section 52 of the Cemeteries and Crematoria Act 2003 (No 80 of 2003) and the Cemetery Model Annual Report for 2015-2016, under Financial Management Act 1994.

The report is divided into two sections (report of operations; and financial statements including explanatory notes) and provides a summary of operational achievements, statutory information and financial statements and details on performance against the Strategic Plan 2013-16.

The report includes a joint report from the Chair and Chief Executive and a report from the Director, Finance and Business.

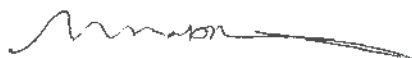
The annual report 2015-16 signals the end of the trust's three-year strategic plan (2013-16) and its transition from a period of establishment (following amalgamation in 2010) to a new phase of innovation, growth and improved land use planning.

We commend the organisation's achievements to you.

In accordance with our commitment to sustainability, limited copies of this report are available in print.

The full report is available online, to view or download: www.gmct.com.au/about-us/annual-report/

Regards



Geoff Mabbett
Chair



Jacqui Weatherill
Chief Executive Officer

Head Office

Fawcner Memorial Park, 1187 Sydney Road Fawcner, Victoria 3060 PO Box 42 Fawcner, Victoria 3060

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Greater Metropolitan Cemeteries Trust ABN 89 704 536 022

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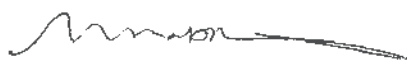
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RESPONSIBLE BODIES DECLARATION

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for The Greater Metropolitan Cemeteries Trust (GMCT) for the year ending 30 June 2016.



GEOFF MABBETT

Chair

The Greater Metropolitan Cemeteries Trust

10 August 2016

ATTESTATION FOR COMPLIANCE WITH THE MINISTERIAL STANDING DIRECTION 4.5.5 – RISK MANAGEMENT FRAMEWORK AND PROCESSES

I, Jacqui Weatherill, certify that The Greater Metropolitan Cemeteries Trust has complied with Ministerial Direction 4.5.5 – Risk Management Framework and Processes.



JACQUI WEATHERILL

Accountable Officer

The Greater Metropolitan
Cemeteries Trust

Fawkner, Victoria

10 August 2016



MESSAGE FROM THE CHAIR AND THE CHIEF EXECUTIVE OFFICER

2015-16 was another busy year for The Greater Metropolitan Cemeteries Trust (GMCT).

We provided burial, cremation and memorialisation services to more than 12,000 families and welcomed over 1 million visitors to our cemeteries and memorial parks.

We also worked hard to nurture key stakeholder relationships and further develop systems and processes in order to deliver on strategic objectives (which are outlined in this report). Significantly, we formalised a land strategy which will inform long-term planning and investment decisions.

All this is helping us to build a sustainable organisation which in turn ensures we are well positioned to serve Melbourne's diverse communities for years to come.

GMCT has matured as an organisation since it was established in 2010 and in 2015-16 we prioritised operational sustainability.

To achieve this, we focused on creating a consistent GMCT experience for all stakeholders. This required us to develop a business model that is repeatable across all our sites.

Throughout the year, we invested in initiatives and activities that supported this aim, including: standardised operating procedures, safe work practices, efficient and compliant

burial operations, new online systems, a central enquiries and bookings phone number, improved horticulture standards, effective signage, improved customer experience, successful marketing campaigns, community events, and a consistent food and beverage offering.

During our year of innovation and productivity, there were several milestone achievements. While this report provides details of strategic goals and successes, the following highlights provide an overview of the scope and impact of our work.

We invested \$6.4M in new stock and commenced major developments including the Holy Angels Mausoleum extension (stage 4), construction of monumental foundations at Northern Memorial Park and new lawn beams at Williamstown Cemetery and Northern Memorial Park. A focus was on better understanding future consumer demands in light of current land and available stock.

Significantly, we identified a shortfall of stock in some areas and we continue to work to address this through a tenure program, the construction of new stock options and continued discussions with the land planning authority and government.

We invested more than \$15M in capital works projects and awarded \$15M in contracts.

Major projects undertaken this year include: upgrading function and crematoria facilities at the Altona Chapels; completion of the Werribee Mausoleum extension; installation of backup power generators at our regional offices; purchase of significant land and infrastructure to extend Northern Memorial Park; and commencing implementation of a best practice contractor compliance and registration scheme.

New conservation management plans, masterplans and Public Record Victoria (PROV) histories of our cemeteries document the historic, cultural and architectural importance of a number of our sites and will help us to understand how communities engage with our cemeteries as public spaces.

We understand that realising our vision to provide lasting memories and peaceful places requires collaboration with multiple stakeholders.

The relationships we have with families and industry partners have been established over time by providing consistent, professional and caring services that meet the highest standards – our own and those set by government and legislative bodies.

“

All this is helping us to build a sustainable organisation which in turn ensures we are well positioned to serve Melbourne's diverse communities for years to come.

”



“

The relationships we have with families and industry partners have been established over time by providing consistent, professional and caring services that meet the highest standards ...

”

This has set the benchmark on which we will build as we commence our new Strategic Plan (2016-21)

We are enormously proud of our teams' commitment to our values of integrity, respect, compassion and sustainability and a short film, “GMCT stories” gave staff the opportunity to share what their work means to them. We encourage you to visit our website to hear what our staff have to say about their GMCT experience: gmct.com.au/about-us/careers/

In March 2016, we welcomed trust member Geoff Mabbett to the role of chair, and new trust members David Cragg, Liz Beattie and Dana Hlavacek.

We take this opportunity to acknowledge former chair, Dianne Rule - who continues as a trust member - for her considered and insightful leadership, and outgoing trust members John Jennison, Roma O'Callaghan and Ronda Jacobs for their valuable contribution.

We thank all trust members, executive directors, staff and volunteers for their contributions to what has been a busy year.

GEOFF MABBETT
Chair

JACQUI WEATHERILL
Chief Executive Officer



PART 1: OVERVIEW



THE YEAR IN REVIEW – INNOVATION AND PRODUCTIVITY

In 2015-16, the third year of GMCT's Strategic Plan 2013-16, we placed an even greater emphasis on understanding the long-term needs of our communities.

We also challenged ourselves to increase efficiency in the delivery of services under the theme of innovation and productivity.

Fundamental to this was reviewing and introducing initiatives, systems and processes, both internally to support staff and our operations, and externally to improve the experience of families, visitors and business partners.

Underpinning this was a commitment to develop sustainable practices across infrastructure, assets and land development, including investigating and introducing alternative energy sources to our sites and improving land planning capacity.



INNOVATION HIGHLIGHTS

In 2015-16, GMCT introduced a number of initiatives and innovations that allowed us to better respond to stakeholder needs, improve operational efficiencies and enhance customer experiences.

LIVING LEGACY FOREST PARTNERSHIP

Start date:

2013

Completion:

Launched May 2016

Annual project investment:

Internally resourced with additional investment from Living Legacy Forest.

Key teams involved:

Commercial services, horticulture, planning and infrastructure, communications and community engagement.

Overview:

Living Legacy Forest Pty Ltd offers a new concept in the memorialisation of cremated remains. GMCT planted the world's first Living Legacy tree at Lilydale Memorial Park in 2015. The patented technology converts cremated remains into micronutrients which are infused into the delicate root system of a tree.

When someone chooses a Living Legacy tree an additional 200 carbon offset trees are planted in their name. The concept includes a smart phone app that allows visitors to find a specific memorial tree and access information about the deceased.

www.livinglegacyforest.com

DEVELOPMENT OF NEW LAND STRATEGY

Start date:

July 2016

Completion:

Ongoing

Annual project investment:

\$115,000

Key teams involved:

Commercial services and operations, regional managers, finance and business, and planning and design.

Overview:

A draft land strategy and a cemetery land supply policy were developed to support GMCT's acquisition and management of land. This ensures a minimum 15-year active (operational) and 30-year reserved (future) land supply for GMCT.

The land strategy includes two key elements: it identifies requirements (out to 2051) within GMCT's area of geographic responsibility as well as possible land that meets this requirement. It includes demographic data and Australian Bureau of Statistics data and projects.

A significant land purchase in Glenroy will extend our Northern Memorial Park by approximately five hectares and an additional two years burial capacity. The site features a significant warehouse providing an opportunity to relocate and consolidate our north region vehicle and maintenance depot.

GEOGRAPHIC INFORMATION SYSTEM

Start date:

September 2015

Completion:

Stage (1) May 2016 internal;
Stage (2) July 2016

Annual project investment:

\$193,000

Key teams involved:

Information communication technology, regional manager north, client services, burial operations, and planning and design.

Overview:

Geographic information system mapping software provides significantly improved search results for burial and cremated remains interments across GMCT cemeteries. The system assists with the management of assets and facilities and the integrity of historical records.

ALTONA CREMATORIUM

Start date:

February 2015

Completion:

December 2015

Annual project investment:

\$2,200,000

Key teams involved:

Planning and design, engineering, outdoor staff.

Overview:

A major redevelopment of Altona Memorial Park chapel and crematoria complex resulted in a fit-for-purpose facility that is responsive to local cultural and emerging community needs. The design was informed by extensive stakeholder consultation and provides appropriate and sensitive facilities for community groups and family members to fulfil culturally specific funeral rites.

FOOTSCRAY GENERAL CEMETERY – SHARED SERVICES MODEL

Start date:

Implementation commenced January 2016

Completion:

May 2016
(contract commencement)

Annual project investment:

Internally resourced and new annual revenue stream

Key teams involved:

West region staff, finance, information communication technology, communications and community engagement.



INNOVATION HIGHLIGHTS (CONTINUED)

Overview:

Maribyrnong City Council approached GMCT with a proposal for the trust to take on day-to-day management and operations of Footscray General Cemetery on a fee-for-management service arrangement.

Key stakeholders including the community, families and funeral directors will benefit from GMCT's extensive experience and understanding of the cemetery sector and streamlined approach to providing services.

TENURE PROGRAM

Start date:

October 2015

Completion:

Ongoing

Annual project investment:

\$25,000

Key teams involved:

Tenure team, information communication technology, corporate information

Overview:

GMCT commenced a tenure program to review right of interment (25 years and over) on graves that had not yet been used.

The tenure team conducts research to validate tenure status of relevant burial plots with a view to potentially purchasing or re-claiming the right of interment in accordance with the *Cemeteries and Crematoria Act 2003*.

The tenure program also assists with records management and geographic information system mapping.

FUSION STAGE 1

Start date:

Implementation commenced August 2014

Completion:

September 2015

Annual project investment:

\$410,000

Key teams involved:

All business units

Overview:

Fusion is a business tool that enables the daily upgrade and integration of core business systems, including cemetery management, bookings, financial management and electronic document management. It supports improved customer service, financial management and business reporting.

Fusion is being implemented in two stages:

Stage 1 – cemetery management and finance

Stage 2 – (September 2016):
– assets management

PROFILE AND PERFORMANCE OF GMCT CEMETERIES AND MEMORIAL PARKS

	AMP	TRC	WEC	WIC	MW	FO	KC	ACC	BC
Established	1961	1865	1864	1853	2011	1869	1857	1858	1858
Lifecycle	Active	Perpetual	Active- Transitional	Active- Transitional	Establishment	Perpetual	Active	Active- Transitional	Transitional
Hectares	53.3	1.6	5.6	11.4	128.6	10.9	14	3.3	6
Number of cremations (2015-16)	1483	-	-	-	-	-	-	-	-
Number of interments (2015-16)	581	-	163	221	-	9	468	127	21
Community events held	Yes	-	Yes	Yes	-	-	yes	-	Yes
Employee FTE	WEST: 33.89								

AMP ALTONA MEMORIAL PARK

ACC ANDERSONS CREEK CEMETERY

BC BURWOOD CEMETERY

CPRC COBURG PINE RIDGE CEMETERY

EC EMERALD CEMETERY

FMP FAWKNER MEMORIAL PARK

FO FOOTSCRAY

HC HEALESVILLE CEMETERY

KC KEILOR CEMETERY

INNOVATION HIGHLIGHTS (CONTINUED)

A WILL FOR THE WOODS – FILM SCREENING

Start date:

February 2016

Annual project investment:

\$3300
(free community event)

Key teams involved:

Corporate communications and engagement.

Overview:

A Will for the Woods is a documentary that follows one man's journey to find the most environmentally friendly form of burial. The film explores green technology and a philosophical examination of the idea of returning to the earth upon death.

The screening was followed by a panel discussion with industry experts, facilitated by GMCT CEO Jacqui Weatherill.

The event was hosted as part of the Sustainable Living Festival and formed part of GMCT's community connections and outreach program to encourage conversations about death and burial/memorialisation.

LEDGER SERVICES

Start date:

2013

Completion:

Ongoing

Annual project investment:

\$515,000

Key teams involved:

Burial operations

Overview:

A skilled ledger team was established to improve the management and delivery of ledger and shutter removals in our north region sites and will be rolled out to other regions in response to business needs. This project provided staff with the opportunity to upskill and cross train.

CHANGE READY TEAM

Commencement:

August 2015

Completion:

Ongoing

Annual project investment:

Nil

Key teams involved:

All business units.

Overview:

A Change Ready Team was established to become 'champions of change' and drive staff engagement within GMCT. Led by the CEO, the team comprises staff from all business units and has provided valuable input into the development of the Strategic Plan 2016-21.

EC	HC	LLC	LMP	TEC	YGC	CPRC	FMP	NMP	PC	PV	NC
1883	1865	1861	1863	1858	1866	1859	1906	1986	1864	1996	1861
Active- Transitional	Active- Transitional	Transitional	Active	Transitional - Perpetual	Active- Transitional	Transitional - Perpetual	Active	Establishment - Active	Active	Establishment	Perpetual
2	3.8	4.5	36.4	3.9	2	10.3	113	94.6	9.5	83.2	0.4
-	-	-	2186	-	-	-	3376	-	-	-	-
31	32	33	429	100	8	2	2284		221	-	-
Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes	-	-
EAST: 28.45						NORTH: 132.66					

LLC LILYDALE LAWN CEMETERY
LMP LILYDALE MEMORIAL PARK
NC NORTHCOTE CEMETERY
NMP NORTHERN MEMORIAL PARK

PC PRESTON CEMETERY
TEC TEMPLESTOWE CEMETERY
TRC TRUGANINA CEMETERY
WEC WERRIBEE CEMETERY

WIC WILLIAMSTOWN CEMETERY
YGC YARRA GLEN CEMETERY
PV PLENTY VALLEY (GREENFIELD SITE)
MW MELTON WEST (GREENFIELD SITE)

SITES MAP AND HIGHLIGHTS

6

FAWKNER MEMORIAL PARK

Highlights:

- ▶ Development of a conservation management plan commenced
- ▶ Half a million visitors



North



113



Active

8

KEILOR CEMETERY

Highlights:

- ▶ 1,200 attendees at All Souls, Day mass service
- ▶ Release of historic graves as part of tenure program



North



14



Active

16

WERRIBEE CEMETERY

Highlight:

- ▶ Completion of the new mausoleum and commemorative blessing by Auxiliary Bishop Vincent Long



West



5.6



Active-Transitional

1

ALTONA MEMORIAL PARK

Highlight:

- ▶ Completion of redeveloped chapel and crematoria, including culturally appropriate facilities



West



53.3



Active

17

WILLIAMSTOWN CEMETERY

Highlights:

- ▶ Establishment of the Friends of Williamstown Cemetery
- ▶ Victoria's Heritage Restoration Fund grant secured to restore the historic fountain, circa 1882



West



11.4



Active-Transitional

12

NORTHERN MEMORIAL PARK

Highlight:

- ▶ Purchase of five-hectare site, extending the existing site



North



98.6



Establishment-Active



Corporate head office



Regional HQ



GMCT sites



Greenfield sites



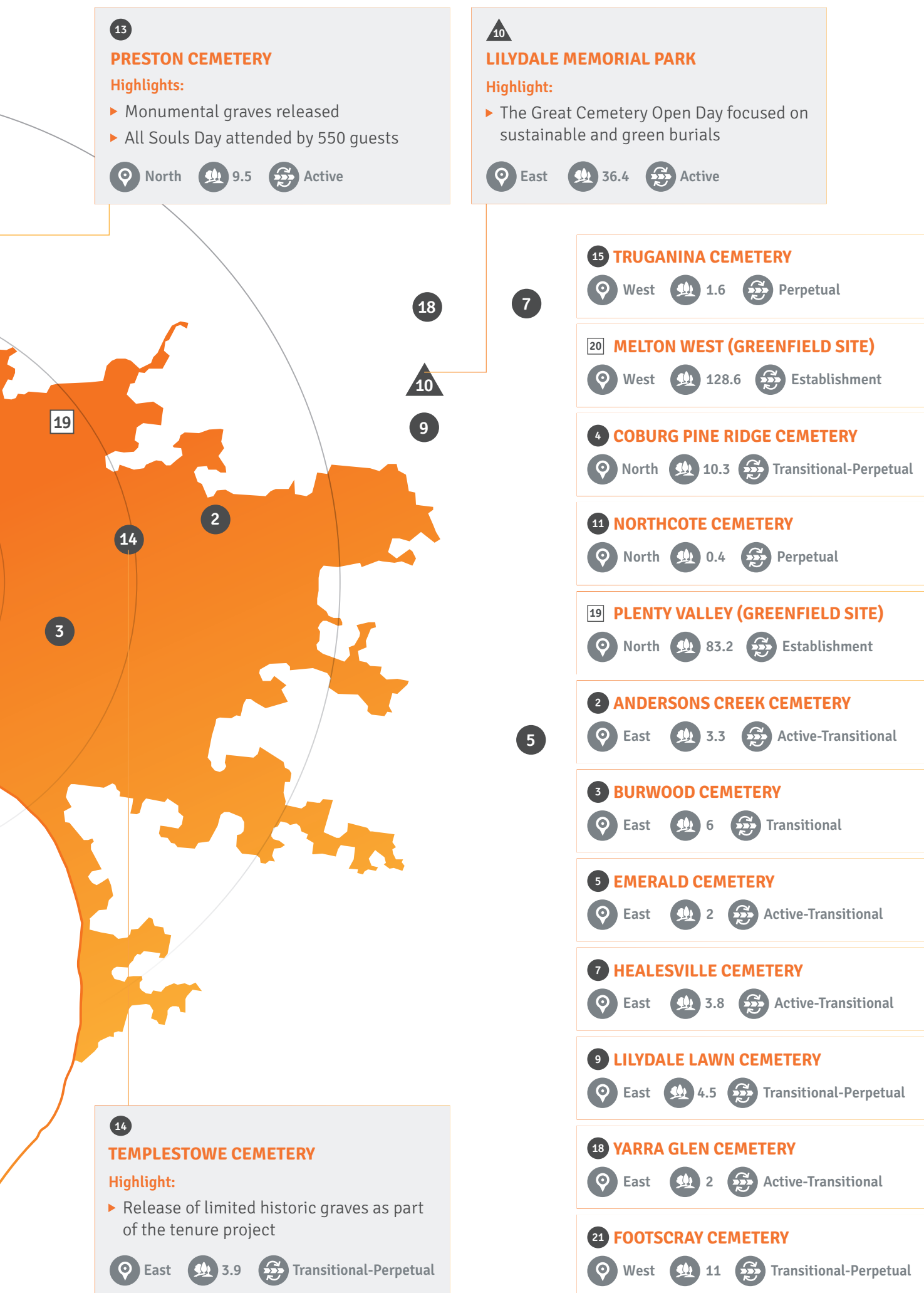
Region



Land size (hectares)



Stage in lifecycle
(refer page 2)



ORGANISATIONAL STRUCTURE



PART 2: OUR PERFORMANCE



In 2015-16, GMCT continued to deliver against five strategic goals that informed our annual plans through the 2013-16 reporting periods. These goals, relevant activities and their status as at 30 June 2016 are outlined on the following pages.

- ▶ At GMCT, performance includes financial performance, compliance, sustainability, grounds maintenance, customer service and managing appropriate and sufficient stock to meet current and future community needs.
- ▶ We measure our performance against key metrics outlined in our annual plan, industry standards and a range of internal benchmarks.
- ▶ We also monitor our performance against stakeholder expectations in relation to customer service, quality of services and information, how easy we are to do business with, the range of services on offer (including culturally appropriate products and services), the condition of our facilities and grounds, and our engagement with communities.



PERFORMANCE AGAINST OBJECTIVES AND INDICATORS

MEASURING OUR PERFORMANCE

VISION					
LASTING MEMORIES, PEACEFUL PLACES					
Strategic Goals	Strategic Goal 1: Enhance relationships with the community, clients and stakeholders	Strategic Goal 2: Provide strong sector leadership	Strategic Goal 3: Build a viable and sustainable organisation	Strategic Goal 4: Develop our people	Strategic Goal 5: Demonstrate strong governance and accountability
Key Action Areas	<ul style="list-style-type: none"> ▶ Stakeholder engagement 	<ul style="list-style-type: none"> ▶ Sector leadership 	<ul style="list-style-type: none"> ▶ Asset management ▶ Productivity ▶ Long-term financial strategy 	<ul style="list-style-type: none"> ▶ Culture ▶ Safety ▶ Skills and capability 	<ul style="list-style-type: none"> ▶ Risk management ▶ Committee and trust governance
3 Year Strategic Objectives	<ul style="list-style-type: none"> ▶ Provide services that respond to the needs of our communities ▶ Enhance the reputation and brand of GMCT as a professional high quality service provider in the industry ▶ Provide a range of innovative products that address the changing needs of our clients ▶ Promote GMCT's products and services and assist families in making educated choices ▶ Improve employee communications, performance and engagement 	<ul style="list-style-type: none"> ▶ Provide the broader cemetery and funeral sectors with support and guidance on industry issues and operations 	<ul style="list-style-type: none"> ▶ Ensure the integrity and viability of our assets in the short and long-term ▶ Embed a continuous business process improvement culture to ensure efficiency and effectiveness in every element of our operations ▶ Ensure GMCT is financially sustainable and meets its long-term financial obligations ▶ Optimise revenue and control expenditure while driving financial accountability in all areas of our business ▶ Ensure adequate land and associated infrastructure is available to provide ongoing cemetery services to the community ▶ Minimise our impact on the natural environment 	<ul style="list-style-type: none"> ▶ Become a preferred employer ▶ Embed a safety culture into the organisation ▶ Ensure our vision and values are fully embraced and demonstrated by the organisation 	<ul style="list-style-type: none"> ▶ Deliver effective corporate governance ▶ Provide an operating environment in alignment with the trust's risk appetite ▶ Provide accurate and accessible records

AT A GLANCE



206

members of our workforce



21

cemeteries and memorial parks across
Melbourne's north, east and west



\$6.4 million

investment in the development of new stock



\$15 million

investment in capital works projects



638,432

visitors to Fawkner Memorial Park



4724

burial interments



7049

cremations



443

mausoleum interments



2500⁺ hours






undertaken by staff for development and training



STRATEGIC GOAL 1

Enhance relationships with the community, clients and stakeholders by providing services that respond to the needs of our communities.

A key focus in 2015-16 was progressing the improvement of our facilities and infrastructure to ensure culturally appropriate burial and cremation options for local communities. GMCT worked hard to engage with a range of stakeholder groups to understand their needs and interests and to inform decision making across all aspects of our business. Our community advisory committee made a significant impact in this area, greatly enhancing our engagement efforts and outcomes.

STRATEGIC OBJECTIVE	2015-16 ACTIONS	RESPONSIBILITY	STATUS
Engage our stakeholders and provide services which respond to the needs of our communities	Develop and implement the Community Engagement Framework 2015-2018 in order to better inform, consult, involve, collaborate and empower our communities.		✓
	Commission and complete the Altona chapel and crematorium redevelopment, to facilitate efficiency and productivity improvements and service the growing western suburbs communities.		✓
Provide a range of innovative products which continually address the changing needs of our clients	Develop a digital strategy to increase the scope and public appeal of our on-line services and guide our investment in digital innovations.		➔
	Implement recommendations from the Cremator Review 2015 for 2015-16.		✓
	Develop a concept and marketing campaign for a new Asian – inspired burial area at Lilydale Memorial Park.		✓



CEO



Director Strategic Planning & Infrastructure



Director Commercial Services & Operations



Director Finance & Business



Manager Communications and Engagement



Senior Manager Risk and Workforce



Completed



In progress



STRATEGIC GOAL 2

Provide strong sector leadership by supporting the broader funeral and cemetery sectors on industry issues and operations.

GMCT commenced a community outreach program and hosted events to encourage conversations about death, dying and memorialisation. We connected with community groups and organisations to explore opportunities to work together, which enhanced our understanding of local communities. Partnerships with industry, support agencies, special interest groups (including the Australian Centre for Grief and Bereavement) and local councils, presented genuine opportunities to collaborate for mutually beneficial outcomes. Many of these partnerships will continue in 2016-17 and beyond.










STRATEGIC OBJECTIVE	2015-16 ACTIONS	RESPONSIBILITY	STATUS
Foster our relationships with, and assist the activities of, our friends and similar groups to encourage their continuing growth and their support of and contribution to GMCT	Develop and implement the Community Engagement Framework 2015-2018 in order to better inform, consult, involve, collaborate and empower our communities.		
	Research and develop three new, innovative product lines for GMCT.		
	Mentor, foster and enhance existing relationships with government, Class A and B cemeteries, Cemeteries and Crematoria Association of Victoria, community organisations, philanthropic organisations, educational institutions and industry bodies to further their engagement with and contribution to GMCT.		



STRATEGIC GOAL 3














Build a viable and sustainable organisation, ensuring the integrity and viability of our assets in the short and long term.

Reviewing and improving current processes and implementing new systems to effect more efficient and effective outcomes across our business were a priority. Sustainable business practices – financial, land and assets management, administrative and environmental – were key drivers, resulting in streamlined processes and the establishment or consolidation of fundamental systems.

STRATEGIC OBJECTIVE	2015–16 ACTIONS	RESPONSIBILITY	STATUS
Ensure the integrity and viability of our assets in the short and long term	Continue asset condition inspections to inform long-term plans to effectively manage all GMCT owned assets.		
Embed a continuous business process improvement culture to ensure efficiency and effectiveness in every element of our operations	Embed the new key business systems – finance, cemetery management system, assets management* and geographic information system – to improve the efficiency of critical business processes.	 	
	Pilot mobile computing and related technology to develop the burial operations verification process that will support automated grave verification procedures and reduce potential data entry mistakes.		
Ensure GMCT is financially sustainable and meets its long-term financial obligations	Implement stages two and three of the pricing review to ensure an effective pricing model is developed for all products and services.		

* Asset management capability will be implemented in 2016-17.

	CEO
	Director Strategic Planning & Infrastructure
	Director Commercial Services & Operations
	Director Finance & Business
	Manager Communications and Engagement
	Senior Manager Risk and Workforce
	Completed
	In progress







STRATEGIC OBJECTIVE	2015–16 ACTIONS	RESPONSIBILITY	STATUS
Optimise revenue and control expenditure, while driving financial accountability in all areas of our business	Implement a preferred supplier list to manage expenditure in a cost-effective and efficient manner.		
	Implement the Historic Grave Project and a range of tenure activities to improve the financial sustainability of GMCT and meet community need.		
Ensure adequate land and associated infrastructure is available to provide ongoing cemetery services to the community	Develop a land strategy to guide the trust's development of existing land and the acquisition and development of proposed future cemetery land to ensure GMCT can meet the long-term needs of our communities for burial, cremation and memorialisation.		
Minimise our impact on the natural environment	Identify and fund innovative projects to reduce reliance on potable water, decrease waste production, reduce energy consumption, landfill and our reliance on potable water.		
	Establish a staff-based 'Green Team' to lead the organisation on sustainable work practices.		
	Implement identified solar power energy saving initiatives across selected GMCT sites.		
	Install backup power generators at key regional sites to support business continuity requirements.		



STRATEGIC GOAL 4

Develop our people

Our people are integral to the delivery of GMCT's services and to ensuring we meet stakeholder expectations. Most importantly, our people are responsible for creating and delivering the GMCT customer experience, aligned to our values of compassion, respect, integrity and sustainability. Recognising the critical role of each and every team member in day-to-day service delivery we prioritised further development of our occupational health and safety program 'Work Safe, Grave Safe, Home Safe' and celebrated the GMCT employee experience through "GMCT Stories". GMCT Stories highlights personal interviews with staff as they share their experience of working at GMCT and in particular what gives their work meaning. It supports our recruitment program and helps demystify the experience of working in a cemetery.

STRATEGIC OBJECTIVE	2015-16 ACTIONS	RESPONSIBILITY	STATUS
Become a preferred employer	Implement the Workforce Plan – Year 1.*		 *
Embed a safety culture into the organisation	Further engage and embed employee knowledge in our occupational health and safety culture through a range of training activities, focus groups and meetings.		
Ensure GMCT's vision and values are fully embraced and demonstrated by the organisation	Continue to showcase our vision and values through the development of GMCT Stories which showcases employee contributions and best practice.		











* Not yet commenced. Due to organisational restructure this has been deferred to 2016-17.

	CEO
	Director Strategic Planning & Infrastructure
	Director Commercial Services & Operations
	Director Finance & Business
	Manager Communications and Engagement
	Senior Manager Risk and Workforce
	Completed
	In progress

STRATEGIC GOAL 5

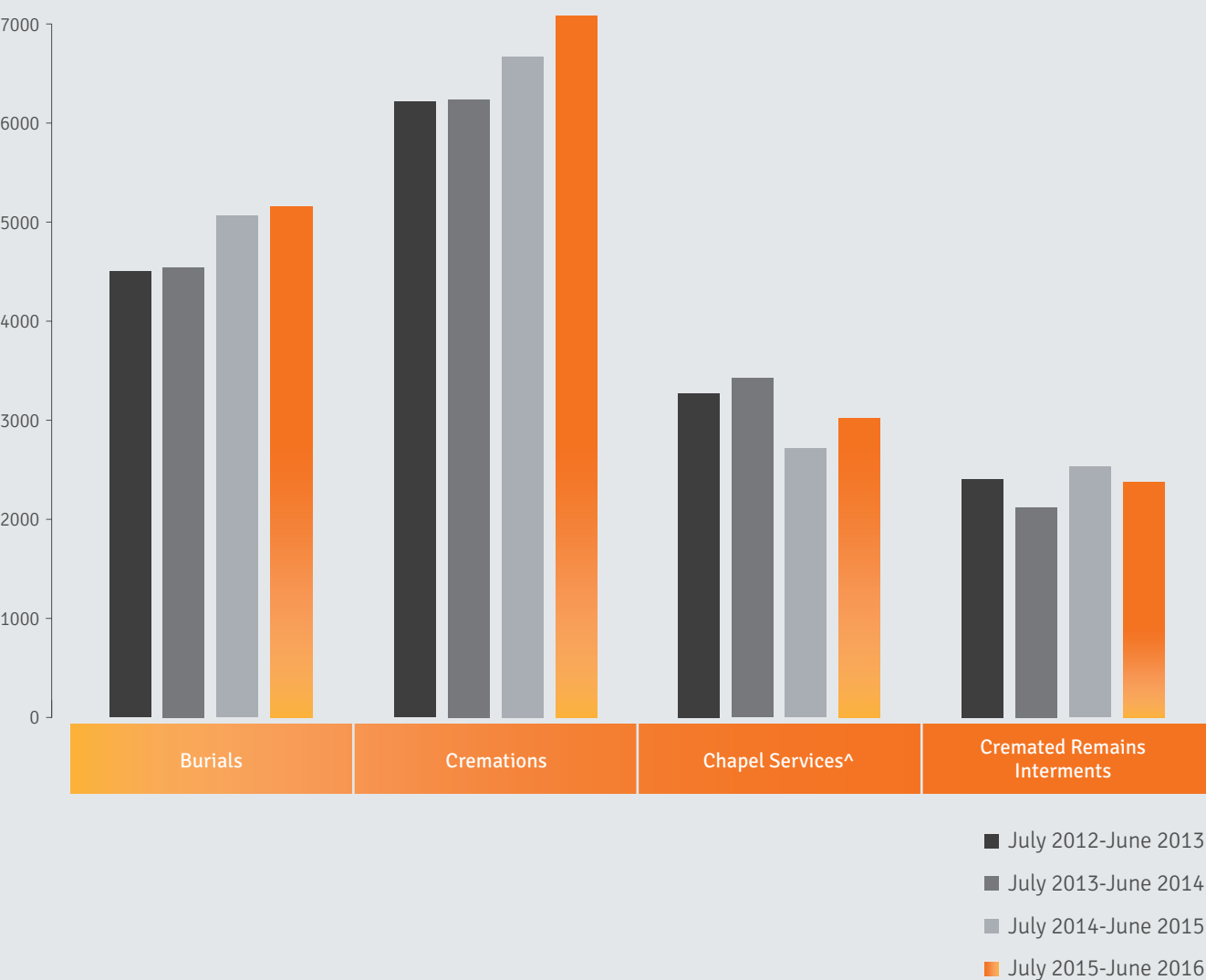
Demonstrate strong governance and accountability through the delivery of effective corporate governance.

GMCT's strong performance in 2015-16 was underpinned by a commitment to the highest standards of compliance and governance in accordance with external standards and expectations and internal policies and processes. A focus on key actions outlined in our annual plan ensured we were transparent and accountable throughout the reporting period. Applying best practice across day-to-day business processes, such as project management and document management systems will result in more effective outcomes and will ensure that the resources and finances invested in 2015-16 continue to deliver well into the future.

STRATEGIC OBJECTIVE	2015-16 ACTIONS	RESPONSIBILITY	STATUS
Deliver effective corporate governance	Implement a project management office to better coordinate and provide oversight over GMCT's strategic projects.		
	Finalise a suite of annual supply contracts to provide contemporary interment options.		
	Develop, draft and finalise GMCT's new rolling three-year* strategic plan (2016-19). <i>* five-year strategic plan</i>		
Provide an operating environment in alignment with the trust's risk appetite	Test the business continuity plan by staging a series of live scenario tests to validate GMCT risk and compliance procedures and processes.		
Provide accurate and accessible records	Implement an electronic document and records management system and digitisation plan.		

PERFORMANCE REPORT

Performance data over the past four years



Energy consumption

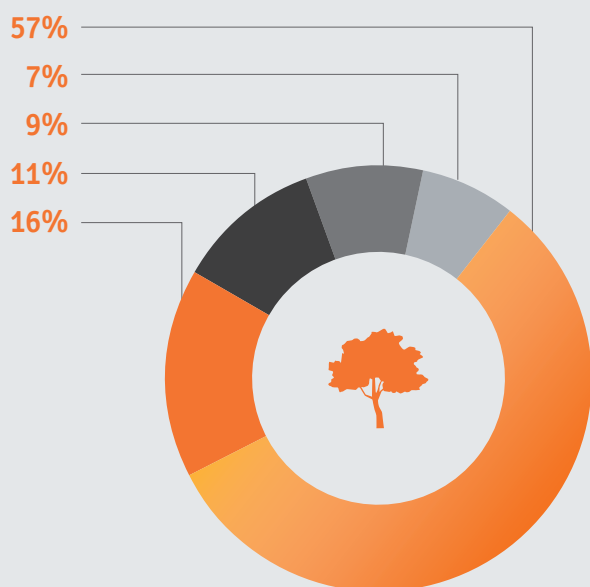
ENERGY	USEAGE 2015-16	USEAGE 2014-15	USEAGE 2013-14
Electricity	1,453 MWh	1,548 MWh	1,625 MWh
Gas	10,321 GJ	10,588 GJ	10,797 GJ
Water	71 mega litres	106 mega litres	77 mega litres

^ Reduced chapel services 2014-15 are indicative of facilities being unavailable at Altona Memorial Park and Fawkner Memorial Park during re-development.



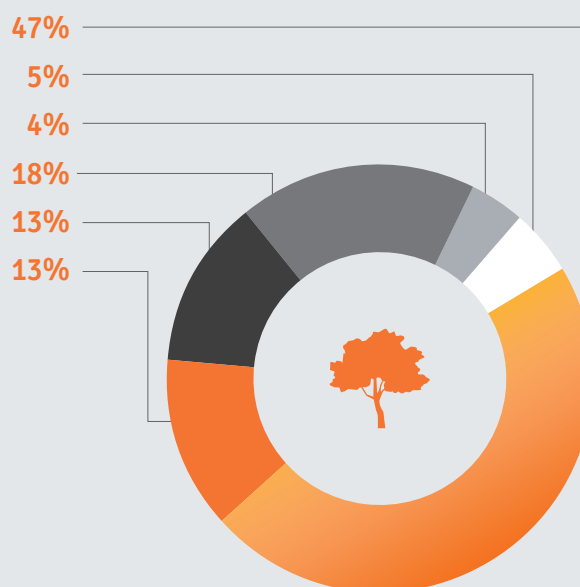
FINANCIAL COMPARATIVE ANALYSIS

Revenue



	\$ 000
Right of interment	25,704
Interments	7,143
Cremations	5,138
Memorialisation	4,026
Other	3,096

Operating Expenses



	\$ 000
Salaries and wages	18,037
Maintenance and operations	5,232
Administration	5,263
Cost of sales	6,933
Other	1,420
Cemetery levy	1,795

GMCT comparative results are as follows:

	2016 \$ 000	2015 \$ 000	2014 \$ 000	2013 \$ 000	2012 \$ 000
Operating and investment income	57,777	59,678	58,977	53,429	50,338
Cost of sales	(6,933)	(6,534)	(7,174)	(6,871)	(6,112)
Resources received free of charge	-	-	-	2,600**	-
Total income from transactions	50,844	53,144	51,803	49,158	44,226
Total expenses	31,747	33,438	23,720*	26,807	26,823
Operating/surplus/deficit	19,097	19,706	28,083	22,351	17,403
Total assets	369,904	351,289	328,181	298,665	271,659
Total liabilities	24,622	24,103	21,715	19,549	22,328
Net assets	345,282	327,186	306,466	279,116	249,331

* Included \$6.8M of realised gains on sale of investments.

** Recognition of land controlled at Melton West and valued by the Valuer General of Victoria.

PART 3: OUR ORGANISATION



THE TRUST AT A GLANCE

OBJECTIVES, FUNCTIONS AND POWERS

The Greater Metropolitan Cemeteries Trust (GMCT) is classified as a Class A cemetery trust under the *Cemeteries and Crematoria Act 2003* (the Act).

MANNER OF ESTABLISHMENT AND THE RELEVANT MINISTERS

Established in 2010, GMCT is a body corporate with perpetual succession and is accountable to the Department of Health and Human Services and the Minister for Health.

GMCT is responsible for the management and perpetual maintenance of 18 cemeteries across Melbourne's north, east and west, two greenfield sites, and all associated burial, cremation and interment services. It is also responsible for the management of one site under a fee-for-service arrangement.





Governance and reporting

Our governing legislation, operating processes and operating model provide strategic direction and inform decision making.

- ▶ Accountability and reporting/ governance (page 34)
- ▶ Trust (page 28)
- ▶ Executive Management Group (page 36)



Health and safety

Workplace health and safety is integral to our business operations and our values.

- ▶ Occupational health and safety (page 40)



Environmental sustainability

Commitment to sustainability is a core value of our organisation. Having completed the organisation's establishment phase, we will now focus on implementing our sustainability strategy.

- ▶ Initiatives (page 41)



Workforce

We are committed to the ongoing development and support of our team in order to nurture a workforce culture that is aligned with our values and where individuals value their role in achieving strategic goals.

- ▶ Our team (page 42)
- ▶ Learning and development (page 43)
- ▶ Awards and recognition (page 44)



Community

We greatly value the relationships we have with industry and other stakeholders and the diverse communities we serve.

- ▶ Stakeholder engagement and consultation (page 31)
- ▶ Events (page 32)

PERFORMANCE

We value robust reporting and governance, and hold ourselves to the highest levels of compliance. We ensure our performance is measured against community expectations, our strategic objectives and annual business plans.

MANAGEMENT AND ACCOUNTABILITY

GMCT is a not-for-profit organisation that serves Melbourne's diverse multicultural communities.

We proudly provide burial, cremation and memorialisation services to more than 12,000 families each year as well as perpetual maintenance of more than 600 hectares of public park land that have been allocated for cemetery purposes.

NATURE AND RANGE OF SERVICES PROVIDED

- ▶ interment in graves
- ▶ interment in mausolea
- ▶ interment of cremated remains
- ▶ cremations
- ▶ venue hire
- ▶ hospitality
- ▶ memorialisation
- ▶ perpetual maintenance
- ▶ archival cemetery and genealogical records
- ▶ community events



GMCT TRUST MEMBERS

Corporate governance of the organisation is the responsibility of nine trust members who are appointed by the Governor in Council on the recommendation of the Minister for Health.

The trust's key roles include:

- ▶ setting and steering the organisation's strategic direction
- ▶ approving annual budgets and ensuring sound financial management and asset management
- ▶ overseeing, monitoring and assessing performance against the annual plan; ensuring compliance with statutory and regulatory obligations
- ▶ and ensuring effective risk management through a robust framework and systems.

As outlined in *The Cemeteries and Crematoria Act 2003* (the Act), GMCT maintains a perpetual maintenance fund to fulfil its obligations to provide perpetual maintenance to 18 cemeteries.

In accordance with the Act and GMCT's terms of reference, trust members hold office for a term of up to three years but are eligible to apply for reappointment for a further three-year period. Their remuneration is set by the Victorian Government.

In making new appointments to the trust, the Victorian Government ensures the trust has the necessary combination of skills and experience. The chief executive officer is appointed by the trust for a term of up to five years and can be reappointed.

In February 2016, terms expired for three trust members: John Jennison, Roma O'Callaghan and Ronda Jacobs. The position of trust chair was also reappointed and trust member Geoff Mabbett was appointed.

The Department of Health and Human Services conducted interviews with applicants for the three trust positions and three new trust members were appointed by the Governor in Council on the recommendation of the Minister for Health: Elizabeth Beattie, David Cragg and Dana Hlavacek.

In addition, the following members were reappointed to the trust: Dianne Rule and Kim McAliney.



GMCT TRUST MEMBERS AS AT 30 JUNE 2016



TRUST CHAIR – GEOFF MABBETT
(appointed 30 March 2016)

BEng (Hons), MEng Sci, MIE (Aust), MAICD

Chair executive performance and remuneration committee



DR JAN PENNEY
BA, Dip Ed, PHD

Member finance and investment committee and audit and risk management committee

New members appointed March 2016



DANA HLAVACEK
B.Com (Hons), M.Acc, FCA, GAICD

Chair audit and risk management committee and member finance and investment committee



JENNIFER KEARNEY
NSW Leaving Cert

Chair finance and investment committee and member executive performance and remuneration committee



DIANNE RULE
BA BEd GAICD

Member audit and risk management committee and executive performance and remuneration committee



DAVID CRAGG
BA, Grad Dip of (HR) Management

Member finance and investment committee and community advisory committee



KIM MCALINEY
JP, BJ, Adv Dip Pub Safety(EM), FCPA, GAICD

Member audit and risk management committee and community advisory committee



JACK WEGMAN
BA, Grad Dip (Psych)

Member finance and investment committee and executive performance and remuneration committee



ELIZABETH BEATTIE

Chair community advisory committee

Retired trust members as of February 2016

JOHN JENNISON
FIE Aust, CPEng (rtd)

Chair community advisory committee

ROMA O'CALLAGHAN
BBus, MBL, GAICD, ECCP

Member executive performance and remuneration committee and audit and risk management committee

RONDA JACOBS
BBus, GAICD

Member finance and investment committee



TRUST AND COMMITTEE MEETINGS – ATTENDANCE

During the reporting period the trust met monthly to fulfil its responsibilities to oversee the governance and strategic direction of GMCT and monitor performance against strategic objectives and business plans.

GMCT TRUST MEMBERS	TRUST MEETINGS	AUDIT & RISK MANAGEMENT COMMITTEE*	FINANCE & INVESTMENT COMMITTEE*	COMMUNITY ADVISORY COMMITTEE	EXECUTIVE PERFORMANCE & REMUNERATION COMMITTEE
Geoff Mabbett (appointed chair March 2016)	12/13	4/4	7/8		2/2
Dianne Rule (chair September 2014 – February 2016)	12/13	5/5			6/6
Elizabeth Beattie (appointed March 2016)	4/4			1/1	
David Cragg (appointed March 2016)	4/4		2/2	1/1	
Dana Hlavacek (appointed March 2016)	2/4	1/1	1/2		
Ronda Jacobs (retired March 2016)	9/9		7/8		
John Jennison (retired March 2016)	9/9			3/3	4/4
Jennifer Kearney	12/13		10/10		6/6
Kim McAliney	12/13	4/5	8/8	1/1	
Roma O’Callaghan (retired March 2016)	6/9	2/4			2/4
Dr Janice Penney	13/13	2/2	10/10	2/3	
Jack Wegman	10/13	2/4	1/2		2/2

The first figure reflects the number of meetings attended by the trust member. The second indicates the number of meetings scheduled during their time on that committee – i.e.12/13 means attendance at 12 of 13 scheduled meetings. There is a standing invitation to all trust members to attend committee meetings of which they are not a member.

* Independent committee members:
Kevin Quigley - audit and risk management committee
Dennis Sams - finance and investment committee

STRENGTHENING OUR COMMUNITY CONNECTIONS

COMMUNITY ADVISORY COMMITTEE – CHAIR’S REPORT

In accordance with the *Cemeteries and Crematoria Act 2003*, GMCT is required to establish a community advisory committee (CAC). The nature and role of the CAC are outlined in the community advisory committee guidelines for Class A cemetery trusts and GMCT’s CAC terms of reference.

As chair of the CAC, it has been a privilege to help position the committee as a valuable resource in facilitating and improving community engagement.

The CAC performed a consultative role in matters concerning the future development of trust properties, public engagement, events, and in a number of other community related areas.

Directors and senior managers attended meetings throughout the year and this helped facilitate transparent and open dialogue between the committee and trust.

It was a busy year of consolidation and growth. As chair it was exciting and personally rewarding to have made a contribution.

My sincere thanks and appreciation to all CAC members for generously volunteering their time and for their contribution, commitment and insights throughout the year. I am pleased to leave the CAC well-positioned for a wonderful future of continued contribution.

JOHN JENNISON

Chair

Community Advisory Committee

Trust member

Retired, March 2016

Friends and volunteers of GMCT were honoured at a special morning tea with Liz Beattie (fourth from left), trust member and chair community advisory committee, as part of Volunteers Week.



COMMUNITY ENGAGEMENT AND EVENTS

GMCT is committed to hosting a range of events and activities that honour and celebrate our diverse communities. Activities encourage visitation, help de-mystify cemeteries, engage the public in conversations about death, funerary rites and memorialisation, and highlight the important role of cemeteries.

We honour and support diverse religions and cultures through events such as All Souls Day, Chinese Ancestor Day and Shab e Bara'at; we celebrate and reflect on the stories of our ancestors and others with historic walks and commemorative services; our education events and seminars provide the community with opportunities to learn about the death and funerary rites of other cultures and encourage early discussion about difficult conversations about death, dying and decision making.

SITE	COMMUNITY EVENTS HELD
Burwood Cemetery	<ul style="list-style-type: none"> ▶ All Souls Day mass
Emerald Cemetery	<ul style="list-style-type: none"> ▶ Clean up and tree planting events ▶ Friends and Carers of Emerald Cemetery (FACES)
Healesville Cemetery	Healesville Historical society: history walk
Lilydale Lawn Cemetery	<ul style="list-style-type: none"> ▶ 50th Anniversary of the Battle of Long Tan, with the Vietnam Veterans Association of Australia Victorian Branch ▶ All Souls Day mass ▶ Clean Up days ▶ Yarra Valley Cultural Group ▶ Commemoration of the 100 year evacuation of Gallipoli and unveiling of memorial plaque to William Scurry
Lilydale Memorial Park	<ul style="list-style-type: none"> ▶ All Souls Day mass ▶ The Great Cemetery Open Day ▶ Funeral Directors and Stonemasons networking function ▶ Living Legacy tree planting ▶ Annual meeting 2014-15 ▶ Fathers' Day memorial service ▶ Mothers' Day memorial service
Templestowe Cemetery	Historic Walk (with local historian)
Coburg Pine Ridge Cemetery	<ul style="list-style-type: none"> ▶ Corrections Victoria clean up days ▶ Historic Walks ▶ Friends of Coburg Cemetery History
Fawkner Memorial Park	<ul style="list-style-type: none"> ▶ 50th Anniversary of the Battle of Long Tan, with the Vietnam Veterans ▶ All Souls Day mass (Catholic) ▶ The Great Cemetery Open Day ▶ Historic Tour (with Fawkner Library) ▶ MoreArt public art show (with Moreland City Council) ▶ Carols in the Garden of Angels (with Friends of the Garden of Angels) ▶ Baby Lily Grace Day ▶ Anzac Day service ▶ Tour with Japan Agricultural Cooperative ▶ Chinese Ancestor Day ▶ Shab e Bara'at (Islamic) ▶ Tour with horticulture staff from Southern Metropolitan Cemeteries Trust

SITE	COMMUNITY EVENTS HELD
Keilor Cemetery	▶ All Souls Day mass
Northern Memorial Park	▶ Clean up days ▶ Friends with Angels (La Trobe section) ▶ All Souls Day mass (Greek Orthodox) ▶ Christmas with Angels
Preston Cemetery	▶ All Souls Day mass
Altona Memorial Park	▶ 50th Anniversary of the Battle of Long Tan, with the Vietnam Veterans ▶ All Souls Day mass ▶ Opening of the new crematoria and chapel complex
Werribee Cemetery	▶ Opening of new mausoleum and official blessing by the auxilliary bishop of Melbourne
Williamstown Cemetery	▶ All Souls Day mass

COMMUNITY ENGAGEMENT

How we have improved the experience for stakeholders:

- ▶ Developed a community engagement manual to guide interactions with our diverse communities. The manual supports the development of internal capabilities to deliver effective community engagement and consultation and the results inform stakeholder relations and decision making.
- ▶ Supported community groups and organisations to access and engage with our cemeteries with an emphasis on education and knowledge sharing. Visiting groups include funeral directors, students, special interest groups, and international visitors.
- ▶ Increased our accessibility through online engagement with customers and the community on key information about our business activities. This includes updates on construction works, pricing, new stock releases, consumer resources, and news and events.
- ▶ A refresh of our existing website resulted in an increase of visitation by 12.5 per cent on 2014-15.
- ▶ Our Facebook community has increased by almost 50 per cent during 2015-16 and we continue to explore ways to leverage social media to improve our customer service experience, understand the needs of our communities, gather consumer insights and facilitate engagement and conversation about death, dying, and memorialisation.
- ▶ An e-newsletter will be launched in 2016-17.
- ▶ Provided a range of cemetery-related resources and fact sheets (produced by GMCT) through a dedicated History and Heritage page. A series of cemetery histories (based on documents submitted to the Public Record Office Victoria, PROV) and conservation management plans for a number of our cemeteries are also available online.
- ▶ Partnered with volunteer friends groups to improve the condition of a number of our cemeteries, host tours and community events.

REPORTING TO GOVERNMENT

The trust informs the government and relevant government departments of all major developments and activities through:

- ▶ An annual report (containing information about operations and financial and non-financial performance against key indicators)
- ▶ A detailed annual corporate plan, in accordance with Section 18N of the *Cemeteries and Crematoria Act 2003* (the Act)
- ▶ Direct contact between the chair, chief executive officer and government representatives on key issues
- ▶ Frequent communication at an executive level regarding performance, industry and policy issues.

INDEPENDENCE OF TRUST MEMBERS

There is a code of conduct policy for members and each year trust members are required to complete a declaration of private interest statement. Declarations of conflict of interest are made at the beginning of each meeting and an annual declaration of conflict of interest statement is completed.

BOARD PERFORMANCE

As part of its commitment to effective and transparent corporate governance, the trust undertook an independent benchmarked performance review in June 2016.

A report was provided to all members that highlighted self-assessed strengths and weaknesses in performance and made recommendations for improvement. As a result of this review, the board is working collaboratively to better understand their context and strengthen their performance.

INDEPENDENT ADVICE

Trust members are entitled (with prior approval of the trust chair) to obtain relevant independent professional advice relating to the discharge of their responsibilities.

TRUST COMMITTEES

In consultation with trust members, the chair allocates members to a number of trust committees. These committees help execute trust responsibilities in a review or advisory capacity only.

The trust may also co-opt independent members from outside the organisation to provide specialist skills, knowledge and expertise if required. Currently, independent members has been appointed to the audit and risk management committee and the finance and investment committee.

Four permanent committees established according to Section 18 of the Act operated during 2015-16.

Each committee is chaired by a trust member and operates under written terms of reference that provide a blueprint for its procedure. In 2016, each committee reviewed its terms of reference and the revised versions are available on GMCT's website.

During 2015-16, trust committees also reviewed and evaluated their performance through self-assessments to ensure effective governance practices are in place.

AUDIT AND RISK MANAGEMENT COMMITTEE

This committee is a financially literate, independent body that assists the trust in fulfilling its governance and oversight responsibilities in the following areas:

- ▶ financial reporting compliance
- ▶ internal and external audit
- ▶ internal control systems and processes
- ▶ risk management
- ▶ information systems
- ▶ legislative and regulatory compliance.



FINANCE AND INVESTMENT COMMITTEE

The finance and investment committee has an advisory role assisting the trust in fulfilling its statutory and fiduciary responsibilities in accordance with the Act in matters relating to:

- ▶ appropriate, prudent, sustainable and efficient use of investment funds
- ▶ establishment and maintenance of the perpetual maintenance fund
- ▶ the accuracy and veracity of regular financial reports
- ▶ compliance with obligations to third parties and relevant internal policies
- ▶ other financial matters as requested by the trust.

COMMUNITY ADVISORY COMMITTEE

The committee's role is to consider any matters that are referred to it by the trust and to raise with the trust any issues of concern or matters of interest to the community regarding the services provided by GMCT.

Committee members include:

- ▶ Liz Beattie (chair and trust member)
- ▶ Mervyn Hayman-Danker
- ▶ Lee Anthony
- ▶ Annie Bolitho

- ▶ Senior Venerable Tang
- ▶ Meg Jenkins
- ▶ Angelo D'Amore
- ▶ Wendy Kostraby
- ▶ David Cragg (trust member)
- ▶ Kim McAliney (trust member)

Its objectives are to:

- ▶ proactively engage with community members to ensure that community views are considered in the planning and delivery of GMCT services to support the integration of community views at all levels of GMCT operations, planning and policy development
- ▶ inform and monitor the development and implementation of GMCT's community engagement framework.

EXECUTIVE PERFORMANCE AND REMUNERATION COMMITTEE

As required under Section 18L of the Act and in accordance with Government Sector Executive Remuneration Panel guidelines, the executive performance and remuneration committee provides advice and direction to the trust on matters such as:

- ▶ the overall performance and remuneration of executives, and the individual remuneration packages of:
 - ▶ the chief executive officer
 - ▶ other executive positions as defined, from time to time, by applicable government policies.

HERITAGE AND HISTORY WORKING GROUP

In 2015, a working group was established to provide guidance to the organisation on the integration of history and heritage into planning and operations.

Dr Jan Penney (trust member) acts as chair.

Key objectives of this group include:

- ▶ ensure activities are undertaken with due respect to the heritage of the sites and assets under management
- ▶ provide advice to the trust in relation to the integration of history and heritage at all levels of cemetery operations, planning and policy development
- ▶ contribute to the interpretation and celebration of the history and heritage of GMCT, its sites and assets



MANAGEMENT COMMITTEES AND STAFF LEADERSHIP

EXECUTIVE MANAGEMENT GROUP

The aim of the executive management group is to ensure that activities occurring within GMCT are consistent with the:

- ▶ GMCT strategic plan
- ▶ Cemeteries and Crematoria Act 2003
- ▶ GMCT policies and procedures.

EXECUTIVE MANAGEMENT TEAM

CHIEF EXECUTIVE OFFICER JACQUI WEATHERILL

MBA, BA Rec, Grad Dip Sp Sci, GAICD

The CEO sets the strategic direction and vision for the organisation, with input from the trust. She is responsible for advising the trust on operational, financial and other matters, and delegates responsibility for management and day-to-day operations to the executive management group. The CEO has four direct reports: the director finance and business, director commercial services and operations, the director strategic infrastructure and planning, and the manager communications and engagement.

DIRECTOR COMMERCIAL SERVICES AND OPERATIONS DAVID CROWE

Dip Hort Sci, BAppSc(Hort), FAICD

The director commercial services and operations is responsible for strategic leadership in the day-to-day delivery of cemetery and crematoria services including customer care, sales and marketing, burial operations and horticulture services.

DIRECTOR FINANCE AND BUSINESS BART CLINGIN

BBus (Acct), CA, GAICD

The director finance and business is responsible for establishing, promoting and delivering a corporate and financial framework that facilitates the achievement of GMCT's vision as well as strategic and business objectives. The directorate provides a range of functions including finance, information communication technology, human resources, risk and compliance, and corporate information.

The senior manager risk and workforce attends executive management meetings to provide relevant advice, and reports through to the director finance and business.

DIRECTOR STRATEGIC PLANNING AND INFRASTRUCTURE PELAGIA MARKOGIANNAKIS

MEngSc, Grad Dip Eng, Dip App Sc, Adv Dip Proj Mgt, Dip Co Dir

The director strategic planning and infrastructure is responsible for the master plan development for GMCT sites, strategic land acquisitions and the implementation of master plans. This includes the design, of strategic major projects, project management and delivery, asset management and facilities maintenance.

LEADERSHIP GROUP

The leadership group comprises the executive management group and managers from all business units.

The leadership group:

- ▶ provides an interactive forum for robust discussion of ideas and collaboration relating to team/divisional activities
- ▶ communicates plans, outcomes and achievements of established working groups and the following internal organisational committees:
 - ▶ 'Green Team' committee
 - ▶ consultative committee
 - ▶ occupational health and safety committee



INTERNAL COMMITTEES AND GROUPS

OCCUPATIONAL HEALTH AND SAFETY COMMITTEES (CORPORATE AND REGIONS)

GMCT recognises the importance of developing and maintaining a healthy and safe workplace and the importance of continuous monitoring and reviewing of safety standards.

The aims of the occupational health and safety committees are to:

- ▶ take a proactive and practical role in the assessment, development and implementation of work practices to protect and improve the health, safety and wellbeing of employees, contractors and members of the public
- ▶ address, discuss and investigate any matters deemed relevant to the health, safety, rehabilitation and wellbeing of employees or concerning contractors and members of the public, raised by management or safety representatives
- ▶ through the director finance and business, provide advice and recommendations to GMCT's executive management group (EMG) on occupational health and safety matters that require policy development and/or amendment, actions requiring EMG authorisation and any other issue requiring EMG attention
- ▶ assist in ensuring that all tasks undertaken by employees are performed in a manner consistent with GMCT OH&S policy and with legislative requirements (OHS Act 2004)
- ▶ assist in the distribution of information relating to the safety, rehabilitation and wellbeing of team members
- ▶ reduce the overall number of accidents and dangerous occurrences involving GMCT employees, contractors, members of the public and/or vehicles

- ▶ reduce injury rates, severity rates, frequency rates and workers' compensation costs associated with staff, plant, vehicle accidents and other workplace hazards and risks.

INFORMATION COMMUNICATION TECHNOLOGY STEERING COMMITTEE

The purpose of the information communication technology (ICT) steering committee is to:

- ▶ steer the overall ICT strategy and ensure the operation and management of ICT assets are executed in alignment with this strategy
- ▶ ensure executive oversight of the implementation of the ICT strategy and the prioritisation of projects within that strategy so that effort is directed towards initiatives that will deliver the greatest value to GMCT, its key stakeholders and the community.

CONSULTATIVE COMMITTEE

The consultative committee is a key reference group of staff members who actively collaborate with management to:

- ▶ identify and implement workplace improvements for the mutual benefit of all GMCT employees;
- ▶ review policies and procedures that affect the workforce and provide constructive feedback;
- ▶ contribute workforce knowledge to support collective agreement negotiations as may be required;
- ▶ ensure GMCT is an inclusive and collaborative workplace.

The function of the committee is to provide a forum for discussing matters of interest and/or concern to staff, including workplace improvements and efficiency measures, innovation and development opportunities, internal and external communications, and health and wellbeing.

CHANGE READY TEAM

The 'Change Ready Team' provides advice and assistance to the CEO regarding the development, review and promotion of a range of business and staff activities.

GREEN TEAM

Refer page 41.

PROJECT CONTROL GROUPS

GMCT undertakes a number of minor and major projects as part of annual business plans. Project control groups are established to assist in effective project governance and may include external expertise.

Project control groups assisted in the development, review and implementation of the following projects in the reporting period:

- ▶ digital strategy
- ▶ Fusion
- ▶ burial operations manual
- ▶ Footscray General Cemetery shared services model implementation
- ▶ Keilor Cemetery
- ▶ Holy Angels Mausoleum (stage 4)
- ▶ Northern Memorial Park extension.

COMPLIANCE AND DISCLOSURES

FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act 1982* gives the public the right to access information contained in documents held by GMCT. Freedom of information (FOI) requests must be made in writing.

A request can be submitted using the website FOI Online (www.foi.vic.gov.au) or by sending an application to:

FOI Officer GMCT

PO Box 42, Fawkner, Victoria 3060

☎ 1300 022 298

✉ enquiries@gmct.com.au

🌐 www.gmct.com.au

Four FOI requests were received in the reporting period.

PROTECTED DISCLOSURE ACT 2012

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

GMCT is committed to the aims and objectives of the *Protected Disclosure Act 2012*. GMCT does not tolerate improper conduct by its employees, stakeholders and clients, nor the taking of reprisals against those who come forward to disclose such conduct.

GMCT recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving substantial mismanagement of public resources or conduct involving substantial risk to public health and safety or the environment.

GMCT was not required to take any steps to protect people who make protected disclosures to the Interdependent Broad-based Anti-corruption Commission (IBAC).

BUILDING ACT 1993

GMCT is compliant with the provisions of the *Building Act 1993*, which encompasses the Building Code of Australia and Standards for Publicly Owned Buildings November 1994.

All works associated with GMCT buildings are managed in accordance with the *Building Act 1993*, including obtaining all permits as required.

NATIONAL COMPETITION POLICY AND COMPETITIVE NEUTRALITY POLICY VICTORIA

Competitive neutrality seeks to enable fair competition between government and private sector businesses. These policies and their application in the cemetery environment were considered where appropriate during this reporting period.

GMCT supports and complies with the Department of Health code of practice for the external supply of merchandise to and within cemeteries.

GMCT is committed to competitive neutrality principles ensuring fair and open competition. Many non-core activities have been outsourced, such as security, cleaning, design, printing and construction. GMCT had no competitive neutrality complaints during the reporting period.

PRIVACY AND DATA PROTECTION ACT 2014 (VIC)

GMCT complies with the *Privacy and Data Protection Act 2014 (Vic)*. The information privacy principles within the Act establish standards for the use of personal information. GMCT received no complaints in relation to breaches of privacy in 2015-16.

For enquiries, or to request a copy of GMCT's Privacy Policy, contact:

Privacy Officer GMCT

PO Box 42, Fawkner, Victoria 3060

☎ 1300 022 298

✉ enquiries@gmct.com.au

🌐 www.gmct.com.au

VICTORIAN INDUSTRY PARTICIPATION POLICY

GMCT is required to comply with the Victorian Industry Participation Policy (VIPP).

One contract was awarded during the reporting period to which the VIPP applied.

A VIPP plan was requested of the contractor however this was not provided. This was GMCT's first contract that met the VIPP requirements and our procurement procedures have subsequently been amended.

PROCUREMENT

GMCT's tendering and procurement policy and procedures are aligned with the Victorian Government Purchasing Board (VGPB) policies and guidelines. GMCT's procurement objectives reflect best practice and focus on achieving value for money, fitness for use and management of probity. These objectives help give the procurement process its integrity and are the basis for achieving optimal procurement results.

RISK REGISTER

GMCT has defined its risk appetite statements which are used across the organisation in decision making. GMCT's risk register provides a formal framework for the organisation and its leadership team to identify, monitor, manage and mitigate risk across a range of strategic and 'business as usual' areas. The risk register is reviewed and updated on a quarterly basis and outlines risk rating, impact, treatments and controls.

ADDITIONAL INFORMATION

In compliance with the requirements of FRD 22G Standard Disclosures in the report of operations, details in respect of the items listed below have been retained by GMCT and are available to the relevant ministers, members of parliament and the public on request (subject to freedom of information requirements, if applicable):

- ▶ a statement of private interest has been completed
- ▶ details of shares held by senior officers as nominee or held beneficially
- ▶ details of publications produced by the department about the activities of GMCT and where they can be obtained
- ▶ details of changes in prices, fees, charges, rates and levies charged by GMCT
- ▶ details of any major external reviews carried out on GMCT
- ▶ details of major research and development activities undertaken by GMCT that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations
- ▶ details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- ▶ details of major promotional, public relations and marketing activities undertaken by GMCT to develop community awareness of GMCT and its services, details of assessments and measures undertaken to improve the occupational health and safety of employees, a general statement on industrial relations within GMCT and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations
- ▶ a list of major committees sponsored by GMCT, the purposes of each committee and the extent to which the purposes have been achieved
- ▶ details of all consultancies and contractors including consultants/contractors engaged, services provided and expenditure committed for each engagement.



OCCUPATIONAL HEALTH AND SAFETY

Health, safety and environmental wellbeing are core values of GMCT as the organisation strives for zero harm.

GMCT continues its commitment to health, safety and wellbeing across its three regions. In 2015-16 there was a decrease in total injuries reported (total recordable injuries) from 28 to 22 and this reflects a 21 per cent improvement on the previous year.

Lost time injury (LTI) has increased from 4 to 6 incidents, which is a slight increase on 2014-15 but an improvement on 2013-14.

Total recordable injuries (TRI) of 22 was just over our 2015-16 target of 20, 16 of which were medical treatment incidents (MTI).

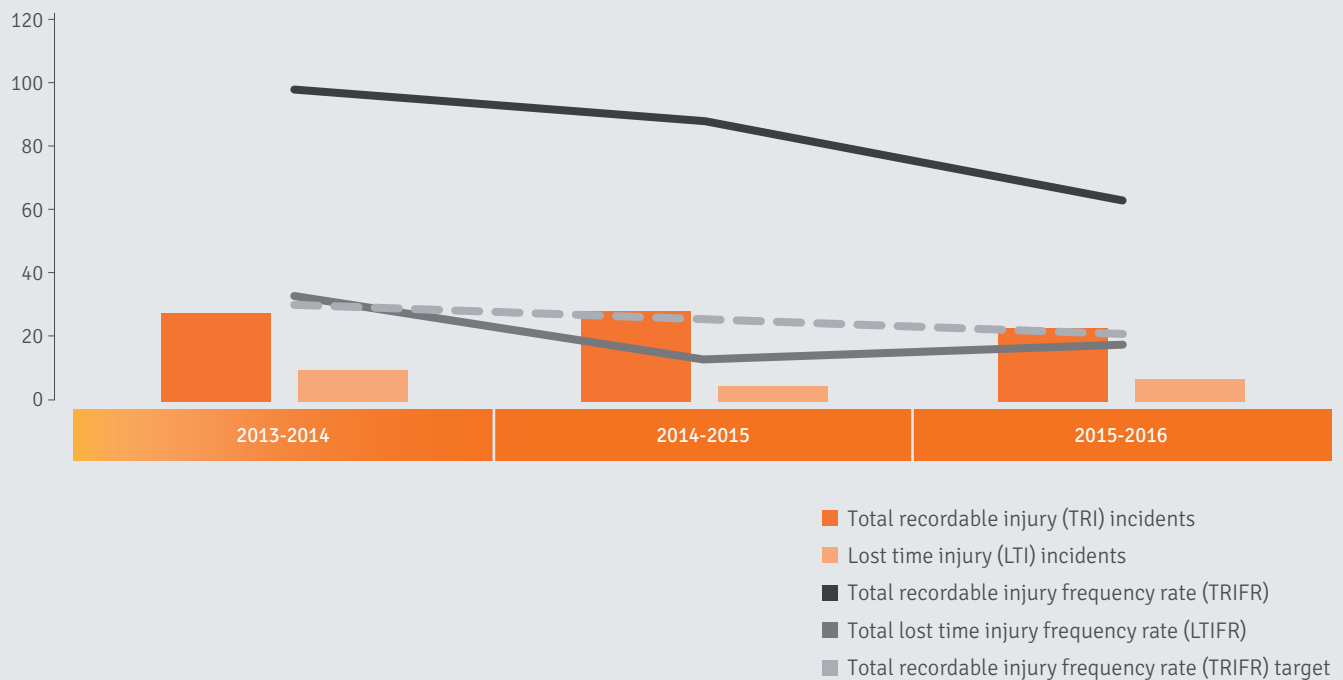
GMCT has a proactive return to work management program which ensures injured workers return in an appropriate timeframe.

In summary, the frequency rate has a direct correlation between injuries and people-hours worked.

This reflects a decreasing trend – a positive outcome over a three-year period – and is indicative of a maturing and empowered health and safety culture across the organisation.

- ▶ Hazard and incident per 100 staff are 172.09
- ▶ Number of lost time standard claims per 100 = 2.32
- ▶ No fatalities or serious incidents have occurred.

OCCUPATIONAL HEALTH AND SAFETY STATISTICS



CATEGORY		2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Incidents	Total no. of incidents	370	296	218	199	159
	Lost Time (Days)	240	144	475	441	626
Workcover	No. of standard claims	6	1	7	11	13
	No. of minor claims	2	3	6	5	2
	Average claim cost	\$25,650	\$24,905	\$40,846	\$42,688	-

COMMITMENT TO SUSTAINABILITY

Sustainability is one of GMCT's core values — not only business and financial sustainability, but environmental.

As guardians of more than 600 hectares of public parkland, and with significant water, energy and waste responsibilities, we understand community and government expectations regarding how we manage and maintain our cemeteries, assets and resources.

In 2015-16, we continued to explore opportunities to improve our environment and business practices and implemented a number of initiatives.

IMPROVING ENERGY USE

As part of a move to bring GMCT in line with best practice sustainability standards, we commenced installation of LED lighting at GMCT's offices at Lilydale, Fawkner and Altona. This is scheduled for completion in 2016-17.

In addition, we commenced the installation of solar panels on Fawkner Memorial Park's administration building.

PLANNING AND INFRASTRUCTURE

Sustainability considerations have been incorporated into GMCT's masterplans and detail designs.

WATER USAGE

A water supply options study was undertaken to investigate the feasibility of alternative water supplies (such as local creeks, dams, tanks and recycled water) for operational activities where non-potable water can be utilised (such as vehicle washing and irrigation). The study included assessing alternative options against a triple bottom line approach and a number of options subsequently proceeded to the preliminary design phase.

The proposed extension of Northern Memorial Park includes water sensitive urban design and areas that cannot be used for interment due to issues such as flooding will be revegetated. Rain water will be captured on site for irrigation.

CONSULTANCIES AND PROCUREMENT

Sustainability practices have been formalised as an integral criteria against which all requests for quotation (RFQ) and requests for tender (RFT) are assessed. In addition, the RFQ and RFT processes are now electronic, making most of our procurement process paperless.

STAFF ENGAGEMENT

In 2015-16, GMCT established a 'Green Team' – a dedicated, voluntary staff-based initiative to support the investigation, development and implementation of green activities that support broader strategic goals, including operational excellence, staff engagement, business efficiencies, sector leadership, and organisational viability and sustainability.

The team's aim is to plan and implement practical sustainability improvements across the organisation, raise awareness of sustainability issues and opportunities, and facilitate staff engagement in sustainability initiatives.

GMCT's environmental sustainability policy outlines our approach to environmental issues including waste and water management and acts as a reference for decision making.

In 2015-16, GMCT commenced a comprehensive review of the organisation's environmental sustainability plan resulting in an updated plan that will guide future initiatives. Members of the 'Green Team' and other staff were interviewed as part of the review, reflecting GMCT's commitment to inclusive leadership.

STAFF INITIATIVES

- ▶ A composting program was established in staff kitchens. This supports on-site worm farms with the worms used in GMCT's gardens
- ▶ An aluminium can recycling program supports fundraising for a number of charities
- ▶ Led by our information communications technology team, a mobile phone recycling program is collecting old mobile phones from staff. These are donated to Zoo Victoria's 'They're Calling on You' campaign. The campaign aims to reduce electronic waste while at the same time, funding the work of Gorilla Doctors in Africa and the zoo's own conservation programs. www.zoo.org.au
- ▶ The information communications technology team also recycles e-waste. We have a recycling program in place for all printer cartridges and all ICT hardware that is disposed of is recycled through various organisations
- ▶ GMCT commenced monitoring paper consumption from photocopying as part of a strategy to become a paperless office and will implement initiatives based on an in-depth understanding of business needs, consumption and digital and other alternatives
- ▶ GMCT recognises outstanding staff contributions to sustainability measures with an annual 'Star Award' for sustainability.



OUR TEAM

The Greater Metropolitan Cemeteries Trust exists to provide relevant and responsive burial, cremation and memorialisation services to Melbourne's diverse communities.

We are committed to ensuring all those entrusted to our care are treated with dignity and compassion, today and in perpetuity.

Our professional and sensitive services are conducted in accordance with relevant industry and legislative requirements, providing our communities and business partners with peace of mind and a positive experience.

We are committed to fostering a workplace that puts our people first. We invest in, celebrate and collaborate with our staff, providing opportunities for employees to contribute, learn and develop through formal and informal programs, participation in a range of committees and by providing avenues for feedback on organisational activities and strategies.

Performance, innovation and collaboration combine to create an engaged workforce where employees and the community benefit.

WORKFORCE

RESPECTFUL AND EXPERIENCED TEAM

Each year, our caring staff assist more than 12,000 families to plan and prepare for funeral, cremation, interment and memorial services.

Across our 19 cemeteries we provide a peaceful resting place for loved ones who have died and a meaningful place where the living can remember, celebrate and cherish family members or friends.



Our workforce by numbers

At 30 June 2016, GMCT had a total of 206 staff with a full-time equivalent (FTE) of 194.8.

Our workforce includes both indoor and outdoor staff. Indoor staff provide services relating to client services, administration, human resources, finance, planning and information communications technology.

Outdoor staff are responsible for services within burial operations, cremations, chapel services, horticulture and repairs and maintenance.

For the year 2015-16 there has been stabilisation of FTE employees. Over the past 12 months GMCT has seen a number of staff move toward retirement as well as a small shift in employment types and gender demographics.

	EMPLOYEES 2016	EMPLOYEES 2015	MALE/ FEMALE % 2016
TOTAL	206*	206	
Male	138	141	 66.99%
Female	68	65	 30.01%

	2016 FTE	2015 FTE
TOTAL	195*	199
Part-time	14	12
Full-time	181	186
Casual	0	1

** This figure is based on active employees – and excludes current vacancies – as at the end of the financial reporting period, 30 June 2015 and 30 June 2016 respectively.*

NO. OF EMPLOYEES	2016	2015
65 and over	7	11
55-64	47	44
45-54	75	82
35-44	39	36
25-34	32	29
Under 25	6	4



EMPLOYMENT AND CONDUCT PRINCIPLES

GMCT is committed to ensuring its employment practices and conduct are free of any direct or indirect discrimination on the basis of sex, race, age, disability and all other attributes that apply in Victoria under federal and state laws. Recruitment is conducted according to merit based on relative ability, knowledge, skills and organisational fit. The appointment process is equitable, fair and based on legislative requirements and GMCT policies.

The table below outlines the type of training provided and hours attended.

TRAINING	TOTAL HOURS
OH&S	775
Customer Services	138
Leadership & Development	936
Plant & Equipment	86
IT (Microsoft Office suite)	572
TOTAL	2507

Learning and development

GMCT is committed to providing a comprehensive learning and development program to support our diverse workforce. This includes accredited training, competency based learning and training, and workshops. These programs are designed to empower the workforce with specific and general knowledge to ensure service quality and health and safety is at the highest level and in turn is consistent across all three GMCT regions.

A total of 2507 training hours were undertaken by GMCT staff in 2015-16 (face-to-face and e-learning).

GMCT invested in professional development and compliance training for staff during the year. This included grave safe training, customer service training, business continuity, traffic management awareness, emergency warden training, first aid and SunSmart education.



AWARDS AND RECOGNITION

Our people make a tangible and significant contribution to our reputation in the cemeteries sector and within local communities. Every day, GMCT staff provide high quality services across burial operations, customer care, administration and grounds maintenance as well as both formal and informal engagement with families, industry, and visitors.

We understand that an engaged, collaborative and skilled workforce is fundamental to our success.

At GMCT, our people are our most valuable resource, renowned for their outstanding commitment to serving our families with compassion, integrity and respect. Recognising this, we are committed to investing in the ongoing development and support of our team in order to nurture a workforce culture that is aligned with our values.



EMPLOYEE RECOGNITION – AWARDS AND HONOURS

The Star Awards recognise exceptional conduct by individual staff members.

Award recipients are nominated by their peers for outstanding display of the GMCT values of compassion, respect, sustainability and integrity.

In addition, the OH&S award highlights GMCT's commitment to occupational health and safety, as part of our 'Work Safe, Grave Safe, Home Safe' program. This award is presented to one or more employees who have demonstrated outstanding commitment to the compliance, development and/or promotion of best practice standards in workplace health and safety.

The CEO Award for Excellence is presented to an employee for outstanding commitment to the overall values of the organisation and/or achieving an outstanding result within their business unit.



STAR AWARD – INTEGRITY

Jeanette Vella
Jay Onciarich (*not shown*)



STAR AWARD – SUSTAINABILITY

Carlos Guanchez



STAR AWARD – LEADERSHIP

Sherrie O'Loughlin



STAR AWARD – RESPECT

Lauren Whitehead
Adam Moscatiello



STAR AWARD – COMPASSION

Geoffrey Foreman



CEO AWARD FOR EXCELLENCE

Michael Murphy –
CEO award

Sue Best and Steve McDonell –
special mention



STAR AWARD – OH&S

Helen Linehan

SERVICE MILESTONES – LONG SERVICE AWARDS

The following staff were acknowledged for significant years of service to the organisation:



FIVE YEARS SERVICE AWARD

Pania Ryan

Patty Kalogeropoulos



30 YEARS SERVICE AWARD

Mark Christie

Valerie Hansen

Donald Brown



20 YEARS SERVICE AWARD

Peter Berry

Peter Manning

Mark Cahill

Helen Linehan



15 YEARS SERVICE AWARD

Chris Konopka

Alan Jones

Peter Dourmisis

Stephen Mallon

Glenn Ilsley

Brian Edmonds (*not shown*)

35 YEARS SERVICE AWARD

Barry Dawson



10 YEARS SERVICE AWARD

Andrew Witt

Ray Taylor

Jazz Butler

Karen Cotter

Martin McVeigh



CONSULTANCIES

During the 12 months ended 30 June 2016, GMCT engaged a total of 31 consultants where the total fees payable to the consultants were less than \$10,000, with total expenditure of \$91,454 (Ex GST). Furthermore, the following table outlines where expenditure on a consultant exceeded \$10,000.

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED	EXPENDITURE	FUTURE EXPENDITURE COMMITMENT
Bent Architecture Pty Ltd	Landscape Architecture	Oct-15	Dec-15	25,675	25,675	-
Bosco Jonson Pty Ltd	Land Survey	Oct-15	May-16	35,295	35,295	-
Case Mealin & Associates	Consulting for Signage and Wayfinding	Jul-15	Jun-16	11,765	11,765	-
Context Pty Ltd	Conservation Management Plan	Apr-16	Feb-17	103,844	21,919	81,925
Core Consulting Group Pty Ltd	Project Management Office	Feb-16	May-16	29,000	29,000	-
Currie & Brown (Australia) Pty Ltd	Office Accommodation Consulting	Feb-16	May-16	26,663	26,663	-
Darms Property	Land Acquisition	Oct-15	Mar-15	69,382	69,382	-
Deloitte Touche Tohmatsu	Procurement Consultancy	Nov-15	Aug-16	59,970	50,212	9,758
Ghd Pty Ltd	Structural and Civil Engineering Services	Sep-15	Oct-15	33,970	33,970	-
Greg Bailey Consulting	Customer Call Centre Consultancy and Customer Service Optimisation	Jul-15	Dec-16	173,400	39,100	134,300
Harmer Architecture	Architecture Services	Oct-15	May-16	47,300	47,300	-
Heritage Alliance	Conservation Management Plans	Oct-15	Jan-16	27,459	27,459	-
Hill PDA Pty Ltd	Land Strategy	July-15	Feb-16	89,632	89,632	-
Hjp Civil Consulting Pty Ltd	Engineering Services	Feb-16	Mar-16	10,540	10,540	-
Iconinc Holdings Pty Ltd	Brand Strategy	Sep-15	Jun-16	40,750	40,750	-
Inframangement Pty Ltd	Engineering Services	Sep-15	May-16	23,290	23,290	-
ISEC Pty Ltd	Security Strategy	Feb-16	Jun-16	50,956	50,956	-
Kathryn Arndt Consulting	Brand Strategy	Jul-15	Aug-15	10,185	10,185	-



CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED	EXPENDITURE	FUTURE EXPENDITURE COMMITMENT
Lambert Rehbein Vic Pty Ltd	Civil and Landscape design	Aug-15	Apr-16	98,499	98,499	-
O'Connor Associates Pty Ltd	Engineering Services	Aug-15	Nov-15	14,800	14,800	-
PBJ & Associates	Engineering Specialist Services	July-15	Jun-16	82,836	82,836	-
Price Waterhouse Cooper	Review of Investment Advisor	Dec-15	Dec-15	30,899	30,899	-
The Nous Group	Strategic Plan Development and Burial Operations Programming	Oct-15	Jan-15	98,686	98,686	-
Urban Initiatives	Landscape Architecture	Oct-15	Mar-16	111,395	111,395	-
Vines Planning Property and Development	Land Use Planning Services	Jul-15	Jun-16	88,361	88,361	-
Wallbridge & Gilbert Engineers	Water Supply Options Study	Oct-15	Apr-16	45,024	45,024	-
TOTAL				1,439,576	1,213,593	225,983

Details of Information and Communication Technology (ICT) expenditure

The total ICT expenditure incurred during 2015-16 is \$3.65M (excluding GST) with the details shown below.

BUSINESS AS USUAL (BAU) ICT EXPENDITURE (TOTAL) \$000	NON BUSINESS AS USUAL (NON BAU) ICT EXPENDITURE		
	(TOTAL = OPERATIONAL EXPENDITURE AND CAPITAL EXPENDITURE) \$000	OPERATIONAL EXPENDITURE (OPEX) \$000	CAPITAL EXPENDITURE CAPEX \$000
2,019	1,635	66	1,569

During 2015-16, GMCT implemented a number of new ICT systems including a cemetery management and finance system and a geographic information system and the implementation of the electronic data records management system is well underway.



DIRECTOR FINANCE AND BUSINESS MESSAGE

GMCT's focus on financial responsibility ensures we remain financially sustainable, enabling the organisation to meet current and future strategic objectives, statutory obligations and to continue to contribute towards the perpetual maintenance of our cemeteries.

Supported by a long-term financial plan, GMCT's financial position continues to remain strong, with an operating surplus in excess of \$19M for the second successive year. And, in a year of significant capital investment our net assets have continued to increase to \$345M.

OPERATING STATEMENT

Revenue of \$45.1M from cemetery operations is within 1.5 per cent of budget and would have exceeded budget had the deposits received in advance of \$2.2M in relation to mausoleum construction been realised. The 2015-16 revenue is 4 per cent greater than 2014-15.

This is a result of increased income from grave stock, driven by the construction of inventory at cemeteries where there was significant community demand, as well as positive growth in interment and cremation income from increased volumes.

Availability of mausoleum inventory was significantly improved with the opening of the Werribee Mausoleum extension and this contributed substantially to mausoleum income.

Total expenses of \$29.9M are 5 per cent less than 2014-15. Excluding investment gains, losses and fees, our overall expenses of \$32.4M is 1 per cent less than budget and equivalent to 2014-15.

The increase in staff-related expenses reflects a commitment to our employees and represents increased workforce numbers in previous years that stabilised in 2015-16. Maintenance and operating costs have reduced as we transition from a reactive to proactive asset management regime. Consistent with 2014-15, we will also contribute \$1.8M to the state government in cemetery levy this financial year.

Investment income of \$12.6M is 22 per cent below 2014-15, primarily as a result of the volatility in investment markets during the year but well ahead of budget expectations. GMCT's investment strategy takes a long term view and we have a cautious investment risk appetite resulting in a well diversified portfolio to manage risk.

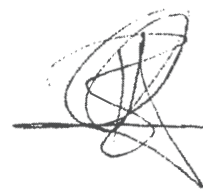
BALANCE SHEET

We continue to reinvest in our cemeteries and to plan for future community need through a range of funded projects, including grave and mausoleum inventory, land acquisitions and ICT system development in line with our year of innovation and productivity.

The largest capital investment program in GMCT history resulted in \$6.4M invested in grave and mausoleum inventory to address community need, \$1.2M in ICT systems to improve key business processes and customer service as well as \$15.6M invested in property, plant and equipment to ensure we are 'future ready'.

This investment program, combined with reinvestment of operating surplus, ensured a strong balance sheet is maintained with total assets of \$345M, a growth of \$18M and total liabilities maintained at a consistent level. The asset base is dominated by cash and investment assets enabling continuous growth, capital investment into the future as well as funding perpetual maintenance obligations.

GMCT's perpetual maintenance reserve increased to \$144M, with an \$18M contribution this financial year.



BART CLINGIN
Director Finance and Business
The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria

10 August 2016



FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR
ENDED 30 JUNE 2016



THE GREATER METROPOLITAN CEMETERIES TRUST

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

We certify that the attached financial statements for The Greater Metropolitan Cemeteries Trust have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions (FRDs), Australian Accounting Standards, and Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements, presents fairly the financial transactions during the year ended 30 June 2016 and the financial position of The Greater Metropolitan Cemeteries Trust as at 30 June 2016.

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

We authorise the attached financial statements for issue on this day.

THE BOARD OF GMCT



GEOFF MABBETT
Trust Chair

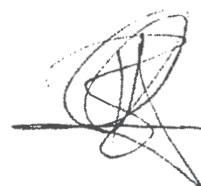
The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria

10 August 2016



JACQUI WEATHERILL
Accountable Officer
Chief Executive Officer
The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria

10 August 2016



BART CLINGIN
Chief Finance and
Accounting Officer
The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria

10 August 2016





Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000

Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Trust Members, The Greater Metropolitan Cemeteries Trust

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of The Greater Metropolitan Cemeteries Trust which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the trust member's, accountable officer's and chief finance and accounting officer's declaration.

The Trust Members' Responsibility for the Financial Report

The Trust Members of The Greater Metropolitan Cemeteries Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Trust Members 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trust Members, as well as evaluating the overall presentation of the financial report.

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



Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates have complied with the applicable independence requirements of the Australian Auditing Standards, relevant ethical pronouncements and the *Australian Charities and Not-for-profits Commission Act 2012*.


I confirm that I have given to the Trust Members a written independence declaration.

Opinion

In my opinion, the financial report of The Greater Metropolitan Cemeteries Trust is in accordance with the financial reporting requirements of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the entity's financial position as at 30 June 2016, and of its financial performance or the year ended on that date
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Regulation 2013*.

MELBOURNE
24 August 2016



Dr. Peter Frost
Acting Auditor-General



Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000

Telephone 61 3 8601 7000

Facsimile 61 3 8601 7010

Website www.audit.vic.gov.au

AUDITOR-GENERAL'S INDEPENDENCE DECLARATION

To the Trust Members, The Greater Metropolitan Cemeteries Trust

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.


Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for The Greater Metropolitan Cemeteries Trust for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
24 August 2016



Dr. Peter Frost
Acting Auditor-General



COMPREHENSIVE OPERATING STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$ 000	2015 \$ 000
Income from transactions			
Cemetery operations income	2(a)	45,107	43,241
Less cost of goods sold	3(a)	(6,933)	(6,534)
		38,174	36,707
Investment income	2(b)	12,670	16,437
TOTAL INCOME FROM TRANSACTIONS		50,844	53,144
Expenses from transactions			
Employee expenses		18,037	16,648
Depreciation and amortisation	3(c)	3,098	2,545
Maintenance and operations costs		5,232	7,481
Administration costs		2,073	1,782
Impairment of available for sale financial assets	16(d)	1,616	2,124
Realised gain on disposal of available for sale financial assets	16(d)	(3,536)	(2,328)
Other expenses	3(b)	3,340	3,371
Audit fees – Victorian Auditor General’s office	4	92	90
TOTAL EXPENSES FROM TRANSACTIONS		29,952	31,713
Operating result for the year before cemetery levy		20,892	21,431
Cemetery levy	1(c)(v)	1,795	1,725
Operating result for the year		19,097	19,706
Other comprehensive income			
Items that may be reclassified subsequently to the net result			
Net fair value gain/(loss) from available for sale investments	16(d)	(1,001)	1,014
		(1,001)	1,014
COMPREHENSIVE RESULT FOR THE YEAR		18,096	20,720

This statement should be read in conjunction with the accompanying notes.



BALANCE SHEET

AS AT 30 JUNE 2016

	NOTE	2016 \$ 000	2015 \$ 000
Current Assets			
Cash and cash equivalents	5	6,708	4,959
Receivables	6	3,612	3,122
Inventories	8	26,595	25,295
Available for sale investments	7	40,000	47,000
Prepayments	10	136	95
Total current assets		77,051	80,471
Non-current assets			
Inventories	8	15,008	15,093
Available for sale investments	7	205,214	196,773
Property, plant and equipment	9	70,419	57,883
Intangible assets	11	2,212	1,259
Total non-current assets		292,853	271,008
TOTAL ASSETS		369,904	351,479
Current Liabilities			
Payables	12	4,298	6,044
Unearned income	13	15,739	14,012
Provision for loss on onerous contracts	14	672	612
Employee benefits and related on-cost provision	15	3,364	3,164
Total Current Liabilities		24,073	23,832
Non-current liabilities			
Employee benefits and related on-cost provision	15	549	461
Total non-current liabilities		549	461
TOTAL LIABILITIES		24,622	24,293
NET ASSETS		345,282	327,186
Equity			
Contributed capital	16	148,872	148,872
Accumulated surplus / (deficit)	16	42,414	42,100
Perpetual maintenance reserve	16	144,427	125,644
Available for sale investment revaluation surplus reserve	16	6,341	7,342
Physical asset revaluation surplus reserve	16	3,228	3,228
TOTAL EQUITY		345,282	327,186
Commitments	20		
Contingent assets and contingent liabilities	21		

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

		CONTRIBUTED CAPITAL \$ 000	ACCUMULATED SURPLUS / (DEFICIT) \$ 000	PERPETUAL MAINTENANCE RESERVE \$ 000	AVAILABLE FOR SALE INVESTMENT REVALUATION SURPLUS \$ 000	PHYSICAL ASSET REVALUATION SURPLUS \$ 000	TOTAL \$ 000
NOTE							
BALANCE AT 30 JUNE 2014		148,872	42,100	105,938	6,328	3,228	306,466
Operating result for the year		-	19,706	-	-	-	19,706
Other comprehensive income for the year	16(d)	-	-	-	1,014	-	1,014
Transfer to/(from) accumulated surplus/(deficit)		-	(19,706)	19,706	-	-	-
BALANCE AT 30 JUNE 2015		148,872	42,100	125,644	7,342	3,228	327,186
Operating result for the year		-	19,097	-	-	-	19,097
Other comprehensive income for the year	16(d)	-	-	-	(1,001)	-	(1,001)
Transfer to/(from) accumulated surplus/(deficit)		-	(18,783)	18,783	-	-	-
BALANCE AT 30 JUNE 2016		148,872	42,414	144,427	6,341	3,228	345,282

This statement should be read in conjunction with the accompanying notes.



CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$ 000	2015 \$ 000
Cash flows from operating activities			
Receipts from customers		50,145	47,644
Payments to suppliers and employees		(43,933)	(39,394)
Investment income receipts		11,399	15,049
Goods and services tax received/(paid)		17	189
NET CASH INFLOW FROM OPERATING ACTIVITIES	17	17,628	23,488
Cash flows from investing activities			
Payments for property, plant and equipment		(15,650)	(5,658)
Proceeds from disposal of property, plant and equipment	2(c)	291	353
Proceeds from available for sale investments		109,851	76,364
Payments for available for sale investments		(110,371)	(121,396)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES		(15,879)	(50,337)
Cash flows from financing activities			
NET CASH INFLOW FROM FINANCING ACTIVITIES		-	-
Net increase / (decrease) in cash and cash equivalents		1,749	(26,849)
Cash and cash equivalents at beginning of the year		4,959	31,808
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	6,708	4,959

This statement should be read in conjunction with the accompanying notes.



NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) INTRODUCTION

(i) Statement of compliance

These financial statements of The Greater Metropolitan Cemeteries Trust (GMCT) are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AAS), which includes interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of *AASB 101 Presentation of Financial Statements*.

The financial statements also comply with relevant Financial Reporting Directions (FRD) and Standing Directions (SD) authorised by the Minister for Finance. In complying with AAS, GMCT has, where relevant, applied those paragraphs applicable to not-for-profit entities.

The annual financial statements were authorised for issue by GMCT on 10 August 2016.

(ii) Basis of accounting preparation and measurement

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016, and the comparative information presented in these financial statements are for the 12 months ended 30 June 2015.

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

The financial statements, except for the cash flow information, have been prepared using the accrual basis of accounting.

Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items; and they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except for the revaluation of certain non-financial assets and financial instruments, as noted. Particular exceptions to the historical cost convention include:

- ▶ Non-current physical assets which, subsequent to acquisition, are measured at a re-valued amount being their fair value at the date of valuation less any subsequent accumulated depreciation, and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values; and
- ▶ Available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised or impaired.

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

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

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

- ▶ **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that a cemetery can access at 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; and
- ▶ **Level 3** – Unobservable inputs for the asset or liability.

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

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

The Valuer-General Victoria (VGV) is GMCT's independent valuation agency. GMCT, in conjunction with VGV, monitors the changes in the fair value of certain classes of assets and liabilities through relevant data sources to determine whether a revaluation is required.

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



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Judgements made by management in the application of AAS's that have significant effect on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, are disclosed throughout the notes to the financial statements.

(iii) Reporting entity

The financial statements include all the controlled activities of GMCT. GMCT was established under the *Cemeteries and Crematoria Act 2003* and its operations are governed by that Act.

The financial statements of GMCT include the operations of Altona Memorial Park, Anderson's Creek Cemetery, Burwood Cemetery, Coburg Pine Ridge Cemetery, Emerald Cemetery, Fawkner Crematorium and Memorial Park, Healesville Cemetery, Keilor Cemetery, Lilydale Lawn Cemetery, Lilydale Memorial Park, Northcote Cemetery, Northern Memorial Park, Preston Cemetery, Templestowe Cemetery, Truganina Cemetery, Werribee Cemetery, Williamstown Cemetery and Yarra Glen Cemetery.

The principal address of GMCT is:

1187 Sydney Road
Fawkner, Victoria 3060

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

(iv) Scope and presentation of financial statements

Comprehensive Operating Statement

The Comprehensive Operating Statement presents the operating result of GMCT. It presents significant categories of income and expenses included in the operating result to enhance the understanding of the financial performance of GMCT.

It also shows other comprehensive income included in the comprehensive result for the year.

Other comprehensive income

Other comprehensive income measures the change in volume or value of assets or liabilities that do not result from transactions. Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses related to:

Revaluations of financial instrument at fair value

Refer to Note 1 (d) *Financial Instruments*.

Balance sheet

Assets and liabilities are categorised either as current or non-current, non-current being mainly those assets or liabilities expected to be recovered/ settled more than 12 months after reporting period.

Statement of changes in equity

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

Cash flow statement

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

Comparative information

Where necessary the previous year's figures have been reclassified to facilitate comparisons. There is no change to this year's comparatives.

Functional and presentation currency

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

(B) INCOME RECOGNITION

Income is recognised in accordance with *AASB 118 Revenue* and is recognised to the extent that it is probable that the economic benefits will flow to GMCT and the income can be reliably measured.

(i) Cemetery operations income

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

Fees received for interment, cremation and certain memorialisation products such as memorial plaques are recognised as revenue in the period that the goods or services are provided.

Fees received in advance of service provision are recorded as unearned income in accordance with Note 1(f) (i).

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

(ii) Dividend revenue

Dividend revenue is recognised when the right to receive payment is established. Dividends represent the income arising from GMCT's investments in financial assets.

(iii) Interest revenue

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) Sale of available for sale investments

The gain or loss on the sale of investments is recognised when the investment is realised. Movements in the fair value of available for sale investments are recognised in accordance with Note 1(e) (v).

(v) Resources provided and received free of charge or for nominal consideration

Resources provided or received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another cemetery or agency as a consequence of a restructuring of administrative arrangements.

In the latter case, such transfer is recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be determined reliably and the services would have been purchased if not received as a donation.

(vi) Unearned Income

Unearned income represents monies received in advance of the provision of particular interment and cremation services and for pre sales of some goods e.g. memorial plaques. These are recorded as unearned income as at the reporting date and recognised as revenue in the period that the goods or services are provided.

(C) EXPENSE RECOGNITION

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

(i) Cost of goods sold

Costs of goods sold are recognised when the sale of an item or right of interment occurs by transferring the cost or value of the item/s or value of land related to the right of interment from inventories to operating expenses. See also Note 1(e) (ix).

(ii) Employee expenses

Employee expenses include:

- ▶ Wages and salaries
- ▶ Annual leave
- ▶ Sick leave
- ▶ Long service leave
- ▶ Superannuation which is reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period.

Contributions to defined contribution superannuation plans are expensed when incurred.

In relation to defined benefit superannuation plans, the amount expensed represents the contributions made by GMCT to the superannuation plans in respect of the services of current GMCT staff. Superannuation contributions are made based on the rules of each plan and are determined on actuarial advice.

(iii) Depreciation

Assets with a cost in excess of \$3,000 (2015: \$3,000) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated remaining useful lives.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated remaining useful life.

Estimates of the remaining useful lives and the depreciation method for all assets are reviewed at least annually and adjustments are made where appropriate.

Depreciation is provided on property, plant and equipment, including freehold buildings, but excluding land. Refer to Note 1(e) (x).

Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The following table indicates the depreciation rates in use.

	2016	2015
Buildings	2.5%	2.5%
Infrastructure and Improvements	2%	2%
Plant & Equipment	10%	10%
Motor Vehicles	20%	20%

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) Amortisation

Intangible assets with a cost in excess of \$3,000 (2015: \$3,000) are capitalised.

Amortisation is allocated to intangible assets with finite useful lives and is undertaken on a systematic (straight-line) basis over the asset's useful life, and is recognised as an expense.

Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired.

If so, the assets concerned are tested to assess whether their carrying value exceeds their recoverable amount. Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

The following table indicates the amortisation rates in use:

	2016	2015
Computer systems	16% - 33%	33%

(v) Cemetery levy

In accordance with Section 18Q of the *Cemeteries and Crematoria Act 2003*, GMCT is required to pay a percentage of its gross earnings, as defined by the Department of Health and Human Services, to the Consolidated Fund held by the State of Victoria.

'Gross Earnings' is currently defined as cemetery operations income and investment income, excluding: donations, government grants, profit or loss on sale of investments and other assets and assets received free of charge. The levy rate for this reporting period is 3% (2015: 3%).

(D) FINANCIAL INSTRUMENTS

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of GMCT's activities, certain financial assets and financial liabilities arise under statute rather than a contract.

Such financial assets and financial liabilities do not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

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

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

(i) Receivables

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

Receivables include cash and deposits, term deposits with maturity greater than three months, trade and other receivables, but not statutory receivables.

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

(E) ASSETS

Financial Assets

(i) Cash and cash equivalents

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

(ii) Receivables

Receivables consist of:

- ▶ **Contractual receivables**, which includes mainly debtors in relation to goods and services and accrued investment income; and
- ▶ **Statutory receivables**, which includes predominantly GST input tax credits recoverable.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Trade debtors are carried at nominal amounts due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

(iii) Prepayments

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term beyond that period.

(iv) Other financial assets

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

Investments are classified as receivables or available-for-sale financial assets.

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

At each balance sheet date GMCT assesses whether a financial asset or group of financial assets is impaired. All financial assets are subject to annual review for impairment.

(v) Available-for-Sale Financial Assets

Other financial assets held by GMCT are classified as being available-for-sale and are measured at fair value. Gains and losses arising from changes in fair value are recognised as other comprehensive income directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the operating result for the year.

Fair value is determined in the manner described in Note 19 (e).

(vi) Impairment of Financial Assets

At the end of each reporting period GMCT assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as written off and allowances for doubtful receivables are expensed. The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Where the fair value of an investment in an equity instrument has reduced by 20 per cent or more of its cost price; or where its fair value has been less than its cost price for a period of 12 or more months, the financial instrument is treated as impaired.

In order to determine an appropriate fair value as at 30 June 2016 for its portfolio of financial assets, GMCT used valuations provided by its fund managers as at 30 June 2016 which were based on market prices.

The above valuation process was used to quantify the level of impairment on the portfolio of financial assets as at year end.

(vii) Net gain/(loss) on financial instruments

Net gain/ (loss) on financial instruments includes:

- ▶ impairment and reversal of impairment for financial instruments at amortised cost; and
- ▶ disposals of financial assets.

(viii) Revaluation of financial instruments at fair value

The revaluation gain/ (loss) on financial instruments at fair value excludes dividends and interest earned on financial assets, which are separately reported as income.

Non-Financial Assets

(ix) Inventories

Inventories include goods and other property held either for sale or for distribution at nominal consideration, or for consumption in the ordinary course of business operations. Inventories exclude depreciable assets.

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

Inventories are classified as either work in progress or finished goods. Work in progress includes undeveloped land and expenditure on inventories partially constructed, but not available for sale. Finished goods represent inventories available for sale to clients including land to be used for interment purposes.

Inventory of precast concrete lined graves, pre-poured foundations for graves, memorial wall niches and mausoleum crypts are valued at weighted average cost. These inventories are measured at the lower of cost or net realisable value.



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Costs for all other inventories are measured on the basis of weighted average cost.

Inventories acquired for no cost or for nominal consideration are measured at current replacement cost at the date of acquisition.

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

Costs of goods sold are recognised in accordance with Note 1(c) (i).

(x) Property, plant and equipment

All non-current physical assets (except inventories) are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Crown Land

Crown Land which has been reserved for cemetery and crematoria purposes is measured at fair value with regard to the property's highest and best use after due consideration is given to any legal or constructive restrictions imposed on the land, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply.

Land for Cemetery Use

Legal or constructive restrictions related to land for cemetery use, whereby land has been reserved for a cemetery, have been assessed by the Valuer-General of Victoria as reducing the land's highest and best use value by a discount factor of 95%.

The discount of 95% represents the Community Service Obligation ('CSO') of providing the cemetery to the people of Victoria.

Cemetery use land was valued at 30 June 2012 by the Valuer-General in accordance with the requirements of Financial Reporting Direction FRD103F *Non-current Physical Assets*, issued pursuant to the *Financial Management Act 1994*. The next scheduled revaluation under FRD103F is set for the year ending 30 June 2017 or earlier if there is an indication that the fair value has moved materially since the last valuation.

Land for cemetery use is classified between Interment Land (see *inventories above*) and Land Under Infrastructure which is part of property, plant and equipment.

Land and buildings

Measured initially at cost and subsequently measured at fair value. Accumulated depreciation is deducted from the fair value of buildings to derive a value to be assessed for impairment.

Plant, Equipment and Vehicles

Measured initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

(xi) Revaluation of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with FRD 103F. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRD.

Revaluation increments or decrements arise from differences between an asset's carrying value and its fair value.

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

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

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation surplus relating to an asset is not normally transferred to accumulated funds on de-recognition of the relevant asset.

In accordance with FRD 103F, GMCT's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

(xii) Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance, and include computer software and associated development costs.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised but are assessed for impairment annually or whenever there is an indication that the intangible assets may be impaired.



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to GMCT.

(xiii) Net gain/(loss) on non-financial assets

Net gain/ (loss) on non-financial assets includes realised and unrealised gains and losses from revaluations, impairments and disposals of all physical assets and intangible assets.

(xiv) Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised in the operating result at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

(xv) Impairment of non-financial assets

All assets are assessed annually for indications of impairment except for Inventories.

If there is an indication of impairment, the asset concerned is tested to determine whether its carrying value exceeds its possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down value can be debited to an asset revaluation surplus reserve amount applicable to that same class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount.

This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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

The recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

(F) LIABILITIES

(i) Unearned income

Unearned income is as per Note 1 (b) (vi).

All unearned income is classified as a current liability as GMCT does not have an unconditional right to defer settlement. Pre-purchases and pre-need deeds are redeemed when a need arises. The amount that will be redeemed during the coming 12 months cannot be determined reliably. Prepaid fees are recognised at their nominal (contracted) value.

(ii) Payables

Payables consist of:

- ▶ Contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to GMCT prior to the end of the financial year that are unpaid, and arise when GMCT becomes obliged to make future payments in respect of the purchase of those goods and services. The normal credit terms for accounts payable are usually Nett 30 days.
- ▶ Statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are initially recognised at fair value, and then subsequently carried at amortised cost.

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

(iii) Provision for loss on onerous contracts (on unearned income)

A provision is recognised for onerous contracts where the unavoidable costs of meeting the obligations exceed the economic benefits that are expected to be received under the contract and the future sacrifice of economic benefits is probable.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. A provision is recognised in relation to pre-paid fees where the cost of providing the purchased goods and/or services is expected to be greater than the amount received/ revenue to be recognised and the current service cost can be reliably measured.

The provision represents the current cost of the expenditure required to provide the goods and/or services, less the amount of revenue to be recognised based on historical prices and current costs at the reporting date.

As GMCT does not have an unconditional right to defer settlement, the liability for onerous contracts is recognised as a current liability.

(iv) Goods and Services Tax ('GST')

Income, expenses and assets are recognised net of the associated amount of GST, unless the GST incurred is not recoverable from the ATO. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financial activities which are recoverable from or payable to the ATO are presented as operating cash flows.

Commitments and contingent assets or liabilities are presented including GST.

(v) Employee benefits

Wages and salaries and annual leave

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

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

- ▶ **Undiscounted value** – if the cemetery trust expects to wholly settle within 12 months; or
- ▶ **Present value** – if the cemetery trust does not expect to wholly settle within 12 months.

Long Service Leave (LSL)

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

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

The components of this current LSL liability are measured at:

- ▶ **Undiscounted value** – if the cemetery trust expects to wholly settle within 12 months; and
- ▶ **Present value** – if the cemetery trust does not expect to wholly settle within 12 months.

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

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

On-Costs

Employee Benefit on-costs (workers compensation and superannuation) accrued on annual leave and LSL are recognised separately from the provision for employee benefits.

(vi) Leases

Operating lease payments, including any contingent rentals, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

(vii) Superannuation

Employees of GMCT are entitled to receive superannuation benefits and GMCT contributes to defined benefit and defined contribution plans.

Defined Contribution Superannuation Plan

The defined contribution funds receive both employer and employee contributions on a progressive basis.

Employer contributions are normally based on a fixed percentage of employee earnings in accordance with the Superannuation Guarantee Legislation (9.5 per cent). GMCT's current contribution ranges between 9.5 per cent and 10 per cent. No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of their chosen superannuation fund.

Defined Benefit Superannuation Plan

The defined benefit plan provides benefits to employees based on years of service and final average salary. GMCT makes employer contributions to the defined benefits category of the Superannuation Fund at a minimum of the rate determined by the Fund's Trustee.

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary, GMCT's current contribution is 9.50 per cent of superannuation salary, plus contribution tax.

GMCT does not recognise any defined benefit liability in respect of the plan because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items.

Unfunded Defined Benefit Superannuation Liability

The Local Authorities Superannuation Fund (LASF), known as Vision Super since 2002, is a not-for-profit industry fund for cemeteries and certain other agencies. Vision Super is the Trustee of both the defined benefit plan (closed since 1993) and the Super Save (accumulation) fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with regulations, the Fund's Trustees are required to complete an actuarial review of superannuation funds at least every three years to ensure the current assets are adequate to meet the benefits that have previously been promised to members.

As a participating employer of this defined benefit plan, GMCT is liable to meet any call made by the fund's actuary. Based on the advice from the Fund's Trustee, there is no shortfall in the defined benefit plan as at 30 June 2016.

(G) EQUITY

(i) Physical asset revaluation surplus reserve

The asset revaluation surplus reserve is used to record increments and decrements in the revaluation of non-current physical assets.

(ii) Available-for-sale investment revaluation surplus reserve

The available-for-sale revaluation surplus arises from the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to that financial asset, is recognised in the operating result.

Where an available-for-sale financial asset is impaired, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity to operating result.

(iii) Perpetual maintenance reserve

Under section 12A(2)(a) of the *Cemeteries and Crematoria Act*, GMCT must have regard to its obligations in relation to funding of the perpetual maintenance of the public cemeteries for which it is responsible.

Fees received include amounts for perpetual maintenance to be carried out in future years in perpetuity. Such amounts are transferred from the result for the year and into the Perpetual Maintenance Reserve (Notes 16 and 22).

The Perpetual Maintenance Reserve allocation is based on 20% of gross surplus plus 100% of net investment income less any annual deficit from any individual cemetery. The perpetual maintenance allocation is capped each year to not exceed the operating result for the year.

At this time the GMCT is aware that there will be ongoing significant cash outflows for future expenditure on perpetual maintenance of each public cemetery but is unable to calculate a sufficiently reliable estimate of any related present obligation which may arise under the accounting standards and accordingly has not recognised a value for this obligation in these financial statements.

(iv) Contributed capital

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119 *Contributions by Owners*, net assets of the former trusts have been treated as contributed capital in accordance with the Allocation Statement authorised by the Minister for Health. Other transfers that are in the nature of contributions or distributions that have been designated as contributed capital are treated as contributed capital (Note 16a).

(H) EVENTS AFTER THE REPORTING PERIOD

Assets, liabilities, income or expenses arise from past transactions or other past events. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements

are authorised for issue, where those events provide information about conditions which existed in the reporting period.

Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

(I) COMMITMENTS FOR EXPENDITURE

Commitments for expenditure are not recognised in the balance sheet. Commitments for expenditure are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated.

(J) CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note (refer to note 21) and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

(K) ROUNDING OF AMOUNTS

All amounts shown in the financial statements are expressed to the nearest \$1,000 unless otherwise stated. Figures in the financial statements may not equate due to rounding.



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(L) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The following accounting pronouncements effective from the 2015-16 reporting period are considered to have insignificant impacts on GMCT:

- ▶ AASB 1048
Interpretation of Standards
- ▶ AASB 2013-9
Amendments to Australian Accounting Standards
[Part C Financial Instruments]

- ▶ AASB 2014-8
Amendments to Australian Accounting Standards arising from AASB 9 – Application of AASB 9 (December 2009) and AASB 9 (December 2010)
[AASB 9 (2009 & 2010)]

- ▶ AASB 2015-3
Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

Amending standard AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not for Profit Public Sector Entities*, which is operative from 1 July 2016 provides an exemption for not for profit public sector entities from certain fair value disclosures.

GMCT early adopted AASB 2015-7 for the current financial year.

Certain new Australian accounting standards and interpretations have been published that are not mandatory for the 30 June 2016 reporting period.

As at 30 June 2016, the following standards and Interpretations had been issued but application was not effective for the year ending 30 June 2016.

They become effective for the first financial statements for the reporting periods commencing after the stated operative dates as detailed in the table below. GMCT has not and does not intend to adopt these standards early.

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON GMCT FINANCIAL STATEMENTS
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	<p>The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss.</p> <p>While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</p>
AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 Jan 2018	The assessment has indicated that there will be no significant impact for GMCT.



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON GMCT FINANCIAL STATEMENTS
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	<p>The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows:</p> <ul style="list-style-type: none"> ▶ The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and ▶ Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. 	1 Jan 2018	<p>The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals.</p> <p>Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI).</p>
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2017 (Exposure Draft 263 – potential deferral to 1 Jan 2018)	<p>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.</p> <p>GMCT's deferred income has future performance obligations and therefore any impact at this stage is perceived to be minimal.</p>



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON GMCT FINANCIAL STATEMENTS
AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 Jan 2018	This amending standard will defer the application period of AASB 15 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	<p>Amends the measurement of trade receivables and the recognition of dividends.</p> <p>Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition.</p> <p>Dividends are recognised in the profit and loss only when:</p> <ul style="list-style-type: none"> ▶ the entity's right to receive payment of the dividend is established; ▶ it is probable that the economic benefits associated with the dividend will flow to the entity; and ▶ the amount can be measured reliably. 	1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018	The assessment has indicated that there will be no significant impact for GMCT.
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	<p>This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require:</p> <ul style="list-style-type: none"> ▶ A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; ▶ For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and <p>For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).</p>	1 Jan 2018	The assessment has indicated that there will be no significant impact for GMCT, other than the impact identified in AASB 15.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON GMCT FINANCIAL STATEMENTS
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	1 Jan 2019	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase.</p> <p>Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.</p> <p>The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement.</p> <p>No change for lessors.</p>
AASB 2015-1 <i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]</i>	<p>Amends the methods of disposal in AASB 5 Non-current assets held for sale and discontinued operations.</p> <p>Amends AASB 7 Financial Instruments by including further guidance on servicing contracts.</p>	1 Jan 2016	<p>The assessment has indicated that when an asset (or disposal group) is reclassified from ‘held to sale’ to ‘held for distribution’, or vice versa, the asset does not have to be reinstated in the financial statements.</p> <p>Entities will be required to disclose all types of continuing involvement the entity still has when transferring a financial asset to a third party under conditions which allow it to derecognise the asset.</p>



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON GMCT FINANCIAL STATEMENTS
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]	<p>Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to:</p> <ul style="list-style-type: none"> ▶ establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; ▶ prohibit the use of revenue based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset. 	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 Related Party Disclosures to not-for-profit public sector entities. Guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.
AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash- Generating Specialised Assets of Not-for-Profit Entities	The standard amends AASB 136 Impairment of Assets to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 Jan 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 Fair Value Measurement is the same as the depreciated replacement cost concept under AASB 136.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to the new standards above, the AASB has issued a list of amending standards that are not effective for the 2015-16 reporting period (as listed below).

In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- ▶ AASB 1056
Superannuation Entities
- ▶ AASB 1057
Application of Australian Accounting Standards
- ▶ AASB 2014-1
Amendments to Australian Accounting Standards [PART D – Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts only] 2
- ▶ AASB 2014-6
Amendments to Australian Accounting Standards – Agriculture: Bearer Plants [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]
- ▶ AASB 2015-2
Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
- ▶ AASB 2015-5
Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception [AASB 10, AASB 12, AASB 128] 2
- ▶ AASB 2015-9
Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]
- ▶ AASB 2015-10
Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128
- ▶ AASB 2016-1
Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]
- ▶ AASB 2016-2
Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107



NOTE 2: INCOME FROM TRANSACTIONS

	2016 \$ 000	2015 \$ 000
(a) Cemetery Operations Income		
Grave income	13,278	10,444
Mausoleum income	9,696	11,152
Cremation memorial income	2,730	3,058
Interment	7,143	6,849
Cremation Income	5,138	4,815
Memorialisation	4,026	4,086
Other operating income		
Other interment services	1,408	1,633
Chapel services	153	212
Rental income	464	216
Other operating income	1,071	776
TOTAL CEMETERY OPERATIONS INCOME	45,107	43,241
(b) Investment Income		
Interest from cash and cash equivalents and available for sale financial assets	1,553	1,650
Dividends and distributions	11,117	14,787
TOTAL INVESTMENT INCOME	12,670	16,437
(c) Profit on Disposal of Property, Plant and Equipment		
Proceeds from disposals	291	353
Less written down value of property, plant and equipment disposed	(232)	(188)
TOTAL PROFIT / (LOSS) ON DISPOSAL	59	165



NOTE 3: EXPENSES

	NOTE	2016 \$ 000	2015 \$ 000
(a) Cost of Goods Sold			
Rights of interment		5,193	4,713
Memorialisation		1,740	1,821
TOTAL COST OF GOODS SOLD		6,933	6,534
(b) Other Expenses			
Other operating costs		1,985	2,043
Investment management fees		1,292	1,187
(Gain)/loss on onerous contracts		59	141
Doubtful debts expense		4	-
TOTAL OTHER EXPENSES		3,340	3,371
(c) Depreciation and Amortisation			
<i>Depreciation</i>			
Buildings, infrastructure and improvements	9(b)	1,450	1,351
Motor vehicles, plant and equipment	9(b)	1,429	1,157
<i>Amortisation</i>			
Amortisation of computer software	11	219	37
TOTAL DEPRECIATION AND AMORTISATION		3,098	2,545

NOTE 4: REMUNERATION OF AUDITORS

	2016 \$ 000	2015 \$ 000
Victorian Auditor General's Office audit of the financial statements	92	90
TOTAL REMUNERATION OF AUDITORS	92	90

NOTE 5: CASH AND CASH EQUIVALENTS

	2016 \$ 000	2015 \$ 000
Cash on hand	2	3
Cash at bank	6,706	4,956
TOTAL CASH AND CASH EQUIVALENTS	6,708	4,959

For the purposes of the cash flow statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value.

NOTE 6: RECEIVABLES

	NOTE	2016 \$ 000	2015 \$ 000
Current			
Contractual			
Trade and sundry debtors		2,331	1,544
Accrued interest and dividends		1,271	1,388
Less provision for doubtful debts	(a)	(4)	-
Total contractual receivables		3,598	2,932
Statutory			
GST receivables		14	190
Total statutory receivables		14	190
TOTAL RECEIVABLES		3,612	3,122

The nature and extent of risk arising from receivables and ageing of receivables is contained in Note 19.

(a) Movement in provision for doubtful debts

	2016 \$ 000	2015 \$ 000
Balance at the beginning of the year	-	-
Amounts written off during the year	-	-
Increase / (decrease) in allowance recognised in net result	4	-
BALANCE AT END OF THE YEAR	4	-

NOTE 7: AVAILABLE FOR SALE INVESTMENTS

	2016 \$ 000	2015 \$ 000
Current		
Interest-bearing investments	40,000	47,000
Total current available for sale investments	40,000	47,000
Non current		
Managed share/units portfolio	143,795	120,348
Interest-bearing investments	61,419	76,425
Total non-current available for sale investments	205,214	196,773
TOTAL AVAILABLE FOR SALE INVESTMENTS	245,214	243,773

The nature and extent of risk arising from and ageing of other financial assets is contained in Note 19.

NOTE 8: INVENTORIES

	NOTE	2016 \$ 000	2015 \$ 000
Current			
Finished goods			
Grave foundations and beams		8,654	4,608
Mausoleum crypts		15,306	18,813
Land: interment purposes		114	74
Work-in-progress			
Development costs		2,521	1,800
Total current		26,595	25,295
Non-current			
Work-in-progress			
Development costs	(i)	5,947	5,947
Land: interment purposes (undeveloped)		9,061	9,146
Total non-current		15,008	15,093
TOTAL INVENTORIES		41,603	40,388
(i): \$5.9 million of inventory located in the Preston mausoleum basement was reclassified in 2012 as work in progress as additional development is required in order to make the inventory available for sale.			
Represented by			
▶ Land: interment purposes		9,175	9,220
▶ Grave foundations and beams		8,654	4,608
▶ Mausoleum crypts		15,306	18,813
▶ Work in progress		8,468	7,747
TOTAL INVENTORIES		41,603	40,388

All categories of inventories are valued at the lower of cost and net realisable value.



NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	NOTE	2016 \$ 000	2015 \$ 000
Cemetery land under infrastructure at fair value	(i)	10,120	2,708
Buildings, infrastructure and improvements at fair value	(i)	56,619	50,373
Less accumulated depreciation		(5,399)	(3,950)
		51,220	46,423
Motor vehicles, plant and equipment at fair value		13,460	10,261
Less accumulated depreciation		(5,598)	(4,518)
		7,862	5,743
Capital works in progress at cost		1,217	3,009
TOTAL PROPERTY, PLANT AND EQUIPMENT		70,419	57,883

(i): In accordance with the requirements of Financial Reporting Direction FRD103F *Non-current Physical Assets*, these assets were valued by an independent valuer, Steven Lane, Qualified Valuer, of the Valuer-General of Victoria, with effect at 30 June 2012.

No material movement in valuation has occurred during the year and the carrying value at 30 June 2016 represents the assets fair value.

During 2016 GMCT made a significant land and building acquisition adjacent to Northern Memorial Park.

Cemetery land under infrastructure

The valuation, which conforms to Australian Valuation Standards, was determined by direct reference to recent market transactions on arm's length terms for land of comparable size and location, less a Community Service Obligation percentage of 95%.

Buildings, infrastructure and improvements

The valuation, which conforms to Australian Valuation Standards, was determined based on the depreciated replacement cost of the assets.



NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Reconciliation of Property, Plant and Equipment

Reconciliation of Carrying Amounts of each class of Asset for GMCT at beginning and end of each financial period is set out below.

	CEMETERY LAND UNDER INFRASTRUCTURE \$ 000	BUILDINGS, INFRASTRUCTURE AND IMPROVEMENTS \$ 000	MOTOR VEHICLES, PLANT AND EQUIPMENT \$ 000	WORKS IN PROGRESS \$ 000	TOTAL \$ 000
BALANCE AT 30 JUNE 2014	2,708	45,382	5,443	2,058	55,591
Additions	-	-	-	4,988	4,988
Transfers to completed assets	-	2,392	1,645	(4,037)	-
Transfers between asset classes	-	-	-	-	-
Disposals	-	-	(188)	-	(188)
Depreciation expense	-	(1,351)	(1,157)	-	(2,508)
BALANCE AT 30 JUNE 2015	2,708	46,423	5,743	3,009	57,883
Additions	-	-	-	15,646	15,646
Transfers to completed assets	7,412	6,247	3,779	(17,438)	-
Transfers between asset classes	-	-	-	-	-
Disposals	-	-	(231)	-	(231)
Depreciation expense	-	(1,450)	(1,429)	-	(2,879)
BALANCE AT 30 JUNE 2016	10,120	51,220	7,862	1,217	70,419

(b) Aggregate depreciation recognised as an expense during the year

	2016 \$ 000	2015 \$ 000
Buildings, infrastructure and improvements	1,450	1,351
Motor vehicles, plant and equipment	1,429	1,157
TOTAL DEPRECIATION EXPENSE	2,879	2,508

(i): The useful lives of assets as stated in Note 1 are used in the calculation of depreciation.

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair value measurement hierarchy for assets

	CARRYING AMOUNT AS AT 30 JUNE 2016	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
		LEVEL 1	LEVEL 2	LEVEL 3
Cemetery land under infrastructure at fair value				
▶ Specialised land	10,120	-	-	10,120
TOTAL OF LAND AT FAIR VALUE	10,120	-	-	10,120
Buildings, infrastructure and improvements at fair value				
▶ Specialised buildings	51,220	-	-	51,220
TOTAL OF BUILDINGS AT FAIR VALUE	51,220	-	-	51,220
Motor vehicles, plant and equipment at fair value				
▶ Vehicles	1,319	-	-	1,319
▶ Plant and equipment	6,543	-	-	6,543
TOTAL OF PLANT AND EQUIPMENT AND VEHICLES AT FAIR VALUE	7,862	-	-	7,862
TOTAL BALANCE AT FAIR VALUE 30 JUNE 2016	69,202	-	-	69,202

	CARRYING AMOUNT AS AT 30 JUNE 2015	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
		LEVEL 1	LEVEL 2	LEVEL 3
Cemetery land under infrastructure at fair value				
▶ Specialised land	2,708	-	-	2,708
TOTAL OF LAND AT FAIR VALUE	2,708	-	-	2,708
Buildings, infrastructure and improvements at fair value				
▶ Specialised buildings	46,423	-	-	46,423
TOTAL OF BUILDINGS AT FAIR VALUE	46,423	-	-	46,423
Motor vehicles, plant and equipment at fair value				
▶ Vehicles	1,309	-	-	1,309
▶ Plant and equipment	4,434	-	-	4,434
TOTAL OF PLANT AND EQUIPMENT AND VEHICLES AT FAIR VALUE	5,743	-	-	5,743
TOTAL BALANCE AT FAIR VALUE 30 JUNE 2015	54,874	-	-	54,874

(i): Classified in accordance with the fair value hierarchy, see Note 1. There have been no transfers between levels during the period.

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(ii) Specialised land and specialised buildings

The market approach is used for specialised land and specialised buildings although land is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For GMCT, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation.

As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Cemetery Trust's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2012.

(iii) Vehicles

GMCT acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by GMCT who set relevant depreciation rates during use to reflect the consumption of the vehicles.

As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

(iv) Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value.

Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the year to 30 June 2016.

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

(d) Reconciliation of Level 3 Fair Value

	CEMETERY INFRASTRUCTURE LAND AT FAIR VALUE	BUILDINGS, INFRASTRUCTURE AND IMPROVEMENTS AT FAIR VALUE	MOTOR VEHICLES, PLANT AND EQUIPMENT AT FAIR VALUE
Opening balance	2,708	46,423	5,743
Purchases (sales)	7,412	6,247	3,548
Depreciation	-	(1,450)	(1,429)
CLOSING BALANCE	10,120	51,220	7,862
TOTAL BALANCE AT FAIR VALUE 30 JUNE 2016	10,120	51,220	7,862

(i): Classified in accordance with the fair value hierarchy, see Note 1.



NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS
Cemetery – specialised land	Market approach	Community Service Obligation (CSO) adjustment
Cemetery – specialised building		
▶ Buildings	Depreciated replacement cost approach	Useful life of specialised buildings
▶ Infrastructure	Depreciated replacement cost approach	Useful life of specialised infrastructure
Plant and equipment at fair value		
▶ Vehicles	Depreciated replacement cost approach	Useful life of vehicles
▶ Plant and equipment	Depreciated replacement cost approach	Useful life of P&E

NOTE 10: PREPAYMENTS

	2016 \$ 000	2015 \$ 000
Prepayments	136	95
TOTAL PREPAYMENTS	136	95

NOTE 11: INTANGIBLE ASSETS

	2016 \$ 000	2015 \$ 000
Computer software at cost	1,702	145
Less accumulated amortisation	(259)	(39)
	1,443	106
Works in progress	769	1,153
TOTAL INTANGIBLE ASSETS	2,212	1,259
Reconciliation of intangible assets		
Balance at the beginning of the year	1,259	33
Additions	1,172	1,263
Disposals	-	-
Amortisation expense	(219)	(37)
BALANCE AT END OF THE YEAR	2,212	1,259

NOTE 12: PAYABLES

	2016 \$ 000	2015 \$ 000
Current		
Contractual		
Trade creditors	213	1,440
Other creditors and accruals	1,783	2,623
Total contractual creditors	1,996	4,063
Statutory		
Other creditors and accruals	451	117
Cemeteries levy accrued	1,729	1,725
Superannuation liability	122	139
Total statutory creditors	2,302	1,981
TOTAL PAYABLES	4,298	6,044

(i): Ageing analysis of payables. Refer to Note 19 (c)(ii) for the ageing analysis of payables.

(ii): Nature and extent of risk arising from payables. Refer to Note 19.

NOTE 13: UNEARNED INCOME

	2016 \$ 000	2015 \$ 000
Current		
Pre-need deed sales liability	13,534	13,484
Deposits received in advance	2,205	528
TOTAL UNEARNED INCOME	15,739	14,012

NOTE 14: PROVISION FOR LOSS ON ONEROUS CONTRACTS

	2016 \$ 000	2015 \$ 000
Balance at beginning of year	613	471
Amount taken to comprehensive operating statement (i)	59	141
BALANCE AT END OF THE YEAR	672	612

(i): The onerous contract provision is estimated based on the current direct cost of the expenditure required to provide the goods and/or services, less the amount of revenue to be recognised.

NOTE 15: EMPLOYEE BENEFITS AND RELATED ON COST PROVISIONS

	2016 \$ 000	2015 \$ 000
Current provisions		
Employee benefits		
▶ Annual leave (unconditional and expected to be settled within 12 months)	807	740
▶ Annual leave (unconditional and expected to be settled after 12 months)	485	475
▶ Long service leave (unconditional and expected to be settled within 12 months)	92	97
▶ Long service leave (unconditional and expected to be settled after 12 months)	1,531	1,395
On-costs		
▶ Unconditional and expected to be settled within 12 months	152	154
▶ Unconditional and expected to be settled after 12 months	297	303
Total current provisions	3,364	3,164
Non-current provisions		
▶ Long service leave (conditional and expected to be settled after 12 months)	467	401
▶ On-costs	82	60
Total non-current provisions	549	461
TOTAL PROVISION FOR EMPLOYEE BENEFITS	3,913	3,625

(i): Employee benefits consist of annual leave and long service leave accrued by employees and the amounts not expected to be settled in 12 months are disclosed at present values.

(a) Employee benefits and on-costs

	2016 \$ 000	2015 \$ 000
Current employee benefits		
Annual leave	1,292	1,215
Long service leave	1,623	1,492
Non-current employee benefits		
Long service leave	467	401
Total employee benefits	3,382	3,108
Current on-costs	449	457
Non-current on-costs	82	60
Total on-cost	531	517
TOTAL EMPLOYEE BENEFITS AND ON-COSTS	3,913	3,625

NOTE 15: EMPLOYEE BENEFITS AND RELATED ON COST PROVISIONS (CONTINUED)

(b) Movement in Provisions

	2016 \$ 000	2015 \$ 000
<i>Movements in long service leave</i>		
Balance at the beginning of the year	2,178	1,935
Provision made during the year - expense	321	259
Revaluation	(1)	129
Settlements made during the year	(102)	(145)
Balance at end of year	2,396	2,178
<i>Movements in annual leave</i>		
Balance at the beginning of the year	1,447	1,261
Provision made during the year - expense	1,096	1,103
Annual leave taken	(1,015)	(899)
Revaluation	(11)	(18)
Balance at end of year	1,517	1,447
TOTAL EMPLOYEE BENEFITS AND ON-COSTS	3,913	3,625

NOTE 16: EQUITY

	NOTE	2016 \$ 000	2015 \$ 000
<i>Composition of equity</i>			
Contributed capital	(a)	148,872	148,872
Accumulated surplus / (deficit)	(b)	42,414	42,100
Perpetual maintenance reserve	(c)	144,427	125,644
Available for sale investment revaluation surplus reserve	(d)	6,341	7,342
Physical asset revaluation surplus reserve	(e)	3,228	3,228
TOTAL EQUITY		345,282	327,186

(a) Contributed Capital

	NOTE	2016 \$ 000	2015 \$ 000
Balance at the beginning of the year		148,872	148,872
Movement		-	-
BALANCE AT THE END OF THE YEAR		148,872	148,872

NOTE 16: EQUITY (CONTINUED)

(b) Accumulated surplus / (deficit)

	2016 \$ 000	2015 \$ 000
Balance at the beginning of the year	42,100	42,100
Operating result for the year	19,097	19,706
Transfer to perpetual maintenance reserve	(18,783)	(19,706)
BALANCE AT THE END OF THE YEAR	42,414	42,100

(c) Perpetual maintenance reserve

	2016 \$ 000	2015 \$ 000
Balance at the beginning of the year	125,644	105,938
Transfer from accumulated surplus / (deficit)	18,783	19,706
BALANCE AT THE END OF THE YEAR	144,427	125,644

(d) Available for sale investment revaluation surplus reserve

	2016 \$ 000	2015 \$ 000
Balance at the Beginning of the Year	7,342	6,328
Unrealised gain/(loss) recognised for the year	(1,017)	(987)
Realised gain/(loss) recognised for the year	1,936	2,205
Realised (gain)/loss taken to the comprehensive operating statement	(3,536)	(2,328)
Impairment loss taken to the comprehensive operating statement	1,616	2,124
Total movement	(1,001)	1,014
BALANCE AT THE END OF THE YEAR	6,341	7,342

(e) Physical asset revaluation surplus reserve

	2016 \$ 000	2015 \$ 000
Balance at the beginning of the year	3,228	3,228
Revaluation increment/(decrement) recognised for land and buildings	-	-
BALANCE AT THE END OF THE YEAR	3,228	3,228

NOTE 17: CASH FLOW INFORMATION

Reconciliation of net cash inflow/(outflow) from operating activities to operating result for the year

	2016 \$ 000	2015 \$ 000
Operating result for the reporting year	19,097	19,706
<i>Non-cash flows in the operating result</i>		
Depreciation and amortisation	3,098	2,545
(Profit) / loss from disposal of property, plant and equipment	(59)	(165)
Impairment loss on available for sale financial assets	1,616	2,124
Realised (gain)/loss on available for sale financial assets	(3,536)	(2,328)
	1,119	2,176
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in receivables	(491)	(350)
(Increase)/decrease in inventories	(692)	283
(Increase)/decrease in prepayments	(41)	10
Increase/(decrease) in payables	(3,439)	(88)
Increase/(decrease) in employee benefits	288	429
Increase/(decrease) in onerous contracts	59	141
Increase/(decrease) in unearned income	1,728	1,181
	(2,588)	1,606
NET CASH FLOW FROM OPERATING ACTIVITIES	17,628	23,488



NOTE 18: SUPERANNUATION

Employees of GMCT are entitled to receive superannuation benefits and GMCT contributes to defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

Superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of GMCT.

The name, details and amounts expense in relation to the major employee superannuation funds and contributions made by GMCT are as follows:

	CONTRIBUTIONS FOR THE YEAR ENDING 2016 \$ 000	CONTRIBUTIONS OUTSTANDING AT YEAR END 2016 \$ 000	CONTRIBUTIONS FOR THE YEAR ENDING 2015 \$ 000	CONTRIBUTIONS OUTSTANDING AT YEAR END 2015 \$ 000
Defined benefits				
Vision Super	186	4	162	-
Defined contributions				
Vision Super	717	51	848	139
Other	837	67	628	-
TOTAL	1,740	122	1,638	139

NOTE 19: FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

GMCT's principal financial instruments comprise:

- ▶ Cash Assets;
- ▶ Receivables (excluding statutory receivables);
- ▶ Available for Sale Investments; and
- ▶ Payables (excluding statutory payables).

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

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

GMCT uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Finance and Investment Committee of GMCT.

The main purpose of holding financial instruments is to prudentially manage GMCT's financial risks within the Government's policy parameters.



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(i) Categorisation of Financial Instruments

ACCOUNT BALANCE	NOTE	CATEGORY	CARRYING AMOUNT 2016 \$ 000	CARRYING AMOUNT 2015 \$ 000
Financial assets				
Cash and cash equivalents	5	Cash	6,708	4,959
Available for sale investments - current	7	Available for sale investments (at fair value through equity)	40,000	47,000
Receivables	6	Receivables (at amortised cost)	3,598	2,932
Available for sale investments - non-current	7	Available for sale investments (at fair value through equity)	205,214	196,773
TOTAL FINANCIAL ASSETS			255,520	251,664
Financial liabilities				
Payables	12	Financial liabilities measured at amortised cost	1,996	4,063
TOTAL FINANCIAL LIABILITIES			1,996	4,063

The total amount of financial assets disclosed here excludes statutory amounts (i.e. GST input tax credits recoverable).

The total amount of financial liabilities disclosed here excludes statutory payables (i.e. taxes payable, mandatory Superannuation Guarantee Charges and WorkCover levies).

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

	NOTE	2016 \$ 000	2015 \$ 000
Financial assets			
Cash and cash equivalents and available for sale investments - interest revenue	2(b)	1,553	1,650
Available for sale investments - dividends and distributions	2(b)	11,117	14,787
Available for sale investments - impairment loss	16(d)	(1,616)	(2,124)
Available for sale investments - realised gain/(loss)	16(d)	3,536	2,328
Available for sale investments - unrealised gain/(loss)	16(d)	(1,017)	(987)
TOTAL NET HOLDING GAIN		13,573	15,654



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit risk

Credit risk arises from the financial assets of GMCT which comprise cash and cash equivalents, trade and other receivables and available for sale investments. The exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to GMCT.

Credit risk is measured at fair value and is monitored on a regular basis.

(i) Policy on managing credit risk

GMCT does not have any material credit risk exposure to a single debtor or group of debtors.

In respect of receivables, GMCT minimises concentrations of credit risk by undertaking transactions with

a large number of customers. Trade debtors are normally received within thirty days of the end of the month. Sundry debtors terms range up to a maximum of six months.

In addition, management reviews on an ongoing basis the aged analysis of receivables to assess the quality of them and apply any action required to ensure the collectability of the debts.

Based on successful past experience in managing the credit risk on receivables, GMCT has assessed this risk as low.

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

Investments are managed in accordance with the GMCT's Investment Policy, which stipulates, where applicable minimum credit ratings. The investment policy is reviewed regularly by management in conjunction with independent investment advisors. GMCT uses external advisers to manage most of the funds allocated as available-for-sale financial assets.

The total funds invested are spread between reputable and experienced external managers and a range of financial institutions. This mitigates the credit risk on this class of financial assets, due to the nature of the effects of diversification.

(ii) Maximum exposure to credit risk

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

ACCOUNT BALANCE	NOTE	CARRYING AMOUNT 2016 \$ 000	CARRYING AMOUNT 2015 \$ 000
Financial assets			
Cash and cash equivalents	5	6,708	4,959
Available for sale investments - current	7	40,000	47,000
Receivables	6	3,598	2,932
Available for sale investments - non-current	7	205,214	196,773
TOTAL FINANCIAL ASSETS		255,520	251,664



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(iii) Credit quality of contracted financial assets that are neither past due, nor impaired

	FINANCIAL INSTITUTIONS (AAA TO AA CREDIT RATING) \$ 000	FINANCIAL INSTITUTIONS (A CREDIT RATING) \$ 000	OTHER (CREDIT RATING A OR LESS OR NOT RATED) \$ 000	TOTAL \$ 000
2016				
<i>Cash and cash equivalents:</i>				
▶ Cash on hand	-	-	2	2
▶ Cash at bank	6,706	-	-	6,706
Receivables	-	-	3,598	3,598
<i>Other financial assets:</i>				
▶ Interest bearing investments	101,163	-	256	101,419
▶ Managed share/units portfolio	226	-	143,569	143,795
	108,095	-	147,425	255,520
2015				
<i>Cash and cash equivalents:</i>				
▶ Cash on hand	-	-	3	3
▶ Cash at bank	4,956	-	-	4,956
Receivables	-	-	2,932	2,932
<i>Other financial assets:</i>				
▶ Interest bearing investments	123,189	-	236	123,425
▶ Managed share/units portfolio	250	-	120,098	120,348
	128,395	-	123,269	251,664

The total amount of financial assets disclosed here excludes statutory amounts (i.e. GST input tax credits recoverable).



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(iv) Ageing analysis of financial assets

	CARRYING AMOUNT \$ 000	NOT PAST DUE AND NOT IMPAIRED \$ 000	PAST DUE BUT NOT IMPAIRED				IMPAIRED FINANCIAL ASSETS \$ 000
			LESS THAN 1 MONTH \$ 000	1-3 MONTHS \$ 000	3 MONTHS - 1 YEAR \$ 000	1-5 YEARS \$ 000	
FINANCIAL ASSETS 2016							
Cash and cash equivalents:							
▶ Cash on hand	2	2	-	-	-	-	-
▶ Cash at bank	6,706	6,706	-	-	-	-	-
Receivables	3,598	3,006	187	409	-	-	(4)
Other financial assets:							
▶ Interest bearing investments	101,419	101,419	-	-	-	-	-
▶ Managed share/ units portfolio	143,795	143,795	-	-	-	-	-
TOTAL	255,520	254,928	187	409	-	-	(4)
FINANCIAL ASSETS 2015							
Cash and cash equivalents:							
▶ Cash on hand	3	3	-	-	-	-	-
▶ Cash at bank	4,956	4,956	-	-	-	-	-
Receivables	2,932	2,350	554	12	16	-	-
Other financial assets:							
▶ Interest bearing investments	123,425	123,425	-	-	-	-	-
▶ Managed share/ units portfolio	120,348	120,348	-	-	-	-	-
TOTAL	251,664	251,082	554	12	16	-	-

Contractual financial assets that are either past due or impaired

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

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

NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk

Liquidity risk arises if GMCT is unable to meet obligations associated with its financial liabilities when they fall due.

(i) Policy on managing liquidity risk

GMCT's objectives in managing liquidity risk are to ensure that all obligations will be met as they fall due, while ensuring maximum funds are available

for investment to meet longer term perpetual maintenance requirements.

GMCT manages liquidity risk by monitoring cash flows to ensure sufficient funds are maintained in its operating bank account to meet liabilities as they fall due. This is done whilst ensuring that surplus funds are invested.

Daily monitoring occurs, with monthly reports delivered to management

regarding the cash flow position and cash flow forecasts. GMCT believes that this policy ensures sufficient funds are held to allow for the proper administration of GMCT's responsibilities.

GMCT has assessed this risk as minimal considering the positive current position of current assets compared with its current liabilities and its cash flow generated from operations.

(ii) Maximum exposure to liquidity risk

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

	CARRYING AMOUNT 2016 \$ 000	CARRYING AMOUNT 2015 \$ 000
Financial liabilities		
Payables	1,996	4,063
TOTAL	1,996	4,063

Maturity analysis of financial liabilities

The following table sets out the contractual maturity analysis for financial liabilities at reporting date.

	CARRYING AMOUNT \$ 000	NOMINAL AMOUNT \$ 000	MATURITY DATES			
			LESS THAN 1 MONTH \$ 000	1-3 MONTHS \$ 000	3 MONTHS - 1 YEAR \$ 000	1-5 YEARS \$ 000
2016						
Payables	1,996	1,996	1,996		-	-
TOTAL	1,996	1,996	1,996		-	-
2015						
Payables	4,063	4,063	4,063	-	-	-
TOTAL	4,063	4,063	4,063	-	-	-

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



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

(d) Market risk exposure

GMCT has diversified investments across a range of markets and sectors, including investments in the Australian and international share markets, in order to fund redemption of pre-paid fees and long-term perpetual maintenance obligations.

These markets are subject to volatility.

It is accepted that the share market is cyclical and that there is inherent volatility.

GMCT has appointed external investment advisors to manage its investment portfolio. Investments are managed in accordance with our investment policy, which stipulates asset allocation ranges to diversify and mitigate risk.

The investment policy is reviewed regularly by management in conjunction with our independent investment advisors. The performance of investments and the investment managers is monitored regularly by management.

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

(i) Currency risk and policy on managing currency risk

GMCT's exposure to foreign currency risk arises mainly from our investments held in overseas shares and listed property trusts.

GMCT manages its currency risk by appointing experienced external managers to manage these investments on its behalf and diversifying the allocation of the investment in shares of overseas companies, which operate in economies throughout Europe, the United States of America and Asia.

To minimise volatility in overseas investments due to fluctuations in foreign currency exchange rates, our investment managers hedge a proportion of the exposure to

overseas investments back to the Australian dollar. Currency hedging is implemented through the use of forward foreign exchange contracts.

(ii) Interest rate risk and policy on managing interest risk

Available for Sale Investments

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

Interest risk is managed by diversifying investments in a range of securities including investments with fixed interest rates, floating interest rates and CPI linked bonds.

Financial Liabilities

Exposure to interest rate risk is minimal as GMCT does not hold any interest-bearing liabilities. Given this insignificant risk, details are not disclosed below.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$ 000	INTEREST RATE EXPOSURE		
			FIXED INTEREST RATE \$ 000	VARIABLE INTEREST RATE \$ 000	NON- INTEREST BEARING \$ 000
FINANCIAL ASSETS 2016					
Cash and cash equivalents:					
► Cash on hand	-	2	-	-	2
► Cash at bank	1.88%	6,706	-	6,706	-
Receivables	-	3,598	-	-	3,598
Other financial assets					
► Interest bearing investments	3.29%	101,419	40,000	61,419	-
► Managed share/units portfolio		143,795	-	-	143,795
TOTAL		255,520	40,000	68,125	147,395

NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$ 000	INTEREST RATE EXPOSURE		
			FIXED INTEREST RATE \$ 000	VARIABLE INTEREST RATE \$ 000	NON- INTEREST BEARING \$ 000
FINANCIAL ASSETS 2015					
Cash and cash equivalents:					
► Cash on hand	-	3	-	-	3
► Cash at bank	2.25%	4,956	-	4,956	-
Receivables	-	2,932	-	-	2,932
Other financial assets					
► Interest bearing investments	3.55%	123,425	47,000	76,425	-
► Managed share/units portfolio	-	120,348	-	-	120,348
TOTAL		251,664	47,000	81,381	123,283

(iii) Other market risk and policy on managing other market risk

Exposure to other price risk arises due to the inherent risk associated with the possibility of a fall in the market value of available for sale financial assets.

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

GMCT has appointed external, independent investment managers to monitor the value and volatility of our stock market investments.

The investment managers are expected to manage this risk, through the appropriate diversification of specific stocks and diversification

through different sectors within the market in accordance with our investment parameters (including ethical guidelines).

(iv) Sensitivity Analysis on Other Price Risk

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, GMCT has estimated that the movements presented below are reasonably possible in the forthcoming 12 months.

This sensitivity analysis has been prepared for the next 12 months. Management does not consider that it is possible to reasonably estimate the variables used over a period longer than for 12 months.

The sensitivities presented are:

- A shift of -0.5 per cent and +0.5 per cent (2015: -0.5 per cent and +0.5 per cent) in market interest rates (AUD) from year-end rates.
- A parallel shift of -5 per cent and +5 per cent (2015: -5 per cent and +5 per cent) in the price from year-end rates.

The following table describes the impact on net operating result and equity for each category of financial instrument held by GMCT at year end if changes in the relevant risk occur.

NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

	CARRYING AMOUNT \$ 000	INTEREST RATE RISK				OTHER PRICE RISK			
		-0.5%		+0.5%		-5%		+5%	
		NET RESULT \$ 000	EQUITY \$ 000	NET RESULT \$ 000	EQUITY \$ 000	NET RESULT \$ 000	EQUITY \$ 000	NET RESULT \$ 000	EQUITY \$ 000
2016									
Financial assets									
Cash and cash equivalents:	6,708	(34)	(34)	34	34	-	-	-	-
Receivables	3,598	-	-	-	-	-	-	-	-
Other financial assets									
► Interest bearing investments	101,419	(507)	(507)	507	507	-	-	-	-
► Managed share/units portfolio	143,795	-	-	-	-	(7,190)	(7,190)	7,190	7,190
Financial liabilities									
Payables	(1,996)	-	-	-	-	-	-	-	-
TOTAL	253,524	(541)	(541)	541	541	(7,190)	(7,190)	7,190	7,190
2015									
Financial assets									
Cash and cash equivalents:	4,959	(25)	(25)	25	25	-	-	-	-
Receivables	2,932	-	-	-	-	-	-	-	-
Other financial assets									
► Interest bearing investments	123,425	(617)	(617)	617	617	-	-	-	-
► Managed share/units portfolio	120,348	-	-	-	-	(6,017)	(6,017)	6,017	6,017
Financial liabilities									
Payables	(4,063)	-	-	-	-	-	-	-	-
TOTAL	247,601	(642)	(642)	642	642	(6,017)	(6,017)	6,017	6,017

(e) Fair value

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

- **Level 1** – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;

- **Level 2** – the fair value is determined using inputs other than quoted prices that are observable for the Financial asset or liability, either directly or indirectly; and
- **Level 3** – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

GMCT considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of the contractual financial assets and liabilities are the same as the carrying amounts.

NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

Comparison between carrying amount and fair value:

	CARRYING AMOUNT 2016 \$ 000	FAIR VALUE 2016 \$ 000	CARRYING AMOUNT 2015 \$ 000	FAIR VALUE 2015 \$ 000
Financial Assets				
Cash & cash equivalents	6,708	6,708	4,959	4,959
Receivable	3,598	3,598	2,932	2,932
Available for sale investments	245,214	245,214	243,773	243,773
TOTAL FINANCIAL ASSETS	255,520	255,520	251,664	251,664
Financial liabilities				
Payables	1,996	1,996	4,063	4,063
TOTAL FINANCIAL LIABILITIES	1,996	1,996	4,063	4,063

Financial assets measured at fair value:

	CARRYING AMOUNT \$ 000	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
		LEVEL 1* \$ 000	LEVEL 2* \$ 000	LEVEL 3 \$ 000
2016				
Available for sale investments				
▶ Interest bearing investments	101,419	-	101,419	-
▶ Managed share/units portfolio	143,795	22,084	121,711	-
TOTAL FINANCIAL ASSETS	245,214	22,084	223,130	-
2015				
Available for sale investments				
▶ Interest bearing investments	123,425	-	123,425	-
▶ Managed share/units portfolio	120,348	27,353	92,995	-
TOTAL FINANCIAL ASSETS	243,773	27,353	216,420	-

* There are no significant transfers between Level 1 and Level 2.



NOTE 19: FINANCIAL INSTRUMENTS (CONTINUED)

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate fair value:

Listed securities

The listed share assets are valued at fair value with reference to a quoted (unadjusted) market price from an active market. The GMCT categorises these instruments as Level 1.

Managed funds

GMCT invests in managed funds which are not quoted in an active market and which may be subject to restrictions on redemptions. GMCT considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate

and therefore the net asset value of these funds may be used as an input into measuring their fair value.

In measuring this fair value, the net asset value of the funds is adjusted, as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the funds. In measuring fair value, consideration is also paid to any transaction in the shares of the fund.

Depending on the nature and level of adjustments needed to the net asset value and the level of trading of the Trust, GMCT classifies these funds as either Level 2 or Level 3.

NOTE 20: COMMITMENTS

	2016 \$ 000	2015 \$ 000
Capital expenditure commitments		
Land and buildings	337	1,721
Plant and equipment	2,274	290
Intangible assets	380	400
Inventories	9,224	2,506
Total capital commitments	12,215	4,917
Operating expenditure commitments		
Maintenance and operating	4,063	2,367
Administrative	-	72
Total operating expenditure commitments	4,063	2,439
Lease Commitments		
Operating Leases	208	275
Total lease commitments	208	275
Capital expenditure commitments		
Not longer than 1 year	12,215	4,917
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
Capital expenditure commitments	12,215	4,917

NOTE 20: COMMITMENTS (CONTINUED)

	2016 \$ 000	2015 \$ 000
Operating expenditure commitments		
Not longer than 1 year	1,994	976
Longer than 1 year and not longer than 5 years	2,069	1,463
Longer than 5 years	-	-
Total operating expenditure commitments	4,063	2,439
Operating lease commitments		
Not longer than 1 year	67	67
Longer than 1 year and not longer than 5 years	141	208
Longer than 5 years	-	-
Total operating lease commitments	208	275
Operating leases		
The operating lease rental is for photocopiers.		
Finance leases		
GMCT did not have any finance lease commitments as at 30 June 2016 (2015: NIL).		

NOTE 21: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no quantifiable or non-quantifiable contingent assets or contingent liabilities at the reporting date (2015: NIL).

NOTE 22: PERPETUAL MAINTENANCE

GMCT has an obligation under the *Cemeteries and Crematoria Act 2003* (the Act) to manage and maintain each public cemetery for which it is responsible.

As stated in Section 12A of the Act, in exercising its functions, GMCT must have regard to its obligations in relation to the funding of the perpetual maintenance of each public cemetery.

GMCT previously received independent advice in relation to the forecasted perpetual maintenance obligations, per site, and is conducting further analysis.

At this time, GMCT is aware that there will be significant ongoing cash outflows for future expenditure on perpetual maintenance of each public cemetery but is unable to calculate a sufficiently reliable estimate of any related present obligation which may

arise under the accounting standards and accordingly has not recognised a value for this obligation in these financial statements.

GMCT has, nevertheless, created a reserve, which is cash and investment-backed, as a source of future contributions towards its perpetual maintenance obligations, which is disclosed as a Perpetual Maintenance Reserve in Note 16(c).



NOTE 23: RESPONSIBLE PERSONS DISCLOSURE

In accordance with the Ministerial Direction issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting year. Remuneration of Ministers is disclosed in the financial report of the Department of Premier and Cabinet.

The following were responsible persons for the entire period unless stated.

RESPONSIBLE MINISTER	PERIOD
The Honourable Jill Hennessy Minister for Health	Commenced December 2014
GOVERNING BOARD (THE TRUST)	PERIOD
Geoffrey Mabbett (Chair)	Commenced as Chair 1 March 2016 (Trust member since 1 March 2013)
Dianne Rule (Chair)	Ceased as Chair 29 February 2016 (Remains as Trust member since 1 March 2013)
Elizabeth Beattie	Commenced 1 March 2016
David Cragg	Commenced 1 March 2016
Dana Hlavacek	Commenced 1 March 2016
Jennifer Kearney	Commenced 1 March 2010
Ronda Jacobs	Ceased 29 February 2016
John Jennison	Ceased 29 February 2016
Kim McAliney	Commenced 1 March 2013
Roma O'Callaghan	Ceased 29 February 2016
Janice Penney	Commenced 1 March 2010
Jack Wegman	Commenced 1 September 2014
ACCOUNTABLE OFFICER	PERIOD
Jacqui Weatherill (Chief Executive Officer)	Commenced 16 January 2012



NOTE 23A: REMUNERATION OF RESPONSIBLE PERSONS

The number of Responsible Persons is shown in the relevant income bands.

INCOME BAND	2016		2015	
	TOTAL REMUNERATION	BASE REMUNERATION	TOTAL REMUNERATION	BASE REMUNERATION
\$0 - \$9,999	5	6	1	1
\$10,000 - \$19,999	6	5	8	8
\$20,000 - \$29,999	1	1	1	1
\$260,000 - \$269,999	-	1	-	1
\$290,000 - \$299,999	1	-	1	-
	13	13	11	11
TOTAL REMUNERATION RECEIVED OR DUE AND RECEIVED BY RESPONSIBLE PERSONS FROM THE REPORTING ENTITY AMOUNTED TO:	\$410,052	\$386,192	\$449,953	\$394,729



NOTE 23B: DISCLOSURES TO REMUNERATION

Executive Officers' Remuneration

The number of executive officers with remuneration in excess of \$100,000, other than Ministers and Accountable Officers, and their total remuneration during the reporting year are shown in the table below in their relevant income bands. The base remuneration of executive officers is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

INCOME BAND	2016		2015	
	TOTAL REMUNERATION	BASE REMUNERATION	TOTAL REMUNERATION	BASE REMUNERATION
\$100,000 – \$109,999	-	-	-	1
\$110,000 – \$119,999	-	-	1	-
\$160,000 – \$169,999	-	1	-	-
\$170,000 – \$179,999	1	-	-	1
\$180,000 – \$189,999	-	1	1	-
\$200,000 – \$209,999	1	1	-	1
\$220,000 – \$229,999	1	-	1	-
	3	3	3	3
TOTAL ANNUALISED NUMBERS (i)	3.00	3.00	3.00	3.00
TOTAL REMUNERATION IN EXCESS OF \$100K FOR THE PERIOD:	\$609,155	\$555,003	\$537,953	\$491,226

(i): Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

NOTE 23C: REMUNERATION TO OTHER PERSONNEL

There were no contractors charged with significant management responsibilities receiving total expenses in excess of \$100,000 (2015: NIL).



NOTE 24: RELATED PARTY TRANSACTIONS

Related party transactions during the reporting year ended 30 June 2016 were NIL (2015: NIL).

Related party balances payable/receivable as at 30 June 2016 were NIL (2015: NIL).

NOTE 25: EX-GRATIA EXPENSES

During the reporting year ex-gratia expenses amounted to NIL (2015: NIL).

NOTE 26: EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no events that have occurred subsequent to 30 June 2016 which would, in the absence of disclosure, cause the financial statements to become misleading.



DISCLOSURE INDEX

The annual report of The Greater Metropolitan Cemeteries Trust is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the department's compliance with statutory disclosure requirements.

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Cemeteries Trust**
Lasting memories, peaceful places.

