



Tas Communications Unit Trust
ABN 67 323 633 973

Special Purpose Financial Report
for the year ended
30 June 2016

Contents

Trustee Report	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity.....	6
Statement of Cash Flows	7
Notes to the Financial Report	8
Note 1 Significant accounting policies	8
Note 2 Events occurring after the reporting date	14
Note 3 Auditor remuneration	15
Note 4 Commitments.....	15
Note 5 Contingent liabilities	15
Note 6 Related party transactions	15
Note 7 User fees	16
Note 8 Other income	16
Note 9 Employee benefits.....	17
Note 10 Materials and services.....	17
Note 11 Depreciation.....	17
Note 12 Cash and cash equivalents	17
Note 13 Trade and other receivables	18
Note 14a Plant and equipment.....	18
Note 14b Movement in plant and equipment.....	19
Note 15 Trade and other payables	20
Note 16 Provisions	20
Note 17 Issued units	20
Note 18 Accumulated surplus/(deficit).....	21
Note 19 Reconciliation of cash flows from operating activities to result.....	21
Note 20a Activities of Tas Communications	22
Note 20b Revenue and expenditure attributed to activities.....	23
Trustee Declaration.....	25

Trustee Report

Tas Communications Unit Trust was established in August 2002 and its main focus is providing quality support to its local government customers along with tailoring niche services to meet the needs of its business customer base. It is also an internet service supplier, application service hosting and service desk supplier. With a fibre and wireless network between Smithton and Hobart, Tas Communications services most of the population centres in Tasmania.

The following services are provided to the customer service base:

- Network Services
- Internet Services
- Managed Services
- Product Sales
- Support & Consulting Services

Directors

The Directors of the corporate Trustee of the entity as at 30 June 2016 were:

- Andrew Wardlaw (Chairman & Secretary)
- Rodney Greene (Director)
- Steven Cambridge (Director)

The Trust is 100% owned by the Burnie City Council and two of its Directors are employed by Council. The continued operation of the entity in its present form, undertaking its current activities, is dependent on Council's continued support.

Financial Performance and Position

The Trust has recorded another successful year with an operating surplus of \$114,473 compared with a surplus of \$139,356 in 2015. The Trust has net assets of \$2,135,431 as at 30 June 2016 compared with \$2,020,958 in 2015 and is well situated to continue to grow and service its existing customer base into the future. The Trust invested \$347,546 in telecommunications and information technology assets throughout the year.

The Trust employed four full time equivalent employees as at 30 June 2016 (four in 2015).

Tas Communications Unit Trust
Statement of Comprehensive Income
For the year ended 30 June 2016

	Note	2016 Actual \$	2016 Budget \$	2015 Actual \$
Income				
User fees	7	1,903,374	1,819,500	1,769,769
Other income	8	14,335	12,500	10,537
Total income		1,917,709	1,832,000	1,780,306
Expenses				
Employee benefits	9	451,745	423,989	393,589
Materials and services	10	1,128,768	1,032,763	965,663
Depreciation	11	222,723	290,300	272,439
Other expenses		-	-	9,259
Total expenses		1,803,236	1,747,052	1,640,950
Comprehensive result for the year attributable to the beneficiaries		114,473	84,948	139,356

The above statement should be read in conjunction with the accompanying notes.

Tas Communications Unit Trust
Statement of Financial Position
As at 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	12	663,256	700,349
Trade and other receivables	13	166,154	89,476
Total current assets		829,410	789,825
Non-current assets			
Plant and equipment	14	1,488,133	1,363,311
Total non-current assets		1,488,133	1,363,311
Total assets		2,317,543	2,153,136
Liabilities			
Current liabilities			
Trade and other payables	15	90,573	62,360
Provisions	16	91,539	47,732
Total current liabilities		182,112	110,092
Non-current liabilities			
Provisions	16	-	22,086
Total non-current liabilities		-	22,086
Total liabilities		182,112	132,178
Net Assets		2,135,431	2,020,958
Equity			
Issued units	17	2,102,731	2,102,731
Accumulated surplus/(deficit)	18	32,700	(81,773)
Total Equity		2,135,431	2,020,958

The above statement should be read in conjunction with the accompanying notes.

Tas Communications Unit Trust
Statement of Changes in Equity
For the year ended 30 June 2016

2016	Total	Accumulated	Issued
	\$	Surplus/(Deficit)	Units
	\$	\$	\$
Balance at the beginning of the financial year	2,020,958	(81,773)	2,102,731
Comprehensive result for the year	114,473	114,473	-
Balance at the end of the financial year	2,135,431	32,700	2,102,731

2015	Total	Accumulated	Issued
	\$	Surplus/(Deficit)	Units
	\$	\$	\$
Balance at the beginning of the financial year	1,881,602	(221,129)	2,102,731
Comprehensive result for the year	139,356	139,356	-
Balance at the end of the financial year	2,020,958	(81,773)	2,102,731

The above statement should be read in conjunction with the accompanying notes.

Tas Communications Unit Trust
Statement of Cash Flows
For the year ended 30 June 2016

	Note	2016 Inflows/ (Outflows) \$	2015 Inflows/ (Outflows) \$
Cash flows from operating activities			
User fees (inclusive of GST)		2,009,367	1,945,393
Other receipts		14,335	10,537
Net GST refund/(payment)		(81,113)	(79,559)
Payments to suppliers (inclusive of GST)		(1,204,802)	(1,078,403)
Payments to employees		(427,334)	(383,337)
Net cash provided by operating activities	19	310,453	414,631
Cash flows from investing activities			
Payments for the purchase of plant and equipment		(347,546)	(190,064)
Net cash (used in) investing activities		(347,546)	(190,064)
Net increase in cash and cash equivalents		(37,093)	224,567
Cash and cash equivalents at the beginning of the financial year		700,349	475,782
Cash and cash equivalents at the end of the financial year	12	663,256	700,349

The above statement should be read in conjunction with the accompanying notes.

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 1 Significant accounting policies

The principal accounting policies adopted in the preparation of the special purpose financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

In the Trustees' opinion, the Trust is not a reporting entity because there are no users dependent on a general purpose financial report. This is a special purpose financial report. The Trustees have determined that the accounting policies adopted are appropriate to meet their needs.

The Trust has a profit generation objective. Consequently, where practical the special purpose financial report complies with Australian Accounting Standards applicable to for profit entities. Specific standards that were not complied with include:

AASB 7 Financial Instruments: (disclosure requirement only)

The financial report has been prepared on the basis that the entity is a going concern. The continued operations of the entity in its present form, undertaking its current activities, are dependent on the continued support and commercial arrangements with the parent entity, Burnie City Council. Burnie City Council is currently reviewing its arrangements and ownership of the Trust. At the time of preparing this report, the outcome of the review is unknown.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with the current presentation and disclosure has been made of any material changes to comparatives.

B. Adoption of new and amended accounting standards

The Trust has applied the following standards and amendments for the first time for the annual reporting period commencing 1 July 2016:

AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality (effective from 1 July 2015)

The completion of AASB project to remove Australian guidance on materiality from Australian Accounting Standards with the issue of the final amending standard to affect the

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

withdrawal of AASB 1031 Materiality. Guidance on materiality is now located in AASB 101 Presentation of Financial Statements.

This change in accounting standards has not had any impact on the preparation of the Trust's financial statements.

C. Pending accounting standards

Certain new accounting standards and interpretations have been published that came into effect during the 2016 financial year. These are not mandatory for 30 June 2016 reporting period. The Trust's assessment of the impact of the relevant new standards and interpretations are set out below.

The following standards, amendments to standards and interpretations have been applied by the Trust in these financial statements:

AASB 15 Revenue from Contracts with Customers, and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (effective from 1 January 2018)

Under the new standard, a single model that applies to contracts with customers and two approaches to recognising revenue, at a point in time or over time is proposed. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The Trust has a number of contracts with current clients. The entity will need to assess the impact of the amendment to the accounting standard at a date closer to the date of adoption. It is not expected that the adoption of the amendment will have a material effect on the entity's financial statements.

AASB 16 Leases (effective from 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

This amendment is not expected to have an impact on the Trust's financial statements.

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

D. Recognition of income

Revenue is recognised when it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. A provision for impairment is recognised when collection in full is no longer probable.

Sale of goods

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of services

Rendering of services revenue from computer maintenance fees is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

E. Depreciation of plant and equipment

Computer and telecommunication assets having limited useful lives are systematically depreciated over their useful lives to the entity in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives are made on a regular basis. Depreciation rates and methods are reviewed annually.

Tas Communications Unit Trust

Notes to the Financial Report

For the year ended 30 June 2016

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and a separate depreciation rate is determined for each component.

Major depreciation periods used are listed below and are consistent with the prior years.

Classification	Period
Computer equipment	4-20 years
Telecommunications infrastructure	10-100 years

The Trust undertook a review of the useful lives of its assets during the 2015-16 year. The useful lives for a number of assets were extended based on assessed condition. The impact of the extension in useful lives decreased depreciation expense for the year by \$74,457.

F. Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

G. Recognition and measurement of assets

Asset Recognition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by the entity, cost includes all materials used in construction, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised in note 14. In accordance with the entity's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Classification	Threshold
Computer equipment	\$1,000
Telecommunications infrastructure	\$5,000

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Measurement of assets

The entity has adopted the following valuation basis for its non-current assets:

Classification	Valuation Basis
Computer equipment	Cost
Telecommunications infrastructure	Cost

H. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash at bank including deposits and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

I. Employee benefits

Wages and salaries

Liabilities for wages and salaries are recognised and measured as the amount unpaid at balance date and include appropriate on costs such as workers compensation and superannuation.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave is expected to be paid within 12 months and is measured at nominal value based on the amount, including appropriate on-costs, expected to be paid when settled.

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related on-costs and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Classification of employee benefits

An employee benefit liability is classified as a current liability if the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period.

J. Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the entity's operational cycle, or if the entity does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

K. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

L. Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest dollar.

M. Estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by the Trust that have significant effects on the Financial Statements are disclosed in the relevant notes to the Financial Report.

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

Judgements and estimates have been made when calculating long service leave and depreciation. Details of these judgements and estimates can be found at note 1I and 1E respectively.

N. Taxation

The entity is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax. Payroll Tax is paid by the parent entity, the Burnie City Council.

O. Budget information

The estimated income and expenditure amounts in the Statement of Comprehensive Income represent original budget figures. These budget figures have not been audited.

Note 2 Events occurring after the reporting date

The Trust's parent entity, Burnie City Council is currently reviewing its service arrangements and ownership of the Trust. At the time of preparing this report, the outcome of the review is unknown.

There have been no other matters or circumstances which have arisen since 30 June 2016 that has significantly affected, or may significantly affect the Trust's operations, the results of those operations, or the Trust's state of affairs in future financial years.

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 3 Auditor remuneration

Audit fees incurred by the entity are paid by the parent entity, Burnie City Council. As a result no audit fees are recognised in the financial statements. The audit fee for the year ending 30 June 2016 is \$3,760 (2015 was \$3,740).

Note 4 Commitments

As at 30 June 2016 the entity had not entered into any commitments.

Note 5 Contingent liabilities

As at 30 June 2016 the entity had no legal claims against it.

Note 6 Related party transactions

A party is related to an entity if directly or indirectly through one or more intermediaries, the party:

- a) controls, is controlled by, or is under common control with the entity (this includes parents, subsidiaries and fellow subsidiaries);
- b) has an interest in the entity that gives it significant influence over the entity; or
- c) has joint control over the entity

Burnie City Council and Burnie Airport Corporation Unit Trust are identified as related parties. Payments and receipts for goods and services and payables to and receivables from related parties are shown inclusive of GST.

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Payments/receipts for goods and services:		
Payments for services from:		
Burnie City Council	133,726	112,227
Receipts for sale of goods and services to:		
Burnie City Council	1,030,726	1,005,110
Burnie Airport Corporation Unit Trust	1,735	1,719

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

The following balances are outstanding as at 30 June in relation to transactions with related parties:

	2016	2015
	\$	\$
Payables to/receivables from related parties		
Current payables to:		
Burnie City Council (accrued expenses)	2,953	2,318
Burnie City Council (trade creditors)	-	7,915
Current receivables from:		
Burnie City Council (trade debtors)	22,604	15,797
Burnie Airport Corporation Unit Trust	2,681	125

Note 7 User fees

	2016	2015
	\$	\$
Internet services	55,779	54,335
Managed services	1,025,545	988,626
Network services	715,943	671,569
Product sales	83,810	30,622
Support and consulting services	22,297	24,617
Total user fees	1,903,374	1,769,769

Note 8 Other income

	2016	2015
	\$	\$
Interest received	14,335	10,537
Total other income	14,335	10,537

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 9 Employee benefits

	2016	2015
	\$	\$
Annual leave and long service leave	44,088	42,457
Fringe benefits tax	7,427	9,724
Other employee costs	7,489	7,016
Professional development & training	27,226	16,695
Superannuation	39,618	34,658
Wages and salaries	325,897	283,039
Total employee benefits	451,745	393,589

Note 10 Materials and services

	2016	2015
	\$	\$
Advertising	5,824	4,544
Cost of goods sales and services	992,095	828,575
Electricity	4,278	5,294
Insurance	8,739	7,791
Materials and services	58,759	51,953
Office rent & council services	20,471	19,860
Telephone	8,497	13,785
Vehicle expenses	30,105	33,861
Total materials and services	1,128,768	965,663

Note 11 Depreciation

	2016	2015
	\$	\$
Computer equipment	167,150	190,319
Telecommunication infrastructure	55,573	82,120
Total depreciation	222,723	272,439

Note 12 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank	663,256	700,349
Total cash and cash equivalents	663,256	700,349

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 13 Trade and other receivables

	2016	2015
	\$	\$
Accrued Revenue	14,301	-
Trade debtors	133,750	97,151
Provision for impaired debts	-	(7,675)
Prepayments	18,103	-
Total trade and other receivables	166,154	89,476

Note 14a Plant and equipment

	2016	2015
	\$	\$
Computer equipment		
Opening value at cost	1,716,627	1,590,647
Plus additions	342,645	125,980
Less disposals	-	-
Computer equipment at cost	2,059,272	1,716,627
Accumulated depreciation		
Opening value	(810,961)	(620,642)
Plus disposals	-	-
Less depreciation expense	(167,150)	(190,319)
Closing accumulated depreciation	(978,111)	(810,961)
Written down value of computer equipment	1,081,161	905,666
Telecommunications infrastructure		
Opening value at cost	958,897	909,481
Plus additions	-	49,416
Less disposals	-	-
Telecommunications infrastructure at cost	958,897	958,897
Accumulated depreciation		
Opening value	(501,252)	(419,132)
Plus disposals	-	-
Less depreciation expense	(55,573)	(82,120)
Closing accumulated depreciation	(556,825)	(501,252)
Written down value of telecommunications infrastructure	402,072	457,675

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

	2016 \$	2015 \$
Work in progress		
Opening balance at cost	-	-
Plus additions	347,546	-
Less capitalisations	(342,645)	-
Closing balance at cost	4,901	-
 Total plant and equipment	 1,488,133	 1,363,311

Note 14b Movement in plant and equipment

	Balance at beginning of financial year \$	Acquisition of assets \$	Depreciation and amortisation \$	Written down value of assets sold \$	Balance at end of financial year \$
2016					
Plant and equipment					
Computer equipment	905,666	342,645	(167,150)	-	1,086,060
Telecommunications	457,645	-	(55,573)	-	402,072
Work in progress	-	4,901	-	-	4,901
Total plant and equipment	1,363,311	347,546	(222,723)	-	1,488,133
 2015	 \$	 \$	 \$	 \$	 \$
Plant and equipment					
Computer equipment	970,005	125,980	(190,319)	-	905,666
Telecommunications	490,349	49,416	(82,120)	-	457,645
Work in progress	-	-	-	-	-
Total plant and equipment	1,460,354	175,396	(272,439)	-	1,363,311

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 15 Trade and other payables

	2016	2015
	\$	\$
Accrued expenses	2,685	2,318
Accrued wages	14,039	10,251
FBT Payable	-	1,098
Net GST payable	15,552	23,523
Trade creditors	58,297	25,170
Total trade and other payables	90,573	62,360

Note 16 Provisions

	2016	2015
	\$	\$
Current		
Annual leave	23,932	11,572
Long service leave	55,929	28,416
On-costs on employee entitlements	11,678	7,744
Total current provisions	91,539	47,732
Non-current		
Long service leave	-	19,330
On-costs on employee entitlements	-	2,756
Total non-current provisions	-	22,086
Total provisions	91,539	69,818

Note 17 Issued units

	2016	2015
	\$	\$
Burnie City Council		
Initial Investment 2006-2007	690,100	690,100
Issued Units 2008-2009	145,000	145,000
Issued Units 2009-2010	1,267,631	1,267,631
Total issued units	2,102,731	2,102,731

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 18 Accumulated surplus/(deficit)

	2016	2015
	\$	\$
Surplus 2016	114,473	-
Surplus 2015	139,356	139,356
Surplus 2014	149,101	149,101
Surplus 2013	151,531	151,531
Surplus 2012	219,133	219,133
Surplus 2011	265,825	265,825
Deficit 2010	(91,077)	(91,077)
Deficit 2009	(140,045)	(140,045)
Deficit 2008	(234,719)	(234,719)
Deficit 2007	(52,073)	(52,073)
Deficit 2006	(136,588)	(136,588)
Deficit 2005	(154,619)	(154,619)
Deficit 2004	(199,831)	(199,831)
Surplus 2003	2,233	2,233
Total accumulated surplus/(deficit)	32,700	(81,773)

Note 19 Reconciliation of cash flows from operating activities to result

	2016	2015
	\$	\$
Operating result per statement of comprehensive income	114,473	139,356
Items not involving cash		
Depreciation expense	222,723	272,439
Net (gain)/loss on sale of assets	-	-
Change to employee entitlement provisions	21,721	8,430
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	(76,677)	38,837
Increase/(decrease) in payables	28,213	(13,623)
Increase/(decrease) other liabilities	-	(30,808)
Net cash inflow from operating activities	310,453	414,631

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 20a Activities of Tas Communications

The activities of Tas Communications are categorised into the following categories:

Support & Consulting Services

Helpdesk support services to clients.

Product Sales

Sales and service of products to end users.

Network Services

Supports customer connections by providing network hardware for communications which includes the wireless backbone and the fibre optic cable.

Managed Services

Provides application service hosting and help desk services to local government and business.

Internet Services

Supply Internet to clients as an ISP and internet connection delivery via wireless or fibre.

Fixed and Admin

Interest income earned on cash deposits & fixed rental costs

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

Note 20b Revenue and expenditure attributed to activities

Revenues and expenses have been attributed to the following activities:

2016	Support and consulting services	Product sales	Network services	Managed services	Internet services	Fixed and admin	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues							
Connection Fees			47,647		4,200		51,847
Other Income						14,335	14,335
Product Sales				236,986			236,986
Rentals			119,844				119,844
Sales		83,810					83,810
Service Fees	22,297		548,452	788,559	51,579		1,410,887
Total Revenue	22,297	83,810	715,943	1,025,545	55,779	14,335	1,917,709
Less: Cost of Goods Sold							
Communications				1,072	36,170		37,242
Maintenance & Repairs			11,936			1,583	13,519
Miscellaneous Purchases				245,507			245,507
Products & Installation			5,096		1,722		6,818
Purchases		69,587				611	70,198
Rental & Hire Charges			240,366			42,923	283,289
Software Maintenance				380,640		124	380,764
Total Cost of Goods Sold	0	69,587	257,398	627,219	37,892	45,241	1,037,337
Gross Profit (Loss)	22,297	14,223	458,545	398,326	17,887	(30,906)	880,372
Gross profit margin	100%	17%	64%	39%	32%	-216%	
Depreciation			(160,757)	(58,628)		(3,338)	(222,723)
Other Revenue/(Expenditure)			(133,836)	(248,362)		(160,978)	(543,176)
Surplus/(Deficit)	22,297	14,223	163,952	91,336	17,887	(195,222)	114,473

Tas Communications Unit Trust
Notes to the Financial Report
For the year ended 30 June 2016

2015	Support and consulting services	Product sales	Network services	Managed services	Internet services	Fixed and admin	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues							
Connection Fees			19,783		273		20,056
Other Income						10,537	10,537
Product Sales				221,455			221,455
Rentals			118,393				118,393
Sales		30,622					30,622
Service Fees	24,617		533,393	767,171	54,062		1,379,243
Total Revenue	24,617	30,622	671,569	988,626	54,335	10,537	1,780,306
Less: Cost of Goods Sold							
Communications					40,180		40,180
Maintenance & Repairs			16,938	1,009		1,190	19,137
Miscellaneous Purchases				208,020			208,020
Products & Installation			853		251		1,104
Purchases	20,000	23,771		25		46	43,842
Rental & Hire Charges			219,478			37,627	257,105
Software Maintenance				298,051			298,051
Total Cost of Goods Sold	20,000	23,771	237,269	507,105	40,431	38,863	867,439
Gross Profit (Loss)	4,617	6,851	434,301	481,519	13,905	(28,326)	912,867
Gross profit margin	19%	22%	65%	49%	26%	-269%	
Depreciation			(203,001)	(66,323)		(3,115)	(272,439)
Other Revenue/(Expenditure)			(98,044)	(236,387)	(1,415)	(165,226)	(501,072)
Surplus/(Deficit)	4,617	6,851	133,256	178,809	12,490	(196,667)	139,356

Trustee Declaration

As described in the basis of preparation accounting policy included in note 1 to the financial report, the Trust is not a reporting entity and this is a special purpose financial report.

The Trustees of the Trust declare that the financial reports and notes:

- a) Comply with the accounting policies as detailed in note 1 to the financial report; and
- b) Give a true and fair view of the Trust's financial position as at 30 June 2016 and the results of its performance for the year ended on that date.

In the Trustees' opinion:

- a) The financial report and notes are in accordance with the Trust deed; and
- b) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Trustees



Andrew Wardlaw
Chairman Tas Communications Pty Ltd (Trustee)
30 August 2016



Rodney Greene
Director Tas Communications Pty Ltd (Trustee)
30 August 2016

