



# Annual Report 2020 - 21

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For more information about Game Management Authority go to  
[www.gma.vic.gov.au](http://www.gma.vic.gov.au)

21 September 2021

The Hon. Mary-Anne Thomas MP  
Minister for Agriculture  
Level 36, 121 Exhibition Street  
Melbourne VIC 3000

Dear Minister

In accordance with the *Financial Management Act 1994* and section 20 of the *Game Management Authority Act 2014*, I am pleased to present the Game Management Authority's Annual Report for the year ending 30 June 2021.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brian Hine', with a long horizontal flourish extending to the right.

**Brian Hine**  
Chairperson



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# Foreword

This has been another year of continued growth for the GMA as we work to meet the needs of the Victorian community we serve, ensuring that we deliver a modern approach to regulating game hunting.

Three new directors joined the GMA Board, strengthening our knowledge and expertise in areas of animal welfare, transformational change and leading regulatory reform, stakeholder engagement and first nations culture, and identity and sound corporate governance, as they relate to game hunting and game management.

I would like to thank our new directors for their invaluable contributions during their first year as GMA directors. I would also like to thank our ongoing Board directors for their continued dedication and commitment to strengthening the GMA's strategic direction as we deliver our important regulatory responsibilities.

In the 2020-21 reporting period, the Minister for Agriculture, the Hon. Mary Anne Thomas, issued a revised Statement of Expectations (SOE). The GMA met all of the expectations contained in the previous SOE that concluded on 19 October 2020. As a result of funding provided by the Victorian Government in previous reporting periods, we have strengthened our capacity and capability, restructured our operating model, purchased new equipment for compliance officers, and expanded research, communication and education program capacity.

The revised SOE makes recommendations across seven categories including risk-based strategies, compliance-related assistance and advice, role clarity, accountability and transparency, and stakeholder consultation and engagement. We have already made considerable headway towards delivering on the revised SOE, as outlined within this report.

In 2020-21, we continued to implement the Compliance Strategy 2020-2025, Education Strategy 2020-2025 and Research Strategy 2020-2024. In delivering on the GMA's compliance and education strategies, we have continued our evidence-based and intelligence-led approach to regulating game hunting. We are committed to ensuring that hunters are well informed and equipped with the resources that they need to comply with the law.

After some years of planning, development and testing, the GMA has launched its new online game licensing system, My Game Licence (MyGL). This was identified as a priority by the inaugural GMA Board in 2015. The GMA has worked very hard over many years to accrue the substantial funds required to deliver this critical initiative. The new system was launched in January this year, providing a suite of education and licensing tools that allow Victorian game hunters to manage their licences and improve their knowledge of responsible and sustainable game hunting. This new online game licensing system is a key deliverable in the Victorian Government's \$5.3 million Sustainable Hunting Action Plan 2016-2020 and is a great example of the GMA's commitment to being a modern regulator.

We continue to deliver on the GMA's Research Strategy 2020-2024. The research strategy sets out our research priorities for the next four years to ensure an evidence-based approach to the regulation of game hunting, and that our advice to government on game hunting related issues is underpinned by the best evidence and available science.

Important research projects include the hunter knowledge survey and the first comprehensive helicopter survey to estimate the abundance of Victorian game ducks. An expert review of this monitoring program determined that the methodology for collecting data on duck abundance was robust. The data was provided to GMA on 7 April 2021 and was used to revise the GMA's recommendation on the 2021 duck season arrangements.

In 2020, the GMA engaged Australian Survey Research to conduct research to establish a baseline of the extent of hunters' knowledge of game hunting laws and good hunting practice, to improve education resources and testing requirements. This was the first time that a benchmark has been set for the level of hunter knowledge. The information collected is being used to inform future hunter education and training programs.

We are now conducting research into waterfowl wounding and have established a Wounding Reduction Working Group comprising key stakeholders and partner agencies. The Working Group has an independent Chairperson, Professor Andrew Fisher, Director - Animal Welfare Science Centre, University of Melbourne. The Working Group will provide expert advice on the development of a Waterfowl Wounding Reduction Action Plan, which will be presented to the Government in due course. This is important work, that will provide critical outcomes to reduce wounding associated with game bird (ducks and quail) hunting, fundamental to ensuring responsibility and sustainability of game bird hunting in Victoria.

In addition to these initiatives, ensuring the health and safety of our staff has been of the highest priority for the GMA throughout the year.

In 2020-21, the Board established a new People and Culture Committee. This Committee is Chaired by GMA Deputy Chairperson, Chris Rose, and has oversight of strategic risks relating to people and culture, and key performance metrics. The Committee assists the Board in discharging its responsibility to review, monitor and make recommendations about workplace health, safety and wellbeing strategies and human resource management. The Committee will also support the Board and GMA CEO in change management processes and implementing policies and obligations under the relevant industrial instruments while ensuring that our people, their safety, culture, and performance are fully considered.

We have taken on the lessons of the past and reflected on past performance and achievements. As a board we are strongly future focussed. Our Charter succinctly defines our vision, challenges and goals to ensure sustainable and responsible game hunting into the future. We are focussing our priorities and seeking opportunities to work with our partners and stakeholders in new and productive ways. Effective regulation is dependent upon partnerships and close collaboration with several other regulators including Victoria Police and numerous public and private land managers. We are also committed to strengthening our approach to stakeholder engagement, which will support ongoing consultation and engagement with hunting, conservation and animal welfare groups.

The number of Victorian Game Licence holders continues to grow. Our success as a regulator depends upon continued improvements in levels of hunter competency, responsibility and compliance with the active support of hunters and their representative associations.

The GMA continues to enhance its enforcement functions, while also building and improving on our licensing, research, communication and education activities. We are committed to evidence-based decision making using the best available science, including conducting GMA-led research activities. We are paying close attention to the impact of a changing climate on the sustainability of game species, and we are listening to the views and perspectives of hunters, first nations people, environmental and animal welfare groups.

All of this is critical to ensuring that game hunting in Victoria meets community expectations as a sustainable and well-regulated activity, based on science and conducted in a responsible manner. This is our vision. The GMA team is made up of highly skilled and knowledgeable professionals, all of whom are both capable of and committed to achieving this vision.



**Brian Hine**  
Chairperson

# CEO Report

With the new organisational structure in full swing throughout the year, the GMA delivered a range of programs to improve and promote responsibility and sustainability in game hunting in Victoria. Our priorities included educating and informing hunters on how to hunt responsibly and legally, managing open and closed seasons for game species, carrying out important research, conducting compliance operations and taking action against those who did not hunt legally.

Game hunting was partially restricted throughout the year, due to public health advice. Restricted hunting opportunities during the 2021 duck season and the 2020-21 deer hunting seasons has resulted in a reduction in the anticipated harvest of game species and prevented some opportunities to attend expos and deliver in-field education events. When public health advice permitted, our education team conducted two in-field education events and two industry events, with more than 500 people directly engaged. Our team also attended the Seymour Alternative Farming Expo, which attracted approximately 20,000 people. We hosted seven Hog Deer Ballot educational briefings, presenting at two separate hunting organisation education weekends, and provided nine industry venues with educational material for distribution.

We know that ensuring hunters are knowledgeable, skilled and informed leads to greater compliance with the law and reduced adverse animal welfare outcomes, which is why we continue to prioritise and improve our education program. As Victoria's game hunting regulator, one of our top five goals is to make evidence-based education a cornerstone of our work. To do this effectively, we need to understand what hunters know about hunting laws and good practice.

This is why the GMA commissioned research into the level of hunter knowledge to find out how much Game Licence holders know about game hunting in Victoria, including hunting laws, firearms safety and good hunting practice. Approximately 5,300 Victorian Game Licence holders responded to the online survey. The results of the survey are being used to identify areas of strength and areas for improvement in hunters' knowledge and to develop targeted education and training programs.

A six-part online learning module has been developed to assist potential game duck licence holders in understanding game hunting laws and regulations, identifying game duck species and learning about responsible and sustainable hunting practices. The six-part learning module is voluntary and is designed to assist potential game duck licence holders in preparing for the mandatory Waterfowl Identification Test.

In the previous reporting period, the Victorian Government announced a 12-month extension of all Game Licences that were valid at 30 June 2020. The GMA successfully managed an automated process to administer the 12-month licence extensions during the November 2020 licence renewal period. The Game Licence renewal period will look different in the years ahead, with the recent launch of Victoria's new online game licensing system.

Throughout the year, we also implemented a community awareness campaign to help educate the community in the channels to report illegal hunting and the information that the GMA needs to initiate enquiries or an investigation. Despite reduced hunter activity throughout the year, the GMA received a 76 per cent increase in the number of Information Reports submitted on the previous year and a 194 per cent increase in the number of matters reported to the GMA and assessed by the Intake and Assessment Panel on the previous year.

These increases may, in part, be due to our efforts to increase community awareness of reporting channels. However, they may also be attributed to the use of new technology by GMA Authorised Officers. Our Officers are now equipped with body-worn cameras, to help gather evidence of offences, while also protecting the safety of our staff. GMA Authorised Officers are also using thermal imaging devices to detect illegal activities at night. We also trialled the use of a surveillance drone to assist Authorised Officers to detect illegal activity at Lake Connewarre. The heat sensing drone was used to survey the wetland and guide our Authorised Officers towards potential illegal hunting activity or breaches of the public safety laws.

The effective use of a range of regulatory technologies is a demonstration of our commitment to being a modern and effective regulator. The GMA's Director of Compliance and Intelligence, Paul Stevens, led an Investigations Benchmarking project in 2020 that aimed to better understand approaches to regulation from across a range of industries. Over 50 local and international organisations participated in our survey, representing a wide spectrum of regulatory activities.

Throughout the year we also prioritised protecting the health and wellbeing of our employees and sharing information with the hunting community. The GMA has consistently complied with public health advice throughout the year, including providing personal protective equipment to all staff, supporting work-from-home arrangements and limiting face-to-face contact between teams and with external stakeholders.

In 2020-21, the GMA established a Safety Consultative Committee (SCC), comprising employees from across the GMA, who monitor and provide advice on safety matters impacting their teams. The SCC helps to ensure that GMA maintains and improves its safety standards. Throughout the year, the SCC ensured First Aid Officers were in place at all GMA Office locations, including ensuring suitable training was provided, new First Aid kits were sourced for vehicles and internal radio bracket mounts replaced, and engaging a consultant to undertake a Safety and Wellbeing audit of the

GMA and run a safety workshop for staff.

The GMA has made considered decisions about the effective use of the Victorian Government's \$6 million funding boost over four years, to help strengthen its regulatory capacity and capability. We delivered on our business goals, which has included conducting critical research into the sustainability of game species and responsibility in game hunting, improving compliance outcomes, increasing engagement with stakeholders, and providing quality and informative educational materials to hunters. We have recruited more staff and implemented a new organisational structure to focus the GMA's priorities and regulatory effort. As at 30 June 2021, the GMA has 34 full time positions with two vacancies and a budget of approximately \$7.5 million.

Thank you to all GMA employees, who have demonstrated an outstanding commitment to excellence and maintained their resilience and adaptability, ensuring our core business and other high priority projects were successfully delivered throughout the year.



**Graeme Ford**  
Chief Executive Officer

# About the Game Management Authority

The Game Management Authority (GMA) is an independent statutory authority responsible for the regulation of game hunting in Victoria.

The GMA was established on 1 July 2014 to facilitate the effective regulation of Victoria's game resources and game hunting across the state. The GMA's functions are outlined in the *Game Management Authority Act 2014* (the Act).

The Responsible Ministers during the 2020-21 reporting period were Jaclyn Symes MP, Minister for Agriculture (July 2020 – December 2020) and the Hon. Mary-Anne Thomas MP, Minister for Agriculture (December 2020 – June 2021).

The GMA is responsible for:

- issuing Game Licences, authorities and permits
- managing open and closed seasons for game species
- enforcing game hunting laws and taking action against those who do not hunt legally
- educating and informing hunters on how to hunt legally in Victoria.

The GMA has an important advisory role in the management of natural resources across Victoria. This includes preparing advice and making recommendations to the Minister for Agriculture on:

- game hunting and game management
- the control of pest animals
- declaring public land open or closed to game hunting, open and closed seasons and bag limits
- the management of public and private land as it relates to game and their habitat.

Our staff are located across Victoria to help oversee game hunting activities. Game Licences and information are available from selected Department of Environment, Land, Water and Planning (DELWP) and Department of Jobs, Precincts and Regions (DJPR) offices, as well as through the GMA website.

## Our vision

Game hunting in Victoria meets community expectations as a sustainable and well-regulated activity based on science and conducted in a responsible manner.

## Our purpose

We regulate through education, research and enforcement to achieve responsible and sustainable game hunting in Victoria.

## Our 5-year goals

**Goal 1:** Make evidence-based education a cornerstone of our work.

**Key result:** Our educational programs are evidence-based and compliance and behaviour has improved because we have applied our understanding of motivations and behaviours.

**Goal 2:** Monitor game animal abundance and harvest levels and undertake research to ensure hunting remains sustainable.

**Key result:** Hunting sustainability improves and does not adversely affect populations of native species.

**Goal 3:** Be respected and recognised as an effective regulator.

**Key result:** Stakeholders clearly understand our purpose and our role in sustainability and responsibility in game hunting.

**Goal 4:** Deliver risk-based and intelligence-led compliance programs.

**Key result:** We are able to measure and improve compliance.

**Goal 5:** Increase our capability and expertise.

**Key result:** We have sufficient internal capability and capacity to achieve effective regulation and the provision of reliable advice to government.

## Our values

- We respect each other and the commitment of all our stakeholders to their work and their causes. This value is evident in the quality and diversity of our relationships with each other and with our stakeholders.
- We act with integrity, courage and transparency by focussing tightly on our role as an impartial, predictable regulator on behalf of all Victorians.
- We value expertise and advice based on sound science and direct experience.
- We are always open to learning from and engaging with our stakeholders.
- We aspire to excellence in our behaviour, our work and our outcomes.

## Our decision making

We regulate in the public interest, that is on behalf of all Victorians. Game is part of the national and international biodiversity estate for which in Victoria we have an important stewardship responsibility that we take seriously, especially for the bird species which are endemic to Australia. The impact of hunting on non-game species, particularly those that are rare and threatened, and habitat is also considered.

We utilise the best available science based upon established, agreed methodologies and evidence. We carefully consider, analyse and apply judgement to the science in developing our advice. We do this consistent with our legislative responsibilities including the primary Objective and Guiding principles of the GMA Act outlined under Goal 1 above.

## Functions of the GMA

The functions of the GMA are:

- a) to perform the regulatory, investigative and disciplinary functions conferred on the GMA by or under the Act or any relevant law
- b) to administer the scheme for issuing game licences under the *Wildlife Act 1975* in relation to hunting, taking or destroying game
- c) to promote and monitor compliance with this Act or any relevant law in relation to game hunting
- d) to investigate compliance with this Act and any relevant law in relation to game hunting
- e) to develop operational plans and procedures addressing:
  - (i) the sustainable hunting of game animals
  - (ii) the humane treatment of animals that are hunted or used in hunting
  - (iii) strategies to minimise any negative impact on non-game wildlife, including protected and threatened wildlife
  - (iv) the conservation of wildlife habitats
- f) to work with public land managers to improve the management of public land and facilities on public land where hunting is permitted
- g) to promote sustainability and responsibility in game hunting
- h) to monitor, conduct research and analyse the environmental, social and economic impacts of game hunting and game management
- i) to make recommendations to relevant Ministers in relation to:
  - (i) game hunting and game management
  - (ii) the control of pest animals
  - (iii) declaring public land open or closed to game hunting, open and closed seasons and bag limits
  - (iv) the management of public and private land as it relates to game and their habitat.

## Powers of the GMA

The GMA has the powers necessary to exercise and perform its functions under its governing Act or any other Act. The GMA is also subject to any written directions provided by the Minister.

# Governance

## The GMA Board

The GMA Board (the Board) is the governing body of the GMA and is accountable to the Minister for Agriculture for the exercise of its functions. The Board's role is to ensure that the GMA fulfils its functions effectively and complies with its governance framework.

This includes:

- a strategic and business planning role
- a performance monitoring and reporting role
- a stewardship role
- reviewing, approving and monitoring the GMA's risk management systems, including internal controls
- approving the annual report and financial statements
- monitoring corporate governance requirements of the GMA, including formation of Board sub-committees
- establishing the GMA's strategic plan and monitoring its performance against the plan

- approving and reviewing succession plans
- selecting, appointing and terminating, as necessary, the external and internal auditors
- monitoring and guiding the culture of the GMA.

The Board provides strategic leadership to the GMA. Its members avoid participation in the day-to-day management of the GMA. The Board oversees the GMA's functions prescribed under section 6 of the Act, as amended from time to time.

## Membership of the Board

Under the Act, the Board must consist of not less than five members and not more than nine members appointed by the Minister. Members of the Board are appointed for not more than a period of three years but may be reappointed.

## Meeting attendance

Board meetings are held regularly throughout the year as necessary for the Board to discharge its obligations. The following table summarises attendance of Directors at Board and Board Committee meetings:

	Board attendance (9 meetings)	Audit & Risk Management Committee attendance (6 meetings)	Research Committee attendance (5 meetings)	Stakeholder Engagement & Comms Committee (3 meetings)	People and Culture Committee (1 meeting)
Brian Hine, Chairperson	9	N/A	5	N/A	N/A
Chris Rose, Deputy Chairperson	9	N/A	N/A	3	1
Dr Sandra Brizga	9	N/A	5	2	N/A
Maggy Samaan	8	6	5	N/A	N/A
Ian Maxfield	9	6	N/A	3	1
Bronwyn Orr	9	N/A	4	N/A	N/A
Corrie Goodwin	9	5	N/A	N/A	1
Owen Cavanough	8	N/A	5	2	N/A
Mark Anderson (External Independent, ARMC)	N/A	5	N/A	N/A	N/A

## Board committees

The Board has three sub-committees; the Audit and Risk Management Committee (ARMC), Research Committee and the People and Culture Committee, which replaces the former Stakeholder Engagement and Communications Committee.

### Audit and Risk Management Committee

In 2020-21, the ARMC comprised the following members:

- Maggy Samaan (Chair)
- Corrie Goodwin
- Ian Maxfield
- Mark Anderson (independent member).

The ARMC provides advice to the GMA Board to assist in the effective discharge of responsibilities including:

- fulfilling statutory and fiduciary responsibilities relating to the accounting and financial reporting practices of the GMA Board
- oversight of the Victorian Auditor-General's report of the GMA
- oversight of the internal audit program
- provision of advice to the GMA Board regarding risks to the GMA.

### Research Committee

In 2020-21, the Research Committee comprised the following members:

- Dr Sandra Brizga (Chair)
- Brian Hine
- Maggy Samaan
- Bronwyn Orr
- Owen Cavanough

The Research Committee provides strategic advice and recommendations to the GMA Board in relation to evidence-based decision-making and the GMA's approach to research.

The purpose of the Research Committee is to:

- oversee the GMA's research program to ensure evidence-based regulation and management to achieve responsibility and sustainability in game hunting
- oversee and monitor the implementation of the GMA's Research Strategy
- review the GMA's Research Strategy annually to ensure it aligns with priorities and the GMA's functions and obligations as outlined under the *Game Management Authority Act 2014*
- develop an annual work program for GMA Board endorsement.

### Stakeholder Engagement and Communications Committee

In 2020-21, the Stakeholder Engagement and Communications Committee (SECC) comprised the following members:

- Ian Maxfield (Chair)
- Dr Sandra Brizga
- Chris Rose
- Owen Cavanough

The SECC was disbanded in April 2021, with the Board taking responsibility for direct oversight of the GMA's engagement with stakeholders. This demonstrates the Board's commitment to ensuring that the GMA prioritises effective stakeholder engagement.

### People and Culture Committee

The People and Culture Committee was formed in June 2021.

In 2020-21, the People and Culture Committee comprised the following members:

- Chris Rose (Chair)
- Corrie Goodwin
- Ian Maxfield

The purpose of the People and Culture Committee is to:

- assist the Board to discharge its responsibility to review, monitor and make recommendations regarding:
  - workplace health, safety and wellbeing strategies
  - human resource management, policies and obligations under industrial instruments
  - oversight of people and culture strategic risks and key performance metrics
- support the Board and GMA CEO on significant change management processes, policies and obligations under industrial instruments
- other matters relating to the GMA's people, their safety, culture, and performance that requires the Committee's consideration.

# Game Management Authority Board

## Mr Brian Hine (Chairperson)

Brian has more than 35 years' experience across a range of government departments and agencies at state, local and Commonwealth levels. Responsibilities included public land management, child family and youth welfare, disability services, local government and emergency management regulation.

Brian was Victoria's Deputy Emergency Services Commissioner from 2007 to 2010.

In 2010, Brian established Cassano Consulting Pty Ltd. Since then he has contributed to several independent reports to the Victorian Parliament, completed several complex inquiries and reviews, and provided independent management advice to large non-government entities.

Upon appointment to the GMA Board, Brian deregistered Cassano Consulting in 2018 to focus on the role of Chairperson.

Brian has significant recent experience in contemporary management challenges including performance management, change management, community engagement, adaptive learning and organisational reform.

Brian's professional interests include corporate governance, performance evaluation, strategic planning and stakeholder engagement. He holds a Bachelor of Arts (B.A.) in Social Anthropology, a Graduate Diploma in Regional Administration, and a Master of Public Policy.

He is a member of the Australian Institute of Company Directors and a committed advocate of sustainability and responsibility in game hunting.

Brian holds a current Victorian Game Licence.

## Mr Chris Rose (Deputy Chairperson)

Chris has an extensive background in public land management in Victoria and Tasmania. Chris was an executive in Parks Victoria for over eight years before acting as Chief Executive Officer for eight months. In 2015, Chris left government and started a company, Three Pipe Consulting, specialising in connecting people and nature, practical governance and risk management.

Chris lives in regional Victoria and is passionate about developing opportunities for regional and rural business development based on tourism, sustainably and the appropriate use of public land assets. Chris also has considerable experience in emergency management and understands the importance of strong communication with all sectors.

Other professional interests include Occupational Health and Safety, communication and consultation, strategy development and organisational performance.

Chris holds a Degree in Forest Science from Melbourne University. In 2010, Chris completed the Williamson Community Leadership Program and is a Williamson Fellow, and is a member and graduate of the Australian Institute of Company Directors.

## Dr Sandra Brizga

Sandra is an independent consultant specialising in river, catchment and coastal management, and a Sessional Member of Planning Panels Victoria. She has extensive experience on government boards, committees and advisory panels relating to environmental and natural resource management. Current and previous board and committee memberships include the Australian World Heritage Advisory Committee, Fraser Island World Heritage Area Scientific Advisory Committee, Central Coastal Board, Trust for Nature and Victorian Catchment Management Council.

Sandra is committed to sustainable, evidence-based natural resource management. Prior to becoming a consultant, Sandra pursued a career in academia and has published a book on river management.

Sandra holds the degrees of B.A.(Hons.) in Geography, Master of Applied Finance, Master of Environmental Law, Ph.D. and is a graduate of the Australian Institute of Company Directors. Sandra is also the President of the Australian and New Zealand Geomorphology Group, a Fellow of the Peter Cullen Water and Environment Trust, and an Honorary Life Member of the River Basin Management Society.

## Ms Maggy Samaan

Maggy is a senior corporate lawyer with broad experience working in the public and not-for-profit sectors. Maggie specialises in corporate advisory (including corporate governance), contract and commercial law and provides advice in relation to governance policies and implementing risk management frameworks.

Maggy holds a Master of Laws, Bachelor of Law, Bachelor of Science and is a graduate of the Governance Institute.

## Mr Ian Maxfield

Ian has a strong involvement in regional Victoria, particularly in the Gippsland Region. He understands the important relationship between land management and regional communities.

Ian has undertaken numerous roles that have included previous employment as the Manager of Corporate Services at Mt Baw Baw Alpine Resort and Chair of the Parliamentary Task Force investigating cattle grazing in Alpine national parks.

Ian's employment and public service have extended his skills in industrial relations, human resource management and governance. Ian is committed to serving his community in many leadership positions. As the Chair of Quantum Support Services, he supports an organisation that works with vulnerable people in difficult situations.

As a Board Member of Mt Buller and Mt Stirling Alpine Resort Management Board, Ian has contributed to the Audit and Risk Committee and has been actively involved with stakeholder engagement. Ian has established Gippsland Community Engagement, a consultancy business working with community organisations and groups across Gippsland in a predominately pro bono capacity.

Ian is a member of the Australian Institute of Company Directors.

## Dr Bronwyn Orr

Bronwyn is a veterinarian and animal welfare scientist with experience across private industry, government and the not-for-profit sector. Bronwyn is an Assistant Director at the Commonwealth Department of Agriculture, Water and the Environment, the Vice President of the Australian Veterinary Association and a member of the Australian Institute of Company Directors.

Bronwyn is a research professional with multiple scientific publications in animal health and welfare, including wildlife and hunting dog welfare. She holds a Bachelor of Veterinary Science, Master of Science majoring in International Animal Welfare, Ethics and Law, Membership by examination with the Australian and New Zealand College of Veterinary Scientists in Animal Welfare and is currently completing a Doctor of Philosophy (PhD) in Veterinary Science.

## Mr Owen Cavanough

Owen is a strategic leader with a focus on the development of people. He has over 30 years of industry experience, building high performing, integrated teams to deliver complex projects.

Owen was a board member for over 10 years of an organisation that has actively been involved in conservation of Game and responsible hunting, and remains with that organisation. He brings practical experience in sustainable and responsible game hunting to the GMA. He is proud of his Wiradjuri and Ngunnawal heritage.

Owen holds a Bachelor of Engineering (Civil, Hons) and a Bachelor of Business (Finance and Law).

Owen holds a current Victorian Game Licence and is a member of Field & Game Australia and the Australian Deer Association.

## Ms Corrie Goodwin

Corrie has built an accomplished career in agriculture and brings more than 20 years of experience driving transformational change and leading broader industry and regulatory reform. Corrie has a deep understanding of how to overcome challenges common to agribusiness and trading environments.

Corrie has experience in a range of non-executive directorships, industry committees and advisory roles. Key appointments include Director of the Australian Dairy Industry Council, Executive Member of the Australian Dairy Products Federation and Chair of the Minister's Selection Committee for the Board of Dairy Food Safety Victoria.

Corrie is a member of the Australian Institute of Company Directors, a Fellow of the Australian Rural Leadership Foundation and holds a Bachelor of Arts from the University of Melbourne.

Corrie is currently Responsible Dairy Manager with Fonterra Australia, where she is leading the development of a sustainability strategy tailored to the diverse farming systems in south east Australia.

## Chief Executive Officer

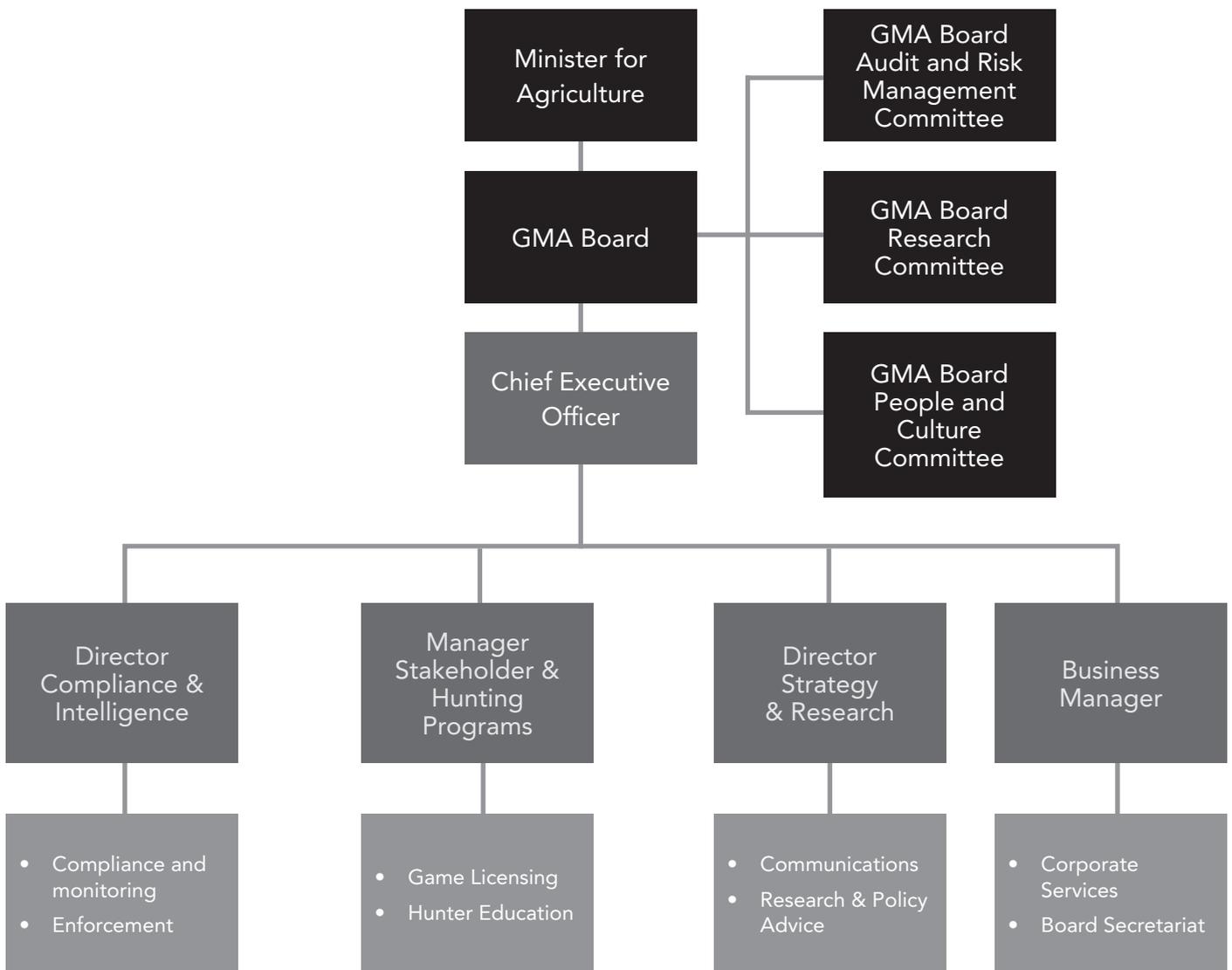
### Mr Graeme Ford

Graeme has a wealth of leadership experience from his previous roles as the Chief Executive Officer at the Victorian Farmers Federation and as the Principal Consultant at Hillside Advisory Services.

Graeme has a Victorian rural farming background and has significant experience on a broad range of boards and committees where he has worked with diverse stakeholders and government, over many years.

Graeme is a graduate of the Australian Institute of Company Directors and the General Management Program of Harvard Business School and holds post graduate qualifications in rural resource management, applied science and business administration.

### GMA organisational structure as at 30 June 2021



# Our Activities

As required under section 6 of the Act, the GMA delivers a range of services and activities in meeting its functions, including licensing, enforcement, education, research and monitoring and the provision of advice.

## Summary of activities in 2020-21

During 2020-21, the GMA complied with all public health advice to limit the spread of COVID-19 and maintained its core operations. Some public facing activities were impacted by restrictions in place throughout the year, such as conducting Waterfowl Identification Tests (WITs), hound hunting tests, educational forums, and compliance operations. During times when restrictions were in place, GMA Officers reported lower than average numbers of hunters and protestors in the field.

### Licensing

- The new online game licensing system, My Game Licence (MyGL), was successfully launched in January 2021, allowing hunters to apply, renew and amend their licence details, transfer hound ownership, and manage Hog Deer tags online.
- The GMA issued 8,303 new Game Licences. All licences, permits and authorities were issued within the target period of 15 working days.
- In 2020, the Victorian Government announced an automatic 12-month extension of all Game Licences valid at 30 June 2020. As a result, the GMA did not renew any Game Licences in the reporting period. A total of 51,626 Game Licences were automatically extended for 12 months, in November 2020.
- The GMA conducted and marked 245 WITs and 227 hound hunting tests.

### Compliance and intelligence

- In 2020, the GMA completed an Investigations Benchmarking project with participation from 52 local and international organisations representing a wide spectrum of regulatory activities.
- In 2020-21, there was a 76 per cent increase in the number of Information Reports submitted on the previous year.
- In 2020-21, there was a 194 per cent increase in the number of matters reported to the GMA and assessed by the Intake and Assessment Panel (IAP) on the previous year.
- The GMA conducted 95 proactive patrols using an intelligence-led approach to target specific locations.
- Compliance operations and activities resulted in 10 court proceedings, 118 infringement notices and three official warnings.
- During the 2020-21 Duck Season, compliance and survey staff attended 277 wetlands.
- The GMA commenced 43 investigations with 27 (59 per cent) being concluded in the reporting period.

### Education

- The GMA conducted two targeted in-field education events and two industry events, with more than 500 people directly engaged. The GMA also attended the Seymour Alternative Farming Expo that attracted approximately 20,000 people.
- The GMA hosted seven Hog Deer Ballot educational briefings, presenting at two separate hunting organisation education weekends, and provided nine industry venues with educational material for distribution.
- The GMA continued to deliver against its Education Strategy 2020-2025, to ensure programs are evidence-based and effective in successfully promoting voluntary compliance with game hunting laws.
- A six-part online learning module was published for people intending to sit their WIT.

### Research and advice

- The GMA provided advice to the Minister and other government agencies on a range of game-related matters, including on areas of reform of the sunsetting Wildlife (Game) Regulations 2012.
- The GMA developed and published the GMA's Research Strategy 2020-2024.
- In November 2020, the GMA trialled a monitoring program to establish the abundance of Victorian game ducks and commissioned an evaluation report, which was published in April 2021.
- The GMA organised and hosted a forum with state agencies, research institutes and stakeholders to consider research priorities for Stubble Quail. The GMA collaborated with the Arthur Rylah Institute of Environmental Research (ARI) to develop a protocol for monitoring the abundance and distribution of Stubble Quail in Victoria.
- The GMA published the *Estimates of harvest for duck and Stubble Quail in Victoria 2020*, the *Estimates of the 2019 deer harvest in Victoria* and developed the draft *Estimates of the 2020 deer harvest in Victoria*.
- The GMA engaged Australian Survey Research Group to conduct research to establish a baseline of the extent of hunters' knowledge of game hunting laws and good hunting practice, in order to improve education resources and testing requirements. A summary report of the findings was published in December 2020.
- The GMA established a Wounding Reduction Working Group to provide expert advice to the GMA on the development of a Waterfowl Wounding Reduction Action Plan to present to government.

## Details of activities in 2020-21

### Licensing

The GMA is required to administer a scheme for issuing Game Licences provided for under *The Wildlife Act 1975*. The GMA administers both recreational and commercial licences. Testing, training and auditing functions are also implemented to support the scheme.

As at 30 June 2021, the total number of Victorian Game Licence holders was 59,846. Of this total, 24,467 were endorsed to hunt duck, 29,070 were endorsed to hunt quail and 46,604 were endorsed to hunt deer. *Note: some hunters may hold licences endorsed for multiple species categories.*

### Licence transactions

The table below summarises licensing transactions for 2020-21.

In 2020-21, all Game Licences that were valid at 30 June 2020 were automatically extended for 12 months due to COVID-19

Licence type	Total processed for 2019-20 financial year	Total processed for 2020-21 financial year
General Game Licences issued (new and reissued expired licences)	4,292	8,303
General Game Licences renewed	24,689	N/A
General Game Licences automatically extended	N/A	51,626
General Game Licence applications refused	0	0
General Game Licences suspended	0	0
General Game Licences cancelled	0	0
General Game Licence issued with conditions	0	0
Non-resident Game Licences issued	14	1
Junior Provisional Game Licences issued	133	93
Gamebird Reserve Hunter's Licences issued	20	31
Hounds registered	273	182
Licence amendments, including change of address	2,509	2,210
Hound pups authorised	40	20
Permits/authorisations issued	52	77
Commercial Game Bird Farmer Licences issued	0	0
Commercial Game Bird Farmer Licences renewed	7	5

restrictions. No Game Licences expired in December 2020 and therefore there were no renewals in the reporting period.

Note: the increase in the General Game Licences issued (new and reissued expired licences) can be explained by the increased hunting opportunities in 2020-21 compared with that of 2019-20 (due to COVID-19 restrictions). The increase in General Game Licences issued (new and reissued expired licences) may also be attributed to the introduction of the new online licensing system in 2021.

### Licence Referencing Committee

The Licence Referencing Committee (LRC) is convened to consider any matters relating to a Game Licence, Commercial Game Bird Farmer, or authorisation that may warrant consideration for refusal, suspension or cancellation.

In 2020-21, the LRC considered two licence applications. One licence was issued as a result of the LRC's consideration. The other applicant was requested to provide further information, which has not yet been provided.

### Testing

In 2020-21, the GMA conducted and marked 245 Victorian WITs and 227 hound hunting tests. The GMA processed WIT Tests for Tasmania, South Australia and New South Wales. In total, the GMA processed 146 tests for these States.

### My Game Licence (MyGL)

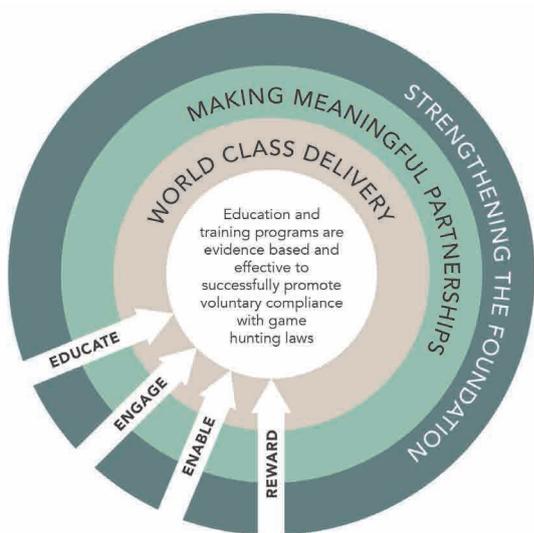
In January 2021, development of the new MyGL system was finalised, which allows users to manage their licence details online, including Game Licence renewals. The new system will provide a platform to host online learning modules and associated testing.

## Education and training

The GMA recognises that appropriate education and training promotes voluntary compliance with game hunting laws and builds an informed and respected industry. The GMA continued to deliver against its Education Strategy 2020-2025, to ensure that education and training programs and activities for the next five years are evidence-based and effective.

**Figure 1: Education Framework – Education Strategy 2020 – 2025, published by GMA, April 2020**

In 2020-21, the GMA delivered against its Education Strategy 2020-2025 through:



### In-field education

The GMA undertakes in-field education patrols to actively engage with hunters and other public land users, maximise exposure and target specific issues or trends. In 2020-21, the GMA conducted two in-field education patrols targeting deer stalkers in areas surrounding Wonnangatta, including an education marquee at Arbuckle Junction, and Lake Eildon. In addition, the GMA held two industry events at Mansfield Hunting and Fishing and O’Reilly’s Firearms. The GMA delivered an education workshop on responsible hound hunting in Tasmania, which included conducting the Victorian Hound Hunting Test. These activities resulted in direct engagement with more than 500 people.

### Shows and Expos

Providing information booths at appropriate shows and expos allows the GMA to inform and interact with a wide variety of stakeholders in an efficient manner. In 2020-21, the GMA attended the Seymour Alternative Farming Expo, where 20,000 people attended over three days.

### Education packs

In 2020-21, the GMA distributed approximately 500 education packs to all Game Licence applicants that were required to sit either the WIT or Hound Hunting Test.

### Training modules

The GMA continues to work with Kalkomey USA Inc. to develop nine online education modules that cover all aspects of legal game hunting. These modules will be hosted through MyGL system and is on schedule to be launched in early 2022.

## Compliance and intelligence

The GMA seeks to achieve compliance using a range of

sanctions, including official warnings, infringement notices,

prosecutions and licence suspensions and cancellations. Any sanctions imposed as a consequence of court proceedings are at the discretion of the courts. Other agencies, including Victoria Police, DELWP, RSPCA, Parks Victoria and the Victorian Fisheries Authority, are also authorised to undertake enforcement actions relating to illegal hunting or hunting-related activities.

The table below details the key enforcement outputs by the GMA for 2020-21:

Activity	2017-18	2018-19	2019-20	2020-21
Information Reports generated	107	222	454	802
Official (written) warnings issued	15	50	24	3
Warnings (non-infringeable offences)	0	12	1	0
Infringement notices issued as part of GMA conducted enforcement operations	6	27	97	118
Banning notices issued	0	6	0	3
Court proceedings concluded	11	20	9	2

### Intake and Assessment Panel (IAP)

In 2020-21, the IAP assessed 274 matters, representing a 194 per cent increase on matters assessed (93) in 2019-20.

Enquiries and complaints were received via the GMA website (66 per cent), direct email to GMA staff (14 per cent) and the Customer Contact Centre (20 per cent).

Of the 274 matters assessed by the IAP, reporting related to deer hunting and illegal spotlighting (71 per cent), duck hunting (6 per cent), protestors (5 per cent), hunting with hounds (4 per cent), animal cruelty/welfare (2 per cent), quail (2 per cent) and other matters including use of deer/quail callers/thermal imaging, legislation, land tenure, forestry, kangaroos, recruitment and COVID-19 related matters (10 per cent).

Figure 2: Source of complaints 2020-21

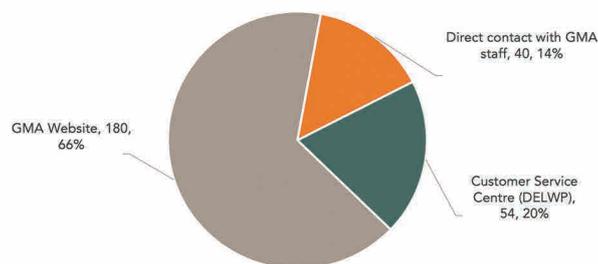
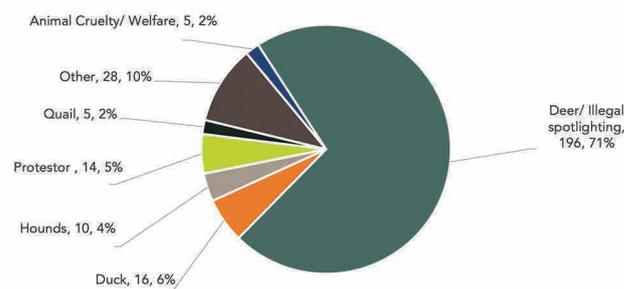


Figure 3: Reporting themes 2020-21



### Summary of 2021 duck season activities

- GMA Authorised Officers checked 668 Game Licences and 487 hunter bags. There were no breaches detected of the legislated daily bag limit.
- The GMA issued three Banning Notices, eight Penalty Notices and compiled four briefs of evidence, which related to:
  - two protestors / activists in possession of game without the appropriate licence
  - three protestors / activists for hinder/obstruct/ harass
  - five persons with expired game licences (three hunters and two protestors / activists)
  - two persons for not holding a game licence (one hunter and one protestor)
- The GMA attended 277 wetlands, noting some of these areas were visited on multiple occasions.
- On the closing weekend of the 2021 Duck Season, the GMA used surveillance drones and observed a number of people breaching public safety laws at Lake Connewarre, including entering specified hunting areas during prohibited times and hindering/harassing hunters.

### Summary of 2020-21 deer hunting season activities

- During 2020-21, the GMA conducted 18 operations with a specific focus on deer hunting.
- Of the 802 information reports, 553 (69 per cent) of these reports related to deer and of these reports 202 (36 per cent) related to illegal spotlighting.
- Three people have been charged with 29 deer-related hunting offences.

### Summary of 2021 quail hunting season activities

- The GMA conducted 36 patrols dedicated to monitoring quail hunting activity.
- The GMA checked 45 Game Licences and hunter bags throughout the season. There were no breaches detected of the legislated daily bag limit.
- The GMA issued two Penalty Notices to two hunters for not holding the required Game Licence.
- One matter relating to possible firearms offences was referred to Victoria Police for further investigation.

### Summary of 2020-21 operations

- The GMA led 23 operations, including 18 operations targeting illegal hunting activities associated with deer hunting.
- The GMA participated in eight multi-agency operations that were led by other agencies.
- The GMA conducted 95 proactive patrols targeting areas using a risk-based, intelligence-led and outcomes focussed approach.

### Operational support to government

The GMA continued to deliver on two Service Level Agreements to provide compliance and licensing services to DJPR for the management of forest protests and the Kangaroo Harvest Program, on a contract for service basis. These agreements contain specific performance measures that the GMA is delivering against. Reporting against the outcomes of these service agreements is the responsibility of DJPR.

### Recommendations and advice

Under the Act, the GMA has the power to make recommendations to relevant Ministers in relation to game management and game hunting, the control of pest animals, declaring public land open or closed to hunting, open and closed seasons, bag limits and the management of public and private land as it relates to game species and their habitats.

The GMA regularly consults with other Victorian government and interstate agencies on game management issues.

### Advice to government

The GMA provided advice to government on several matters relating to game hunting, including:

- 2021 duck hunting season arrangements
- closure of one wetland and the further regulation of duck hunting
- reform of the sunseting Wildlife (Game) Regulations 2012.

### Advice to partner agencies

Throughout 2020-21, the GMA was involved in several forums and provided advice to, or was consulted by, other agencies on subjects that directly and indirectly impact game hunting or game management. The GMA provided input into:

- remaking the sunseting Wildlife (Game) Regulations 2012
- changes to Wildlife (Game) Regulations 2012 to facilitate Traditional Owner hunting methods and access to game resources
- reforms to animal welfare and public land legislation
- review of the *Wildlife Act 1975*
- Land (Regulated Watercourse Land) Regulations, to allow and manage camping on river frontages with grazing licences
- The newly-established Deer Advisory Committee, formed under the Victorian Deer Control Strategy.

## Research and monitoring

Under the Act, the GMA is enabled to monitor, conduct research, and analyse the environmental, social and economic impacts of game hunting and game management. By monitoring and analysing the environment, the GMA tracks trends in hunting activity to ensure hunting does not adversely affect the sustainability of native game species.

The GMA published a summary report of a survey undertaken by Australian Survey Research into the extent of hunters' knowledge of hunting laws and good hunting practice in December 2020. These findings are informing the GMA's approach to targeted education and testing programs to ensure hunters have a minimum standard of knowledge to achieve sustainability and responsibility in game hunting.

In November 2020, the GMA conducted a pilot aerial survey to estimate the total number of game ducks in Victoria. The aerial survey sampled over 650 waterbodies and satellite imagery was then used to determine the amount of water in the landscape and infer the total number of game ducks present. As a result of the new data, which was provided to the GMA on 7 April 2021, modifications were made to the previously announced 2021 duck season arrangements. Information derived from the monitoring program will be critical in informing adaptive harvest management for game ducks in Victoria.

An evaluation of the monitoring program was published in April 2021 and found that the aerial survey is an effective way of counting ducks.

To help inform decision-making for regulating the hunting of game birds, the GMA:

- supported DELWP in conducting the Priority Waterbird Count by surveying wetlands across the state to identify any wetlands that required closure, partial closure or further regulation of duck hunting
- commenced preparations for the 2021 game duck abundance monitoring program, identifying 1,200 randomly selected wetland sites for possible survey following satellite imagery quantification of wetland distribution. A consultant was engaged to conduct a suitability assessment to determine how many of these wetlands can be safely and legally surveyed with helicopters
- monitored wetlands that were closed to duck hunting or had significant concentrations of threatened waterbird species present
- contributed to the cost of conducting the Eastern Australian Waterbird Survey, delivered by the University of New South Wales

- together with DJPR and DELWP, initiated development of an interim decision framework to inform duck season arrangements while the adaptive harvest management population model is pursued
- implemented a monitoring program to establish a baseline index of waterfowl wounded during duck hunting and monitoring long-term trends which can be used to assess the success of management programs/interventions
- organised and hosted a forum with state agencies, research institutes and stakeholders to consider research priorities for Stubble Quail
- together with ARI, developed and field-tested a population monitoring protocol designed to determine the state-wide abundance and distribution of Stubble Quail
- collected wings and tail feathers from game ducks harvested during the first week of the 2021 duck season to determine age, sex and productivity
- engaged volunteers to collect wings of harvested Stubble Quail to determine age, sex and productivity
- engaged an Honours student from Deakin University to investigate the efficacy of electronic callers used in Stubble Quail hunting.

To better understand the ecology of deer, the GMA:

- sponsored a PhD candidate from La Trobe University to investigate the genetics of Victoria's Hog Deer population. The candidate's thesis was conferred in April 2021 and the candidate was awarded the title of Doctor of Philosophy. Two peer-reviewed papers have been developed from the research.

To monitor the extent and impacts of hunting on game species, the GMA:

- published *Estimates of the 2019 deer harvest in Victoria* and prepared a draft *Estimates of the 2020 deer harvest in Victoria*
- published *Estimates of harvest for duck and Stubble Quail in Victoria 2020*.

To better understand the ecological impacts and mechanics of hunting, the GMA:

- continued to liaise with deer hunters to collect data on the characteristics of hound hunting. This research will provide important spatial and hunting metrics associated with hound hunting which is poorly documented in the scientific literature
- continued to work with the Australian Deer Association and interested hunters to collect data on lead-free bullet performance used in hunting Sambar Deer
- commenced research comparing the efficacy of lead and steel shot for harvesting Stubble Quail
- trialed a Stubble Quail wing collection program
- conducted and published research on a method to measure the extent of lead contamination in the bones of eagles
- conducted and published a literature review outlining the negative ecological impacts of deer in Victoria.

To better understand the perceptions of GMA performance, the GMA:

- engaged a consultant to conduct research into stakeholders' understanding of the role and function of the GMA and their perceptions of the GMA's performance.

## Communications

The GMA aims to increase awareness of its role and functions, maximise opportunities with partner agencies, provide information to licence holders, develop strong communication and engagement channels to the broader community and maximise licence holder awareness of game hunting regulations and required behaviours.

### Website

The GMA website is one of the GMA's primary communication channels. In 2020-21, the website recorded 311,000 sessions by 197,000 users who spent an average of two minutes and 29 seconds on the website. Approximately 93 per cent of users were from Australia and, of this, approximately 79 per cent were Victorian.

In total, visitors viewed 839,615 pages. The three most popular pages included the hunting maps, apply for a Game Licence and where to hunt.

### Facebook

From 1 July 2020 – 30 June 2021, the GMA issued 112 Facebook posts which received a combined 9,198 likes, 7,717 comments and 1,833 shares. As of 30 June 2021, the GMA Facebook page had 14,413 followers, an increase of 2,013 followers from 30 June 2020.

### YouTube

From 1 July 2020 – 30 June 2021, the GMA uploaded two education videos, which received a combined 3,319 views. As of 30 June 2021, the GMA YouTube channel had a total of 1,350 subscribers, an increase of 333 on last year.

### Customer Contact Centre

The DELWP Customer Contact Centre provides call centre services to the GMA. It is a primary point of contact between the community and the GMA.

The majority of queries received by the Customer Contact Centre related to game licensing and where game can be legally hunted. The Customer Contact Centre responded to 8,820 GMA-related requests.

### Media

The GMA uses a range of different media to inform the community of recent events, such as seasonal arrangements and compliance outcomes.

The GMA issued 16 latest news items and media releases during 2020-21.

# Our Performance

## Statement of Expectations

The Minister for Agriculture issued a Statement of Expectations (SOE) to the GMA on 19 October 2018. This SOE was in effect until 19 October 2020. A revised SOE came into effect on 19 October 2020 and is in effect until 19 October 2022. The SOE outline the Government's expectations of the GMA in discharging its responsibilities under the Act.

The SOE in effect until 19 October 2020 made recommendations across four categories including:

- effectiveness
- regulatory governance and approach to regulation
- operating model
- capacity and capability.

The revised SOE that came into effect on 19 October 2020 made recommendations across seven categories including:

- risk-based strategies
- compliance-related assistance and advice
- role clarity
- accountability and transparency
- stakeholder consultation and engagement
- timeliness
- planning and reporting.

The GMA met the expectations set out in the SOE in effect to 19 October 2020 and continued to improve the way it delivers on its regulatory responsibilities.

The following section outlines how the current SOE was met during the 2020-21 reporting period.

## Risk-based strategies

The GMA continued to implement the GMA Compliance Strategy 2020-2025. The Strategy articulates the GMA's risk-based, intelligence-led and outcomes-focused approach to compliance, with a strong focus on deterrence. The Strategy focuses on allocating resources more efficiently and to act quickly on intelligence that identifies significant risks to public safety (for hunters and non-hunters), animal welfare, sustainable game harvest and risks to protected wildlife.

The GMA established the IAP to facilitate and embed an intelligence-led, risk-based approach to GMA-wide compliance and enforcement action. Throughout 2020-21, the IAP provided early guidance on possible regulatory responses to each matter that was referred to the IAP. The IAP considered how each matter should be categorised and triaged if further information was required before recommending additional action, including if formal investigation was warranted.

In making any recommendation, the IAP takes account of the apparent severity and scale of potential or actual harm, the seriousness of any potential breach of law, any risk that may significantly impact the GMA's ability to achieve its strategic objectives, the GMA enforcement priorities and available resources, preliminary questions about the admissibility of any evidence, and the wider relevance of the event, including significant public safety concerns.

The GMA has also continued to build on its understanding and use of risk-based, intelligence-led enforcement programs to monitor, measure and improve compliance through:

- annual reporting of compliance operations to assist in identifying high risk non-compliant behaviour
- using GMA research and monitoring to inform risk-based regulation of hunting and improving the GMA's knowledge of game species populations and hunting impacts. This includes conducting annual game harvest surveys for deer, duck and quail, and conducting annual wing collection programs for gamebird hunters.

## Compliance-related assistance and advice

The GMA monitors and regulates recreational game hunting and commercial game bird hunting on behalf of the Victorian community to achieve compliance with the Wildlife Act and subordinate legislation, particularly the Wildlife (Game) Regulations 2012. Enforcement powers for Authorised Officers are granted primarily by the Wildlife Act.

## Procedures

The GMA uses Standard Operating Procedures (SOPs) to document the way particular activities are to be performed by its Authorised Officers. These SOPs contribute to the consistent and efficient operation of the GMA's compliance program and help to ensure that critical processes and responsibilities relating to law enforcement activities are routinely followed, that proper action is taken, and that Authorised Officers act in a safe and professional manner, while focussing on the health, safety and wellbeing of staff.

## Intelligence gathering and evidence management system

GMA Authorised Officers are equipped with BWCs and thermal imaging equipment.

A BWC is a small, overt camera used by Authorised Officers when performing operational duties. The introduction of BWCs has provided more transparent interactions between GMA Authorised Officers and the community in an effort to enhance professionalism, accountability, and the safety of both GMA Authorised Officers and the community.

The BWC footage is automatically uploaded to the evidence management system. The evidence management system also allows the sharing of footage within the GMA and with other trusted agencies, including Victoria Police. Authorised Officers also used drones to assist in detecting illegal activity at Lake Connewarre during the 2021 duck hunting season.

## Accountability and transparency

In addition to using new technology to enhance accountability and ensure transparency, the GMA has undertaken work to refine intelligence and evidence databases to measure the efficiency and effectiveness of compliance efforts, identify improvement opportunities and assist with compliance planning. This has included implementation of a case management system and intelligence platform to enable the capture, analysis and reporting of compliance information.

The GMA conducts an annual review of the Authorised Officer complaint management system to ensure compliance with best practice.

Where appropriate, the GMA publishes information about the outcomes of its compliance efforts on its website and in its annual reports, to help deter further non-compliant behaviours and provide assurance to the community that the GMA is fulfilling its regulatory functions.

## Role clarity

The GMA has engaged an external contractor to conduct a stakeholder sentiment survey to develop a level of knowledge about its stakeholders' understanding of the role of the GMA and its core regulatory functions. This research will establish a baseline measure of stakeholder satisfaction to allow tracking over time. Areas to be covered include:

- awareness and understanding of the GMA's role
- satisfaction and attitudes
- interaction
- information provision
- licensing
- education
- enforcement
- research
- advice to government

This work, to be undertaken in 2021-22, will enable the GMA to identify areas where there is a lack of understanding and address this through targeted communications and education.

## Stakeholder consultation and engagement

The GMA's stakeholder engagement strategy guides delivery of the GMA's approach to stakeholder consultation and engagement. In 2020-21, the GMA updated its stakeholder engagement strategy, to outline the GMA's approach to engaging with partner agencies, interest groups and Game Licence holders. The strategy and an implementation plan will be finalised in the next reporting period.

Key hunting, conservation and animal welfare stakeholder representative organisations were engaged, consulted or advised of the developments in the pilot aerial survey program to estimate game duck abundance, findings of the hunter knowledge survey, possible arrangements for the 2021 duck season and wetland closures.

A working group was established, comprising hunting and animal welfare organisations, to provide advice to the GMA on the development of a waterfowl wounding reduction action plan for presentation to government.

## Timeliness

On 25 January 2021, the GMA's new game licensing system MyGL was launched. The online platform will reduce transaction costs for hunters to obtain and maintain a Game Licence.

The power to license hunters is a statutory obligation and the primary interface that the GMA has with its regulated stakeholders. To ensure that this obligation is effectively fulfilled in a contemporary way, MyGL was developed to provide greater efficiencies for its users and allow licence holders the opportunity to manage their own data online and comply with regulations.

## Planning and reporting

The GMA develops an annual business plan to guide its activities and its performance, as required by the Act.

The GMA reports its progress against the SOE in its annual reports, which are provided to the Minister for Agriculture for tabling in Parliament.

## Compliance with legislation and agreements

Given the powers afforded to it under various Acts, the GMA is required to comply with certain laws regarding the execution of those powers or the use of certain equipment.

The GMA possesses Operational Safety Defensive Equipment (OSDE) for issue and use by GMA Authorised Officers. Equipment includes oleoresin capicum (OC) spray, extendable batons, body armour and handcuffs and are subject to biannual audits. Batons, OC spray and body armour are prohibited weapons under the *Control of Weapons Act 1990* and are subject to strict storage requirements.

As a law enforcement body, the GMA is recognised by the *Surveillance Devices Act 1999* for the use of certain surveillance devices and the *Wildlife Act* for controlled operations. The GMA is subject to audit by the Victorian Inspectorate (VI) for activity under these Acts and relevant records are audited each year. The GMA reports to the VI on activity in controlled operations under the *Wildlife Act* and the Attorney-General on activity under the *Surveillance Devices Act*.

The GMA has an information-sharing agreement with VicRoads for access to the registration and licence database. It is a VicRoads requirement that the use and access of the database is audited each year.

The GMA has an agreement with Victoria Police to access data held as part of its Law Enforcement Assistance Program.

The following table details the audit activity for enforcement for 2020-21:

Activity	Comments
Audits for compliance conducted	Internal audits were conducted for OSDE storage and compliance with GMA policy
Audit for data security and compliance with VicRoads agreement	Independent audit conducted and report provided to VicRoads
Reports on activity for controlled operations (bi-annual)	Submitted to the Victorian Inspectorate for periods 1 July 2020 to 31 December 2020 and 1 January 2021 to 30 June 2021
Report on activity for the use of certain surveillance devices (annual)	Submitted to the Attorney-General for period 1 July 2020 to 30 June 2021

## Sustainable Hunting Action Plan 2016-2020

The Victorian Government's Sustainable Hunting Action Plan 2016-20 (SHAP), published by the former Department of Economic Development, Jobs, Transport and Resources, aimed to provide policy direction and priority actions relating to game hunting and game management. Delivery of the SHAP was overseen by a project control board, which was chaired by DJPR and represented agencies that included DJPR, DELWP, Parks Victoria, GMA and the Federation of Victorian Traditional Owner Corporations.

To support the delivery of SHAP, in 2020-21, the GMA:

- conducted research to measure the extent of hunters' knowledge of hunting laws and good hunting practice
- trialled a monitoring program to inform adaptive harvest management of duck hunting
- developed and implemented MyGL in January 2021.

The first SHAP has expired. Funding for delivery of SHAP2 was announced in the 2021 State Budget.

## Current Year Financial Review

The GMA continues implementation of several reforms across its operations. At the end of June 2021, nearly all roles within the GMA were filled (34 of the 36 roles in the new structure). These roles have significantly enhanced the GMA's compliance and research capabilities.

GMA expenditure was higher compared to previous years. This was a result of increased compliance and enforcement patrols, education programs, safety related equipment, delivery of priority research programs, IT infrastructure and equipment and increased staff training to support GMA operations.

GMA net assets increased as a result of the recognition of the new Game Licensing System (Go Live occurred in January 2021), development of online education modules and office fit-outs for the new accommodation in metropolitan Melbourne and across regional Victoria.

### Five-year financial summary

	2020-21	2019-20	2018-19	2017-18	2016-17
	\$	\$	\$	\$	\$
Grants	8,829,815	7,388,190	7,134,000	5,152,696	5,300,000
Interest	25,750	81,010	103,640	115,860	93,157
Sale of goods and services	-	4,500	-	12,500	44,533
Fair value of assets and services received free of charge	-	-	91,845	257,210	-
<b>Total revenue</b>	<b>8,855,565</b>	<b>7,473,700</b>	<b>7,329,485</b>	<b>5,538,266</b>	<b>5,437,690</b>
Employee expenses	(4,551,287)	(3,474,831)	(2,510,060)	(2,376,277)	(2,547,493)
Depreciation	(389,679)	(265,445)	(89,110)	(107,794)	(117,874)
Interest expense	(26,717)	(30,972)	(12,984)	(14,273)	(18,866)
Other operating expenses	(3,021,216)	(2,866,446)	(2,444,569)	(2,499,998)	(1,830,176)
<b>Total expenditure</b>	<b>(7,988,899)</b>	<b>(6,637,693)</b>	<b>(5,056,723)</b>	<b>(4,998,342)</b>	<b>(4,514,410)</b>
<b>Net Result</b>	<b>866,665</b>	<b>836,007</b>	<b>2,272,762</b>	<b>539,924</b>	<b>923,280</b>
Financial assets	7,409,033	7,896,721	8,051,109	5,058,092	4,951,272
Non-financial assets	4,236,026	3,276,273	796,403	748,105	307,982
<b>Total assets</b>	<b>11,645,058</b>	<b>11,172,994</b>	<b>8,847,512</b>	<b>5,806,197</b>	<b>5,259,254</b>
Payables	294,810	1,518,267	1,030,439	242,364	590,808
Borrowings	1,729,250	1,299,730	379,045	417,853	300,610
Provisions	1,375,448	1,051,465	960,672	941,386	907,013
<b>Total liabilities</b>	<b>3,399,508</b>	<b>3,869,462</b>	<b>2,370,156</b>	<b>1,601,603</b>	<b>1,798,431</b>

# Human Resource Management

## Occupational health and safety

The GMA recognises that it must provide and maintain a working environment that is safe, healthy and complies with all statutory requirements and codes of practice. The GMA, in so far as is practicable:

- provides and maintains systems of work that are safe and healthy
- uses, handles, stores and transports articles and substances in a way that is safe and controls risks to health
- provides such information, instruction, training and supervision needed to ensure the health and safety at work of employees and others
- provides a safe means of access to and from the place of work
- maintains a working environment that is safe, minimises risks to health and provides adequate facilities and arrangements for welfare at work.

The GMA undertakes the full range of health and safety obligations to ensure that human and financial costs of occupational injury and illness are minimised. Initiatives during the year include:

- providing vaccinations for influenza
- providing safety equipment to field staff, including uniforms and personal protective equipment (PPE) for field staff
- ergonomic assessments of all workstations
- providing facilities to support physical activity
- providing all staff with confidential access to an Employee Assistance Program
- providing SOPs to guide enforcement duties and provide a safe working environment.

## COVID-19 risk screening and assessment

The GMA values and supports its people and is committed to providing and maintaining a safe and healthy workplace. The GMA's goal is to provide the highest level of protection for the safety and wellbeing of our people and other workplace participants.

The GMA put in place a GMA COVID-19 risk assessment to provide a comprehensive guide for staff covering key considerations, whether in the field, travelling or working in an office.

The GMA COVID-19 Safe Plan sets out how the GMA protects staff on a site or in the field. The plan includes a checklist to help employees identify risks and implement controls to help slow the spread of COVID-19.

In line with a Victorian Government direction, a QR code was created for all staff and external visitors to check in at GMA independent offices, which helps with contact tracing and keeping everyone safe.

The GMA continues to provide all staff with a range of PPE including face masks and hand sanitisers.

## Incident management

There were three occupational health and safety incidents reported and no Work Cover claims lodged during the period 1 July 2020 to 30 June 2021. All three minor incidents were investigated and closed off as at 30 June 2021.

## Employment and conduct principles

The GMA is committed to adhering to the Public Sector Values and Employment Principles set out in the *Public Administration Act 2004*. The GMA ensures its policies and procedures reflect these values.

The GMA is committed to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

## Executive Officer data

An Executive Officer (EO) is defined as a person employed as a public service body head or other executive under Part 3, Division 5 of the Public Administration Act. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year. There were two people who held the positions of executive officer as defined by the Public Administration Act as at the last full pay period in June 2021.

The number of executives in the report of operations is based on the number of executive level positions that are occupied at the end of the financial year. Note 16 in the Financial Statement lists the actual number of EOs and their remuneration over the course of the reporting period. The Financial Statement does not distinguish between executive levels, nor does it disclose vacant positions, nor does it include the Accountable Officer. This disclosure is reconciled below:

Reconciliation of executive numbers 2020-21	2019	2020	2021
Executive positions with total remuneration over \$100,000. (Financial Statement Note 16)	2	2	2
Vacancies	-	-	-
Separations	-	-	-
<b>Total executive numbers at 30 June</b>	<b>2</b>	<b>2</b>	<b>2</b>

## Workforce data

	Ongoing employees 2020-21				Fixed term and casual employees (including secondees)
	Employees	Full time	Part time	FTE	FTE
Executive positions	2 (2)	2 (2)	0 (0)	2 (2)	0
Principal Scientist	1 (0)	1 (0)	0 (0)	1 (0)	0
Senior Managers	4 (4)	4 (4)	0 (0)	4 (4)	0
Administration staff	7 (7)	7 (7)	0 (0)	7 (7)	1 (1)
Field staff	20(15)	20 (15)	0 (0)	20 (15)	0
<b>Total positions</b>	<b>34 (28)</b>	<b>34 (28)</b>	<b>0 (0)</b>	<b>34 (28)</b>	<b>1 (1)</b>
Male	26 (18)	26 (18)	0 (0)	26 (18)	0
Female	8 (10)	8 (10)	0 (0)	8 (10)	1 (1)

Note:

Figures in parenthesis are from 2019-20 financial year.

Principal Scientist reflects classification under current VPSC guidelines.

All figures reflect employment levels during the last full pay period in June of each year.

Excluded are those on leave without pay or absent on secondment, external contractors/consultants and temporary staff employed by employment agencies.

Ongoing employees includes people engaged on an open-ended contract of employment and executives engaged on a standard executive contract.

## Other Disclosures

### Local Jobs First initiative

The GMA has not undertaken any projects during the financial reporting period relevant to the Local Jobs First initiative.

### Social Procurement Framework

Government departments, agencies and public entities are required to measure and report their achievements under the Victorian Government Social Procurement Framework (SPF), which includes ten social and sustainability objectives.

The SPF applies to the procurement of all goods, services and construction undertaken by, or on behalf of, the Government and is defined by ten objectives:

1. Opportunities for Victorian Aboriginal people
2. Opportunities for Victorians with disability
3. Women's equality and safety
4. Opportunities for disadvantaged Victorians
5. Supporting safe and fair workplaces
6. Sustainable Victorian social enterprise and Aboriginal business sectors
7. Sustainable Victorian regions
8. Environmentally sustainable outputs
9. Environmentally sustainable business practices
10. Implementation of the climate change policy objectives.

The GMA embraces the principles underpinning the SPF and is committed to developing processes and policies that reflect these principles and to contribute to the achievement of the stated objectives, wherever practicable.

During the reporting year, GMA established the Traditional

Owner's Initiative project, which includes partnership opportunities with Traditional Owners and Aboriginal organisations and businesses, training and awareness education on government policies and commitments to Aboriginal self-determination and recruitment opportunities.

In 2020-21, the GMA applied the social procurement framework during its procurement process for the development of the online education module and subsequently engaged a supplier that demonstrated the objectives of the SPF, which includes opportunities for Victorians with a disability and women's equality and safety.

The GMA supports regional towns and communities through its operational activities. During the 2019-20 reporting period and before the COVID-19 restrictions were put in place, GMA staff regularly travelled to Victorian regional towns to conduct operations and field training, involving overnight stays in regional accommodation and the purchase of food and other services, all of which contributed to local economic activity and employment.

As the GMA is principally engaged in the delivery of regulatory services, it has limited procurement activity. Nevertheless, the GMA is committed to reducing its carbon footprint and has made progress towards this objective by transitioning to automated processes, for example, for payment of Game Licence fees and renewals, which can be processed electronically.

### Advertising expenditure

The GMA's expenditure in the 2020-21 reporting period on government campaign expenditure did not exceed \$100,000.

### Consultancy expenditure

In 2020-21, the GMA engaged two consultants where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2020-21 in relation to these consultancies was \$39,400 (excluding GST). Details of the consultancy are outlined below:

Consultant	Purpose of consultancy	Start Date	End Date	Total approved fee (excl. GST)	Expenditure 2019-20 (excl. GST)	Future expenditure (excl. GST)
David Nairn	Corporate governance review	12 Aug 2020	30 Oct 2020	15,000	15,000	0
ORIMA	Stakeholder sentiment survey re-search	18 Jun 2021	18 Dec 2021	48,800	24,400	24,400

### Information and Communication Technology expenditure

For the 2020-21 reporting period, the GMA had a total ICT expenditure of \$1,405,974 with details shown below:

All operational ICT expenditure	ICT expenditure relating to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non Business As Usual (non BAU) ICT expenditure	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
(Total)	(Total = Operational expenditure and Capital Expenditure)		
<b>171,749</b>	<b>1,405,974</b>	<b>180,000</b>	<b>1,225,974</b>

Note:  
 Note: ICT expenditure refers to GMA's costs in providing business enabling ICT services within the current reporting period. It comprises BAU ICT expenditure and Non-BAU ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing GMA's current ICT capabilities.

BAU ICT expenditure is all remaining ICT expenditure, which primarily relates to ongoing activities to operate and maintain the current ICT capability.

### Freedom of information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the GMA as the prescribed authority for the purposes of the Act.

#### FOI statistics and timeliness

For the 12 months ending 30 June 2021, there were 11 freedom of information (FOI) requests received by the GMA. Of these requests, one was from a Member of Parliament and the remainder from the public.

In 2020-21, there were 11 FOI access decisions and the average time taken to finalise requests was 41 days.

Two decisions were made within statutory time periods. Of the decisions made outside time, three decisions were made within a further 1-45 days and five decisions were made in greater than 45 days. One request was on hold at the time of reporting.

## Victorian Information Commissioner

### Reviews

During 2020-21, one request was subject to a complaint/ internal review by Office of the Victorian Information Commissioner with none progressing to the Victorian Civil and Administrative Tribunal.

### Making a request

Freedom of information requests must be made in writing describing the documents requested and including payment of the application fee of \$30.10. The fee may be waived if the payment is likely to cause hardship to the applicant. Assistance can be provided to applicants to help determine the type of documents being requested. Access charges may also apply once documents are processed and a decision on access is made; for example, photocopying and search and retrieval charges.

Requests for documents in the possession of the GMA should be addressed to: Freedom of Information Coordinator, Game Management Authority, GPO Box 424, Melbourne Victoria 3001. Further information regarding the Freedom of Information Act may be found at [www.ovic.vic.gov.au](http://www.ovic.vic.gov.au)

### Compliance with the Building Act 1993

The GMA does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

### National Competition Policy

The GMA, where applicable, continues to comply with the requirements of the National Competition Policy.

### Compliance with Public Interest Disclosures Act 2012

The GMA is a public body subject to the *Public Interest Disclosure Act 2012* (PID Act). The purpose of the PID Act is to encourage and facilitate the making of disclosures of corrupt or improper conduct by public officers and public bodies, including the GMA, its employees and directors, without fear of reprisal.

The GMA recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct. It does not tolerate improper conduct by the organisation, its employees, officers or directors, nor the taking of detrimental action in reprisal against those who come forward to disclose such conduct.

The GMA has established procedures to facilitate and encourage the making of disclosures under the PID Act, and how the GMA will manage the welfare of persons connected with protected disclosures.

Disclosures under the PID Act about improper conduct of, or detrimental action taken in reprisal for a protected disclosure by, the GMA or its employees and directors must be made to the Victorian Independent Broad-based Anti-corruption Commission:

- in person at Level 1, North Tower, 459 Collins Street, Melbourne, Victoria 3000
- in writing GPO Box 24234, Melbourne, Victoria, 3001 or email [info@ibac.vic.gov.au](mailto:info@ibac.vic.gov.au)
- by telephone 1300 735 135.

### Environmental reporting

The GMA continues to maintain operational practices that aim to have minimal environmental impact and remain sustainable. This is evidenced in the use of equipment and consumables, transport choices, and recycling practices within the organisation.

Office consumables are selected on the basis of being carbon neutral (where possible), recyclable, and derived from sustainable practices. Waste materials are recycled using a variety of bins (paper, recyclables, waste), and signs encourage staff to adopt environmental-friendly practices. In addition, the GMA has partnered with Close the Loop to donate used cartridges so it can be recycled and diverted from landfill.

### Asset Management Accountability Framework (AMAF) maturity assessment

The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.

GMA has an exemption from Standing Direction 4.2.1 Asset management accountability and will not be required to complete the assessment.

### Availability of additional information on request

In compliance with the requirements of the Standing Directions 2018, under the Financial Management Act, details in respect of the information items below have been retained by the GMA and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c) details of publications produced by the entity about the entity, and how these can be obtained
- d) details of changes in prices, fees, charges, rates and levies charged by the entity
- e) details of any major external reviews carried out on the entity
- f) details of any other research and development activities undertaken by the entity that are not otherwise covered either in the report of operations or in a document which contains the financial statement and report of operations
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the services provided by the entity
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the report of operations
- j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes, which are not otherwise detailed in the report of operations
- k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved.

This information is available on request from:

Game Management Authority  
GPO Box 424  
Melbourne Victoria 3001

### Game Management Authority Financial

### Management Compliance Attestation Statement

I, Brian Hine, on behalf of the Game Management Authority, certify that the Game Management Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

The Game Management Authority Audit and Risk Management Committee has verified this attestation.



**Brian Hine**  
Chairperson

21 September 2021

# Financial Report – 30 June 2021

## How this report is structured

The Game Management Authority (GMA) has presented its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with information about the GMA's stewardship of resources entrusted to it.

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# Accountable Officer's declaration, Chairperson's declaration and Chief Finance Officer's declaration

The attached financial statements for the Game Management Authority (GMA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the GMA as at 30 June 2021.

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

We authorise the attached financial statements for issue on 21 September 2021.



**Mr Antony Christianen**  
Chief Finance Officer  
Game Management Authority  
Melbourne  
21 September 2021



**Mr Brian Hine**  
Chairperson  
Game Management Authority  
Melbourne  
21 September 2021



**Mr Graeme Ford**  
Chief Executive Officer  
Game Management Authority  
Melbourne  
21 September 2021

# Independent Audit Report from Auditor-General



Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Board of the Game Management Authority

<b>Opinion</b>	<p>I have audited the financial report of the Game Management Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2021</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Simone Bohan

*as delegate for the Auditor-General of Victoria*

MELBOURNE  
28 September 2021

# Comprehensive operating statement

For the financial year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Continuing operations</b>			
<b>Income from transactions</b>			
Income	2.1	8,855,565	7,473,700
<b>Total income from transactions</b>		<b>8,855,565</b>	<b>7,473,700</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1	(4,551,287)	(3,474,831)
Other operating expenses	3.2	(3,021,216)	(2,866,446)
Depreciation and amortisation	4.1.2	(389,679)	(265,445)
Interest expense	6.1.1	(26,717)	(30,971)
<b>Total expenses from transactions</b>		<b>(7,988,899)</b>	<b>(6,637,693)</b>
<b>Net result from transactions (net operating balance)</b>		<b>866,665</b>	<b>836,007</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on disposal of property plant and equipment		76,423	-
Net gain/(loss) arising from revaluation of long service leave liability		(1,070)	(9,831)
<b>Total other economic flows included in net result</b>		<b>75,352</b>	<b>(9,831)</b>
Net result		942,018	826,176
<b>Comprehensive result</b>		<b>942,018</b>	<b>826,176</b>

The accompanying notes form part of these financial statements.

# Balance sheet

as at 30 June 2021

	Notes	2021 \$	2020 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.3	7,322,764	7,033,415
Receivables	5.1	86,268	863,306
<b>Total financial assets</b>		<b>7,409,032</b>	<b>7,896,721</b>
<b>Non-financial assets</b>			
Property, plant and equipment	4.1	2,200,581	2,050,299
Intangible assets	4.2	2,035,445	1,225,974
<b>Total non-financial assets</b>		<b>4,236,026</b>	<b>3,276,273</b>
<b>Total assets</b>		<b>11,645,058</b>	<b>11,172,994</b>
<b>Liabilities</b>			
Payables	5.2	294,810	1,518,267
Borrowings	6.1	1,729,250	1,299,730
Employee related provisions	3.1.2	1,375,448	1,051,465
<b>Total liabilities</b>		<b>3,399,508</b>	<b>3,869,462</b>
<b>Net assets</b>		<b>8,245,551</b>	<b>7,303,533</b>
<b>Equity</b>			
Accumulated surplus		8,245,551	7,303,533
<b>Net worth</b>		<b>8,245,551</b>	<b>7,303,533</b>

The accompanying notes form part of these financial statements.

# Cash flow statement

for the financial year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government		9,303,457	7,323,293
Receipts from other entities		0	4,500
Goods and Services Tax received from the ATO <sup>(a)</sup>		324,304	351,157
Interest received		25,749	81,010
<b>Total receipts</b>		<b>9,653,510</b>	<b>7,759,960</b>
<b>Payments</b>			
Payments to suppliers and employees		(8,472,562)	(6,405,531)
Interest and other costs of finance paid		(26,716)	(30,972)
<b>Total payments</b>		<b>(8,499,278)</b>	<b>(6,436,503)</b>
<b>Net cash flows from operating activities</b>	<b>6.3.1</b>	<b>1,154,232</b>	<b>1,323,457</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(857,956)	(1,656,519)
Sales on non financial assets		372,874	-
<b>Net cash flows (used in) investing activities</b>		<b>(485,081)</b>	<b>(1,656,519)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings and principal portion of lease liabilities <sup>(b)</sup>		(379,801)	(187,771)
<b>Net cash flows (used in) financing activities</b>		<b>(379,801)</b>	<b>(187,771)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>289,349</b>	<b>(520,834)</b>
Cash and cash equivalents beginning of financial year		7,033,415	7,554,249
<b>Cash and cash equivalents at end of financial year</b>	<b>6.3</b>	<b>7,322,764</b>	<b>7,033,415</b>

The accompanying notes form part of these financial statements.

<sup>(a)</sup> Goods and Services Tax received from the Australian Taxation Office (ATO) is presented on a net basis.

<sup>(b)</sup> GMA has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.

# Statement of changes in equity

for the financial year ended 30 June 2021

	Accumulated surplus \$	Total \$
<b>Balance at 1 July 2019</b>	<b>6,477,357</b>	<b>6,477,357</b>
Comprehensive result for the year	826,176	826,176
<b>Balance at 30 June 2020</b>	<b>7,303,533</b>	<b>7,303,533</b>
<b>Balance at 1 July 2020</b>	<b>7,303,533</b>	<b>7,303,533</b>
Comprehensive result for the year	942,018	942,018
<b>Balance at 30 June 2021</b>	<b>8,245,551</b>	<b>8,245,551</b>

The accompanying notes form part of these financial statements.

## 1. About this report

The GMA is a public Authority of the State of Victoria, established under the *Game Management Authority Act 2014*.

A description of the nature of its operations and its principal activities is included in the **"Report of Operations"** which does not form part of these financial statements.

The principal address is: Game Management Authority, Level 2, 535 Bourke Street, Melbourne, VIC 3000

### Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

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

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. 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.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest \$1 unless otherwise stated.

### Impact of COVID-19

Throughout 2020-21, the Australian Government together with State and Territory First Ministers announced a continuing series of measures aimed at preventing the spread of COVID-19 ("measures"), which had the subsequent effect of impacting the state of the Australian economy (i.e. impact on supply chain, customers, availability of finance, consumer confidence, etc.) in the ensuing months.

The challenging economic environment has resulted in the following impact/changes for the GMA:

- Working capital level enabled the GMA to implement an accelerated payment timeline as well as maintaining its workforce level to address the health care need of those affected by the pandemic
- Making significant judgements and estimates in accounting for the following identified areas, in preparing this year's financial statements:
- Receivables were reviewed and determined that it was not required to make credit loss provision
- Fair value of non-financial assets was assessed as being appropriate in respect to the class of assets held by the GMA
- There was no requirement to impair non-financial assets
- Provisions (onerous obligations) were considered to be appropriate based on Department of Treasury and Finance (DTF) settings
- Based on the current assessment as of the date of signing the financial report, the Board has concluded that the going concern basis of accounting is appropriate as any impact of the pandemic on the organisation is expected to be manageable.

### Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act and applicable AAS which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.

## 2. Funding delivery of our services

### Introduction

The purpose of the GMA is to regulate through education, research and enforcement to achieve responsible and sustainable game hunting in Victoria in accordance with the *Game Management Authority Act 2014*.

To enable the GMA to fulfil GMA's objective it receives a grant from the DJPR.

### Significant judgement: Grants revenue

The GMA has made the judgement that amounts received in relation to grant revenue should be recognised under AASB 1058 on the basis that specific performance obligations are deemed not to exist within grant agreements. This assessment is subjective in nature and requires the GMA to exercise judgment in the interpretation of applicable accounting standards.

### Structure

2.1 Summary of income that funds the delivery of our services

#### 2.1 Summary of income that funds the delivery of our services

	2021	2020
	\$	\$
Grants	8,829,815	7,388,190
Interest	25,750	81,010
Other Income	-	4,500
<b>Total income from transactions</b>	<b>8,855,565</b>	<b>7,473,700</b>

### Grants

The GMA has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the GMA has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the GMA recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16
- a financial instrument, in accordance with AASB 9 or
- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

### Interest

Interest income includes interest received on term deposits and other investments. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

### Other income

Other income is various small amounts received by the GMA during the financial year.

### 3. The cost of delivering services

#### Introduction

This section provides an account of the expenses incurred by the GMA in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

#### Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Other operating expenses

#### 3.1 Expenses incurred in delivery of services

	Notes	2021 \$	2020 \$
Employee benefit expenses	3.1.1	4,551,287	3,474,831
Other operating expenses	3.2	3,021,215	2,866,446
<b>Total expenses incurred in delivery of services</b>		<b>7,572,502</b>	<b>6,341,277</b>

#### 3.1.1 Employee benefits in the comprehensive operating statement

	2021 \$	2020 \$
Salaries and wages, annual leave and long service leave	4,205,399	3,220,677
Defined benefit superannuation expense	8,754	13,596
Defined contribution superannuation expense	337,134	240,557
<b>Total employee expenses</b>	<b>4,551,286</b>	<b>3,474,831</b>

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The GMA does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the DTF discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

#### 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2021 \$	2020 \$
<b>Current provisions</b>		
<i>Annual leave</i>		
Unconditional and expected to be settled within 12 months	256,083	172,004
Unconditional and expected to be settled after 12 months	220,127	147,671
<i>Long service leave</i>		
Unconditional and expected to be settled within 12 months	95,019	75,957
Unconditional and expected to be settled after 12 months	455,918	364,454
<i>Provisions for on-costs</i>		
Unconditional and expected to be settled within 12 months	55,728	48,002
Unconditional and expected to be settled after 12 months	106,042	81,969
<b>Total current provisions for employee benefits</b>	<b>1,188,916</b>	<b>890,057</b>
<b>Non-current provisions</b>		
Employee benefits	161,577	139,258
Provisions for on-costs	24,956	22,150
<b>Total non-current provisions for employee benefits</b>	<b>186,534</b>	<b>161,408</b>
<b>Total provisions for employee benefits</b>	<b>1,375,450</b>	<b>1,051,465</b>

**Reconciliation of movement in on-cost provision**

	<b>2021</b>
	<b>\$</b>
Opening balance	152,121
Additional provisions recognised	34,604
<b>Closing balance</b>	<b>186,726</b>
Current	161,770
Non-current	24,956

**Wages and salaries, annual leave and sick leave:**

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the GMA does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the GMA expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the GMA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

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

The components of this current LSL liability are measured at:

- undiscounted value – if the GMA expects to wholly settle within 12 months or
- present value – if the GMA does not expect to wholly settle within 12 months.

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

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

**3.1.3 Superannuation contributions**

Employees of the GMA are entitled to receive superannuation benefits and the GMA contributes to both defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

	<b>Contribution for the year</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Defined benefits plans <sup>(a)</sup></b>		
State Superannuation Fund	8,754	13,596
<b>Defined contribution plans</b>		
VicSuper	180,391	132,155
Other	156,743	108,403
<b>Total</b>	<b>345,888</b>	<b>254,153</b>

Note

<sup>(a)</sup> The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

### 3.2 Other operating expenses

	2021	2020
	\$	\$
<b>Supplies and services</b>		
Office expenses	1,178,806	849,429
Contractors and professional services expenses	1,006,801	862,904
Accommodation expenses	248,099	442,132
Fleet expenses	243,908	129,525
Purchase of services from department	187,115	208,463
Travel and subsistence expenses	73,913	71,922
Community awareness and publicity	49,310	91,999
Equipment maintenance	33,263	210,071
<b>Total supplies and services</b>	<b>3,021,215</b>	<b>2,866,446</b>

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

**Supplies and services** are recognised as an expense in the reporting period in which they are incurred.

## 4. Key assets available to support output delivery

### Introduction

The GMA controls property, plant and equipment that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the GMA to be utilised for delivery of those outputs.

### Significant judgement: Classification of investments as "Key Assets"

The GMA has made the judgement that property, plant, equipment and vehicles are key assets utilised to support the GMA's objectives and outputs.

### Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

### Structure

- 4.1 Total property, plant and equipment <sup>(a)</sup>
- 4.2 Intangible Assets

4.1 Total property, plant and equipment<sup>(a)</sup>

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Plant and equipment (including vehicles) at fair value	890,643	971,291	(171,819)	(278,890)	718,825	692,401
Leasehold improvements at fair value	590,292	590,292	(106,752)	(21,350)	483,540	568,942
Buildings at fair value	1,248,105	910,328	(249,889)	(121,372)	998,216	788,957
<b>Net carrying amount</b>	<b>2,729,040</b>	<b>2,471,911</b>	<b>(528,460)</b>	<b>(421,612)</b>	<b>2,200,581</b>	<b>2,050,299</b>

<sup>(a)</sup> AASB 16 Lease has been applied for the first time from 1 July 2019

The following tables are subsets of buildings, and, plant and equipment by right-of-use assets

4.1.1 Total right-of-use assets: property and vehicles<sup>(a)</sup>

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Buildings at fair value	1,248,105	910,328	(249,889)	(121,372)	998,216	788,956
Vehicles at fair value	740,493	629,222	(119,265)	(191,331)	621,228	437,891
<b>Net carrying amount</b>	<b>1,988,597</b>	<b>1,539,550</b>	<b>(369,154)</b>	<b>(312,703)</b>	<b>1,619,443</b>	<b>1,226,846</b>

	Buildings	Vehicles
	2021	2021
	\$	\$
<b>Opening balance - 1 July 2020</b>	<b>788,956</b>	<b>437,891</b>
Additions	337,777	471,546
Disposals	-	(183,774)
Depreciation	(128,517)	(104,435)
<b>Closing balance - 30 June 2021</b>	<b>998,216</b>	<b>621,228</b>

	Buildings	Vehicles
	2020	2020
	\$	\$
<b>Opening balance - 1 July 2019 (a)</b>	<b>910,328</b>	<b>376,256</b>
Additions	-	177,417
Disposals	-	(31,551)
Depreciation	(121,372)	(84,231)
<b>Closing balance - 30 June 2020</b>	<b>788,956</b>	<b>437,891</b>

<sup>(a)</sup> This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 along with the transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

**Initial recognition:** Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

**Right-of-use asset acquired by lessees – Initial measurement**

GMA recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received plus
- any initial direct costs incurred and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

**Right-of-use asset – subsequent measurement**

The GMA depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

**Vehicles** are valued using the current replacement cost method. The GMA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the DTF who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

**Impairment of property, plant and equipment**

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

**4.1.2 Depreciation and amortisation**

**Charge for the period<sup>(a)</sup>**

	2021	2020
	\$	\$
Property, plant and equipment	236,760	181,214
Motor vehicles under finance lease	104,435	84,231
Intangible assets	48,484	-
<b>Total depreciation</b>	<b>389,679</b>	<b>265,445</b>

<sup>(a)</sup> The table incorporates depreciation of right-of-use assets as AASB 16 Leases.

All property, plant, equipment and vehicles that have finite useful lives are depreciated.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset’s value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Leased assets	2 to 10
Plant, equipment and vehicles (including leased assets)	3 to 10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term. Where the GMA obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

#### 4.1.3 Carrying values by 'purpose' groups<sup>(a)</sup>

	Public administration	
	2021	2020
	\$	\$
Property, plant and equipment (including leased assets)	2,200,581	2,050,299
Intangible Asset (including WIP - Software Development)	2,035,445	1,225,974
<b>Net carrying amount</b>	<b>4,236,026</b>	<b>3,276,273</b>

<sup>(a)</sup> Property, plant and equipment are classified primarily by the 'purpose' for which the assets are used, according to one of six purpose groups based upon government purpose classifications. All assets in a purpose group are further sub-categorised according to the asset's 'nature' (e.g. buildings, plant), with each sub-category being classified as a separate class of asset for financial reporting purposes.

#### 4.1.4 Reconciliation of movements in carrying values of property, plant and equipment

	Building at fair value		Property, plant and equipment at fair value		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>	<b>788,957</b>	<b>910,328</b>	<b>1,261,342</b>	<b>669,257</b>	<b>2,050,298</b>	<b>1,579,585</b>
Additions	337,777	-	471,546	767,709	809,323	767,709
Disposals	-	-	(317,846)	(31,551)	(317,846)	(31,551)
Depreciation	(128,517)	(121,372)	(212,678)	(144,073)	(341,195)	(265,445)
<b>Closing balance</b>	<b>998,216</b>	<b>788,957</b>	<b>1,202,364</b>	<b>1,261,342</b>	<b>2,200,580</b>	<b>2,050,297</b>

<sup>(a)</sup> The 2019-20 opening balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 relating to operating leases.

## 4.2 Intangible assets

	Computer software		Total	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Gross carrying amount</b>				
Opening balance	1,225,974	127,146	1,225,974	127,146
Additions	857,955	1,098,828	857,955	1,098,828
Closing balance	2,083,929	1,225,974	2,083,929	1,225,974
<b>Accumulated amortisation</b>				
Opening balance	-	-	-	-
Amortisation	(48,484)	-	(48,484)	-
Closing balance	(48,484)	-	(48,484)	-
<b>Net book value at end of financial year</b>	<b>2,035,445</b>	<b>1,225,974</b>	<b>2,035,445</b>	<b>1,225,974</b>

**Initial recognition**

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and 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

**Subsequent measurement**

Intangible produced assets with finite useful lives, are amortised as an ‘expense from transactions’ on a straight-line basis over their useful lives. Produced intangible assets have useful lives of seven years.

**Impairment of intangible assets**

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

## 5. Other assets and liabilities

### Introduction

This section sets out those assets and liabilities that arose from the GMA's operations.

### Structure

- 5.1 Receivables
- 5.2 Payables

#### 5.1 Receivables

	2021	2020
	\$	\$
<b>Contractual</b>		
Sale of goods and services	24,047	8,000
<b>Statutory</b>		
Amount owing from Victorian Government	45,088	823,384
GST input tax credit recoverable	17,134	31,922
<b>Total receivables</b>	<b>86,268</b>	<b>863,306</b>
<i>Represented by:</i>		
Current receivables	86,268	863,306

**Contractual receivables** are classified as financial instruments and categorised as ‘financial assets and amortised costs’. They are initially recognised at fair value plus any directly attributable transaction costs. The GMA holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments. The GMA applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the GMA's impairment policies, its exposure to credit risk and the calculation of the loss allowance are set out in Note 7.1.2.

## 5.2 Payables

	2021	2020
	\$	\$
<b>Contractual</b>		
Supplies and services	111,102	1,386,762
Employee benefits	183,707	131,505
<b>Total payables</b>	<b>294,810</b>	<b>1,518,267</b>
<i>Represented by:</i>		
Current payables	294,810	1,518,267

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for supplies and services provided to the GMA prior to the end of the financial year that are unpaid.

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

### Maturity analysis of contractual payables <sup>(a)</sup>

	Carrying Amount	Nominal amount	Maturity dates			
			< 1 month	1-3 months	3-12 months	1 - 5 years
	\$	\$	\$	\$	\$	\$
<b>2021</b>						
Supplies and services	111,102	111,102	111,102	-	-	-
Employee benefits	183,707	183,707	183,707	-	-	-
<b>Total</b>	<b>294,810</b>	<b>294,810</b>	<b>294,810</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2020</b>						
Supplies and services	1,386,762	1,386,762	1,386,762	-	-	-
Employee benefits	131,505	131,505	131,505	-	-	-
<b>Total</b>	<b>1,518,267</b>	<b>1,518,267</b>	<b>1,518,267</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>(a)</sup> Maturity analysis is presented using the contractual undiscounted cash flows.

## 6. Financing our operations

### Introduction

This section provides information on the sources of finance utilised by the GMA during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the GMA.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

### Structure

- 6.1 Borrowings
- 6.2 Leases
- 6.3 Cash flow information and balances
- 6.4 Commitments for expenditure

### 6.1 Borrowings

	2021	2020
	\$	\$
<b>Current borrowings</b>		
Finance lease liabilities <sup>(a)</sup>		
– Non-PPP related finance lease liabilities	305,713	387,071
<b>Total current borrowings</b>	<b>305,713</b>	<b>387,071</b>
<b>Non-current borrowings</b>		
Finance lease liabilities <sup>(a)</sup>		
– Non-PPP related finance lease liabilities	1,423,537	912,659
<b>Total non-current borrowings</b>	<b>1,423,537</b>	<b>912,659</b>
<b>Total borrowings</b>	<b>1,729,250</b>	<b>1,299,730</b>

<sup>(a)</sup> Secured by the assets leased. Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

'Borrowings' refer to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, lease liabilities and other interest bearing arrangements.

Borrowings are classified as financial instruments. The measurement basis depends on whether the GMA has categorised its interest bearing liabilities as either 'financial liabilities designated at fair value through net result', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest bearing liabilities. The GMA determines the classification of its interest bearing liabilities at initial recognition.

The GMA has designated certain financial liabilities at fair value through net result to eliminate or significantly reduce the accounting mismatch that would otherwise arise. All other interest bearing borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. For financial liabilities designated at fair value through net result, all transaction costs are expensed as incurred. And they are subsequently measured at fair value with changes in fair value relating to the GMA's own credit risk recognised in other comprehensive income and the remaining amount of changes in fair value recognised in net result. Amounts in other comprehensive income related to credit risk are not subject to recycling in profit loss but are transferred to retained earnings when realised.

Interest bearing liabilities are classified as financial instruments. All interest-bearing liabilities are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the GMA has categorised its interest bearing liabilities as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'.

**Maturity analysis of borrowings**

	Carrying Amount	Nominal amount	Maturity dates				
			< 1 month	1-3 months	3-12 months	1 - 5 years	5+ years
	\$	\$	\$	\$	\$	\$	\$
<b>2021</b>							
Lease liabilities	1,729,250	1,761,697	80,450	52,432	187,028	1,257,587	184,200
<b>Total</b>	<b>1,729,250</b>	<b>1,761,697</b>	<b>80,450</b>	<b>52,432</b>	<b>187,028</b>	<b>1,257,587</b>	<b>184,200</b>
<b>2020</b>							
Lease liabilities	1,299,730	1,368,323	33,420	66,929	303,690	836,392	127,892
<b>Total</b>	<b>1,299,730</b>	<b>1,368,323</b>	<b>33,420</b>	<b>66,929</b>	<b>303,690</b>	<b>836,392</b>	<b>127,892</b>

**6.1.1 Interest**

	2021	2020
	\$	\$
Interest on finance lease liabilities	26,717	30,972
<b>Total interest expense</b>	<b>26,717</b>	<b>30,972</b>

**6.2 Leases**

Information about leases for which the GMA is a lessee is presented below.

**GMA leasing activities**

The GMA leases various buildings motor vehicles. The lease contracts are typically made for fixed periods of 1-10 years with an option to renew the lease after that date. Lease payments are renegotiated every four years to reflect market rentals

At 30 June 2021, the GMA was committed to short term leases and the total commitment at that date was \$404,039

**6.2.1 Right-of-use Assets**

Right-of-use assets are presented in note 4.1.1.

**6.2.2 Amounts recognised in the Comprehensive Operating Statement**

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

	2021	2020
	\$	\$
Interest expense on lease liabilities	26,717	30,972
<b>Total amount recognised in the Comprehensive Operating Statement</b>	<b>26,717</b>	<b>30,972</b>

**6.2.3 Amounts recognised in the Statement of Cashflows**

The following amounts are recognised in the Statement of Cashflows relating to leases

	2021	2020
	\$	\$
<b>Total cash outflow for leases</b>	<b>379,801</b>	<b>187,771</b>

For any new contracts, the GMA considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition, the GMA assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the GMA and for which the supplier does not have substantive substitution rights
- the GMA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and GMA has the right to direct the use of the identified asset throughout the period of use and
- the GMA has the right to take decisions in respect of ‘how and for what purpose’ the asset is used throughout the period of use. This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

**Separation of lease and non-lease components**

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

**Recognition and measurement of leases as a lessee**

**Lease Liability – initial measurement**

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the GMA’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee and
- payments arising from purchase and termination options

reasonably certain to be exercised.

**Lease Liability – subsequent measurement**

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

**Short-term leases and leases of low value assets**

The GMA has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

**Presentation of right-of-use assets and lease liabilities**

The GMA presents right-of-use assets as ‘property, plant and equipment’ unless they meet the definition of investment property, in which case they are disclosed as ‘investment property’ in the balance sheet. Lease liabilities are presented as ‘borrowings’ in the balance sheet.

**6.3 Cash flow information and balances**

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

For cash flow statement presentation purposes, cash and cash equivalents are indicated in the reconciliation below.

	2021	2020
	\$	\$
Total cash and deposits disclosed in the balance sheet	7,322,764	7,033,415
<b>Balance as per cash flow statement</b>	<b>7,322,764</b>	<b>7,033,415</b>

### 6.3.1 Reconciliation of net result for the period to cash flow from operating activities

	2021 \$	2020 \$
<b>Net result for the period</b>	<b>942,018</b>	<b>826,176</b>
<b>Non-cash movements</b>		
Depreciation and amortisation of non-current assets	389,679	265,445
Net gain/(loss) on disposal of property plant and equipment	(76,423)	-
Net gain/(loss) arising from revaluation of long service leave liability	1,071	9,831
<b>Movements in assets and liabilities:</b>		
(Increase)/decrease in receivables	798,431	(366,446)
Increase/(decrease) in payables	(1,223,457)	487,828
Increase/(decrease) in provisions	322,913	100,623
<b>Net cash flows from/(used in) operating activities</b>	<b>1,154,232</b>	<b>1,323,457</b>

## 6.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

### 6.4.1 Total commitments payable

#### Nominal Amounts: 2021

	< 1 year \$	1 - 5years \$	5+ years \$	Total \$
Intangible assets commitments payable	83,487	-	-	83,487
Other commitments payable	41,175	-	-	41,175
<b>Total commitments (inclusive of GST)</b>	<b>124,662</b>	<b>-</b>	<b>-</b>	<b>124,662</b>
Less GST recoverable from the Australian Tax Office	-	-	-	(11,332)
<b>Total commitments (exclusive of GST)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,330</b>

#### Nominal Amounts: 2020

	< 1 year \$	1 - 5years \$	5+ years \$	Total \$
Intangible assets commitments payable	572,157	-	-	572,157
<b>Total commitments (inclusive of GST)</b>	<b>572,157</b>	<b>-</b>	<b>-</b>	<b>572,157</b>
Less GST recoverable from the Australian Tax Office	-	-	-	(52,014)
<b>Total commitments (exclusive of GST)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>520,142</b>

## 7. Risks, contingencies and valuation judgements

### Introduction

The GMA is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a high level of judgement to be applied, which for the GMA related mainly to fair value determination.

### Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

### 7.1 Financial instruments specific disclosures

#### Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the GMA's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

#### **Categories of financial assets**

##### **Financial assets at amortised cost**

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the GMA to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The GMA recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and

#### **Categories of financial liabilities**

##### **Financial liabilities at amortised cost**

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

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

## 7.1.1 Financial instruments: Categorisation

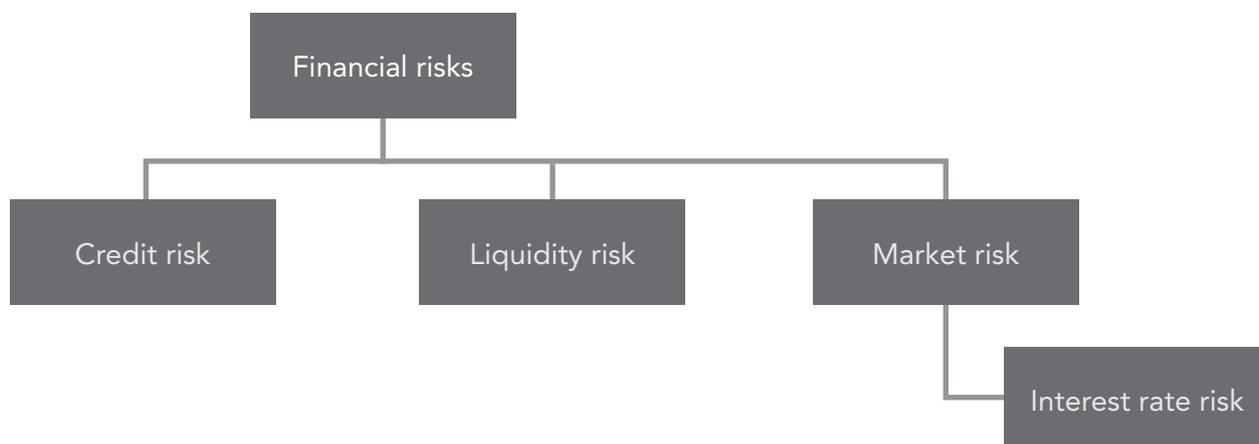
2021	Cash and deposits \$	Financial assets at amortised cost (AC) \$	Financial liabilities at amortised cost (AC) \$	Total \$
<b>Contractual financial assets</b>				
Cash and deposits	7,322,764	-	-	7,322,764
Receivables <sup>(a)</sup>	-	24,047	-	24,047
<b>Total contractual financial assets</b>	<b>7,322,764</b>	<b>24,047</b>	<b>-</b>	<b>7,346,811</b>
<b>Contractual financial liabilities</b>				
<b>Payables <sup>(a)</sup></b>				
Supplies and services	-	-	111,102	111,102
Employee benefits	-	-	183,707	183,707
<b>Borrowings</b>				
Finance lease liabilities	-	-	1,729,250	1,729,250
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,024,059</b>	<b>2,024,059</b>

<sup>(a)</sup> The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable and taxes payable).

2020	Cash and deposits \$	Financial assets at amortised cost (AC) \$	Financial liabilities at amortised cost (AC) \$	Total \$
<b>Contractual financial assets</b>				
Cash and deposits	7,033,415	-	-	7,033,415
Receivables <sup>(a)</sup>	-	8,000	-	8,000
<b>Total contractual financial assets</b>	<b>7,033,415</b>	<b>8,000</b>	<b>-</b>	<b>7,041,415</b>
<b>Contractual financial liabilities</b>				
<b>Payables <sup>(a)</sup></b>				
Supplies and services	-	-	1,386,762	1,386,762
Employee benefits	-	-	131,505	131,505
<b>Borrowings</b>				
Finance lease liabilities	-	-	1,299,730	1,299,730
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,817,997</b>	<b>2,817,997</b>

<sup>(a)</sup> The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable and taxes payable).

### 7.1.2 Financial risk management objectives and policies



As a whole, the GMA’s financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

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 above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the GMA’s financial risks within government policy parameters.

The GMA’s main financial risks include credit risk, liquidity risk and interest rate risk. The GMA manages these financial risks in accordance with its financial risk management policy.

The GMA 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 Accountable Officer of the GMA.

#### **Financial instruments: Credit risk**

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The GMA’s exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the GMA. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the GMA’s contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the GMA’s policy to only deal with entities with high credit ratings of a minimum triple-B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, the GMA does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the GMA’s policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the GMA will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the GMA’s maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the GMA’s credit risk profile in 2020-21.

**Credit quality of contractual financial assets that are neither past due nor impaired<sup>(a)</sup>**

	Financial institutions	Government agencies	Total
	\$	\$	\$
<b>2021</b>			
Cash and deposits	7,322,764	-	<b>7,322,764</b>
Receivables <sup>(a)</sup>	-	24,047	<b>24,047</b>
<b>Total contractual financial assets</b>	<b>7,322,764</b>	<b>24,047</b>	<b>7,346,811</b>
<b>2020</b>			
Cash and deposits	7,033,415	-	<b>7,033,415</b>
Receivables <sup>(a)</sup>	-	8,000	<b>8,000</b>
<b>Total contractual financial assets</b>	<b>7,033,415</b>	<b>8,000</b>	<b>7,041,415</b>

<sup>(a)</sup> The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

**Financial instruments: Liquidity risk**

Liquidity risk arises from being unable to meet financial obligations as they fall due. The GMA operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The GMA is exposed to liquidity risk mainly through the financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees. The GMA manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations and
- holding investments and other contractual financial assets that are readily tradeable in the financial markets.

The GMA's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available for sale financial investments.

**Financial instruments: Market risk**

The GMA's exposures to market risk are primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

**Sensitivity disclosure analysis and assumptions**

The following movements are 'reasonably possible' over the next 12 months. A movement of 25 basis points up and down (2020: 25 basis points up and down) in market interest rates (AUD) and the tables that follow show the impact on the GMA's net result and equity for each category of financial instrument held by the GMA at the end of the reporting period, if the above movements were to occur.

**Interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The GMA has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The GMA manages this risk by depositing funds in the Victorian Government Westpac Central Banking System. Management has concluded for cash at bank as a financial asset that can be left at floating rate without necessarily exposing the GMA to significant bad risk, management relies on DTF to monitor movement in interest rates under the whole of government contract.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the GMA's sensitivity to interest rate risk are set out in the table that follows.

*Interest rate exposure of financial instruments*

	Weighted average effective interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
<b>2021</b>					
<b>Financial assets</b>					
Cash and deposits	0.04%	7,322,764	-	7,322,764	-
Receivables <sup>(a)</sup>		24,057	-	-	24,057
<b>Total financial assets</b>		<b>7,346,821</b>	<b>-</b>	<b>7,322,764</b>	<b>24,057</b>
<b>Financial liabilities</b>					
<b>Payables<sup>(a)</sup></b>					
Supplies and services		111,102			111,102
Employee benefits		183,707	-	-	183,707
<b>Borrowings</b>					
Finance lease liabilities	2.54%	1,729,250	1,729,250	-	-
<b>Total financial liabilities</b>		<b>2,024,060</b>	<b>1,729,250</b>	<b>-</b>	<b>294,810</b>
<b>2020</b>					
<b>Financial assets</b>					
Cash and deposits	0.05%	7,033,415	-	7,033,415	-
Receivables <sup>(a)</sup>		8,000	-	-	8,000
<b>Total financial assets</b>		<b>7,041,415</b>	<b>-</b>	<b>7,033,415</b>	<b>8,000</b>
<b>Financial liabilities</b>					
<b>Payables<sup>(a)</sup></b>					
Supplies and services		1,386,762			1,386,762
Employee benefits		131,505	-	-	131,505
<b>Borrowings</b>					
Finance lease liabilities	2.53%	1,299,730	1,299,730	-	-
<b>Total financial liabilities</b>		<b>2,817,997</b>	<b>1,299,730</b>	<b>-</b>	<b>1,518,267</b>

<sup>(a)</sup> The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

**Interest rate risk sensitivity**

	Carrying amount \$	-025 basis points <sup>(a)</sup> Net Result \$	+025 basis points <sup>(a)</sup> Net Result \$
<b>2021</b>			
<b>Contractual financial assets</b>			
Cash and deposits <sup>(i)</sup>	7,322,764	(18,307)	18,307
<b>Total impact</b>		<b>(18,307)</b>	<b>18,307</b>
<b>Contractual financial liabilities</b>			
Borrowings	1,729,250	(4,323)	4,323
<b>Total impact</b>		<b>(4,323)</b>	<b>4,323</b>

<sup>(i)</sup> Interest rate sensitivity percentage has been reduced as a result of the declining interest rate

	Carrying amount \$	-025 basis points <sup>(a)</sup> Net Result \$	+025 basis points <sup>(a)</sup> Net Result \$
<b>2020</b>			
<b>Contractual financial assets</b>			
Cash and deposits <sup>(i)</sup>	7,033,415	(17,584)	17,584
<b>Total impact</b>		<b>(17,584)</b>	<b>17,584</b>
<b>Contractual financial liabilities</b>			
Borrowings	1,299,730	(3,249)	3,249
<b>Total impact</b>		<b>(3,249)</b>	<b>3,249</b>

<sup>(i)</sup> Cash and deposits are exposed to floating rates movements. Sensitivities to these movements are calculated at movements of 0.0025% up or down.

## 7.2 Contingent assets and contingent liabilities

### Contingent assets

The GMA has no contingent assets at 30 June 2021 (2020: \$Nil)

### Contingent liabilities

The GMA has no contingent liabilities at 30 June 2021 (2020: \$Nil)

## 7.3 Fair value determination

### Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the GMA.

This section sets out information on how the GMA determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through operating result.

In addition, the fair values of other assets and liabilities which are carried at amortised cost, also need to be determined for disclosure purposes. The GMA determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

**Fair value hierarchy**

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable and

**Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The GMA determines whether transfers have occurred between levels in the hierarchy by reassessing 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 is the GMA’s independent valuation agency, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

**How this section is structured**

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end and
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

**7.3.1 Fair value determination of financial assets and liabilities**

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

**Level 1** – the fair value of financial instrument 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.

The GMA currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2021-22 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and Deposits	Payables
Receivables	Borrowings

Where the fair value of the financial instruments is different from the carrying amounts, the following information has been included to disclose the difference.

**Fair value of financial instruments measured at amortised cost**

	Carrying amount	Fair value	Carrying amount	Fair value
	2021	2021	2020	2020
	\$	\$	\$	\$
<b>Financial liabilities</b>				
Borrowings	1,729,250	1,729,250	1,299,730	1,299,730
Total liabilities at fair value	<b>1,729,250</b>	1,729,250	<b>1,299,730</b>	1,299,730

**7.3.2 Fair value determination: Non-financial physical assets****Fair value measurement hierarchy**

	Carrying amount as at 30 June	Fair value measurement at end of reporting period using:		
		Level 1	Level 2 <sup>(a)</sup>	Level 3
	\$	\$	\$	\$
<b>2021</b>				
<b>Motor vehicles under lease at fair value</b>				
Vehicles <sup>(a)</sup>	<b>621,228</b>	-	-	621,228
<b>Plant and equipment at fair value</b>				
Plant and equipment	<b>97,597</b>	-	-	97,597
Leasehold Improvement	<b>483,540</b>	-	-	483,540
<b>Buildings at fair value</b>				
Buildings	<b>998,216</b>	-	-	998,216
<b>Total</b>	<b>2,200,581</b>	-	-	<b>2,200,581</b>
<b>2020</b>				
<b>Motor vehicles under lease at fair value</b>				
Vehicles <sup>(a)</sup>	<b>437,891</b>	-	-	437,891
<b>Plant and equipment at fair value</b>				
Plant and equipment	<b>254,509</b>	-	-	254,509
Leasehold Improvement	<b>568,942</b>	-	-	568,942
<b>Buildings at fair value</b>				
Buildings	<b>788,957</b>	-	-	788,957
<b>Total</b>	<b>2,050,299</b>	-	-	<b>2,050,299</b>

<sup>(a)</sup> Classified in accordance with the fair value hierarchy see note 7.3.1

There have been no transfers between levels during the period

**Plant and equipment, Buildings improvements and Right of Use of assets** are held at fair value. When an asset is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2021.

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

**Vehicles** are valued using the current replacement cost method. The GMA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

**Reconciliation of Level 3 fair value movements**

	Buildings \$	Plant and equipment \$	Motor vehicle \$	Total \$
<b>2021</b>				
<b>Opening Balance</b>	<b>788,957</b>	<b>823,449</b>	<b>437,891</b>	<b>2,050,297</b>
Purchases	337,777	-	471,546	809,323
Disposal	-	(191,918)	(360,276)	(552,194)
Depreciation	(128,517)	(50,394)	72,066	(106,846)
<b>Closing balance</b>	<b>998,216</b>	<b>581,137</b>	<b>621,228</b>	<b>2,200,581</b>
<b>2020</b>				
<b>Opening Balance</b>	-	<b>292,999</b>	<b>376,266</b>	<b>669,265</b>
Purchases	910,328	590,292	177,417	767,709
Disposals	-	-	(31,561)	(31,561)
Depreciation	(121,372)	(59,842)	(84,231)	(144,073)
<b>Closing balance</b>	<b>788,957</b>	<b>823,449</b>	<b>437,891</b>	<b>1,261,340</b>

**Description of significant unobservable inputs to Level 3 valuations**

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Plant and equipment	Current replacement cost	Cost per unit  Useful life of plant and equipment	\$5,000- \$20,000 per unit  5-10 years (7 years)	A significant increase or decrease in the cost per unit of the asset would result in a significantly higher or lower valuation.  A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value.
Motor vehicle under finance lease	Current replacement cost	Cost per unit  Useful life of motor vehicle	\$20,000-\$30,000 per unit  3-5 years (3 years)	A significant increase or decrease in direct cost per unit would result in a significantly higher or lower fair value.  A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value.
Lease hold Improvements	Current replacement cost	Useful life of leasehold improvements	5-10 years (7 years)	A significant increase or decrease in rental cost per square metre would result in a significantly higher or lower fair value.
Right of Use - Buildings	Current replacement cost	Useful life of leasehold premises	5 to 10 years (7 years)	A significant increase or decrease in rental cost per square metre would result in a significantly higher or lower fair value.

Significant unobservable inputs have remained unchanged since June 2020.

## 8. Other disclosures

### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### Structure

- 8.1 Other economic flows included in net result
- 8.2 Responsible persons
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Australian Accounting Standards issued that are not yet effective
- 8.8 Glossary of technical terms
- 8.9 Style conventions

### 8.1 Other economic flows included in the net result

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

Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates and
- reclassified amounts relating to available-for-sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

	2021	2020
	\$	\$
<b>Net gain/(loss) on non financial assets</b>		
Net gain/(loss) on disposal of property plant and equipment	76,423	-
<b>Total net gain/(loss) on non financial assets</b>	<b>76,423</b>	<b>-</b>
<b>Other gains/(losses) from other economic flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability <sup>(a)</sup>	(1,070)	(9,831)
<b>Total other gains/(losses) from other economic flows</b>	<b>(1,070)</b>	<b>(9,831)</b>

<sup>(a)</sup> Revaluation gain/(loss) due to changes in bond rates

### 8.2 Responsible persons

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

#### Names

The persons who held the positions of Ministers and Accountable Officers in the GMA are as follows:

Minister for Agriculture	Jaclyn Symes MP	(1 July 2020 to 21 December 2020)
Minister for Agriculture	The Hon Mary-Anne Thomas MP	(22 December 2020 to 30 June 2021)
Chief Executive Officer	Mr Graeme Ford	(1 July 2020 to 30 June 2021)

**Remuneration**

The Minister’s remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services’ Financial Report.

Remuneration received or receivable by the Accountable Officer in connection with the management of the GMA during the reporting period was in the range: \$200,000–\$209,000 (2020: \$200,000–\$209,000).

The individuals who held the positions of Responsible Officers, other than the Minister and Accountable Officer in the GMA are as follows:

Mr Brian Hine	Chairperson	(1 July 2020 to 30 June 2021)
Mr Christopher Rose	Deputy Chairperson	(1 July 2020 to 30 June 2021)
Dr Sandra Brizga	Board Member	(1 July 2020 to 30 June 2021)
Mr Owen Cavanough	Board Member	(1 July 2020 to 30 June 2021)
Ms Corrie Goodwin	Board Member	(1 July 2020 to 30 June 2021)
Mr Ian Maxfield	Board Member	(1 July 2020 to 30 June 2021)
Ms Bronwyn Orr	Board Member	(1 July 2020 to 30 June 2021)
Ms Maggy Samaan	Board Member	(1 July 2020 to 30 June 2021)

The number of responsible persons, other than the Minister and the Accountable Officer and their total remuneration is shown below:

		2021	Total Number 2020
<b>Band Range</b>			
\$ 0	- \$ 9,999	-	1
\$ 10,000	- \$ 19,999	7	6
\$ 40,000	- \$ 49,999	1	1
<b>Total</b>		8	7
<b>Total remuneration</b>		<b>144,308</b>	<b>141,565</b>

**8.3 Remuneration of executives**

The number of executive officers, other than Ministers and the Chief Executive Officer as the accountable officer, and their total remuneration during the reporting period are shown in the table. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

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

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

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

Remuneration of executive officers	2021 \$	2020 \$
Short-term employee benefits	174,811	170,665
Post-employment benefits	16,469	16,179
Other long-term benefits	4,370	4,267
<b>Total remuneration <sup>(a)</sup></b>	<b>195,651</b>	<b>191,111</b>
<b>Total number of executives</b>	<b>1</b>	<b>1</b>
<b>Total annualised employee equivalents <sup>(b)</sup></b>	<b>1</b>	<b>1</b>

<sup>(a)</sup> The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.4).

<sup>(b)</sup> Annualised employee equivalent is based on the time fraction worked over the reporting period.

## 8.4 Related parties

The GMA is a wholly-owned and controlled entity of the State of Victoria

Related parties of the GMA include:

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

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

### **Significant transactions with government-related entities**

The GMA received funding from the following:

	2021 \$	2020 \$
Department of Jobs, Precincts and Regions	8,519,815	7,388,190
	<b>8,519,815</b>	<b>7,388,190</b>

The GMA made payments to the following:

	2021 \$	2020 \$
CenITex	51,313	60,802
Department of Environment, Land Water and Planning	193,579	234,395
Department of Jobs, Precincts and Regions	86,478	78,143
Department of Justice & Community Safety	-	1,561
Department of Transport	-	38,038
Ombudsman Victoria	7,700	-
Victorian Auditor-Generals Office	22,550	20,000
Victorian Fisheries Authority	92,013	87,062
Victorian Government Solicitors Office	868	29,360
Victorian Managed Insurance Authority	19,682	16,560
Victorian Public Sector Commission	2,251	2,046
	<b>476,434</b>	<b>567,967</b>

### Remuneration of Key management personnel

Key management personnel of the Authority include the Responsible Minister, the Chief Executive Officer, and the Board of Management. The compensation detailed below excludes the salaries and benefits the Responsible Minister receives. Ministerial remuneration and allowances are set by the *Parliamentary Salaries, Allowances and Superannuation Act 1968*, and is reported within the Department of Parliamentary Services Financial Report.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories. Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services. Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased. Other long-term benefits include long service leave, other long service benefits or deferred compensation.

	2021	2020
	\$	\$
Short-term benefits <sup>(a)</sup>	331,759	330,185
Post-employment benefits	30,987	29,591
Other long-term benefits	4,686	4,657
<b>Total<sup>(b)</sup></b>	<b>367,432</b>	<b>364,433</b>

<sup>(a)</sup> Total remuneration paid to KMPs employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.

<sup>(b)</sup> Note that KMPs are also reported in the disclosure of remuneration of accountable officer (Note 8.3).

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

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, e.g. stamp duty and other government fees and charges.

Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the GMA and related party transactions previously disclosed, there were no related party transactions that were attributed to key

management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

### 8.5 Remuneration of auditors

	2021	2020
	\$	\$
Victorian Auditor-General's Office		
Audit or review of the financial statements	21,400	16,400
<b>Total remuneration of auditors</b>	<b>21,400</b>	<b>16,400</b>

### 8.6 Subsequent events

The GMA has managed, and continues to actively manage, the risks arising from COVID-19.

There have not been any significant adverse operational or financial impacts as a result of the COVID-19 pandemic to date and any known impacts to date have been reflected in the 30 June 2021 financial statements.

As at the date these financial statements are authorised for issue, the GMA considers that the financial effects of any potential changes will not have a significant impact on future financial periods.

Based on the current assessment as of the date of signing the financial report, the Board has concluded that the going concern basis of accounting is appropriate as any impact of the pandemic on the organisation is expected to be manageable. No other matters or circumstances have arisen subsequent to 30 June 2021 that would require adjustment of, or disclosure in, the financial statements.

### 8.7 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to these Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non Current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. the GMA will not early adopt the Standard.

The GMA is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the GMA's reporting.

- AASB 17 *Insurance Contracts*.
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C)*.
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2020-7 *Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures*.

## 8.9 Glossary of technical terms

### **Borrowings**

Refers to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, lease liabilities, service concession arrangements and other interest bearing arrangements. Borrowings also include non interest-bearing advances from government that are acquired for policy purposes.

### **Commitments**

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

### **Comprehensive result**

The amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

### **Depreciation**

Depreciation is an expense that arises from the consumption through wear or time of a produced physical asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

### **Effective interest method**

The effective interest method is used to calculate the amortised cost of a financial asset or liability 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 instrument, or, where appropriate, a shorter period.

### **Employee benefits expense**

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

### **Ex gratia expenses**

Ex gratia expenses are the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

### **Finance lease**

Is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

### **Financial asset**

A financial asset is any asset that is:

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

**Financial instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial liability**

A financial liability is any liability that is:

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

**Financial statements**

A complete set of financial statements comprises:

- a) a balance sheet as at the end of the period
- b) a comprehensive operating statement for the period
- c) a statement of changes in equity for the period
- d) a cash flow statement for the period
- e) notes, comprising a summary of significant accounting policies and other explanatory information
- f) comparatives information in respect of the preceding period as specified in paragraph 38 of *AASB 101 Presentation of Financial Statements* and
- g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of *AASB 101*.

**Grants and other transfers**

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

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

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

**Interest expense**

Represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings.

**Interest income**

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

**Leases**

Rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

**Net result**

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

**Net result from transactions or net operating balance**

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

**Net worth**

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

**Non-financial assets**

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

**Operating result**

Is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

**Other economic flows - other comprehensive income**

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

**Payables**

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

**Receivables**

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

**Supplies and services**

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

**Transactions**

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

**8.9 Style conventions****Style conventions**

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

-	<b>zero, or rounded to zero</b>
<b>201x</b>	<b>year period</b>
<b>201x-1x</b>	<b>year period</b>

The financial statements and notes are presented based on the illustration for a government department in the 2020-21 *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the Authority's annual reports.

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Note:

<sup>(a)</sup> References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

## Legislation

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