



# Annual Report 2016 - 17

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11 October 2017

The Hon. Jaala Pulford MP  
Minister for Agriculture  
Level 20, 1 Spring 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 2017.

Yours sincerely

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

**Brian Hine**  
Chairperson



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## Chairperson's foreword

"Game Hunting continues to grow strongly in popularity throughout Victoria."

"The substantial economic, social and environmental benefits of hunting are important to Victoria's wellbeing, especially our rural and regional communities."

I am honoured to present the Game Management Authority's third Annual Report for the 2016-17 financial year, the final year of the inaugural board.

2016-17 has seen the delivery of many of the significant initiatives envisioned by the board under the leadership of the inaugural Chairperson, the Hon. Roger Hallam. The Authority's achievements are described in detail in the Key Outcomes section of this report. These include the publication of the highly acclaimed Game Hunting in Victoria Manual, the first comprehensive audit of Victoria's State Game Reserves, facilitating the first successful (trial) balloted Hog Deer hunting on Snake Island and establishing strong productive relationships with partner agencies and key stakeholders.

I wish to express my sincere appreciation to Roger for his leadership in establishing an effective, progressive statutory authority. I would also like to thank Wendy Greiner for acting as Chairperson following Roger's resignation prior to my appointment in November 2016. All directors are to be congratulated on a highly productive first three years.

Our small group of staff (18), under the competent and experienced leadership of Greg Hyams and his senior executive team have responded admirably to their changed operating environment as officers of an independent statutory authority. The board is extremely grateful for their wealth of knowledge, skill, experience, dedication and hard work in providing high quality hunting information, education, licencing and enforcement services to 50,000 licensed hunters across private land and over 8 million hectares of public land.

In 2016, the Minister for Agriculture released the Government's Sustainable Hunting Action Plan with an expectation that game hunting in Victoria must continue to be responsible and sustainable for generations to come. While I am proud of what we have achieved as an authority, major challenges remain, particularly in terms of resourcing and our operational approach. We must and will do more.

Deer hunting grows exponentially in the state with almost 100,000 deer taken in 2016, a 37% increase on the previous year. Despite the best efforts of our staff and partner agencies at Koorangie State Game Reserve on the opening weekend of the 2017 duck season shooting commenced well prior to opening time, over 1,000 ducks were not collected by hunters and at least 260 protected birds were illegally shot.

As a regulator, we share responsibility for sustainable hunting with hunters and the broader Victorian community. Hunter behaviour at Koorangie was unacceptable. In consultation with partner agencies and key stakeholders, we are comprehensively reviewing this matter and will make recommendations for reform to the Minister for implementation prior to the 2018 duck season.

Game hunting continues to grow strongly in popularity throughout Victoria. There are over 50,000 licenced game hunters in the State, up from approximately 46,000 when the Authority was established in 2014. The substantial economic, social and environmental benefits of hunting are important to Victoria's wellbeing, especially our rural and regional communities.

As Chairperson, I am committed to strengthen our evidence based decision making, governance standards and stakeholder and community engagement. This is critical in ensuring that as the hunting regulator, we have the full trust and confidence of the Victorian community in ensuring that hunting is conducted responsibly and sustainably.



**Brian Hine**  
Chairperson

# Chief Executive Officer's report

I am pleased to present my Chief Executive Officer's report covering the operations of the Game Management Authority for the year ended 30 June 2017.

This year's report is the third since the GMA was established on 1 July 2014 and it marks the conclusion of the initial term of appointment of the inaugural Board of the GMA. It also provides the opportunity to report on the completion of GMA's first three year corporate plan. The strategic objectives and actions documented in that plan have guided our operations and detailed business planning over the past three years. It is pleasing to note that the vast majority of the actions identified in that first plan have now been completed.

The Victorian Government released the Sustainable Hunting Action Plan in December 2016. Implementation of the plan will require the GMA to complete a number of actions over the four year period covered by the plan. At the time of preparation of this annual report, the GMA has already completed a number of these actions, including some significant actions such as the undertaking of an audit of the 200 State Game Reserves across Victoria and producing and delivering a new hunting manual 'Game Hunting in Victoria' which replaces the previous annually issued Victorian Hunting Guide.

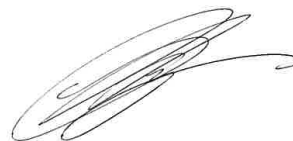
The year has seen a continued increase in the number of people applying for a licence to recreationally hunt Victoria's game species. As at 30 June 2017, there were in excess of 50,000 holders of Victorian game hunting licences. The growth in licensed game hunters and the associated hunting pressure, particularly in relation to deer hunting, presents some significant challenges for the GMA as we seek to remain an efficient and effective regulator, charged with promoting sustainable and responsible game hunting in Victoria.

A key focus for us during the course of the past year has been on continuing to invest in our staff and continuing to build their capability and competency, to ensure they have the appropriate level of skills and expertise, to exercise their authority appropriately and to undertake their many diverse functions with confidence in meeting the continuing growth in demand for our services. This focus has been complemented by a broad program of provision of new equipment or upgrades to older previously issued equipment.

I would like to take the opportunity to acknowledge the new Chairperson of the GMA Brian Hine, who was appointed in November 2016 and thank him for his support and guidance over the latter half of this reporting period.

I would also like to acknowledge the support and commitment provided by the inaugural GMA Board during the course of the past year and welcome and look forward to working with returning and new Board members.

To the staff of the GMA, I pass on my thanks for their tireless commitment and efforts to ensure that as the regulator for game hunting in Victoria we are seen as possessing the utmost integrity, having an empathetic engagement approach to all our stakeholders and seeking to maintain a highly competent and effective workforce.



**Greg Hyams**  
Chief Executive Officer



# About the Game Management Authority

## Charter and purpose

The Game Management Authority (GMA) is an independent statutory authority responsible for the regulation of game hunting in Victoria. It delivers programs to improve and promote responsible and sustainable hunting in Victoria.

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 including:

- the sustainable harvest of game species
- the humane treatment of animals that are hunted and used in game hunting
- minimising any negative impacts on non-game wildlife, including protected and threatened species
- the conservation of wildlife habitats
- the environmental, social and economic impacts of game hunting and management.

GMA staff are located across Victoria to help oversee game hunting activities. Game licences and information continue to be available from selected Department of Environment, Land, Water and Planning (DELWP) and Department of Economic Development, Jobs, Transport and Resources (DEDJTR) offices, as well as through the GMA website and Game Hunting Victoria phone app.

## Our vision

Game management and hunting in Victoria is respected and valued by the community and envied around the world.

## Our mission

To work with the community as an effective, independent regulator and an authoritative facilitator of sustainable game management and quality hunting opportunities.

## Establishment of the Authority

The Game Management Authority was established on 1 July 2014 to facilitate the effective management of Victoria's game resources and the promotion of responsible and sustainable game hunting across the state, and operates under the *Game Management Authority Act 2014* (the Act).

The Responsible Minister during the 2016-17 reporting period was the Hon Jaala Pulford MP, Minister for Agriculture.

## Functions of the Authority

The functions of the GMA are:

- a) to perform the regulatory, investigative and disciplinary functions conferred on the Authority by or under this Act or any relevant law
- b) to administer the scheme for issuing game licenses 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 Authority

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 given by the Minister.

# Corporate governance

## The GMA Board

### Responsibilities of the Board

The Board's primary role is to ensure that the Authority fulfils its legislated functions effectively and complies with its governance framework.

The Board sets the strategic direction and business objectives of the Authority and ensures that these are consistent with the Authority's legislative and regulatory framework.

This includes:

- setting and approving the strategic and annual business plans
- approving the Authority's annual report
- regularly reviewing the Authority's major high risk policies
- ensuring adequate risk management of all strategic business and operational risks
- providing recommendations to relevant Ministers
- reviewing internal financial and operational controls
- CEO selection, appointment, succession planning and performance assessment
- oversight of the management of the GMA by the CEO to ensure effective operation and a culture of compliance and best practice business performance in all areas of operational, financial, human resources, risk management and asset management.

### Membership and term of the Board

The Board must consist of not less than 5 members and not more than 9 members appointed by the Minister for Agriculture. Members of the Board are appointed for not more than a period of three years but may be reappointed.

As set out in Section 10 of the Act, the Minister must attempt to ensure that Board members collectively have skills, experience or knowledge relating to:

- i. legal practice
- ii. finance or accounting
- iii. wildlife biology or ecology
- iv. animal welfare
- v. public administration
- vi. communications
- vii. Aboriginal culture and identity as they relate to game hunting and game management
- viii. private land management as it relates to agriculture
- ix. public land management
- x. game hunting
- xi. game and wildlife management, including pest animal management.

## 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.

### Attendance at Board and Board Committee meetings during the year ended 30 June 2017.

	Board attendance (6 meetings scheduled)	Audit & Risk Management Committee attendance (6 meetings scheduled)	Remuneration Committee (1 meeting scheduled)
Brian Hine (Board Chairperson as of 23 Nov 2016)	4		1
Wendy Greiner Deputy Chairperson <sup>(i)</sup>	5	2	
Alan Bowman <sup>(ii)</sup>	5	6	
Eddy Kontelj*	4	3	
Margaret Donnan*	5	6	
Mark Little	4		1
Michael Wagg*	5		1
Peter Bailey*	6	5	
Rod Drew	5		1

<sup>(i)</sup> W. Greiner performed the role of Acting Chairperson from 12 August 2016 to 22 November 2016

<sup>(ii)</sup> A. Bowman Acting Deputy Chairperson from 12 August 2016 to 22 November 2016

\* M. Donnan was granted leave of absence for one Board meeting

\* M. Wagg was granted leave of absence for one Board meeting

\* E. Kontelj was granted leave of absence for one Board meeting and one AR&MC meeting

\* P. Bailey was granted leave of absence for one AR&MC meeting

## Board Committees

The Board has established two sub-committees, the Audit and Risk Management Committee and the Remuneration Committee, to assist the Board in meeting its statutory responsibilities. Membership for each of the sub-committees is as follows:

### Audit and Risk Management Committee

Ms Wendy Greiner  
(reappointed as Committee Chair from 21 December 2016)

Mr Alan Bowman  
(acting Committee Chair until 21 December 2016)

Ms Margaret Donnan

Mr Peter Bailey

Mr Eddy Kontelj  
(ceased as a Committee member on 21 December 2016)

The Audit and Risk Management Committee acts as an independent advisory service to the GMA Board to assist in the effective discharge of responsibilities including:

- fulfilling of 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
- provision of advice to the GMA Board regarding risks to the Authority.

### Remuneration Committee

Mr Rodney Drew (Chair)

Mr Mark Little

Mr Michael Wagg

Mr Brian Hine (ex officio from 23 November 2016)

Ms Wendy Greiner (ex officio until 22 November 2016)

The responsibility of the Remuneration Committee is to assist members of the GMA Board to determine the:

- total remuneration payable to the Chief Executive Officer
- key performance indicators for the Chief Executive Officer.

# Game Management Authority Board



## **Brian Hine, Chairperson (from 23 November 2016)**

Brian is Managing Director of Cassano Consulting Pty Ltd. He has 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 and emergency management. He was Victoria's Deputy Emergency Services Commissioner from 2007 to 2010.

Brian has significant recent experience in contemporary management challenges including performance management, change management, community engagement, adaptive learning and organisational reform. Over the past 7 years he has contributed to several independent reports to Parliament, completed several complex inquiries and reviews and provided independent management advice to large non-government entities.

Brian's professional interests include corporate governance, performance evaluation, strategic planning and stakeholder engagement. He is a committed advocate of sustainable and responsible game hunting.



## **Ms Wendy Greiner, Deputy Chairperson (Acting Board Chairperson – from 12 August 2016 until 22 November 2016)**

Wendy has extensive experience as a non-executive director and Chair across a range of industry sectors. Wendy is also currently Chairperson of the Murray Regional Tourism Board, a unique cross border partnership of two state governments and 13 local government authorities. She has previously held various government and private directorships including Chairperson of the Australian Institute of Management, Mayor of a large metropolitan Council in South Australia, Director of Harness Racing Victoria and the Royal Automobile Association. She has also served on Audit, Remuneration and Risk Committees.

Wendy has significant experience in regulatory authorities as well as in public policy and administration. She has worked extensively with all levels of government to deliver key strategic outcomes. She has held leadership roles in Southcorp, Qantas and many other high profile organisations. Ms Greiner has added enormous value to companies with her breadth of experience in governance, financial and risk management, strategy, organisational change, corporate affairs and stakeholder engagement.

Wendy is a Fellow of the Australian Institute of Company Directors. She is also a Fellow of the Australian Institute of Management and was awarded Life Membership for her contribution to management. She is a mentor to some of her aspiring and less experienced colleagues in other organisations.



## **Mr Alan Bowman (Acting Deputy Chairperson – from 12 August 2016 until 22 November 2016)**

Alan is actively involved in primary production and has over 40 years' experience in agricultural research and development organisations across the public and private sectors. He has held a number of board and council appointments across the Victorian Farmers Federation, animal welfare and the wool industries.

He is currently the Director of the Agricultural Co of Australia and Chairperson of Prime Super. He brings extensive experience in industrial relations and superannuation. Mr Bowman was a member of the Victorian Hunting Advisory Committee and has a good understanding of the issues relating to the establishment of the GMA and the required governance practices.



### Mr Peter Bailey

Peter has held a number of senior roles with Department of Primary Industries and its predecessors between 1967 and 2009. Between 1991 and 2009 Mr Bailey was Executive Director responsible for biosecurity, animal welfare, food safety regulations and agricultural and veterinary chemicals.

Since 2009, Mr Bailey has been self-employed as an advisor. Mr Bailey is an experienced board member and is currently a board member on the Dairy Food Safety Victoria Board.



### Ms Margaret Donnan

Margaret is an experienced non-executive director with more than 15 years' experience on a range of boards and as Chief Executive of the Plastics and Chemicals Industries Association, the peak national industry body representing Australia's \$40 billion chemical industry.

Ms Donnan brings a depth of government, business and not for profit skill in public policy and legislation, strategy development and administration, government/business/research interface, chemicals and plastics manufacturing, innovation and research, sustainability, occupational health and safety, security, corporate governance and risk management, stakeholder engagement and strategic thinking.

Ms Donnan has significant experience in regulatory environments and public policy gained from her previous role as the CEO of Plastics and Chemicals Industries Association and as a senior executive with the Victorian WorkCover Authority. She served two terms on the inaugural Board of the National Offshore Petroleum Safety Authority and gained further experience in establishing new regulatory authorities.



### Mr Rod Drew

Rod is currently the Executive Officer for the Shooting Industry Foundation of Australia Limited. Mr Drew is also an active 30 year member of Field and Game Australia (FGA) and held the position of CEO from 1997 until 2014. Mr Drew has vast experience in game management, hunting and conservation of natural resources through sustainable utilisation. He has represented FGA and the Shooting Industry on various Victorian, interstate and federal government committees and held positions on a range of non-government committees throughout Australia. As part of his professional development, Mr Drew has visited and spent time with hunting and game management organisations in the UK and USA. Mr Drew was a member of the former Victorian Hunting Advisory Committee.



### Mr Eddy Kontelj

Eddy is currently Managing Director of a Caterpillar equipment dealership and has over 38 years' experience in mining, heavy industry, plant and equipment. He possesses strong business acumen and is an experienced Non-Executive Director having held Director and Chair positions on a number of boards including the Barwon Regional Waste Management Group.

Mr Kontelj is actively involved in the community and served as Councillor with the City of Greater Geelong from 2010 through to 2016. His community involvement includes leading and coordinating several significant and successful fundraising initiatives and campaigns for not for profit organisations including the Asthma Foundation and beyondblue.



### Mr Mark Little

Mark's career with the Department of Human Services spans 23 years. He has a good understanding of hunting, conservation and game management through his experience and professional involvement as member and former office holder with Field and Game Australia and the Australian Deer Association.

He is a strong advocate for Aboriginal communities and individuals involved in all aspects of game hunting and game management. Mr Little is a full-time public sector employee.



### Mr Michael Wagg

Michael is an Agricultural Scientist with extensive experience in owning and operating farms in western Victoria. He has previously worked with the Victorian Government and runs his own consulting business.

Mr Wagg has held several technical and management positions with state government departments and Land and Water Australia. He currently consults for rural research and development corporations and universities in the areas of project design, strategy, implementation and evaluation.

Mr Wagg was formerly the Chairperson of the Glenelg Hopkins Catchment Management Authority and is currently serving as a Director for a further two year period.



## Chief Executive Officer

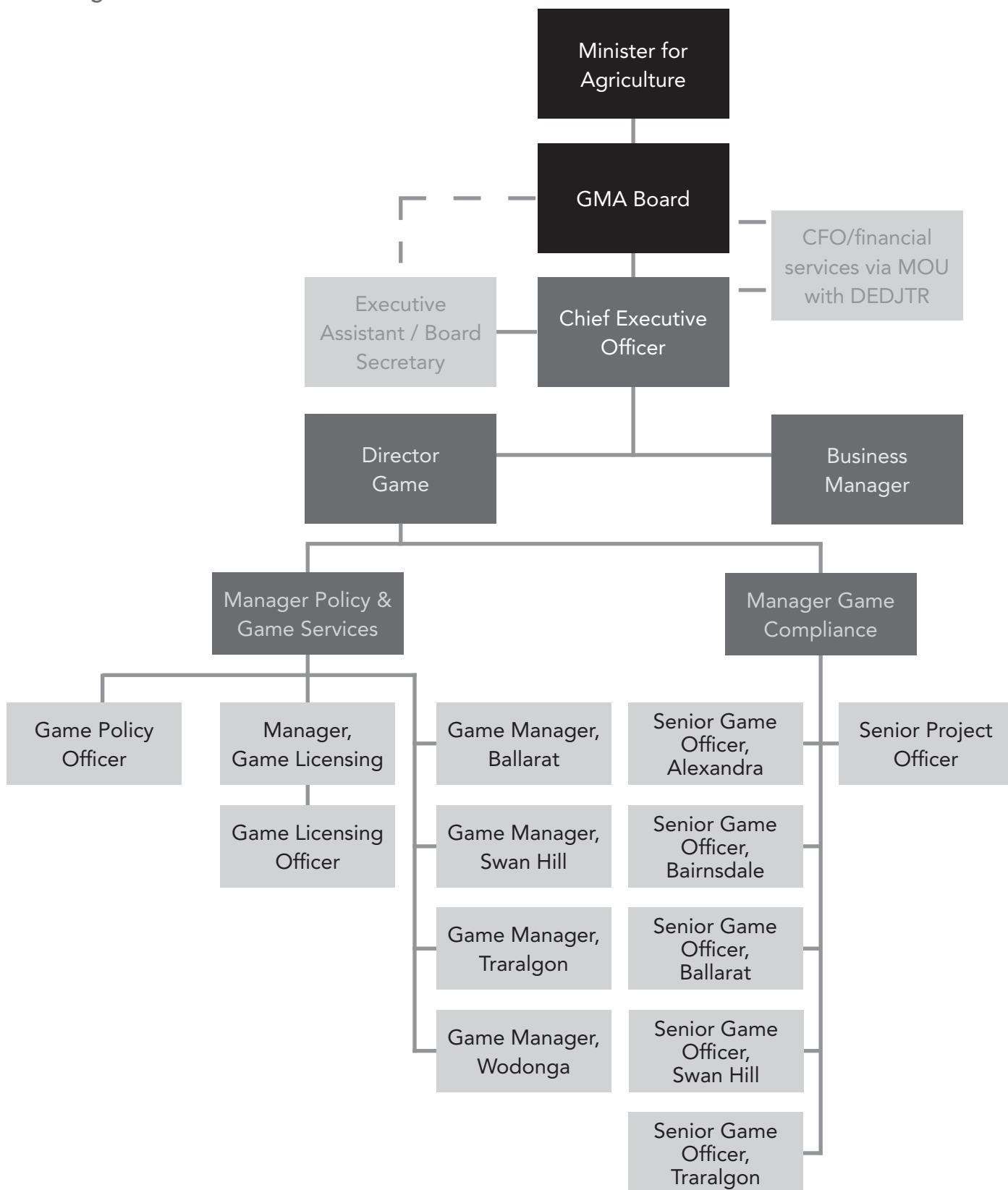
### Mr Greg Hyams

Greg has extensive private and public sector experience in regulatory and organisational change, strategic planning, risk management and governance, gained from diverse senior management and consulting roles.

As Victoria's Building and Plumbing Industry Commissioner and then inaugural CEO of the then newly created Victorian Building Authority, he was instrumental in steering that organisation through its establishment and transition from the former Building and Plumbing Industry Commissions.

Greg has served on the Boards of 2006 Melbourne Commonwealth Games Company, and Ferntree Gully and Rowville Financial Services Pty Ltd, is a Fellow of the Institute of Public Administration Australia (Victoria) and a Member of the Australian Institute of Company Directors.

GMA organisational structure as at 30 June 2017





# The year in review

## Statement of Expectations

The GMA was issued its inaugural Statement of Expectations (SOE) in October 2014. That SOE was in effect until replaced on 14 December 2016. Both SOEs outline government's expectations of the GMA in discharging its responsibilities under the *Game Management Authority Act 2014*. The following is an overview of how these expectations were met in 2016-17. Details on the specific activities are covered in the body of this report.

### Small business regulatory burden

The December 2016 SOE recognised that game hunting is generally a recreational activity, with Game Bird Farming being the only permitted commercial use. However, in recognising that regulatory burden can fall disproportionately on small business compared to larger business, the SOE required performance and improvement targets to measure the effort in reducing regulatory burden on small business. The GMA commenced a project in March 2017 to replace its ageing Game Licensing system. The new system will allow Game Bird Farmers to submit electronic returns and reduce reporting administration. They will also be able to update their details directly on the system in real time.

### Risk-based compliance strategies

The December 2016 SOE reinforced the need for a risk-based approach to manage compliance responsibilities. The Minister stated her expectation that the GMA will apply its compliance policy and compliance plans and continue to encourage and improve the extent of voluntary compliance. The Minister also stated her expectation that the GMA will apply a risk-based approach to allocate appropriate resources to compliance. The GMA annually updates its compliance policy and revises its regional compliance plans. A compliance strategy is in preparation. The GMA conducted a number of planned enforcement operations throughout the year in partnership with Victoria Police, DELWP, DEDJTR and Parks Victoria. The GMA also produced a range of education and information materials to encourage and support voluntary compliance. These included the Game Hunting in Victoria manual, fact sheets and signage. These were produced in a combination of printed and electronic formats. The GMA staff attended stakeholder meetings and industry expos and maintained its website and mobile phone application, including the use of push notifications to alert hunters to matters of importance. The GMA also continued the *RESPECT: Hunt Responsibly* program in cooperation with industry leaders, hunting organisations and government agencies.

### Role clarity

The inaugural SOE noted that a good regulator cannot both regulate and promote the industry. While not promoting hunting, the *Game Management Authority Act 2014* requires the GMA to promote responsibility and sustainability in game hunting, a subtle but important difference. Accordingly, the GMA promoted responsible and sustainable hunting through its flagship *RESPECT: Hunt Responsibly* program and messaging through written materials and presentations to forums, meetings and workshops with stakeholders. The GMA's approach to compliance is articulated in its compliance policy.

The December 2016 SOE highlighted the need to work with stakeholders to improve the management framework for game hunting to ensure harvest sustainability by hunters. To that end, the GMA continued to improve its website, improved and updated the phone app, provided efficient licensing services, coordinated and worked with partner agencies in delivering game enforcement, completed preparation of the comprehensive Game Hunting in Victoria manual and provided advice to government on a range of game management related issues. The GMA also developed education materials, promoted sustainable and responsible hunting through a number of mediums and forums and provided advice to government and relevant departments on the appropriate management of game to ensure the sustainability of native game species and responsible management of introduced species, such as deer. In achieving role clarity, the SOE required that the GMA continue to deliver on its objectives and functions as outlined under the *Game Management Authority Act 2014*. This annual report identifies the GMA's actions in respect of those objectives and functions and will be published on the GMA's website.

### Stakeholder consultation and engagement

The SOEs recognised that the responsibility for game management in Victoria is shared across a range of agencies, including Victoria Police for firearms licensing, ownership, possession and use, DELWP, Parks Victoria and catchment management authorities for land and resource management, and DELWP and DEDJTR for wildlife and game policy, respectively. The SOEs recognised the importance of providing accurate information to hunters and the users of public land in achieving the government's sustainability and safety objectives for game hunting.



A communications strategy and a stakeholder engagement strategy guides delivery of the GMA's approach to communication and stakeholder consultation and engagement. This strategy will be revised in the coming year and a communications manager appointed for a fixed three-year term to further enhance the GMA's capabilities in this area.

The GMA facilitates the provision of information on when, where and how game may be hunted, primarily through its website, the Game Hunting Victoria phone app and the new Game Hunting in Victoria manual, which was mailed to all licence holders. Media releases, presentations and attendances at meetings, field days and expos were other important avenues for the transfer of knowledge and provision of advice. The *RESPECT: Hunt Responsibly* program provides the opportunity for relevant government agencies, industry leaders and hunting organisations to identify areas of risk and address them through the annual works program. Hunting, conservation and animal welfare organisations were also consulted during decision-making regarding game hunting arrangements, such as duck season arrangements, the closure of wetlands or further regulation of duck hunting, adaptive harvest modelling for waterfowl and hound hunting. As part of its regular program, the Board meets routinely with a broad range of stakeholders who have an interest in game hunting, including conservation, animal welfare and hunting representatives.

### **Clear and consistent regulatory activities and compliance advice**

The SOEs seek a risk-based approach to game compliance. The GMA operates to a compliance policy which articulates its risk-based, intelligence-led approach across the compliance spectrum. The SOEs required that regulatory staff are helpful, respectful, impartial, proportionate, predictable and responsible. These values align with those set out in the GMA compliance policy and officers are required to undertake regular training and operate in accordance with these principles. The GMA prepared regional game compliance plans, and is preparing a compliance strategy. The GMA convenes the cross-agency Duck Season Coordination Working Group and established the environmental compliance managers forum and held two meetings in 2017. The GMA established a working relationship with Crime Stoppers and introduced an online reporting process through its website.

The GMA commissioned an independent review in 2015 of risks faced by Game Officers in the course of their enforcement duties. This review considered risks in the context of physical harm to officers, public safety, as well as the impact on their capacity to carry out their duties effectively and efficiently. The GMA has been progressively implementing the recommendations arising from that review that were approved by the GMA Board.

The SOEs recognised the expertise and professional competence of the GMA and its important role in maximising voluntary compliance through persuasion, education and training. They also recognise the budgetary and resource constraints on the GMA, the land management responsibilities of DELWP and Parks Victoria and the need for collaboration with partner agencies to deliver efficient, consistent and aligned regulatory services.

The SOEs required the GMA to work closely and collaboratively with relevant agencies. To that end, the GMA leads and coordinates game compliance in Victoria, including joint enforcement operations. The GMA trains and provides advice to authorised officers of partner agencies in specific areas of game hunting expertise, has instituted several working groups and contributes to others to ensure a coordinated approach to game compliance across government. The GMA has also developed an information-sharing agreement with Victoria Police and is in the process of developing a memorandum of understanding on how the two agencies will work together.

The SOEs recognised that transparency is a key element of good regulatory practice and that regulations should be easy to understand and comply with. DEDJTR is responsible for the preparation of game hunting regulations on behalf of government and the GMA provided advice to government on duck hunting and hound hunting regulation in 2016-17.

### **Agency collaboration**

The SOEs recognised that the responsibility for game management is shared across a number of state government entities. The SOEs recognised the limitations of the GMA's budget and staff numbers and that collaboration is critical in ensuring efficient, consistent and well-aligned regulatory services. As stated above, the GMA takes a lead role in coordinating compliance responses and has also promoted the need for an accountability framework to be developed to clearly articulate the roles, responsibilities and obligations of each of the government entities in relation to game management in Victoria. This will assist in the appropriate allocation of resources, working collaboratively and recognising actions in annual business plans. DEDJTR has committed to preparing this document.

### **Timeliness**

The December 2016 SOE requires that decisions are made in a timely way given resourcing, quality and due process requirements. The SOE also requires that online services and simplified processes are used to reduce the administrative burden on individuals and businesses. It is proposed that the new Game Licensing system will contain the functionality for stakeholders to more effectively manage their own information (e.g. directly update change of address), have greater access to it and submit any reports, such as Game Bird Farmer returns and Hog Deer Tag Return Forms. Hunters will also be able to purchase licences online. Where legal proceedings or sanctions are imposed (e.g. infringement notices), the GMA endeavours to expedite these matters as quickly as possible with the assistance of DEDJTR Prosecution Services to avoid any undue or unacceptable delays.

### **Sustainable Hunting Action Plan**

The Government's Sustainable Hunting Action Plan (SHAP) was released on 6 December 2016 to provide policy direction and priority actions relating to game hunting and game management. The GMA is responsible for delivering 18

of these actions and assisting other agencies in delivering a further 17 out of the total of 37 actions in the Plan. The December 2016 SOE requires the GMA to deliver its actions on time, within budget and to meet all reporting requirements. The GMA has already delivered on some key actions, including the preparation and release of the Game Hunting in Victoria manual and the audit of Victoria's State Game Reserves, and has commenced others. The GMA will report on progress of delivery through its annual reports and quarterly reports published by DEDJTR.

### **Reporting**

The SOEs require the GMA to report on its performance and document its targets in its annual business plan. The contents of this annual report contributes to fulfilling this requirement. The GMA has developed and implemented a business reporting system to assist in performance monitoring and sets targets in its annual business plan to be approved by the Minister for Agriculture.

## Key outcomes

As required under section 6 of the *Game Management Authority Act 2014*, 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. An account of the GMA's activities for 2016-17 is included below.

### 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 2017, the total number of Victorian Game Licence holders was 50,157, consisting of 26,357 Game Licences endorsed to hunt duck, 29,441 endorsed to hunt quail and 34,402 endorsed to hunt deer (Note: some hunters may hold licences endorsed for multiple species).

#### Licence transactions

The below table summarises the licensing transactions for 2016-17.

All licences, permits and authorities were issued within the target period of 15 working days, except where additional administrative processes were required.

#### Testing

The GMA marked and processed 1,220 Victorian Waterfowl Identification Tests and 326 Hound Hunting Tests. These tests are required to be undertaken before a person can hunt duck or Sambar Deer with the aid of hounds in Victoria, respectively.

Licence type	Total processed for 2015-16 financial year	Total processed for 2016-17 financial year
General Game Licences issued (new)	4,139	4,622
General Game Licences renewed	23,297	23,283
General Game Licences suspended	4	3
General Game Licences cancelled	4	3
Non-resident Game Licences issued	16	26
Junior Provisional Game Licences issued	262	267
Gamebird Reserve Hunter's Licences issued	24	13
Hounds registered	476	376
Licence amendments, including change of address	3,242	3,740
Hound pups authorised	120	50
Permits/authorisations issued	38	96
Commercial Game Bird Farmer Licences issued	0	2
Commercial Game Bird Farmer Licences renewed	0	4

The GMA processes Waterfowl Identification Tests (WIT) for Tasmania, South Australia and New South Wales. In total, GMA processed 371 WITs for these states.

#### Permits/authorisations

The GMA may issue permits/authorisations to allow people to interact with game species for a number of reasons, including balloted hunting, control of game or research into game species.

For the 2016 - 17 financial year:

- 88 authorisations were issued to provide for the balloted hunting of Hog Deer
- two authorisations were issued to Para Park for Hog Deer management and research
- five authorisations were issued to Parks Victoria to facilitate deer control programs
- one authorisation was issued to Senversa Pty Ltd for research into per and poly-fluoroalkyl substances in duck species

### Education and training

Education is a critical responsibility of the GMA to assist in delivering its functions, to achieve safe, sustainable, humane and equitable hunting and to ensure that stakeholders and the broader community are aware of their legal obligations and opportunities. Education directly assists the GMA in promoting sustainability and responsibility in game hunting and encouraging compliance with relevant law. A number of different mediums are used to educate the community.

### Publications

The GMA prepared, printed and distributed six key publications in 2016-17, together with a number of fact sheets, as detailed in the below table.

### Shows, expos and meetings

The GMA staffed stands at the Seymour field day in February 2017 and the Sporting Shooters Association of Australia’s Shot Show located in Melbourne in May 2017. The GMA also had stands at the Victorian Hound Hunters hound registration day in Tallarook and attended other game events, including a number of Field and Game Association “Duck Fever” nights and Australian Deer Association education weekends. In addition, the GMA attended and presented at a number of community deer forums and wild dog management committee meetings.

The GMA attended many meetings with community, stakeholder and industry groups. In summary:

- 112 government meetings
- 43 hunting organisation meetings
- 1 conservation group meeting
- 10 animal welfare group meetings
- 7 community group meetings
- 40 industry meetings
- 24 other meetings

### Shotgunning Education Program (SEP)

Victoria’s Shotgunning Education Program is directed towards educating Victoria’s gamebird hunters in being more effective and efficient, thereby reducing waterfowl wounding, improving animal welfare outcomes and reducing waste through lost birds. Having a more skilled and educated hunting community also contributes to ensuring that duck hunting remains sustainable, hunters act responsibly and are compliant with hunting laws.

The GMA is continuing to work with Field and Game Australia and Sporting Shooters Association of Australia to improve and deliver field training days to the public. To better understand the community needs and expectations of the training days the GMA engaged an external consultant to undertake market research into the current program. Recommendations and any implementation actions will be addressed in the future.

### Compliance and enforcement

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 1975* and subordinate legislation, particularly the *Wildlife (Game) Regulations 2012*. Enforcement powers for authorised officers are granted primarily by the *Conservation, Forests and Lands Act 1987* and the *Wildlife Act 1975*.

### RESPECT: Hunt Responsibly

The flagship compliance program of the GMA is the *RESPECT: Hunt Responsibly* program which is aimed at achieving the highest standard of behaviour by hunters and engendering a culture of zero tolerance towards, and reporting of suspected illegal hunting behaviour.

Publication	No. printed	Mailed direct to Game Licence holders	Available on the web?	Available in government offices?
Game Hunting in Victoria: A manual for responsible and sustainable hunting	80,000	55,000	Yes	Yes
Estimates of harvest for duck and quail in Victoria 2016	50	-	Yes	No
Estimates of harvest for deer, duck and quail from 1985 to 2015	50	-	Yes	No
An audit of Victoria’s State Game Reserves	50	-	Yes	No
Results of 2016 balloted Hog Deer hunting at Blond Bay State Game Reserve and Boole Poole Peninsula	-	-	Yes	No
Wilson’s Promontory National Park Hog Deer control program report 2016	-	-	Yes	No
Three new fact sheets prepared	1,000	-	Yes	No
Seven fact sheets revised	2,600	-	Yes	No
Notification/awareness signs produced	440	-	Yes	No

The GMA delivers this program with the support of a number of organisations and agencies. This includes Victoria Police, Parks Victoria, Firearm Safety Foundation (Vic) Inc., Field and Game Australia, Sporting Shooters Association of Australia, Victorian Hound Hunters Incorporated, Australian Deer Association, Beretta Australia, Winchester Australia, Raytrade Pty Ltd and Outdoor Sporting Agencies.

Program information and the logo are being widely promoted by both stakeholder and industry groups. The GMA also developed several advertisements for the television hunting program *Beyond the Divide*, which was screened on Channel 31, Foxtel's Aurora channel and viewed on the Channel 31 website. It was estimated to have been seen by approximately 100,000 viewers.

In addition, the program principles were incorporated throughout Game Hunting in Victoria: A manual for responsible and sustainable hunting.

The GMA monitors compliance and detects non-compliance using both planned and responsive methods, including field-based inspections, information reports generated by the GMA or other partner agencies, community reports, surveillance and analysis of intelligence.

### Summary of enforcement outputs for the 2016-17 year

Where non-compliance is found, the GMA seeks to achieve compliance using a range of sanctions, such as 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.

The table below details the key enforcement outputs by the GMA for 2016-17.

Activity	Number in 2015-16	Number in 2016-17
Number of information reports generated	77	116
Official (written) warnings issued	27	2
Infringement notices issued as part of the GMA conducted enforcement operations	17	43
Banning notices issued	1	11
Court proceedings concluded	26	6
% successful court proceedings	100%	100%
Proceedings pending	3	0

### Allocation of resources

The below table summarises the GMA's activities with regard to assessment, planning and the allocation of resources.

Activity	Number 2015-16	Number 2016-17
Operation orders prepared		
• Game birds other than duck	1	5
• Hound hunting	7	3
• Deer spotlighting	11	6
• Game duck	18	8
• Public holiday general operations	11	2
• Search warrants for execution	0	0
Inspections/audits conducted	3	2
Total number of planned operations conducted	51	26

### 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 enforcement 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.

Activity	Comments
SOPs prepared	One new SOP was developed in 2016-17
SOPs reviewed	10 existing SOPs were reviewed in 2016-17 as part of an ongoing program of review

### Partnerships

Given the capacity constraints of the GMA enforcement staff and the span of responsibility for game hunting compliance across multiple government agencies, the GMA works closely with land management (e.g. DELWP and Parks Victoria) and other law enforcement agencies (Victoria Police, Fisheries Victoria).

In order for there to be a coordinated and consistent approach to the delivery of compliance services for game hunting, there must be constructive and strong working relationships between the partner agencies to deliver an effective compliance and monitoring program, particularly during heightened periods of hunting activity, such as the opening and closing of game hunting seasons and public holidays.

The below table summarises the partnership activities for game compliance for 2016-17

Activity	Comment
Agreements in preparation	A memorandum of understanding (MOU) in relation to working arrangements with Victoria Police currently under development. An MOU is also in preparation with the Environment Protection Authority so the GMA Game Officers can conduct enforcement in relation to littering offences.
Interagency duck season compliance and monitoring pre-season briefing and post-season debriefing	Includes representatives from DELWP, DEDJTR, Parks Victoria and Victoria Police
Duck Season Planning and Coordination Working Group	Includes representatives from DELWP, DEDJTR, Parks Victoria and Victoria Police
Delivery of duck hunting compliance during surge periods for the 2017 open season	Delivery partners included authorised officers from DELWP, DEDJTR, Parks Victoria and Victoria Police
Assistance with deer hunting compliance during peak periods of activity	Delivery partners included authorised officers from DELWP, Parks Victoria and Victoria Police
Victorian Environmental Compliance Forum	Includes representatives from the GMA, DELWP, DEDJTR, Parks Victoria, Victoria Police, EPA, RSPCA
Hound hunting compliance campaign	Delivery partners included authorised officers from DELWP, Parks Victoria and Victoria Police
Working group on illegal deer hunting activity in the Alexandra and Gippsland areas	The GMA is an active participant in this multi-agency working group

**GMA compliance with legislation and agreements**

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

The GMA holds firearms (long arms - rifles, shotguns) in order to euthanize wounded game or assist in emergency animal destruction in situations such as during wildfires, stock truck roll-overs or disease outbreaks. They are also used in authorised officer firearms handling training and may be used

for animal collection for research purposes. As an owner and user of firearms, the GMA is required to hold a corporate Firearms Licence. All firearms are registered and stored in accordance with the *Firearms Act 1996*. Firearms and ammunition are audited biannually for compliance with the storage and safekeeping provisions of the *Firearms Act 1996* and the GMA's own internal policies.

The GMA possesses Operational Safety Defensive Equipment (ODSE) for issue and use by the GMA authorised officers. Equipment includes oleoresin capicum (OC) spray, extendable batons, body armour and handcuffs and are subject to annual audit. 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 1975* 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 1975* and the Attorney General on activity under the *Surveillance Devices Act 1999*.

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

The GMA established 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 2016-17:

Activity	Comments
Audits for compliance	Internal audits were conducted for firearms and 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 2016 to 31 December 2016 and 1 January 2017 to 30 June 2017
Report on activity for the use of certain surveillance devices (annual)	Submitted to the Attorney General for period 1 July 2016 to 30 June 2017



### Review of Risk Management for Game Compliance

The GMA commissioned an independent review in 2015 of risks faced by Game Officers in the course of their enforcement duties. This review considered risks in the context of physical harm to officers, public safety, as well as the impact on their capacity to carry out their duties effectively and efficiently. In October 2016, the GMA appointed a project officer to implement the recommendations and delivery against those recommendations approved by the Board. This project is nearing completion.

### Complaints against officers

From time to time, an aggrieved person may make a complaint concerning the conduct of a GMA field staff or authorised officer. The circumstances of the complaint determines who will investigate the complaint. The investigation of alleged misconduct can be conducted by the GMA or an outside agency. The GMA uses People and Workplace Services of DEDJTR as an independent complaints investigator for matters concerning authorised officers. When the investigation begins, workings are documented and relevant employees, complainants and witnesses are interviewed.

Nature of complaint	Comments
Employee engaged in a confrontation with a stakeholder	Incident was independently reviewed and appropriate action taken.

### Recommendations and advice

The *Game Management Authority Act 2014* (the Act) requires the GMA to publish in its annual report any information relating to the Authority's objective or functions specifically requested by the Minister.

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 and bag limits, and the management of public and private land as it relates to game and their habitats.

The GMA regularly consults with other state and interstate agencies over game management issues.

### Ministerial request

On 29 March 2017, the Minister for Agriculture, the Hon Jaala Pulford MP, wrote to the Chair of the GMA requesting a review of the compliance operation over the opening weekend of the 2017 duck season. The GMA is currently complying with this request.

### Advice to Parliament

The GMA appeared as a witness in the Victorian Parliament Environment, Natural Resources and Regional Development Committee's Inquiry into the control of invasive animals on Crown land on 5 September 2016.

### Advice to government

The GMA provided advice to government on a number of matters relating to game hunting. Notable advice included:

- 2017 duck season arrangements
- closure of wetlands or the further regulation of duck hunting
- re-opening of wetlands to duck hunting
- Hog Deer hunting on Snake Island
- possible amendments to the *Wildlife Act 1975*
- management of hound hunting

### Advice to partner agencies

Throughout the year, the GMA was involved in a number of different forums and provided advice to a number of agencies on subjects that directly or indirectly affect game hunting or game management. Some of the more notable issues were:

- Sustainable Hunting Action Plan
- possible amendments to the *Wildlife Act 1975*
- possible amendments to the *Game Management Authority Act 2014*
- possible amendments to the *Traditional Owner Settlement Act 2010*
- DEDJTR Aboriginal Inclusion Plan
- management of duck hunting in relation to recovery of the Orange-bellied Parrot
- control of Red Deer in the Grampians
- improvements to wetland closure and the further regulation of hunting to reduce the risk to protected wildlife from duck hunting
- advice on deer control and management
- VEAC state-wide assessment of public land

The GMA participated in five multi-agency round table deer management meetings in the north east, Gippsland and eastern Victoria.

At the instigation of the GMA, the South Eastern Australia Game Management Forum was created to provide an opportunity for senior representatives from state agencies responsible for game management in Victoria, New South Wales, South Australia, Tasmania and Northern Territory to exchange ideas, explore opportunities to work together and pool resources. One meeting was held in May 2017.

### Balloted Hog Deer hunting

The GMA also contributed to the Blond Bay Hog Deer Advisory Group – a multi-agency and stakeholder committee that oversees balloted hunting of Hog Deer on public land. The GMA attended four meetings of the advisory group and issued 32 permits authorising hunters to take part in balloted hunting for Hog Deer on Blond Bay State Game Reserve and the Boole Poole Peninsula.

In addition, the GMA assisted Parks Victoria to implement balloted Hog Deer hunting on Snake Island and issued 56 permits to hunters.

### Research and monitoring

Under the *Game Management Authority Act 2014*, the GMA is required to monitor, conduct research, and analyse the environmental, social, and economic impacts of game hunting and game management. The GMA conducted the following in 2016-17:

#### Game birds

The GMA

- engaged the DELWP Arthur Rylah Institute for Environmental Research and NSW Department of Primary Industries to undertake a review of the proposed Waterfowl Conservation and Harvesting Model, given the time elapsed since the model was developed, advances in monitoring technology and developments in modelling theory. The review was co-funded by the GMA and NSW Game Licensing Unit and a draft report was provided on 30 June 2017
- supported DELWP in conducting the Summer Waterfowl Count by surveying wetlands across the state to identify any wetlands that required closure, partial closure or further regulation of duck hunting. The GMA contributed 39 days to this program
- assisted DELWP by managing the collection of biological information on harvested game ducks during the opening weekend bag survey. From this, the GMA provided hundreds of feather samples to the national Feather Map program to track the movement of waterbirds throughout Australia and aged and sexed more than 1,000 samples for DELWP.
- The GMA regularly monitored wetlands that were closed, re-opened or had significant threatened waterbird species. Monitoring was undertaken principally by the GMA staff with some assistance from DELWP and DEDJTR staff

- contributed \$13,750 towards the cost of conducting the Eastern Australian Aerial Waterbird Count, delivered by the University of New South Wales
- commissioned the Arthur Rylah Institute for Environmental Research, DELWP, to design a state-wide monitoring program for Stubble Quail and develop an ageing and sexing guide for game waterfowl

#### Deer

The GMA

- operated four Hog Deer Checking Stations to assess the age, sex, and body and reproductive condition of all Hog Deer legally harvested during balloted hunting periods (including Snake Island) and the April open season
- operated two Hog Deer Checking Stations at Wilsons Promontory National Park to process Hog Deer that were removed as part of Parks Victoria's population management program

#### Game harvest

The GMA

- completed its annual phone survey of game harvests with data gathered from game hunters licensed to hunt game in Victoria. *Estimates of harvest for duck and quail in Victoria 2016* was published in November 2016 and is available on its website
- reviewed historical mail survey data and compared with recent phone survey data. *Estimates of harvest for deer, duck and quail from 1985 – 2015* was published in October 2016 and is available on its website
- a further report on estimated deer harvest of deer for 2016 will be available in 2017

#### Hog Deer genetics PhD study

The GMA has partnered with La Trobe University to undertake a study into the genetics of the Victorian Hog Deer population. The GMA has committed \$18,500 toward the study for use in the purchase of equipment and processing and storage of samples. The GMA is also providing advice to the PhD candidate and assisting with coordinating the collection of tissue samples at checking stations and other population management programs.

The project commenced in February 2015 and is due for completion in 2018.



## Communication

The GMA delivers communication products and services in accordance with its Communications Strategy.

The strategy aims to increase awareness of the GMA and its role and function, maximise opportunities with partner bodies, provide regular contact and 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.

### Electronic – website

The GMA website (including the YouTube channel) is one of the GMA's primary communication tools. In 2016-17, the website recorded 328,093 sessions/visits undertaken by 185,206 users who spent an average of two minutes and 45 seconds on the website. 93% of users were from Australia and, of this, 80% were Victorian. Outside of Australia, the website was accessed in descending order from USA, UK and Canada.

In total, visitors viewed 865,898 pages, a 15.7% increase from the previous year. The three most popular pages remained the same as the previous three years, these being the *Eastern Victorian Deer Hunting Maps*, *Where to Hunt* and *Deer Hunting Maps* web pages.

### Electronic – Phone app

To provide a more accessible avenue of electronic information and to capitalise on different functionality, the GMA maintains a phone application accessible by both Android and iOS devices. The phone application was updated twice during 2016-17. For the first time, the GMA used the App to send push notifications to users. Seven different notifications were issued.

### Electronic – YouTube

The GMA YouTube channel has 25 videos uploaded and recorded 67,852 views, a 57% increase from the previous year. These videos cover areas of hunter education, responsible hunting, bird identification, and testing. Each viewer spent an average of three minutes and forty-four seconds watching videos. The total watch time was 253,630 minutes, a 51% increase from the previous year.

## Customer Service Centre

The DELWP Customer Service Centre provides call centre services to the GMA. It is a primary point of contact between the community and the GMA through its 136 186 number.

The majority of queries fielded by the Customer Service Centre related to game licensing, however, many queries related to where game can be hunted. The Customer Service Centre responded to 1,490 requests to amend Game Licences.

### Information packs

To facilitate the distribution of Hog Deer tags and information on Checking Station arrangements for the 2017 Hog Deer season, 1,100 Hog Deer Tag packages were created and distributed at regional offices and the Customer Service Centre. In addition, a further 56 Hog Deer Tag Packs specific to hunting on Snake Island were issued to hunters drawn in the ballot.

### Media

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

Media releases and radio interviews were used extensively. The GMA issued 21 media releases and participated in 10 radio interviews during 2016-17.

### Hunter manual

Recognising the importance of education and the role it plays in ensuring hunter compliance, the GMA produced *Game Hunting in Victoria: A Manual for responsible and sustainable hunting*. This comprehensive manual replaced the previous *Victorian Hunting Guide* and provides comprehensive information to assist new and existing hunters on how to hunt effectively and safely, comply with laws and ensure they are aware of their responsibilities. This manual was directly mailed to all current Game Licence holders and was distributed to hunting organisations and at industry shows.

## Initiatives and key achievements

The below table summarises the GMA's key initiatives and achievements for the 2016-17 period.

Activity / initiative	Delivery			Comments
	Completed	Partially completed	Yet to commence	
Provide advice to the Minister and government agencies	√			Advice provided on a range of game-related matters
Conduct targeted enforcement activities	√			Twenty-six planned operations conducted, resulting in 62 enforcement actions, including 6 successful prosecutions
Maintain compliance standard operating procedures	√			29 SoPs maintained, one new SoP developed and ten reviewed
Finalise an MOU with Victoria Police		√		Draft MOU with Victoria Police currently being developed
Timely issue of game licences, renewals, testing and authorisations	√			All licences, authorisations and testing completed within the target 15 working days. 34,172 transactions completed
Produce the <i>Game Hunting in Victoria</i> manual	√			Manual produced and 55,000 copies direct mailed to Game Licence holders. Twenty-five thousand copies made available at regional offices, to hunting organisations and industry expos. Mailed to new licence applicants. Published on the GMA website
Produce State Game Reserve Audit report	√			Report completed and released in February 2017
Maintain the GMA website	√			Maintained the website and continued to add education material
Grow the RESPECT: Hunt Responsibly program	√			Meeting held with industry and stakeholder working group. Work plan developed. RESPECT messages incorporated throughout the <i>Game Hunting in Victoria</i> manual and developed a series of ads run in the <i>Beyond the Divide</i> TV series
Complete annual harvest reports	√			2016 report completed for duck and quail, 50 copies printed for distribution, report published on GMA website.  Draft report on 2016 deer harvest completed for release later in 2017
Review Waterfowl Conservation and Harvesting Model		√		Review commissioned and draft report completed. Final report to be released later in 2017
Facilitate trial balloted Hog Deer hunting on Snake Island	√			Consultation and management framework developed, information package produced, 56 hunters participated in balloted hunting on Snake Island between February and May 2017, compliance operations conducted, checking station operated, hunters surveyed

# 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.

To facilitate our adherence to OH&S standards, the GMA established a Safety Excellence Team in 2017. The team is comprised of representatives from the various business streams across metropolitan and regional offices. Its terms of reference include the assessment of existing practices to ensure compliance with current standards, identification of emerging issues and oversight of the implementation of OH&S initiatives designed to improve our safety culture.

## Incident management

There was one minor occupational health and safety incident reported and two Work Cover claims lodged during the period 1 July 2016 to 30 June 2017.

## 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 being an employer of choice by attracting and selecting the best people for the work it undertakes and appoints all employees to positions that will make the best possible use of their skills, competencies, qualifications and talents. The aim of the recruitment and selection process is to:

- ensure all recruitment activities are conducted with full recognition of the principles of diversity
- recruit the best person for each position
- recognise and comply with all current legislation governing all aspects of recruitment
- provide all staff with the opportunity and encouragement to further their development.

The GMA has a suite of human resources policies available for staff, either developed to suit our particular needs or, where appropriate, utilising those of the Department of Economic Development, Jobs, Transport and Resources including policies relating to:

- grievance resolution
- declaration of interests
- gifts, benefits and hospitality
- managing underperformance
- appropriate workplace behaviour.

## Organisational climate and culture

The GMA takes the state of its organisational culture very seriously and seeks to remain constantly aware of the views of its staff, behaviours and areas of concern.

In 2017, the GMA participated in the Victorian Public Sector Commission's People Matter Survey. The GMA will use the findings of the survey to continue to strengthen its culture and work environment.

### 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 2004*. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year. There was one person who held a position of executive officer as defined by the *Public Administration Act 2004* as at the last full pay period in June 2017.

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 and amount of remuneration paid to EOs 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. To assist readers, this disclosure is reconciled below.

Reconciliation of executive numbers 2016-17	2016	2017
Executive positions with total remuneration over \$100,000.	2	2
<i>(Financial Statement Note 16)</i>		
Vacancies	-	-
Separations	-	-
<b>Total executives numbers at 30 June</b>	<b>2</b>	<b>2</b>

### Workforce data

	Ongoing employees 2016-17				Fixed term and casual employees
	Employees (Headcount)	Full time (Headcount)	Part time (Headcount)	FTE	FTE
Executive Positions	2 (2)	2 (2)	0	2 (2)	0
Senior Managers	3 (3)	3 (3)	0	3 (3)	0
Administration Staff	4 (4)	4 (4)	0	4 (4)	1
Field Staff	9 (9)	9 (9)	0	9 (9)	0
<b>Total positions</b>	<b>18 (18)</b>	<b>18 (18)</b>	<b>0</b>	<b>18 (18)</b>	<b>1</b>
Male	15 (16)	15 (16)	0	15 (16)	0
Female	3 (2)	3 (2)	0	3 (2)	1
<b>Total</b>	<b>18 (18)</b>	<b>18 (18)</b>	<b>0</b>	<b>18 (18)</b>	<b>1</b>

Note: Figures in parenthesis are from 2015-16 financial year.

## Other disclosures

### Implementation of the Victorian Industry Participation Policy

The GMA has not undertaken any projects during the financial reporting period relevant to the Victorian Industry Participation Policy.

### Consultancy Expenditure

In 2016-17, the GMA undertook one consultancy where the total fees payable were greater than \$10,000. The total expenditure incurred during 2016-17 in relation to this consultancy was \$21,628 (excluding GST). Details of the consultancy are outlined below.

### 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. For the 12 months ended 30 June 2017, there were five freedom of information requests received by the GMA. All of these requests were from a Member of Parliament.

Freedom of information requests must be made in writing describing the documents requested and including payment of the application fee of \$26.50. 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 4509, Melbourne Victoria 3001. Further information regarding the *Freedom of Information Act 1982* may be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au)

### Compliance with the Building Act

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 the Protected Disclosure Act

The GMA is a public body subject to the *Protected Disclosure Act 2012*. The purpose of the 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 the 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 Act, and how the GMA will manage the welfare of persons connected with protected disclosures.

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

- in person at Level 1, North Tower, 459 Collins Street, Melbourne, Victoria 3000
- in writing GPO Box 24234, Melbourne, Victoria, 3001
- by telephone 1300 735 135.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2016-17 (excl. GST)	Future expenditure (excl. GST)
Andrews Group	Market Research into Practical Component of Shotgun Education Program [SEP]	6 March 2017	30 May 2017	\$21,628	\$21,628	Nil

## 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. Policies, formal procedures, and setting relevant examples all contribute to raising environmental awareness and maintenance of the practices. For example, the GMA's main printer is set to print double-sided, black and white, and is programmed to go into an energy saving sleep mode. 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.

## Availability of additional information on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, 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 4509, Melbourne, Victoria 3001

## Attestation for Compliance with the Australian/New Zealand Risk Management and Insurance Standards

I, Brian Hine certify that the Game Management Authority has partially complied with the Ministerial Standing Direction 3.7.1 – Risk Management Framework and Processes.

The GMA will be working to progressively strengthen its risk management process, in conjunction with relevant Departments and Agencies, to contribute to the identification and management of inter-agency and state significant risks.

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

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

Brian Hine  
Chairperson

# Financial Report – 30 June 2017

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This financial report covers the Game Management Authority as an individual entity and is presented in the Australian currency.

The Game Management Authority is an independent, statutory office of the State of Victoria. Its principal address is:

Game Management Authority  
121 Exhibition Street  
Melbourne VIC 3000

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

The financial report was authorised for issue by the Chairperson – Mr Brian Hine, the Chief Executive Officer – Mr Gregory Hyams, and the Acting Chief Finance and Accounting Officer – Ms Jessica Lambous on 11/10/2017.

For queries in relation to our financial reports, please call 136 186, or visit our website [www.gma.vic.gov.au](http://www.gma.vic.gov.au).



## Comprehensive operating statement for the financial year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>Income from transactions</b>			
Sales of goods and services	2(a)	44,533	59,057
Grants	2(b)	5,300,000	4,800,000
Interest	2(c)	93,157	98,275
<b>Total income from transactions</b>		<b>5,437,690</b>	<b>4,957,332</b>
<b>Expenses from transactions</b>			
Employee expenses	3(a)	(2,547,493)	(2,321,194)
Depreciation	3(b)	(117,874)	(117,874)
Interest expense	3(c)	(18,866)	(8,044)
Contractors and professional services	3(d)	(462,546)	(428,531)
Supplies and services	3(e)	(1,340,393)	(882,897)
Other operating expenses	3(f)	((27,237)	(27,161)
<b>Total expenses from transactions</b>		<b>(4,514,410)</b>	<b>(3,785,701)</b>
<b>Net result from transactions (net operating balance)</b>		<b>923,281</b>	<b>1,171,631</b>
<b>Other economic flows included in net result</b>			
Net gain on non-financial assets	4(a)	-	8,678
Other gains/(losses) from other economic flows	4(b)	14,696	(9,167)
<b>Total other economic flows included in net result</b>		<b>14,696</b>	<b>(489)</b>
<b>Comprehensive result</b>		<b>937,976</b>	<b>1,171,142</b>

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

## Balance sheet as at 30 June 2017

	Notes	2017 \$	2016 \$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	14	4,431,216	4,861,061
Receivables	5, 14	520,056	1,742,529
<b>Total financial assets</b>		<b>4,951,272</b>	<b>6,603,590</b>
<b>Non-financial assets</b>			
Plant and equipment	6	307,982	425,857
<b>Total non-financial assets</b>		<b>307,982</b>	<b>425,857</b>
<b>Total assets</b>		<b>5,259,254</b>	<b>7,029,446</b>
<b>Liabilities</b>			
Payables	7, 14	590,808	3,387,203
Borrowings	9, 14	300,610	419,003
Provisions	8	907,013	700,393
<b>Total liabilities</b>		<b>1,798,431</b>	<b>4,506,599</b>
<b>Net assets</b>		<b>3,460,824</b>	<b>2,522,848</b>
<b>Equity</b>			
Accumulated surplus		3,460,824	2,522,848
<b>Net worth</b>		<b>3,460,824</b>	<b>2,522,848</b>
Commitments for expenditure	12		
Contingent liabilities and contingent assets	13		

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

## Statement of changes in equity for the financial year ended 30 June 2017

	"Accumulated surplus" \$	"Contributions by owner" \$	Total \$
<b>Balance at 1 July 2015</b>	<b>1,351,706</b>	-	<b>1,351,706</b>
Net result from transactions	1,171,631	-	<b>1,171,631</b>
Other economic flows included in net result	(489)	-	<b>(489)</b>
<b>Balance at 30 June 2016</b>	<b>2,522,848</b>	-	<b>2,522,848</b>
Net result from transactions	923,280	-	<b>923,280</b>
Other economic flows included in net result	14,696	-	<b>14,696</b>
<b>Balance at 30 June 2017</b>	<b>3,460,824</b>	-	<b>3,460,824</b>

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

## Cash flow statement for the financial year ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government	2	4,800,000	4,800,000
Receipts from other entities		44,533	77,185
Net goods and services tax recovered from / (paid to) the ATO		90,243	71,035
Interest received		93,157	98,275
<b>Total receipts</b>		<b>5,027,934</b>	<b>5,046,495</b>
<b>Payments</b>			
Payments to suppliers and employees		(5,320,520)	(2,225,800)
Interest payments		(18,866)	(8,044)
<b>Total payments</b>		<b>(5,339,386)</b>	<b>(2,233,843)</b>
<b>Net cash flows from/(used in) operating activities</b>	15	<b>(311,452)</b>	<b>2,812,651</b>
<b>Cash flows from investing activities</b>			
Proceeds / (payments) for plant and equipment		-	25,182
<b>Net cash flows from/(used in) investing activities</b>		<b>-</b>	<b>25,182</b>
<b>Cash flows from financing activities</b>			
Repayment of finance leases		(118,393)	(113,257)
<b>Net cash flows from/(used in) financing activities</b>		<b>(118,393)</b>	<b>(113,257)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(429,845)</b>	<b>2,724,577</b>
Cash and cash equivalents at beginning of financial year		4,861,061	2,136,484
<b>Cash and cash equivalents at end of financial year</b>		<b>4,431,216</b>	<b>4,861,061</b>

The accompanying notes form part of these financial statements.

# Notes to the financial statements as at 30 June 2017

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## Note 1. Summary of significant accounting policies

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

The former Minister for Agriculture and Food Security, The Hon. Peter Walsh MP, appointed the Board by determination on the 1 July 2014.

These annual financial statements represent the audited general purpose financial statements of the Authority for the period ended 30 June 2017. The purpose of the report is to provide users with information about the Authority's stewardship of resources entrusted to it.

### (a) Statement of compliance

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

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

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

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 20.

These annual financial statements were authorised for issue by the Authority on 11/10/2017.

### (b) Basis of accounting preparation and measurement

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

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

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 the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, plant and equipment (refer Note 1 (j));
- the estimated useful lives over which non-financial assets are depreciated;
- the estimation of amounts required to be provisioned;
- assumptions for employee benefits provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(k)); and
- superannuation expense (refer to Note 1(g)).

Consistent with AASB 13 *Fair Value Measurement*, the Authority determines the policies and procedures for both recurring fair value measurements (such as financial instruments) and for non-recurring fair value measurements in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value.

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

These financial statements are presented in Australian dollars, and prepared in accordance with historical cost convention.

**(c) Reporting entity**

The financial statements cover the Game Management Authority as an individual reporting entity.

The Authority was established on 1 July 2014 via the *Game Management Authority Act 2014*.

Its principal address is:

Game Management Authority  
121 Exhibition Street  
Melbourne VIC 3000

**Objectives of the Game Management Authority**

The objective of the Game Management Authority is to regulate and promote sustainable and responsible game hunting in Victoria in accordance with the *Game Management Authority Act 2014*.

**(d) Scope and presentation of financial statements****Comprehensive operating statement**

The comprehensive operating statement comprises three components, being 'net result from transactions (or termed as 'net operating balance') 'other economic flows included in net result', as well as 'other economic flows - other comprehensive income'. The sum of the former two, together with the net result from discounted operations, represents the net result.

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

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

Refer to Note 20 Glossary for the definition of 'transactions included in net result', 'other economic flows included in net result' and 'other economic flows other comprehensive income'.

**Balance sheet**

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

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

**Cash flow statement**

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

**Statement of changes in equity**

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts related to 'Transactions with owner in its capacity as owner'.

**Rounding**

Amounts in the financial statements have been rounded to the nearest \$1 000, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

**(e) Changes in accounting policies**

There have been no changes in accounting policy for the Game Management Authority for the 2016-17 financial year.

**(f) Income from transactions****Government grants**

Grants from third parties (other than contribution by owners) are recognised as income in the reporting period in which the Authority gains control over the assets.

**Other Income**

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

**Sale of goods and services****Income from the supply of services**

Income from the supply of services is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the Authority.

Under the stage of completion method, income is recognised by reference to the successful completion of milestones in individual contracts in each annual reporting period.

In the event that funds are received in advance and the provision of services is incomplete at the reporting date, the value of the incomplete portion is recognised as unearned income for the period and classified as a liability.

**Interest**

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported either as part of income from other economic flows in the net result or as unrealised gains or losses taken directly to equity, forming part of the total change in net worth in the comprehensive result.

### **(g) Expenses from transactions**

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

#### **Employee expenses**

Refer to Note 1(k) regarding employee benefit liabilities.

These expenses include all costs related to employment (other than superannuation, which is accounted for separately), including wages and salaries, leave entitlements, redundancy payment and WorkCover premiums.

#### **Superannuation**

The amount recognised in the comprehensive operating statement is the employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

#### **Depreciation**

All items of property, plant and equipment 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.

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

#### **Interest expense**

Interest expense represents costs incurred in connection with borrowings. It includes interest on components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings. Interest expense is recognised as an expense in the period in which it is incurred.

#### **Contractors and professional services**

Contractors and Professional Services are recognised as an expense in the reporting period in which they are incurred.

#### **Supplies and services**

Supplies and services costs which are recognised as an expense in the reporting period in which they are incurred. Please refer to note 3(e) for the type of expenses incurred.

#### **Other operating expenses**

Other operating expenses generally represent the costs of goods sold, including inventory and supplies purchases.

### **(h) Other economic flows included in net result**

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

#### **Net gain/(loss) on non-financial assets**

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as discussed in the following.

#### **Net gain/(loss) on disposal of non-financial assets**

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting the proceeds from the carrying value of the asset at that time.

#### **Impairment of non-financial assets**

Assets are assessed annually for indications of impairment, except for: non-financial physical assets held for sale (refer to Note 1(j) Non-financial assets).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as other economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. The impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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

Refer to Note 1(j) Non-financial assets in relation to the recognition and measurement of non-financial assets.

#### **Other gains/(losses) from other economic flows**

Other gains/(losses) from other economic flows include the gains or losses from the revaluation of the present value of long service leave liability due to changes in bond interest rates.



**(i) Financial assets****Cash and deposits**

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

**Receivables**

Receivables consist predominantly of amounts owing from the Victorian Government, debtors in relation to goods and services and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Taxes and other statutory receivables are not classified as financial instruments.

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

**(j) Non-financial assets****Non-financial physical assets classified as held for sale**

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs of disposal, and are not subject to depreciation or amortisation.

**Plant and equipment**

All non-financial physical assets 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 fair value of plant and equipment, is normally determined by reference to the asset's depreciated cost. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 6 Plant and equipment.

The Authority capitalises expenditures on individual items of \$1,000 or more, and records these as non-financial assets.

The estimated useful lives for plant and equipment are in the range of 3 to 20 years.

**Prepayments**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**(k) Liabilities****Payables**

Payables consist predominantly of creditors, amounts owing to the Victorian Government and other sundry liabilities.

Payables represent liabilities for goods and services provided to the Authority at the end of the financial year, and arise when the Authority becomes obliged to make future payments in respect of the purchase of those goods and services.

Payables are initially measured at fair value, being the cost of the goods and services, and then subsequently measured at amortised cost.

**Borrowings**

All interest bearing liabilities are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The Authority classifies its interest bearing liabilities as financial liabilities at amortised cost.

**Provisions**

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

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

**Employee benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

**(i) Wages and salaries, annual leave and sick leave**

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

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

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

**(ii) Long service leave**

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the Authority 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:

- discounted value - the Authority expects to wholly settle within 12 months; and
- present value - if the Authority does not expect to wholly settle within 12 months.

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

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow (refer to Note 1(h)).

**On-costs**

Provisions for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from provision for employee benefits.

**(l) Leases**

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are

classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. The commencement of the lease term is deemed to be the date the asset is commissioned. All other leases are classified as operating leases.

**Motor vehicle finance leases**

**Authority as lessee**

At the commencement of the lease term, motor vehicle finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non-financial physical asset. If there is certainty that the Authority will obtain the ownership of the lease asset by the end of the lease term, the asset shall be depreciated over the useful life of the asset. If there is no reasonable certainty that the Authority will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

Minimum motor vehicle finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

**(m) Commitments**

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 13) at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditure cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

**(n) Contingent assets and contingent liabilities**

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer to Note 14) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

**(o) Accounting for the goods and services tax (GST)**

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

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

For GST transactions, the Authority was initially grouped with the Department of Environment Land Water and Planning and subsequently, as a result of machinery of government changes, was then grouped with the Department of Economic Development, Jobs, Transport and Resources in February 2015.

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

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

#### (p) Events after reporting date

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

Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting and before the date when the financial

statements are authorised for issue, where those events provide information about conditions which existed at the reporting date.

Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

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

Certain new AASs have been published that are not mandatory for the 30 June 2017 reporting period. The Department of Treasury and Finance (DTF) assess the impact of all these new standards and advises the Authority of their applicability and early adoption where applicable.

The Authority early adopted AASB 2015 7 *Fair Value Disclosures of Not for Profit Public Sector Entities*, which was operative from 1 July 2016 provided an exemption for not for profit public sector entities from disclosing the quantitative information of 'significant unobservable inputs' and the 'sensitivity analysis' if the assets are held primarily for their current service potential rather than to generate net cash inflows.

For the financial year ended 30 June 2017, GMA has assessed the new standards and has decided not to early adopt these standards, as they will have no impact on GMA.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning	Impact on public sector entity financial statements
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1-Jan-18	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss.  While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning	Impact on public sector entity financial statements
<p>AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2010)</p>	<p>The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows:</p> <ul style="list-style-type: none"> <li>• The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and</li> <li>• Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</li> </ul>	<p>1-Jan-18</p>	<p>The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI).</p> <p>Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed.</p>
<p>AASB 15 <i>Revenue from Contracts with Customers</i></p>	<p>The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.</p>	<p>1-Jan-18</p>	<p>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.</p> <p>A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.</p>

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning	Impact on public sector entity financial statements
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	1-Jan-19	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase. Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.</p> <p>The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement. No change for lessors.</p>
AASB 2015 6 <i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i> [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 Related Party Disclosures to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1-Jan-19	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.
AASB 2016-3 <i>Amendments to Australian Accounting Standards - Clarifications to AASB 15</i>	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from a licence.	1-Jan-18	The assessment has indicated that there will be no significant impact for the public sector
AASB 2016-7 <i>Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-profit Entities</i>	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019	1-Jan-19	This amending standard defers the application period of AASB 15 for not-for-profit entities to the 2019-20 reporting period.
AASB 2016-8 <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-profit Entities</i>	This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1-Jan-19	The assessment has indicated that there will be no significant impact for the public sector, other than the impacts identified for AASB 9 and AASB 15 above.

## Note 2. Income from transactions

	2017	2016
	\$	\$
<b>(a) Sale of goods and services</b>		
Sales of goods	3,636	-
Rendering of services	-	16,417
User fees and charges	40,897	42,640
<b>Total income from sale of goods and services</b>	<b>44,533</b>	<b>59,057</b>
<b>(b) Grants</b>		
Department of Economic Development, Jobs, Transport and Resources	5,300,000	4,800,000
<b>Total grant income</b>	<b>5,300,000</b>	<b>4,800,000</b>
<b>(c) Interest</b>		
Interest on cash deposits and Investments	93,157	98,275
<b>Total interest income</b>	<b>93,157</b>	<b>98,275</b>
<b>Total income from transactions</b>	<b>5,437,690</b>	<b>4,957,332</b>

## Note 3. Expenses from transactions

	2017	2016
	\$	\$
<b>(a) Employee expenses</b>		
Salary and wages	(1,937,959)	(1,856,748)
Superannuation	(185,333)	(163,650)
Leave expenses	(294,156)	(166,493)
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	(130,045)	(134,303)
<b>Total employee expenses</b>	<b>(2,547,493)</b>	<b>(2,321,194)</b>
<b>(b) Depreciation and amortisation</b>		
Plant, machinery and equipment	(1,885)	(1,885)
Leased motor vehicles	(115,990)	(115,990)
<b>Total depreciation and amortisation expenses</b>	<b>(117,874)</b>	<b>(117,874)</b>
<b>(c) Interest Expenses</b>		
Interest on finance lease expense	(18,866)	(8,044)
<b>Total interest expenses</b>	<b>(18,866)</b>	<b>(8,044)</b>
<b>(d) Contract and professional services</b>		
Contractors and professional services expenses	(462,546)	(428,531)
<b>Total contract and professional services expenses</b>	<b>(462,546)</b>	<b>(428,531)</b>
<b>(e) Supplies and services</b>		
Accommodation expenses	(388,698)	(351,975)
Postage and telephone expenses	(152,447)	(117,820)
Office expenses	(196,868)	(110,215)
Motor vehicle expenses	(87,425)	(90,304)
Information technology expenses	(96,814)	(77,401)
Insurance	(15,885)	(47,934)
Travel and subsistence expenses	(112,647)	(41,527)
Equipment maintenance and hire	(10,112)	(7,975)
Community awareness and publicity	(25,975)	(1,193)
DEDJTR Services	(139,754)	-
Other	(113,768)	(36,551)
<b>Total supplies and services expenses</b>	<b>(1,340,393)</b>	<b>(882,897)</b>
<b>(f) Other operating expenses</b>		
Cost of goods sold/distributed	(27,237)	(27,161)
<b>Total other operating expenses</b>	<b>(27,237)</b>	<b>(27,161)</b>
<b>Total expenses from transactions</b>	<b>(4,514,410)</b>	<b>(3,785,701)</b>

## Note 4. Other economic flows included in net result

	2017	2016
	\$	\$
<b>(a) Net gain on non-financial assets</b>		
Net gain on disposal of motor vehicles	-	8,678
<b>Total net gain on non-financial assets</b>	<b>-</b>	<b>8,678</b>
<b>(b) Other gains/(losses) from other economic flows</b>		
Net gain / (loss) arising from revaluation of employee benefits	14,696	(9,167)
<b>Total other (losses) from other economic flows</b>	<b>14,696</b>	<b>(9,167)</b>
<b>Total other economic flows included in net result</b>	<b>14,696</b>	<b>(489)</b>

## Note 5. Receivables

	2017	2016
	\$	\$
<b>Current receivables</b>		
<b>Contractual</b>		
Other receivables <sup>(i)</sup>	507,016	1,730,960
<b>Total contractual receivables</b>	<b>507,016</b>	<b>1,730,960</b>
<b>Statutory</b>		
GST input tax credit recoverable	13,040	11,569
<b>Total statutory receivables</b>	<b>13,040</b>	<b>11,569</b>
<b>Total receivables</b>	<b>520,056</b>	<b>1,742,529</b>

(i) The average credit period on sales of goods and/or services is 30 days. No interest is charged on other receivables.

**Ageing analysis of contractual receivables**

For an ageing analysis of contractual receivables, please refer to note 14(b).

**Nature and extent of risk from contractual receivables**

Further information regarding the nature and extent of risk arising from contractual receivables may be found in note 14(b).



## Note 6. Plant and equipment

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and equipment</b>		
Gross carrying amount	18,194	18,194
Accumulated depreciation	(9,062)	(7,178)
<b>Net carrying amount - plant and equipment</b>	<b>9,131</b>	<b>11,016</b>
<b>Motor vehicles</b>		
Gross carrying amount	557,771	557,771
Accumulated depreciation	(258,920)	(142,930)
<b>Net carrying amount - motor vehicles</b>	<b>298,851</b>	<b>414,841</b>
<b>Net carrying amount - property, plant and equipment</b>	<b>307,982</b>	<b>425,857</b>

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

	<b>Plant, equipment and leased motor vehicles at fair value</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Opening balance</b>	<b>425,857</b>	<b>572,528</b>
Net transfers to / (from) government entities	-	(28,797)
Depreciation expense	(117,874)	(117,874)
<b>Closing balance</b>	<b>307,982</b>	<b>425,857</b>

## Note 7. Payables

	2017	2016
	\$	\$
<b>Contractual</b>		
Creditors <sup>(i)</sup>	45,795	3,185,925
Accrued expenses	362,256	120,660
Other payables <sup>(ii)</sup>	182,757	80,618
<b>Total contractual payables</b>	<b>590,808</b>	<b>3,387,203</b>
<b>Total payables</b>	<b>590,808</b>	<b>3,387,203</b>

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

(ii) Other payables represent accrued employee expenses.

### ***Maturity analysis of contractual payables***

Refer to Table 14.4 in Note 14 for the maturity analysis of payables.

### ***Nature and extent of risk arising from contractual payables***

Refer to Note 14 for the nature and extent of risks arising from payables.

## Note 8. Provisions

	2017	2016
	\$	\$
<b>Current provisions</b>		
<i>Employee benefits<sup>(i)</sup> – annual leave (Note 8(a))</i>		
Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	163,484	128,982
Unconditional and expected to be settled after 12 months <sup>(iii)</sup>	142,799	121,988
<i>Employee benefits<sup>(i)</sup> – long service leave (Note 8(a))</i>		
Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	19,254	10,752
Unconditional and expected to be settled after 12 months <sup>(iii)</sup>	365,834	204,293
<b>Total current provisions for employee benefits</b>	<b>691,372</b>	<b>466,015</b>
<b>Provisions for on-costs</b>		
Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	33,322	25,569
Unconditional and expected to be settled after 12 months <sup>(iii)</sup>	86,124	55,919
<b>Total current provisions for on-costs</b>	<b>119,446</b>	<b>81,488</b>
<b>Total current provisions</b>	<b>810,817</b>	<b>547,504</b>
<b>Non-current provisions</b>		
Employee benefits <sup>(i) (iii)</sup> (Note 8(a))	82,689	131,423
Provisions for on-costs <sup>(iii)</sup>	13,507	21,467
<b>Total non-current provisions</b>	<b>96,196</b>	<b>152,890</b>
<b>Total provisions (iv)</b>	<b>907,013</b>	<b>700,394</b>

(i) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

(ii) The amounts disclosed are nominal amounts.

(iii) The amounts disclosed are discounted to present values.

(iv) Employee head count increased from 18 staff as at 30 June 2016 to 28 staff as at 30 June 2017, resulting in an overall increase in employee-related provisions.

**(a) Employee benefits and related on-costs**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<i>Current employee benefits <sup>(i)</sup></i>		
Annual leave	306,283	250,970
Unconditional long service leave	385,088	215,045
<i>Non-current employee benefits <sup>(i)</sup></i>		
Conditional long service leave <sup>(iii)</sup>	82,689	131,423
<b>Total employee benefits</b>	<b>774,060</b>	<b>597,438</b>
<b>On-costs</b>		
Current on-costs	119,446	81,488
Non-current on-costs <sup>(iii)</sup>	13,507	21,467
<b>Total on-costs</b>	<b>132,953</b>	<b>102,955</b>
<b>Total employee benefits and on-costs</b>	<b>907,013</b>	<b>700,394</b>

(i) Employee benefits consist of annual leave and long service leave accrued by employees. On costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.

(ii) The amounts disclosed are nominal amounts.

(iii) The amounts disclosed are discounted to present values.

**(b) Movement in on-cost provisions**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Opening balance</b>	<b>102,955</b>	<b>96,458</b>
Additional provisions recognised	47,117	28,212
Reduction arising from payments	(17,119)	(21,715)
<b>Closing balance</b>	<b>132,953</b>	<b>102,955</b>
Current	119,446	81,488
Non-current	13,507	21,467
<b>Closing balance</b>	<b>132,953</b>	<b>102,955</b>

## Note 9. Borrowings

	2017	2016
	\$	\$
<b>Current borrowings</b>		
Motor Vehicles under finance lease	300,610	118,393
<b>Total current borrowings</b>	<b>300,610</b>	<b>118,393</b>
<b>Non-current borrowings</b>		
Motor Vehicles under finance lease	-	300,610
<b>Total non-current borrowings</b>	<b>-</b>	<b>300,610</b>
<b>Total borrowings</b>	<b>300,610</b>	<b>419,003</b>

## Note 10. Leases

### Finance lease liabilities

	Minimum future lease payments		Present value of minimum future lease payments	
	2017	2016	2017	2016
	\$	\$	\$	\$
Not longer than 1 year	304,538	134,856	300,610	118,393
Longer than 1 year and not longer than 5 years	-	304,537	-	300,610
<b>Minimum future lease payments</b>	<b>304,538</b>	<b>439,394</b>	<b>300,610</b>	<b>419,003</b>
less: Future finance charges	(3,927)	(20,390)	-	-
<b>Present value of minimum lease payments</b>	<b>300,610</b>	<b>419,003</b>	<b>300,610</b>	<b>419,003</b>
<b>Included in the financial statements as</b>				
Current finance lease liability (Note 9)			300,610	118,393
Non-current finance lease liability (Note 9)			-	300,610
<b>Total lease liabilities</b>	<b>-</b>	<b>-</b>	<b>300,610</b>	<b>419,003</b>

The finance leases disclosed above are exempt from GST.

### Maturity analysis of finance lease liabilities

Please refer to Table 14.4 in Note 14. Financial instruments for the maturity analysis of finance lease liabilities.

### Nature and extent of risk arising finance lease liabilities

Please refer to Note 14. Financial instruments for the nature and extent of risks arising from finance lease liabilities.

### Leasing arrangements – Motor vehicles

Finance leases relate to motor vehicles leased through the VicFleet lease facility. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kms, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by the Authority. The weighted average interest rate implicit in the leases is 4.55% (2016: 4.55%) p.a.

## Note 11. Superannuation

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to defined contribution plans.

However, superannuation contributions paid or payable for the reporting period are included as employee benefits in the comprehensive operating statement of the Authority.

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

	Contribution for the year		Contribution outstanding at year-end	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Defined benefit plans</b>				
Emergency Services Superannuation Scheme	16,542	15,522	-	-
<b>Defined contribution plans</b>				
Victorian Superannuation Fund – VicSuper	117,582	99,766	-	-
Other	51,210	48,167	-	-
<b>Total</b>	<b>185,333</b>	<b>163,455</b>	<b>-</b>	<b>-</b>

The basis for contribution is determined by the various schemes.

All employees of the Authority are entitled to varying levels of benefits on retirement, disability or death. Contributions by the Authority of a minimum of 9.50% of employee's wages and salaries are legally enforceable on the Authority.

The above amounts were measured as at 30 June 2017; in the case of employer contributions they relate to the year ended 30 June 2017.

## Note 12. 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 value 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.

	Less than 1 year \$	1 - 5 years \$	Over 5 years \$	Total \$
<b>Nominal amounts: 2017</b>				
Operating and lease commitments payable	-	-	-	-
<b>Total commitments (inclusive of GST)</b>	-	-	-	-
<b>Total commitments (exclusive of GST)</b>	-	-	-	-
<b>Nominal amounts: 2016</b>				
Operating and lease commitments payable	45,500	-	-	<b>45,500</b>
<b>Total commitments (inclusive of GST)</b>	<b>45,500</b>	-	-	<b>45,500</b>
<b>less GST recoverable</b>	<b>4,136</b>	-	-	<b>4,136</b>
<b>Total commitments (exclusive of GST)</b>	<b>49,636</b>	-	-	<b>49,636</b>

## Note 13. Contingent liabilities and contingent assets

The Authority had no contingent assets or contingent liabilities as at 30 June 2017 (2015-16: nil).

## Note 14. Financial instruments

### (a) Financial risk management objectives and policies

The Authority's principal financial instruments comprise the following:

- term deposit;
- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- borrowings.

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

The main purpose in holding financial instruments is to prudentially manage the Authority's financial risks in the government policy parameters.

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

The Authority 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 Authority.

The carrying amounts of the Authority's contractual financial assets and financial liabilities by category are disclosed in Table 14.1 below.

Table 14.1: Categorisation of financial instruments

	Notes	2017 \$	2016 \$
<b>Contractual financial assets</b>			
Cash and deposits		4,431,216	4,861,061
<i>Receivables</i>	(i)		
Other receivables		507,016	1,730,960
<b>Total contractual financial assets</b>		<b>4,938,232</b>	<b>6,592,021</b>
<b>Contractual financial liabilities</b>			
Payables	(ii)		
Creditors		45,795	3,185,925
Accrued expenses		362,256	120,660
Other payables		182,757	80,618
<i>Borrowings</i>	(iii)		
Finance lease liabilities		300,610	419,003
<b>Total contractual financial liabilities</b>		<b>891,418</b>	<b>3,806,206</b>

(i) The amount of receivables disclosed excludes statutory receivables (e.g. taxes receivable); refer to Note 5 – Receivables.

(ii) The amount of payables disclosed excludes statutory payables (e.g. taxes payable); refer to Note 7 – Payables.

(iii) Further information may be found in Note 9 – Borrowings.



**(b) Credit risk**

Credit risk arises from the contractual financial assets of the Authority, which comprise cash and deposits, non-statutory receivables, available-for-sale contractual financial assets and derivative instruments. The Authority's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Authority. Credit risk is measured at fair value and is monitored on a regular basis.

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

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

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

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

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

There are no contractual financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

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

**Table 14.2: Credit quality of contractual financial assets that are neither past due nor impaired**

	<b>Financial institutions (AAA credit rating)</b>	<b>Government agencies (AAA credit rating)</b>	<b>Government agencies (BBB credit rating)</b>	<b>Other (minimum BBB credit rating)</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2017</b>					
Cash and deposits	4,431,216	-	-	-	<b>4,431,216</b>
<i>Receivables</i> <sup>(i)</sup>					
Other receivables	-	507,016	-	-	<b>507,016</b>
<b>Total contractual financial assets</b>	<b>4,431,216</b>	<b>507,016</b>	<b>-</b>	<b>-</b>	<b>4,938,232</b>
<b>2016</b>					
Cash and deposits	4,861,061	-	-	-	<b>4,861,061</b>
<i>Receivables</i> <sup>(i)</sup>					
Other receivables	-	1,730,960	-	-	<b>1,730,960</b>
<b>Total contractual financial assets</b>	<b>4,861,061</b>	<b>1,730,960</b>	<b>-</b>	<b>-</b>	<b>6,592,021</b>

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

Table 14.3: Ageing analysis of contractual financial assets

	Carrying amount	Not past due and not impaired	Past due but not impaired		
			< 1 month	1-3 months	3-12 months
	\$	\$	\$	\$	\$
<b>2017</b>					
Cash and deposits	<b>4,431,216</b>	4,431,216	-	-	-
<i>Receivables</i> <sup>(i)</sup>					
Other receivables	<b>507,016</b>	471,318	23,235	12,463	-
<b>Total contractual financial assets</b>	<b>4,938,232</b>	<b>4,902,534</b>	<b>23,235</b>	<b>12,463</b>	<b>-</b>
<b>2016</b>					
Cash and deposits	<b>4,861,061</b>	4,861,061	-	-	-
<i>Receivables</i> <sup>(i)</sup>					
Other receivables	<b>1,730,960</b>	1,730,960	-	-	-
<b>Total contractual financial assets</b>	<b>6,592,021</b>	<b>6,592,021</b>	<b>-</b>	<b>-</b>	<b>-</b>

(i) The amount of receivables disclosed excludes statutory receivables (e.g. taxes receivable); refer to Note 5 – Receivables.

### (c) Liquidity risk

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

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods data and current assessment of risk.

The following table discloses the contractual maturity analysis for the Authority's contractual financial liabilities.

Table 14.4: Maturity analysis of contractual financial liabilities

	Carrying Amount	Nominal amount	Maturity dates			
			< 1 month	1-3 months	3-12 months	1 - 5 years
	\$	\$	\$	\$	\$	\$
<b>2017</b>						
<i>Payables</i> <sup>(i)</sup>						
Creditors	45,795	45,795	45,795	-	-	-
Accrued expenses	362,256	362,256	362,256	-	-	-
Other payables	182,757	182,757	182,757	-	-	-
<i>Borrowings</i> <sup>(ii)</sup>						
Finance lease liabilities	300,610	304,538	11,238	22,476	270,823	-
<b>Total contractual financial liabilities</b>	<b>891,418</b>	<b>895,345</b>	<b>602,046</b>	<b>22,476</b>	<b>270,823</b>	<b>-</b>
<b>2016</b>						
<i>Payables</i> <sup>(i)</sup>						
Creditors	3,185,925	3,185,925	3,185,925	-	-	-
Accrued expenses	120,660	120,660	120,660	-	-	-
Other payables	80,618	80,618	80,618	-	-	-
<i>Borrowings</i> <sup>(ii)</sup>						
Finance lease liabilities	419,003	439,394	11,238	22,476	101,142	304,537
<b>Total contractual financial liabilities</b>	<b>3,806,206</b>	<b>3,826,597</b>	<b>3,398,441</b>	<b>22,476</b>	<b>101,142</b>	<b>304,537</b>

(i) The amount of payables disclosed exclude statutory payables (e.g. taxes payable); refer to Note 7 – Payables.

(ii) An aging analysis of borrowings is contained in Note 9 – Borrowings.

#### (d) Market Risk

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

##### **Interest rate risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Authority does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

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

The carrying amount of financial assets and financial liabilities that are exposed to interest rate risk are set out in Table 14.5.

##### **Sensitivity disclosure analysis and assumptions**

The Authority's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five year period, with all variables other than the primary risk variable held constant. The Authority's fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (100 basis points up and down) in market interest rates (AUD).

Table 14.6 over the following pages shows the impact on the Authority's net result and equity for each category of financial instrument held by the Authority at the end of the reporting period as presented to key management personnel, if the above movements were to occur.

Table 14.5 : Interest rate exposure of financial instruments

	Weighted average effective interest rate %	"Carrying amount" \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
<b>2017</b>					
<b>Financial assets</b>					
<i>Cash and deposits</i>					
Term deposits	1.8%	4,431,216	-	4,431,216	-
Cash on hand		-	-	-	-
<i>Receivables</i>					
Other receivables		507,016	-	-	<b>507,016</b>
<b>Total financial assets</b>		<b>4,938,232</b>	<b>-</b>	<b>4,431,216</b>	<b>507,016</b>
<b>Financial liabilities</b>					
<i>Payables</i>					
Creditors		45,795	-	-	<b>45,795</b>
Accrued expenses		362,256	-	-	<b>362,256</b>
Other payables		182,757	-	-	<b>182,757</b>
<i>Borrowings</i>					
Finance lease liabilities	4.55 %	300,610	300,610	-	-
<b>Total financial liabilities</b>		<b>891,418</b>	<b>300,610</b>	<b>-</b>	<b>590,808</b>
<b>2016</b>					
<b>Financial assets</b>					
<i>Cash and deposits</i>					
Term deposits	2.22 %	4,861,061	-	4,861,061	-
Cash on hand		-	-	-	-
<i>Receivables</i>					
Other receivables		1,730,960	-	-	<b>1,730,960</b>
<b>Total financial assets</b>		<b>6,592,021</b>	<b>-</b>	<b>4,861,061</b>	<b>1,730,960</b>
<b>Financial liabilities</b>					
<i>Payables</i>					
Creditors		3,185,925	-	-	<b>3,185,925</b>
Accrued expenses		120,660	-	-	<b>120,660</b>
Other payables		80,618	-	-	<b>80,618</b>
<i>Borrowings</i>					
Finance lease liabilities	4.55 %	419,003	419,003	-	-
<b>Total financial liabilities</b>		<b>3,806,206</b>	<b>419,003</b>	<b>-</b>	<b>3,387,203</b>

Table 14.6 : Interest rate risk sensitivity

	Carrying amount	-100 basis points		+100 basis points	
		Net Result	Available for sale revaluation surplus	Net Result	Available for sale revaluation surplus
	\$	\$	\$	\$	\$
<b>2017</b>					
<b>Contractual financial assets</b>					
Cash and deposits	4,431,216	(44,312)	-	44,312	-
Receivables	507,016	-	-	-	-
<b>Total impact</b>	<b>4,938,232</b>	<b>(44,312)</b>	<b>-</b>	<b>44,312</b>	<b>-</b>
<b>Contractual financial liabilities</b>					
Payables	590,808	-	-	-	-
Borrowings	300,610	(3,006)	-	3,006	-
<b>Total impact</b>	<b>891,418</b>	<b>(3,006)</b>	<b>-</b>	<b>3,006</b>	<b>-</b>
<b>2016</b>					
<b>Contractual financial assets</b>					
Cash and deposits	4,861,061	(48,611)	-	48,611	-
Receivables	1,730,960	-	-	-	-
<b>Total impact</b>	<b>6,592,021</b>	<b>(48,611)</b>	<b>-</b>	<b>48,611</b>	<b>-</b>
<b>Contractual financial liabilities</b>					
Payables	3,387,203	-	-	-	-
Borrowings	419,003	(4,190)	-	4,190	-
<b>Total impact</b>	<b>3,806,206</b>	<b>(4,190)</b>	<b>-</b>	<b>4,190</b>	<b>-</b>

**(e) Fair Value**

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

## Note 15. Cash flow information

	2017	2016
	\$	\$
<b>(a) Reconciliation of cash and cash equivalents</b>		
Funds held in short term deposits	4,431,217	4,861,061
<b>Balance as per cash flow statement</b>	<b>4,431,217</b>	<b>4,861,061</b>
<b>(b) Reconciliation of net result for the period</b>		
<b>Net result for the reporting period</b>	<b>937,976</b>	<b>1,171,142</b>
<i>Non-cash movements</i>		
Depreciation	117,874	117,874
Net (gain) / loss on disposal of motor vehicle	-	(8,678)
Net (gain) / loss arising from revaluation of employee benefits	(14,696)	9,167
<i>Movements in assets and liabilities</i>		
Increase / (decrease) in receivables	(1,471)	15,428
Increase / (decrease) in payables	(1,572,452)	1,504,354
Increase / (decrease) in provisions	206,619	3,364
<b>Net cash flows from / (used) in operating activities</b>	<b>(311,452)</b>	<b>2,812,651</b>

## Note 16. Responsible Persons

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

### Names

The person who held the position of Responsible Minister for the Authority was as follows:

Minister for Agriculture  
The Hon. Jaala Pulford MLC  
01 July 2016 to 30 June 2017

The persons who held the positions of directors forming the board of management of the Authority were as follows:

Mr Brian Hine	Chairperson	23 November 2016 to 30 June 2017
Ms Wendy Susan Greiner <sup>(i)</sup>	Deputy Chairperson	01 July 2016 to 30 June 2017
Mr Alan Heard Bowman <sup>(ii)</sup>	Director	01 July 2016 to 30 June 2017
Ms Margaret Beth Donnan	Director	01 July 2016 to 30 June 2017
Mr Peter John Bailey	Director	01 July 2016 to 30 June 2017
Mr Rodney William Drew	Director	01 July 2016 to 30 June 2017
Mr Eddy Alojz Kontelj	Director	01 July 2016 to 30 June 2017
Mr Mark Edward Little	Director	01 July 2016 to 30 June 2017
Mr Michael Charles Richard Wagg	Director	01 July 2016 to 30 June 2017

(i) Ms Wendy Greiner performed the role of Acting Chairperson from 12 August 2016 until 22 November 2016. There was no Chairperson appointed for the period 1 July 2016 to 11 August 2016.

(ii) Mr Alan Bowman performed the role of Acting Deputy Chairperson from 12 August 2016 until 22 November 2016.

### Accountable Officer

Mr Gregory Hyams, as Chief Executive Officer, held the position of Accountable Officer for the period 01 July 2016 to 30 June 2017.

The total remuneration received or due and receivable by the board members and the Chief Executive Officer of the Authority during the reporting period was within the following ranges:

	2017	Total Remuneration
	#	2016
		#
<b>Income band</b>		
\$0 - \$9,999	1	1
\$10,000 - \$19,999	7	7
\$20,000 - \$29,999	1	1
\$190,000 - \$199,999	-	1
\$210,000 - \$219,999	1	-
<b>Total numbers</b>	<b>10</b>	<b>10</b>

Amounts relating to ministers are reported in the financial statements of the Department of Premier and Cabinet.

For the financial year ended 30 June 2017, the Authority did not make any payments to other personnel charged with significant management responsibilities.

### Remuneration of executives

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

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.

	2017
	\$
<b>Compensation for executives (excluding key management personnel)</b>	
Salaries and other short-term employee benefits	168,361
Post-employment benefits	16,145
Other long-term employment benefits	4,277
Termination benefits	-
<b>Total compensation for key management personnel</b>	<b>188,784</b>
<b>Total number of executives</b>	<b>1</b>
<b>Total annualised employee equivalent</b>	<b>1</b>

**Other transactions**

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

**Related parties**

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

Related parties of the Authority include:

- all key management personnel and their close family members;
- 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.

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 and Superannuation Act 1968, and is reported within the Department of Premier and Cabinet's Financial Report.

	<b>2017</b>
	<b>\$</b>
<b>Compensation for key management personnel</b>	
Salaries and other short-term employee benefits	197,939
Post-employment benefits	18,543
Other long-term employment benefits	4,892
Termination benefits	-
Board member fees	118,072
<b>Total compensation for key management personnel</b>	<b>339,447</b>

**Transactions 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 Authority, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

**Significant transactions with government-related entities**

GMA recognised funding from the Department of Economic Development, Jobs, Transport and Resources of \$5.3 million. Treasury Corporation Victoria also holds funds deposited by GMA; \$4.8 million was deposited, whilst \$5.3 million withdrawn during the financial year.

GMA also transacts with VicFleet for the purchase of motor vehicles; refer to Note 9 - Borrowings.



## Note 17. Remuneration of auditors

	2017	2016
	\$	\$
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	12,300	12,000
<b>Total audit fees</b>	<b>12,300</b>	<b>12,000</b>

## Note 18. Ex-gratia payments

There were no ex-gratia expenses incurred during the financial year ended 30 June 2017.

## Note 19. Subsequent Events

The Authority is not aware of any other circumstances that have arisen, or information that has become available between 30 June 2017 and the date of final approval of this general purpose financial report that qualifies for inclusion as a post balance date event.

## Note 20. Glossary of terms and style conventions

### Borrowings

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

### Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of the operating result and other comprehensive income.

### Commitments

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

### 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 expenses

Employee benefits expenses 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.

### 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 assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### Financial liability

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
- 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) comprehensive 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

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

### Interest income

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

### Net result

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

### Net result from transactions / net operating balance

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

### Net worth

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

### 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.

### Other economic flows included in net result

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

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

### Other economic flows - other comprehensive income

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

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

- 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.

### Sales of goods and services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services, work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges include sale of goods and services income.

### 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 Department.

### 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.

### 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>
(xxx.x)	<b>negative numbers</b>
200x	<b>year period</b>
200x-0x	<b>year period</b>

The financial statements and notes are presented based on the illustration for a government department in the 2015-16 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.

## Accountable Officer's declaration and Chief Finance and Accounting Officer's declaration

The attached financial statements for the Game Management Authority have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

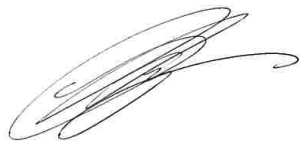
We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2017 and financial position of the Authority at 30 June 2017.

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

We authorise the attached financial statements for issue on 11 October 2017.



**Mr Brian Hine**  
Chairperson  
Game Management Authority  
Melbourne  
Date: 11/10/2017



**Gregory Hyams**  
Chief Executive Officer  
Game Management Authority  
Melbourne  
Date: 11/10/2017



**Jessica Lambous**  
Acting Chief Finance and Accounting Officer  
Game Management Authority  
Melbourne  
Date: 11/10/2017

# Disclosure Index

The Annual Report of the Game Management Authority is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate the Institute's compliance with statutory disclosure requirements

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Note:

(a) 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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# Independent Audit Report from Auditor-General



## Independent Auditor's Report

### *To the Board Members of the Game Management Authority*

<b>Opinion</b>	<p>I have audited the financial report of the Game Management Authority which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2017</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 a summary of significant accounting policies</li> <li>• accountable officer's and chief finance and accounting officer's declaration.</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 2017 and their 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. My responsibilities under the Act are further described 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 Australia. 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 Members' responsibilities for the financial report</b>	<p>The Board Members of the authority are 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 Members determine 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 Members are responsible for assessing the authority's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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**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 Members
- conclude on the appropriateness of the Board Members' 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 Members 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.

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MELBOURNE  
13 October 2017



Simone Bohan  
*as delegate for the Auditor-General of Victoria*









