



Annual Report 2018 - 19

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For more information about Game Management Authority go to
www.gma.vic.gov.au

30 September 2019

The Hon. Jaclyn Symes MP
Minister for Agriculture
Level 36, 121 Exhibition Street
Melbourne VIC 3000

Dear Minister

In accordance with the *Financial Management Act 1994* and section 20 of the *Game Management Authority Act 2014*, I am pleased to present the Game Management Authority's Annual Report for the year ending 30 June 2019.

Yours sincerely

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

Brian Hine
Chairperson

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Foreword

Regulating game hunting and ensuring that game hunting remains sustainable and responsible is at the core of everything we do.

The Game Management Authority (GMA) has taken long strides towards improving compliance with the rules and regulations that govern game hunting in Victoria. Over the last year, we have introduced a range of reforms that will better position the GMA to fulfil its functions and deliver on commitments to its stakeholders and the Victorian community.

While the GMA is a relatively young authority, it is maturing quickly. The last five years have seen significant growth in its capacity and capability as a regulator. As Chair of the Board since late 2016, I am very pleased with how far the GMA has come and how well it is positioned to take on new challenges.

This is in part due to renewed clarity around the purpose of the GMA, as articulated in a new strategic charter, the implementation of a new organisational structure and a significant funding boost by the Victorian Government.

This year, the Board prioritised developing the new strategic charter to provide clarity around the GMA's core function – to be an effective regulator of game hunting in Victoria. The new strategic charter sets out our vision, purpose and goals over the next five years. Our vision is to ensure that game hunting meets community expectations as a sustainable and well-regulated activity. Our purpose is also made clear – we regulate through education, research and enforcement to achieve responsibility and sustainability in game hunting in Victoria.

Importantly, the new charter recognises that our work is made stronger by the values that guide it. We act with integrity, courage and transparency. We acknowledge and recognise the invaluable assistance and contribution of our public sector partner agencies and we respect the expertise and commitment of all of our stakeholders.

The GMA has diverse stakeholder relationships. We are often tasked with developing workable solutions to meet the expectations of stakeholders that sometimes exist at opposite ends of philosophical and social spectrums.

This year, the Board focussed heavily on developing a stakeholder engagement program and putting in place strategies that focus on strengthening our working relationships. We actively sought opportunities to hear directly from stakeholders including Field Naturalists, Sporting Shooters Association of Australia, Field and Game Australia, Australian Deer Association, Victorian Hound Hunters and animal welfare organisations including RSPCA and Animals Australia. It is important for the Board to understand the views of our stakeholders, to glean valuable insights and discuss options that may not otherwise have been considered. We are open to learning from and engaging with all of our stakeholders, and I look forward to more opportunities for engagement in the years ahead.

The Board made a number of field visits throughout the year including Gaynor Swamp State Game Reserve (Burrumbidgee), Mansfield Swamp State Game Reserve (Carag Carag) and stubble quail grasslands habitat near Geelong. By getting out in the field, we are strengthening our knowledge of the challenges that face game hunting, and the challenges experienced by our partner agencies in land and water management.

We aim to make evidence-based education the cornerstone of our work and ensure that our decisions and recommendations are based on science. To achieve these goals – the Board oversaw a restructure of the GMA, dividing one overarching division into four separate but related divisions. These include the Research and Strategy, Compliance and Intelligence, and Stakeholder and Hunter Programs divisions. By restructuring the GMA into distinct areas of focus, the organisation will be better placed to deliver on its commitments, fulfil its functions and achieve its goals.

We recognise that there is still more work to do to assure Victorian communities that game hunting is a sustainable and well-regulated activity. We will continue to develop opportunities to better connect with communities, raise awareness of the dangers of illegal hunting, provide the education material required to achieve responsible and ethical hunting practices, and ensure that the GMA has the appropriate resources to enforce hunting laws across Victoria.

Back in 2017, we commissioned and welcomed the findings of the independent Pegasus Economics assessment of the GMA's compliance and enforcement function and we are working hard to implement the recommendations. In November 2018, the Minister for Agriculture announced an important \$6 million funding boost for the GMA over four years. This funding is being used to improve the GMA's enforcement and stakeholder engagement capacity through a 30 per cent increase in staff and purchasing new equipment to support compliance activities. This much needed injection of funding will ensure the GMA can realise its vision for game hunting in Victoria – meeting community expectations as a sustainable and well-regulated activity and ensuring it is conducted in a responsible manner.

We are also increasing the GMA's research capacity, developing comprehensive education campaigns and a new game licensing system. A company has been contracted to deliver the new game licensing system by 2021. This is an important and complex information technology project that has been a key priority for the Board since its inception in 2014, now coming to fruition.

I would like to sincerely thank inaugural Board Director Rod Drew for his outstanding contribution to the establishment of the GMA. Rod completed his second and final term as a Director on 30 June 2019. I would also like to acknowledge the substantial contribution of our inaugural Chief Executive Officer (CEO) Greg Hyams. After two terms as CEO, Greg's contribution and commitment to the GMA leaves us in a healthy position to grow and adapt to the ever-evolving game hunting landscape.

The Board welcomes our new CEO, Graeme Ford. Graeme will continue the strong foundational work implemented by Greg Hyams, while also bringing new attributes that will make an important contribution in implementing the organisational reforms. Graeme's experience, qualifications and professionalism will be invaluable assets as we continue to strengthen game hunting regulation in Victoria.

Finally, I wish to express my sincere thanks and appreciation to all GMA staff. I am consistently impressed by the outstanding contributions of our front-line authorised officers, our staff on the ground working to connect with communities, conduct research and educate hunters, as well as the corporate staff who regularly keep the cogs turning smoothly in the background. Everyone has an important role to play and I am exceedingly proud of the skill, expertise and dedication of all who work at the GMA.



Brian Hine
Chairperson

CEO Report

My first year at the GMA has been a great experience. Since starting the role in July 2018, I have found a group of dedicated and skilled staff who do their best to deliver against our objectives and a Governing Board that is focussed on successfully delivering sustainability and responsibility in game hunting.

During the 2018-19 financial year there has been plenty of activity and change at the GMA. A new organisational structure was developed and implemented to streamline our delivery of core functions. Implementing the new structure involved uncoupling some business functions, to strengthen the alignment of other functions.

The result is four distinct yet connected divisions:

- Compliance and Intelligence - focussed on growing voluntary compliance and enforcement action.
- Stakeholder and Hunting Programs - focussed on improving hunter knowledge of hunting laws, ethical hunting practices and engaging with the various stakeholder groups.
- Strategy and Research - focussed on implementing strategy, effective communications and research relevant to hunting.
- Corporate Services - focussed on providing business services cross the GMA.

As part of this restructure the GMA's regional footprint was also consolidated into four regional hubs. This approach will provide more flexibility in delivering services as well as improve the working conditions and support for regional staff. We have also continued to grow our workforce. We are recruiting an additional six Game Officers to be based in the regional hubs, increasing our communications capacity and recruiting new research staff to lift the GMA's productivity and effectiveness over the year ahead.

Other changes throughout 2018-19 include signing off on a contract to develop a new game licensing system. The new system, scheduled to be operational by 2021, will provide significantly more online usability to the hunting community and more efficient processing of licenses for the GMA.

These changes have been made possible through the Victorian Government's commitment to increase the GMA's funding. A once off investment of \$2 million provided the necessary boost for the GMA to achieve its objectives in 2018-19, and the additional commitment of \$1.5 million per year for the next four years will provide the necessary support to implement long-term strategic priorities.

Victorian Government funding will also support the GMA in developing hunting research programs and improved hunter education. The number of licensed hunters continues to grow with over 52,550 hunters licensed to hunt in Victoria, up by 1.5 per cent on the previous year. Deer hunting continues to grow in popularity with over 38,000 deer hunters now licensed in Victoria. With this growing popularity, it is important for the GMA to provide the education materials required to ensure compliance.

The GMA had a greater focus on compliance operations over the last 12 months. This has led to a jump in the number of offences detected and pursued by the GMA. The number of actions taken by the GMA, including warnings, infringement notices, banning notices and court proceedings, has significantly increased from 32 in 2017-18 to 115 in 2018-19. This shows that we are conducting more investigations, covering more areas, and speaking to more hunters and more members of the Victorian community.

Looking ahead, the GMA will continue its transition to the new operating structure with the recruitment of new staff to fill out the new structure expected to be complete in the first half of 2019-20. We will continue to increase our capacity and capability, allowing for greater GMA presence in the areas where hunting takes place. Our plan is to ensure the GMA is more visible, more engaged with a clear compliance presence. This will entail helping people to comply with the law, and where they don't, fully utilising our regulatory powers to prosecute offenders.



Graeme Ford
Chief Executive Officer

About the Game Management Authority

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

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

The Responsible Ministers during the 2018-19 reporting period were the Hon. Jaala Pulford MP, Minister for Agriculture from July 2018 – December 2018 and the Hon. Jaclyn Symes MP, Minister for Agriculture from December 2018 to June 2019.

The GMA is responsible for:

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

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

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

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

Our vision

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

Our purpose

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

Our 5-year goals

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

Key result: The content and information used in educational programs is science and evidence-based and game hunters' compliance has improved because we have applied our understanding of hunter motivations and behaviours.

Goal 2: Understand the ecology and biology of game species and the impact of hunting on these species in order to achieve sustainability.

Key result: Hunting does not adversely affect the sustainability of native game species.

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

Key result: All stakeholders clearly understand our role and the importance we bring to achieving sustainable and responsible game hunting.

Goal 4: Implement an effective risk-based compliance strategy.

Key result: We are able to accurately measure compliance, track it, and improve it through work across the compliance spectrum.

Goal 5: Increase our capability and expertise.

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

Our work is made stronger by the values that guide it

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

Functions of the GMA

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

Powers of the GMA

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

Corporate Governance

The GMA Board

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

This includes:

- a strategic and business planning role
- a performance monitoring and reporting role
- a stewardship role
- review, approve and monitor the GMA's risk management systems, including internal controls
- approve the annual report and financial statements
- monitor corporate governance requirements of the GMA, including formation of Board sub-committees
- establish the strategic plan of the GMA and monitor its performance against the plan
- approve and review succession plans
- select, appoint and terminate, as necessary, the external and internal auditors
- monitor and guide the culture of the GMA.

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

Membership of the Board

Under the Act, the Board must consist of not less than five members and not more than nine members appointed by the Minister 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:

	Board attendance (7 meetings scheduled excluding field visits)	Audit & Risk Management Committee attendance (5 meetings scheduled)	Research Committee attendance (1 meeting scheduled)	Stakeholder Engagement & Comms Committee (1 meeting scheduled)	Regional field visits
Brian Hine, Chairperson	7	1 ex-officio	1	1	2
Margaret Donnan, Deputy Chairperson	7	5	N/A	N/A	2
Dr Sandra Brizga	7	N/A	1	1	2
Maggy Samaan	7	5	1	N/A	2
Ian Maxfield *	6	4	N/A	1	2
Mark Little	7	N/A	N/A	1	2
Rod Drew	4	N/A	1	N/A	1
Mark Anderson (External independent, ARMC)	N/A	5	N/A	N/A	N/A

*Ian Maxfield was granted leave of absence for one Board meeting

The GMA Board attended two regional field trips. On 22 February 2019, the Board visited stubble quail grasslands habitat near Geelong. On 28 June 2019, the Board visited Gaynor Swamp State Game Reserve (Burraboot) and Mansfield Swamp State Game Reserve (Carag Carag).

Board subcommittees

The Board has three sub-committees; the Audit and Risk Management Committee, Research Committee and the Stakeholder Engagement and Communications Committee.

Audit and Risk Management Committee

In 2018-19, the Audit and Risk Management Committee comprised the following members:

- Margaret Donnan
- Maggy Samaan
- Ian Maxfield
- Mark Anderson (independent member).

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 GMA.

Research Committee

The members of the Research Committee are:

- Dr Sandra Brizga
- Maggy Samaan
- Rod Drew

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

The purpose of the Research Committee is to:

- develop and prioritise a research strategy that aligns with the GMA's functions and obligations as outlined under the *Game Management Authority Act 2014*
- review the GMA's research program and strategy
- develop an annual work program for GMA Board endorsement
- undertake any other task referred to it by the GMA Board.

Stakeholder Engagement and Communications Committee

The members of the Stakeholder Engagement and Communications Committee are:

- Ian Maxfield
- Dr Sandra Brizga
- Mark Little
- Brian Hine

The purpose of the Stakeholder Engagement and Communications Committee is to:

- identify all key stakeholders and develop strategies to foster positive working relationships
- ensure equitable Board access and consideration to the views of hunting, animal welfare, conservation and environmental stakeholders across all regions of the State
- ensure stakeholder engagement and consultation is embedded in the actions of the GMA
- develop and prioritise a Stakeholder Engagement Strategy that aligns with GMA's objectives, functions and obligations as outlined under the *Game Management Authority Act 2014*.

Game Management Authority Board



Mr Brian Hine (Chairperson)

Brian 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, local government and emergency management regulation.

He was Victoria's Deputy Emergency Services Commissioner from 2007 to 2010 and established Cassano Consulting Pty Ltd in 2010. Since then he has contributed to several independent reports to the Victorian Parliament, completed several complex inquiries and reviews and provided independent management advice to large non-government entities.

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

Brian's professional interests include corporate governance, performance evaluation, strategic planning and stakeholder engagement. He is a member of the Australian Institute of Company Directors and a committed advocate of sustainability and responsibility in game hunting.



Ms Margaret Donnan (Deputy Chairperson)

Margaret is a skilled and strategic Non-Executive Director with extensive experience on a range of government, commercial and not for profit Boards. Margaret has a strong reputation as a leader in both government and industry from her executive roles as a senior executive in WorkSafe Victoria and as Chief Executive of PACIA, the peak body representing Australia's \$40 billion chemical industry.

Margaret is committed to sustainability and government and industry leadership. She has a strong track record in public policy and legislation development and administration. Her professional interests include effective stakeholder relations, risk management, occupational health and safety, strong corporate governance, organisational representation and advocacy, and in working with Ministers, governments, industry, and community to deliver outcomes.

Margaret has significant experience in regulatory environments and public policy gained from her previous role as the CEO of PACIA and as a senior executive with WorkSafe Victoria. She served two terms on the inaugural Board of the National Offshore Petroleum Safety Authority and was recently appointed by the Victorian Minister for Finance to an Independent Ministerial Panel which reviewed WorkSafe Victoria's OHS compliance and enforcement activities.

Margaret holds a Master of Science degree in Chemistry, is an Associate Fellow of the Institution of Chemical Engineers and is a Member of the Australian Institute of Company Directors.



Dr Sandra Brizga

Sandra has been an independent consultant specialising in river, catchment and coastal management since 1995 and is the Director and Principal of Brizga Environmental. She has extensive experience on government boards and committees. Current and previous board and committee memberships include the Australian World Heritage Advisory Committee, Fraser Island World Heritage Area Scientific Advisory Committee, Central Coastal Board, Fisheries Co-management Council Inland Fishery Committee, Trust for Nature and Victorian Catchment Management Council.

Sandra is committed to sustainable, evidence-based natural resource management. Prior to becoming a consultant, Sandra pursued a career in academia and has published a book on river management. She has extensive experience in environmental water management and played a lead role in the environmental investigations for Queensland's water resource planning.

Sandra holds the degrees of B.A.(Hons.) in geography, Master of Applied Finance, Master of Environmental Law, Ph.D. and is an Associate of the Financial Services Institute of Australasia. She also is a Fellow of the Peter Cullen Trust, an Honorary Life Member of the River Basin Management Society and has been the Vice-President of the Australian and New Zealand Geomorphology Group.



Ms Maggy Samaan

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

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



Mr Ian Maxfield

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

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

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

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

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



Mr Mark Little

Mark's career with the Department of Health and Human Services spans 26 years. He has an excellent understanding of hunting, conservation and game management through his significant experience and professional involvement as member and former office holder with Field and Game Australia and the Australian Deer Association.

As a person of Aboriginal origin, he is a strong advocate for Aboriginal communities and individuals. Mark remains actively involved in all aspects of game hunting and game management.



Mr Rod Drew

Rod is currently the Executive Officer for the Shooting Industry Foundation of Australia Limited.

Rod is also an active 30-year member of Field and Game Australia (FGA) and held the position of CEO from 1997 until 2014.

Rod 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, Rod has visited and spent time with hunting and game management organisations in the UK and USA.

Rod was a member of the former Victorian Hunting Advisory Committee.



Chief Executive Officer

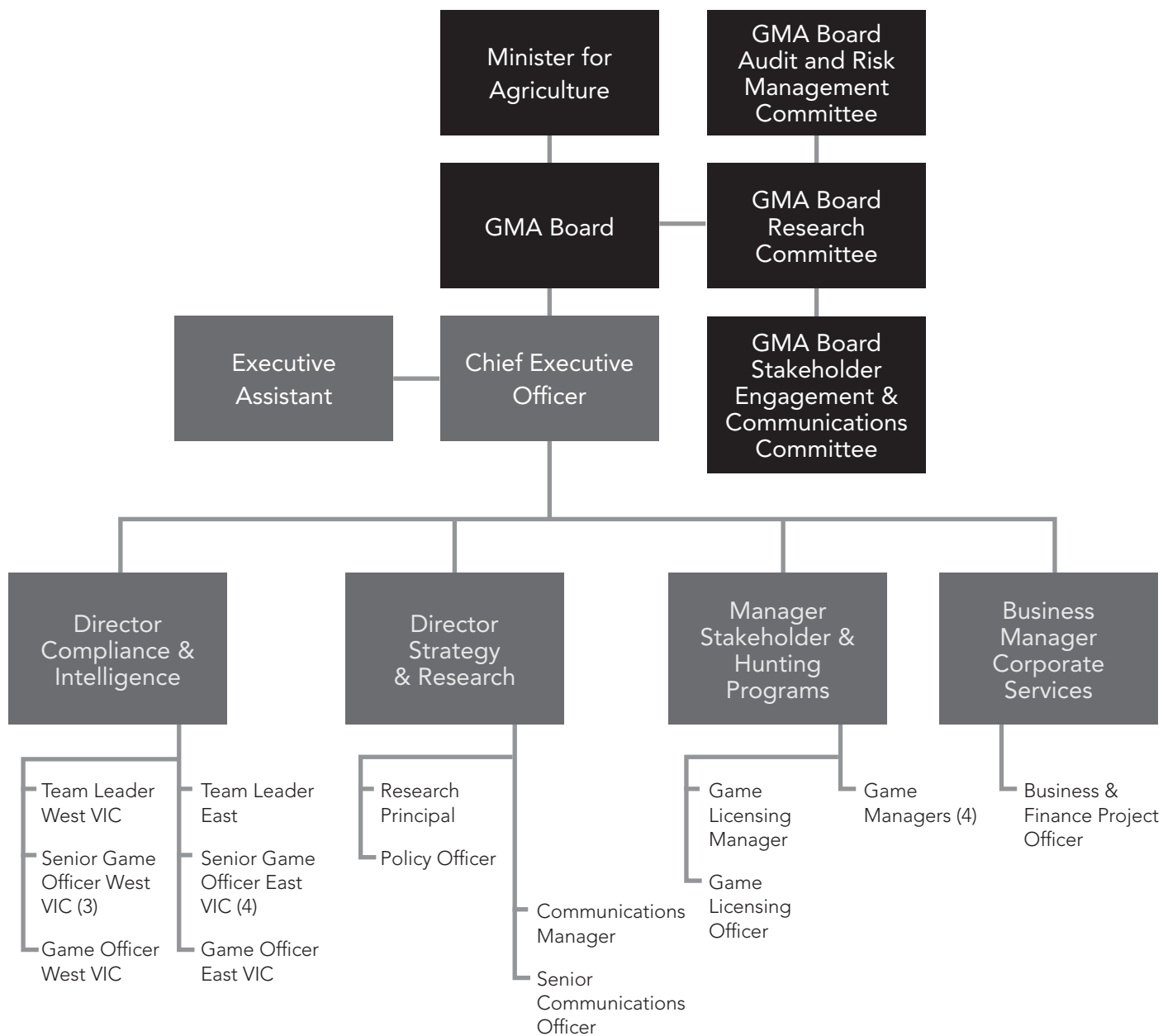
Mr Graeme Ford

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

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

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

GMA organisational structure as at 30 June 2019



Our Activities

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.

Summary of activities in 2018-19

Licensing

- The GMA issued 4,830 new Game Licences and renewed 25,839 Game Licences. All licences, permits and authorities were issued within the target period of 15 working days.
- The GMA marked and processed 554 Victorian Waterfowl Identification Tests and 319 Hound Hunting Tests.

Compliance and intelligence

- The GMA conducted targeted enforcement activities including 26 operations with a specific focus on deer hunting.
- Compliance and survey staff attended 31 major wetlands during duck hunting season.
- Compliance operations and activities resulted in 20 court proceedings, 27 infringement notices, and 50 warning letters.

Education

- Market research was conducted into the shotgunning education program to better understand how to increase levels of attendance.
- The GMA published seven publications to inform hunters of best-practice hunting methods and ensure responsible hunting, including the second edition of *Game Hunting in Victoria – A manual for responsible and sustainable hunting*.
- GMA staff attended two major expos, four duck hunting information sessions, one deer hunting information session, several community forums, education weekends and Landcare events.

Research and advice

- The GMA provided advice to the Minister and government agencies on a range of game-related matters.
- A draft Victorian Game Management Research Strategy was developed.
- The GMA produced and published *Game Licence statistics summary report 2017-18*, the *Estimates of harvest for duck and Stubble Quail in Victoria 2018*, the *Estimates of the 2017 deer harvest in Victoria* and the *2018 Victorian Hog Deer harvest report*.
- In preparation for improving education resources and testing requirements, the GMA engaged Australian Survey Research Group to conduct research to establish a baseline of the extent of hunters' knowledge of game hunting laws and good hunting practice.

Details of activities in 2018-19

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 2019, the total number of Victorian Game Licence holders was 52,551, consisting of 25,022 Game Licences endorsed to hunt duck, 28,450 endorsed to hunt quail and 38,533 endorsed to hunt deer (Note: some hunters may hold licences endorsed for multiple species categories).

Licence transactions

The below table summarises the licensing transactions for 2018-19:

Licence type	Total processed for 2017-18 financial year	Total processed for 2018-19 financial year
General Game Licences issued (new)	4,327	4,830
General Game Licences renewed	27,448	25,839
General Game Licence applications refused	1	0
General Game Licences suspended	1	0
General Game Licences cancelled	0	0
General Game Licence issued with conditions	1	1
Non-resident Game Licences issued	32	23
Junior Provisional Game Licences issued	234	203
Gamebird Reserve Hunter's Licences issued	33	17
Hounds registered	323	325
Licence amendments, including change of address	3,615	3,917
Hound pups authorised	70	60
Permits/authorisations issued	88	78
Commercial Game Bird Farmer Licences issued	0	1
Commercial Game Bird Farmer Licences renewed	7	5

Testing

In 2018-19, the GMA marked and processed 554 Victorian Waterfowl Identification Tests and 319 Hound Hunting Tests. The pass score for the Waterfowl Identification Test was increased in 2018 to 85 per cent and requiring correct identification of all non-game species. In 2018-19, the Waterfowl Identification Test pass rate was 63 per cent, below the long-term average pass rate of 80 per cent.

The pass rate for the Victorian Hound Hunting Test was 98 per cent.

The GMA also processed Waterfowl Identification Tests for Tasmania, South Australia and New South Wales. In total, the GMA processed 233 tests for these states.

Education and training

The GMA provides education and training opportunities for the hunting community. Education directly assists the GMA in promoting sustainability and responsibility in game hunting and encourages compliance with relevant laws.

The content and information used in GMA educational programs is science and evidence-based and based on stakeholder feedback about hunter motivations and behaviours.

The GMA works with industry partners to deliver field training days and produces a range of publications and presentations for shows and expos to help educate the hunters and the broader community.

Publications

The GMA prepared, printed and distributed seven key publications in 2018-19, together with several fact sheets, as detailed in the below table:

Publication	No. printed	Available on the web?	Available in government offices?
Master the hunt – know your game brochure	5,000	No	Yes
Game Hunting in Victoria – A manual for responsible and sustainable hunting, 2nd edition	0	Yes	No
Important information for duck hunters brochure	5,000	Yes	No
An introduction to game hunting	5,000	Yes	No
2018 Victorian Hog Deer Harvest Report	0	Yes	No
Estimates of harvest for duck and Stubble Quail in Victoria 2018	50	Yes	No
Estimates of the 2017 deer harvest in Victoria	50	Yes	No
Four fact sheets revised (Duck, Quail and Hog Deer)	2,500	Yes	Yes
Two new fact sheets produced (Hog Deer harvest data and Hog Deer research)	900	Yes	No
2019 Duck Season Fact Sheet (Turkish, Maltese, Italian, Greek and Arabic)	0	Yes	0
Notification/awareness signs produced	1,000	No	No

Humane dispatch of gamebirds

The GMA is working to address welfare concerns associated with the humane dispatch of gamebirds that are alive when recovered.

To date there is no information within Australia that specifies appropriate and practical methods for the humane dispatch of downed ducks. To address this, GMA conducted research, consulted locally and internationally on acceptable dispatch methods, and facilitated a workshop with relevant stakeholders to agree on the most humane methods and principles for dispatching ducks. This information will be presented in a hand book, fact sheets and on the GMA website.

Shows, expos and meetings

The GMA staffed stands at the Seymour Alternative Farming Expo 2018, the Wild Deer and Hunting Adventures Expo in March 2019, and the Victorian Hound Hunters hound registration day in Tallarook.

The GMA also attended other game events, including several Field and Game Association *Duck Fever* nights and an Australian Deer Association education weekend. In addition, the GMA attended and presented at several community deer forums and Landcare events.

Gamebird Hunting Essentials Masterclass

The GMA continues to work with Field and Game Australia and Sporting Shooters Association of Australia (Vic) to improve and deliver field training days to the public as part of the shotgunning education program.

The GMA engaged an external consultant to conduct market research into the program. As a result of the research, the program was re-branded as the *Gamebird Hunting Essentials Masterclass*.

Sport and Recreation Victoria has provided the GMA with a grant to work in partnership with the hunting organisations and address some of the recommendations from the market research. This will include increasing training capacity and capability through the implementation of a trainer refresher course.

Compliance and intelligence

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. It should be noted that other agencies are also authorised to undertake enforcement actions relating to illegal hunting or hunting-related activities.

The table below details the key enforcement outputs by the GMA for 2018-19:

Activity	2016-17	2017-18	2018-19
Number of information reports generated	116	107	222
Official (written) warnings issued	2	15	50
Warnings (non-infringeable offences)	0	0	12
Infringement notices issued as part of GMA conducted enforcement operations	3	6	27
Banning notices issued	11	0	6
Court proceedings concluded	6	11	20

2019 duck hunting season activities

- More than 150 staff from the GMA, Victoria Police, Parks Victoria, Victorian Fisheries Authority (VFA), DJPR and the DELWP were active on the opening weekend.
- Compliance and survey staff were present at 31 major wetlands. GMA staff also patrolled private property and major water courses.
- There were no reports of hunters shooting early where compliance staff were present.
- Two hunters were investigated for exceeding the bag limit and seven hunters received infringement notices for hunting without a valid Game Licence.
- Four infringement notices were issued for hunters in possession of toxic shot and another person received a penalty notice for failing to make all reasonable attempts to retrieve a downed bird.
- Three infringement notices and one warning letter were issued to hunters for failing to retain a wing and two hunters received penalty notices for hunting from a moving boat.

- Three protestors were arrested at Lake Struan by Victoria Police and are being processed for entering a specified hunting area during prohibited times and refusing the directions of authorised officers.
- Six protestors were issued with Infringement Notices and Banning Notices resulting from incidents at Lake Struan with investigations regarding a further two protestors continuing.
- One protestor is being investigated for hindering and harassing hunters and this relates to a series of incidents at Lake Connewarre on the weekend after duck opening season.

2018-19 deer hunting season activities

- The GMA conducted 26 operations with a specific focus on deer hunting.
- Of the 222 information reports, 136 (61 per cent) of these reports related to deer and of these reports 121 (88 per cent) related to illegal spotlighting.
- 15 people were convicted for 33 deer-related hunting offences.

Partnerships

Given 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, VFA) to deliver effective compliance and monitoring.

To ensure 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, particularly during heightened periods of hunting activity, such as the opening and closing of game hunting seasons and public holidays.

The table below summarises the partnership activities for game compliance for 2018-19:

Activity	Comments
Agreements in preparation	A memorandum of understanding (MOU) in relation to working arrangements with Victoria Police currently under development.
Interagency duck season compliance and monitoring pre-season briefing and post-season debriefing	Includes representatives from DELWP, VFA, DJPR, Parks Victoria and Victoria Police
Duck Season Coordination Working Group	Includes representatives from DELWP, DJPR, Parks Victoria and Victoria Police
Delivery of duck hunting compliance during surge periods for the 2019 open season	Delivery partners included authorised officers from DELWP, DJPR, Parks Victoria, Country Fire Authority 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

Recommendations and advice

Under the *Game Management Authority Act 2014*, the GMA has the power to make recommendations to relevant Ministers in relation to game management and game hunting, the control of pest animals, declaring public land open or closed to hunting, open and closed seasons, bag limits and the management of public and private land as it relates to game species and their habitats.

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

Advice to government

The GMA provided advice to government on several matters relating to game hunting. Notable advice included:

- 2019 duck hunting season arrangements
- closure of wetlands or the further regulation of duck hunting
- re-opening of wetlands to duck hunting.

Advice to partner agencies

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

- development of a Victorian Deer Management Strategy
- development of a Marine and Coastal Policy and Marine Spatial Planning Framework
- state-wide web-based hunting maps and development of a phone app
- changes to Natural Resource Agreements under the *Traditional Owner Settlement Act 2010* and development of a draft Traditional Owner Game Hunting Strategy
- changes to arrangements to allow the commercial harvest of wild deer
- hunter access to public land licensed for cattle grazing.

Decision-making through 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. By monitoring and analysing the environment, the GMA tracks trends in hunting activity to ensure hunting does not adversely affect the sustainability of native game species.

State-wide game management research priorities

As part of the government's Sustainable Hunting Action Plan, the GMA was tasked to identify whole of government game management research priorities. Following broad consultation with stakeholders from conservation, hunting, animal welfare, science/research interests and Victorian and interstate government agencies, a draft Game Management Research Strategy was developed.

Research

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

- engaged the DELWP Arthur Rylah Institute for Environmental Research (ARI) to produce a guide on how to accurately identify, age, sex and moult in game birds. The GMA published the guide, *A field guide for ageing and sexing Victorian native gamebirds*, in April 2019 and made the guide available on its website. The technical report was published by ARI in March 2019 (*Ageing and sexing Victorian native game birds using plumage characteristics*)
- 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
- coordinated, managed and assessed the collection of biological information on harvested game ducks during the opening weekend bag survey
- monitored wetlands that were closed, re-opened or had significant threatened waterbird species
- contributed to the cost of conducting the Eastern Australian Aerial Waterbird Count, delivered by the University of New South Wales.

To regulate and better understand the conditions surrounding the hunting of Hog 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 one Hog Deer Checking Station over five days at Wilsons Promontory National Park to process Hog Deer that were removed as part of Parks Victoria's population management program
- engaged ARI to undertake research to investigate Hog Deer abundance and movement between populations.

To ensure sustainability of game species the GMA:

- produced and published the *2018 Victorian Hog Deer Harvest Report*
- published the *Estimates of the 2017 deer harvest in Victoria*
- produced and published *Estimates of harvest for duck and Stubble Quail in Victoria 2018*.

Hog Deer genetics PhD study

The GMA has continued its partnership with La Trobe University to undertake a study into the genetics of the Victorian Hog Deer population. The GMA committed \$18,500 over four years toward the study for use in the purchase of equipment and processing and storage of samples.

The project started in February 2015 and the thesis will be submitted for assessment in the next reporting period. One further scientific paper was submitted to a journal in April 2019 and accepted for publishing in July 2019.

Communications

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 organisations, provide information to licence holders, develop strong communication and engagement channels to the broader community and maximise licence holder awareness of game hunting regulations and required behaviours.

To improve its understanding of what and how Game Licence holders wanted to be communicated with, the GMA commissioned Australian Survey Research Group to develop, conduct and analyse a survey. The final report was produced in July 2018 and has informed a range of improvements to communication products and services, including planning to refresh the website.

Website

The GMA website (including the YouTube channel) is one of the GMA's primary communication tools. In 2018-19, the website recorded 454,925 sessions by 244,657 users who spent an average of 2 minutes and 41 seconds on the website. Approximately 90 per cent of users were from Australia and, of this, approximately 75 per cent were Victorian.

In total, visitors viewed 1,187,531 pages. The three most popular pages included the new *hunting maps*, *hunting* and *hunting deer*.

The GMA started a project to refresh the GMA website to make it more contemporary, easier to navigate and conduct a review of the content. The project will be completed in the 2019-20 reporting period.

Facebook

From 1 July 2018 – 30 June 2019, the GMA issued 154 posts, which received a combined 12,941 likes, 8,142 comments and 2,746 shares. At the end of June 2019, the GMA Facebook page had 7,493 followers, an increase of 3,969 followers from 30 June 2018.

The number of GMA Facebook followers has more than doubled since the last reporting period.

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 received by the Customer Service Centre related to game licensing and where game can be hunted. The Customer Service Centre responded to 9,649 requests.

Media

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

The GMA issued 17 media releases during 2018-19.

Push Notifications

Three push notifications were sent out to approximately 40,000 licence holders. These notifications informed hunters of the duck season arrangements, wetland closures and the new online mapping service.

Game Hunting Victoria App

The Game Hunting Victoria app ceased operation in March 2019 because key features of the app were incorporated into Forest Fire Management Victoria's 'More To Explore' app, which now provides statewide information about where hunting can occur in Victoria.

The hunting maps that were previously available on the Game Hunting Victoria app, including information on where people can hunt legally and season arrangements, were uploaded to the GMA website in March 2019.

Our Performance

Statement of Expectations

The Minister for Agriculture issued a revised Statement of Expectations (SOE) to the GMA on 19 October 2018. This SOE was in effect for remainder of 2018-19 financial year. The SOE outlined the Victorian Government's expectations of the GMA in discharging its responsibilities under the *Game Management Authority Act 2014*.

The SOE acknowledged the findings of the independent review conducted in 2017, and recommendations across four categories for improving the GMA's performance including:

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

The GMA publishes its progress against the 26 accepted recommendations of the review on its website quarterly.

The following section outlines how the expectations in the SOE were met during the 2018-19 reporting period.

Effectiveness

The GMA is currently undertaking a process to replace its Game Licensing System. Throughout the reporting period, the GMA continued to work toward strengthening the game licensing regime. After finalising business requirements and functional specifications, a Request for Tender process was initiated for the six possible vendors. After receiving submissions, including on-site demonstrations, a preferred supplier was identified, and a contract was executed on 27 June 2019.

Stakeholder engagement

The GMA's stakeholder engagement strategy guides delivery of the GMA's approach to stakeholder consultation and engagement. This strategy was reviewed in 2017-18. As part of its regular program, the Board met with a broad range of stakeholders who have an interest in game hunting, including conservation, animal welfare and hunting representatives. Hunting, conservation and animal welfare organisations were also consulted during decision-making regarding duck season arrangements and the closure of wetlands to duck hunting.

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

The new system will also provide the platform for targeted education and communication with licence holders. The new licensing system will be delivered by 2021 and the GMA will engage with stakeholders to ensure that it meets their needs and the GMA's licensing requirements.

The GMA continues to actively engage with its stakeholders to fulfil its statutory obligations and meet community expectations. This included engaging with all peak stakeholder groups throughout 2018-19 in the development of GMA's long-term strategic direction.

Regulatory advice and approach to governance

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*.

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.

The Victorian Government Solicitors Office (VGSO) has been engaged to work with the GMA Director, Compliance and Intelligence to review the entire suite of the GMA's SOP's for the Compliance and Intelligence Division. Fifteen critical SOP's have been prioritised for review and this work is ongoing.

Compliance strategy

In 2019, the GMA conducted a review of its compliance approach. A draft compliance strategy was developed, which articulates the GMA's risk-based, intelligence-led and outcomes-focused approach to compliance, with a strong focus on deterrence. The strategy will assist the GMA in navigating the complex regulatory context in which it operates. The draft strategy focusses on allocating resources more efficiently and to act quickly on intelligence that identifies significant risks to Victorians, in order to achieve more sustainable outcomes.

The strategy will be provided for formal endorsement by the GMA Board in the next reporting period.

Intake and Assessment Panel Terms of Reference

The Intake and Assessment Panel (IAP) has been established to facilitate and embed an intelligence-led, risk-based approach to GMA-wide compliance and enforcement action. The purpose of the IAP is to determine the appropriate GMA regulatory response to each matter which has come to its attention, considering:

- intelligence
- level and severity of offending
- relevant background from other avenues or enquiries
- relevant previous investigations or operations conducted by the GMA
- any emerging patterns and trends
- new information or further information in the possession of the GMA.

The IAP also considers how a matter should be categorised and triaged if further information is required before deciding whether additional action, including formal investigation, is warranted.

Compliance with legislation and agreements

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

The GMA 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*.

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

As a law enforcement body, the GMA is recognised by the *Surveillance Devices Act 1999* for the use of certain surveillance devices and the *Wildlife Act 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 is audited each year.

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

The following table details the audit activity for enforcement for 2018-19:

Activity	Comments
Audits for compliance conducted	Internal audits were conducted for OSDE storage and compliance with GMA policy
Audit for data security and compliance with VicRoads agreement	Independent audit conducted and report provided to VicRoads
Reports on activity for controlled operations (bi-annual)	Submitted to the Victorian Inspectorate for periods 1 July 2018 to 31 December 2018 and 1 January 2019 to 30 June 2019
Report on activity for the use of certain surveillance devices (annual)	Submitted to the Attorney General for period 1 July 2018 to 30 June 2019

Operating model

A report into the GMA's compliance functions was prepared by Pegasus Economics Pty Ltd and published in September 2017 (the Pegasus Report). The Pegasus Report highlighted the complex and fragmented regulatory and institutional framework that delivers game management in Victoria.

To improve governance and administration across government, the Minister for Agriculture initiated development of an accountability framework to clarify the roles, responsibilities and accountabilities of the five key partner agencies responsible for policy, land and wildlife management, hunting licensing and compliance and firearms ownership and use. DJPR is leading development of the framework and the GMA is contributing.

In response to key policy and review documents, including the Sustainable Hunting Action Plan 2016-20 and the Pegasus Report, the GMA has reviewed its strategic direction, established five strategic goals and accompanying key result areas and revised its vision and purpose statements.

The GMA has also restructured into four operational divisions:

- Compliance and Intelligence
- Stakeholder and Hunter Programs
- Strategy and Research
- Corporate Services.

These strategic and operational changes will allow the GMA to function as an effective and modern regulator.

Capacity and capability

The GMA is continuing to improve the way it delivers on its regulatory responsibilities. In the previous reporting period, the Victorian Government provided a \$2 million funding boost to the GMA. In 2019, the Victorian Government committed an additional \$6 million over four years (\$1.5 million per year) to support the GMA in building its capacity and capability. This funding will support the GMA to increase its workforce by 30 per cent to improve enforcement and stakeholder engagement, purchase new equipment for new and existing compliance officers and increase its research capacity and education campaigns.

The GMA has conducted an equipment needs analysis and has purchased equipment to enable staff to undertake their duties more safely and efficiently. This includes body cameras and a regulatory case management system.

The GMA is currently conducting research to identify suitable and appropriate technological improvements, such as trail cameras and drones, to assess their viability and effectiveness in improving compliance and enforcement capabilities.

To improve the GMA's capacity and capability in communications, a Communications Manager was appointed in 2018-19 to complement the existing Senior Communications Officer. The strengthened Communications team allows for improved strategic communications, stakeholder engagement, targeted and relevant educational materials and greater use of traditional and social media platforms.

The GMA is committed to continuing to improve community and stakeholder engagement in-field. The GMA will be re-aligning business deliverables for operational staff and undertaking recruitment activities to ensure that a full complement of skilled Game Managers exist within the regions.

As a result of the restructure, eight new roles have been created in the GMA's Compliance and Intelligence Division. This includes two compliance Team Leader roles (East and West), with recruitment to be finalised in the next reporting period.

The recruitment process for four additional Senior Game Officers (one each in Bendigo, Benalla, Ballarat and Traralgon) and two Game Officers (East and West) has begun, with appointments to be made in the next reporting period.

Sustainable Hunting Action Plan 2016 - 2020

The Victorian Government's Sustainable Hunting Action Plan – published by the former Department of Economic Development, Jobs, Transport and Resources – was released on 6 December 2016 to provide policy direction and priority actions relating to game hunting and game management. Delivery of the Action Plan is overseen by a Project Control Board (PCB). The PCB is chaired by the DJPR and represented agencies include DJPR, DELWP, Parks Victoria, GMA and the Federation of Victorian Traditional Owner Corporations. Progress is reported to the Victorian Government and communicated on DJPR's website.

The GMA is responsible for delivering some of the actions and has already delivered on the preparation and release of the Game Hunting in Victoria manual, a comprehensive game hunting website, an audit of Victoria's State Game Reserves, and implemented a Facebook page to complement its existing communications channels.

To further support the implementation of the Sustainable Hunting Action Plan, the GMA is currently developing an upgraded Game Licensing System and making further improvements to the GMA website as a critical education and communication channel.

The GMA has developed a draft Game Management Research Strategy, developed an ageing and sexing guide for Victorian game birds, attended the Wild Deer and Hunting Expo, and initiated a project to measure the extent of hunters' knowledge of hunting laws and good hunting practice.

The GMA is also continuing the RESPECT: Hunt Responsibly program and conducting research into the abundance and movement of Hog Deer.

The GMA will continue to report on progress of delivery of relevant actions in the Sustainable Hunting Action Plan through its annual reports and quarterly reports published by DJPR.

Current year financial review

Game Management Authority (GMA) received an additional \$2 million in Government funding in the 2018-19 financial year to enable implementation of several new reforms across the GMA operations. This funding has enabled a significant boost in both the compliance and research capability of the GMA as well as additional purchases of equipment and technology upgrades to support GMA operations.

GMA expenditure was relative stable compared to previous years. This is a result of the new structure of the organisation, which aims to strengthen compliance, intelligence capability and the development of a risk-based approach to compliance, being enacted on 6 March 2019. Therefore, the full impact of the additional capacity funding was not utilised.

GMA net assets increased as a result of the additional cash held in the bank account and recording in payables for the funding still owed to GMA from Government.

Over the next two financial years, the GMA will self-fund a new Game Licensing System to replace the existing legacy system. A long planning and comprehensive tender process was undertaken to ensure that the new licensing system will provide contemporary capabilities that hunters and the GMA require now and into the future.

Five-year financial summary

	2018-19	2017-18	2016-17	2016-15	2015-14
	\$	\$	\$	\$	\$
Grants	7,134,000	5,152,696	5,300,000	4,800,000	4,800,000
Interest	103,640	115,860	93,157	98,275	12,799
Sale of goods and services	-	12,500	44,533	59,057	132,005
Fair value of assets and services received free of charge	91,845	257,210	-	-	-
Total revenue	7,329,485	5,538,266	5,437,690	4,957,332	4,944,804
Employee expenses	(2,510,060)	(2,376,277)	(2,547,493)	(2,321,194)	(2,275,320)
Depreciation	(89,110)	(107,794)	(117,874)	(117,874)	(98,039)
Interest expense	(12,984)	(14,273)	(18,866)	(8,044)	(11,409)
Other operating expenses	(2,444,569)	(2,499,998)	(1,830,176)	(1,338,589)	(1,224,518)
Total expenditure	(5,056,723)	(4,998,342)	(4,514,410)	(3,785,701)	(3,609,286)
Net Result	2,272,762	539,924	923,280	1,171,631	1,335,518
Financial assets	8,051,109	5,058,092	4,951,272	6,603,590	2,164,316
Non-financial assets	796,403	748,105	307,982	425,857	589,032
Total assets	8,847,512	5,806,197	5,259,254	7,029,447	2,753,348
Payables	1,030,439	242,364	590,808	3,387,203	152,723
Borrowings	379,045	417,853	300,610	419,003	561,057
Provisions	960,672	941,386	907,013	700,393	687,862
Total liabilities	2,370,156	1,601,603	1,798,431	4,506,599	1,401,642

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.

The Safety Excellence Team (SET) was established in 2017 to facilitate our adherence to OH&S standards. The SET is an advisory committee to the Executive that meets quarterly to discuss the health, safety and wellbeing of staff and visitors in the workplace. 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. The SET met twice during the year.

Incident management

There were seven occupational health and safety incidents reported and no Work Cover claims lodged during the period 1 July 2018 to 30 June 2019. All incidents were investigated and closed off at 30 June 2019.

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 needs or, where appropriate, utilising those of the DJPR 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 2019, 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 were two people who held the positions of executive officer as defined by the *Public Administration Act 2004* as at the last full pay period in June 2019.

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

Reconciliation of executive numbers 2017-18	2018	2017
Executive positions with total remuneration over \$100,000.	2	2
(Financial Statement Note 16)		
Vacancies	-	-
Separations	-	-
Total executive numbers at 30 June	2	2

Workforce data

	Ongoing employees 2018-19				Fixed term and casual employees (including secondees)
	Employees	Full time	Part time	FTE	FTE
Executive positions	2 (2)	2 (2)	0	2 (2)	0
Senior Managers	3 (1)	3 (1)	0	3 (1)	1
Administration staff	5 (3)	4 (3)	1 (0)	4.8 (3)	0
Field staff	8 (5)	8 (5)	0	8 (5)	1
Total positions	18 (11)	17 (11)	1	17.8 (11)	2
Male	13 (9)	13 (9)	0	13 (9)	0
Female	5 (2)	4 (2)	1 (0)	4.8 (2)	2

Note:

Figures in parenthesis are from 2017-18 financial year.

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

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

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

Other Disclosures

Implementation of the Local Jobs First initiative

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

Consultancy expenditure

There were no consultancies greater than \$10,000 undertaken in 2018-19.

Information and Communication Technology expenditure

For the 2018-19 reporting period, GMA had a total ICT expenditure of \$78,830 with details shown below.

All operational ICT expenditure			
Business As Usual (BAU) ICT expenditure	Non Business As Usual (non BAU) ICT expenditure	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
(Total)	(Total = Operational expenditure and Capital Expenditure)		
\$78,830			

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

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

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

Freedom of information

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

FOI statistics and timeliness

For the 12 months ending 30 June 2019, there were four freedom of information requests received by the GMA. All of these requests were from members of the public.

	Number	Per cent (%)
Individuals	-	-
Members of Parliament	-	-
Lawyers & Journalists	-	-
Community groups	4	100%
Companies	-	-

The outcomes of the requests were:

	Number	Per cent (%)
Full access granted	1	25%
Partial access granted	2	50%
Access denied	-	-
No relevant documents found	-	-
Not proceeded with	1	25%

The processing time for the FOI requests is shown below, with an average of 44 days.

	Number	Per cent (%)
Within 30 day time period	3	75%
Within 30 to 45 day period	1	25%
Within 46 to 90 day period	-	-
More than 90 days	-	-

Freedom of Information Commissioner

Reviews

One request for a review of an FOI decision was received from OVIC between 1 July 2018 and 30 June 2019 and was pending a decision as at 30 June 2019.

An outstanding request from the previous financial year was completed in September 2018 and OVIC's decision was to grant partial access to the documents.

Complaints

One complaint against GMA was made to OVIC between 1 July 2018 and 30 June 2019 and was pending a decision as at 30 June 2019.

Victorian Civil and Administrative Tribunal

No applications for a review of an FOI decision were made to the Victorian Civil and Administrative Tribunal during this reporting period.

Making a request

Freedom of information requests must be made in writing describing the documents requested and including payment of the application fee of \$29.60. 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

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.

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. In addition, GMA promotes donating unwanted glasses so it can be recycled and distributed to communities in need.

Availability of additional information on request

In compliance with the requirements of the *Standing Directions 2018*, under the *Financial Management Act 1994*, 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

Game Management Authority Financial Management Compliance Attestation Statement

I, Brian Hine, on behalf of the Game Management Authority, certify that the Game Management Authority has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and Instructions.



Brian Hine
Chairperson

Date: 20/09/2019

Financial Report – 30 June 2019

How this report is structured

The Game Management Authority (GMA) has presented its audited general purpose financial statements for the financial year ended 30 June 2019 in the following structure to provide users with information about the GMA's stewardship of resources entrusted to it.

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and financial position of the GMA as at 30 June 2019.

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

We authorise the attached financial statements for issue on 20 September 2019.



Mr Antony Christianen
Chief Finance Officer
Game Management Authority
Melbourne
Date: 20/09/2019



Mr Graeme Ford
Chief Executive Officer
Game Management Authority
Melbourne
Date: 20/09/2019



Mr Brian Hine
Chairperson
Game Management Authority
Melbourne
Date: 20/09/2019

Independent Audit Report from Auditor-General



Independent Auditor’s Report

To the Board Members of the Game Management Authority

Opinion	<p>I have audited the financial report of the Game Management Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2019 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2019 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>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board Members’ responsibilities for the financial report	<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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board 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.

MELBOURNE
20 September 2019



Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive operating statement

for the financial year ended 30 June 2019

	Notes	2019 \$	2018 \$
Continuing operations			
Income from transactions			
Income	2.1	7,329,485	5,538,266
Total income from transactions		7,329,485	5,538,266
Expenses from transactions			
Employee expenses	3.1.1	2,510,060	2,376,277
Other operating expenses	3.2	2,444,569	2,499,998
Depreciation	4.1.1	89,110	107,794
Interest expense	6.1	12,984	14,273
Total expenses from transactions		5,056,723	4,998,342
Net result from transactions (net operating balance)		2,272,761	539,924
Other economic flows included in net result			
Other gains/(losses) from other economic flows		-	203,845
Total other economic flows included in net result	8.1	-	203,845
Net result		2,272,761	743,769
Comprehensive result		2,272,761	743,769

The accompanying notes form part of these financial statements.

Balance sheet

as at 30 June 2019

	Notes	2019 \$	2018 \$
Assets			
Financial assets			
Cash and deposits	6.3	7,554,250	5,009,944
Receivables	5.1	496,859	48,148
Total financial assets		8,051,109	5,058,092
Non-financial assets			
Plant and equipment	4.1	796,403	748,105
Total non-financial assets		796,403	748,105
Total assets		8,847,512	5,806,197
Liabilities			
Payables	5.2	1,030,439	242,364
Borrowings	6.1	379,045	417,853
Employee related provisions	3.1.2	960,672	941,386
Total liabilities		2,370,156	1,601,603
Net assets		6,477,355	4,204,594
Equity			
Accumulated surplus		6,477,355	4,204,594
Net worth		6,477,355	4,204,594

The accompanying notes form part of these financial statements.

Cash flow statement

for the financial year ended 30 June 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Receipts			
Receipts from government		6,700,594	5,649,132
Goods and Services Tax received from the ATO ^(a)		72,326	114,634
Interest		103,640	115,860
Total receipts		6,876,560	5,879,626
Payments			
Payments to suppliers and employees		(4,116,636)	(5,060,455)
Interest and other costs of finance paid		(12,984)	(14,273)
Total payments		(4,129,620)	(5,074,728)
Net cash flows from/(used in) operating activities	6.3.1	2,746,940	804,898
Cash flows from investing activities			
Purchases of non-financial assets		(163,827)	117,535
Net cash flows from/(used in) investing activities		(163,827)	117,535
Cash flows from financing activities			
Repayment of borrowings and financial leases		(38,808)	(343,705)
Net cash flows from/(used in) financing activities		(38,808)	(343,705)
Net increase/(decrease) in cash and cash equivalents		2,544,305	578,728
Cash and cash equivalents beginning of financial year		5,009,944	4,431,216
Cash and cash equivalents at end of financial year	6.3	7,554,249	5,009,944

The accompanying notes form part of these financial statements.

^(a) Goods and Services Tax paid to the Australian Tax Office (ATO) is presented on a net basis.

Statement of changes in equity

for the financial year ended 30 June 2019

	Accumulated surplus	Contributions by owner	Total
	\$	\$	\$
Balance as at 1 July 2017	3,460,825	-	3,460,825
Comprehensive result for the year	743,769	-	743,769
Balance as at 30 June 2018	4,204,594	-	4,204,594
Comprehensive result for the year	2,272,761	-	2,272,761
Balance as at 30 June 2019	6,477,355	-	6,477,355

The accompanying notes form part of these financial statements.

1. About this report

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

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

The principal address is: Game Management Authority, 121 Exhibition Street, Melbourne, Vic 3000

Basis of preparation

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

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

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the GMA.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

These financial statements cover the GMA as an individual reporting entity.

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

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. Funding delivery of our services

Introduction

The purpose of Game Management Authority (GMA) is to regulate through education, research and enforcement to achieve responsible and sustainable game hunting in Victoria.

To enable GMA to fulfil its objective it receives a grant from the Department of Jobs, Precincts and Regions (DJPR).

Structure

2.1 Summary of income that funds the delivery of our services

2.1 Summary of income that funds the delivery of our services

	2019	2018
	\$	\$
Grants	7,134,000	5,152,696
Interest	103,640	115,860
Other Income	-	12,500
Fair value of assets and services received free of charge	91,845	257,210
Total income from transactions	7,329,485	5,538,266

Income is recognised to the extent it is probable the economic benefits will flow to the GMA and the income can be reliably measured. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

Grants

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the Authority without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

Grants - general purpose

	2019	2018
	\$	\$
Department of Jobs, Precincts and Regions	7,134,000	5,107,696
Department of Health and Human Services	-	45,000
Total grant income	7,134,000	5,152,696

Interest

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

Other income

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

Fair value of assets and services received free of charge

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. These contributions are in the form of services provided by DJPR.

3. The cost of delivering services

Introduction

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

Structure

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

3.1 Expenses incurred in delivery of services

	Notes	2019 \$	2018 \$
Employee benefit expenses	3.1.1	2,510,060	2,376,277
Other operating expenses		2,444,569	2,499,998
Total expenses incurred in delivery of services	3.2	4,954,629	4,876,275

3.1.1 Employee benefits in the comprehensive operating statement

	2019 \$	2018 \$
Salaries and wages, annual leave and long service leave	2,324,051	2,162,593
Defined benefit superannuation expense	19,770	19,575
Defined contribution superannuation expense	166,239	149,870
Termination benefits	-	44,240
Total employee expenses	2,510,060	2,376,277

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

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The GMA does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and

Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the GMA is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.1.2 Employee benefits in the balance sheet

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

	2019 \$	2018 \$
Current provisions		
<i>Annual leave</i>		
Unconditional and expected to be settled within 12 months	126,230	118,375
Unconditional and expected to be settled after 12 months	109,347	104,660
<i>Long service leave</i>		
Unconditional and expected to be settled within 12 months	94,767	94,966
Unconditional and expected to be settled after 12 months	446,128	447,063
<i>Provisions for on-costs</i>		
Unconditional and expected to be settled within 12 months	34,341	34,404
Unconditional and expected to be settled after 12 months	84,653	89,085
Total current provisions for employee benefits	895,467	888,553
Non-current provisions		
Employee benefits	56,317	45,561
Provisions for on-costs	8,889	7,272
Total non-current provisions for employee benefits	65,206	52,833
Total provisions for employee benefits	960,672	941,386

Reconciliation of movement in on-cost provision

	2019 \$
Opening balance	130,761
Additional provisions recognised	(2,878)
Closing balance	127,883
Current	34,341
Non-current	93,542

Wages and salaries, annual leave and sick leave

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

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

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

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

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

Unconditional LSL is disclosed as a current liability

Even where the GMA does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

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

Conditional LSL

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

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

3.1.3 Superannuation contributions

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

	Contribution for the year		Contribution outstanding at year-end	
	2019	2018	2019	2018
	\$	\$	\$	\$
Defined benefits plans ^(a)				
State Superannuation Fund	19,770	19,575	-	-
Defined contribution plans				
VicSuper	105,117	106,808	-	-
Other	61,122	43,062	-	-
Total	186,009	169,445	-	-

Note

^(a) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit

3.2 Other operating expenses

	2019	2018
	\$	\$
Supplies and services		
Accommodation expenses	493,387	395,426
Community awareness and publicity	102,065	83,993
Contractors and professional services expenses	1,017,384	918,696
DEDJTR, DoT, and DJPR	214,575	346,754
Equipment maintenance	58,579	10,045
Fleet expenses	111,999	149,815
Office expenses	377,982	545,659
Travel and subsistence expenses	68,598	49,611
Total supplies and services	2,444,569	2,499,998

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

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

4. Key assets available to support output delivery

Introduction

The Game Management Authority (GMA) controls plant and equipment and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the GMA to be utilised for delivery of those outputs.

Significant judgement: Classification of investments as "Key Assets"

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

Fair value measurement

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

Structure

- 4.1 Plant and equipment
 - 4.1.1 Depreciation and amortisation
 - 4.1.2 Carrying values by 'purpose' groups
 - 4.1.3 Reconciliation of movements in carrying values of plant and equipment

4.1 Plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
Plant, equipment and vehicles at fair value	839,697	803,017	(170,441)	(54,912)	669,257	748,105
Intangible Asset - WIP - Software Development	127,146	-	-	-	127,146	-
Net carrying amount	966,843	803,017	(170,441)	(54,912)	796,403	748,105

Initial recognition

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

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

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower the present value of the minimum lease payments, each determined at the inception of the lease.

Subsequent measurement

Plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category.

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

Note 7.3 includes additional information in connection with fair value determination of plant and equipment.

Impairment of property, plant and equipment

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

4.1.1 Depreciation and amortisation

Charge for the period

	2019	2018
	\$	\$
Plant, and equipment	38,970	11,232
Motor vehicles under finance lease	50,141	96,562
Total depreciation	89,110	107,794

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

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

Asset	Useful life: years
Plant, equipment and vehicles (including leased assets)	3 to 20

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

4.1.2 Carrying values by 'purpose' groups

	Public administration	
	2019	2018
	\$	\$
Plant, equipment and vehicles (including leased assets)	669,257	748,105
Intangible Asset - WIP - Software Development	127,146	0
Net carrying amount	796,403	748,105

4.1.3 Reconciliation of movements in carrying values of plant and equipment

	Plant, equipment and vehicles (including leased assets)
2019	
Opening balance	748,105
Purchases	36,681
Prior year adjustment	(26,418)
Depreciation	(89,110)
Closing balance	669,257
2018	
Opening balance	307,982
Purchases	797,913
Disposal	(249,996)
Depreciation	(107,794)
Closing balance	748,105

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from the Game Management Authority's (GMA) operations.

Structure

- 5.1 Receivables
- 5.2 Payables

5.1 Receivables

	2019	2018
	\$	\$
Contractual		
Sale of goods and services	4,500	23,081
Statutory		
Amount owing from Victorian Government ^(a)	451,986	
GST input tax credit recoverable	40,373	25,067
Total receivables	496,859	48,148
<i>Represented by:</i>		
Current receivables	496,859	48,148

^(a) The amounts recognised from the Victorian Government represent funding for all commitments incurred through the appropriations and are drawn from the Consolidated Fund as the commitments fall due. (Appropriations are amounts owed by the Victorian Government as legislated in the Appropriations Act. Due to the existence of legislative instrument, the appropriation receivable to an entity is statutory in nature, and hence not within the scope of the financial instruments standards.)

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

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

5.2 Payables

	2019	2018
	\$	\$
Contractual		
Supplies and services	955,806	192,396
Employee benefits	74,633	45,469
Statutory		
GST payable	-	4,500
Total payables	1,030,439	242,364
<i>Represented by:</i>		
Current payables	1,030,439	242,364

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for supplies and services provided to the GMA prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost because they do not arise from contracts.

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

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

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by the State Government by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the GMA in the event of default.

Maturity analysis of contractual payables ^(a)

	Carrying Amount	Nominal amount	Maturity dates			
			< 1 month	1-3 months	3-12 months	1 - 5 years
	\$	\$	\$	\$	\$	\$
2019						
Supplies and services	955,806	955,806	955,806	-	-	-
Employee benefits	74,633	74,633	74,633	-	-	-
Total	1,030,439	1,030,439	1,030,439	-	-	-
2018						
Supplies and services	192,396	192,396	192,396	-	-	-
Employee benefits	45,469	45,469	45,469	-	-	-
Total	237,865	237,865	237,865	-	-	-

^(a) Maturity analysis is presented using the contractual undiscounted cash flows.

6. How we financed our operations

Introduction

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

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

Structure

- 6.1 Borrowings
- 6.2 Leases
 - 6.2.1 Finance lease liabilities (GMA as lessee)
- 6.3 Cash flow information and balances
 - 6.3.1 Reconciliation of net result to cash flow from operating activities
- 6.4 Commitments for expenditure
 - 6.4.1 Total commitments payable

6.1 Borrowings

	2019	2018
	\$	\$
Current borrowings		
Finance lease liabilities ^(a)		
– Non-PPP related finance lease liabilities	81,681	72,887
Total current borrowings	81,681	72,887
Non-current borrowings		
Finance lease liabilities ^(a)		
– Non-PPP related finance lease liabilities	297,364	344,965
Total non-current borrowings	297,364	344,965
Total borrowings	379,045	417,853

^(a) Secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

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

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

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

Defaults and breaches: During the current and prior year, there were no defaults and breaches of any of the loans.

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

Maturity analysis of borrowings

	Carrying Amount	Nominal amount	Maturity dates				
			< 1 month	1-3 months	3-12 months	1 - 5 years	5+ years
	\$	\$	\$	\$	\$	\$	\$
2019							
Finance lease liabilities	379,045	379,045	7,427	14,855	66,847	289,915	-
Total	379,045	379,045	7,427	14,855	66,847	289,915	-
2018							
Finance lease liabilities	417,853	417,853	6,074	12,148	54,666	344,966	-
Total	417,853	417,853	6,074	12,148	54,666	344,966	-

Interest expense

	2019	2018
	\$	\$
Interest on finance lease liabilities	12,984	14,273
Total interest expense	12,984	14,273

6.2 Leases

6.2.1 Finance lease liabilities (GMA as lessee)

	Minimum future lease payments		Present value of minimum future lease payments	
	2019	2018	2019	2018
	\$	\$	\$	\$
Finance lease liabilities payable ^(a)				
Not longer than one year	92,790	85,388	81,681	72,887
Longer than one year but not longer than five years	301,821	358,348	297,364	344,965
Minimum future lease payments ^(b)	394,611	443,736	379,045	417,852
Less future finance charges	(15,566)	(25,883)	-	-
Present value of minimum lease payments	379,045	417,853	379,045	417,852
Included in the financial statement as				
Current borrowings lease liabilities (Note 6.1)	-	-	81,681	72,887
Non-current borrowings lease liabilities (Note 6.1)	-	-	297,364	344,965
Total	-	-	379,045	417,852

^(a)Other finance lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 6.1.

^(b)Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased vehicle or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments are apportioned between the reduction of the outstanding lease liability and the periodic finance expense which is calculated using the interest rate applied by the lease and charged directly to the consolidated comprehensive operating statement.

6.3 Cash flow information and balances

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

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

	2019	2018
	\$	\$
Total cash and deposits disclosed in the balance sheet	7,554,250	5,009,944
Balance as per cash flow statement	7,554,250	5,009,944

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

	2019	2018
	\$	\$
Net result for the period	2,272,761	743,769
Non-cash movements		
Depreciation of plant and equipment	89,110	107,794
(Gain)/Loss on sale of disposal of non-current asset	-	(204,504)
Net loss/(Gain) arising from revaluation of employee benefits		659
Movements in assets and liabilities:		
(Increase)/decrease in receivables	(448,711)	471,908
Increase/(decrease) in payables	814,493	(348,442)
Increase/(decrease) in provisions	19,286	33,715
Net cash flows from/(used in) operating activities	2,746,940	804,899

6.4 Commitments for expenditure

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

6.4.1 Total commitments payable^(a)**Nominal Amounts: 2019**

	< 1 year	1 - 5years	5+ years	Total
	\$	\$	\$	\$
Commitments payable	1,407,867	292,462	-	1,700,329
Total commitments (inclusive of GST)	1,407,867	292,462	-	1,700,329
Less GST recoverable from the Australian Tax Office				(170,033)
Total commitments (exclusive of GST)				1,530,296

Nominal Amounts: 2018

	< 1 year	1 - 5years	5+ years	Total
	\$	\$	\$	\$
Commitments payable	146,453	35,530	35,530	217,513
Total commitments (inclusive of GST)	146,453	35,530	35,530	217,513
Less GST recoverable from the Australian Tax Office				(19,774)
Total commitments (exclusive of GST)				197,739

^(a) Future finance lease payments are recognised on the balance sheet

7. Risks, contingencies and valuation judgements

Introduction

The Game Management Authority (GMA) is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements

and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a high level of judgement to be applied, which for the GMA related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
 - 7.1.1 Financial instruments: Categorisation
 - 7.1.2 Financial risk management: objectives and policies
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination
 - 7.3.1 Fair value determination: financial assets and liabilities
 - 7.3.2 Fair value determination: Non-financial physical assets

7.1 Financial instruments specific disclosures

Introduction

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

Guarantees issued on behalf of the GMA are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

From 1 July 2018, the GMA applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Categories of financial assets under AASB 9

Financial assets at amortised cost

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

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

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

The GMA recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables);
- term deposits; and
- certain debt securities.

Categories of financial assets previously under AASB 139

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). The GMA recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables);
- term deposits; and
- certain debt securities.

Held to maturity financial assets: If the GMA has the positive intent and ability to hold nominated investments to maturity, then such financial assets may be classified as held to maturity. These are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held to maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Categories of financial liabilities under AASB 9 and previously under AASB 139

Financial assets and liabilities at fair value through net result are categorised as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through net result on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows unless the changes in fair value relate to changes in the GMA's own credit risk. In this case, the portion of the change attributable to changes in the GMA's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

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

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

7.1.1 Financial instruments: Categorisation

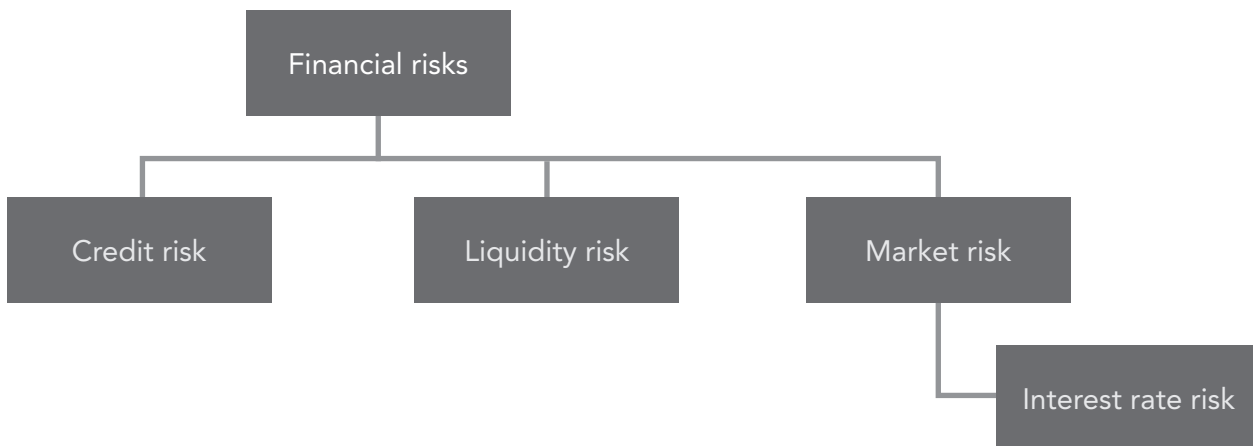
2019	Cash and deposits \$	Financial liabilities at amortised cost (AC) \$	Total \$
Contractual financial assets			
Cash and deposits	7,554,250	-	7,554,250
Receivables ^(a)	456,486	-	456,486
Total contractual financial assets	8,010,736	-	8,010,736
Contractual financial liabilities			
Payables ^(a)			
Supplies and services	-	955,806	955,806
Employee benefits	-	74,633	74,633
Borrowings			
Finance lease liabilities	-	379,045	379,045
Total contractual financial liabilities	-	1,409,484	1,409,484

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

2018	Cash and deposits \$	Contractual Financial liabilities at amortised cost (AC) \$	Total \$
Contractual financial assets			
Cash and deposits	5,009,944	-	5,009,944
Receivables ^(a)	23,081	-	23,081
Total contractual financial assets	5,033,024	-	5,033,024
Contractual financial liabilities			
Payables ^(a)			
Supplies and services	-	192,396	192,396
Employee benefits	-	45,469	45,469
Borrowings			
Finance lease liabilities	-	417,853	417,853
Total contractual financial liabilities	-	655,717	655,717

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

7.1.2 Financial risk management objectives and policies



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

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 7.3 to the financial statements.

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

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

The GMA uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of the GMA.

Financial instruments: Credit risk

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

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

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

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

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

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

There has been no material change to the GMA's credit risk profile in 2018-19.

Credit quality of contractual financial assets that are neither past due nor impaired^(a)

	Financial institutions	Government agencies	Other	Total
	\$	\$	\$	\$
2019				
Cash and deposits	7,554,250	-	-	7,554,250
Receivables ⁽ⁱ⁾		456,486		456,486
Total contractual financial assets	7,554,250	456,486	-	8,010,736
2018				
Cash and deposits	-	5,009,944	-	5,009,944
Other receivables	-	23,081	-	23,081
Total contractual financial assets	-	5,033,024	-	5,033,024

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

Financial instruments: Liquidity risk

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

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

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

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

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements represents the GMA's maximum exposure to liquidity risk.

Financial instruments: Market risk

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

Sensitivity disclosure analysis and assumptions

The following movements are 'reasonably possible' over the next 12 months. A movement of 100 basis points up and down (100 basis points up and down) in market interest rates (AUD) and the tables that follow show the impact on the GMA's net result and equity for each category of financial instrument held by the GMA at the end of the reporting period, if the above movements were to occur.

Interest rate risk**Interest rate exposure of financial instruments**

	Weighted average effective interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2019					
Financial assets					
Cash and deposits	1.96%	7,554,250	-	7,554,250	-
Receivables		456,486	-	-	456,486
Total financial assets		8,010,736	-	7,554,250	456,486
Financial liabilities					
Payables^(a)					
Supplies and services		955,806	-	-	955,806
Employee benefits		74,633	-	-	74,633
Borrowings					
Finance lease liabilities	3.25%	379,045	379,045	-	-
Total financial liabilities		1,409,484	379,045	-	1,030,439
2018					
Financial assets					
Cash and deposits	1.78%	5,009,944	-	5,009,944	-
Receivables		23,081	-	-	23,081
Total financial assets		5,033,025	-	5,009,944	23,081
Financial liabilities					
Payables^(a)					
Supplies and services		192,396	-	-	192,396
Employee benefits		45,469	-	-	45,469
Borrowings					
Finance lease liabilities	3.59%	417,853	417,853	-	-
Total financial liabilities		655,718	417,853	-	237,865

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

Interest rate risk sensitivity

	Carrying amount	-100 basis points Net Result	Available for sale revaluation surplus	+100 basis points Net Result	Available for sale revaluation surplus
	\$	\$	\$	\$	\$
2019					
Contractual financial assets					
Cash and deposits ^(a)	7,554,250	(75,542)	-	75,542	-
Total impact		(75,542)	-	75,542	-
Contractual financial liabilities					
Borrowings	379,045	(3,790)	-	3,790	-
Total impact		(3,790)	-	3,790	-
2018					
Contractual financial assets					
Cash and deposits ^(a)	5,009,944	(50,099)	-	50,099	-
Total impact		(50,099)	-	50,099	-
Contractual financial liabilities					
Borrowings	417,853	(4,179)	-	4,179	-
Total impact		(4,179)	-	4,179	-

^(a) Cash and deposits includes a deposit of \$7,554,250 (2018: \$5,009,944) that is exposed to floating rates movements. Sensitivities to these movements are calculated as follows: 2019: \$7,554,250 * 0.01 = -\$75,542; and 2018: \$5,009,944 * 0.01 = \$50,099

7.2 Contingent assets and contingent liabilities

Contingent assets

The GMA has no contingent assets (2018: \$Nil)

Contingent liabilities

The GMA has no contingent liabilities (2018 \$Nil)

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

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

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

The following assets and liabilities are carried at fair value:

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

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

Fair value hierarchy

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

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

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

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

The GMA determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is the GMA's independent valuation agency (or) the GMA, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

7.3.1 Fair value determination of financial assets and liabilities

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

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

Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The GMA currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value level 3, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2019-20 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and Deposits	Payables Borrowings

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

Fair value of financial instruments measured at amortised cost

	Carrying amount 2019 \$	Fair value 2019 \$	Carrying amount 2018 \$	Fair value 2018 \$
Financial liabilities				
Finance lease liabilities	379,045	379,045	417,853	417,853
Total liabilities at fair value	379,045	379,045	417,853	417,853

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

	Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period using:		
		Level 1	Level 2 ^(a)	Level 3
	\$	\$	\$	\$
2019				
Motor vehicles under lease at fair value				
Vehicles ^(a)	402,677	-	-	402,677
Plant and equipment at fair value				
Plant and equipment	292,999	-	-	292,999
Total	695,676	-	-	695,676
2018				
Motor vehicles under lease at fair value				
Vehicles ^(a)	416,135	-	-	416,135
Plant and equipment at fair value				
Plant and equipment	331,970	-	-	331,971
Total	748,105	-	-	748,105

^(a) Classified in accordance with the fair value hierarchy see note 7.3.1

There have been no transfers between levels during the period

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2019. For all assets measured at fair value, the current use is considered the highest and best use.

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

Reconciliation of Level 3 fair value movements

	Plant and equipment	Motor vehicle
	\$	\$
2019		
Opening Balance	331,969	416,136
Purchases	-	36,681
Disposal	-	-
Depreciation	(38,970)	(50,141)
Closing balance	292,999	402,677
2018		
Opening Balance	9,131	298,851
Purchases	336,965	460,948
Disposal	(2,895)	(247,101)
Depreciation	(11,232)	(96,562)
Closing balance	331,969	416,136

Description of significant unobservable inputs to Level 3 valuations

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

8. Other disclosures

Introduction

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

Structure

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

8.1 Other economic flows included in the net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

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

	2019	2018
	\$	\$
Net gain/(loss) on disposal of non-financial assets	-	204,504
Net gain/(loss) arising from revaluation of long service leave liability ^(a)	-	(659)
Total other gains/(losses) from other economic flows	-	203,845

^(a) Revaluation gain/(loss) due to changes in bond rates

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.

8.2 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period. The persons who held the positions of Ministers and Responsible Officers in the GMA are as follows:

Names

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

Minister for Agriculture	The Hon Jaala Pulford MP	(1 July 2018 to 12 December 2018)
Minister for Agriculture	The Hon Jaclyn Symes MP	(13 December 2018 to 30 June 2019)
Chief Executive Officer	Mr Gregory Hyams	(1 July 2018 to 13 July 2018)
Chief Executive Officer	Mr Graeme Ford	(18 July 2018 to 30 June 2019)

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

The persons who held the positions of Responsible Officers in the GMA are as follows:

Mr Brian Hine	Chairperson	(1 July 2018 to 30 June 2019)
Ms Margaret Donnan	Deputy Chairperson	(1 July 2018 to 30 June 2019)
Dr Sandra Brizga	Board Member	(1 July 2018 to 30 June 2019)
Mr Ian Maxfield	Board Member	(1 July 2018 to 30 June 2019)
Mr Rodney Drew	Board Member	(1 July 2018 to 30 June 2019)
Ms Maggy Samaan	Board Member	(1 July 2018 to 30 June 2019)
Mr Mark Little	Board Member	(1 July 2018 to 30 June 2019)

Remuneration

		2019	Total Number 2018
Band Range			
\$ 0	- \$ 9,999	-	1
\$ 10,000	- \$ 19,999	7	5
\$ 40,000	- \$ 49,999	1	1
\$ 200,000	- \$ 209,999	-	1
\$ 210,000	- \$ 219,999	1	1
Total		9	9
Total remuneration		345,283	325,831

8.3 Remuneration of executives

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

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

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

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

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

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.2) ^(a)	2019 \$	2018 \$
Short-term employee benefits	99,381	-
Post-employment benefits	8,396	-
Other long-term benefits	2,210	-
Total remuneration ^(a)	109,987	-
Total number of executives	1	-
Total annualised employee equivalents ^(b)	0.5	-

^(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.2).

^(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.4 Related parties

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

Related parties of the GMA include:

- all key management personnel and their close family members;
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

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

Significant transactions with government-related entities

The GMA received funding from the following:

	2019	2018
	\$	\$
Department of Jobs, Precincts and Regions	7,134,000	5,107,696
Department of Health and Human Services	-	45,000
Department of Economic Development, Jobs, Transport and Resources	-	257,210
Department of Transport (Services received free of charge)	91,845	-
	7,225,845	5,409,906

The GMA made payments to the following:

	2019	2018
	\$	\$
Department of Economic Development, Jobs, Transport and Resources	-	107,568
Department of Jobs, Precincts and Regions	98,180	-
Department of Environment, Land, Water and Planning	202,818	152,265
Parks Victoria	30,490	30,992
Victorian Auditor-General's Office	21,700	12,700
VicFleet	115,808	117,242
	468,996	420,767

Remuneration of Key management personnel

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

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

	2019	2018
	\$	\$
Short-term benefits ^(a)	311,900	302,834
Post-employment benefits	28,843	18,206
Other long-term benefits	4,540	4,791
Total^(b)	345,283	325,831

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

^(b) Note that KMPs are also reported in the disclosure of remuneration of accountable officer (Note 8.2).

Transactions and balances with key management personnel and other related parties

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

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

Outside of normal citizen type transactions with the GMA and related party transactions previously disclosed, there were no related party transactions that were attributed to key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.5 Remuneration of auditors

	2019	2018
	\$	\$
Victorian Auditor-General's Office		
Audit or review of the financial statements	16,000	12,700
Total remuneration of auditors	16,000	12,700

8.6 Subsequent events

The GMA has entered into a accommodation lease contract for two locations, Bourke Street, Melbourne and Standing Drive Traralgon. The total cost over the four year lease period for Melbourne is \$551,854 and Traralgon is \$94,131.

8.7 Australian Accounting Standards issued that are not yet effective

The following AASs become effective for reporting periods commencing after 1 July 2019:

- AASB 1059 Service Concession Arrangements: Grantor ;
- AASB 16 Leases ;
- AASB 15 Revenue from Contract with Customers; and
- AASB 1058 Income of Not-for-Profit Entities .

Service concession arrangements

Prior to the issuance of AASB 1059, there was no definitive accounting guidance in Australia for service concession arrangements, which include a number of public private partnership (PPP) arrangements. The AASB issued the new standard to address the lack of specific accounting guidance and based the content thereof broadly on its international equivalent: International Public Sector Accounting Standard 32: Service Concession Arrangements: Grantor.

For arrangements within the scope of AASB 1059, the public sector grantor will be required to record the asset(s) used in the service concession arrangement at current replacement cost in accordance with cost approach to Fair Value under AASB 13: Fair Value Measurement (AASB 13), with a related liability, which could be a financial liability, an accrued revenue liability (referred to as the "Grant Of A Right To The Operator" or GORTO liability) or a combination of both. The AASB recently announced a one-year deferral on the new accounting requirements for public sector grantors in service concession arrangements. As a result, AASB 1059 will apply to annual periods beginning on or after 1 January 2020, rather than 1 January 2019. However, the GMA intends to early adopt AASB 1059 in line with the original adoption date of 1 January 2019, i.e. the 2019-20 financial year.

The GMA will apply the standard using a full retrospective approach to prior reporting periods from 1 July 2018 ("transition date"). As a result, all comparative information in the financial statements has been prepared as if AASB 1059 had always been in effect with a cumulative adjustment between the recognition of service concession assets and financial liabilities and/or GORTO liabilities recognised in accumulated surplus as at 1 July 2018.

The GMA has identified no material service concession arrangements and has performed a detailed impact assessment, and there is no impact for GMA.

Leases

AASB 16 Leases replaces AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases-Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases on the balance sheet by recording a Right-Of-Use (RoU) asset and a lease liability except for leases that are shorter than 12 months and leases where the underlying asset is of low value (deemed to be below \$10,000).

AASB 16 also requires the lessees to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset, and remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The amount of the remeasurement of the lease liability will generally be recognised as an adjustment to the RoU asset.

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The effective date is for annual reporting periods beginning on or after 1 January 2019. The GMA intends to adopt AASB 16 in 2019-20 financial year when it becomes effective.

The GMA will apply the standard using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information.

Various practical expedients are available on adoption to account for leases previously classified by a lessee as operating leases under AASB 117. The GMA will elect to use the exemptions for all short-term leases (lease term less than 12 months) and low value leases (deemed to be below \$10,000).

In addition, AASB 2018-8 – Amendments to Australian Accounting Standards – Right-of-Use Assets (RoU) of Not-for-Profit Entities The GMA has identified no material service concession arrangements and has performed a detailed impact assessment, and there is no impact for GMA.

The GMA has signed a new accommodation lease in early 2019-20 for premises in Melbourne and Traralgon which will impact in the initial year of application has been estimated there is no significant impact as the current lease will expire.

Revenue and Income

AASB 15 supersedes AASB 118 Revenue, AASB 111 Construction Contracts and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from an enforceable contract that imposes a sufficiently specific performance obligation on an entity to transfer goods or services. AASB 15 requires entities to only recognise revenue upon the fulfilment of the performance obligation. Therefore, entities need to allocate the transaction price to each performance obligation in a contract and recognise the revenue only when the related obligation is satisfied.

To address specific concerns from the 'not-for-profit' sector in Australia, the AASB also released the following standards and guidance:

- AASB 2016-8 *Amendments to Australian Accounting Standards – Australian implementation guidance for NFP entities* (AASB 2016-8), to provide guidance on application of revenue recognition principles under AASB 15 in the not-for-profit sector.
- AASB 2018-4 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public- Sector Licensors* (2018-4), to provide guidance on how to distinguish payments received in connection with the access to an asset (or other resource) or to enable other parties to perform activities as tax and non-IP licence. It also provides guidance on timing of revenue recognition for non-IP licence payments.
- AASB 1058 *Income of Not-for-Profit Entities*, to supplement AASB 15 and provide criteria to be applied by not-for-profit entities in establishing the timing of recognising income for government grants and other types of contributions previously contained within AASB 1004 Contributions.

AASB 15, AASB 1058 and the related guidance will come into effect for not-for-profit entities for annual reporting periods beginning on or after 1 January 2019. The GMA intends to adopt these standards in 2019-20 financial year when it becomes effective.

The GMA will apply the standard using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information.

The GMA has performed a detailed impact assessment of AASB 15 and AASB 1058 and the potential impact for each major class of revenue and income in the initial year of application and there is no significant changes identified.

8.8 Glossary of technical terms

Commitments

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

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.

Depreciation

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

Effective interest method

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

Employee benefits expense

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

Ex gratia expenses

Ex gratia expenses are the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to.

Financial asset

A financial asset is any asset that is:

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

Financial instrument

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

Financial liability

A financial liability is any liability that is:

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

Financial statements

A complete set of financial statements comprises:

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

Grants and other transfers

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

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

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

Interest expense

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income

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

Leases

Rights 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 so as to reflect the risks and rewards incidental to ownership. Leases of infrastructure, 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. All other leases are classified as operating leases.

Net result

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

Net result from transactions or net operating balance

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

Net worth

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

Non-financial assets

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

Operating result

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

Other economic flows - other comprehensive income

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

Payables

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

Receivables

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

Supplies and services

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

Transactions

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

8.9 Style conventions

Style conventions

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

The notation used in the tables is as follows:

- zero, or rounded to zero
- 201x year period
- 201x-1x year period

The financial statements and notes are presented based on the illustration for a government department in the 2018-19 Model.

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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.

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