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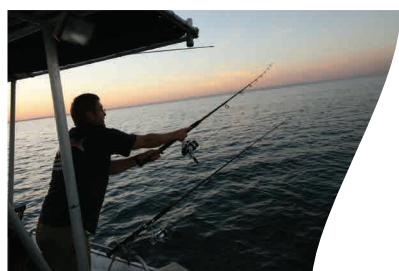
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The Victorian Government proudly acknowledges Victoria's Aboriginal community and their rich culture and pays respect to their Elders past, present and future.

We acknowledge Aboriginal people as Australia's first peoples, and as the custodians of the land on which we work and live.

We recognise the strength of Aboriginal people, Traditional Owners and their communities, and value the ongoing contribution of Aboriginal people to Victorian life, through their daily work, their application of Aboriginal knowledge and practice, and at key events; we recognise how this enriches us all.

We recognise that Aboriginal cultures and communities are diverse, and should be celebrated.

We acknowledge that the land and water is of spiritual, cultural and economic importance to Aboriginal people. We embrace the spirit of reconciliation, guaranteeing equality of outcomes and ensuring an equal voice.

We have distinct legislative obligations to Victorian Traditional Owner groups related to cultural and natural heritage, that are paramount in our responsibilities in managing Victoria's resources in partnership with Traditional Owners.

It is hard to believe that a year has already passed since the establishment of the Victorian Fisheries Authority (VFA). It has been a very busy and productive 12 months and I thank the VFA Board, the staff and our stakeholders for their collective efforts.

In that time, the VFA has worked hard to fulfil its statutory objectives, which are to:

- promote sustainability and responsibility in fishing and fishing-related activities;
- optimise the social, cultural and economic benefits of the fisheries sectors;
- support the development of recreational fishing;
- support the development of commercial fishing and aquaculture;
- work co-operatively with fisheries management bodies in other States and Territories and the Commonwealth.

In the past year, a new Rock Lobster Fishery Management Plan was declared, ensuring that fishery continues to be managed in a sustainable way, and a draft Pipi Fishery Management Plan was released for public consultation. We have also implemented more socially responsible rules for stingrays and banjo sharks, plus delivered many positive reforms for recreational fishing and aquaculture. As part of *Target One Million*, six million native fish and salmonids have been stocked in Victorian waterways to

enhance recreational fishing. This is an outstanding effort, especially given that the usual enforcement activities have continued unabated while many staff have been engaged in the transition to an independent authority.

The Board has met with various stakeholders, including Seafood Industry Victoria, VRFish and the Fisheries Research and Development Corporation. Members of the Executive have spoken at many gatherings of commercial and recreational fishers and we have participated in the 'Hooked on Portland', 'Hooked on Lakes Entrance', the Apollo Bay Seafood Festival and the Melbourne Boat Show.

In addition, the Board has held meetings at Queenscliff and Lakes Entrance (in conjunction with the Dusky Flathead Symposium and Hooked on Lakes Festival) and taken the opportunity to meet with our staff working from those locations. I have also been fortunate enough to visit most of our offices. Our staff are passionate about fisheries and full of enthusiasm, drive and genuine commitment to the values of the VFA. The Board is fortunate to have, within the staff, a vast reservoir of knowledge and expertise to rely on as it undertakes its regulatory role.



Gail Owen,  
Board Chair

The VFA aims to be a modern, fit-for-purpose regulatory authority which will effectively and efficiently deliver across all fisheries sectors, provide relevant and timely advice to government on a range of initiatives and opportunities while continuing to make a positive impact on fishing in Victoria. I believe we are well on our way to achieving those aims.

The Board appreciates the efforts of all staff and looks forward to working with them in the coming years. I would also like to personally thank my fellow Board members for their invaluable support throughout the year and the staff for their tolerance and understanding and continuing to enthusiastically fulfil their roles during what, for some, has been a challenging transition.

As a result of the combined efforts of the Board and staff, the public can be confident that Victoria's fisheries continue to operate fairly and effectively.

This Annual Report provides an outline of our service delivery and key achievements in our first year of operation.

In accordance with the *Financial Management Act 1994*, I am pleased to present the Victorian Fisheries Authority's Annual Report for the year ending 30 June 2018.



**Gail Owen**

Chairperson  
Victorian Fisheries Authority

Victorians love their fish and fishing, so the careful management of some of the best fishing in the country is a tremendous responsibility.

Our first year as a standalone Authority has been one of considerable achievement, and I'm proud to report on our achievements and progress in our first Annual Report.

Throughout 2017-2018, we've grasped many opportunities to grow recreational fishing and strengthen our commercial fishing, aquaculture and Aboriginal fishing sectors. Recognising the place of fishing in Aboriginal culture, the VFA aims to have culturally informed, sustainable fisheries management that contributes to the capacity and wellbeing of Aboriginal people and communities in Victoria.

The VFA's aim through the Government's *Target One Million* program has been to get more people fishing more often and we've set about doing just that. We've invested in improved fishing facilities, provided \$1,484,034 in grants to fund recreational fishing projects, broken fish stocking records, slashed red tape for anglers and commercial operators, and created efficiencies by moving more sales of recreational fishing licences online.

There are now an extra 350 tonnes of popular angling species available to recreational anglers. On 15 April, we recognised Corio Bay being free of all commercial net fishing, which will significantly improve recreational fishing opportunities on the Bellarine Peninsula in the years ahead. At the same time, we have been setting up an ongoing commercial hook and line fishery for snapper in the Bay.

Every Victorian should have opportunity to fish, and the VFA is proactive in encouraging the involvement in fishing of women, children and people from diverse backgrounds. We've run a record number of community events throughout the past year to teach people about fishing sustainably and to inspire our next generation of children to fall in love with the joy of fishing.

I was proud to celebrate stocking our six millionth fish in Victorian waters for the year at Lake Pakenham. This is an incredible achievement – a record total 6,086,355 of all species were stocked into Victorian waters in 2017-18. For the first time, Rocklands Reservoir in south-west Victoria was stocked with Murray cod and golden perch as one of the newest and most exciting native fishery projects to date. And this year, anglers reaped the benefits of the action taken to secure water levels and stock fish into Lake Toolondo.

The VFA, in close consultation with the seafood industry, delivered significant reforms to boost commercial fishing. We've worked closely with commercial licence holders to develop a revitalised Wrasse Fishery, allowing for flexible and tradeable entitlements, which support new, younger entrants into the industry.

We're leading Australia in the best practice management of rock lobster as the only State with knowledge of commercial and recreational catch levels. We've designed and driven a three-year program for all recreationally



Travis Dowling,  
Chief Executive Officer



caught rock lobster to be tagged and reported via an online app so that, for the first time, we will have an estimate of recreational catch to combine with the quota managed commercial fishery. This innovative approach will ensure we can make more robust fishery management decisions and work towards maintaining a healthy, sustainable rock lobster fishery. The commercial sector has consistently advised this is a high priority for them and we are pleased to have delivered this ground-breaking reform. The program has been recognised for its leadership by other States and the Fisheries Research and Development Corporation.

We're continuing to find ways to reduce red tape for our commercial fishers. We secured funding and commenced work to design and implement an electronic catch reporting system that will significantly reduce the amount of paperwork fishers are required to do.

We have developed four new Fisheries Management Plans and two new Harvest Strategies to manage Victoria's fisheries resources in a co-ordinated and strategic way that promotes the ongoing growth, development and prosperity of the commercial fishing sector. In collaboration with our industries, we've continued to improve our stock assessment programs for the abalone and rock lobster commercial fisheries to ensure quotas are set that ensure ongoing sustainability and solid futures for our commercial fishers.

To help promote commercial fisheries and fishing industries, we supported a number of community events showcasing our fantastic local seafood including the Apollo Bay Seafood Festival, 'Hooked on Lakes' and 'Hooked on Portland'.

Aquaculture industry production for the 2017-18 was announced at a record \$48.3 million. The allocation of additional sites for offshore shellfish farming was finalised as one of the first deliverables of the *Victorian Aquaculture Strategy 2017-2022*. The sites will facilitate the growth of the mussel and native oyster farming industry. We have been working with the Dja Dja Warrung, Gunditjmara and the Federation of Victorian Traditional Owner Corporations on the development of future Aboriginal aquaculture projects.

I recognise and value the contribution each and every member of staff brings to delivering our business and I thank them for their work over this productive year. At the VFA we value safety first. The safety and wellbeing of all staff remains our highest priority. Significant work has been undertaken to review the VFA's work safe policies and procedures and develop an occupational, health and safety strategy for the VFA.



**Travis Dowling**

The Victorian Fisheries Authority (the Authority) is a statutory authority of the State of Victoria, established under the *Victorian Fisheries Authority Act 2016* by amendment to the *Victorian Fisheries Act 1995*. Formerly part of Agriculture Victoria within the Department of Economic Development, Jobs, Transport and Resources (DEDJTR), it commenced operations as an independent authority on 1 July 2017.

The Victorian Fisheries Authority's objective is to effectively manage Victoria's fisheries resources. The Authority works with stakeholders to deliver sustainable fishing and aquaculture for future generations, clear resource access and sharing arrangements amongst the community, and increased economic, social and cultural value through management, consultation and compliance.

In its first year as a statutory authority, the Authority had total income from transactions equalling \$36.4 million to deliver its key operational activities with total expenses from transactions totalling \$36.8 million. Total assets of the Authority as at 30 June 2018 is \$13.9 million, while total liabilities equalled \$10.7 million with total equity of \$3.3 million. As the Authority commenced operations on 1 July 2017, it does not have comparative financial information for 2016-17.

### Significant changes in Financial Position

On 1 July 2017, the functions of Fisheries Victoria were transferred from DEDJTR to the Authority. Assets and liabilities transferred were at their written down value as at 1 July 2017. Total assets transferred totalled \$12.4 million and total liabilities were \$8.9 million. Net assets transferred equalled \$3.5 million.

### Events Subsequent to Balance Sheet

No material events have occurred since balance date.

### Summary of Financial Results

<b>Comprehensive Operating Statement</b>	(\$ thousand)
for the financial year ended 30 June 2018	
Total income from transactions	36,384
Total expenses from transactions	(36,767)
<b>Net result from transactions</b>	<b>(383)</b>
Total other economic flows included in net result	124
<b>Net result</b>	<b>(259)</b>
<b>Balance Sheet</b>	
As at 30 June 2018	(\$ thousand)
Total assets	13,938
Total liabilities	10,683
<b>Net Assets (Equity)</b>	<b>3,255</b>
<b>Cash Flow Statement</b>	
for the financial year ended 30 June 2018	(\$ thousand)
Net cash flows from operating activities	623
Net cash flows from / (used in) investing activities	(114)
Net cash flows from / (used in) financing activities	(509)
<b>Net increase in cash and cash equivalents</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>-</b>





## Our purpose and functions

The Victorian Government's *Target One Million* policy committed to establishing Fisheries Victoria as a statutory authority to be known as the *Victorian Fisheries Authority*. The VFA was established on 1 July 2017.

The *Victorian Fisheries Authority Act 2016* (the Act) outlines the role and objectives of the VFA. The Act sets out the VFA's role:

- regulatory enforcement
- supporting the development of sustainability and responsibility in recreational and commercial fishing and aquaculture
- development of fisheries management plans
- provision of advice to the Minister and the Secretary; and
- administration of the licensing scheme

The VFA is responsible for managing Victoria's fisheries resources in a co-ordinated and strategic way to ensure their ongoing sustainability. It is responsible for supporting the value that our fisheries deliver to commercial, recreational and Aboriginal sectors and aquaculture farmers.

The VFA's function is to ensure that the Victorian Government, Victorian fishing sector and general community obtain the benefits of careful management to ensure demand can be sustainably supported into the future. This is achieved by matching demand to fish stocking and infrastructure, while providing up to date information on resource condition and supporting regulatory requirements.

Technology is changing the way people fish, as well as transforming the way people collect, create, receive and communicate information and expectations about how services are delivered. At the same time climate change and the various human activity impact our fisheries. Working with other natural resource management agencies the VFA will continue to evolve and adapt to this dynamic operating environment to ensure Victoria continues to enjoy, and realise the full potential of the social, economic and cultural value that comes from this important community resource.





## Our vision

Secure, share and grow Victoria's fisheries for the enjoyment and benefit of current and future generations.

## Our values



## Our stakeholders

The VFA works with many stakeholders spanning government, public sector agencies, community groups, Aboriginal groups, fishing sectors and conservation groups. Active and strategic engagement with stakeholders in fisheries management is critical to achieving long-term sustainability outcomes and innovative and cost-effective management. This requires a long-term investment in relationships based on mutual trust and respect.

Stakeholders are the individuals and groups with a stake, directly or indirectly, in Victoria's fishery resources. This includes:

- **Fishers** – the commercial, recreational and Aboriginal fishing sectors and their associated industries and communities. Fishers have a direct interest, role and responsibility in fisheries management.
- **Natural resource managers** - government and non-government agencies, including landowners and land managers who manage Victorian natural resources, have a direct or indirect impact on the management of Victorian fisheries. Natural resource managers play a key role in managing fisheries habitat and assets. Their decisions affect access to fisheries and the interaction of fisheries with other uses.
- **Peak industry bodies** – co-management of Victoria’s fishery resources is undertaken between VFA and two industry bodies representing the commercial (Seafood Industry Victoria) and the recreational (VRFish) sectors, each of which is funded through a percentage of the relevant licence fees collected by the VFA.
- **Community sectors and other interested parties** – including seafood consumers, conservation groups, the general community and future generations.

The community sector encompasses a diverse range of interests important to fisheries management. Given these interests are broad and generally indirect, they are largely represented by government and include management of the resource on behalf of future generations. Providing a sustainable and productive framework to manage the resource ensures its continued availability and viability for future generations.

Victorian seafood consumers also have an interest in the sustainable management of the resource and continued access to Victorian seafood. This is a large sector encompassing consumers across the whole state.

Other groups may have specific roles in particular processes, such as the conservation sector's involvement in the setting of fishery specific performance indicators and management arrangements for sustainability (for example, through the development of a harvest strategy). Building stronger relationships with non-government organisations, including those in the conservation sector, can promote a better understanding and support for fisheries management, creating a resilient base to address matters as they arise.

- **Aboriginal Victorians** - The VFA recognises that Aboriginal people have a strong connection to country that is central to their culture, both traditionally and today. The VFA is committed to working together with the Aboriginal community and other fishing sectors to sustainably manage fish resources in freshwater and saltwater country.





## Our year in review

In its first year of operation, the VFA has commenced a journey of transition with many successes and achievements.

While the development of the VFA five-year Strategic Plan is underway, the VFA has continued to successfully achieve under the priorities of its legacy – *The Fisheries Victoria Strategy*.

### Sustainable fishing and aquaculture

#### Achievements include:

- The declaration of the *Victorian Eel Fishery Management Plan* and *Victorian Rock Lobster Fishery Management Plan* by the Minister of Agriculture.
- Public consultation on the draft *Victorian Pipi Fishery Management Plan* and *Freshwater Fisheries Management Plan*.
- In close consultation with Seafood Industry Victoria and commercial fishers, successful application of the new Rock Lobster Fishery harvest strategy to set the commercial quota for 2018-19.
- Ongoing stock surveys for key Victorian species such as snapper and King George whiting.
- With the support of VRFish, the tackle industry and conservation groups, progressed toward a ban on opera house nets in all public and private waters throughout Victoria from 1 July 2019.

- Received incredible community support for the Safeguarding Stingrays Project established in partnership with the Project Banjo Action Group, FutureFish, Boating Industry Association Victoria and Fishcare.
- Increased visibility of Fisheries Officer patrol activity using new high-profile enforcement vehicles, as well as an on-water presence in patrol vessels.

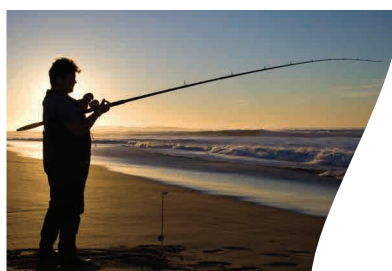
### Clear resource access and sharing arrangements

#### Achievements include:

- Secured public access to recreational fishing opportunities through extensive consultation and collaboration, which led to exciting new and reopened fisheries across the State, including Hazelwood Pondage, Dartmouth Pondage, Rocklands Reservoir and Blue Rock Lake.
- Removed commercial netting in Corio Bay in accordance with legislation passed by Parliament.
- To estimate the recreational catch of rock lobster, launched a three-year trial program requiring recreationally caught rock lobster to be tagged and reported via an online app.
- With the support of Seafood Industry Victoria, amended regulation to allow commercial wrasse fishing licences to be transferred or sold on the open market to enable flexible and tradeable entitlements and support industry adjustments and ongoing sustainability.







- Through our *Victorian Aboriginal Fishing Strategy*, brought a new dimension to Victoria's already diverse fishing industry by promoting participation and partnerships that will integrate Victoria's unique Aboriginal knowledge and strong connection to fishing.
- Worked in partnership with Parks Victoria, Seafood Industry Victoria and commercial fishers to assist with the eradication of the purple sea urchin, a voracious predator, from Nooramunga Coastal Park in eastern Victoria.
- Introduced the Online Agent Portal - an exciting initiative in our recreational fishing licencing area aimed at reducing red tape by transitioning the VFA's paper-based agent sales to an online portal decreasing the turnaround time for applications from days to minutes.
- Collaborated with PrimeSafe Victoria, the Department of Economic Development, Jobs, Transport and Resources and the seafood industry to remove unnecessary regulations and gain significant administrative efficiencies without effecting food safety outcomes or compromising market access.

## Increased economic, social and cultural value

### Achievements include:

- In April, we celebrated stocking our six millionth fish in Victorian waters for the year.
- In mid-January, five fish attracting devices were deployed off Torquay to improving offshore fishing opportunities for kingfish.
- Secured export approval for the Corner Inlet Fishery for three years through our work with the Commonwealth Department of Environment and Energy.
- Allocated additional sites for marine farming as one of the first deliverables of the newly announced *Victorian Aquaculture Strategy 2017-2022*.
- Commenced a new industry development project to build the brand for fresh, healthy Victorian farmed trout and get this premium product fully appreciated by chefs, the food service industry and the public.

## Engaging broadly with all stakeholder groups

### Achievements include:

- Convened the Murray Codference on 10 December 2017, Dusky Flathead Symposium in Lakes Entrance on the 10 March 2018 and Sand Flathead Workshop on the 23 May 2018.
- Supported many events to help promote Victoria's vibrant commercial fisheries, including Hooked on Portland, Apollo Bay Seafood Festival and Lakes Entrance fishing and seafood festivals.
- Conducted a VicFishKids program to get more kids fishing more often, with five events held from 2 September to 29 October 2017 (Eildon, Lilydale Lake, Albert Park, Mordialloc, Morwell and Maryborough).

- Connected with 5,679 Victorians through the Community Holiday program held at the Marine and Freshwater Discovery Centre.
- Increased the VFA's social media presence and reach to our fishing public and stakeholders. The VFA has four platforms, the most widely used of these being Facebook and Instagram.
- Created the Women in Recreational Fishing Network to engage more effectively with female anglers and encourage participation in fishing activity with families.
- Provided involvement in the planning, development and implementation of the *Victorian Shark Hazard Plan*.

## Our Board and Office of the CEO

- Our newly formed Board was established and includes three subcommittees with responsibility for our governance, strategic direction and risk management.
- The Office of the Chief Executive Officer was formed to support the CEO in managing the day-to-day corporate operations of the VFA. The office is evolving to meet our needs particularly for financial and other corporate service functions. It plays a leading role in supporting the effective operation of the Board and Committees and supports the operating divisions by leading on strategy, planning, reporting and risk management.



## Growing recreational fishing in Victoria



Victoria has some of the nation's most diverse recreational fishing opportunities for inland species such as Murray cod, trout, yellow belly and redfin; it's also renowned for its marine species such as snapper, King George whiting, calamari, flathead and bream. Our offshore fishing for a range of pelagic fish species such as southern bluefin tuna, swordfish, kingfish, mako and thresher sharks has positioned Victoria as the game fishing capital of Australia.

Recreational fishing is not only an integral part of Victoria's way of life, it is a major economic driver of jobs and investment in regional towns. More recently, recreational fishing has become increasingly recognised for its physical and mental wellbeing benefits to all participants.

### Quick facts:

- 258,531 recreational fishing licences were sold in 2017-18
- 34,000 jobs, direct and indirect, created
- 75% of recreational fishing licences sold online in 2017-18
- \$7,974,424 in sales of recreational fishing licences

The VFA is successfully delivering on the Victorian Government's \$46 million *Target One Million* plan.

- ☒ Halt commercial netting in Port Phillip and Corio Bays over eight years
- ☒ Save Lake Toolondo
- ☒ Ban netting at the mouths of rivers in the Gippsland Lakes
- ☒ Establish a Better Fishing Facilities Fund
- ☒ Increase fish stocking to 5 million fish per year
- ☒ Implement a marine species stocking program
- ☒ Open recreational trout cod fisheries in Beechworth
- ☒ Stock barramundi into Hazelwood Pondage
- ☒ Allocate 'Stronger Fishing Club' grants
- ☒ Introduce a minimum legal size for trout
- ☒ Grow the Victorian Trout Opening Festival
- ☒ Remove horsepower and boat length restrictions at Blue Rock Lake
- ☒ Undertake a statewide recreational catch survey
- ☒ Deliver school education and children's fishing programs.

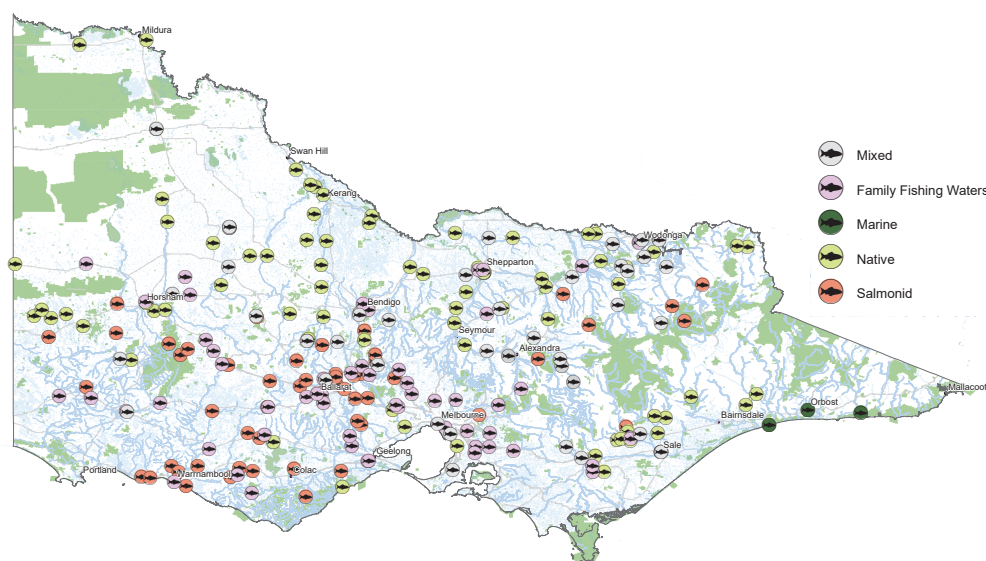




## Better fishing opportunities through more stocking

### Record number of fish stocked in 2017-18: 6 million fish!

In April 2018, the VFA stocked its six millionth fish for the year, exceeding the five million fish target put in place under *Target One Million* and breaking several records in the process. We achieved the highest number of Murray cod ever grown at our Snobs Creek Hatchery and record numbers of Murray cod, golden perch, Australian bass and silver perch were released across more than 250 Victorian waters.



Salmonid Fish 2017 Species Breakdown

Species	Number stocked
Brook trout	3,270
Brown trout	626,865
Chinook salmon	29,715
Rainbow trout	543,169
<b>Total</b>	<b>1,203,019</b>

Native Fish 2017-18 Species Breakdown

Species	Number stocked
Australian bass	474,500
Estuary perch	7,000
Golden perch	2,515,981
Macquarie perch	17,500
Murray cod	1,629,855
Silver perch	235,000
Trout cod	3,500
<b>Total</b>	<b>4,883,336</b>

\*Salmonid stocking is measured on a calendar year basis as fish are available during winter but can be held over and grown to a larger size to be stocked throughout the year. The number of native fish stocked is measured on a financial year as conditions are best for native fingerlings between November and February.



## Creating a new recreational fishery at Rocklands Reservoir

For the first time, Rocklands Reservoir, near Balmoral in southwest Victoria, was stocked with Murray cod and golden perch. It's the newest and one of our most exciting native fishery projects to date. It is expected fishing participation at Rocklands will double over the next five years as stocked fish reach catchable size.

Rocklands is one of Victoria's largest water storages and has extensive stands of timber that provide ideal native fish habitat. The development of the Rocklands fishery aligns with the *Target One Million* program.

It will make an important contribution (estimated conservatively at over \$6 million per year) to the regional economy as fishing-related tourists spend money in the region on fuel, tackle, food and accommodation.

The VFA's decision to stock native fish in this waterway was based on a detailed and independent fish stocking risk assessment conducted by environmental and fishery management consultants. The assessment found the stocking poses no significant risk to other endemic aquatic species.



## Improving recreational fishing opportunities

### Buy-out of commercial nets in Port Phillip Bay

Port Phillip Bay is home to our largest recreational fishery. The \$27 million phase-out of commercial netting in Port Phillip Bay is a key initiative of the *Target One Million* program. The plan is on track to deliver on its objective of removing all commercial nets from Port Phillip Bay by 2022. Over the last 12 months, the removal of netting has progressed, with an additional licence holder exiting the fishery on 1 April 2018. This leaves nine commercial fishers in the bay - a reduction of 34 licences over a three-year period.

A key deliverable of this initiative - the closure of Corio Bay to netting - came into effect on 1 April 2018. Corio Bay is now net-free. This important part of the plan aims to attract more visitors to this prime fishing destination, boost local economies and support local businesses.

To further safeguard our key recreational species in the Bay, in June 2018, commercial species catch limits were implemented for four key species, further ensuring that the intent of the plan to improve recreational fishing in Victoria is delivered.

With the removal of the commercial net fishery, there is now an additional approximately 350 tonnes of popular angling species, including King George whiting, snapper, calamari, bream and flathead, available for recreational fishers across the Bay. This represents an approximate 76 percent reduction in commercial catch of the key fish species in the Bay.

Charter fishers have reported excellent catch rates, with their customers regularly catching their daily bag limit of snapper, whiting and calamari. This is backed up by other recreational fishers who are attributing the increased catches to the removal of netting.





## Securing Victoria's recreational southern bluefin tuna fishery

Southern bluefin tuna stocks continue to grow under existing international management arrangements. Recreational fishing in southwest Victoria is worth \$325 million to the State's economy and southern bluefin tuna is a key target species. The fishery supports hundreds of jobs in towns across the southwest coast.

In July 2017, our officers conducted a targeted compliance operation focusing on southern bluefin tuna trailer boats and charter boats. We deployed 16 Fisheries Officers from across the State, along with two Fisheries patrol vessels, aerial surveillance and covert monitoring. We conducted inspections at boat ramps and on the high seas with 89 fishers checked on the water and more than 250 back in port,

including 19 inspections of charter vessels. The operation found very high levels of compliance with catch limits by recreational and charter fishers.

This is good news. Southern bluefin tuna is a priority species in Victoria and afforded extra levels of protection given the species high value. It demonstrates that tuna fishers are fishing responsibly.

In 2017-18, the VFA worked with the Commonwealth Government Department of Agriculture and Water Resources to help them commence the national recreational fishing survey for tuna. Information gathered from this survey is a vital prerequisite to meaningful discussions in the future to determine how Australia's southern bluefin tuna stocks should be shared between sectors.





## Better habitat and waterway management means more fish

### Saving Toolondo Reservoir



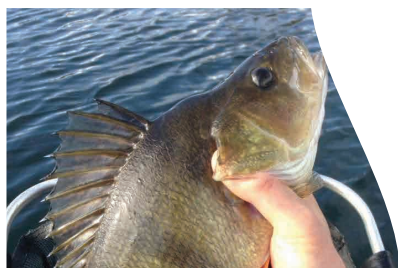
Toolondo Reservoir is an outstanding stocked recreational trout fishery, but as a secondary water storage facility, its water level has fluctuated considerably over the last few decades. In its *Target One Million* plan, the Victorian Government committed to preserve Toolondo as a quality stocked trout fishery. To do this, the Victorian Government established the Toolondo Reservoir Recreational Fishing Advisory Group, and the group completed four technical studies, formulated 20 key findings and made ten key recommendations to the Victorian Government.



This led to the transfer of water from Rocklands Reservoir to Toolondo in 2016 (5,000 megalitres) and again in 2017 (10,000 megalitres). With the increase in water levels at Toolondo, the VFA was able to stock more than 120,000 brown and rainbow trout.

The VFA continues to manage and support the Toolondo recreational fishery, including removing several tonnes of carp from the reservoir.

### Cutting red tape and creating a world class Bass fishery at Blue Rock Lake



The VFA has created a fantastic fishery for recreational anglers at Blue Rock Lake. Since 2002, the VFA has stocked more than 160,000 Australian bass fingerlings into the lake, along with brown and rainbow trout, making it a world-class fishing destination. The lake is also home to a self-sustaining population of redfin, which are enjoyed by anglers as a great table fish.



Enhancing the fishing experience in the lake, the VFA has regulated to remove the rules applying to the maximum horsepower and length of fishing boats. After a successful 12-month trial to test the removal of the regulations in 2016-17, the rules were permanently changed to allow fishing boats of any length and engine size to operate on the lake.

Better fishing facilities and angler access

## Better Fishing Facilities program

Under *Target One Million*, the VFA approved 28 grants through the Better Fishing Facilities program (BFF program) for new recreational fishing infrastructure projects across the State in 2017-18. This brings VFA's commitment to almost \$2 million in funding and close to \$17 million in total project investment, making it one of the Victorian Government's highest performing grant programs for percentage of co-investment.

Projects included jetty extensions, upgrades and restorations, new and refurbished boat ramps, new fish habitat, river restorations, kids fishing platforms, kayak launching facilities and a fish weighing gantry for large blue water species.

Five of our key projects are described below.

## 1. Kimbolton Foreshore Reserve Rejuvenation Project

Lake Eppalock in central Victoria is renowned for its golden perch and redfin fisheries and attracts tens of thousands of recreational fishers to the Bendigo region each year. A widescale community consultation process identified the need for better facilities to enable more family friendly fishing and boating. Through collaboration between the VFA, the Department of Environment, Land, Water and Planning and Goulburn Murray Water, the BFF program funded \$100,000 toward the Kimbolton Foreshore Reserve Rejuvenation Project, which included a new amenities building, BBQ's, rotundas, signage and landscaping improvements. This project compliments the recently updated boat launching facilities at the reserve, which were funded by the sale of Recreational Fishing Licences.



## 2. Devilbend Fishing Platform and Kayak Launch Installation

Devilbend Reservoir is Victoria's most successful stocked estuary perch fishery. In collaboration with Parks Victoria, the VFA's BFF program funded over \$100,000 to extend the reservoir's existing platform, providing fishing access into deeper water beyond the surrounding weed beds, and to create a kayak launching facility.



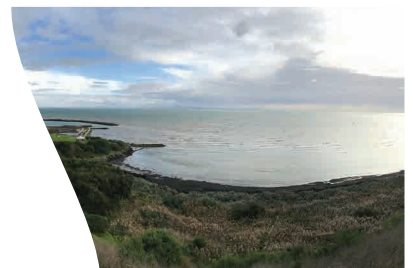
### 3. Corinella Boat Ramp Expansion Project

The Corinella Boat Ramp provides Melbourne's closest deep water launching point on the eastern side of Westernport Bay. Through the VFA's BFF program, a Victorian Government contribution of over \$1.4 million was made toward doubling the capacity of the important boating facility.



#### 4. Seymour Family Friendly Fishing Platform

A \$100,000 grant from the BFF program will create a family friendly fishing platform at Goulburn Park in Seymour to provide safe access to the river and the opportunity to catch Murray cod, golden perch, trout, redfin and carp without needing to navigate steep banks or changing river heights.



## 5. Clifton Springs Fishing Jetty Extension

Clifton Springs, a small fishing town on the Bellarine Peninsula, is famous for its accessibility to calamari, snapper, whiting and flathead. Access to quality fishing however, has been limited to boat owners capable of finding deeper water and weed beds. With a grant of \$320,000, this will double the length of the Clifton Springs fishing jetty.

From the top:  
Kimbolton  
Devilbend  
Corinella  
Clifton Springs

### Reopening Dartmouth Pondage

The Dartmouth Pondage, located below Lake Dartmouth on the Mitta Mitta River, was once a popular trout fishery but was closed to fishing by Goulburn Murray Water in 2013 due to concerns about public safety resulting from fluctuating water levels. Following an independent risk assessment process, the VFA, Goulburn Murray Water and the hydro-electricity generator AGL found the risks could be managed through fencing, signage and temporary closures when high water peak flow conditions occur.

The VFA has entered into a licence agreement with Goulburn Murray Water to licence the north side of the lower Dartmouth Pondage, effectively becoming responsible for the public liability, allowing anglers to access the water across the licenced land.

The Dartmouth Pondage was reopened to land-based fishing on 1 May 2018. To celebrate the reopening of the fishery, the VFA held a well-attended public event, releasing 20,000 trout to boost fish stocks.

The local community has continually and publicly expressed its gratitude for the reopening of this important community access.





## Better protection for our iconic species

### Socially responsible fishing for rays and banjo sharks

During 2017, a high-profile community campaign emerged in Victoria regarding socially responsible stingray fishing. The campaign, led by the Project Banjo Action Group, highlighted disrespectful fishing behaviour for rays and banjo sharks at fishing piers in Rye and Blairgowrie by a small proportion of recreational fishers. The campaign attracted more than 33,000 signatures locally and internationally. The VFA quickly responded by proposing new fishing rules and increasing efforts to educate fishers about good handling practices. The rules, which are a combination of size, bag limit and locational restrictions, substantially increase the protection of rays in Victorian waters.

Stingrays and banjo sharks are valued by many Victorians for many reasons - the contribution stingrays make to their ecosystems, the enjoyment they bring to snorkelers, divers, pier visitors and tourists, and the food and enjoyment they bring to some recreational fishers and seafood consumers. Large stingrays have become local identities at some Victorian piers and breakwaters, attracting divers, other pier visitors and tourists with their regular visits.

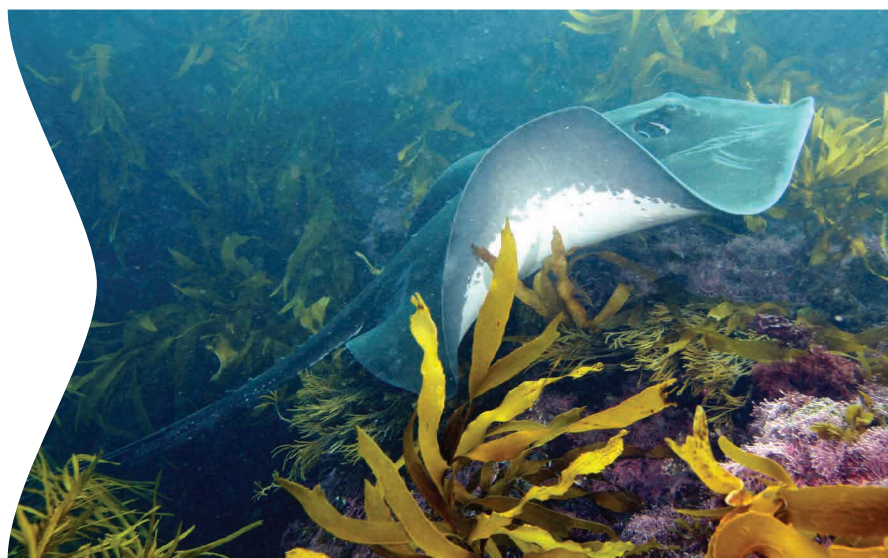
The VFA, in partnership with Project Banjo Action Group, FutureFish, Boating Industry Association Victoria and Fishcare, won the Victorian Coastal Award 2018 for planning and management. The award recognises programs or initiatives that turn planning into demonstrably better protection, improvement and sustainable use or development of Victoria's coastal and marine environments.

### Phasing out the use of opera house yabby traps in Victoria to protect wildlife

Opera house nets used for yabby fishing cause unintentional harm to Victoria's platypus population as well as other wildlife. On 14 May 2018, the Victorian Government announced that the use of opera house nets will be banned in all public and private waters throughout Victoria from 1 July 2019.

As opera house nets are phased out, more new open top lift nets are being made available to replace them. A planned one-for-one trade-in will enable fishers to trade in their old opera house nets for free 'wildlife friendly' open top lift nets.

The VFA is working with the fishing tackle sector, anglers and environmental groups on an awareness campaign around 'wildlife friendly' yabby gear leading up to 1 July next year.





## *Stronger, safer angler clubs*

### **Defibrillator program**

Automated external defibrillators are an important piece of emergency equipment that can significantly improve survival rates from a sudden cardiac arrest. On 15 May 2017, as part of the *Target One Million* program, the VFA launched a Defibrillators for Fishing Clubs program.

On 15 July 2017 successful applicants began to receive their 'defibrillator package'. The package includes a high-quality defibrillator, basic defibrillator and first aid training, and five years of essential maintenance.

To date, the program has approved over 78 fishing clubs to receive a defibrillator package.

### **Stronger Fishing Club Grants**

*Target One Million* includes a commitment to provide all eligible angling clubs with up to \$2,000 to promote membership. The Stronger Fishing Clubs grants programs was open from early 2016 until 31 August 2017. The program provided grants for angling clubs to conduct projects to promote and/or increase club membership and benefit recreational fishing in Victoria.

Over 15 months, the grants program provided almost \$350,000 worth of grants to over 180 clubs. Some examples include:

#### **Essendon Fish Protection Society and Anglers' Club**

Essendon Fish Protection Society and Anglers' Club received \$1,320 to install a permanent sign above their clubroom. Located across from the Maribyrnong River walking track the new clubroom signage has increased the visibility and exposure of the club within the local community.

#### **Kyabram Anglers Club**

Kyabram Anglers Club received \$2,000 funding to host a 'Kids Come And Try Fishing Day' project. The day was highly successful, attracting more than 118 junior anglers and a total crowd of 250 people.

#### **Ballan Anglers Club**

Ballan Anglers Club received \$988.35 funding for official club uniforms. The uniforms have been used at fundraising activities, social events and fishing days to promote the club and increase membership.

#### **Bellarine Light Game and Sportfishing Club**

Bellarine Light Game and Sportfishing Club received \$1,683.00 funding for a club promotion project. The club used funds to purchase club branded apparel and banners which have been used to promote the club at public events.

#### **Numurkah Fishing Club**

Numurkah Fishing Club received \$2,000 funding for a Club Trailer Project. Funds were used to complete the branding of a club trailer and purchase a folding canopy for use at public events. Funding allowed the club to finish the final stage of building the new trailer which has received positive feedback from the public when used at community events.

## Recreational Fishing Licence Trust Account

Every year the VFA, through the Recreational Fishing Licence Trust Account, disburses revenue derived from the sale of Recreational Fishing Licences to projects that will improve recreational fishing. Since its inception in 2001, the Recreational Fishing Grants Program has funded over 600 projects, worth more than \$21 million throughout Victoria.

The Recreational Fishing Grants Program comprises three separate programs:

- A Small Grants Program that is continually open to fund small projects (up to \$5,000 - GST Exclusive)
- A Large Grants Program (for projects from \$5,001 to \$100,000 - GST Exclusive)
- A Commissioning Program for large priority projects (generally in excess of \$100,000).

In the 2017-18 financial year, a total of \$1,484,034.08 was paid to 78 projects through the Recreational Fishing Grants Program. This included over \$95,000 to 40 projects under the Small Grants Program.

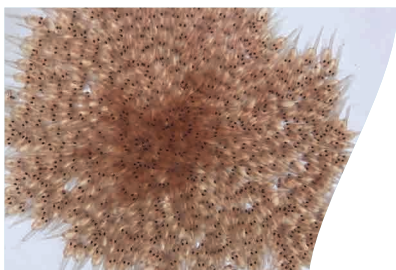
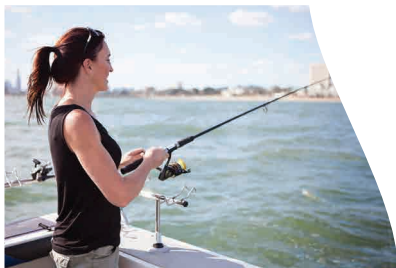
Recreational Fishing Licence Trust  
Account funds are also committed  
or disbursed to fund:

- Increased fish stocking into lakes and rivers
- The deployment of thirteen Fisheries Officers to boost enforcement and education
- VRFish, to provide advice to the Victorian Government about the broad range of recreational fishers' views on the management of the State's fisheries resources
- The Victorian Fishcare program, which delivers responsible fishing education and events to the community
- Projects approved through previous rounds of the Recreational Fishing Grants Program for access and facilities, education, information and training, recreational fisheries research and fish habitat improvement
- Recreational Fishing Licence commissions paid to sellers; and
- The costs incurred in the administration of the Recreational Fishing Licence Grants Program and the Recreational Fishing Grants Working Group.

Pursuant to Section 151B(4) of the *Fisheries Act 1995*, an annual report detailing all Recreational Fishing Licence Trust Account revenue and expenditure is prepared and tabled in each House of Parliament. The report can be found at on the VFA website ([www.vfa.vic.gov.au](http://www.vfa.vic.gov.au)).



## Engaging with the community through fishing



### Women in Recreational Fishing network

The Women in Recreational Fishing network is an exciting new initiative under *Target One Million* to encourage more women to participate and be actively involved in recreational fishing. The formation of the group is a direct result of the VFA's 'Women in Fishing Survey' last year, which was completed by nearly 1,400 women.

The aim of the network is to establish an interactive Facebook group for women to enable them to talk, gain and share knowledge to engage in recreational fishing activities in a comfortable manner. The network has been designed to:

- promote the benefits of fishing as a healthy and positive outdoor activity for the family
- provide a space for women to discuss, share, engage with other women and ask questions
- address barriers and offer solutions to encourage more women to go fishing and promote positive images of women in recreational fishing; and
- provide women with the education and knowledge to give them the confidence to get involved.

The Women in Recreational Fishing membership has grown steadily throughout the year and currently has 674 members.

### The VFA out in the community

The VFA held a wide range of events designed to inform and involve the Victorian community in recreational and commercial fisheries management.

#### Snobs Creek 70th Birthday Celebration – 2 July 2017

Over 550 people attend the 70th celebration for Snobs Creek on 2 July 2017. It provided the community with an opportunity to get behind-the-scenes and talk directly to expert staff about how they grow trout and native fish, which are released throughout the state to improve inland fishing opportunities.

#### Goulburn and Ballarat Trout Opening Festivals 2017 – 2 September 2017

Trout opening festivals on 2 September 2017 attracted 1500 people to Eildon and Ballarat for a fantastic family day outdoors.

#### Talk Wild Trout 2017 – 11 November 2017

On 11 November 2017, the VFA held the third annual Talk Wild Trout conference with nearly 200 people in attendance. The conference provided information on the overall state of Victoria's trout populations, health checks of some key trout stream fisheries, fish marking advances, the results of stocking trials in the Howqua and (upper) Goulburn rivers, and insights into the social attitudes and behaviours of anglers in north east trout streams.

## **Codference 2017 – 10 December 2017**

The second Murray Codference was held on 10 December 2017 in Shepparton and attracted over 300 avid anglers to hear the latest on Murray cod and other native species. There were insightful presentations on habitat, flagship native fisheries, changes to native fisheries over the years, carp control and the Care for Cod campaign launch.

## **Hooked on Portland 2018 – 26-28 January 2018**

The inaugural Hooked on Portland three-day festival, held over the Australia Day long weekend, attracted over 12,000 people to celebrate the coastal centre as a fishing and tourism hotspot. Portland is recognised as a game fishing destination, particularly for large southern bluefin tuna. The festival was run by the Glenelg Shire Council, Regional Development Victoria and the VFA and supported the Government's *Target One Million* campaign.

## **Hooked on Lakes 2018 – 10-12 March 2018**

Over 800 seafood lovers and keen recreational anglers converged at Lakes Entrance for the Labour Day long weekend in March to attend the free Hooked on Lakes Entrance festival.

## **VicFishKids 2017-18**

VFA hosted VicFishKids clinics free events in Eildon, Lilydale Lake, Albert Park, Mordialloc, Morwell and Maryborough. About 4200 people attended these events, 2200 of which were children. As part of the program, the first 200 kids received a free fishing rod. A total of 1200 rods now have a new home and will be used regularly to go fishing!





## Other key highlights

<b>Implementation of an expanded Angler Diary Program</b>	To meet a <i>Target One Million</i> commitment to expand the Angler Diary Program, the VFA has developed an App to make it easy for anglers to record their catch history for freshwater and marine waters. The App gathers standardised recreational fishing catch and effort data as a direct measure of the performance of our key recreational fisheries.
<b>Hazelwood pondage</b>	<p>In 2016, the VFA delivered on a <i>Target One Million</i> plan to stock barramundi into the Hazelwood Pondage in the Latrobe Valley. Since then, more than 7000 barramundi have been stocked. An independent study found that over a four-month period, the barramundi fishery attracted more than 5000 recreational fishers who spent more than \$700,000 in the Latrobe valley.</p> <p>When the Hazelwood power station ceased operations in April 2017, the VFA began monitoring the health and performance of the fishery. The barramundi migrated to the warmer parts of the pondage and in February 2018, the VFA improved land-based facilities and leased land from Gippsland Water to ensure recreational fishers have continued access to stocked barramundi.</p>
<b>Informing sustainable management of Victoria's recreational fisheries in marine bays and inlets</b>	With increasing population growth and increasing popularity of recreational fishing, there is a need to include recreational fishery data into fish stocks assessments to ensure that Victoria's wild finfish stocks are managed sustainably. Since the 1990s, monitoring programs have provided data on highly targeted species such as snapper, King George whiting, sand flathead and black bream. Angler catch "creel" surveys provide a cost-effective way of assessing changes in Victoria's largest fisheries (Port Phillip Bay, Western Port and the Gippsland Lakes) and ensuring reliable data is used to inform management decision making. For regional areas of the State and for lower value and lower risk fisheries, such as black bream in small estuaries, estuary perch, mulloway and dusky flathead, more simplified and less expensive monitoring methods are used.
<b>Online Agent Portal</b>	In 2016-17, 95,000 recreational fishing licences were purchased through the VFA's authorised agency network. The method of sale used by the agencies was paper-based hand-written documentation, which was labour intensive for agents and costly for the VFA to administer. The need to improve the system was identified and in response, the VFA implemented an online agent portal to transition from paper to electronic recreational fishing licence sales. The system was opened to all agents on 1 July 2018 and to date, close to 6000 transactions have been completed online.
<b>Marine stocking</b>	As part of <i>Target One Million</i> , the Victorian Government committed to implementing a marine species stocking program. After extensive consultation with recreational fishing representative groups, the VFA developed a marine stocking plan with a focus on improving recreational fishing in coastal estuaries of Gippsland. Since 2016, 21,000 mulloway and 55,000 estuary perch have been stocked in three waters - Lake Tyers, Tamboon Inlet and Bemm River. The performance of these stocked fish is currently being monitored through fish population surveys and through recreational catch feedback. The VFA is also investigating the feasibility of breeding flathead species (for marine stocking) and has plans to expand estuary perch stocking in the lower reaches of the Barwon and Maribyrnong Rivers.

## Promoting sustainable and viable commercial fishing and aquaculture

## Wild catch commercial fishing

Victoria is home to some of the world's most sought after wild harvest seafood, including abalone, southern rock lobster, giant crab, urchins, wrasse, banded morwong, snapper, King George whiting and scallops. To ensure the sustainability of our valuable fisheries, the VFA manages the resources to a world-class standard. Our commercial fisheries are carefully monitored and regulated and we work closely with the commercial fishing industry to ensure we have vibrant and viable fisheries for the future.



## Aquaculture

Growing demand for seafood globally and locally means that the aquaculture industry is playing an increasingly important role in meeting the demand for seafood products. Mussels, abalone, trout, and barramundi production is showing positive growth and the sectors are well positioned to take advantage of favourable market demand in the coming years.

The landed, or farm gate, value of Victorian aquaculture now exceeds the wild catch sector. It is expected to continue to grow with the support and oversight of the VFA.

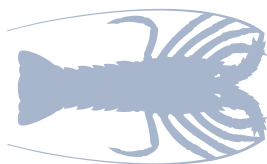
The 2017 *Victorian Aquaculture Strategy* released by the Minister for Agriculture provides a blueprint to guide public and private sector investment for the industry.



VFA manages and administers commercial and aquaculture licences that have an estimated market value of \$500 million.

### Summary of key commercial wild catch fisheries

#### Rock Lobster



**Fishery distribution**  
Portland to Mallacoota

**Total landed catch value**  
\$25 million  
107 licences

**Catch in 2017-18**  
285 tonnes

**Local and export markets**  
in Southeast Asia

#### Abalone



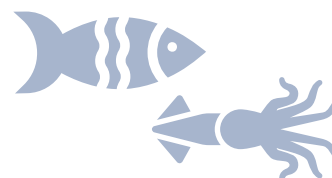
**Fishery distribution**  
Portland to Mallacoota

**Total landed catch value**  
\$20 million  
71 licences

**Catch in 2017-18**  
715 tonnes

**Local and export markets**  
in South East Asia

#### Fish and calamari



**Fishery distribution**  
Victorian coastal waters,  
bays and inlets

**Total landed catch value**  
\$3 million estimated  
205 licences  
across several licence classes

**Catch in 2017-18**  
2,560 tonnes

**Mostly local and**  
interstate markets

### Summary of key farmed species

#### Salmonids



**Production**  
1300 tonnes

**Farm gate value**  
\$14 million

#### Port Phillip Bay Mussels



**Production**  
1,300 tonnes

**Farm gate value**  
\$4.3 million

#### Abalone



**Production**  
460 tonnes

**Farm gate value**  
\$18 million

*Our commercial fisheries are sustainably managed*

## Status of key species in Victorian waters

The VFA is committed to supporting sustainable fishing. Sustainability is ensured by avoiding growth and recruitment overfishing, and minimising the impact of fishing operations on the surrounding environment. The VFA has developed a risk management category approach (green, amber, red) to assess key stocks in Victorian waters. The approach uses a qualitative assessment of current risks and takes into account management arrangements in place.

Stock	Risk management category	
Australian salmon (eastern)	Green	Red current management measures may not be sufficient to prevent stock depletion
Australian salmon (western)	Green	
Australian sardine (eastern)	Green	
Australian sardine (southern)	Green	
Black bream (Victoria)	Green	
Blacklip abalone (western zone)	Amber	Amber current management measures expected to mitigate risk of stock depletion
Blacklip abalone (central zone)	Amber	
Blacklip abalone (eastern zone)	Amber	
Dusky flathead (Victoria)	Green	Green stock status not of concern under current management measures
Giant crab (southern Australian stock)	Amber	
Greenlip abalone (central zone)	Amber	
Greenlip abalone (western zone)	Amber	
Gummy shark (southern Australian stock)	Commonwealth managed stock	
King George whiting (Victoria)	Green	
Murray cod (Victoria)	Green	
Sand flathead (Victoria)	Amber	
Scallop (ocean stock)	Amber	
Scallop (Port Phillip Bay stock)	Green	
School prawn (Victoria)	Green	
School shark (Southern Australian stock)	Commonwealth managed stock	
Sea urchin – black	Green	
Sea urchin – white	Green	
Snapper (eastern )	Green	
Snapper (western)	Green	
Southern calamari	Green	
Southern garfish	Amber	
Southern rock lobster	Green	
Tailor	Green	
Yelloweye mullet	Amber	

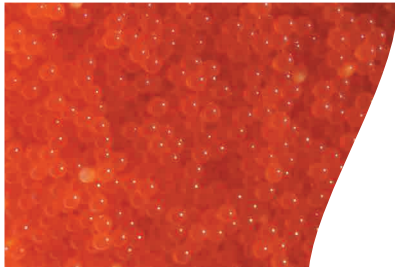


## Creating new commercial fishing and aquaculture opportunities

### Developing an ongoing and vibrant commercial wrasse fishery in Victoria

The VFA, in close consultation with the seafood industry, has delivered reforms for commercial fishing to promote efficiencies for commercial fishing businesses and opportunities for those working and seeking to work in commercial fishing. In 2017, VFA removed long-standing regulations that had prevented commercial wrasse fishing licences from being transferred to another fisher or sold on the open market.

Wrasse are highly valued across many markets and by removing the red tape, we have seen a dozen licences change hands since the reform. This has enabled new entrants into the industry and provided an opportunity for these fishers to have their product in local and interstate markets.



### Growing aquaculture across Victoria

It was a stellar year for the Victorian aquaculture industry as the VFA implemented the actions in the *Victorian Aquaculture Strategy 2017-2022*. Aquaculture industry production for 2016-17 was announced at a record \$48.3 million. Expanded production of abalone, trout, mussels and native finfish enabled aquaculture production to exceed the value of wild caught fisheries.

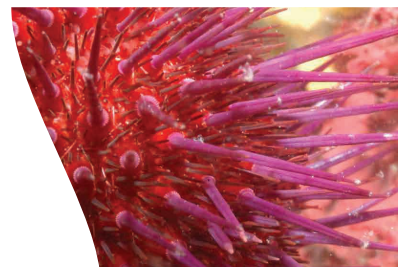
Several major farm expansions were commissioned during the year, which provide the basis for further expansion in production over the next few years. Mainstream Aquaculture's barramundi farm commissioned its new recirculating farm to bring total capacity from 200 to 1000 tonnes. Goulburn River Trout commissioned a new trout hatchery that will underpin future farm expansions. Two abalone farms commissioned farm expansions. Southern Ocean Mariculture, near Port Fairy, expanded its capacity from 70 tonnes to 120 tonnes of abalone per annum. Yumbah Aquaculture's Narrawong abalone farm doubled its capacity from 110 to 220 tonnes. Yumbah Aquaculture also won the Australian Export Awards in the agribusiness category.

New offshore shellfish farming sites were allocated within existing aquaculture reserves that will enable expanded mussel and native oyster production. A Memorandum of Understanding was finalised between PrimeSafe and the VFA that ensures all risks are being managed by the Victorian Shellfish Quality Assurance Program and export access for mussels is maintained.

We have been working with the Dja Dja Warrung, Gunditjmara and the Federation of Victorian Traditional Owner Corporations on the development of future Aboriginal aquaculture projects.

## Developing new seafood opportunities

The VFA continues to work with commercial fishers to develop new opportunities across Victoria. The sea urchin fishery has now transitioned from developmental permits to transferable licences and quota. Sea urchin roe is a highly prized delicacy and Victoria's abundant stocks are harvested by hand, with no bycatch, and now sold in more local markets. Octopus is another high value food. The octopus are harvested using specially designed pots with no bycatch, and industry is leading the way in collecting improved data to support this emerging fishery now and into the future.



## Improving market access for Victorian seafood producers

The VFA has worked alongside commercial fishers to help them optimise access to local, interstate and overseas markets. The Corner Inlet fishery became the first bay and inlet fishery to receive Commonwealth Government export approval under environmental and biodiversity legislation. The fishery is now exporting its catch to overseas markets.

In the case of abalone, the VFA trialled a pilot project in the western zone abalone fishery allowing commercial fishers to sell live abalone direct to the public off the boat. Previously, this abalone catch had to be consigned to a licensed fish receiver. This will help grow local demand at peak tourism periods in regional Victoria for what has historically been a highly prized delicacy in Asia.

The VFA is currently working with the trout farming sector, Seafood Industry Victoria, seafood marketing expert John Susman and the Fisheries Research and Development Corporation to raise the profile of trout as an attractive seafood option at new and emerging points along the supply chain. This will mean greater consumer choice for Victorians and competition with Tasmanian salmon. Trout promotion will occur in 2018-19 at a host of new sporting events, food displays and in supermarkets.





## *Initiatives making our resource management more effective*



### **Quantifying the total annual harvest of Victoria's rock lobster – rock lobster tagging program**

Southern rock lobster are a prized catch among the commercial and recreational fishing sectors. The commercial catch is tightly regulated under a quota management system and annual quota levels are determined using a complex process of stock analysis and assessment. Quota levels have been reduced significantly over the past two decades to promote stock rebuild and ensure ongoing sustainability. However, with population growth in Victoria and a growing interest in recreational fishing for rock lobster, there has been an increase in undocumented pressure on the resource.

The lack of understanding of the possible impact of increased recreational fishing has the potential to erode gains to stock health made by past reductions in commercial catch. This led the VFA to introduce a three-year tagging trial program requiring all recreationally caught rock lobster to be tagged and reported via an online app. The number of tags used each year provides an indication of the number of rock lobsters removed by the recreational sector from the stock in that year.

Combining this information with the known commercial catch provides more accurate data on the total rock lobster catch. It enables a comprehensive assessment of the rock lobster stock to be carried out and enhance the VFA's capacity to make robust fishery management decisions.

The VFA implemented the recreational tagging requirement on 1 July 2017. To date, over 5,000 divers from all over Victoria have registered accounts, with more than 400 of those volunteering to collect additional data as citizen scientists, and close to 7,000 rock lobsters have been reported as caught.



## Empowering Industry to co-manage and conduct fisheries research

The VFA is partnering with the commercial fishing industry to forge relationships that foster stewardship of fisheries resources, and improve data collection in Victoria's fisheries.

Joint initiatives in Victoria's quota-managed fisheries have included funding to purchase new technology, development of smartphone apps, design of voluntary data collection programs, and alignment with VFA's e-Catch project.

The giant crab fishery is developing pre-cut measuring devices to measure and count undersized and legally sized crabs. The VFA is supporting this initiative through designing a voluntary sampling program and developing an application to focus on new ways to capture additional data in the giant crab fisheries.

The rock lobster fishery is trialling innovative methods of data collection through the use of bluetooth wet-tags and electronic callipers. The bluetooth wet-tags and callipers will synchronise and deliver data directly to an iPad.

This will significantly improve efficiency by reducing manual entry of data for fishers. The VFA is assisting industry by securing funding for the trial of new technology to integrate data, including soak time, depth, temperature and location, with electronic reporting through the e-Catch project.

The abalone industry is known to be an early adopter of initiatives to support fisheries co-management, with industry developing a GPS-enabled abalone measuring logger over two decades ago. Industry data collection has since advanced to allow divers to accurately log their depth, water temperature and exact time spent under water. Industry data is presented at annual workshops with the VFA to inform discussions to determine the Total Allowable Commercial Catch (TACC) for the following season.

Building leadership within industry in these ways is assisting to address knowledge gaps, inform future management decision-making, improve economic viability and facilitate the transition to electronic reporting through the VFA e-Catch project.





## *Delivering improved commercial fisheries through better management arrangements*



### **Removing redundant regulations in the abalone and rock lobster fisheries**

In Victoria, commercially caught abalone and rock lobster have a landed catch value of more than \$40 million annually. In 2017, the VFA collaborated with PrimeSafe Victoria, the Department of Economic Development, Jobs, Transport and Resources, and the seafood industry to help remove unnecessary regulations impacting on commercial rock lobster and abalone fishers. The work revealed that the current regulations were disproportionate to the food safety risks associated with rock lobster and abalone product and that reducing the unnecessary red tape would not affect food safety outcomes or compromise market access. As a result, the requirement for these fishers to obtain a PrimeSafe licence was removed on 1 July 2017.



The changes make the regulation of rock lobster and abalone fishers in Victoria consistent with other States, and similar to the regulation of the handling of other live seafood products such as finfish and yabbies. The requirement for these fishers to comply with the relevant Primary Production and Processing Standards in the Australia New Zealand Food Standards Code remains in place.



### **Victorian Eel Fishery Management Plan**

A new Eel Fishery Management Plan was declared in August 2017 after a collaborative effort between the different sectors with an interest in the resource. The management plan is the blueprint for future actions to benefit all users of the resource: Aboriginal communities, and recreational and commercial fishers, including those harvesting from stocked waters. This is reinforced by the key objectives of the plan - the long-term sustainability of eel resources, fair resource access and use, cost-effective and participatory management, and improved economic viability of the fishery.

# Victorian Rock Lobster Fishery Management Plan

A refreshed management plan for the Rock Lobster Fishery was launched in February 2018. The plan aims to enhance the sustainability of Victoria's rock lobster stocks and make the commercial fishery the most valuable wild-caught fishery in Victoria. The plan was developed through intensive consultation and guided by an independently chaired, stakeholder-based steering committee. The plan introduced a new harvest strategy for setting annual commercial catch quotas and the recreational tagging program to quantify the annual recreational catch of rock lobsters.



# Victorian Piri Fishery Management Plan

The draft *Victorian Pipi Fishery Management Plan* was prepared by the VFA in 2018, in consultation with a stakeholder-based Steering Committee, comprised of representatives from Seafood Industry Victoria, VRFish and the VFA. Input was also received from commercial licence holders, Traditional Owners, conservation representatives and other stakeholders.

As part of engaging with the Traditional Owners of this fishery, the VFA will work to build and foster a partnership with the Gunditjmara Native Title holders to facilitate access rights for personal, communal and cultural use and to create economic development opportunities.

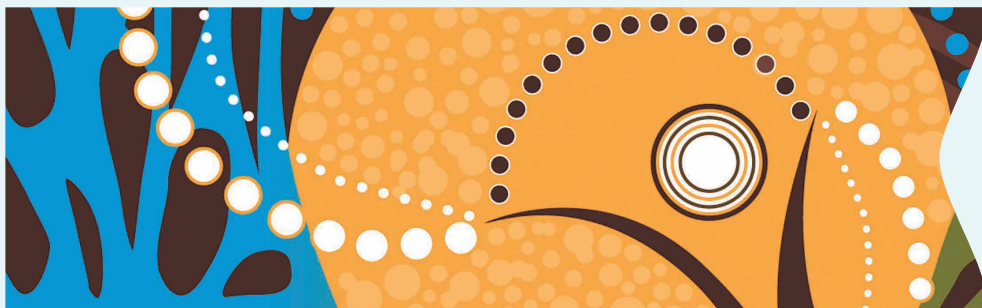
This is the first management plan for the Victorian Pipi Fishery. It establishes a framework for a viable, profitable and sustainable fishery in this State. The plan will be finalised in late 2018 after incorporation of feedback and comments made during the public consultation period.



## Other key highlights

<b>Victorian Auditor General's Office (VAGO) audit of freshwater fisheries management</b>	In response to recommendations made by VAGO in 2013, the VFA has strengthened the alignment of draft plans with the objectives of the <i>Fisheries Act 1995</i> , improved its engagement with natural resource managers and developed a stronger evidence base to support decision-making and manage freshwater fisheries in an ecologically sustainable manner.
<b>New harvest strategies implemented</b>	Setting the 2018-19 Total Allowable Commercial Catch (TACC) for the Victorian rock lobster and abalone fisheries has involved the first use of new harvest strategies. The Rock Lobster Fishery harvest strategy continued the stock rebuilding focus of the previous strategy but replaced the model-based TACC-setting with one based on standardised catch per unit effort. A new draft harvest framework for the Abalone Fishery has been developed and will be tested alongside existing assessment processes for the 2019-20 TACC.
<b>Protected species reporting</b>	The VFA continued to work with commercial fishers and the Department of Environment, Land, Water and Planning to manage the incidental interactions that some commercial fishing gear may have with protected species.
<b>Eastern Victoria Ocean Scallop Abundance Survey</b>	In late December 2017/early January 2018 an abundance survey for the Victorian Ocean Scallop Fishery took place in the coastal waters around Lakes Entrance. It was the first abundance survey for the ocean scallop fishery since 2012. The survey did not locate a scallop bed of significant adult biomass (at least 1500t) considered sufficient to maintain ongoing recruitment to the fishery and provide justification to increase the TACC.
<b>Venus Bay Pigi Biotoxin Monitoring</b>	In mid-2017, sampling of pipsis in the Venus Bay area detected toxins capable of causing diarrhetic shellfish poisoning and paralytic shellfish poisoning in humans. A coordinated response between government agencies implemented testing for toxin levels in the pipi population at Venus Bay and surrounding areas. Subsequent testing showed that toxin levels diminished and pipsis were again safe to consume.
<b>National Fish Status Reporting</b>	<p>The VFA's science and policy team provided the Victorian component of the <i>Status of Australian Fish Stocks Report 2018</i>, which is due to be released in late 2018.</p> <p>The report is a simple web-based tool for seafood consumers, managers and the community to find out about the status of key wild-caught fish stocks at a national level. Our scientists have led the assessments for black bream, King George whiting, eastern school whiting and southern sand flathead.</p>
<b>Rapid assessment workshop</b>	In April 2017, VFA representatives from science, management, enforcement, policy and licensing met with interstate colleagues for the first time to conduct a review of key Victorian fish stocks. The trial was designed to address the shortcomings of intermittent stock assessments, better highlight where additional work may be required and meet State and National reporting requirements. The workshop considered stock status information from a wide variety of sources for the assessment of 28 species/stocks. The report, published in November 2017, provides a framework to guide managers to respond to the results of the assessment process.

## Recognising Aboriginal fishing in Victoria



The VFA recognises that Aboriginal people have a strong connection to country that is central to their culture, both traditionally and today. It is time to evolve how we manage Victoria's fisheries to incorporate the rights, interests, values and culture of Aboriginal people into both what we do and how we work. To do this well will take time, but we are committed to working together with the Aboriginal community to sustainably manage fish resources in freshwater and saltwater country.

Over many thousands of generations, Aboriginal Victorians have sustained strong economic and cultural relationships with fisheries resources. This is demonstrated throughout Victorian Aboriginal communities – from the Gunditjmarra people in southwest Victoria, who engineered a complex system of drainage channels, weirs and fish-traps to harvest migrating eels, to the Murray River clans who fished Murray cod as a major food source. In Gippsland, the Gunaikurnai people also relied heavily on marine and freshwater fish for their food, often fishing with elaborate equipment from bark canoes. Today, many Aboriginal Victorians continue to maintain their strong cultural connections to fisheries resources, with fish species often featuring as a central animal in mythology and fishing activities found throughout contemporary cultural practices and creation stories.

The VFA recognises the connection Aboriginal Victorians have with fisheries resources and acknowledges the need to evolve the inclusiveness of our management process. We aim to generate change through the *Victorian Aboriginal Fishing Strategy*, which focuses on achieving three key outcomes:

- Recognition of Aboriginal customary fishing rights for Recognised Traditional Owner Groups.
- Better economic opportunities for all Aboriginal people in fishing and related industries.
- Sustainable fisheries management in collaboration with Traditional Owner Groups.





### Increasing our collaboration with Aboriginal Victorian's in fishing and fishing-related industries

The VFA met with the Mallee Catchment Management Authority, recreational fishers and Traditional Owners 'Ngintait' to explore partnership pathways that recognise the continued cultural connections Aboriginal Victorians have to country in northwest Victoria's iconic Lindsay River and Murrumbidgee Creek. First Peoples of the Millewa-Mallee representative Norman Wilson, said... 'community fishing investment for 'Ngintait' is essential to help build self-determination through fishing for traditional owners'.

We worked closely with the Traditional Owner community in the Kings Billabong region near Mildura to improve recreational fishing

opportunities and fishing access. Kings Billabong was stocked for the first time in February 2018 with 50,000 silver perch and 60,000 Murray cod. The collaboration created a strong network between the VFA and the Traditional Owner Community, who also provided valued input into the development of the *Freshwater Fisheries Management Plan*.

In 2016, we integrated traditional ecological knowledge elements at the inaugural Murray Cod Conference itinerary inviting Yorta Yorta Elders Uncle Col Walker and Uncle Norman Stewart to help share 'telling our stories' and significance of the Murray Cod to Yorta Yorta people through art and traditional weaving workshops.



There is a growing interest from within the Victorian Traditional Owner Community to actively participate in the management of Victoria's fisheries. Recognising this, the VFA is working with the Fisheries Research and Development Corporation Indigenous Reference Group, the Department of Environment, Land, Water and Planning, the Federation of Victorian Traditional Owners Corporation, and educational institutions to develop a culturally appropriate integrated fishery management program for Victorian young Aboriginal leaders.

In another Fisheries Research and Development funded project, the VFA, in partnership with the Dja Dja Wurrung Clans and Taungurung Clans Aboriginal Corporation, is working with Traditional Owners and Aboriginal Knowledge Holders to produce culturally specific fisheries products and materials of relevance to Aboriginal people that:

- Improves government and key stakeholder groups' understanding of customary fishing through documenting traditional owner customary fishing practices across parts of Victoria,

- Improves Victoria's Traditional Owner participation in the management of Victoria's fisheries by developing a structured approach of engagement with Victoria's traditional owner community,
- Recognise Aboriginal customary fishing rights for Recognised traditional owner groups, and
- Improves sustainable fisheries management in collaboration with traditional owner groups.

These projects are in keeping with the Victorian Government's *Aboriginal Inclusion Action Plan "Bullarto Buluk"* that creates a partnering arrangement with Aboriginal Victorians to further reconciliation and play our part in a national effort to 'close the gap' by:

- Strengthening the inclusion of Aboriginal people and culture in the workplace.
- Increasing Aboriginal participation in designing, implementing and evaluating our work, and improving Aboriginal Victorian's access to economic opportunities.

### Fishing for Culture Education Program

Aboriginal fishing culture is interwoven into the VFA's education programs showcased at our Marine and Freshwater Discovery Centre. The Centre's outdoor Balla-wein education space illuminates the fishing culture of the Wadawurrung, who are traditional owners of the Balla-wein (Bellarine Peninsula).

Our education activities, products and displays highlight connections between traditional Aboriginal fishing and fishing in the 21<sup>st</sup> century. We learn that the more things change the more they stay the same - kuwiyn (fish), wordel (crabs), buniya (eels), mayayn (yabbies) and tjorriiong (rock lobster) remain highly prized foods.

Our Fishing for Culture video - Koori Men's Recreational Program - shows how fishing remains a positive influence in the lives of Aboriginal youth and men, particularly for those now living in large cities.



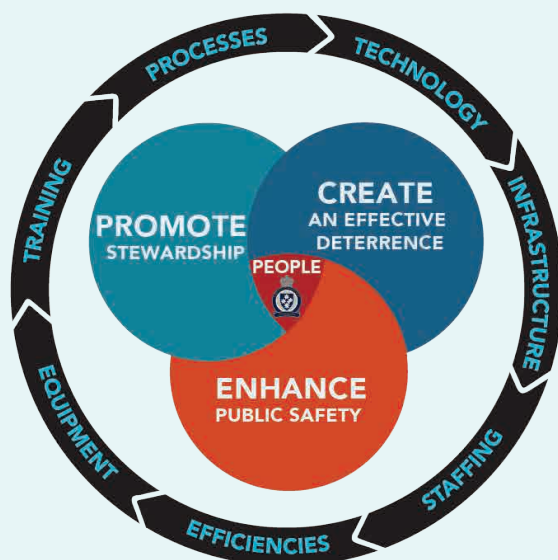
## Our education and enforcement activities

The VFA's Education and Enforcement Division delivers a fully integrated program that comprises prevention (community engagement and education), regional operations, intelligence collation and targeted investigations. The Division also leads the delivery of the VFA's emergency management responsibilities.



The Division structures its operations into three key strategic areas:

1. Promoting Stewardship
2. Creating an Effective Deterrence
3. Enhancing Public Safety





## Promoting stewardship

To generate and maintain an active willingness of all Victorians to achieve the sustainable and responsible use of fisheries resources.

### Operation Enlighten

Operation Enlighten is the VFA's state-wide education program that targets priority communities with a heightened risk of offending. The program promotes responsible fishing and stewardship of Victoria's fisheries resources to community members and uses education techniques that are non-threatening, culturally appropriate, interactive, fun and informative.

Our bilingual staff (Karen, Vietnamese, Mandarin/Cantonese, and Cambodian) play a pivotal role in Operation Enlighten as their presence encourages interaction and more nuanced communication.

Operation Enlighten provides context around the concept of natural resource management and emphasises every Victorian's personal responsibility to respect and care for our fish, other fishers, non-fishers and aquatic environments. It promotes the positive behaviours needed to fish responsibly and collaborates with settlement providers and EAL (English as an Alternative Language) schools to reinforce our fisheries messages, in safe learning environments.

In 2017-18, Operation Enlighten directly engaged with 4,196 people at 25 events.



## Community Holiday Program

The VFA, through its Marine and Freshwater Discovery Centre, runs a fantastic Community Holiday Program providing opportunities for everyone to enjoy and interact with marine and freshwater animals while learning about fisheries rules. In, on and next to selected Port Phillip Bay habitats, people connect with many different animals and learn about their importance. Care and respect for our fish and the environment comes from this knowledge and connection.

Through various activities people learn about the rules in place to protect fish stocks, habitats and vulnerable species. People also learn how to fish responsibly and safely while respecting other fishers and non-fishers. The Community Holiday program also aims to bolster understanding of how the VFA, on behalf of all Victorians, manages our fisheries so that there are fish now and into the future.

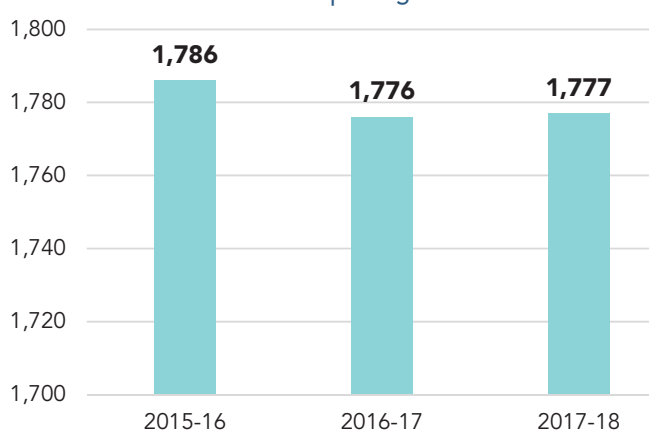
In 2017-18, the Community Holiday program connected with 5,679 Victorians.



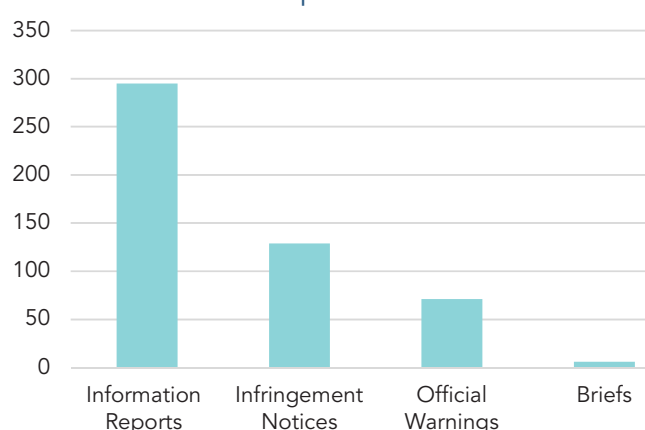
## 13FISH Reporting Line

The 13 FISH (13 3474) offence reporting line enable the public to report illegal fishing activity to the VFA. Where fisheries officers are unable to respond, the information is used as vital intelligence assist in education and enforcement activities. The intelligence unit analyses the call data to assist rostering and deployment of fisheries officers, as well as plan targeted operations.

13FISH reporting calls



13FISH compliance outcomes



## Creating an effective deterrence



To protect our fisheries resources, the environment and ensure community confidence that fishing is carried out sustainably and responsibly, the VFA undertakes law enforcement operations to:

- Deter persons from breaching legislation related to sustainable and responsible fishing; and
- Detect, disrupt and dismantle serious or organised fisheries criminal entities impacting on sustainability of the fisheries resource.

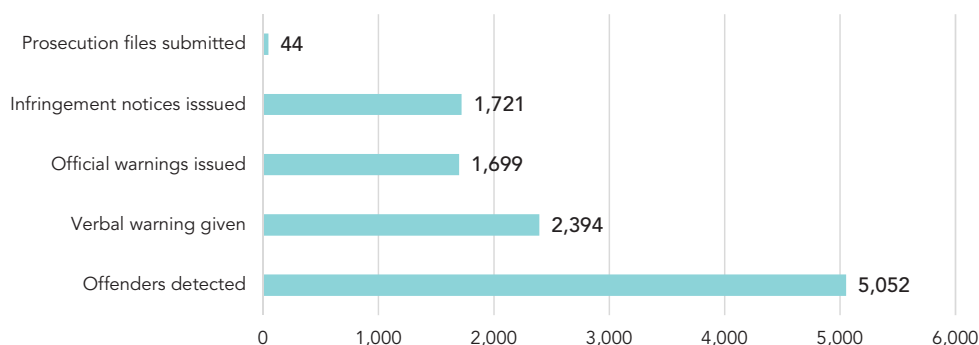
### Maintaining high levels of compliance with fisheries and related laws

The VFA is dedicated to increasing compliance by fishers with both the *Fisheries Act 1995* as well as other environmental and land management laws. The VFA also has responsibility for enforcing the no-take fishing rules applying to Victoria's Marine National Parks and Marine Sanctuaries.

Since its inception the VFA has increased the visibility of its patrol activity through the use of new high-profile enforcement vehicles, as well as an on-water presence in patrol vessels.

The VFA's risk-based intelligence-led operating model is used to balance a focus on areas of highest risk, while maintaining a base model of cover across all fisheries.

2017-18 compliance action summary



The pair were charged with multiple counts of take fish for sale, use commercial fishing equipment and gain financial advantage by deception. Both men pleaded guilty and in total received \$17,356.64 in fines, forfeiture of one vehicle, vessel, trailers and all other items seized.

The shop owner's vessel, truck and fishing equipment, valued at \$200,000 was seized. The matter will proceed to court in September 2018.



### Maintaining operational coverage over priority fishing activity periods

The majority of fishing activity occurs outside of normal business hours, such as on weekends and public holidays. The VFA maintains operational coverage on these priority fishing activity periods to ensure effective deterrence outcomes.

The VFA exceeded targets set by the Department of Treasury and Finance to have, on average, a minimum of 17 officers working across priority fishing periods. The VFA achieved an average of 20 officers in 2017-18.



## Enhancing public safety

## Minimising the risk of shark hazards to water users

The VFA is the Control Agency for Shark Hazards under the *Emergency Management Act 2013* and the State Shark Hazard Plan. In this role, the VFA informs and educates the community on shark safety and leads the government response to managing shark hazards.

In Victoria since July 2017, there have been a total of:

- 25 unconfirmed shark sighting;
- 10 confirmed shark sightings; and,
- one incident with no injury.

There have been three 'heightened risk' situations managed by the VFA in 2017/2018 which included the remains of whale carcasses washed up at Jubilee Point, Sorrento and more recently at the

Fitzroy River in southwest Victoria, as well as the confirmed sighting of a White shark near Flinders Pier in June. In these situations, public advice notifications were published on the Vic Emergency platform.

Leading into the 2017-18 summer the VFA focused on community engagement aiming to empower the community to make informed decisions about shark risks. The campaign was headlined by its 'Shark Smart' mini documentary which was widely circulated online and through targeted social media posts.

The VFA also enhanced its website and published and distributed collateral to inform the public of the risks and management options.



## Other key highlights

### Promoting Stewardship

#### School Education Program

The Schools Education program encourages students to explore the concepts of responsible fishing and stewardship of Victoria's fisheries resources and discover the actions they can take to look after our fish. The program is run predominately in the learning spaces of the Marine and Freshwater Discovery Centre, Queenscliff and in the intertidal and pelagic habitats of Port Phillip Bay.

Our 'Schools In' sub-program involves education staff visiting schools across Victoria. The 'Schools In' sub-program is funded through the *Target One Million* School's Education and Children's fishing program.

In 2017-18, the Schools Education program effectively engaged with 18,313 students from 224 schools.

#### Creating language fishing guides

Developing and tailoring fisheries information products and resources to meet individual communities' needs is a key priority for the VFA. In 2017/2018, we recognised the diversity in our fishing communities by producing fishing guides in languages other than English. As an example, working with the Karen communities in Werribee and Geelong, together we crafted a Karen language fishing guide for specific areas including Port Phillip Bay.

In 2017/2018 it has become routine to produce key information in a variety of languages and have information in language posted on the VFA's webpages.

#### Chinese Fishing Association Partnership

We have formed a close partnership with the executive members of the Victorian Chinese Australian Fishing Association. Membership of this Association is in the thousands and members regularly volunteer to assist Education and Fisheries Officers to effectively communicate with Chinese fishers at events across Victoria.

#### Improving fisheries compliance through effective public communications

The Education & Enforcement Division conducted a strategic social media campaign to increase understanding of the role of fisheries officers in the VFA. In addition to publicising apprehensions of illegal activity and court outcomes, the campaign highlighted the day to day activity of fisheries officers out and about protecting our fisheries through photos and video.



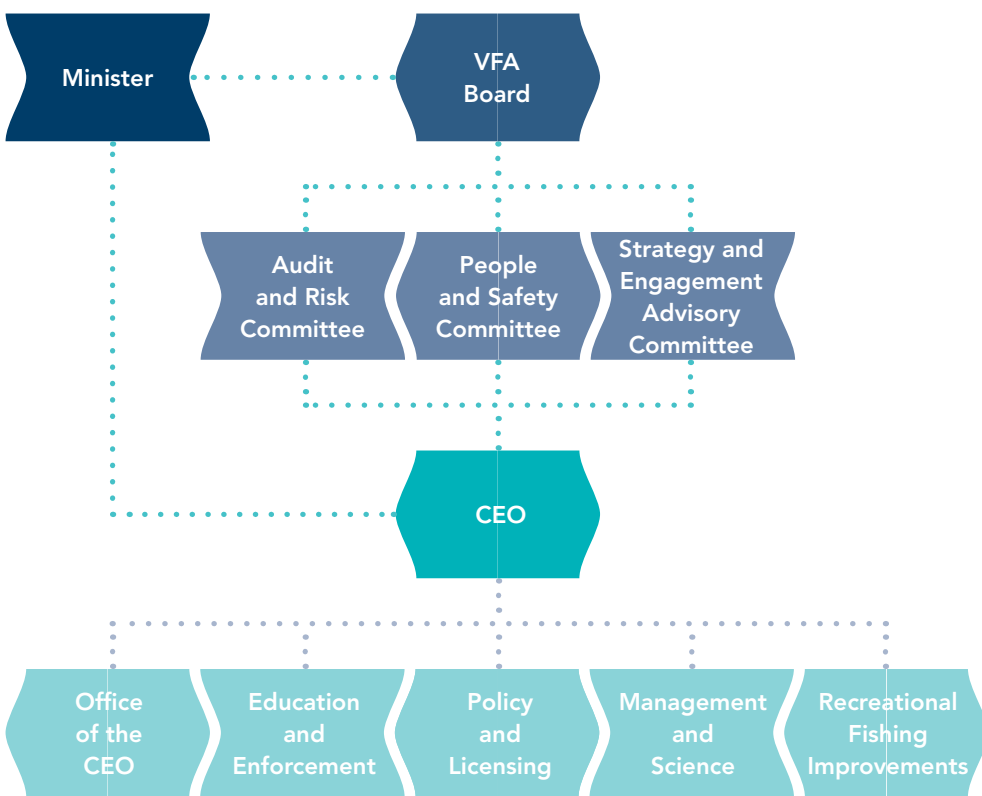




## Our Structure

In the public sector, good corporate governance is critical to ensuring public resources are managed appropriately, effectively and in a transparent manner. The aim is to ensure that the VFA achieves its objectives in a way that enhances public confidence in the VFA's decisions and actions.

The VFA Board is the governing body of the VFA and is responsible for the governance, strategic planning and risk management of the Authority. The Board is accountable to the Minister of Agriculture for the exercise of its functions. The CEO manages the day-to-day operations of the VFA under the direction of the Board and is responsible for implementing the VFA's vision and performance objectives. The CEO is accountable to the Board for the day-to-day expenditure, operational activities and administration of the VFA.



## Our Board

The Board is responsible for the overall governance, risk management and strategic direction of the VFA. Three subcommittees have been established to assist the Board in its functions and to provide independent assurance and assistance to the Board to ensure the VFA meets its corporate governance requirements.

### Audit and Risk Committee

The Audit and Risk Committee was established on 13 September 2017. External member, Rob Hogarth was formally appointed to the Committee as of 14 November 2017. Key responsibilities of the Committee are ensuring the VFA operates effectively, efficiently, ethically and legally. It monitors the integrity and quality of the financial statements, compliance with statutory and regulatory requirements, appropriateness of accounting policies and reviews significant financial reporting judgements. The Committee determines the scope of the internal audit function, ensuring there are adequate and effectively used resources and coordination with external auditors. It maintains effective communication with external auditors and considers the recommendations from internal and external auditors. The Committee also oversees that processes are in place for the identification, management and reporting of business risks.

### People and Safety Committee

The People and Safety Committee was established on 13 September 2017. Key responsibilities are to review, monitor and make recommendations to the Board regarding: workplace health and safety; setting and reviewing performance measures for the CEO and Executives; human resources policies and obligations under Industrial instruments.

### Strategy and Engagement Advisory Committee

The Strategy and Engagement Advisory Committee was established on 9 March 2018. Key responsibilities of the Advisory Committee are to coordinate and oversee the completion and implementation of the VFA's Strategic Plan and the completion and implementation of the VFA's Stakeholder Engagement Strategy.

## Our Board Members

**Gail Owen** – Ms Owen is an experienced chairperson, a fellow of the Australian Institute of Company Directors and an Order of Australia medal recipient. An inaugural member of two Boards previously, Ms Owen provides strong, integrity-driven leadership. Her background provides a broad knowledge and exposure to many areas relevant to the VFA.

*VFA Chair, Audit and Risk Committee Member*



**Dr Bernadette Northeast** – Dr Northeast's is qualified in aquatic science and aquaculture (including a Ph.D. relating to Australian freshwater fish). Her science expertise is well complimented by other directorships and regional community activities.

VFA Vice Chair, Audit and Risk Committee Member, People and Safety Committee Member



**Ms Christine Cussen** – Ms Cussen has over 15 years Board experience. She brings extensive CEO, business and commercial skills; knowledge in governance; and strategic planning experience in regulated industries. Her knowledge extends to natural resource management and public administration.

VFA Director, Audit and Risk Committee Member



**Chris Rose** - Mr Rose brings 35 years' experience managing public land and recreational activities with a significant career with Parks Victoria including as Acting CEO. He has a good working knowledge of fisheries and natural resource management with an understanding of government and extensive stakeholder engagement experience.

*VFA Director, People and Safety Committee Chair*



**David Shirer** – Mr Shirer brings a broad range of knowledge and skills with many years of experience to the Board across a number of industry sectors. His qualifications and experience encompass Marine Biology, New Zealand's fisheries industry, together with business and finance and he is a fellow of the Australian Investor Relations Association.

*VFA Director, Audit and Risk Committee Chair, Strategy and Engagement Advisory Committee Member*







**Mr Graeme Dear** – Mr Dear has had a long association with fisheries management and research scientists, providing him with knowledge and expertise in the issues pertaining to recreational and commercial fishing decisions in Victoria. As CEO of the East Gippsland Catch Management Authority, he has significant experience in managing a statutory authority, engaging with and building partnerships with stakeholders.

*VFA Director, Strategy and Engagement Advisory Committee Chair*



**Ms Rebecca Edwards** – A qualified lawyer, Ms Edwards' work has brought her into contact with fishing and fisheries. She has a background in rural and regional Victoria and was appointed in 2014 to the Natural Resources Management Committee of the North Central Catchment Management Authority.

*VFA Director, Strategy and Engagement Advisory Committee Member*



**Yorick Piper** – Mr Piper is an experienced advisor, having spent time in the Office of Premier and as a Ministerial Chief of Staff. Combined with a deep knowledge of government and stakeholder engagement and industrial relations he brings a passion for fishing, fishing policy development and the importance of education in the Authority.

*VFA Director, People and Safety Committee Member*

**Table 1: Attendance at Board and Committee Meetings**

	<b>Board Attendance</b>  (10 per financial year)	<b>Audit and Risk Committee Attendance</b>  (At least 4 per financial year)	<b>People and Safety Committee Attendance</b>  (At least 4 per financial year)	<b>Strategy and Engagement Advisory Committee</b>  (At least 4 per financial year) (Est March 2018)
<b>Gail Owen</b>	10/10	4/4		
<b>Bernadette Northeast</b>	10/10	4/4	4/4	
<b>Chris Rose</b>	9/10		4/4	
<b>Christine Cussen</b>	8/10	3/4		
<b>David Shirer</b>	9/10	4/4		2/2
<b>Graeme Dear</b>	10/10			2/2
<b>Rebecca Edwards</b>	10/10			2/2
<b>Yorick Piper</b>	10/10		4/4	
<b>Rob Hogarth</b>		4/4		
<i>*External Audit and Risk Committee Member</i>				

## VFA Divisions and Executive Leaders

The VFA is managed by a senior executive team who work closely with the Board to set, monitor and review the strategic direction of the Authority.

The Chief Executive Officer (CEO) manages the day-to-day operations of the VFA under the direction of the Board and is responsible for implementing the VFA's vision and strategic objectives. The CEO is accountable to the Board for the day-to-day expenditure, operational activities and administration of the VFA.

## Chief Executive Officer - Travis Dowling

Travis is an accomplished executive with over 17 years' experience in senior leadership and management roles across natural resources and politics in Victoria and the Northern Territory. Travis was appointed to the role of Executive Director of Fisheries Victoria in June 2015 and continued as CEO of the VFA when the Authority commenced on 1 July 2017.

Foremost, as a passionate fisher and devoted Dad to three beautiful children, he loves nothing better than being outdoors to go camping or play hockey. His passion for fishing is only matched by his love of the Collingwood Football team.

Travis is a people person who has a strong track record in successfully managing complex stakeholder relationships within the fiscal and legislative requirements of government. He is a driven problem solver and has overseen a number of key fisheries projects which have contributed to the development of sustainable Victorian fisheries.

As CEO, Travis is supported by a highly experienced and cohesive executive team specialising in regulation and enforcement, policy, science and fisheries management. The role is also directly responsible for over 170 staff across Melbourne and regional Victoria. Travis strives to empower his staff to grow and loves to see them develop their careers within the department.



Travis Dowling,  
Chief Executive Officer

Divisions	Executive Leaders
<b>Office of the CEO</b>	
The Division manages day to day corporate operations of the authority and delivers business management, financial services and corporate services, including board support and administration.	<b>Chief Financial Officer - Philippa O'Sullivan</b>  <b>Chief Operating Officer - Letitia Billings</b>
<b>Policy and Licensing</b>	
The Division delivers operational policy, access and governance arrangements, planning and program management. It also administers recreational and commercial licensing, quota trading, permits and commercial catch and effort reporting.	<b>Director Fisheries Policy, Management, Science and Licensing - Dallas D'Silva</b>
<b>Management and Science</b>	
The Division delivers core regulatory fisheries science, management and aquaculture services, including fish stock assessment, fisheries monitoring and setting total allowable commercial catches for the rock lobster, abalone, giant crab and ocean scallop and urchin fisheries.	<b>Director Fisheries Policy, Management, Science and Licensing - Dallas D'Silva</b>
<b>Education and Enforcement</b>	
The Division develops and implements state-wide education and enforcement strategies. It also undertakes state-wide investigations and compliance operations to tackle serious organised criminal activity exploiting fisheries resources.	<b>Director Fisheries Education and Enforcement - Ian Parks</b>
<b>Recreational Fishing Improvements</b>	
The Division delivers recreational fishing improvements activities and projects and supports the disbursement of Recreational Fishing Licence funds to improve recreational fishing opportunities.	<b>Manager Recreational Fishing Improvements - Brian Mottram</b>

## Our occupational health and safety

The VFA values the safety and wellbeing of all staff and is committed to ensuring it remains our highest priority. As part of our transitioning activities, moving away from the Department of Economic Development Jobs Transport and Resources OH&S management system to our own fit-for-purpose system, the VFA has undertaken work to develop an OH&S strategy which is now ready for implementation over a two- year period commencing in the 2018-19 financial year. The strategy builds on our many strengths which will enable opportunities for improvement.

The focus of the strategy will be on:

- Safety Leadership
- Safe Behaviour
- Systems and Structure

During the 2017-18 financial year, the VFA implemented many initiatives and took actions to improve the health and safety of staff and to continue to build a safety culture. These include:

- Establishment of the People and Safety Board Sub Committee.

- Ensuring that OH&S is a standing agenda item at Board Meetings and Executive Team Meetings.
- Including an OH&S section in the weekly newsletter.
- Using the Victorian Public Sector Commission's 2018 People Matter Survey to add five OH&S customised questions to gather further information on our safety culture. The response rate to the survey was 82 percent.
- Providing online and practical water safety and defensive driving training for all staff.

### Safety performance

The VFA, formerly the Department of Economic Development, Jobs, Transport and Resources, commenced operations as an independent Authority on 1 July 2017. As a result, there is no prior year comparative data.

**NB.** Incidents include injuries, near misses and detected workplace hazards.

Table 2: VFA's performance against OH&S management measures

Measure	KPI	Year 1 DEDJTR 2015-16	Year 2 DEDJTR 2016-17	Year 3 VFA 2017-18
<b>Incidents</b>	No. of incidents			28
	Rate per 100 FTE			19.06
	No. of incidents requiring first aid and/or further medical treatment			15
<b>Hazards</b>	No. of hazards			4
	Rate per 100 FTE			2.72
<b>Claims</b>	No. of standard claims			5
	Rate per 100 FTE			3.40
	No. of lost time claims			3
	Rate per 100 FTE			2.04
	No. of claims exceeding 13 weeks			1
	Rate per 100 FTE			0.68
<b>Fatalities</b>	Fatality claims			0
<b>Claim costs</b>	Average cost per standard claim			\$25,513.20
<b>Return to work</b>	Percentage of claims with RTW plan <30 days			100%





## Minister's Statement of Expectations

The Statement of Expectations applies to the period from 1 January 2018 to 30 June 2020. It sets out the Minister for Agriculture, the Hon Jaala Pulford's, expectations for the VFA's regulation of fisheries matters and outlines a range of improvements and performance targets to enhance administration and enforcement of fisheries regulation.

Table 3: Reporting on the Minister's Statement of Expectations

1. Timeliness		
Improvement strategy	Target	Status
Review (jointly with DEDJTR) the sunsetting <i>Fisheries Regulations 2009</i> to identify areas where regulatory burden could be reduced	Develop options paper for consideration by government by 31 August 2018	On track
Plan, build & implement an online method for agents selling recreational fishing licences on behalf of the VFA, replacing the current paper based system and significantly reducing agent burden and VFA costs.	50% of agent sales to be completed online by 1 July 2018	Achieved 31%. Portal came online on 1 January 2018. Estimated that 50% target will be met by end 2018
Transition key commercial fisheries (abalone, rock lobster, giant crab, pipi, wrasse) to a single electronic catch reporting system	Confirm user requirements in conjunction with Seafood Industry Victoria and complete business case by December 2018	On track
2. Risk-based strategies		
Improvement strategy	Target	Status
Deliver recreational fishing survey (report on outcomes within three months of completion)	Complete survey by 31 March 2018 and report on outcomes by 30 June 2018	Achieved
Implement Freshwater Fishery Management Plan	Implement key priorities with partner agencies by June 2020	On track
Monitor the performance of the wrasse fishery in accordance with the harvest strategy	Report on status in June annually	Achieved
Expectation		Status
Continue to deliver existing management plans for key fisheries, including the abalone, rock lobster, giant crab, and eel fisheries		Achieved
Use a risk-based approach in the development of any future fishery management plans to ensure that plans are developed on a priority basis for key or high-risk fisheries		Achieved
Investigate ways of collecting better catch, effort and value data from the recreational and commercial fishing sectors		Achieved
Continue to implement an intelligence-informed risk-based compliance model, which focuses on areas of highest risk, while retaining a base model of cover across all fisheries to maintain community confidence and create a general deterrence		Achieved
Contribute to the safety of Victorians through minimising the risk of shark hazards in Victorian waters, promoting the safe use of fisheries resources and acting as a support agency for aquatic related emergencies under the <i>Emergency Management Act 2013</i>		Achieved

### 3. Compliance-related assistance and advice

Improvement strategy	Target	Status
Develop (in consultation with community representatives) new fisheries advisory products targeted at identified high risk communities	Report annually on audience reach and end user acceptance	<b>Achieved</b>
Review the composition and reach of education programs (including those of the Marine and Freshwater Discovery Centre) and report back on improvement opportunities, including through use of digital channels	Report by 31 August 2018	<b>On track</b>

### 4. Incentive-based regulation

Improvement strategy	Target	Status
Investigate the feasibility of reducing compliance inspections by introducing a vessel monitoring system for the commercial fishing sector	Report by June 2019	<b>On track</b>
Expectation	Status	
In consultation with fishing sectors, consider incentive-based regulatory approaches as a means of reducing compliance costs. Such approaches may include rewarding a track record of compliance or an investment in risk-mitigating processes with less frequent inspection cycles	<b>On track</b>	

### 5. Cooperation amongst regulators

Improvement strategy	Target	Status
Identify, in consultation with recreational fishers and land managers, new habitat and access investment priorities for delivery from 2019-2022	Complete by October 2018	<b>On track</b>
Collaborate with DELWP Wildlife Officers in ensuring compliance with protected species interaction reporting	Report on outcomes annually	<b>Achieved and ongoing</b>
Support Marine Safety Victoria's program objectives through conducting recreational vessel inspections	Report on outcomes annually	<b>Achieved and ongoing</b>
Expectation	Status	
Continue value-adding commercial fisheries	<b>On track</b>	
In relation to aquaculture management, continue to work with DEDJTR, the Commonwealth and PrimeSafe Victoria to implement relevant export standards and agreements, including the Australian Shellfish Quality Assurance Program	<b>Achieved and ongoing</b>	
Fisheries Officers will share their knowledge and expertise with other DEDJTR and partner agency authorised officers to build a more effective and efficient compliance management system across government	<b>Achieved and ongoing</b>	
Continue to assist other regulators, such as DELWP, the EPA and Transport Safety Victoria in ensuring fishers comply with relevant environmental and marine safety laws	<b>Achieved and ongoing</b>	





## 8. Clear and consistent regulatory activities

Improvement strategy	Target	Status
Deliver education and enforcement strategic plan	Deliver annual action plan by June each year	<b>Achieved</b>
Meet with Red Tape Commissioner to discuss SOE progress and identify improvement opportunities	VFA CEO to convene bi-annual meetings with the Commissioner	<b>Achieved</b>
Expectation		Status
Continue to review and refine approaches to deliver efficient and effective risk-based regulatory outcomes, noting the minimum level of regulatory intervention should be applied to achieve the outcomes sought		<b>Achieved and ongoing</b>

## Delivering on our commitments in the 2017-18 Budget Paper 3

The Department of Treasury and Finance's Budget Paper 3 provides an overview of the goods and services funded by the Government and delivered by departments, and how these support the Government's strategic objectives. The performance measures listed below originate from the output, *Sustainably Manage Fish, Game and Forest Resources* and create the conditions for the VFA to grow the natural resources economy by ensuring fish resources are sustainably allocated and used for both recreational and commercial purposes.

**Table 4: Reporting on our commitments in the 2017-18 Budget Paper 3**

Performance measures	Unit of measure	2017-18 target	2017-18 actual
<b>Quantity</b>			
Better Fishing Facilities projects underway	number	10	28
Community and stakeholder engagement information forums – fisheries	number	10	17
Complete stock assessment for key quota managed fish species	number	3	3
Complete total allowable commercial catch setting processes for key quota managed fish species	number	3	3
Develop, implement and review overarching fisheries compliance strategy	number	1	1
Enhance levels of community participation in achieving fisheries compliance through calls to the 13FISH reporting line	number	1 500	1861
Key fisheries managed in accordance with best practice management plans	number	5	5
Minimum number of uniformed fisheries officers maintaining operational coverage for priority fishing activity periods, as defined by the Compliance Strategic Assessment	number	17	20
Native and salmonid fish stocked	number (000)	5 000	6 000
Recreational fishing licences sold online as a proportion of total sales	percent	65	75
Undertake activities to detect, disrupt and dismantle serious or organised fisheries criminal entities (individuals or groups)	number	20	24
<b>Quality</b>			
Coinvestment in Better Fishing Facilities projects	percent	30	50
Key statutory obligations relevant to the Victorian Fisheries Authority complied with (tabling annual report, audits, business plan and board appointments)	percent	100	90
<b>Timeliness</b>			
Proportion of fisheries cost recovery levies reviewed and set prior to the commencement of the licensing year (1 April)	percent	100	100
Research project milestones and reports completed on time (Fisheries)	percent	90	90

## Comment

The Better Fishing Facilities grants program continued to attract positive interest from Victorian Government departments and other agencies, which resulted in a much higher number of funded projects in 2017-18 than was originally anticipated.

Stakeholder engagement is a high priority for the VFA and a number of additional events with industry and community groups were scheduled after the target was set.

Annual scientific stock assessments are carried out for the abalone, giant crab and rock lobster fisheries.

The VFA carried out total allowable commercial catch-setting processes for all quota managed fisheries.

The VFA has implemented a five-year fisheries compliance strategy designed to set out an annual process of identifying priorities, annual risks and to communicate how a visible, professional, collaborative, effective and efficient compliance service will be demonstrated.

The 13FISH Fisheries Intelligence Reporting Line is an important component of the fisheries compliance approach, providing a mechanism for members of the public to report suspected fisheries offences. Annual call volumes have varied between 1,400 to 1,900 calls per year over the ten years from 2007. Call volumes are influenced by duration and location of major compliance operations, Fisheries Officer patrol patterns, and/or seasonal conditions.

The VFA manages its abalone, eel, giant crab, rock lobster and freshwater fisheries in accordance with management plans that have been developed in consultation with stakeholders and declared by the Minister.

Number of officers working during priority shifts is heavily influenced by duration and location of major compliance operations, Fisheries Officer patrol patterns, and/or seasonal conditions. Favourable weather conditions during traditionally popular fishing periods resulted in high levels of recreational and commercial fishing activity and large volumes of Fisheries Officers managing these events across the State. In addition, major state-wide operations targeting suspected illegal fishing were also delivered in 2017-18, which led to greater numbers of officers working during priority fishing periods.

Due to a number of factors including a reduction in the price of fingerlings enabling more to be purchased, and improved hatchery facilities at Snobs Creek, greater numbers of fish were able to be grown up to a size suitable for stocking.

The recent introduction of a new online portal for retail sales agents has boosted the transition from paper to electronic licence sales.

Higher volume of social media-related intelligence reporting led to a higher number of targeted investigations undertaken.

An increase in the awareness of the Better Fishing Facilities program grants led to higher than anticipated an increase in the number of partners and co-investment levels from partnering organisations.

All requirements were met with the exception of publishing an annual business plan, which is in preparation pending completion of the VFA's Strategic Plan. As the VFA was in its first year of operation, priority was given to development of a broader Strategic Plan.

Through the VFA Cost Recovery Committee, the cost recovery levies were determined and set prior to 1 April in accordance with the Fisheries (fees, royalties and levies) Regulations 2008.

Fisheries science projects have helped to guide decisions on management, policy and compliance relating to Victoria's fisheries. Milestones achieved were of high quality, within prescribed timelines and presented to a variety of stakeholders.







The VFA has advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how we deal with misconduct. The Victorian Public Sector Commission's Code of Conduct and VFA Policies are available through the VFA intranet.

## Workforce Profile

The following table discloses the head count and full-time staff equivalent (FTE) of all active public service employees of the VFA, employed in the last full pay period in June of the current reporting period. As the VFA commenced operation on 1 July 2017 when it formally separated from the Department of Economic Development, Jobs, Transport and Resources there is no data for employees employed in the last full pay period of June 2017.

Table 5: Details of employment levels in June 2017 and June 2018

June 2018											June 2017		
	All employees		Ongoing			Fixed Term		Casual		All employees			
	Number*	FTE	Full-time*	Part-time*	FTE	Number*	FTE	Number*	FTE	Number*	FTE		
Demographic data	Gender												
	Women	55	45.67	22	18	34.6	3	3	12	8.07			
	Men	116	115.2	104	2	105.2	4	4	6	6			
	Self-described	n	n	n	n	n	n	n	n	n			
	TOTAL:	171	160.87	126	20	139.8	7	7	18	14.07	0	0	
	Age												
	>30	18	18	13	0	13	2	2	3	3			
	30-39	37	35.44	32	3	34.2	1	1	1	0.24			
	40-49	54	50.13	39	5	42.4	2	2	8	5.73			
	50-59	50	47.6	36	8	41.6	2	2	4	4			
	60+	12	9.7	6	4	8.6	0	0	2	1.1			
	TOTAL:	171	160.87	126	20	139.8	7	7	18	14.07	0	0	
Classification data	VPS1-6 grades												
	VPS 1	0	0	0	0	0	0	0	0	0			
	VPS 2	17	14.29	5	4	7.6	0	0	8	6.69			
	VPS 3	69	65.18	54	4	56.8	1	1	10	7.38			
	VPS 4	42	40.4	34	6	38.4	2	2	0	0			
	VPS 5	27	25.8	22	3	23.8	2	2	0	0			
	VPS 6	10	9.2	7	3	9.2	0	0	0	0			
	Senior Employees												
	STS 7	2	2	2	0	2	0	0	0	0			
	PS	2	2	2	0	2	0	0	0	0			
	SMA	0	0	0	0	0	0	0	0	0			
	SRA	0	0	0	0	0	0	0	0	0			
	Executives	2	2	0	0	0	2	2	0	0			
	Other	0	0	0	0	0	0	0	0	0			
	Total Employees		171	160.87	126	20	139.8	7	7	18	14.07	0	0

\*headcount





### Recruitment of Fisheries Officers

As the screening and training process for fisheries officers is extensive and resource intensive, the most effective and efficient process is used with a 'group intake' recruitment undertaken every two years. The recruitment process takes approximately six months from advertisement to the first day of training and includes comprehensive suitability requirements including psychological, personality, physical and competency testing.

In 2018, the recruitment process has commenced with the aim to attract a higher number of female applicants. An internal working group was formed to provide advice on a strategy to achieve this goal. Initiatives undertaken to date include:

- Communication to all staff of the aim to achieve a 50 percent gender balance in the 2018 intake.
- A survey of female officers on what challenges they face as a female officer, what improvements could be made, why they joined and what they love about the job.
- Communication to potential female officers through The Fisheries Officer Career page on the VFA website and presentations by female officers at universities and TAFEs encouraging the role as a viable career for women.
- Recruitment video which featured both a male and female lead to reinforce that this is a viable career for both men and women equally.

### Executive Officer Data

For the VFA, an Executive Officer is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004*. For a public body, an Executive Officer is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Policy on Executive Remuneration in Public entities applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year. As the VFA commenced operations as an independent Authority on 1 July 2017, there is no data for executive officers employed in the last full pay period of June 2017.

The definition of an Executive Officer does not include a statutory office holder or an Accountable Officer.

The following tables disclose the Executive Officers of the VFA for 30 June 2018:

- Table 7 discloses the total numbers of Executive Officers for the VFA, broken down by gender;
- Table 8 provides a reconciliation of executive numbers presented between the report of operations and Note 8.4 'Remuneration of executives' in the financial statements.

	All			Women			Men			Self-described		
	# 2018	#2017	Var	# 2018	#2017	Var	# 2018	#2017	Var	# 2018	#2017	Var
Class										n		
EO-1										n		
EO-2	1						1			n		
EO-3	1			1						n		
<b>TOTAL:</b>	<b>2</b>			<b>1</b>			<b>1</b>			<b>n</b>		

		2018	2017
	Executives (financial statement Note 8.4)	1	
	Accountable Officer (CEO)	1	
Less	Separations	0	
	<b>Total executive numbers at 30 June</b>	<b>2</b>	



The *Victorian Industry Participation Policy Act 2003* requires Departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy. Departments and public sector bodies are required to apply the Local Jobs First – Victorian Industry Participation Policy in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for state-wide projects, or \$1 million or more for procurement activities in regional Victoria.

## Government advertising expenditure

## Consultancy expenditure

In 2017-18, there were 14 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2017-18 in relation to these consultancies is \$659,983 (exclusive GST). Details of individual consultancies are outlined in Appendix 3.

In 2017-18, there were 7 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2017-18 in relation to these consultancies was \$29,939 (exclusive of GST).



### Freedom of information

The *Freedom of Information Act (Vic) 1982* (FOI Act) enables members of the public a right of access to documents held by the VFA. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by the VFA. This comprises documents both created by the VFA or supplied to the VFA by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recording and videotapes.

The FOI Act allows a department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents, some internal working documents, law enforcement documents, documents covered by legal professional privilege, personal information about people, and information provided to a department in-confidence.

From 1 September 2017, the FOI Act was amended to reduce the processing time for requests received from 45 to 30 days. In some cases, this time may be extended.

If an applicant is not satisfied by a decision made by the VFA, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner within 28 days of receiving a decision letter.

### Making a request

Freedom of information requests must be made in writing describing the documents requested and including payment of the application fee of \$28.90. Requests can be lodged online at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) or in writing to:

VFA's Freedom of Information Unit by mail:  
Manager Corporate Operations - FOI Officer  
Victorian Fisheries Authority  
Level 19, 1 Spring Street  
Melbourne VIC 3000

### FOI Statistics for the 2017-18 period

For the 12 months ending 30 June 2018, there were four freedom of information requests received by the VFA. Two of these requests were from Members of Parliament and two were from members of the public. All of the requests were categorised as non-personal.

Of the four requests, one was withdrawn, one was granted in part, one was granted in full and one is yet to be finalised.

### Information and communication technology expenditure

For the 2017-18 reporting period, the VFA had a total information and communication technology (ICT) expenditure of \$1,854,000, with the details shown below.

Table 9: ICT expenditure for 2017-18 (\$000's)

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	NonBusiness As Usual (nonBAU) ICT expenditure	Operational expenditure	Capital expenditure
(Total)	(Total = Operational expenditure and capital expenditure)		
<b>832</b>	<b>1,022</b>	<b>478</b>	<b>544</b>

### Disclosure of major contracts

In accordance with the requirements of government policy and accompanying guidelines, the Authority must disclose all contracts greater than \$10 million in value which it entered into during the year ended 30 June 2018. Where such contracts exist, details are made available via the Victorian Government contracts publishing system, which can be viewed at: [tenders.vic.gov.au](https://tenders.vic.gov.au).

The VFA did not enter into any contracts greater than \$10 million in value during 2017-18.

### Compliance with the *Building Act 1993*

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

### Compliance with the Protected Disclosure Act

The *Protected Disclosure Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The VFA does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The VFA will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

### Reporting procedures

Disclosures of improper conduct or detrimental action by the VFA or any of its employees may be made to the Victorian Independent Broad-based Anticorruption Commission:

In person at Level 1, North Tower, 459 Collins Street Melbourne, VIC 3000

In writing GPO Box 24234, Melbourne, Victorian, 3001

By telephone 1300 735 135

I, Gail Owen, on behalf of the Responsible Body, certify that the Victorian Fisheries Authority has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.

Chair

Date





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## Comprehensive Operating Statement for the financial year ended 30 June 2018

	Note	2018 (\$ thousand)
<b>Income from transactions</b>		
Grants	2.2.1	36,193
Sale of services	2.2.2	191
<b>Total income from transactions</b>		<b>36,384</b>
<b>Expenses from transactions</b>		
Grant disbursements	3.2	(4,272)
Employee benefits	3.3.1	(16,701)
Depreciation and amortisation	4.1.1	(1,018)
Interest expense	6.1.2	(41)
Laboratory and livestock expenses	3.4	(3,361)
Contracts and services	3.5	(2,850)
Computer services and equipment	3.6	(2,030)
Other operating expenses	3.7	(6,494)
<b>Total expenses from transactions</b>		<b>(36,767)</b>
<b>Net result from transactions</b>		<b>(383)</b>
<b>Other economic flows included in net result</b>		
Net gain / (loss) on non-financial assets	8.1	120
Other gains / (losses) from other economic flows	8.1	4
<b>Total other economic flows included in net result</b>		<b>124</b>
<b>Net result</b>		<b>(259)</b>
<b>Comprehensive result</b>		<b>(259)</b>

The Authority commenced operation on 1 July 2017 and does not have comparative financial information for 2016-17.

The above comprehensive operating statement should be read in conjunction with the notes to the financial statements.

	Note	2018
		(\$ thousand)

<b>Assets</b>		
<b>Financial assets</b>		
Receivables	5.1	8,849
<b>Total financial assets</b>		<b>8,849</b>
<b>Non-financial assets</b>		
Property, plant and equipment	4.1	4,210
Other non-financial assets	5.3	880
<b>Total non-financial assets</b>		<b>5,090</b>
<b>Total assets</b>		<b>13,938</b>
<b>Liabilities</b>		
Payables	5.2	2,668
Borrowings	6.1	1,840
Employee-related provisions	3.3.2	6,176
<b>Total liabilities</b>		<b>10,683</b>
<b>Net assets</b>		<b>3,255</b>
<b>Equity</b>		
Contributed capital	8.2	3,514
Accumulated surplus / (deficit)		(259)
<b>Total Equity</b>		<b>3,255</b>

The Authority commenced operation on 1 July 2017 and does not have comparative financial information for 2016-17.

The above balance sheet should be read in conjunction with the notes to the financial statements.



### Statement of Changes in Equity for the financial year ended 30 June 2018

	Note	(\$ thousand)		Total
		Contributed capital	Accumulated deficit	
Administrative restructure - Net assets received	8.2	3,514		3,514
<b>Net result for the year</b>			<b>(259)</b>	<b>(259)</b>
<b>Balance at 30 June 2018</b>		<b>3,514</b>	<b>(259)</b>	<b>3,255</b>

The Authority commenced operation on 1 July 2017 and does not have comparative financial information for 2016-17.

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

## Cash Flow Statement for the financial year ended 30 June 2018

	Note	2018 (\$ thousand)
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Receipts from Victorian Government		34,553
Sale of services		44
<b>Total receipts</b>		<b>34,597</b>
<b>Payments</b>		
Payments of grants and other transfers		(4,242)
Payments to suppliers and employees		(29,691)
Interest and other costs of finance paid		(41)
<b>Total payments</b>		<b>(33,974)</b>
<b>Net cash flows from operating activities</b>	<b>6.3.1</b>	<b>623</b>
<b>Cash flows from investing activities</b>		
Proceeds of sale of non-financial assets		39
Receipts / (payments) for plant and equipment		(153)
<b>Net cash flows from / (used in) investing activities</b>		<b>(114)</b>
<b>Cash flows from financing activities</b>		
Repayment of finance leases		(509)
<b>Net cash flows from / (used in) financing activities</b>		<b>(509)</b>
<b>Net increase in cash and cash equivalents</b>		<b>-</b>
Cash and cash equivalents at the beginning of the financial year		-
<b>Cash and cash equivalents at the end of the financial year</b>	<b>6.3</b>	<b>-</b>

The Authority commenced operation on 1 July 2017 and does not have comparative financial information for 2016-17.

The Authority is funded on a reimbursement basis via a receivable from the Department of Economic Development, Jobs, Transport and Resources. In this regard, the Authority does not operate a bank account. Therefore, the net cash flows at the end of the financial year was nil.

The above cash flow statement should be read in conjunction with the notes to the financial statements.

## Notes to the Financial Statements

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## 1. About this report

The Victorian Fisheries Authority (the Authority) is a statutory authority of the State of Victoria, established under the *Victorian Fisheries Authority Act 2016* by amendment to the *Victorian Fisheries Act 1995*. Formerly part of Agriculture Victoria within the Department of Economic Development, Jobs, Transport and Resources (DEDJTR), it commenced operations as an independent authority on 1 July 2017.

Its principal address is:  
1 Spring Street  
Melbourne VIC 3000

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.

### 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 Authority.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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 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 Victorian Fisheries Authority as an individual reporting entity and include all the controlled activities of the Authority.

Amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

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

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The Authority is dependent on the continued financial support of the State Government, and in particular DEDJTR. DEDJTR has confirmed that it will provide adequate cash flow support based on agreed budget targets, and the Authority's immediate advice to DEDJTR of any risks to the Authority's capacity to meet its budget targets, to enable the Authority to meet its current and future operational obligations as and when they fall due through to 30 September 2019. The Authority is not funded for depreciation and amortisation. Accordingly, these financial statements have been prepared on a going concern basis.

On 1 July 2017, the functions of Fisheries Victoria were transferred from DEDJTR to the Authority. Assets and liabilities transferred are presented in note 8.2. The assets transferred were transferred at their written down value as at 1 July 2017.

## 2. Funding delivery of our services

### Introduction

The Authority's objective is to effectively manage Victoria's fisheries resources. The Authority works with stakeholders to deliver sustainable fishing and aquaculture for future generations, clear resource access and sharing arrangements amongst the community, and increased economic, social and cultural value through management, consultation and compliance.

### Structure

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

#### 2.2 Income from transactions

##### 2.2.1 Grants

##### 2.2.2 Sale of services

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

	Note	2018 (\$ thousand)
Grants	2.2.1	36,193
Sale of services	2.2.2	191
<b>Total income from transactions</b>		<b>36,384</b>

#### 2.2 Income from transactions

##### 2.2.1 Grants

	2018 (\$ thousand)
General purpose	36,118
Other specific purpose	75
<b>Total grants</b>	<b>36,193</b>

**Grant income** arises from transactions in which a party provides goods, services, assets (or extinguishes a liability) or labour 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 are provided by DEDJTR and other agencies outside the portfolio to fund the operations and are recognised as they are received or receivable. The operating government grant contributions are recognised as operating revenue and capital contributions as equity.

### 2.2.2 Sale of services

Income from the **supply of services** is recognised by reference to the stage of completion of the services being performed. The income is recognised when the amount of income, stage of completion and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the Authority.

## 3. The cost of delivering services

### Introduction

This section provides an account of the expenses incurred by the Authority in delivering services and outputs. In Note 2 – Funding delivery of our services, the funds that enable the provision of services were disclosed; in this note, the costs associated with provision of services are recorded.

### Structure

- 3.1 Summary of expenses incurred in delivery of services
- 3.2 Grant disbursements
- 3.3 Employee benefits
  - 3.3.1 Employee benefits in the comprehensive operating statement
  - 3.3.2 Employee benefits in the balance sheet
  - 3.3.3 Superannuation contributions
- 3.4 Laboratory and livestock expenses
- 3.5 Contracts and services
- 3.6 Computer services and equipment
- 3.7 Other operating expenses

### 3.1 Summary of expenses incurred in delivery of services

This section includes a summary of expenses incurred in delivery of services. Notes 4.1.1 and 6.1.2 provide additional information regarding depreciation and amortisation and interest expense.

	Note	2018 (\$ thousand)
Grant disbursements	3.2	4,272
Employee benefits	3.3.1	16,701
Depreciation and amortisation	4.1.1	1,018
Interest expense	6.1.2	41
Laboratory and livestock expenses	3.4	3,361
Contracts and services	3.5	2,850
Computer services and equipment	3.6	2,030
Other operating expenses	3.7	6,494
<b>Total expenses incurred in delivery of services</b>		<b>36,767</b>



### 3.2 Grant disbursements

	2018 (\$ thousand)
<b>Grants to government agencies</b>	
Local government	613
Other state governments	53
Commonwealth government	217
Other government agencies	776
<b>Total grants to government agencies</b>	<b>1,658</b>
<b>Grants to external organisations and individuals</b>	
Other non-government agencies	2,614
<b>Total grants to external organisations and individuals</b>	<b>2,614</b>
<b>Total grant disbursements</b>	<b>4,272</b>

Grant disbursements are contributions of the Authority's resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

Grants can be either operating or capital in nature. 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 to their use.

Grant expenses are recognised in the reporting period in which they are paid or payable.

### 3.3 Employee benefits

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

	2018 (\$ thousand)
Salaries, wages and on-costs (e.g. payroll tax, fringe benefits tax, WorkCover levy, etc.)	14,221
Annual leave and long service leave expenses	1,112
Defined contribution superannuation expense	1,368
<b>Total employee benefits in the comprehensive operating statement</b>	<b>16,701</b>

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

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

### 3.3 Employee benefits (continued)

The Authority 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 Authority 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.

#### 3.3.2 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.

	2018 (\$ thousand)
<b>Current provisions</b>	
<b>Annual leave</b>	
- Unconditional and expected to wholly settle within 12 months	863
- Unconditional and expected to wholly settle after 12 months	741
<b>Long service leave</b>	
- Unconditional and expected to wholly settle within 12 months	519
- Unconditional and expected to wholly settle after 12 months	2,443
<b>Provisions for on-costs</b>	
- Unconditional and expected to wholly settle within 12 months	210
- Unconditional and expected to wholly settle after 12 months	458
<b>Total current provisions</b>	<b>5,234</b>
<b>Non-current provisions</b>	
Employee benefits	818
Provisions for on-costs	124
<b>Total non-current provisions</b>	<b>942</b>
<b>Total provisions for employee benefits</b>	<b>6,176</b>

### 3.3 Employee benefits (continued)

#### 3.3.2 Employee benefits in the balance sheet (continued)

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

Opening balance	-
Additions due to transfer in	899
Additional provisions recognised	27
Additions due to acquisitions	6
Reductions arising from payments/other sacrifices of future economic benefits	(69)
Reductions resulting from remeasurement or settlement without cost	(4)
Reduction transfer out	(67)
Closing balance	792
Current	668
Non current	124

**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 Department does not have an unconditional right to defer settlements of these liabilities.

Liabilities for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Authority 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 Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

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

**Unconditional LSL** is disclosed as a current liability even where the Authority does not expect to settle the liability within 12 months because it will not have an 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 Authority expects to wholly settle within 12 months; or
- present value if the Authority does not expect to wholly settle within 12 months.

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

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

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

### 3.3 Employee benefits (continued)

#### 3.3.3 Superannuation contributions

**Paid contribution  
for the year  
2018**  
(\$ thousand)

Fund	
Defined contribution plans	
VicSuper	845
Other	523
<b>Total</b>	<b>1,368</b>

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

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

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

### 3.4 Laboratory and livestock expenses

**2018**  
(\$ thousand)

Laboratory and livestock expenses	3,361
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The Authority's laboratory and livestock expenses predominately relates to fish stock purchases, fish production supplies and commercial licence buy backs.

### 3.5 Contracts and services

**2018**  
(\$ thousand)

Contracts and services	2,850
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The Authority engages contractors to supplement existing staff resources. The Authority also engages specialist consultants for the purposes of performing a discrete task that facilitates decision-making through the provision of expert analysis and advice, or the development of a written report or other intellectual output.

### 3.6 Computer services and equipment

	2018 (\$ thousand)
Computer services and equipment	2,030

The Authority's computer services and equipment expenditure includes costs relating to IT expenses and telecommunications costs.

### 3.7 Other operating expenses

	2018 (\$ thousand)
<b>Supplies and services</b>	
Occupancy	1,537
Service level agreement - shared services provided by DEDJTR	937
Communications	689
Travel and accommodation	497
Vehicle, equipment and marine vessel expenses	1,288
Other administrative expenses	1,497
<b>Total supplies and services</b>	<b>6,445</b>
<b>Operating lease rental expenses</b>	
Minimum lease payments	49
<b>Total operating lease rental expenses</b>	<b>49</b>
<b>Total other operating expenses</b>	<b>6,494</b>

Other operating expenses include **supplies and services** costs which are recognised as an expense in the reporting period in which they are incurred.

**Operating lease rental expenses** are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.



## 4. Key assets available to support output delivery

### Introduction

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

### Structure

#### 4.1 Property, plant and equipment

##### 4.1.1 Depreciation and amortisation

##### 4.1.2 Reconciliation of movements in carrying amount

#### 4.1 Property, plant and equipment

	(\$ thousand)		
	Gross carrying amount	Accumulated Depreciation	Net carrying amount
Plant and equipment at fair value	2,874	(503)	2,372
Motor vehicles under finance lease	2,799	(960)	1,839
<b>Net carrying amount</b>	<b>5,673</b>	<b>(1,463)</b>	<b>4,210</b>

#### Initial recognition

Items of property, plant and equipment are measured initially at cost, and subsequently revalued at fair value less accumulated depreciation and impairment.

A purchased item is recognised as property, plant and equipment if:

- it is probable that future economic benefits of the asset will flow to the entity;
- it is not of a consumable nature;
- it has a useful life of one year or more; and
- its individual cost exceeds the capitalisation threshold of greater than \$5,000.

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.

Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The fair value of property, plant, equipment and vehicles is normally determined by reference to each asset's depreciated replacement cost. For property, plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

#### Subsequent measurement

Property, 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 below by asset category.

**Vehicles** are valued using the depreciated replacement cost method. The Authority 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 Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment that are specialised in use** (such that it is rarely sold other than as part of a going concern) is determined using the depreciated replacement cost method.

Refer to Note 7.3 – Fair value determination, for additional information on fair value determination of property, plant and equipment.

#### 4.1 Property, plant and equipment (continued)

##### 4.1.1 Depreciation and amortisation

###### Charge for the period

	2018 (\$ thousand)
Plant and equipment	503
Motor vehicles under finance lease	515
<b>Total depreciation and amortisation</b>	<b>1,018</b>

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

###### Useful life by asset class

	Years
Plant and equipment	1 to 50
Motor vehicles under finance lease	1 to 3

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

##### 4.1.2 Reconciliation of movements in carrying amount

	(\$ thousand)		
	Plant and equipment at fair value	Motor vehicles under finance lease	Total
<b>2018</b>			
Opening balance	-	-	-
Transfer of assets from DEDJTR	2,720	1,816	4,536
Additions	158	767	924
Net transfers (to) / from government entities	-	88	88
Depreciation and amortisation	(503)	(515)	(1,018)
Disposals / write-offs	(3)	(317)	(320)
<b>Net carrying amount</b>	<b>2,372</b>	<b>1,839</b>	<b>4,210</b>

## 5. Other assets and liabilities

### Introduction

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

### Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other non-financial assets

### 5.1 Receivables

Receivables includes amounts owing from government and non-government through accounts receivable, grants and taxes.

	<b>2018</b>
	(\$ thousand)
<b>Contractual</b>	
Receivables – government (DEDJTR)	8,625
Receivables – non-government	87
<b>Total contractual receivables</b>	<b>8,712</b>
<b>Statutory</b>	
GST input tax credit recoverable from the ATO	137
<b>Total statutory receivables</b>	<b>137</b>
<b>Total receivables</b>	<b>8,849</b>
<p><b>Contractual receivables</b> are classified as financial instruments and categorised as loans and receivables. They 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 weighted average interest method.</p> <p><b>Statutory receivables</b> do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments.</p>	

### 5.1 Receivables (continued)

#### Ageing analysis of contractual receivables

	(\$ thousand)					
	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 month	1-3 months	3-12 months	1-5 years
<b>2018</b>						
Receivables <sup>(i)</sup>	8,712	8,661	6	2	43	-
<b>Total</b>	<b>8,712</b>	<b>8,661</b>	<b>6</b>	<b>2</b>	<b>43</b>	<b>-</b>

<sup>(i)</sup> The carrying amounts disclosed here exclude statutory receivables (e.g. GST input tax credit recoverable).

Receivables are assessed for bad and doubtful debts on a regular basis. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. In assessing impairment of statutory (non-contractual) financial assets which are not financial instruments, professional judgement is applied in assessing materiality and using estimates, averages and computational shortcuts in accordance with AASB 136 *Impairment of Assets*.

No interest is charged on receivables. Average credit period for sale of goods / services and for other receivables is 30 days. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

Bad debts considered as written off unilaterally are classified as a transaction expense. Bad debts not written off by mutual consent but included in the provision for doubtful receivables are classified as other economic flows in the net result.

### 5.2 Payables

Payables includes short and long-term trade debt and accounts payable, grants and taxes.

	2018 (\$ thousand)
<b>Contractual</b>	
Supplies and services	1,698
Other payables	963
<b>Total contractual payables</b>	<b>2,661</b>
<b>Statutory</b>	
Other payables	7
<b>Total statutory payables</b>	<b>7</b>
<b>Total payables</b>	<b>2,668</b>

**Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represents liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid.

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

## 5.2 Payables (continued)

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

	(\$ thousand)					
	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1-3 months	3-12 months	1-5 years
<b>2018</b>						
Supplies and services	1,698	1,698	1,698	-	-	-
Other payables	963	963	963	-	-	-
<b>Total</b>	<b>2,661</b>	<b>2,661</b>	<b>2,661</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>(i)</sup> Maturity analysis is presented using the contractual and discounted cash flow.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on late payments for 'other payables'.

## 5.3 Other non-financial assets

### Current other non-financial assets

	<b>2018</b>
	(\$ thousand)
Prepayments	880
<b>Total current other non-financial assets</b>	<b>880</b>

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



## 6. Financing our operations

### Introduction

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

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

### Structure

#### 6.1 Borrowings

6.1.1 Maturity analysis of borrowings

6.1.2 Interest expense

#### 6.2 Leases

6.2.1 Finance lease liabilities

#### 6.3 Cash flow information and balances

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

#### 6.4 Commitments for expenditure

### 6.1 Borrowings

#### Total borrowings

**2018**  
(\$ thousand)

#### Current borrowings

Motor vehicle finance lease liabilities	1,116
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<b>Total current borrowings</b>	<b>1,116</b>
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#### Non-current borrowings

Motor vehicle finance lease liabilities	724
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<b>Total non-current borrowings</b>	<b>724</b>
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#### Total borrowings

**1,840**

Borrowings refer to interest bearing liabilities mainly raised from public borrowings raised through finance leases.

Borrowings 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 Authority has categorised its interest bearing liabilities as either financial liabilities designated at fair value through profit or loss, or financial liabilities at amortised cost. The classification depends on the nature and purpose of the interest bearing liabilities. The Authority determines the classification of its interest bearing liabilities at initial recognition.

## 6.1 Borrowings (continued)

### 6.1.1 Maturity analysis of borrowings <sup>(i)</sup>

	(\$ thousand)						
	Carrying amount	Nominal amount	Maturity dates				Over 5 years
			Less than 1 month	1-3 months	3-12 months	1-5 years	
<b>2018</b>							
Motor vehicle finance lease liabilities	1,840	1,769	93	186	837	653	-
<b>Total</b>	<b>1,840</b>	<b>1,769</b>	<b>93</b>	<b>186</b>	<b>837</b>	<b>653</b>	<b>-</b>

<sup>(i)</sup> Maturity analysis is presented using the contractual and discounted cash flow.

### 6.1.2 Interest expense

	2018 (\$ thousand)
Interest on motor vehicle finance leases	41
<b>Total interest expense</b>	<b>41</b>

Interest expense is the cost incurred in connection with borrowings. It includes interest on components of finance lease repayments.

Interest expense is recognised as an expense in the period in which it is incurred.

## 6.2 Leases

### 6.2.1 Finance lease liabilities (Victorian Fisheries Authority as lessee)

Finance leases entered into by the Authority relate specifically to motor vehicles.

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

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

#### Recognition and depreciation of finance lease assets

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 lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non-financial physical asset.

If there is certainty that the Authority will obtain ownership of the lease asset by the end of the lease term, the asset shall be depreciated over the useful life of the asset. If there is no reasonable certainty that the Authority, as lessee, will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

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

## 6.2 Leases (continued)

### 6.2.1 Finance lease liabilities (Victorian Fisheries Authority as lessee) (continued)

#### Total interest-bearing liabilities

	(\$ thousand)	
	Minimum future lease payments <sup>(i)</sup>	Present value of minimum future lease payments
	2018	2018
Finance lease liabilities payable		
- Not longer than one year	1,151	1,132
- Longer than one year but not longer than five years	741	708
- Longer than five years	-	-
Minimum lease payments <sup>(i)</sup>	1,892	1,840
Less future finance charges	(52)	-
Present value of minimum lease payments	1,840	1,840
Included in financial statements as:		
Current borrowings	n/a	1,116
Non-current borrowings	n/a	724
<b>Total interest-bearing liabilities</b>	<b>n/a</b>	<b>1,840</b>

<sup>(i)</sup> Minimum future lease payments include the aggregate of all lease payments and any guaranteed residual.

## 6.3 Cash flow information and balances

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

	2018
	(\$ thousand)
Net deficit for the period	(259)
Non-cash movements	
Depreciation and amortisation of non-financial and intangible assets	1,018
Revaluation of long service leave liability	(4)
Gain on sale of leased vehicles (trade-in value)	(50)
Movements in assets and liabilities	
(Increase) / decrease in receivables	(1,789)
(Increase) / decrease in other non-financial assets	(80)
Increase / (decrease) in payables	2,110
Increase / (decrease) in provisions	(323)
<b>Net cash flows from / (used in) operating activities</b>	<b>623</b>

## 6.4 Commitments for expenditure

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

### Total commitments payable

	(\$ thousand)			
	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>Nominal amounts: 2018</b>				
Operating commitments	3,692	827	-	4,520
Grant commitments	3,085	508	-	3,593
<b>Total commitments (inclusive of GST)</b>	<b>6,778</b>	<b>1,335</b>	<b>-</b>	<b>8,113</b>
less GST recoverable	(304)	(21)	-	(325)
<b>Total commitments (exclusive of GST)</b>	<b>6,474</b>	<b>1,314</b>	<b>-</b>	<b>7,788</b>





## 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 Authority's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties).

Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

### Categories of financial instruments

**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 Authority recognises receivables (excluding statutory receivables) in this category.

**Financial assets and liabilities at fair value through profit and loss:** financial assets are categorised as fair value through profit or loss at trade date if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed by the entity concerned 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 profit or loss are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows. Any interest on a financial asset is recognised in the net result from transactions.

Financial assets and liabilities at fair value through profit or loss include the majority of the Authority's equity investments, debt securities, and borrowings.

**Financial liabilities at amortised cost:** financial instrument liabilities are initially recognised on the date they are originated. They are initially recognised 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 weighted average interest rate method.

Financial instrument liabilities measured at amortised cost include the Authority's leased motor vehicles, contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Authority retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Authority has transferred its rights to receive cash flows from the asset and either:
  - (a) has transferred substantially all the risks and rewards of the asset; or
  - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

## 7.1 Financial instruments specific disclosures (continued)

### Impairment of financial assets

At the end of each reporting period, the Authority assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as 'other economic flows' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets which are not financial instruments, professional judgement is applied in assessing materiality and using estimates, averages and computational shortcuts in accordance with AASB 136 *Impairment of Assets*.

### Reclassification of financial instruments

Subsequent to initial recognition and under rare circumstances, non-derivative financial instruments assets that have not been designated at fair value through profit or loss upon recognition, may be reclassified out of the fair value through profit or loss category, if they are no longer held for the purpose of selling or repurchasing in the near term.

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category, where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category, if there is the intention and ability to hold them for the foreseeable future or until maturity.

Available-for-sale financial instrument assets that meet the definition of loans and receivables may be reclassified into the loans and receivables category if there is the intention and ability to hold them for the foreseeable future or until maturity.

### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an other economic flow in the estimated consolidated comprehensive operating statement.

## 7.1 Financial instruments specific disclosures (continued)

### 7.1.1 Financial instruments: categorisation

	(\$ thousand)		
	Contractual financial assets – loans and receivables	Contractual financial liabilities at amortised cost	Total
2018			
Contractual financial assets			
Receivables <sup>(i)</sup>	8,712	-	8,712
<b>Total contractual financial assets</b>	<b>8,712</b>	<b>-</b>	<b>8,712</b>
Contractual financial liabilities			
Payables <sup>(i)</sup>			
- Supplies and services	-	2,661	2,661
Borrowings	-	1,840	1,840
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>4,501</b>	<b>4,501</b>

<sup>(i)</sup> Receivables and payables disclosed above exclude statutory receivables (e.g. GST recoverable) and statutory payables (e.g. taxes payable).

### 7.1.2 Financial instruments: Net holding gain / (loss) on financial instruments by category

	(\$ thousand)
	Interest income / (expense)
2018	
Contractual financial liabilities	
Financial liabilities at amortised cost	(41)
<b>Total contractual financial liabilities</b>	<b>(41)</b>

The net holding gain or loss on receivables is calculated by taking the movement in the fair value of the asset, the interest income, minus any impairment recognised in the net result.

## 7.1 Financial instruments specific disclosures (continued)

### 7.1.3 Financial risk management objectives and policies

The Authority's activities expose it primarily to the financial risk of changes in interest rates. The Authority does not enter into derivative financial instruments to manage its exposure to interest rate.

The Authority does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Authority's principal financial instruments comprise:

- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- borrowings

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, financial liability and equity instrument above are disclosed in Note 7.3 – Fair value determination of financial assets and liabilities, to the financial statements.

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

The Authority uses different methods to measure and manage the different risks to which it is exposed.

The carrying amounts of the Authority's contractual financial assets and financial liabilities by category are disclosed in the Note 7.1.1 – Financial instruments: categorisation.

#### Financial instruments: credit risk

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

Credit risk associated with the Authority's financial assets is minimal because its main debtor is DEDJTR. For debtors other than government, it is the Authority's policy to obtain sufficient collateral or credit enhancements where appropriate.

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

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

	(\$ thousand)				
	Government agencies (AAA credit rating)	Other (minimum BBB credit rating)	Internally rated bank deposits	Other	Total
<b>2018</b>					
Receivables <sup>(i)</sup>	8,712	-	-	-	8,712
<b>Total contractual financial assets</b>	<b>8,712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,712</b>

<sup>(i)</sup> The carrying amounts disclosed exclude statutory receivables (e.g. amounts owing from the State of Victoria and GST recoverable).

## 7.1 Financial instruments specific disclosures (continued)

### 7.1.3 Financial risk management objectives and policies

#### Financial instruments: liquidity risk

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

The Authority's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the balance sheet.

The Authority's exposure to liquidity risk is deemed insignificant based on current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the balance sheet.

#### Financial instruments: market risk

##### Interest rate risk

The Authority has no interest bearing assets. The Authority's only interest bearing liabilities relate to finance lease liabilities. Interest rates in relation to the Authority's finance lease liabilities are fixed (2017-18 weighted average interest rate: 3.38%).

## 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

#### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority. These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

#### Contingent liabilities

Contingent liabilities are:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
- the amount of the obligations cannot be measured with sufficient reliability.
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

The Authority did not have any significant contingent assets or contingent liabilities for this financial year.



This section sets out information on how the Authority 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.

- financial assets and liabilities at fair value through operating result;
- non-financial assets held for sale; and
- property, plant and equipment.

A number of inputs are used in determining fair values. 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:

- The Authority 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.

## How this section is structured

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

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

The Authority 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, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2018-19 reporting period.

### 7.3 Fair value determination (continued)

#### 7.3.2 Fair value determination: non-financial physical assets

	(\$ thousand)			
	Carrying amount as at 30 June 2018	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
<b>2018</b>				
Plant, equipment, vehicles at fair value				
Leased vehicles <sup>(ii)</sup>	1,839	-	-	1,839
Plant and equipment	2,372	-	-	2,372
<b>Total plant, equipment, vehicles at fair value</b>	<b>4,210</b>	<b>-</b>	<b>-</b>	<b>4,210</b>

<sup>(i)</sup> Classified in accordance with the fair value hierarchy.

<sup>(ii)</sup> Vehicles are categorised to level 3 assets as depreciated replacement cost (not market value) is used in estimating fair value.

There were no transfers between reporting levels during the year.

#### Plant and equipment

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 depreciated replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2018. For all assets measured at fair value, the current use is considered the highest and best use.

#### Motor vehicles under finance lease

Vehicles are valued using the depreciated cost method. The Authority 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 who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Reconciliation of Level 3 fair value movements	(\$ thousand)		
	Leased vehicles	Plant and equipment	Total
<b>2018</b>			
Opening balance	-	-	-
Transfers in / (out) via contributed capital	1,816	2,720	4,536
Purchases	767	158	924
Disposals	(317)	(3)	(320)
Net transfers (to) / from government entities	88	-	88
<b>Subtotal</b>	<b>2,353</b>	<b>2,875</b>	<b>5,228</b>
<b>Gains or losses recognised in net result</b>			
Depreciation	(515)	(503)	(1,018)
<b>Subtotal</b>	<b>(515)</b>	<b>(503)</b>	<b>(1,018)</b>
<b>Closing balance 30 June 2018</b>	<b>1,839</b>	<b>2,372</b>	<b>4,210</b>

### 7.3.2 Fair value determination: non-financial physical assets (continued)

Asset class	Valuation technique	Significant unobservable inputs
Vehicles	Depreciated replacement cost	Cost per unit
		Useful life of vehicle
Plant and equipment	Depreciated replacement cost	Cost per unit
		Useful life of plant and equipment

## 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 Restructuring of administrative arrangements
- 8.3 Responsible persons
- 8.4 Remuneration of executives
- 8.5 Related parties
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Other accounting policies
- 8.9 Australian Accounting Standards issued that are not yet effective
- 8.10 Glossary of technical terms
- 8.11 Style conventions

### 8.1 Other economic flows included in 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.

#### Other economic flows included in net result

	2018 (\$ thousand)
<b>Net gain / (loss) on non-financial assets</b>	
Gain / (loss) on disposal of leased vehicles	119
Gain / (loss) on disposal of property, plant and equipment	1
<b>Total net gain / (loss) on non-financial assets</b>	<b>120</b>
<b>Other gain / (loss) from other economic flows</b>	
Gain / (loss) arising from revaluation of long service leave liability <sup>(i)</sup>	4
<b>Total other gain / (loss) from other economic flows</b>	<b>4</b>
<b>Total other economic flows included in net result</b>	<b>124</b>

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

## 8.2 Restructuring of administrative arrangements

### Transfer of Fisheries Victoria function from the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) to the Victorian Fisheries Authority

On 1 July 2017, the functions of Fisheries Victoria were transferred from DEDJTR to the Authority.

The assets and liabilities were transferred as follows:

	Note	2018 (\$ thousand)
<b>Assets</b>		
Receivables - DEDJTR		7,059
Prepayment		800
Plant and equipment	4.1	2,720
Motor vehicles under finance lease	4.1	1,816
Non-financial assets held for sale (leased vehicles)		39
<b>Total assets</b>		<b>12,434</b>
<b>Liabilities</b>		
Payables		(557)
Motor vehicle finance leases (current)		(1,107)
Motor vehicle finance leases (non-current)		(753)
Provision for employee benefits (current)		(4,857)
Provision for employee benefits (non-current)		(1,645)
<b>Total liabilities</b>		<b>(8,920)</b>
<b>Net assets transferred to the Victorian Fisheries Authority</b>		<b>3,514</b>

Assets and liabilities transferred at 1 July 2017 were transferred at their written down value.



### 8.3 Responsible persons

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

The roles of Minister, Board of Directors and Accountable Officer for the Authority were performed by the following persons:

<b>Minister for Agriculture</b>	The Hon. Jaala Pulford MLC	1 July 2017 to 30 June 2018
<b>Board Chairperson</b>	Ms Gail Owen	1 July 2017 to 30 June 2018
<b>Deputy Chairperson</b>	Dr Bernadette Northeast	1 July 2017 to 30 June 2018
<b>Director</b>	Ms Christine Cussen	1 July 2017 to 30 June 2018
<b>Director</b>	Mr Chris Rose	1 July 2017 to 30 June 2018
<b>Director</b>	Mr Graeme Dear	1 July 2017 to 30 June 2018
<b>Director</b>	Mr David Shirer	1 July 2017 to 30 June 2018
<b>Director</b>	Ms Rebecca Edwards	1 July 2017 to 30 June 2018
<b>Director</b>	Mr Yorick Piper	1 July 2017 to 30 June 2018
<b>Chief Executive Officer</b>	Mr Travis Dowling	1 July 2017 to 30 June 2018

Persons who acted for the Minister for Agriculture in her absence during the period 1 July 2017 to 30 June 2018 were the Hon Jacinta Allen MP and the Hon Ben Carroll MP.

#### Accountable Officer's remuneration

Total remuneration received or receivable by the Accountable Officer in connection with the management of the Authority during the reporting period was in the range of \$230,000 – \$239,999.

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

Amounts relating to ministers are reported in the financial statements of the Department of Parliamentary Services. For information regarding related party transactions of ministers, the register of members' interests is publicly available from: [www.parliament.vic.gov.au/publications/register-of-interests](http://www.parliament.vic.gov.au/publications/register-of-interests)

## 8.4 Remuneration of executives

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

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

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

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

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

### Remuneration of executive officers

**Total remuneration**  
**2018**  
(\$ thousand)

Short-term employee benefits	77
Post-employment benefits	7
Other long-term benefits	2
<b>Total remuneration</b>	<b>86</b>
<b>Total number of executives</b>	<b>1</b>
<b>Total annualised employee equivalent (AEE) <sup>(i)</sup></b>	<b>0.39</b>

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

## 8.5 Related parties

The Victorian Fisheries Authority is a statutory authority of the State of Victoria.

Related parties of the Authority include:

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

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

### Significant transactions with government-related entities

The Authority received funding in the form of grants from the Department of Economic Development, Jobs, Transport and Resources, and made payments to other government entities in the 2017-18 financial year.

During the year the Authority had the following significant government-related entity transactions:

#### Revenue and receivables transactions over \$10 000 with government-related entities

Related party	Nature of transaction	2018 (\$ thousand)	
		Revenue	Receivables
DEDJTR	Provision of grant revenue; receivable in relation to restructuring of administrative arrangements as well as grant revenue	36,118	8,624
Game Management Authority	Reimbursement of employee-related transfers	152	
Department of Environment, Land, Water and Planning	Reimbursement of employee-related transfers	63	
Department of Treasury and Finance	Seed funding for improving Victoria's commercial fishing and reporting systems	35	
Kew High School	Educational services provided by the Authority	34	
Regional Development Victoria	Provision of grant funding for "Hooked on Portland"		40

**8.5 Related parties (continued)****Expenditure and Payables transactions over \$10 000 with government-related entities**

Related party	Nature of transaction	2018 (\$ thousand)	
		Expenditure	Payables
State Revenue Office	Remittance of payroll tax	534	
Parks Victoria	Grant payments	220	
Department of Treasury and Finance	Management of motor vehicle leases (VicFleet)	215	
Victorian Managed Insurance Authority	Public and product liability, professional indemnity, and motor vehicle insurance	157	
North East CMA	Grant payments	104	
Department of Environment, Land, Water and Planning	Project management services and costs associated with 13-FISH hotline	96	1
North Central CMA	Grant payments	92	
Goulburn Murray Water	Grant payments	85	
Goulburn Broken CMA	Grant payments	78	
Wannon Region Water Corporation	Grant payments	23	
Victoria Police	Telecommunications and media services for Operation Torpedo	13	

CMA = Catchment Management Authority.

**Key management personnel**

**Key management personnel (KMP)** of the Authority include:

- the Portfolio Minister;
- members of the board of directors; and
- the Chief Executive Officer.

Individual KMP are identified in Note 8.3 – Responsible persons.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. 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.

## 8.5 Related parties (continued)

### Compensation of key management personnel

	<b>Total remuneration 2018</b> (\$ thousand)
Short-term employee benefits	302
Post-employment benefits	27
Other long-term benefits	3
<b>Total compensation <sup>(i)</sup></b>	<b>332</b>

<sup>(i)</sup> Note that the Authority's KMPs are excluded from the disclosure of remuneration of executive officers (Note 8.4 – Remuneration of executives).

### 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 the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Authority, there were no other related party transactions that involved 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.

During the year, the Authority awarded a grant for \$100,000 (excluding GST) to East Gippland Catchment Management Authority, a related entity of Director Mr Graeme Dear. The grant program is due to commence in the 2018-19 financial year. The terms and conditions of the grant were equivalent to those that prevail in an arm's length transaction under the State's procurement process. This amount is included within the Commitments note 6.4.

## 8.6 Remuneration of auditors

	<b>2018</b> (\$ thousand)
<b>Victorian Auditor-General's Office</b>	
Audit of the financial statements	60
<b>Total remuneration of auditors</b>	<b>60</b>

## 8.7 Subsequent events

Since the end of the reporting period there was not any matter or circumstance not otherwise dealt with in these statements, which has the potential to significantly affect the operations of the Authority, the results of those operations or the state of affairs of the Authority in subsequent financial years.



### Contributions by owners

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

### Accounting for the goods and services tax (GST)

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

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

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

Certain new Australian Accounting Standards (AAS) have been published that are not mandatory for the reporting period. The Department of Treasury and Finance (DTF) assesses the impact of these new standards and advises the Authority of their applicability and early adoption where applicable. For the financial year ended 30 June 2018, the Authority has assessed the new standards and has decided not to adopt these standards early, as they will have no impact on the Authority.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the Authority's financial statements
<i>AASB 9 Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise expected impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. The initial application of AASB 9 is not expected to significantly impact the financial position, however there will be a change to the way financial instruments are classified and new disclosure requirements.
<i>AASB 15 Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2019	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.
<i>AASB 1058 Income of Non-for-profit Entities</i>	This Standard will replace <i>AASB 1004 Contributions</i> and establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objectives.	1 Jan 2019	<p>Under the new income recognition model, a NFP first considers whether <i>AASB 15 Revenue from Contracts with Customers</i> applies to a transaction or part of a transaction. In order for AASB 15 to apply to a transaction, the performance obligation(s) arising from the transaction needs to be 'sufficiently specific' and 'enforceable'. Where AASB 15 does apply to a transaction or part of a transaction, the NFP applies the general AASB 15 principles to determine the appropriate revenue recognition.</p> <p>When AASB 15 does not apply to a transaction or part of a transaction, the NFP then considers whether AASB 1058 applies. AASB 1058 will apply when an NFP:</p> <ul style="list-style-type: none"> <li>enters into a transaction where the consideration to acquire an asset is significantly less than fair value principally to enable the NFP to further its objectives; and</li> <li>receives volunteer services (recognition of volunteer services is only mandatory to entities in the public sector).</li> </ul>

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the Authority's financial statements
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 Jan 2019	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase.</p> <p>Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus.</p> <p>The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement.</p> <p>No change for lessors.</p>
AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash Generating Specialised Assets of Not-for-Profit Entities	The standard amends AASB 136 Impairment of Assets to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 Jan 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 Fair Valuer Measurement is the same as the depreciated replacement cost concept under AASB 136.

## 8.10 Glossary of technical terms

### **Actuarial gains or losses on superannuation defined benefit plans**

Actuarial gains or losses are changes in the present value of the superannuation defined benefit liability resulting from experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions.

### **Administered item**

Administered item generally refers to an entity lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

### **Amortisation**

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

### **Borrowings**

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

### **Comprehensive result**

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

### **Commitments**

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

### **Controlled item**

Controlled item generally refers to the capacity of a department to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

### **Current grants**

Amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

### **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.

## 8.10 Glossary of technical terms (continued)

### Financial asset

A financial asset is any asset that is:

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

### Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### Financial liability

A financial liability is any liability that is:

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

### 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.



## 8.10 Glossary of technical terms (continued)

### General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at a price significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community, and those which involve the transfer or redistribution of income. These services are financed mainly through taxes or other compulsory levies and user charges.

### Net acquisition of non-financial assets (from transactions)

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write offs, impairment write-downs and revaluations.

### Net result

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

### Net result from transactions / net operating balance

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

### Net worth

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

### Non-financial assets

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

### Non-produced assets

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

### Other economic flows – other comprehensive income

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

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

- changes in physical asset revaluation surplus;
- share of net movement in revaluation surplus of associates and joint ventures; and
- gains and losses on remeasuring available-for-sale financial assets.

### Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the start-up costs associated with capital projects).

## Sale of goods and services

## Supplies and services

## Transactions

## 8.11 Style conventions

The notation used in the tables is as follows:

The financial statements and notes are presented based on the illustration for a statutory authority in the *2017-18 Model Report for Victorian Government Departments*.

## Declaration in the Financial Statements

The attached financial statements for the Victorian Fisheries Authority have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance 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 2018 and financial position of the Victorian Fisheries Authority at 30 June 2018.

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

We authorise the attached financial statements for issue on 10 September 2018.



**G Owen**  
Chair  
Victorian Fisheries Authority

10 September 2018



**T. Dowling**  
Chief Executive Officer  
Victorian Fisheries Authority

10 September 2018



**P. O'Sullivan**  
Chief Financial Officer  
Victorian Fisheries Authority

10 September 2018





## 1. Disclosure index

The VFA annual report is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements.

Legislation	Requirement	Page Reference
<b>Ministerial Directions and Financial Reporting Directions</b>		
<b>Report of operations - FRD guidance</b>		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant ministers	83, 113
FRD 22H	Purpose, functions, powers and duties	2
FRD 8D	Departmental objectives, indicators and outputs	56-59
FRD 22H	Key initiatives and projects	4-45
FRD 22H	Nature and range of services	52-53
<b>Management and structure</b>		
FRD 22H	Organisational structure	48
<b>Financial and other information</b>		
FRD 8D	Performance against output performance measures	56-57
FRD 8D	Budget portfolio outcomes	58-59
FRD 10A	Disclosure index	128
FRD 12B	Disclosure of major contracts	72
FRD 15E	Executive officer disclosures	67-68
FRD 22H	Employment and conduct principles	64
FRD 22H	Occupational health and safety policy	54
FRD 22H	Summary of the financial results for the year	viii
FRD 22H	Significant changes in financial position during the year	viii
FRD 22H	Major changes or factors affecting performance	vii
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	71
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	73
FRD 22H	Statement on National Competition Policy	73
FRD 22H	Application and operation of the <i>Protected Disclosure Act 2012</i>	73
FRD 22H	Application and operation of the <i>Carer's Recognition Act 2012</i>	N/A
FRD 22H	Details of consultancies over \$10,000	70
FRD 22H	Details of consultancies under \$10,000	70
FRD 22H	Disclosure of government advertising expenditure	70
FRD 22H	Disclosure of ICT expenditure	72
FRD 22H	Statement of availability of other information	N/A
FRD 24D	Reporting of office-based environmental impacts	N/A
FRD 25C	Victorian Industry Participation Policy disclosures	70
FRD 29C	Workforce data disclosures	66-68
SD 5.2.1	Specific information requirements	N/A



Legislation	Requirement	Page Reference
<b>Compliance attestation and declaration</b>		
SD 3.7.1	Attestation for compliance with Ministerial Standing Direction	74
SD 5.2.3	Declaration in report of operations	v
<b>Financial statements</b>		
	Declaration	125
SD 5.2.2	Declaration in financial statements	
<b>Other requirements under Standing Direction 5.2</b>		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	84
SD 5.2.1(a)	Compliance with Ministerial Directions	84
SD 5.2.1(a)	Compliance with Model Financial Report	84
<b>Other disclosures as required by FRDs in the notes to the financial statements</b>		
FRD 9B	Departmental disclosure of administered assets and liabilities by activity	112
FRD 11A	Disclosure of ex gratia expenses	N/A
FRD 13	Disclosure of parliamentary appropriations	N/A
FRD 21C	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	113
FRD 103F	Non-financial physical assets	93
FRD 110A	Cash flow statements	100
FRD 112D	Defined benefit superannuation obligations	89
<b>Legislation</b>		
	<i>Freedom of Information Act 1982</i>	71
	<i>Building Act 1993</i>	73
	<i>Carers Recognition Act 2012</i>	N/A
	<i>Financial Management Act 1994</i>	v, 83
	<i>Fisheries Act 1995</i>	83
	<i>Protected Disclosure Act 2012</i>	73
	<i>Victorian Fisheries Authority Act 2016</i>	2
	<i>Victorian Industry Participation Policy Act 2003</i>	70

## 2. Government advertising

To promote the activities of the Authority, the following advertising expenditure was incurred during 2017-18:

Category						
				Campaign: "Target One Million"		
	Compliance	Fisheries Management	Recreational Fishing		Other	Total
TV / radio / print media	-	5,122	55,424	27,512	6,315	94,373
Online / social media	2,120	15,611	23,349	1,808	-	42,887
Printing Flyers, reports, brochures	36,755	27,769	123,801	4,606	948	193,880
Production Artwork, videos	15,078	10,295	28,684	19,107	3,056	76,222
Signage	2,425	14,970	13,080	250	4,500	35,225
Sponsorships	-	23,826	16,600	-	-	40,426
Other	-	2,203	-	4,827	1,720	8,750
Total	56,379	99,797	260,938	58,110	16,539	491,763

### 3. Consultancy expenditure

The Authority defines a consultant as a particular type of contractor engaged primarily to perform a discrete task that facilitates decision-making through the provision of expert analysis and advice, or the development of a written report or other intellectual output.

#### Details of consultancies over \$10,000

The following table details consultancy engagements entered into by the Authority during 2017-18.

Consultant	Purpose of consultancy	Expenditure 2017-18
Cathy Dichmont Consulting	Provision of services for the Abalone Working Group	15,785
Cube Group Management Consulting (Australia)	Development of VFA's strategic plan	11,923
Davidson Executive and Boards	Recruitment of Chief Finance Officer	27,000
Fishwell Consulting	Provision of ocean scallop abundance survey	125,728
Interact Sport Pty Ltd	Pilot study - capturing recreational catch & effort data from angling clubs	40,273
KPMG	Review of VFA's ability to meet its statutory obligations as a Public Sector Body	18,099
	Facilitation of VFA's strategic planning day	9,324
McGrathNicol Advisory Partnership	Assistance in establishing VFA's finance function and governance framework	32,520
	Identification of critical financial obligations and reporting outputs for VFA	20,000
	Internal assessment of purchase cards and employee reimbursement claims	20,000
Mezo Research	Assistance in modernising the management tools for Victoria's rock lobster fishery	140,375
People & Culture Solutions	High level human resources review and analysis	12,600
PriceWaterhouseCoopers	Update financial data developed for a 2016 strategic review of Fisheries Victoria's operating model to a 'current state'	17,881
SafeSelect	Psychometric and abilities testing for new fisheries officer recruits, including production of comprehensive reports	23,661
The Wedge Group	Rocklands risk assessment - Hydrological investigation	13,250
University of Melbourne	Wild trout fisheries management program	33,565
University of Tasmania	Provision of scientific stock assessments for the Victorian rock lobster and giant crab fisheries	65,006
Wilson Consulting Group	Development of VFA's occupational health and safety strategy	32,994
<b>Total</b>		<b>659,983</b>



## 5. Grants and related assistance

During the 2017-18 financial year, the Authority has provided assistance to companies and organisations. The Authority's investment attraction and industry support activities include facilitative and financial assistance. In 2017-18, financial assistance of \$4.24 million was granted to the organisations listed below.

Details of individual grant payments have not been disclosed, as they are deemed commercial-in-confidence.

Abalone Victoria (Central Zone) Limited	Department of Environment, Land Water And Planning
Albert Park Yachting & Angling Club Incorporated	Echuca Landcare Group
Association of Geelong & District Angling Clubs	Fishcare Victoria Inc
Australian Trout Foundation Inc	Fisheries Research and Development Corporation
Ballarat District Anglers Association	Futurefish Foundation Limited
Ballarat Fish Acclimatisation Society Inc	Gannawarra Shire Council
Balmoral and District Angling Club	Geelong and District Anglers Club & Fish Protection Society
Barwon Coast Committee of Management	Gippsland Ports Committee of Management
Bass Strait Game Fishing Club Inc	Gippsland Water
Beaumaris Motor Yacht Squadron	Glenelg Hopkins Catchment Management Authority
Bellarine Bayside Foreshore Committee of Management Inc	Glenelg Shire Council
Boating Industry Association of Victoria Ltd.	Glengarry Angling Club Incorporated
Casterton Angling Society Inc	Goulburn Broken Catchment Management Authority
Charlton Angling Club Inc	Goulburn Murray Water
Churchill and District News	Griffin Graphics
City of Greater Geelong	Horsham Angling Club Inc
City of Wodonga	Indented Head Boat Club
Colac Otway Shire	Italian & Australian Sporting & Social Club of Gippsland Inc
Corinella Foreshore Committee of Management	King Valley Tourism Association
Dartmouth Alpine Angling Club	Kyabram Anglers Club Inc
Dartmouth Community Progress Association	Kyneton Angling Club

Laburnum Angling Club Inc	Seafood Industry Victoria Inc
Lake Coorong/Lake Lascelles Committee of Management	Springvale RSL Angling Club
Lake Purrumbete Angling Club Incorporated	St Mary's House of Welcome
Lake Purrumbete Frontage Reserve Committee of Management Inc	St John Ambulance Australia (Vic)
Lang Lang Foreshore Reserve Com	St Pauls Anglican Grammar School (Warragul)
Leopold Angling And Aquatic Club	Strathallan Family Landcare
Lions Club of Simpson And District	Strathbogie Euroa Angling Club
Longlea and District Landcare Group	Swifts Creek Angling Club Inc
Mallee Catchment Management Authority	Toolamba Fishing Club Inc
Metropolitan Anglers Association Incorporated	Tooradin Foreshore Committee of Management Incorporated
Mildura Rural City Council	Twin Rivers Business & Tourism Association
Mitchell Shire Council	University of Melbourne
Moira Shire Council	University of Tasmania
Nangiloc Fishing Club Incorporated	VR Fish
Nathalia Angling Club Inc.	Veronica Maybury Memorial Recreation Reserve Committee Inc.
Native Fish Australia	Victorian Recreational Fishing Peak Body
Nature Glenelg Trust	Wangaratta Sustainability Network
North Central Catchment Management Authority	Wannon Region Water Corporation
North East Catchment Management Authority	Warracknabeal Angling Club Inc
Northern Suburbs Fly Fishing Club Inc	Warrnambool City Council
Oakdale Angling Club and Fish Protection Society	West Gippsland Catchment Management Auth
Our Community Pty Ltd	Western Abalone Divers' Association Inc.
Parks Victoria	Wimmera Offshore Anglers Sport and Game Fishing Club Inc
Port Welshpool Working Group Inc	Yarra Valley Fly Fishers Inc
Rochester and District Angling Club	<b>Total</b> <b>4,271,549.39</b>



## 6. Image acknowledgements

The images in this document have been supplied by various groups and individuals, and their contribution is gratefully acknowledged.

Page	Description	Photographer/Source
Cover	VFA staff representing some of the different areas of the Authority	Michelle Couling Photography
TOC	Audrey with rainbow trout	David Anderson
	VFA Scientist at work	VFA
	VFA Fisheries Officer undertaking surveillance	VFA
	Fisheries Education trailer at VicFishKids event	VFA
	Commercial rock lobster fishing boat	David Lucas
	Twilight fishing	Brent Womersley
iv	VFA Board Chair, Gail Owen	VFA
vi	VFA CEO, Travis Dowling	VFA
1	Family fishing at a VicFishKids event	Lauren Hall
2	Commercial fishing boat	Julie Morgan
	Scallop diving in Port Phillip Bay	Brent Womersley
	Macquarie perch fingerlings from Snobs Creek Hatchery	Marc Ainsworth
5	Fishing is a great family experience	Philip Weigall
6	Australian bass fingerlings ready to be stocked	Western Abalone Divers Association
	Recreational rock lobster tagging program in action	Dylan Pace
	Pinky the Snapper with kids at a VicFishKids event	Lauren Hall
7	VFA Fish Aggregating Devices	VFA
	VFA Fisheries Officers stocking waters	VFA
	Beach fishing for Australian salmon	VFA
	Flathead from Corner Inlet	VFA
8	VFA Ambassador for Women in Fishing, Chloe Molloy	David Anderson
	'Pinky the Snapper' with a VFA patrol vehicle at a VicFishKids event	Lauren Hall
	VFA Ambassador Rex Hunt at a VicFishKids event with Riley and Jai	Shannon Towan, Music with Memories
9	Recreational fishing in Port Phillip Bay	Michelle Couling Photography
10	VicFishKids event at Lilydale Lake	Brian Mottram
	Hatchery reared and threatened freshwater catfish ready for release	Pam Clunie
	Recreational fishing as a pastime	VFA
	VFA Board members at the Hooked on Lakes event	VFA
11	Stocking to help rebuild Victoria's waterways	Marc Ainsworth

Page	Description	Photographer/Source
12	Celebrating the first ever stocking of Rocklands Reservoir	VFA
	The beautiful Rocklands Reservoir with all its snags	Lauren Hall
	VFA, VRFish and local angling club stocking fish into Rocklands Reservoir	VFA
13	Recreational fishers enjoying a day out	Jarrold Day
	Recreational fishing in Port Phillip Bay	Michelle Couling Photography
	Family fishing fun	Michelle Couling Photography
14	Recreational fishing for southern bluefin tuna	Daniel Grixti
	Enjoying a day out fishing for southern bluefin tuna	Jarrold Day
15	Lake Toolondo sunset	Taylor Hunt
	Celebrating water allocation to Lake Toolondo	VFA
	Blue Rock Lake Redfin	VFA
	Australian bass stocking into Blue Rock Lake created great fishing	Darren Weda
16	Better Fishing Facilities Program	Anthony McGrath (all photos)
17	Signage at Dartmouth Pondage	VFA
	Dartmouth scenery	VFA
	Celebrating the reopening of Dartmouth Pondage	VFA
18	Using open top lift nets to catch yabbies	VFA
	Protection given to Victoria's rays	Brent Womersley
21	VFA promotes the Women in Fishing Network	Michelle Couling Photography
	Murray cod larvae at the Snobs Creek Hatchery	VFA
	Fantastic trout fishing	Chris Farrugia
	Stocking trout grown at the Snobs Creek Hatchery	VFA
22	VicFishKids events	VFA
24	Commercial fishing boats in Portland	VFA
	Hauling commercial mussel ropes	VFA
27	Blue mussels, Atlantic salmon and abalone are all grown in aquaculture farms in Victorian waters	VFA
28	White sea urchin, <i>Heliocidaris erythrogramma</i>	Julian Finn, Museum Victoria
	Commercial wild-caught abalone	VFA
	Commercial abalone fishing	VFA
	Corner Inlet whiting	VFA
29	Rock lobster tags for recreational tagging program	Andrew Clark, Black Run Productions
	Tagged recreationally caught rock lobster	Andrew Clark, Black Run Productions
	Tagged recreationally caught rock lobster	Taylor Hunt

Page	Description	Photographer/Source
30	Commercial rock lobster boat	VFA
	Commercial abalone diver in action	Western Abalone Divers Association
	Commercial abalone operation	Western Abalone Divers Association
31	Diver preparing to enter the water	VFA
	Rock lobster in commercial pot	VFA
	Victorian eels harvested for the commercial market	VFA
32	Southern rock lobster	VFA
	Pipis harvested commercially	VFA
34	Artwork from the Aboriginal Fishing Strategy	Reanna Bono
35	Yorta Yorta Wola-Walla team	Michael Gilby
	Taungurung traditional owner, David Merry	Michael Gilby
	Yorta Yorta Elder Norman Stewart painting the story of Murray cod	Marc Ainsworth
37	Koori Men's Recreational Program out for a day of fishing	Amie Batalibasi
38	VFA educating the next generation at the Hooked on Portland event	Lauren Hall
39	Working with community during Operation Enlighten	VFA
	VFA educating the next generation during Operation Enlighten	VFA
40	Learning at the VFA's Marine and Freshwater Discovery Centre	VFA
41	VFA marked patrol vehicles	Michelle Couling Photography
	A great day out on the Bay to learn about fishing	Michelle Couling Photography
43	Engaging with the community	Michelle Couling Photography
	Maintaining operational coverage on land and at sea	Michelle Couling Photography
44	VFA Fisheries Officers and local Surf Life Savers out and about to teach the community about being 'Shark Smart'	VFA
47	Seaweed flowing the current	Brent Womersley
55	VFA Fisheries Research vessel docked in Queenscliff	Brent Womersley
63	VFA Fisheries Officers	Michelle Couling Photography
69	Golden perch fingerlings reared at VFA's Snobs Creek Hatchery	Marc Ainsworth
75	VFA stocking mature brown trout grown at the Snobs Creek Hatchery	VFA
125	Sunset across the harbour	Brent Womersley





Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Board of the Victorian Fisheries Authority

<b>Opinion</b>	<p>I have audited the financial report of the Victorian Fisheries Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>balance sheet as at 30 June 2018</li> <li>comprehensive operating statement for the year then ended</li> <li>statement of changes in equity for the year then ended</li> <li>cash flow statement for the year then ended</li> <li>notes to the financial statements, including significant accounting policies</li> <li>declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. 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 APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

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

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

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

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

MELBOURNE  
10 September 2018



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





