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Aboriginal acknowledgement

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.

Message from the VFA's Board Chair and CEO

The year of 2019-20 brought with it a sense of achievement mixed with challenges for the Victorian Fisheries Authority (the VFA) and broader community. Amidst the bushfires that ravaged eastern Australia and a global pandemic that has severely impacted the Victorian community, it has been a year like no other. We would like to acknowledge the extraordinary efforts of every staff member and the role each has played to have kept the VFA operating at such a high standard; their resilience, determination and professionalism has been outstanding.

This year has been a demonstration of the importance of a strong culture and there is a lot to celebrate. The VFA Board and Executives are extremely proud of the VFA's many accomplishments this year. To highlight a few:

- The introduction of the *Fisheries Regulations 2019*, which came into effect on 1 February 2020, was the culmination of two years' work for staff from across the VFA. The regulations aim to simplify and streamline regulations, reduce red tape where possible and provide for growth and investment in commercial fishing across Victoria.
- We transitioned commercial fishers in the rock lobster, giant crab and abalone fisheries from paper-based logbooks to an electronic catch reporting system available as an app on mobile phones and tablets.
- VFA staff continued their amazing work with Victoria's multicultural communities to get people out fishing and understanding the recreational fishing rules. Such was the importance of the work that the VFA's Education team was acknowledged by winning the 2019-20 Police Community Exemplary Award from the Victorian Multicultural Commission.
- Before coronavirus (COVID-19) restrictions took hold in March 2020, we were able to extend our reach throughout the community to support both recreational and commercial fishing. We held many family fishing events throughout the State, giving hundreds of children the opportunity to try fishing and learn about the joys of being in the wonderful Victorian outdoors. To showcase the commercial fishing industry and what it brings to Victoria's regional communities, we co-funded and held fishing festivals across the State to help increase demand and boost local sales for commercial fishers.
- We stocked more than six million fish in waterways around Victoria, made up of over five million native fish and one million salmonids. A good proportion of these were bred and grown at our Snobs Creek Native Fish Hatchery and we've started the process to construct a new native fish hatchery in Shepparton, which will enable us to meet our target to stock 10 million fish annually by 2022.
- Commercial fishing has been phased out in the Gippsland Lakes system, which has been a crucial step towards restoring the area as a key recreational fishing destination. Working in partnership with fishery managers, catchment managers, recreational fishers, angling clubs and the community, the VFA is implementing a five-year recovery plan to increase fish stocks and regenerate the environment.

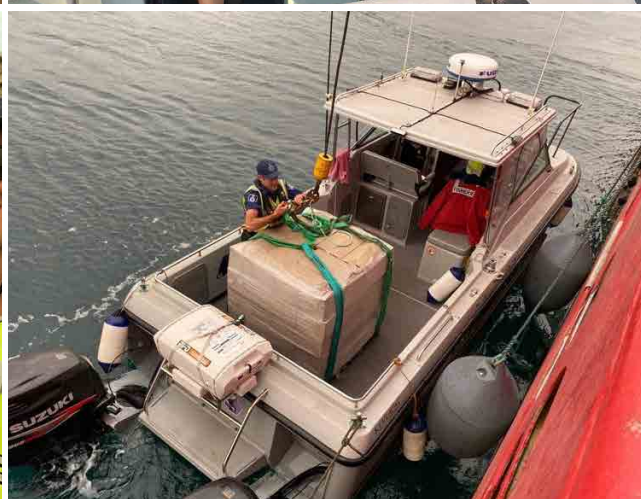
In late 2019 and into 2020, we found ourselves in a unique position to support bushfire recovery and relief in our Victorian communities. Speaking on behalf of the VFA Board and Executive, we are enormously proud of the efforts of our staff.

The bushfires caused extensive damage to the community and surrounding areas of Mallacoota. With roads cut off, the VFA quickly responded by using our Fisheries Patrol Vessel from Yarram to take in the first supplies and fresh water to the community caught in Mallacoota, which included residents, commercial fishery operators, recreational fishers, holiday makers, as well as VFA staff and their families. Support was increased as our staff worked with Fire Emergency Incident Management Teams, Water Police and the Australian Navy to provide aquatic response coordination and two more VFA vessels deployed from Queenscliff and Cowes to transport essential CFA firefighters from Lakes Entrance to Mallacoota.

Our staff continued to assist in fire suppression efforts and recovery works throughout early 2020. Our vessels kept up the delivery of essential personnel and supplies into Mallacoota and with the assistance of Melbourne Zoo personnel and wildlife experts, were also used to move wildlife impacted by the fire, including koalas and the threatened Rufous Bristlebirds. Over this period, 30 VFA staff from across Victoria cycled through Mallacoota operating vessels and providing on-ground support. All involved demonstrated professionalism, flexibility, diligence and compassion throughout the emergency.

At the same time as the bushfires ravaged, Victoria's seafood businesses began to be impacted by the coronavirus (COVID-19) pandemic, particularly those exporting product. We understand how challenging this year has been for the Victorian seafood industry and we have been working with commercial fishers and the industry that underpins them to provide support and, where we can, minimise losses from trade disruptions.

Under the coronavirus (COVID-19) pandemic response arrangement, the seafood sector was identified as an essential service, which therefore allowed commercial fishing and aquaculture to continue through this challenging period. It is estimated that commercial wild harvest fishing, aquaculture and processing sectors provide employment to over 1,900 Victorians. Some businesses were able to pivot to new products and domestic markets, while others experienced significant disruption to their supply chains. The Victorian and Commonwealth governments have provided significant economic support packages to assist businesses through this evolving situation, which included special measures to support commercial fishers as primary producers.



Throughout this time, the VFA continued to deliver important management, science, licensing, education and enforcement services to industry. For those fishers experiencing financial hardship, the VFA provided payment plans for licence holders to pay their licence fees. In recognition of the supply chain disruption to our key export fisheries, abalone, rock lobster and giant crab, the VFA allowed for uncaught fishing quota to be rolled-over into the next season to ease pressure on the industry. Further, to assist in the diversification of fishing businesses, new hook and line permits were issued to help provide cash flow and business diversification in regional Victoria, whilst also providing fresh fish direct to the consumer in these areas.

To see the seafood industry survive and thrive into the future, the VFA has been working with Seafood Industry Victoria and our Aquatic Strategic Action Group to develop a longer-term recovery plan to put the sector on the front foot to innovate and build a robust industry. We look forward to being able to report on progress in next year's annual report.

We would like to give recognition to the Hon. Jaala Pulford who, on 22 June 2020, moved to take up the role of Minister for Employment, Minister for Innovation, Medical Research and the Digital Economy, and Minister for Small Business. Minister Pulford was the Minister responsible for Victoria's fisheries, firstly as the Minister for Agriculture from 2014 to 2018, and then as Minister for Fishing and Boating from 2018 to 2020. She has been a huge support to all at the VFA and it has been an absolute pleasure to work with her. Amongst the many stand-out achievements under Minister Pulford's watch were the creation of numerous critical pieces of legislation, including the removal of commercial netting in Port Phillip Bay and the establishment of us as the VFA; delivering new boating access on the Kyneton Lakes, expanding our stocking program; delivering new boat ramps, fishing platforms and access points across the State; implementing major reforms to the VFA's social media and digital platforms; establishing new fisheries - Port Phillip Bay dive scallops, pipis, octopus, urchins, and rebuilding the abalone and rock lobster fisheries. Minister Pulford also strongly supported and facilitated major legislative reforms to enhance our ability to target the black market, including enhanced officer powers, concealment offences, and fish documentation requirements. Minister Pulford's achievements will be a legacy for generations to come.

We look forward now to the opportunity to work with the Hon. Melissa Horne who will serve as Minister for Fishing and Boating, Minister for Consumer Affairs, Gaming and Liquor Regulation and Minister for Ports and Freight.

As we look to the year ahead, we would again like to acknowledge every staff member, our fellow Board Directors and Executives and thank them for their continued dedication, support and commitment to the VFA and to all Victorians.



Gail Owen
VFA Board Chair



Travis Dowling
VFA Chief Executive Officer

Responsible Body's declaration

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 2020.



Gail Owen

VFA Board Chair

22 October 2020



Our purpose and functions

The VFA was created on 1 July 2017 by establishing the then Fisheries Victoria as a statutory authority under the *Victorian Fisheries Authority Act 2016* (the Act).

As a statutory authority, we are responsible for managing Victoria's fisheries resources in a coordinated and strategic way that ensures their ongoing sustainability. We work to ensure that Victoria's commercial fishery and aquaculture sectors are dynamic and resilient, and we are committed to increasing the number and diversity of people fishing and enjoying Victoria's local seafood.

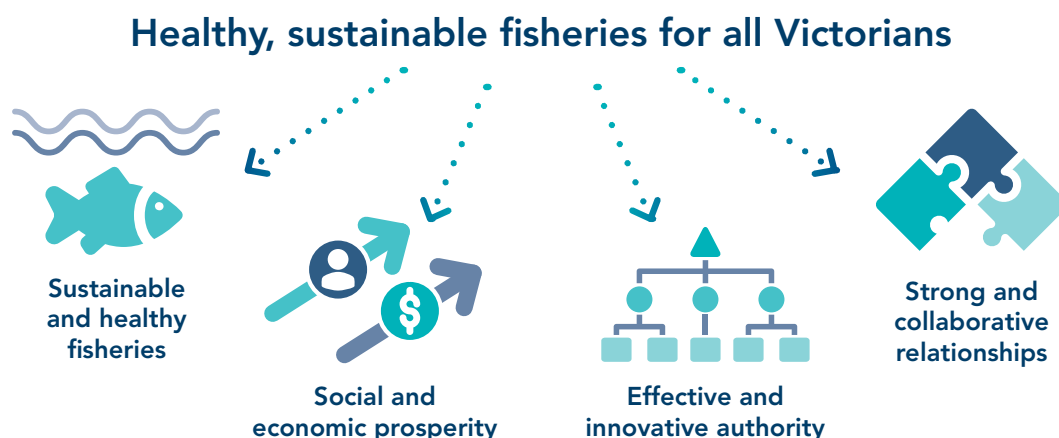
Our function is to ensure that the Government, Victorian fishing sector and general community obtain the benefits of careful management to ensure demand can be sustainably supported into the future. This is achieved by matching demand to fish stocking and infrastructure, while providing up-to-date information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

The Act sets out specific objectives for the VFA to:

- Promote sustainability and responsibility in fishing and fishing-related activities in Victoria;
- 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; and
- Work cooperatively with fisheries management bodies in other States, Territories and the Commonwealth.

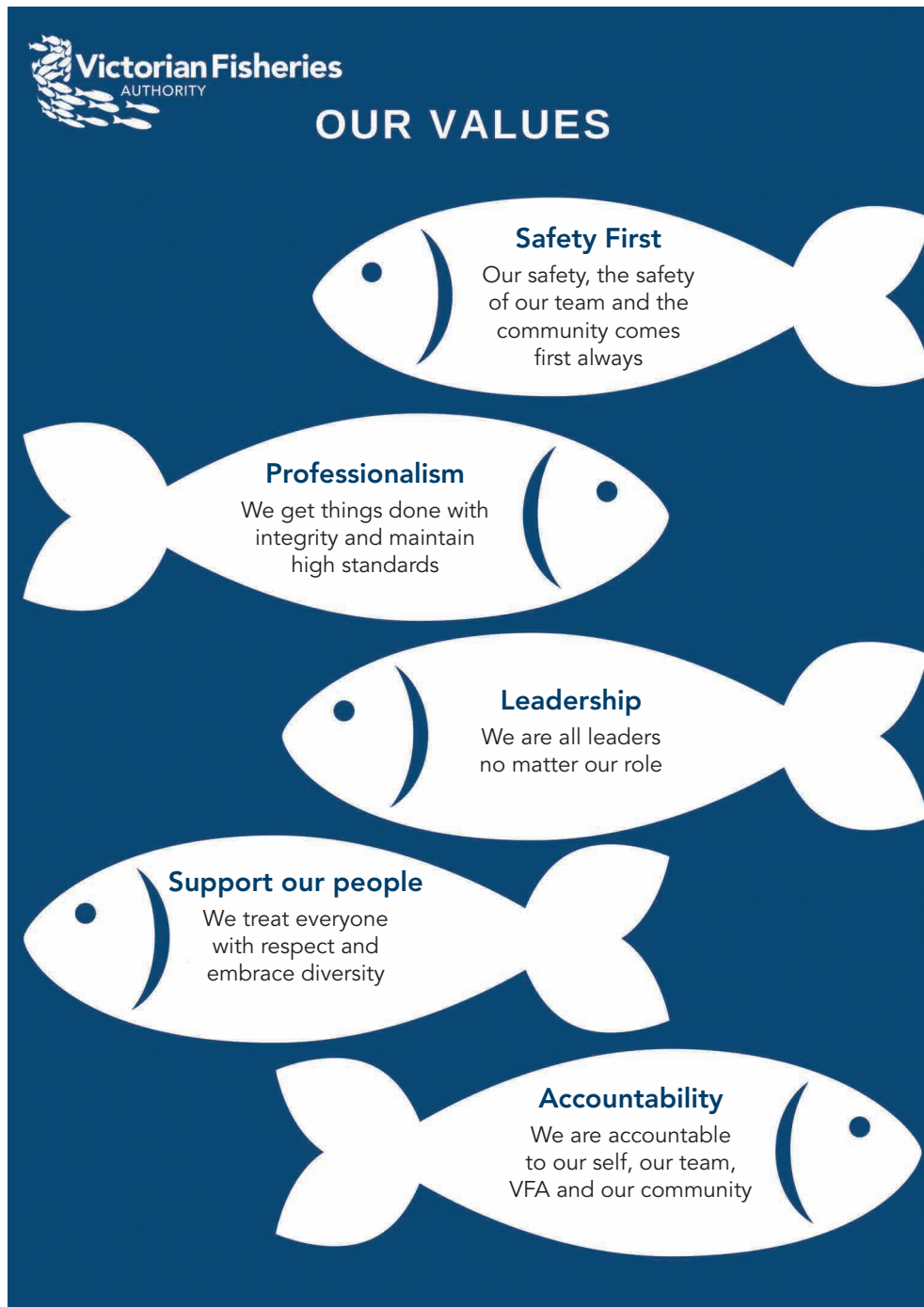
Our vision and strategic direction

The VFA's vision is to maintain **healthy and sustainable fisheries for all Victorians**. To achieve our vision, the recently released *VFA Strategic Plan 2019 – 2024* establishes four high level focus areas:



The Strategic Plan reflects our commitment to our stakeholders and position as a fit-for-purpose statutory authority by setting out our strategic priorities for the next five years under these focus areas. Future annual reports will address these focus areas and report on progress against the priorities, measures and targets established in the Strategic Plan.

Our values







Our achievements in 2019-20

Going digital

Digital revolution for recreational fishers

The digital age has been welcomed by Victoria's recreational fishers with the release of Australia's first digital recreational fishing licence in December 2019. The digital licence can be purchased online for the one and three-year licence categories and because it can be stored on a smartphone, it replaces the need for a plastic licence to be carried.

Every digital recreational fishing licence bought helps to reduce costs the VFA would otherwise have to put into manufacturing and distributing plastic licences. These cost savings mean a greater portion of revenue raised from sales can be put towards sustainable fishing programs for the recreational fishing community. In addition, going digital reduces the production of plastic, which is good for the environment.

Since its launch by the Minister for Fishing and Boating in December, 37,979 digital recreational fishing licences have been sold, representing a saving of over \$83,500 in printing and distribution costs alone.

A digital licence also means that Fisheries Officers do not need to board a recreational fisher's boat or have any physical contact to check a licence because it can be done remotely. This is a great safety win and also assists with coronavirus (COVID-19) distancing requirements.

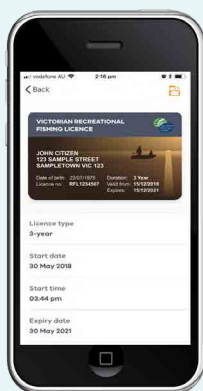
GoFishVic app launch

In early 2020, the VFA launched the *GoFishVic* smartphone application for our recreational fishers and has over 2,000 users to date. The free app has been designed to help improve fishing success, increase data collection to help manage our fisheries and provide new insightful and engaging experiences for tech savvy fishers. The app has the potential to provide unprecedented recreational fishing performance data across our priority recreational fisheries through 'citizen science' involvement.

The launch of *GoFishVic* app by the Minister for Fishing and Boating marked the start of the VFA's journey to work with recreational fishers to introduce, trial and improve the app. The VFA held five public forums to introduce the app to interested recreational fishers, angling clubs and existing angler diarists and receive feedback on improvements.

At the forums, the VFA also recognised long-serving (10-25 years) angler diarists for their contribution to the Victorian Angler Diary Program, which is the non-digital predecessor to the *GoFishVic* app. The program has been vital in the sustainable management of species including King George Whiting, Snapper, black bream, dusky flathead and Australian Bass.

Despite the challenges with bushfires and coronavirus (COVID-19) pandemic in 2020, many leading figures in the recreational fishing space have been using the app and encouraging other fishers to give it a try.



Future proofing our commercial fisheries with Vic-eCatch

With the support of the commercial fishing industry, the VFA took a major step forward in 2020 to modernise the process of collecting and reporting fishing data. Historically, commercial fishing industries have been predominately paper-based, with hand-written logbooks recording the catch and effort of fishers.

To improve the ease and accuracy of reporting catch and the availability of data, the VFA developed a new platform for electronic catch reporting. Known as *Vic-eCatch*, the system has been designed as an app that is accessible on smartphones and tablets. *Vic-eCatch* has now replaced paper logbooks in our abalone, rock lobster and giant crab fisheries and over the next four years, we will transition most many of our commercial fisheries to electronic reporting. It is anticipated that additional fisheries, including sea urchin and the newly created octopus, pipi and banded morwong fisheries, will transition to *Vic-eCatch* in 2021.

Why change?

Through the removal of paper-based logbooks and introduction of a simplified flow of fishery data, both fishers and the VFA have improved the efficiency of entering, accessing and analysing the information, which translates to better informed fisheries management. *Vic-eCatch* offers the following benefits:

- A one stop shop: all catch and effort reporting is done in the app;
- Simplified processes: no more handwritten logbooks for fishers or requiring hard copies to be mailed to the VFA;
- Improved catch and effort data accuracy and availability: simplified and expedited data entry, real-time access and improved data quality, enabled by more focus on quality assurance of fishery data by the VFA.

The change also aligns with the VFA's vision to deliver integrated, intuitive and accessible technology to support the growth and maturity of the organisation.

How we did it...

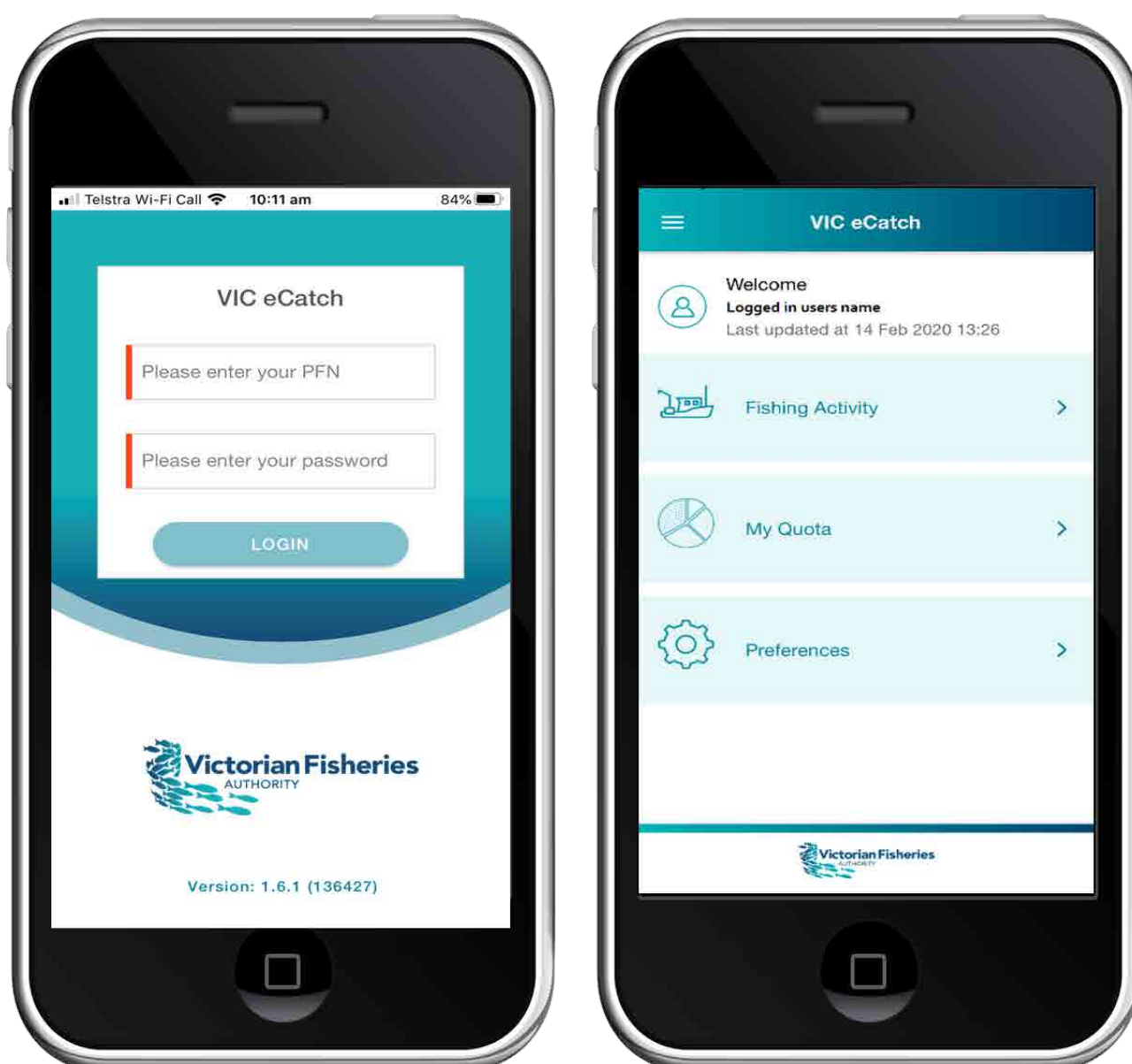
A key element of developing *Vic-eCatch* and implementing the change involved solid industry partnerships. Through early engagement, industry champions were identified and encouraged to take ownership to inform the process and confirm desirable requirements.



What next?

A critical element moving forward is a commitment to ensure continual improvement of the *Vic-eCatch* system and the information it provides. Ensuring the collection and assessment of fishery data in a robust way and building the reporting capacity to enhance management and fishing practices will maintain the confidence of fishing sectors. Support of fishers through this change is also a continued responsibility, again building industry rapport.

The VFA is continuing to work hard to make sure the system is easy to use and that the transition for commercial fishers is smooth and effortless. Ongoing support and partnerships with industry provide the cornerstone to the success of this initiative that is modernising and future proofing fishery data collection and reporting and will continue to demonstrate the positive approach that the VFA has become known for.



Promoting sustainable and viable commercial fishing and aquaculture

We've created new wild harvest seafood opportunities

Hook and line permit trial extended

The VFA has been working with the Victorian industry to make fresh fish more accessible to the public and directly connect fishers with their community.

In July 2019, the commercial fishing industry and the VFA commenced a two-year trial enabling line-caught fish to be sold under permit straight from the wharf to tourists and local outlets, including restaurants. The trial started in Apollo Bay, followed by San Remo and Mallacoota.

It was recognised that having the opportunity to sell fish fresh from the boat would be a win on many fronts; promoting tourism in small towns, giving restaurants the opportunity to provide locally sourced fish on their menus and providing wild harvest seafood opportunities to commercial fishers along with greater engagement with the public.

The VFA has continued to expand the wild catch seafood trial with 15 small sales permits issued to commercial fishers in Queenscliff, Port Fairy and Portland. The trial has now seen a total of 41 fishers issued permits across the State.

In Queenscliff, wrasse fishers who saw their markets disappear as restaurants closed across the country have been able to use their newly issued small sales permits to earn an income during extremely difficult times.

Mallacoota fishers demonstrated initiative to keep their permits viable under the coronavirus (COVID-19) restrictions by contacting the VFA with a plan to make home deliveries while restrictions prevented people from visiting the dock to buy fish straight from the boat. The fishing industry in Mallacoota have done fantastic work to promote and develop new markets, with permit holders advertising online to let locals know that fish can be delivered straight to their doors within hours of being caught.



Commencement of the new Victorian Pippi Fishery

Pipis are highly sought after as food and bait and after several years of work to create an ongoing secure entitlement to pipi fisheries, the Victorian Pippi Fishery was established as a new stand-alone quota managed fishery in the *Fisheries Regulations* in February 2020.

To get there, and to ensure an independent and robust process, an Independent Allocation Panel was appointed to provide advice to the Minister for Fishing and Boating on the allocation of the pipi resource. This panel of experts from across the country consulted extensively with stakeholders to produce a final report that was presented to the Minister and the VFA in October 2019. Pippi Fishery Access Licences and quota for the fishery were then issued and the new Victorian Pippi Fishery commenced on 1 April 2020.

Pippi Fishery Access Licences have been issued for the Discovery Bay and Venus Bay commercial management zones. The Total Allowable Catch for the 2020/21 season has been set at 10 tonnes in Discovery Bay Western Zone, 40 tonnes in Discovery Bay Eastern Zone and 2 tonnes in the Venus Bay Commercial Zone.

Commercial pipi fishers have previously harvested pipi under a general, non-transferable, licence. For the first time, fishers have a secure transferable entitlement specific to pipi, which will allow them to invest in their business and grow their markets. At the same time, the management arrangements that have been implemented, including quota, gear restrictions and reporting requirements, will ensure the future sustainability of this valuable resource for years to come.

Commencement of a new Octopus Fishery

The VFA, in consultation with the commercial fishing industry, created another new opportunity with the establishment of new Octopus Fishery Access Licences. These licences enable commercial octopus fishing in eastern Victoria and provide an ongoing and transferable entitlement that supports jobs and investment in East Gippsland.

The main species targeted in the fishery will be pale octopus, with Maori and gloomy octopus also taken in small quantities. The fishery will be quota-managed and subject to a Total Allowable Commercial Catch to ensure a sustainable and profitable fishery, with 68.7 tonnes of quota to be taken in 2020/21. Licence holders will be completing a research logbook, in addition to their normal daily catch record, to provide supplementary data that will assist fishery management.

The VFA used an Independent Allocation Panel to fairly determine licence eligibility and distribution of quota. Following this process, 11 ongoing, tradeable, stand-alone octopus fishery licences were made available. The fishery is a positive development for the Victorian seafood industry and will benefit Victorians with a steady supply of fresh, local octopus.



Increased gummy shark bycatch limit for commercial fishers providing more fresh locally caught seafood for Victorians

Many Ocean Access, Inshore Trawl, Rock Lobster and Giant Crab Fisheries Access Licence holders have taken up the opportunity to access the higher possession limit now available for gummy taken as bycatch. The new limit enables commercial fishers to retain more of their gummy shark bycatch, while halving the daily school shark possession limit. It also provides for more fresh and locally caught seafood for the Victorian public to enjoy, which is great news as flake is the staple food item sought after in the fish and chip trade.

Gummy shark is classified as sustainable in all Status of Australian Fish Stocks (SAFS) Reports, from 2012 to the most recent in 2018. It is a popular species for Victorian seafood consumers.

Establishing the augmented shark possession limit has been a complicated process involving much consultation with the Commonwealth, who manage the Southern Australian gummy and school shark fishery. The new limit has been welcomed by Seafood Industry Victoria who have supported and recognised the VFA's push for this on behalf of industry.

The VFA has introduced a range of management measures alongside the new possession limit to maintain community confidence that the total Victorian commercial catch of these sharks will continue to be effectively monitored and managed within the 40 tonne total annual bycatch limit set in our agreement with the Commonwealth, South Australia and Tasmania under the Offshore Constitutional Settlement.

Delivering improved fisheries management and reducing red tape

Making of the *Fisheries Regulations 2019*

A once-in-10-year remake of Victoria's fisheries regulations resulted in the creation of the *Fisheries Regulations 2019*. The new rules set up a bright future for Victoria's fisheries and seafood industry. They are modern, balanced and fit for purpose.

A number of changes benefit recreational fishing in Victoria, including allowing use of additional types of fishing equipment and changes to size and bag limits for some species. For example, new measures will help protect native fish including river blackfish.

Important changes will also help grow our commercial sector and support the transition to world class fisheries management technology. For example, three new fishery access licence classes were established, and a regulatory framework for use of vessel monitoring systems and electronic reporting is now in place.

A further positive outcome improves opportunities for Aboriginal and Torres Strait Islander persons in fishing through a new exemption from purchasing of a recreational fishing licence (where a legal right is not already recognised).

The changes demonstrate the VFA's commitment to providing great economic opportunities in the seafood and aquaculture industries, and keeping local, fresh fish on the menu.

Introducing vessel monitoring systems to commercial fishing vessels

Vessel monitoring systems (VMS) are used to regularly report a vessel's position, bearing and speed. Under the *Fisheries Regulations 2019*, VMS are required on commercial fishing vessels operating in key Victorian fisheries. When fishing, fishers must have the VMS switched on to ensure the vessel can be located.

VMS is a new technology for many of Victoria's commercial fishers and we have been working collaboratively with the industry to implement this important change. Vessels operating in the abalone, rock lobster and giant crab fisheries and in the Corner Inlet fishery began using VMS on 1 July and 1 August 2020, respectively. The requirement for VMS in the Western Port/Port Phillip Bay, banded morwong, octopus, sea urchin, and inshore trawl fisheries will follow, beginning in the second half of 2020.

VMS is best practice in commercial fisheries management and will contribute to making the VFA a more efficient fisheries management agency that is effectively ensuring the sustainability of Victoria's marine resources.



Corner Inlet fishery management - improvements supporting sustainability

Following a request from Corner Inlet commercial fishers to the VFA and then Minister of Fishing and Boating, the Hon. Jaala Pulford, regarding their concerns with sustainability and social licence, new measures to better manage commercial net fishing were put in place in June 2020.

For over 30 years the commercial fishers in Corner Inlet have had a voluntary Code of Conduct in place. In a testament to the proactiveness of the commercial fishers from the area, two items from the Code have now been incorporated into the *Fisheries (Corner Inlet Fishery) Notice 2020*. These rules prevent any individual Corner Inlet Fishery Access Licence holder from:

- Operating more than two seine net shots in any given 24-hour period (midnight to midnight);
- Using more than one type of fishing gear at any given time, inclusive of mesh nets, seine nets, longlines and hoop nets.

Further, all fishers in the Corner Inlet Fishery commenced using VMS on 1 August 2020.

Representatives from the commercial fishery, Seafood Industry Victoria, VRFish, FutureFish and the Australian Marine Conservation Society each affirmed their commitment to work together for the future of the Corner Inlet Fishery. With such a united intent, work is now underway to consider a Fishery Management Plan to support the future sustainability of this fishery.

Commercial fishing guide

Most recreational fishers would not leave home without their Recreational Fishing Guide, even if they have been fishing for many years, because it sets out all the rules in an easy to understand format and using clear language. Without the Guide, recreational fishers would have to carefully interpret complicated legal documentation to get the information they need.

The VFA has taken this same approach with the commercial fishing sector and was proud to produce the first Commercial Fishing Guide in 2020. The plain English guide provides definitive interpretations of the rules that apply to every commercial fisher and includes a series of supplements specific to rules that only apply in the abalone, rock lobster and giant crab fisheries.

The Commercial Fishing Guide and Supplements can also moonlight as a study guide. To work in Victoria's commercial fishing industries, potential employees must demonstrate that they know the regulations and understand how the rules are applied in fishing operations. The Commercial Fishing Guide and Supplements will make it easier for these new fishers to learn the rules (and pass the exam with flying colours!).

Victoria's aquaculture is adapting and thriving

The aquaculture sector, like the wild harvest sector, has faced significant challenges in 2019-20 as the coronavirus (COVID-19) pandemic impacted the food service and export markets by up to 90 percent in some instances. However, with everyone staying at home, fish retailers and supermarkets have increased sales to supply households with farmed trout and mussels. Goulburn Valley Trout reports their new hatchery is performing very well and the seasons have been kind to trout farmers due to a cool summer, rainfall and plenty of water.

The VFA contributed to the Fisheries Research and Development Corporation/Seafood Industry Victoria study into valuing Victoria's fishing and aquaculture industries. With the aim of improving community understanding about Victorian aquaculture the study sought to: provide the tools to move forward in clearing misunderstandings about the sustainability of Victorian seafood; the environmental credentials of the industry that go way beyond what is generally understood; and to raise the question in the public's mind about the importance of a fresh local supply of farmed and fished seafood or only imports. Based on the study, aquaculture sectors are preparing sector specific fact sheets.

Interest in seaweed farming is increasing in response to a changing climate and new technology. Some species of seaweed have very fast growth rates and carbon uptakes compared with land-based seaweed. Others may provide useful food service products and pharmaceuticals like sushi wrappers and agar. The VFA sees this as an exciting new and emerging industry with future growth potential.



Growing recreational fishing in Victoria

Delivering Target One Million – Phase Two

Following the success of the Government's *Target One Million* program, which committed \$46 million to recreational fishing between 2015 and 2019, the Government extended its commitment with a renewed plan to invest over \$35 million in recreational fishing over four years as part of its 2018 election campaign. The *Target One Million – Phase Two* program commenced on 1 July 2019, with commitments to:

- Increase fish stocking to 10 million fish annually by 2020;
- Construct a new \$7 million native fish hatchery in Shepparton to focus on species such as Murray cod and golden perch;
- Phase out commercial fishing in the Gippsland Lakes through a compulsory buyout to make the Lakes a recreational fishing haven that will boost tourism and create jobs;
- Allow anglers to use boats and kayaks with electric motors on specified lakes and reservoirs, including Tullaroop, Lauriston, Hepburn, Barkers Creek, Upper Colliban and Malmsbury;
- Allow access for fishing and camping by opening nominated areas of Crown land river frontage;
- Build and/or upgrade a number of fishing platforms and fish cleaning tables with new and improved recreational fishing infrastructure;
- Improve fish habitat in Port Philip Bay by investing in reef development;
- Invest in science and habitat restoration in the Gippsland Lakes to ensure the environment remains healthy;
- Stock eastern king prawns into Lake Tyers;
- Advocate for Southern Bluefin Tuna to protect the recreational fishery from cuts to bag limits by the Commonwealth Government;
- Introduce a new *Fishing for All* program to get more people into fishing, including a further \$200,000 into the *Vic Fish Kids* program; and
- Develop a recreational fishing tourism plan with a focus on events and the marketing of regions and towns known for specific fish species.



Recreational fishing continued to be an important part of the fabric of the Victorian community. In 2019-20:

- 226,032 recreational fishing licences were sold, and of those:
 - 83,944 were 3-day licences;
 - 7,725 were 28-day licences;
 - 103,281 were 1-year licences; and
 - 31,079 were 3-year licences.
- 90% of recreational fishing licences were sold online;
- \$7,562,327 generated in sales of recreational fishing licences; and
- Total of \$1,123,706 paid in grants through the Recreational Fishing Grants Program.

Working towards 10 million stocked fish

The VFA's Snobs Creek Fish Hatchery grows and stocks fish across Victoria to build fish stocks in our waterways and provide amazing recreational fishing opportunities. We successfully met this year's target to stock six million fish (Table 1). To reach our target set out in *Target One Million – Phase Two* to stock 10 million fish per year by 2022, the VFA will increase stocking next year to 8 million and then to the 10 million the following year.

In 2019-20:

- The Snobs Creek Hatchery grew 703,679 native fish and 981,743 salmonid fish that were stocked into public waters;
- We purchased 4,446,606 fish of a variety of species for stocking in waterways across Victoria;
- Fish were stocked into over 223 locations, including 24 sites that were either new or where new species were stocked for the first time;
- Our stocking vehicles travelled 205,740 kilometres, which took 477 days to undertake;
- For the first time, we stocked 38,200 on-grown Murray cod and golden perch into 14 urban waterways; and
- We have record stockings of 542,114 Murray cod into Lake Eildon and 473,960 Murray cod into Rocklands Reservoir.



Table 1: 2019-20 stocking breakdown

Species	Barwon South West	Gippsland	Grampians	Hume	Loddon Mallee	Port Phillip	Total
Australian Bass	5,000	352,300	-	-	-	1,000	358,300
Estuary Perch	32,000	125,000	-	-	-	75,000	232,000
Golden Perch	100,000	-	213,500	882,606	908,152	32,426	2,136,684
Macquarie Perch	-	-	-	1,920	-	-	1,920
Murray Cod	496,095	-	105,000	927,150	485,059	21,683	2,034,987
Silver Perch	-	-	105,000	40,000	135,000	60,450	340,450
Trout Cod	-	-	-	26,894	-	-	26,894
Natives Total	633,095	477,300	423,500	1,878,570	1,528,211	190,559	5,131,235
Brown Trout	86,750	14,500	78,560	113,726	113,511	5010	412,057
Cheetah Trout	2,450	-	-	-	-	-	2,450
Chinook Salmon	50,000	-	-	-	-	-	50,000
Rainbow Trout	162,450	30,000	108,644	140,340	54,871	39,981	536,286
Salmonids Total	301,650	44,500	187,204	254,066	168,382	44,991	1,000,793
Total	934,745	521,800	610,704	2,132,636	1,696,593	235,550	6,132,028



Natives

We have had a great year with Murray cod production at the Snobs Creek Hatchery. Pond harvesting began in late December and produced 649,072 cod over the following four months, exceeding our target of 450,000 for the facility. Careful fish management and favourable weather conditions combined with great spawning numbers to make the season a successful one.

With future stocking commitments, we are increasing our Macquarie perch and trout cod production. To do this, with the assistance of the Arthur Rylah Institute, we successfully completed multiple collections of mature trout cod to use as future brood stock at the Snobs Creek Hatchery.

We have also worked with Goulburn Murray Water to relocate many fish displaced by maintenance work that has drained the natural homes of these fish. Where possible fish were relocated to adjacent waterways, and a small number were taken to the Snobs Creek Hatchery to be added to the brood stock population.



Fish were held in quarantine and treated with salt baths for any potential parasites and disease under close observation for five days, also giving the fish time to recover from transport, and hatchery staff to monitor their health and condition. Each fish was assessed, tagged with a unique identifying microchip and fin-clipped for DNA. These procedures are essential for staff to identify stock to determine growth rates, fish identification and to maintain correct sex ratios in our brood ponds.

These broodfish will contribute to future wild populations in Victoria by producing offspring that will be released back into Victoria's waterways.



Salmonids

The 2020 salmonid spawning season was certainly a successful one. The Snobs Creek Hatchery is expecting a bumper season of hatchlings from the 200,000 chinook salmon eggs, approximately 1.2 million brown trout eggs and 900,000 rainbow trout eggs that were put into the incubators throughout March to June.

To ensure the VFA remains a leader in hatchery production and will meet our 10 million fish stocking target in 2022, we continue to engage with our stakeholders like the Australian Trout Foundation to review and help improve our fish breeding and stocking. We have also invested in improved technology, such as a Van Gaalen egg sorting machine capable of processing 100,000 salmonid eggs per hour.



Developing Victoria's new native fish hatchery

The VFA is delivering the \$7 million *Target One Million – Phase Two* commitment to build a native fish hatchery. At present, we rely heavily on the supply of native fish from private fish farms who are diverting fingerling supply toward the production of domestic and international seafood markets. The VFA's new hatchery will assure the future supply of native fish to recover native fish populations and create exciting recreational fisheries.

In December 2019, the VFA purchased a property at Arcadia, near Shepparton, on the Goulburn River. Stage 1 of the hatchery will include the construction of around 30 ponds, hatchery and office buildings and some visitor facilities at the site. This will produce around 1.6 million native fish (Murray cod and golden perch) each year, around twice the native fish production of our Snobs Creek Hatchery. The hatchery has been designed to expand into the future as more ponds are constructed. The hatchery is on track to be completed by October 2021.

To provide employment and career pathways for indigenous people, we have a 50 percent Indigenous employment target for the hatchery and are working with GO TAFE Shepparton to establish a traineeship program for new employees. At full production, the hatchery will employ up to 12 full-time and part-time staff.



Recovery of the Gippsland Lakes fishery

The removal of commercial netting from the Gippsland Lakes system on 1 April 2020, along with a \$9.4 million compensation scheme for the 10 licence holders, was an important first step towards restoring the Gippsland Lakes as a recreational fishing mecca.

The VFA oversaw the implementation of this important *Target One Million – Phase Two* commitment and led the removal of commercial net fishing in 2019-20 for the Lakes. This means there is another 180-200 tonnes of fish, including species such as black bream and dusky flathead that will remain in the Lakes system each year. Retraining and reskilling programs were also offered to licence holders by other Government agencies.

The VFA and its partners have been working on the next phase of recovery for the Lakes system. There is strong support from the recreational fishing community for change to support the recovery of fish stocks. Recent monitoring of the stock show better bream spawning success in recent years with increases in small bream in the system. These fish are expected to grow past the size limit over the next five years and support improved catch rates.

Working in partnership with fishery managers, catchment managers, recreational fishers, angling clubs and the community, the VFA is developing a *Gippsland Lakes Recreational Fishing Recovery Plan*. The five-year plan includes targeted strategies aimed at improving fish stocks and returning the Lakes system back to recreational fishers and the community.



Opening specified lakes and reservoirs to small boats and kayaks with electric motors

Freshwater fishers with kayaks, canoes and boats with electric motors now have more opportunity to get out on the water, with access to thanks to *Target One Million – Phase Two*, which committed to expanding on-water access to six central Victorian lakes, including Barkers Creek, Tullaroop, Lauriston, Upper Coliban, Malmsbury and Hepburn Lagoon. All waters were open to fishers by 1 August 2019 – a huge achievement for the VFA.

To further this commitment and make it even easier for people to get out on the water, the VFA has undertaken major upgrades to boat ramps and car parks in these areas and installed new fishing and water safety signage where needed.

For years these waterways have been stocked with fish species important to recreational fishers. Over the past four years, close to 180,000 brown trout and rainbow trout grown at the Snobs Creek Hatchery have been stocked into Tullaroop, complementing the redfin population that breeds naturally. The three Kyneton reservoirs were stocked with close to 110,000 native fish fingerlings last summer to encourage more people to get out and cast a line. Over the same summer period, the Upper Coliban Reservoir and the Malmsbury received 25,000 and 30,000 golden perch fingerlings, respectively, in addition to the annual release of trout from the Snobs Creek Hatchery. Lauriston Reservoir received 25,000 golden perch and nearly 30,000 Murray cod whilst Hepburn Lagoon will remain a stocked trout fishery given its fantastic reputation as a productive cool-water destination.

The increased access ensures that fishers can now get on the water with fly, bait or lure to make the very most of these scenic fisheries.



Improving access for recreational fishers

As part of the *Target One Million – Phase Two* commitments, the Government committed to guaranteeing access to fishing and camping on Crown land that has grazing licences and river frontage. Section 401A of the *Land Act 1958* enables a person to enter and remain for recreational purposes on a water frontage, which has been licensed under provisions of that Act, but prohibits a person from camping on the licensed land.

To enable camping on licensed water frontages, the *Land Act 1958* is being amended to remove the prohibition on camping on licensed Crown water frontage. This legislation passed through the Lower House of Parliament in late 2019, and the VFA is working in partnership with the Department of Environment, Land, Water & Planning to develop suitable regulations to support camping at these locations from 1 September 2021.

Access to Crown water frontage for various recreational users, such as fishers, bird watchers and hikers, has been limited by poor provision of infrastructure and information regarding access points.

The VFA has been installing access gates and signage at the entry points to Crown land as part of the project, and in time, will create a map on the VFA website that specifies each access point. In addition, the VFA has installed directional road signs, directing the recreational user from the main road to the access point that has been created.



Improving fish habitat in Port Phillip Bay – The Nature Conservancy's shellfish reef expansion

The VFA has a long history of delivering recreational fishing reefs and habitat enhancement projects throughout Victoria's marine and freshwater environments. These projects support and promote fish aggregations, provide additional fish habitat in areas where natural habitat is limited and improve fishing opportunities for anglers of all abilities, whether they be boat or land based.

Through the *Target One Million - Phase Two* program, the Government has committed \$2.5 million to improving reef habitat in Port Phillip Bay. In 2019-20, this included a co-investment of \$500,000 with The Nature Conservancy to revitalise shellfish reefs in Port Phillip Bay by building three hectares of new oyster reef. The Nature Conservancy will contribute a further \$600,000 to the project.

The partnership will more than double the area of restored oyster reef in the bay by installing the equivalent of 12 x 250m² shellfish reefs with five million oysters across three sites, including continued restoration of reefs near St Kilda and Geelong.

A new restoration technique will be trialled on a degraded shellfish reef near Geelong, which is the closest The Nature Conservancy has found to a surviving reef in Victoria. The technique involves deploying at least 500m² of recycled shells from restaurants and the seafood industry to provide new substrate on the seafloor for remnant oysters in the area to colonise. This will reduce organic waste to landfill by turning rubbish into new reefs!

The project will also utilise 50 citizen scientists to help monitor the new reefs, assist with hatchery preparations and deliver community education to improve awareness.



Stock eastern king prawns into Lake Tyers

As part of the *Target One Million – Phase Two* plan to get more people fishing, more often in more places, the VFA stocked 12,000 wild-caught Eastern king prawns into Lake Tyers. With Lake Tyers being closed to the sea for more than four years, the lake hadn't had a natural recruitment of prawns from offshore, so we gave mother nature a helping hand.

The prawns were caught locally off Lakes Entrance and transferred into the lake giving recreational fishers a chance to catch large, ready-to-eat prawns. The creation of the fishing opportunity was welcome news for towns near East Gippsland who have been challenged by the bushfires in early 2020 and was able to add another significant boost to tourism in the region, alongside our 'Golden Tag' competition.

Any prawns not caught in the summer of 2020 will be there for at least another 12 months and we have plans to stock more for the summer of 2021.



Southern bluefin tuna resource sharing

The Government included a commitment in the *Target One Million – Phase Two* package to advocate for there to be no change to the bag limit of Southern Bluefin Tuna (SBT) for recreational fishers. SBT are a highly sought after marine fish species that are caught in most states in Australia. The SBT stock has been rebuilding and has seen significant increase in abundance over the past 10 years; something that has been widely enjoyed and celebrated by recreational fishers.

In May 2020, the Commonwealth set aside a catch allocation of just five percent of Australia's total SBT fishery for recreational fishers, equating to around 300 tonnes, with the remaining 6,000 tonnes for commercial fishers. This decision was based on a survey that estimated the recreational catch in Victoria was only 82 tonnes, however it did not cover the entire Victorian recreational fishery.

Recreational fishing for SBT provides an enormous social and economic benefit to the community. Victoria will continue to advocate for a fairer share of the SBT catch for recreational fishers as five percent is not sufficient.



Recreational Fishing Licence Trust Account

Every year the revenue collected from the sale of Recreational Fishing Licences is paid into the Recreational Fishing Licence Trust Account. The VFA oversees the disbursement of these funds towards projects and activities that improve recreational fishing in Victoria in many ways.

The Recreational Fishing Grants Program provides funds for projects such as those that improve access to waterways, provide facilities such as fishing platforms and fish cleaning tables, and reintroduce habitat into waterways. Funds are also provided for research projects on key recreational fisheries, and education and information projects that promote sustainable and responsible fishing practices. Since its inception in 2001, the Recreational Fishing Grants Program has funded over 765 projects, worth more than \$23 million throughout Victoria.

The Recreational Fishing Grants Program consists of three separate tiers:

- 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 2019-20 financial year, a total of \$1,123,826 was paid to 63 projects through the Recreational Fishing Grants Program. This included over \$66,500 to 30 projects under the Small Grants Program.

Recreational Fishing Licence Trust Account funds are also committed or disbursed to fund increased recreational fish stocking, an additional 13 Fisheries Officers to boost enforcement and education and the implementation of projects which are part of the *Target One Million* plan.

Funds are also provided for the operation of VRFish to represent recreational fishers and provide advice to the Victorian Government on the management of the State's fisheries resources, and to the Victorian Fishcare program to deliver sustainable fishing education and events. The costs incurred in the administration of the Recreational Fishing Licence Program and the Recreational Fishing Grants Working Group, and commissions paid to Recreational Fishing Licence sellers are also funded from the Trust Account.

In May 2020, the Victorian Treasurer announced that a variety of fees that normally rise each year, would not rise for the 2020/21 year given the widespread impacts of coronavirus (COVID-19) on household budgets. This will apply to the price of Recreational Fishing Licences.

A review of the Recreational Fishing Licence Program (including Grants Program) was undertaken by Marsden Jacobs and Associates in 2019. The VFA is working to implement outcomes from this review including developing an overarching Recreational Fishing Licence Strategic Plan which will guide how funds from the RFL Trust Account are invested to improve recreational fishing in the future. Another outcome will see the introduction of an Intermediate Grants Program which will provide grants of up to \$50,000 to angling clubs and community groups for projects to improve recreational fishing.

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 on the VFA's website (www.vfa.vic.gov.au).



Engaging with our fishing community

Our work to promote and encourage sustainable fishing

'Fishing for culture' education programs

Victoria is enriched by people with many different cultures and for many, fishing is an activity that enables people to reconnect with traditional practices. Just over 28 percent of Victorians have a parent who was born overseas and of these, over 26 percent were born in countries where English is not their main language¹. People come from over 150 countries worldwide to settle in Victoria.

The VFA recognises the fishing rules we have in Victoria to sustainably use our fish resources are not applied in the same way in every other country. Some countries have no rules at all, while others apply their rules in very different ways. Victoria's fishing rules (or even that we have them) can be very confusing for many in our newly arrived communities and as a result, people inadvertently break them.

To help people understand the basic rules and why we have them, VFA staff have implemented a special education program aimed at encouraging newly arrived communities to fish responsibly, which includes personal safety and stewardship of aquatic habitats.

The program has theoretical and practical components; teaching how to measure fish, getting a licence and what it means to be a responsible angler. A family fishing experience completes the program, where our program partners such as Parks Victoria and Lifesaving Victoria talk about fire safety in the Australian bush and water safety.

The 'fishing for culture' program has been very well received and is in high demand, indicating a desire by our multicultural communities to understand and respect the laws when fishing in Victoria.



¹Victorian Multicultural Commission Annual Report 2018-19

Improving understanding of our abalone regulations – one abalone tool at a time

Written instructions can be confusing. While we try very hard to make sure our VFA information products are as simple and easy to comprehend as possible, we know that for some people they can still be complicated. Abalone fishing rules are a case in point.

Abalone is a prized catch for many fishers. Since abalone is vulnerable to overfishing, the VFA needs to make sure we manage the fishery, so we have abalone to catch now and in the future. As a result, we have a lot of rules, some of which are quite technical.

We also know for some people, it can be very daunting to ask VFA staff for help.

To address these issues, the VFA designed an abalone tool to help fishers to collect abalone and to provide an opportunity for us to explain the rules in a friendly low-key manner.

The bright yellow abalone tool is designed to help fishers comply with two of our abalone rules:

- Carrying a measuring device to measure abalone so undersized abalone can be returned to the water, and;
- Using a blunted instrument so abalone are not injured when they are removed from the rock. Abalone can bleed to death when cut.

Rather than just handing a fisher the free tool, VFA staff take the time to have a chat and find out what aspects of the rules are confusing, and sometimes which rules fishers did not know existed. We also discuss the intertidal zone, safety when collecting abalone and why the VFA has rules.

To date, the VFA has spoken with many hundreds of abalone fishers and given them these tools.

By taking this little bit of extra time and providing helpful tools and relevant information, the VFA is ensuring more fishers than ever are complying with the rules and most importantly, our staff and fishers are getting to know each other better, building mutual respect and understanding.



Reanimating our key fisheries messages

With more than 1.5 million Victorians speaking one of 260 languages as their first language, some 'out of the box' thinking was required from VFA's Education & Enforcement team when we realised it was not feasible to translate our key messages into all these languages.

So, we looked around for other communication approaches that did not use the written or spoken word and found..... animations.

These colourful films effectively turn complex messages into simple, easily digestible imagery that tells a story. People of all ages and cultures are hard wired to quickly and readily absorb visual imagery.

Animations also make the content less threatening, more friendly and more approachable. These were important considerations when we thought about the past negative experiences that many in our migrant and refugee communities have had with authority.

The current set of animations assist people to understand what equipment they should use, how to buy a licence and how to handle fish. These animations have been used with huge success. Based on this positive feedback, we have also developed comic book style products to further enhance the learning opportunities these products can offer.

The animations are available at:

https://www.youtube.com/playlist?list=PLKo29JSp_KfRviLdhUTUA0pTmuSzJ25Qj

去户外，钓鱼去 - 'Get Outside, Go Fishing' in any language

Victoria's *Target One Million* program organises family orientated fishing days, such as the Vic Fish Kids events, to encourage Victorians to give fishing a go. To assist beginner fishers, the VFA created a series of guides called 'Get Outside Go Fishing'. The series comprises six booklets: Family Fishing Lakes, Western Port, Port Phillip Bay, Gippsland Lakes, North West Victoria, South West Victoria and North East Victoria.

The booklets are currently available in simplified Chinese and English and are very popular with families who are keen to try something new and different, while exploring more of Victoria.

'Get Outside Go Fishing' provides the basic information new anglers need to locate good fishing spots all around Victoria. These guides also provide tips on planning a stress free, safe fishing experience, as well as providing practical information on how to rig a rod and how to safely handle a fish to keep or release it.



Helping to improve fishers' safety - Multilingual rock fishing booklets

Any activity in, on or near water needs to be carefully planned and people need to be acutely aware and reminded of the dangers that water can pose. Fishing should be a fun, relaxing activity that rejuvenates the soul and for the skilful fisher, also results in a feed of fresh fish or shellfish. Sadly, not every fisher always comes home and regrettably, fishers from our culturally and linguistically diverse (CaLD) communities are at a greater risk of drowning.

In 2018/19, 18 percent of the people who drowned in Victoria were from CaLD communities and, of these, 35 percent died while fishing. They were fishing for abalone (typically snorkelling or diving), rock fishing, or fishing from a boat. Since 2000, 18 fishers have drowned after being swept off rocks.

To help improve rock fishing safety in our CaLD communities, the VFA developed a simple safety booklet for rock fishers. The booklet covers how to best prepare for rock fishing, what safety gear to take and what to do if swept into the water.

The VFA has been teaming up with Victoria Police's Multicultural Unit to distribute the booklets at education sessions with CaLD communities where rock fishing is practised. The aim of these sessions is to ensure every rock fisher returns home safely to their families.

The booklet is available in English, simplified Chinese and Vietnamese.

Operation Enlighten – extending a helping hand

Operation Enlighten promotes responsible fishing and stewardship of Victoria's fisheries resources. Engagement occurs in community-safe places, such as festivals, community halls and fishing spots.

In 2019-20, Operation Enlighten expanded its engagement to include African and Islamic communities as we were approached by these communities to help them fish responsibly.

Over multiple events, VFA staff helped students and adults understand the range of jobs in the VFA and the requirements needed to become a Fisheries Officer. In addition to providing career information, Education staff got to talk to many people; answering questions, explaining rules and learning more about their experiences.

Some of the great feedback we received from the communities was:

'Many of us own boats. It is good to have someone here to answer our questions. Thank you.'

'I didn't even know you people existed. I didn't know there were rules. Thank you for the information – I can now make sure my family does the right thing.'

We are looking forward to participating in more events with these communities in the future and continuing to grow these valuable relationships.

In 2019-20 (until mid-March), Operation Enlighten directly engaged with 3,663 people at 30 events.



Recognition of our work out in the community

A key role of the VFA's Education team is to increase the awareness and understanding of all Victorians to achieve the sustainable and responsible use of Victoria's fisheries resources. The team engage with people from all areas of our community and use education techniques that are culturally and age-appropriate, interactive, fun and informative.

Award for multicultural excellence

The Victorian Multicultural Commission (VMC) presents annual awards to honour outstanding individuals and organisations that foster cross-cultural understanding, support for migrants and refugees.

In 2019, the VMC received over 200 nominations for the 10 different categories. Victoria Police nominated the VFA for a 'Police Community Exemplary Award', and we can proudly say we won. The award acknowledged the VFA's commitment to engaging with our multicultural communities over the past 10 years and fostering understanding of issues surrounding fishing.

The award recognised our:

- Commitment to producing information in multiple languages,
- Work with refugee, migrant and at-risk communities to improve their knowledge about fishing rules and to encourage stewardship of natural environments.
- Partnerships with Victoria Police, Fire Rescue Victoria, Parks Victoria and settlement agencies to introduce communities to fishing in a sensitive, culturally safe manner.

Our Senior Fisheries Officer Stewardship and Director of Education and Enforcement represented the VFA at the award ceremony and proudly accepted our award.



Our work to encourage participation in fishing

VFA's Ambassadors – Chloe Molloy and Bachar Houli

The VFA's Ambassador Program has continued to extend its reach to Victorians to promote the *Target One Million* program, delivering the message that fishing is for everyone.

Chloe Molloy, from Collingwood's AFLW team, has continued to inspire more women and kids to take part in fishing, she is a great role model to increase gender diversity and participation in fishing. Chloe will continue to work with us in growing the reach of the Women in Recreational Fishing Network and other VFA initiatives designed to get more people fishing. She has been an incredible role model and is very engaging as a speaker to all demographics. Her presence at the VFA stand at the 4x4 Show was a hit with families and football supporters keen to hear her fishing story.

Bachar Houli, from the Richmond Football Club, has been a VFA Ambassador since 2018 and is a very passionate recreational fisher. Bachar inspires both on the football field and in his social media influencing cultural communities to increase their participation and awareness of fishing. The VFA hosted a Learn to Fish session for Bachar's Leadership Academy, which saw a group of young men from around Australia give fishing a go, some for the first time; needless to say, they loved the opportunity and were hooked!





Women in Recreational Fishing Network

The Women in Recreational Fishing (WIRF) network provides an opportunity for women to actively participate and share their passion for fishing in a sustainable and inclusive culture. The network continued to gain momentum throughout its second year and has grown its membership from 1200 in 2018/19 to over 2100 in 2019-20.

Over the year, the WIRF network collaborated with tackle stores to deliver a 'Ladies Night In' concept event to invite and inspire more women to go fishing and feel more comfortable when in tackle stores.

The VFA held another WIRF Leadership Program which paved the way to encouraging more female fishing leaders. This program offered an additional eight women the chance to shape the future of the industry. The group had an insightful session with industry leaders discussing the many opportunities and challenges to increase female presence in this space.

Some great ideas and opportunities came out of this engaging discussion about how to tackle the barriers currently faced by women that prevent them from participating more actively in fishing. For example, one of the leaders is now writing a monthly WIRF column providing updates on the community for a popular fishing publication. WIRF leaders have been invited to share their stories at events such as the National Recreational Fishing Conference in Hobart, the Eildon Boat and Fishing Show and Talking Snapper and also guest appearances on the fishing tv show, Talking Fishing.

Golden Tag Promotion

As a key driver for regional tourism, recreational fishing in Gippsland and northeast Victoria is worth more than \$600 million annually and supports over 3,800 jobs. The devastating summer bushfires had a major impact on the economy and on businesses throughout the fire affected regions. In response, the VFA developed the Golden Tag Promotion as a recreational fishing opportunity to stimulate the regional recreational fishing economy, generate interest in fishing and encourage tourism back to fire affected communities.

The Golden Tag Promotion was a tag recapture program in which a cash prize was awarded to anyone able to catch a tagged fish. Using specifically designed 'golden tags', the VFA tagged over 1,000 fish in waters across east Gippsland, including Mallacoota, Cann River, Bemm River, Orbost, Marlo, Lakes Entrance, Lake Tyers and the Gippsland Lakes and alpine waters including Omeo, Dartmouth, Mitta Mitta, Corryong, Tallangatta and Bright.

Fishing for the golden tags commenced on 1 March 2020. The first 10 tagged fish caught won the fisher a cash prize of \$10,000 for each fish and each remaining fish was worth a \$2,000 prize. Fishers were out in droves to try their luck and the \$10,000 prizes were claimed within the first week. Restrictions associated with coronavirus (COVID-19) hampered the ability for fishers to be out and about, and at 30 June 2020, 45 tagged fish had been caught.

The concept was hugely successful in encouraging people to fish and visit fire affected regional Victoria, and accomplished the goal of boosting tourism to these areas.



Our work to encourage fishing for all

Vic Fish Kids events 2019-20

The VFA's hugely successful Vic Fish Kids program continued this year, prior to coronavirus (COVID-19) restrictions being put in place. The Vic Fish Kids program provides an opportunity to showcase recreational fishing to kids, provides activities to include the whole family and aims to inspire children to take up or continue fishing.

The VFA hosted Vic Fish Kids free events in Pakenham, Seymour and Shepparton over 2019-20. As part of the program, 200 kids were randomly selected to receive a free fishing rod. A total of 600 rods now have a new home and will be used regularly to go fishing. All events were well attended with lots of happy kids and families.



Snobs Creek Fish Hatchery Open Day 2019

The VFA's Snobs Creek Fish Hatchery Open Day attracted over 400 people for an exclusive self-guided tour where people were able to move around the fish production areas and have questions answered by staff who have the responsibility of growing our fish. The excitement could be felt around the ponds during feeding time as fish of all sizes jumped through the surface of the water for all to see. Visitors were also able to experience the historic cinematic videos about the hatchery, which showcase how far the hatchery has developed in growing fish for stocking Victoria's waterways.

Goulburn and Ballarat Trout Opening Festivals 2019

The popular trout opening festivals in Eildon and Ballarat continue to grow each year, and this year, over 1,300 people enjoyed a fantastic family day outdoors.

At Eildon, to mark the opening of the trout season, 2,000 massive trout were stocked at 11 family-friendly sites in the region, some weighing up to four kilograms. Kids and families were able to assist with stocking grown trout into both Eildon Pondage and Lake Wendouree. This is a great way for kids to learn more about where our fish come from and know that there are heaps of fish to catch.



Talking Snapper

The inaugural Talking Snapper night was on 30 October 2019 in Frankston at the local RSL. Guests heard the latest from fisheries managers and scientists and took home some insightful tips to improve their fishing success.

Fishing expert Lee Rayner, from Fishing Edge, shared tips and tricks to snapper success, along with the best boat-fishing techniques and how to get more out of your sounder. David Kramer and Adam Ring, from TV's Talking Fishing, shared land-based fishing tips and the very latest on equipment to hit the market. Women In Recreational Fishing (WIRF) Leader, Tiffany Newton, gave anglers an insight into the WIRF network and her experience as a female angler. The VFA's fisheries scientist, Dr Paul Hamer, shared insights to research and monitoring snapper stocks and how they're tracking for the future. Mike Burgess, from VRFish, provided advice on the best way to care for snapper once it's been caught. Rod Barber, Senior Fisheries Officer at Mornington, presenting on the latest snapper enforcement operation and how fishers can do the right thing. Overall, it was an informative talk night on a very popular saltwater species and enjoyed by everyone in attendance.



Talk Wild Trout conference

Now in its fifth consecutive year, the Talk Wild Trout conference returned to Mansfield in the heart of trout fishing country. The conference attracted around 300 keen fishers to discuss the latest information about the health of our rivers, impacts of climate change, stocking effectiveness and other trout management practices.

The keynote speaker for the conference was Hilary Hutcheson, a fishing guide, tackle shop owner and influential angler from Montana, USA. Hilary spoke of the adventurous side of trout fishing and encouraged people to break out and try new areas, to renew the sense of discovery and reconnect with the excitement of trout fishing. Presentations by Greg French and Robbie Alexander about the value of wild trout, and Martin Auldish about discovering new trout waters were eagerly viewed by an engaged audience.

Murray Codference

The fourth Murray Codference was held on 8 December 2019 in Shepparton. Around 300 dedicated fishers turned out to the Eastbank Performing Arts Centre for this annual event, which has become a real attraction for keen native recreational fishers right across Victoria and even interstate.

Presentations were made throughout the day from a range of speakers. The keynote speaker – Rob Paxevanos detailed his love for Murray cod fishing and showed a teaser clip of his new movie – a true cinematic experience.

Other presenters covered an overview of native fisheries management in Victoria, the Darling River fish kills, and explained how science can help improve fisheries, the new native fish report cards that provide native fish population monitoring information for anglers and fisheries managers.

Our work to showcase Victoria's seafood

Hooked on Bellarine - 2019

Hooked on Bellarine celebrates the commercial, aquaculture and recreational aspects of the fishing industry in the Bellarine region. Over 1,000 keen anglers, families and seafood lovers celebrated National Gone Fishing Day along the Portarlington Safe Harbour Foreshore. They enjoyed the festivities organised from sampling mussels and seafood, learning how to fish, kids and family activities about fishing in the region, exploring the local market stallholders and local live music.





Hooked on Portland - 2020

A popular annual fishing and tourism event run over the long weekend in January in collaboration with Glenelg Shire always attracts thousands to visit the region. This year's Hooked on Portland attracted the biggest crowd the region has seen so far. Thousands enjoyed the festivities planned and the event was topped off by musical legend and keen angler Jon Stevens. During the day, attendees were shown the fantastic fishing opportunities and tourism activities that the southwest has to offer, then as the sun went down, the live entertainment kept the attendees in town.

Hooked on Lakes - 2020

This year's Hooked on Lakes had an additional focus to encourage people to visit the Gippsland region as part of the bushfire recovery efforts. Lakes Entrance is a fishing mecca, home to one of Australia's largest commercial fishing fleets and popular with recreational fishers. This year's event attracted thousands of keen fishers to the region to enjoy the festivities of this popular annual event. Even the Easter bunny made an appearance and greeted kids and families along with Pinky the Snapper.

Apollo Bay Seafood Festival

The VFA participated in the Apollo Bay Seafood Festival again this year with representation at the festival's 'Harbour Day'. The festival is a highlight in the Apollo Bay calendar as it provides an opportunity for the region to showcase its fresh, high quality seafood. Staff from the VFA ran educational fishing clinics for the kids, had all things fishing on display and were there to support the region's commercial fishers using the new hook and line permits to sell their fresh local catch straight off the boat direct to the public.

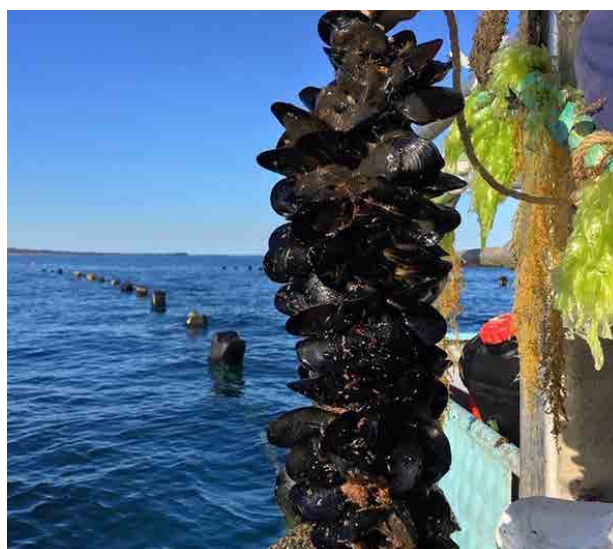
Portarlington Mussel Festival

The Portarlington Mussel Festival is held each year in January and this year attracted over 30,000 lovers of mussels. Attendees enjoyed access to mussels cooked in every way possible within a community festival atmosphere, with live music and market stalls of all kinds.

The festival provides a great boost to the local economy and the VFA really enjoy getting there each year and educating the community about the industry.

Blue mussels are grown across Port Phillip Bay and at Flinders Western Port in aquaculture fisheries reserves managed by the VFA. Locally grown sustainable blue mussels are available all year round and are an excellent source of omega 3s, protein, and just taste divine.

The VFA's staff joined thousands of people to celebrate this humble but tasty mollusc at the 2020 Portarlington Mussel Festival. We had a great time explaining the ins and outs of mussel farming to as many of the crowd who would listen.



Our work to grow our social media

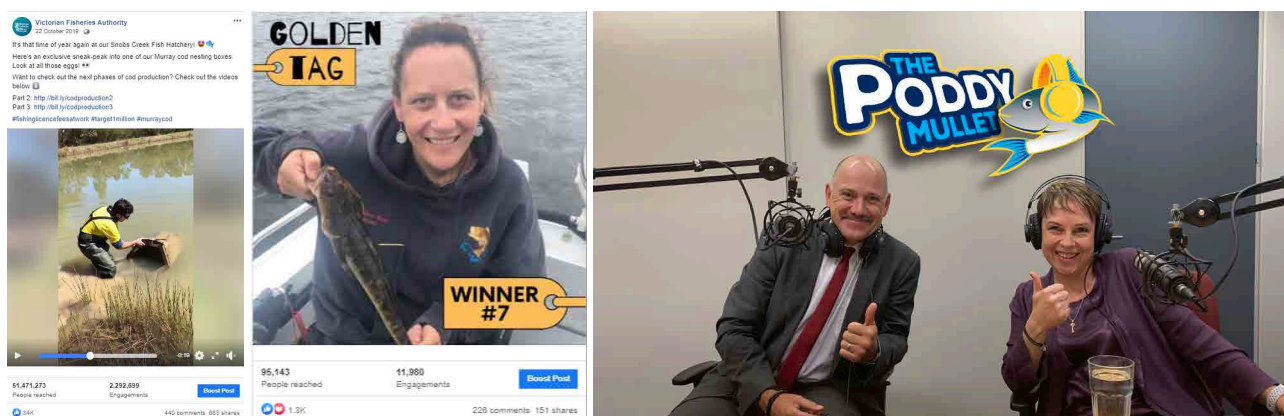
Throughout 2019-20, the VFA has successfully engaged and communicated with the public through our social media platforms to deliver on major VFA campaigns such as *Target One Million*, *RFL – fishing licence fees at work* and the *Golden Tag* initiative and promote the VFA's efforts in fish stocking.

The VFA's social media achieved some major milestones in 2019-20, including:

- In October and December 2019, two simple iPhone videos showing VFA staff at the Snobs Creek Hatchery checking a Murray cod nesting box went 'viral' on Facebook, reaching over 50 million and 7 million viewers, respectively.
- The *Golden Tag* initiative, which was introduced to boost tourism in bushfire affected towns in early 2020, reached close to one million people on Facebook, and can be regarded the VFA's best performing and most positively received campaign to date.
- The VFA has continued to steadily gain followers on each of its social media platforms, reaching 65,500 on Facebook, 17,000 on Instagram and 900 on Twitter, with a total number of 1,688 posts between the three platforms.
- The VFA's stories on Instagram and Facebook achieve an average of 2,000 views each. Aquaculture and commercial fishing posts have also shown to be popular with the Victorian public; the best of these reaching close to 100,000 people.
- VFA also promotes its YouTube channel, which contains 200 videos on various topics distributed across 25 playlists, with 500 subscribers to date.

The VFA is continually pioneering new ways of engaging with the recreational and commercial fishing community, including:

- Establishing the VFA's very own podcast, *The Poddy Mullet*, in November 2019. A total of nine episodes have been released on eight podcast streaming platforms. The most popular episodes have been *Target One Million – The Grand Plan* and *Understanding Southern Calamari*.
- Revamping the external *Fish-E-Facts* newsletter to give it a new look and feel. Now named *Nibbles*, this external newsletter goes out fortnightly to 24,543 recipients and has gained 1,000 new subscribers this financial year.
- Launching a new quarterly newsletter, *The Catch*, in December 2019 to celebrate Victoria's fantastic commercial fishing industry. 'The Catch' provides information directly from the VFA to commercial fishers, fish farmers and seafood consumers in Victoria, keeping them up-to-date on the work being done to support a dynamic and resilient seafood industry in Victoria.
- Launching *The Pelican's Pick*, a weekly fishing report from Fisheries Officers and staff that is shared on VFA's social media and website.



Helping to protect Victoria's ecosystems

Monitoring Victoria's spider crab aggregations

The annual giant spider crab, *Leptomithrax gaimardii*, aggregation around Rye/Blairgowrie is a wonderful natural phenomenon on Melbourne's doorstep, which is shared and enjoyed by recreational divers, fishers and tourists. It is the only known spider crab aggregation that is easily accessible to pier and shore-based recreational divers and fishers. This year's aggregation occurred in early-mid June near Rye pier and was closely monitored by the VFA, with Fisheries Officers conducting overt and covert patrols enforcing the fishing rules.

Giant spider crab is a common, widely distributed species found in Port Phillip Bay and across south-eastern Australian marine waters. The crabs migrate to the shallows and gather in these large groups annually at multiple locations within and beyond Victoria.

Recreational fishing for these crabs is a relatively new phenomenon, which is growing in popularity and is a highly valued social activity for parts of our multicultural community. The VFA, with the assistance of recreational divers, is conducting research into levels and effects of fishing on the spider crabs, as well as research on their biology and behaviour. In an Australian first, a study using satellite technology to examine the movement of the crabs will commence in July 2020.

The VFA has been actively engaging with recreational divers campaigning for a spider crab fishing closure during the aggregation season and a reduced bag limit. The VFA is continuing to work with other agencies and stakeholder groups towards management approaches that will enable the Rye/Blairgowrie spider crab aggregation to continue to be shared between recreational divers, fishers and tourists ahead of next year's aggregation.



Understanding white shark movements – A collaborative project between the VFA and CSIRO Tasmania

CSIRO have collaborated with the VFA to undertake a study on white shark (*Carcharodon carcharias*) residency at whale stranding events. This project will investigate the timeframe over which stranded/dead whales, that remain in-situ, act as an attractant to white sharks.

With increasing whale numbers comes an increase in the number of whales that die and strand in shallow coastal waters. Dead and dying whales act as an attractant for large predators, including white sharks. Both recreational water users and industry perceive that these episodes present a threat and are therefore, concerned that increased whale numbers (as whale stocks recover), will lead to higher risk of encounters and incidents involving white sharks. Current whale disposal methods are to 1) leave the animal in-situ, 2) bury the animal close to the site of the stranding, 3) transport the animal to landfill or specific grave sites, depending on the state of decomposition and size of the animal.

A stranding that occurs on remote or difficult to access sites will often be managed by leaving the whale in-situ to decay. However, it is not known for how long the decaying whale remains an attractant to potentially dangerous sharks, nor to where the sharks that are attracted disperse. Closure of the region around the stranding has implications for all water users and, consequently, it is imperative to know when it is appropriate to lift the closure.

The project will interface with CSIRO's wider-scale shark electronic tagging and tracking program, which provides information on the movements of tagged sharks, and 'hotspots' of shark activity, in Victorian waters. The VFA will undertake tagging white sharks in the vicinity of a whale carcass, using satellite and acoustic receiver tags. This spatial information on shark activity in Victorian waters will provide important context for CSIRO and the VFA in interpreting data on shark residency times at whale stranding incidents.

The VFA is the lead agency for shark hazard management in Victorian waters. Communication and information transfer between CSIRO and the VFA on shark movements, behaviour and residency times at whale strandings in Victorian waters will be an important outcome of this project.

Shark receiver deployment - Installation of tagged shark receivers

The VFA have enlisted the assistance of Kina Diving, who provide commercial and scientific diving and marine services, to deploy and install receivers to capture tagged shark data within Victorian waters.

The receivers will remain in place for a period of between 12 months to five years and will provide invaluable information on the movements of tagged sharks.

The VFA have had four receivers installed; one off Gabo Island and one further south off the Skerries reef, near Wingan Inlet in South-East Gippsland, one receiver installed off Venus Bay, and one off Phillip Island. The receivers are generally affixed to concrete tyre moorings attached to steel poles at a depth of 16-18 metres.

The receivers will pick up and record data from any tagged shark that comes within close proximity to it. These areas are known for sharks and the data will hopefully contribute to our understanding of shark movements around the southern area and south-east corner of Australia.



Native fish rescue and relocation operations

From time to time events happen that can impact on fish and fisheries and during these times, the VFA has shown that we can quickly react and respond. On several occasions in 2019-20, environmental conditions caused precarious situations for populations of native fish. Staff at the VFA were called in to assist.

Numurkah Lake --saved over 60 native fish

In the summer of 2019-20, the VFA was alerted to dangerously low water levels at Lake Numurkah, a popular urban lake in northern Victoria that has previously been stocked with golden and silver perch and Murray cod. A support team was quickly formed, comprising volunteers from Numurkah and Nathalia Angling Club, Austral Research and Consulting, the Moira Shire Council and VFA Fisheries Officers. All worked together to save the fish before the hot summer weather and low water became too much for the fish.

In total, 12 Murray cod (50-97cm), 27 golden perch (25-58cm) and 22 silver perch (5-50cm) were successfully rescued from Lake Numurkah and stocked into nearby Broken Creek. All fish were in great condition and swam off happily into their new home which was a great result and fantastic work by the team.

Irrigation channels-relocated 2,500 native fish

Goulburn Murray Water (GMW) oversee the delivery of water for irrigation purposes across much of northern Victoria. The length of channels under GMW's control is huge and the Shepparton Irrigation Area alone has over 5,900 kilometres of channels.

To maintain the efficient delivery of water, channel maintenance is undertaken annually. At such times, the water level is drawn down and fish are often restricted in shallow water rendering them vulnerable to predation and adverse environmental conditions.

The work is now in its third year and in 2020, more than 1,600 fish were moved from channels into new homes in Craigmuir lake, Kialla lakes, the Broken Creek, Broken River and the Goulburn River around Shepparton. The relocation included 1,271 Murray cod, 143 golden perch and 199 blackfish. In 2018, around 560 Murray cod, golden perch and blackfish were relocated, and in 2019, approximately 300 Murray cod and golden perch.

The work is a win-win situation for GMW, the VFA and the wider community by relocating iconic Murray cod and golden perch while important winter channel maintenance is undertaken.



Australian Trout Foundation leading the way with habitat restoration

The Australian Trout Foundation (ATF) continues to lead the way to restore fish habitat all over Victoria. The ATF are a non-profit organisation dedicated to protecting and improving Australia's trout fishery and in the past three years, the ATF has mobilised 750 volunteers from 113 angling clubs to contribute to 31 habitat restoration projects across 24 waterways.

The ATF habitat army of volunteers have planted more than 23,700 native plants to improve habitat over 45 kilometres of streams!

This incredible contribution to habitat restoration will have a long legacy of benefit to both trout and native fish populations, the valuable fisheries they support, as well as riverine health.

To support the ATF habitat restoration efforts for the next 12 months, the ATF have been awarded a \$30,000 grant to cover travel expenses for volunteers to donate their time, plant trees and restore habitat at the 13 restoration projects planned.



Native fish report cards

Over the past three years, the VFA has collaborated with the Department of Land, Water and Planning (DELWP) and produced health report cards for nine of our most popular and valued native fish species. In 2020, the Native Fish Report Card Program continued with the fourth consecutive year of surveys conducted across ten priority Victorian rivers, encompassing populations of Murray cod, trout cod, Macquarie perch, silver perch, golden perch, southern blackfish, freshwater catfish, Australian bass and estuary perch.

The Program provides unprecedented information to monitor native fish population health, track fisheries performance and assess the effectiveness of fisheries management interventions, such as fish stocking, regulations and habitat restoration. The report cards are presented annually at the Murray Codference and published in the Murray Codference Proceedings to engage anglers in native fishery improvements and assist in their fishing success. It's very encouraging to see that most of our native fish populations appear to be stable and, in several cases, increasing. Stay tuned for the latest Report Cards to be released later this year.



Recognising Indigenous fishing in Victoria

Building the capacity and performance of Indigenous fisheries through collaborative partnerships

This is a pathway to achieving sustainable increases in the capacity and performance of Indigenous fisheries, collectively and for individual communities. Fisheries managers, Indigenous communities, recreational fishers and the broader scientific community will be the immediate and primary beneficiaries of this vision fulfilled, tightly linked across five strategic priority areas:

- **Culture:** Shared knowledge through story
- **Economic:** Cultural economy, Cultural harvest strategy
- **Governance/Management:** Regulation, Engagement, Access, Employment Entitlement, Capacity
- **Relationships:** Government, Industry, Science, Politics, Broader community
- **Wellbeing:** Spiritual Connection to Country.

Re-connecting people to Country through enhancing local fish communities

The VFA, in partnership with Traditional Owners, the Mallee CMA and recreational fishers is undertaking a pilot stocking trial within the Wallpolla (Horseshoe Lagoon) in northwest Victoria that explores '*utilisation of natural managed ephemeral off-stream water bodies as nursery ponds for native fish*' to determine feasibility. This approach is promoted as being less resource intensive and can be managed by local community groups. The work will include:

- a. Designing a simple, non-replicated trial.
- b. Determining golden perch and/or silver perch for stocking density. This will be based on full surface area of the lagoon and will be at a level suitable for extended rearing (up to 12 months).
- c. Based on pond and dam stocking rates for fingerlings and adjusting as required.
- d. Designing a simple monitoring plan (sampling parameters and sampling frequency) for water quality, plankton, and fish.

There is 200 megalitres of environmental water guaranteed to be delivered each season (1,000 megalitres in total) to Wallpolla Lagoons (120 ha high value wetland). This initiative will undertake operations aligned with Regional Catchment Strategies to deliver environmental water and maximise the associated environmental outcomes at the high value site, to enhance native fish populations within the iconic Lindsay–Wallpolla sites in North West Victoria.



On-Country monitoring will take place every two to three months for the duration of the pilot project and will be coordinated with a series of community engagement events on-site at Wallpolla Horseshoe Lagoon to promote the collaborative partnership project, the events will include bus tours and community fishing events that help 're-connect people to Country', through a community-based approach to monitoring and tracking stocked fish.

The Indigenous fishing community is the core stakeholder identified in the quest to boost the capacity and performance of Indigenous fisheries.



Enforcing our regulations to protect the community's fisheries resources

The VFA's enforcement activities

To protect Victoria's fisheries resources and the environment, as well as ensuring the community that fishing is carried out sustainably and responsibly, the VFA undertakes law enforcement operations to deter, detect, disrupt and dismantle unlawful activities. A summary of the enforcement activities undertaken in 2019-20 is detailed in the table below (Table 2).

Table 2: Summary of enforcement activities

Enforcement activities	2019-20
Fishery Officer Engagement	
School engagement activities	171
Community engagement activities	164
Inspections	
Aquaculture inspections	29
Commercial fishing inspections	755
Marine safety inspections	3,449
Recreational fishing inspections	42,332
Investigations	
13FISH calls	2,050
Investigations initiated	21
Marine Park activities	
Marine Park inspections	221
Marine Park patrols	1,626
Enforcement actions	
Offenders detected	4,611
Verbal warning given	1,198
Official warning issued	2,120
Infringement notice issued	1,711
Prosecution brief submitted	22



Showcasing our enforcement operations – Operation Arctic

Operation Arctic was a bi-jurisdictional investigation conducted by the VFA's Statewide Investigations Group and the Statewide Operations and Investigations Unit at the New South Wales Department of Primary Industries. The investigation focused on the alleged illegal trafficking of abalone by a syndicate based in the eastern suburbs of Melbourne and the southeast coast of New South Wales. The syndicate of thirteen individuals allegedly illegally harvested commercial quantities of abalone from the south-west and central coasts of Victoria and the south coast of New South Wales. The abalone was then allegedly sold to two buyers who own retail seafood businesses in Springvale.

Following a 12-month investigation and the use of contemporary, physical and electronic investigative techniques, nine simultaneous search warrants were conducted across the eastern and western suburbs of Melbourne and in Eden, New South Wales. Investigators seized 116 kilograms of frozen unpackaged abalone meat from one of the buyer's residence and a further 10 kilograms of frozen unpackaged abalone meat from two retail seafood outlets in Springvale.

A prosecution brief of evidence will recommend, for the thirteen individuals and two businesses, an array of offences including; trafficking a commercial quantity of a priority species, knowingly dealing with the proceeds of crime, and perjury. These offences carry a maximum penalty of 10 years imprisonment and 15 years imprisonment, respectively.

Prevention First – Inaugural National Fisheries Crime Prevention Conference

Prevention is a powerful suite of tools, approaches and practices that stop (prevent) offences from being committed. Well-known prevention programs include Neighbourhood Watch, urban renewal, Crime Stoppers and the VFA's 13 FISH offence reporting line.

How can these types of programs be relevant to and applied to fisheries? The inaugural 2019 National Fisheries Crime Prevention Conference, organised and hosted by the VFA, explored this question. Academics, behavioural scientists, Victoria Police prevention experts and representatives from fisheries agencies around the country discussed the theory, concepts and application of crime prevention programs.

The key learnings for the VFA were that we already have many of the fundamental components of an effective prevention program in place and we are uniquely situated in having an integrated Education and Enforcement team that works collectively to implement key components of effective prevention programs:

- Strengthen and empower communities,
- Educate to change the values, attitudes and behaviours,
- Provide a visual presence and help fishers to understand and interpret the rules,
- Work with communities to identify hotspots for illegal activity.

The Conference challenged us to think about how we can continuously improve and integrate further prevention activities/programs into our everyday practice.



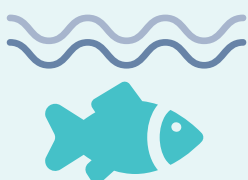
Enhancing our business

VFA Strategic Plan

The VFA was proud to launch the *Victorian Fisheries Authority Strategic Plan 2019 – 2024* (the Plan) in mid-2019. Since the Plan's launch it has become a guiding influence on VFA's activities, including the development of divisional strategies, workplans, internal reporting and investment priorities.

The Plan supports our vision of healthy and sustainable fisheries for all Victorians and reflects our commitment to all stakeholders by setting out the VFA's strategic priorities under high level focus areas:

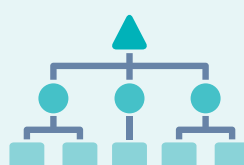
Sustainable and healthy fisheries



Social and economic prosperity



Effective and innovative authority



Strong and collaborative relationships



Over the Plan's first year, the VFA has been busy working on implementing Phase 1: implementing the internal policies, processes and systems required to position us for continued success and to be a great place to work. This has included developing several new frameworks to guide actions around workforce diversity and inclusion, policy, governance and responsible fishing engagement, revising the VFA's Stakeholder Engagement Strategy and bringing on board a dedicated OH&S Manager and in-house HR Manager.

The VFA has continued and/or commenced projects, under all four focus areas, to deliver excellent fisheries and aquaculture outcomes for Victorians. This has included progressing *Target One Million* election commitments, creating three new commercial fishing licence classes, expanding the two-year line caught seafood permit trial and continuing the Women in Recreational Fishing leadership program.

The VFA Management team is providing bi-annual progress reports to the VFA Board on the Plans implementation.

A copy of the full Plan and summary document are available at www.vfa.vic.gov.au.

Gender Impact Analysis Pilot

The *Gender Equality Act 2020* was enacted in February 2020 and aims to improve workplace gender equality across the Victorian public sector, universities and local councils. It will also lead to better results for the Victorian community through improved policies, programs and services.

The VFA was supported with Victorian Government funding in 2019-20 to participate in the Gender Equality Act Implementation Pilot (Pilot). The purpose of the Pilot is to prepare public entities for the implementation of the Gender Equality Act and increase their capacity to apply gender impact assessment and workplace gender audit processes.

The VFA feels very fortunate to have had the opportunity to participate in the pilot which has been a great learning and networking experience. As our knowledge continues to grow, we feel prepared to use the assessment of our workplace gender equality to inform the development of strategies that promote equality and are captured in a Gender Equality Action Plan.

Our Chosen Project

For our pilot project we were asked to focus on gender impact assessment considering how a policy might affect gender norms and roles and the adequacy of policies to meet the different needs of women, men and non-binary people. Following some initial analysis of pay levels, the VFA decided the gender equality lens would be applied to the recruitment and progression policies and procedures and how they are applied to senior VPS staff within the VFA.

Using the Pilot Guide to Conduct Gender Impact Analysis, quantitative and qualitative research was collected using a variety of tools including focus groups and short surveys engaging 22 senior staff. Participants were positively engaged with genuine interest; the topic was well received and supported. The findings led to a series of recommendations focused on the VFA recruitment policy and procedure as well as feedback on the use of the pilot guidelines.

Striving to meet Child Safe Standards

As an organisation that engages with children and families through public events, education programs and day-to-day interaction with enforcement staff, the safety of children is paramount to the VFA. Our policy, procedures and actions demonstrate the strong commitment of the VFA, Board, Management, and staff to create a safe environment that fosters the protection of all children to keep them safe from harm.

Led by the Office of the CEO, we report against the Victorian Child Safe Standards to the VFA Board quarterly with monthly reporting to Executive Management. Education has been rolled out for all staff over the year with the initial focus on staff who engage with children. We are pleased to say that 97% of VFA staff have completed either face to face or online training. All staff engaging with children through education and enforcement as well as our events team have Working with Children Cards.

We will continue to work towards attaining and maintaining all standards and are currently planning child safe risk assessments for our activities.



The VFA's 'big build'

The VFA has committed to delivering the biggest capital infrastructure investment in VFA sites in 20 years. In everything we do at the VFA, we put safety first, support our people and demonstrate professionalism, leadership and accountability. This 'Big Build' is no exception. This is an investment in our staff, their safety and work environment. It is creating a welcoming environment for diversity at the VFA and positions us as an employer of choice.

In line with our Accommodation Strategy, we are focusing on having a presence in the south-eastern suburbs, making changes to our Queenscliff site to better utilise space, creating a tourist icon at Eildon and we are creating a public facing presence in the Melbourne CBD. The shopfront will give the Victorian public a direct connection with the VFA within the CBD. These projects along with the refurbishment at Snobs Creek are underway and will be delivered by the end 2020.

A significant refurbishment of our Snobs Creek Fish Hatchery administration complex has been designed to create a modern, fit for purpose workplace that supports diversity. The new design includes new modern male and female change rooms and bathroom facilities, a fully compliant separate accessible shower and bathroom, new staff kitchen and breakout area, new workstation and office layout, modern fish inspections/lab room and new office entrance. The project, being delivered by a local Shepparton builder is a significant investment in local jobs. To continue to promote the wonderful work at the hatchery, its contribution to recreational fishing in Victoria and to engage with the public, the VFA is constructing a six metre brown trout and trout cod statue at the entrance to the hatchery. The work, expected to be completed by September 2020, will be accessible to the public all year round showcasing the natural appearance of the trout while providing a great photo opportunity.





Minister's Statement of Expectations

The Statement of Expectations sets out the Minister for Fishing and Boating'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 regulations. The Statement applies to the period from 1 January 2018 to 30 June 2020. Table 3 describes the VFA's actions to deliver the expectations.

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

1. Timeliness		
Improvement strategy	Target	Status
Review (jointly with the Department*) the sunseting Fisheries Regulations 2009 to identify areas where regulatory burden could be reduced	Develop options paper for consideration by Government by 31 August 2018	Achieved
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
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	Achieved
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	Achieved
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 and ongoing	
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 and ongoing	
Investigate ways of collecting better catch, effort and value data from the recreational and commercial fishing sectors	Achieved and ongoing	
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 and ongoing	
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 and ongoing	

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	Achieved
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	Achieved

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	Achieved
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	Ongoing	

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	Achieved
Collaborate with DELWP Wildlife Officers in ensuring compliance with protected species interaction reporting	Report on outcomes annually	Achieved and ongoing
Support Marine Safety Victoria's program objectives through conducting recreational vessel inspections	Report on outcomes annually	Achieved and ongoing
Expectation	Status	
Continue value-adding commercial fisheries	Achieved and ongoing	
In relation to aquaculture management, continue to work with the Department*, the Commonwealth and PrimeSafe Victoria to implement relevant export standards and agreements, including the Australian Shellfish Quality Assurance Program	Achieved and ongoing	
Fisheries Officers will share their knowledge and expertise with other the Department* and partner agency authorised officers to build a more effective and efficient compliance management system across government	Achieved and ongoing	
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	Achieved and ongoing	

6. Stakeholder consultation and engagement

Improvement strategy	Target	Status
Establish partnerships with educational institutions to provide training opportunities for Traditional Owners to improve their capacity and capability to contribute to fisheries management on country	Establish partnerships and conduct initial training sessions by December 2018	Achieved
Increase the use of targeted engagement of priority stakeholder groups such as women fishers on the Facebook platform	Report every six months on progress	Achieved
Investigate the use of the WeChat social networking platform to increase the VFA's engagement with Chinese language speakers	Report on feasibility and implementation options by December 2018	Achieved
Plan and deliver new events in conjunction with stakeholders including local government, Regional Development Victoria, Seafood Industry Victoria and VRFish	Deliver a minimum of one new event in both 2018 and 2019	Achieved

Expectation	Status
Continue to actively engage and work with commercial and recreational fishers, aquaculture licence holders and Traditional Owner groups who have a direct interest in decisions that affect their fishing entitlements	Achieved and ongoing
Enhance relationships with other stakeholders with an interest in fisheries management, including community groups, environment groups and other relevant stakeholders	Achieved and ongoing

7. Accountability and transparency

Improvement strategy	Target	Status
Make publicly available standard processes for fishery management decisions, including how stakeholders can provide input to the process	Deliver by December 2019	Achieved and ongoing
Report on stock status of key Victorian stocks	Update and publish annually on the VFA website	Achieved and ongoing
Review Fisheries cost recovery system	Commence review by June 2018 and complete by June 2019	Achieved
Implement recommendations from KPMG review	Implement relevant actions documented in the VFA's Two Year Transition Plan by June 2019	Achieved

7. Accountability and transparency (continued)

Expectation	Status
Ensure that data and personal information is collected, stored, managed and distributed in a manner consistent with the <i>Privacy and Data Protection Act 2014</i> and relevant state and Commonwealth legislation	Achieved and ongoing
Effective accountability mechanisms in place for fisheries representative bodies, through funding agreements that include effective and transparent governance and performance measures	Achieved and ongoing
Ensure a commitment to the delivery of the Victorian Gender Equality Strategy, including appointing 50 per cent women to all committees and working groups.	Ongoing [#]
Ensure that the Gender Equality Strategy is considered in the recruitment of VFA staff and the appointment of VFA staff to senior positions	Achieved and ongoing
VFA Board will establish and document appropriate processes to deliver its governance requirements under the <i>Victorian Fisheries Authority Act 2016</i>	Achieved and ongoing

8. Clear and consistent regulatory activities

Improvement strategy	Target	Status
Deliver education and enforcement strategic plan	Deliver annual action plan by June each year	Achieved
Meet with Red Tape Commissioner to discuss SOE progress and identify improvement opportunities	VFA CEO to convene bi-annual meetings with the Commissioner	Achieved
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	Achieved and ongoing	

* Note: The original Statement of Intent referred to DEDJTR. As a result of the 2018 State election, DEDJTR was disbanded, so the reference has been changed to 'the Department' to capture both work done with DEDJTR and DoT.

[#] Refer to page 52 for information relating to the VFA's involvement in the Victorian Government's Gender Impact Analysis Pilot, as part of the implementation of the *Gender Equality Act 2020*.

Delivering our commitments in the Government's Budget Paper No. 3

The Government's Budget Paper No.3 – Service Delivery outlines the Government's priorities for the goods and services it provides to Victorians, and how these support the Government's strategic objectives. It establishes performance outputs and targets for departments and agencies and provides information on how these are being delivered.

Report on achievement of departmental objectives

The Government's strategic objective and performance indicator for the VFA are described below.

Departmental Objective: Sustainably Managed Fish Resources

Objective Indicator: Sustainability of assessed fish stocks

The VFA assesses quota-based fish stocks annually to ensure their sustainability. In 2019-20 all quota-based fish stocks were assessed as being fished at sustainable levels (Table 4).

Table 4: Percentage of assessed fish stocks that are fished sustainably

Measure (unit of measure)	2015-16	2016-17	2017-18	2018-19	2019-20
Percentage of quota-based fish stocks that were assessed during the year as being sustainable (percent)	100	100	100	100	100

The VFA's performance measures

The VFA's performance output to sustainably manage fish resources creates 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. The VFA's performance against the measures and targets prescribed to achieve the output is described in Table 5.

Table 5: Reporting on our commitments in Budget Paper No. 3: Service delivery

Performance measures	Unit of measure	2019-20 target	2019-20 actual	2018-19 target	2018-19 actual	Result
Quantity						
Community and stakeholder engagement information forums – fisheries	number	10	10	10	14	✓
Complete stock assessment for key quota managed fish species	number	3	3	3	3	✓
Complete total allowable commercial catch setting processes for key quota managed fish species	number	3	3	3	3	✓
Develop, implement and review overarching fisheries compliance strategy	number	1	1	1	1	✓
Enhance levels of community participation in achieving fisheries compliance through calls to the 13FISH reporting line	number	1750	2050	1 500	1 937	✓
<i>Due to an increase in the VFA's social media presence and subsequent promotion of the 13FISH reporting line, a higher number of people recreationally fishing year-on-year and a high call volume reporting people fishing during the coronavirus (COVID-19) pandemic coastal closures, the 2019-20 target was exceeded.</i>						
Key fisheries managed in accordance with best practice management plans	number	6	6	5	6	✓
Minimum number of uniformed fisheries officers maintaining operational coverage for priority fishing activity periods, as defined by the Compliance Strategic Assessment	number	17	22	17	21	✓
<i>Due to a deployment of additional resources to bushfire recovery support and patrolling during the coronavirus (COVID-19) pandemic coastal closures, the full year average has exceeded the target.</i>						
Native and salmonid fish stocked	number (000)	6 000	6 100	5 000	6 900	✓
Recreational fishing infrastructure improvements delivered	number	6	0	nm	nm	■
<i>Due to extended community consultation requirements, restrictions imposed by the coronavirus (COVID-19) pandemic and the prioritisation of staff resources to fast-track the Gippsland Lakes buy-out commitment and to provide bushfire recovery support, the Victorian Fisheries Authority has experienced delays in meeting this measure. These staff resources are now directed back to this measure and the overall delivery of the performance measure will not be affected.</i>						

Note: ✓ performance target achieved;
 ■ performance target not achieved – exceeds 5 per cent variance.

Table 5 continued on next page

Table 5 continued: Reporting on our commitments in Budget Paper No. 3: Service delivery

Performance measures	Unit of measure	2019-20 target	2019-20 actual	2018-19 target	2018-19 actual	Result
Quantity						
Recreational fishing licences sold online as a proportion of total sales	percent	80	90	75	80	✓
<i>Due to a targeted promotional campaign to transition recreational fishing licence agents from paper-based licences sales to the Online Agent Portal, the percentage of online sales has increased and exceeded the target. Further, in late 2019, the Minister for Fishing and Boating launched Victoria's digital recreational fishing licence, which has increased the awareness and utilisation of the digital capability by recreational fishers.</i>						
Undertake activities to detect, disrupt and dismantle serious or organised fisheries criminal entities (individuals or groups)	number	20	21	20	22	✓
Quality						
Key statutory obligations relevant to the Victorian Fisheries Authority complied with (tabling annual report, audits, business plan and board appointments)	per cent	100	100	100	100	✓
Timeliness						
Proportion of fisheries cost recovery levies reviewed and set prior to the commencement of the licensing year (1 April)	per cent	100	100	100	100	✓
Research project milestones and reports completed on time (Fisheries)	per cent	90	90	90	90	✓

Note: ✓ performance target achieved;
 ■ performance target not achieved – exceeds 5 per cent variance.

Delivering our 2018 State election commitments

Following the highly successful *Target One Million* program in which the Government committed \$46 million towards recreational fishing to get more people fishing more often, the Government announced a package of commitments during the 2018 State election to continue to grow recreational fishing in Victoria. The initiative, *Target One Million Phase Two – Go Fishing Victoria*, commenced on 1 July 2019 and committed a further \$35 million over four years (Table 6).

Table 6: Target One Million Phase Two – Go Fishing Victoria

Election Commitment	Target	Status
Phase out commercial fishing in the Gippsland Lakes through a compulsory buyout to return the Lakes to recreational fishers, boost tourism and create jobs	Cancellation of all Gippsland Lakes commercial net fishing licences by 1 April 2021	Achieved Licenced commercial fishers requested an early buyout and all licences were surrendered by 1 April 2020.
Grow fish stocking to 10 million fish per year by 2022	Release 10 million fish in the year 2022 <ul style="list-style-type: none"> • 2019-20 = 6 million • 2020-21 = 8 million • 2021-22 = 10 million • 2022-23 = 10 million 	Underway – 2019-20 target achieved 6.1 million fish were stocked in 2019-20
Construct a new \$7 million native fish hatchery in Shepparton	Native fish hatchery operational by 2022	Underway During 2019/20, the VFA located and purchased land and began the process to develop architectural plans for the site. The project is on track to meet the completion timeline.
Advocate protection of Southern Bluefin Tuna recreational fishing from cuts to bag limits by the Commonwealth	No changes to the existing recreational fishing rules for Southern Bluefin Tuna	Underway and ongoing

Table 6 continued on next page

Table 6 continued: Target One Million Phase Two – Go Fishing Victoria

Election Commitment	Target	Status
Improve fish habitat in Port Phillip Bay by investing \$2.5 million into projects for reef development	Completion of suitable reef habitat by June 2022	Underway Three reef habitats will be created over the life of this commitment. Two are currently underway; a reef restoration project and the creation of an artificial reef, both for completion in 2020-21. The third reef will be completed in 2021-22.
Guarantee access to more waterways – allow anglers to use small craft, such as kayaks and boats with electric motors, on specified lakes and reservoirs (Tullaroop, Lauriston, Hepburn, Barkers Creek, Upper Coliban and Malmsbury reservoirs)	Anglers can use and launch small craft such as kayaks and boats with electric motors on by 1 August 2020	Achieved The VFA received an additional \$250,000 to build boat ramps and carry out car park works at two sites: Barkers Creek and Upper Coliban. These are on track for completion in 2020/21.
Improve access for fishing and camping by opening hundreds of kilometres of Crown land river frontages, many covered by grazing licences	Invest \$600,000 on at least five new or upgraded fish cleaning tables and three upgraded fishing platforms	Underway The development of new regulations are underway and expected to be in place by the end of 2020.
Invest in fishing infrastructure providing more fish cleaning tables and fishing platforms	Invest \$600,000 on at least five new or upgraded fish cleaning tables and three upgraded fishing platforms	Underway The VFA has identified seven possible locations for upgraded or new fish cleaning tables. Upgrades to two are underway. The three fishing platforms to be upgraded have been identified and one is underway.
Introduce a Fishing For All program to promote fishing among groups with low participation	Hold six events a year in 2019/20 and 2020/21	Underway Due to restrictions imposed by the coronavirus (COVID-19) pandemic, all events scheduled between mid-March and August 2020 were cancelled or postponed. Whilst this impacted delivery in 2020, the VFA does not anticipate issues with meeting 2020-21 deliverables nor overall commitment requirements.
Stock Eastern King Prawns into Lake Tyers	Eastern King Prawns are stocked into Lake Tyers by 2021	Achieved The VFA stocked 11,000 fully grown Eastern King Prawns into Lake Tyers in Spring 2020.

Financial Summary 2019-20

The VFA is a statutory authority in the State of Victoria, established under the *Victorian Fisheries Authority Act 2016* by amendment to the *Victorian Fisheries Act 1995*. This is the third reporting period that has ended since the VFA was established on 1 July 2017.

Table 7 shows the financial results for 2019-20 and the two preceding financial years.

Table 7: Summary of Financial Results 2019-20

	(\$ thousand)		
Financial performance	2019-20	2018-19	2017-18
Total income from transactions	54,054	40,500	36,384
Total expenses from transactions	(56,390)	(42,409)	(36,767)
Net result from transactions	(2,337)	(1,909)	(383)
Total other economic flows included in net result	21	30	124
Net result	(2,316)	(1,880)	(259)

	(\$ thousand)		
Financial position	2019-20	2018-19	2017-18
As at 30 June 2020			
Total assets	41,247	40,343	13,938
Total liabilities	12,048	11,686	10,683
Net Assets (Equity)	29,199	28,656	3,255

	(\$ thousand)		
Cash Flow Statement	2019-20	2018-19	2017-18
for the financial year ended 30 June 2020			
Net cash flows from operating activities	463	953	623
Net cash flows from / (used for) investing activities	(2,101)	(409)	(114)
Net cash flows from / (used for) financing activities	1,637	(544)	(509)
Net increase in cash and cash equivalents	-	-	-
Cash and cash equivalents at the beginning of the financial year	-	-	-
Cash and cash equivalents at the end of the financial year	-	-	-

Financial performance (operating statement)

The *net result from transactions* was a deficit of \$2.3 million for 2019-20. This largely represents the unfunded non-cash items, such as depreciation and amortisation. Funding received from the Department of Transport does not fund the Authority for depreciation and amortisation as these are considered to be non-controllable transactions. This will have a cumulative impact on the accumulated deficit in future financial years.

The net result from transactions has increased by \$0.4 million since 2018-19 due to the increase in amortisation costs for right-of-use assets under AASB 16.

Income

Almost all of the VFA's income were grants from the Department of Transport. These grants represent the agreed government funding for the VFA to carry out its functions and priorities.

Expenses

Operating expenses totalled \$56.4 million for 2019-20, driven by the delivery of the VFA's core functions across the commercial and recreational fishing sectors. Expenditure in 2019-20 covered the VFA's education, enforcement, research, and fish stocking priorities, and was used to invest in and promote recreational fishing across the State.

Over \$10 million of expenditure in 2019-20 was used to deliver the *Target One Million – Phase Two* initiative, including for the buyout of fishing licences in Gippsland Lakes, and additional fish stocking purchases to meet the target of stocking six million fish during the year.

The increase in operating expenses in 2019-20 of \$14.0 million from the previous year was primarily driven by the additional expenditure under *Target One Million – Phase Two* and additional Capital Asset Charge due to the transfer in of \$27.3 million worth of assets in March 2019.

Financial position (balance sheet)

There were no significant changes to the VFA's financial position during 2019-20 and no material events have occurred since balance date.

The VFA's net assets were \$29.2 million as at 30 June 2020, an increase of \$0.5 million from the previous year. This increase was largely driven by the funding of the purchase of land at Arcadia for the new fish hatchery, offset by the depreciation of existing assets.

Cash flows

The cash used for investing activities of \$2.0 million in 2019-20 was funded by surplus cash from operating activities and contributed capital from government (included in *cash flows from financing activities*). The increase of \$1.6 million in net cash used for investing activities during 2019-20 largely reflects the purchase of land at Arcadia for the new fish hatchery.

The VFA is fully funded by the Department of Transport for net its cash outlays. The VFA did not operate a bank account during 2019-20. Cash payments were made by the Department of Transport on the VFA's behalf.

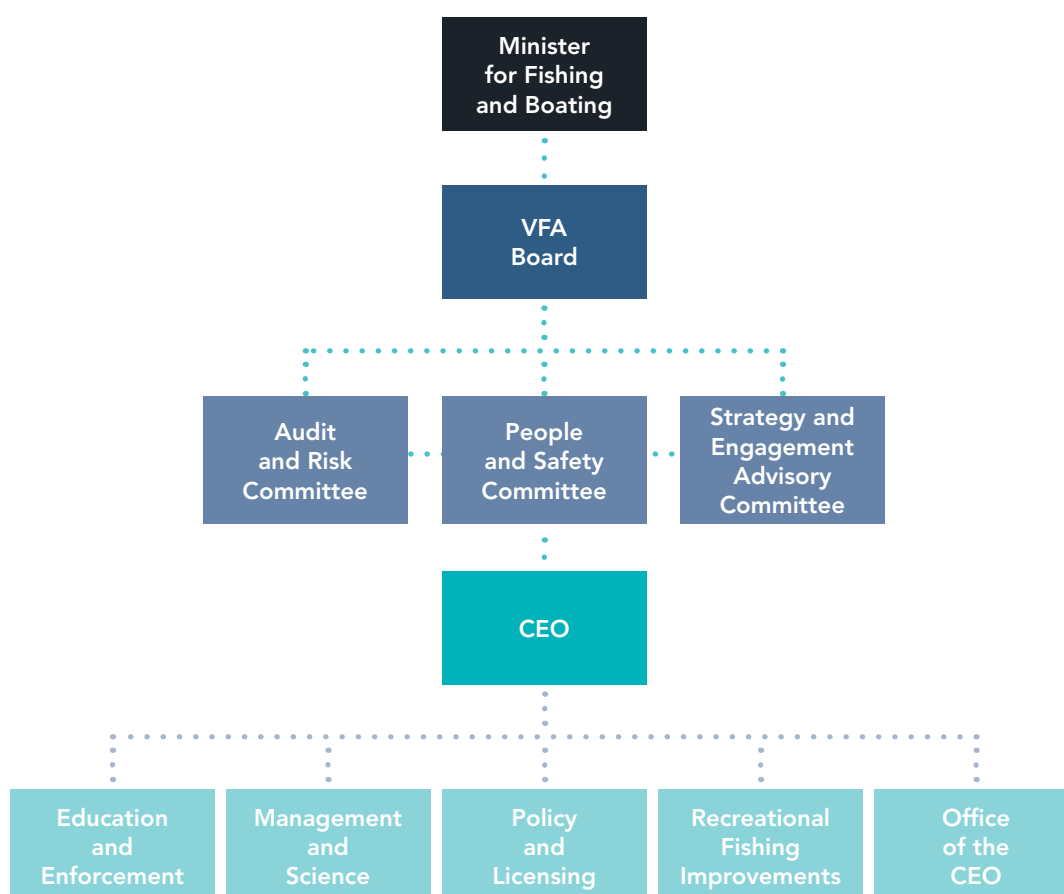


Our governance arrangements and organisational structure

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

The VFA Act establishes the VFA Board as the governing body of the VFA. The Board is responsible for the VFA's governance, strategic planning and risk management and is accountable to the Minister for Fishing and Boating for the exercise of its functions.

The VFA 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 ensuring performance objectives are met. The CEO is accountable to the Board for the VFA's expenditure, operational activities and administration.



Department of Transport

The VFA is part of Victoria's integrated transport portfolio, led by the Department of Transport (DoT). The vision of the transport portfolio is to deliver an integrated and sustainable transport system that promotes:

- Social and economic inclusion
- Economic prosperity
- Environmental sustainability
- Integration of transport and land use
- Efficiency, coordination and reliability
- Safety and health and wellbeing

While the VFA remains an independent statutory authority, it forms part of the transport portfolio and is a key contributor and supporter of DoT initiatives.

Our Board and subcommittees

Members of the VFA Board are appointed by the Minister for Fishing and Boating. The Board oversees the overall governance and strategic direction of the VFA and ensures appropriate risk management mechanisms are in place. The key responsibilities include:

- Setting significant strategic initiatives and business objectives for the VFA;
- Approving annual targets, budgets and financial statements, and monitoring financial performance against planned expenditure;
- Considering and approving the VFA's risk frameworks and monitoring the effectiveness of the risk management; and
- Providing oversight and monitoring of occupational, health and safety issues in the VFA.

Three subcommittees have been established to assist the Board in its functions and to provide independent assurance and assistance to Board to ensure that the VFA meets its corporate governance requirements.

Audit and Risk Committee

The Audit and Risk Committee was established on 13 September 2017. Key responsibilities of the Committee are ensuring that 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 ensures 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. The Committee's key responsibilities are to review, monitor and make recommendations to the Board on workplace health and safety, performance measures of the CEO and Executives, human resource policies, and the VFA's obligations under industrial instruments.

Strategy and Engagement Advisory Committee

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

Our Board members



Ms Gail Owen

*VFA Board Chair
Audit and Risk Committee Member*

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.



Dr Bernadette Northeast

*VFA Deputy Board Chair
Audit and Risk Committee Member
People and Safety Committee Member*

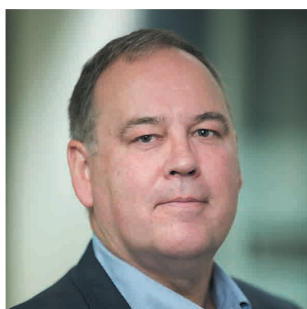
Dr Northeast is qualified in aquatic science and aquaculture and has earned a Ph.D. relating to Australian freshwater fish. Her science expertise is well complimented by other directorships and regional community activities.



Mr Chris Rose

*VFA Board Director
People and Safety Committee Chair*

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.



Mr David Shirer

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

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 Australasian Investor Relations Association.



Mr Graeme Dear

*VFA Board Director
Strategy and Engagement Advisory
Committee Chair*

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 the CEO of the East Gippsland Catch Management Authority, he has significant experience in managing a statutory authority and engaging with and building partnerships with stakeholders.



Ms Rebecca Edwards

*VFA Board Director
Strategy and Engagement Advisory
Committee Member*

Ms Edwards is a qualified lawyer whose 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.



Ms Sophie Harris

*VFA Board Director
People and Safety Committee Member*

Ms Harris joined the Board on 1 July 2019 with widespread professional involvement in project management, strategic planning, industrial relations and in the superannuation industry. She has highly developed stakeholder engagement skills and experience developing and leading education and training programs for a wide range of stakeholders.



Mr Yorick Piper

*VFA Board Director
People and Safety Committee Member*

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.

Table 8: Attendance at Board and Committee meetings

Members	Attendance			
	VFA Board	Audit and Risk Committee	People and Safety Committee	Strategy and Engagement Advisory Committee
Gail Owen	8/8	4/4		
Bernadette Northeast	7/8	4/4	3/3	
Chris Rose	7/8		3/3	
David Shirer	7/8	4/4		1/1
Graeme Dear	8/8			1/1
Rebecca Edwards	8/8			1/1
Sophie Harris	8/8		3/3	
Yorick Piper	8/8		3/3	
Rob Hogarth*		4/4		

* Independent Committee Member

VFA divisions and executive leaders

The VFA is managed by a senior executive team who work closely with the Board to establish, monitor and review the VFA's strategic direction.

Chief Executive Officer – Mr Travis Dowling

Travis is an accomplished executive with over 18 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.

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.



Divisions	Executive Leaders
Office of the CEO 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.	Chief Operating Officer - Letitia Billings Acting Chief Financial Officer – Simon Leverett
Policy and Licensing 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.	Director Fisheries Policy, Management, Science and Licensing - Dallas D'Silva
Management and Science 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, Port Phillip Bay, and ocean scallop and urchin fisheries.	Director Fisheries Policy, Management, Science and Licensing - Dallas D'Silva
Education and Enforcement 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.	Director Fisheries Education and Enforcement - Ian Parks
Recreational Fishing Improvements The Division delivers recreational fishing improvements activities and projects and supports the disbursement of Recreational Fishing Licence funds to improve recreational fishing opportunities.	Director Recreational Fishing Improvements - Brian Mottram

Occupational health and safety

The goal of the VFA's *Occupational Health and Safety (OH&S) Strategy* is to ensure all staff remain safe and healthy at work, through a focus on safety leadership, safe behaviour, and systems and structure.

The 2019-20 financial year was the second year of the implementation of the VFA's OH&S Strategy. The Strategy enables us to continue to build on our strengths and act on opportunities for development.

Key implementation activities

New Incident Reporting System

The VFA's new incident reporting system, Periscope, was launched across the business throughout August and September following a pilot test during July. It has become fully operational throughout the year. Positive feedback has been its ease of use whether as an app on staff mobiles or on laptops and desktops.

OHS Management System

The new OHS Management System (OHSMS) was drafted throughout June – August 2019. It consists of five principal standards, referenced against ISO 45001 OHS management systems and AS/NZS 4801 Occupational Health & Safety Management Systems – Guidance for use. Throughout the last quarter of 2019 and first quarter of 2020, the Governance & Management Systems Committee reviewed all five standards, and made appropriate suggestions and amendments. The OHSMS was endorsed by the Chair of Governance & Management Systems Committee and approved for publication by the Chief Operating Officer in May 2020. It has now been published on the VFA Intranet. The OHS Manager will implement a rollout program to educate all staff.

OHS Consultative Structure

A new OHS Consultative structure was also launched this year with 10 designated work groups reporting through to four OHS Committees. These Committees report through their Executive member to the VFA Executive Team. OHS reports are provided at all VFA Board meetings and People and Safety Board Committee meetings.

OHS Online Induction Training

Three new online training modules have been developed: VFA OHS Induction, VFA OHS refresher training and VFA Contractor OHS Induction.

Safety Communications

Improved sharing of OHS information is now regularly occurring through the weekly newsletter, specific safety alert bulletins, and since December 2019 via a monthly dedicated OHS Newsletter provided by the OHS Manager.

Stop for Safety Month

Following the successful introduction of *Stop for Safety* sessions across the organisation last year, teams conducted follow up sessions and reviews after six months. In 2020, the Stop for Safety program continued as a key OHS activity within the VFA, but unlike last year, sessions were held using meeting software instead of face-to-face. The focus of the discussion was key risks for the individual teams and actions taken to address the risks.

Safety interactions

To continue the focus on safety leadership and to promote safe behaviour the VFA Executive were committed to conducting safety interactions across a variety of VFA sites and teams throughout the year.

Our Continued Development

With the ease of use of the Periscope system and our continued focus on putting safety first we have seen an increase in the reporting of incidents, which includes hazards and near misses. This further helps us ensure that the right controls are in place to help prevent and reduce the likelihood of accidents taking place. While recorded incidents have increased significantly, those requiring first aid or medical treatment have only increased by a small amount.

Safety performance

As the VFA commenced its operations as a statutory authority on 1 July 2017, there is only comparable data for the 2017-18 and 2018-19 financial years (Table 9).

Table 9: The VFA's safety performance for the first three years of operation

Measure	Indicator	VFA Year 1 2017-18	VFA Year 2 2018-19	VFA Year 3 2019-20
Incidents	No. of incidents ^{^^}	28	25	70
	Rate per 100 FTE	19.06	15.60	43.42
	No. of incidents requiring first aid/or further medical treatment	15	23	31
Hazards	No. of hazards	4	3	10
	Rate per 100 FTE	2.72	1.87	6.20
Claims	No. of Standard Claims	5	6	5
	Rate per 100 FTE	3.40	3.74	3.10
	No. of lost time claims	3	3	1
	Rate per 100 FTE	2.04	1.87	0.62
	No. of claims exceeding 13 weeks	1	0	1
	Rate per 100 FTE	0.68	0	0.62
Return to work	Percentage of claims with RTW plans <30 days	100%	100%	67%
Executive Safety Interactions [#]	No. of sites visited to conduct safety interactions ^{**}	-	15	23

[^] There were no fatalities over three years.

^{*} Incident reporting including hazards and nears misses increased with the introduction of the new reporting system which included an App for in field use. The total incidents requiring first aid and/or further medical treatment as a proportion of total incidents has decreased.

^{**} Executive Safety Interactions were introduced in 2019.

Employment conduct principles

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



Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The VFA has policies and practices that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues.

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 VPSC Code of Conduct and VFA Policies are available through the VFA intranet.

VFA employees can request a review of an action taken that relates to their employment in accordance with *Public Administration Act 2004*.

The following table (Table 10) discloses the annualised total salary for senior employees of the VFA, categorised by classification. The salary amount is reported as the full-time annualised salary.

Table 10: Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
< \$160 000						
\$160 000 – \$179 999						
\$180 000 – \$199 999		2				
\$200 000 – \$219 999	2		2			
\$220 000 – \$239 999	1					
\$240 000 – \$259 999						
\$260 000 – \$279 999						
\$280 000 – \$299 999						
\$300 000 – \$319 999						
\$320 000 – \$339 999						
\$340 000 – \$359 999						
TOTAL:	3	2	2	0	0	0

Comparative workforce data

The following table (Table 11) 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, and in the last full pay period in June (2019) of the previous reporting period (2019).

Table 11: Details of employment levels in June 2019 and 2020

June 2020										
	All employees		Ongoing			Fixed Term		Casual		
	Number (Headcount)	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Number (Headcount)	FTE	Number (Headcount)	FTE	
Demographic data	Gender									
	Women	57	50.6	33	20	47.4	2	2	2	1.2
	Men	114	112.5	106	3	108.2	3	3	2	1.3
	Self-described	1	0.6	0	1	0.6	0	0	0	0
	TOTAL:	172	163.7	139	24	156.2	5	5	4	2.5
	Age									
	<30	16	16.0	14	0	14.0	2	2	0	0
	30-39	38	37.8	35	1	35.8	1	1	1	1
	40-49	46	43.4	36	7	41.2	1	1	2	1.2
	50-59	48	45.3	39	7	44.0	1	1	1	0.3
	60+	24	21.2	15	9	21.2	0	0	0	0
	TOTAL:	172	163.7	139	24	156.2	5	5	4	2.5
Classification data	VPS1-6 grades									
	VPS 1	0	0.0	0	0	0.0	0	0	0	0
	VPS 2	13	9.9	5	5	8.4	0	0	3	1.5
	VPS 3	68	66.6	60	4	62.6	3	3	1	1
	VPS 4	44	42.8	38	6	42.8	0	0	0	0
	VPS 5	26	24.4	22	4	24.4	0	0	0	0
	VPS 6	15	14.0	10	5	14.0	0	0	0	0
	Senior Employees									
	STS 7	2	2.0	1	0	1.0	1	1	0	0
	PS	2	2.0	2	0	2.0	0	0	0	0
	SMA	0	0.0	0	0	0.0	0	0	0	0
	SRA	0	0.0	0	0	0.0	0	0	0	0
	Executives	2	2.0	1	0	1.0	1	1	0	0
	Other	0	0.0	0	0	0.0	0	0	0	0
	Total Employees	172	163.7	139	24	156.2	5	5	4	2.5

June 2019										
	All employees		Ongoing			Fixed Term		Casual		
	Number (Headcount)	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Number (Headcount)	FTE	Number (Headcount)	FTE	
Demographic data	Gender									
	Women	54	47.0	28	17	40.1	6	5.8	3	1.1
	Men	115	114.4	107	2	108.4	6	6	0	0.0
	Self-described	n	n	n	n	n	n	n	n	n
	TOTAL:	169	161.4	135	19	148.5	12	11.8	3	1.1
	Age									
	<30	23	23.0	20	0	20.0	3	3	0	0.0
	30-39	37	35.9	32	1	32.8	2	2	2	1.0
	40-49	48	46.1	39	6	43.3	3	2.8	0	0.0
	50-59	46	43.4	34	9	40.4	3	3	0	0.0
	60+	15	13.1	10	3	12.0	1	1	1	0.1
	TOTAL:	169	161.4	135	19	148.5	12	11.8	3	1.1
Classification data	VPS1-6 grades									
	VPS 1	0	0.0	0	0	0.0	0	0	0	0.0
	VPS 2	10	8.2	4	4	6.6	1	1	1	0.6
	VPS 3	69	66.3	59	4	61.8	4	4	2	0.5
	VPS 4	42	40.9	36	5	39.9	1	1	0	0.0
	VPS 5	27	25.8	24	3	25.8	0	0	0	0.0
	VPS 6	14	13.2	9	3	11.4	2	1.8	0	0.0
	Senior Employees									
	STS 7	2	2.0	1	0	1.0	1	1	0	0.0
	PS	2	2.0	2	0	2.0	0	0	0	0.0
	SMA	0	0.0	0	0	0.0	0	0	0	0.0
	SRA	0	0.0	0	0	0.0	0	0	0	0.0
	Executives	3	3.0	0	0	0.0	3	3	0	0.0
	Other	0	0.0	0	0	0.0	0	0	0	0.0
	Total Employees	169	161.4	135	19	148.5	12	11.8	3	1.1

Note: FTE numbers rounded to one decimal place

Workforce inclusion policy

Following the development last year of the VFA *People and Culture Plan 2019 -2024*, the VFA have developed a *VFA Workforce Diversity and Inclusion Framework*; a key action from the plan. There are four key focus areas in the framework: flexibility, inclusion, gender equality, and life stage. The framework guides our actions around the focus areas which are reported to the VFA's People and Safety Board sub-committee.

Flexibility

The VFA has created guidelines for both staff and managers regarding flexible work arrangements. Since that time, the impact of coronavirus (COVID-19) has led to these being put on hold as coronavirus (COVID-19) flexible working arrangements were brought in as staff were directed to work from home. The experience of working remotely from home will also help inform initiatives for parents, carers and people transitioning to retirement, providing better support of people during key **life stages** and transitions; another focus of our Workforce Diversity and Inclusion framework.

Inclusion

Aboriginal Victorians

Two VFA executives are a part of Department of Transport (DoT) Aboriginal Self Determination Steering Committee. An action plan is being developed based on a central framework that considers how we engage Aboriginal Victorians on a whole-of-department/agency basis. It will link to individual regional and agency plans and will consider the Victorian Government's overarching commitments to Aboriginal Victorians.

Self Determination is the ability for indigenous people to determine their political status and pursue their economic, social and cultural development. With ongoing engagement in the DoT Aboriginal Self Determination Steering Committee, the VFA have commenced drafting its own overarching engagement strategy as well as an engagement plan for the refresh of the Aboriginal Fishing Strategy.

Disability Action Plan

In line with the VPSC's *Getting to work: Victorian public sector disability employment action plan 2018-2025* the VFA has commenced working on the development of its own Disability Action Plan. Getting to work is based on local and international good practice. It has been informed by desktop research, consultation with local and national and international public and private entities and peak bodies, employee survey results, workshops with departments and feedback from Victorian public sector employees with disability. The VFA's Disability Action Plan will have three focus areas:

- Building awareness through access to information
- Attracting and recruiting people with disability
- Supporting employees with disability

Gender Equality

VFA was supported with Victorian Government funding in 2019-20 to participate in the Gender Equality Act Implementation Pilot (Pilot). The purpose of the Pilot is to prepare public entities for the implementation of the Gender Equality Act and increase their capacity to apply gender impact assessment and workplace gender audit processes (refer to page 52-53 for information on this Pilot).

Executive officer data

For the VFA, an executive officer (EO) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an EO is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Public Entity Executive Remuneration Policy applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

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

The following tables disclose the Eos of the VFA for 30 June 2020:

- Table 12 discloses the total number of EOs for the VFA, broken down by gender; and
- Table 13 provides a reconciliation of executive numbers presented between the report of operations and Note 9.3 'Remuneration of executives' in the financial statements.

Table 12: Total number of EOs for VFA broken down into gender

Class	All			Women			Men			Self-described		
	# 2020	# 2019	Var.	# 2020	# 2019	Var.	# 2020	# 2019	Var.	# 2020	# 2019	Var.
EO-1	0	0	0	0	0	0	0	0	0	n	n	n
EO-2	1	1	0	0	0	0	1	1	0	n	n	n
EO-3	2	2	0	1	1	0	1	1	0	n	n	n
Total	3	3	0	1	1	0	2	2	0	n	n	n

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.9 in the financial statements lists the actual number of EOs and the total remuneration paid to EOs over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the Department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 13: Reconciliation of Executive numbers

	2019	2018
Executives (financial statement Note 9.9)	2	3
Accountable Officer (CEO)	1	1
Less Separations	1	1
Total executive numbers at 30 June	2	3



Local Jobs First

The *Local Jobs First Act 2003*, introduced in August 2018, brings together the Victorian Industry Participation Policy (VIPP) and the Major Project Skills Guarantee Policy (MPSG), which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First Policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

The MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and the VIPP guidelines will continue to apply to MPSG-applicable and VIPP-applicable projects, respectively, where contracts have been entered into prior to 15 August 2018.

The VFA did not enter into any contracts over \$1 million in regional areas or \$3 million in Metropolitan Melbourne in 2019-20.

Government advertising expenditure

In accordance with the Financial Reporting Direction 22H, the details of government campaigns with a total media spend of \$100,000 or greater (exclusive of GST) must be detailed in the annual report. In 2019-20, the VFA had two reportable government advertising campaigns as detailed in Table 14.

Table 14: Details of government advertising expenditure for campaigns with a media spend of \$100,000 or more

Name of campaign	Campaign summary	Advertising (media) expenditure (excl GST)	Creative and campaign development expenditure (excl GST)	Research and evaluation expenditure (excl GST)	Print and collateral expenditure (excl GST)	Other campaign expenditure (excl GST)	Total
<i>Target One Million</i>	As part of the 2014 Victorian State election, the elected government committed \$46 million towards recreational fishing to grow participation to one million fishers by 2020.	\$44,703	\$16,938	\$0	\$26,703	\$51,237	\$139,581
Recreational Fishing Licence and Operations	The VFA commits funds collected from recreational fishing licence sales into material, such as the Recreational Fishing Guide, for the recreational fishing community	\$129,581	\$18,904	\$0	\$145,280	\$149,682	\$443,447

Consultancy expenditure

Details of consultancies (valued at \$10,000 or greater)

In 2019-20, there were 20 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2019-20 in relation to these consultancies is \$1,302,071 (excluding GST). Details of individual consultancies are outlined in Table 15.

Details of consultancies under \$10,000

In 2019-20, there were 14 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2019-20 in relation to these consultancies was \$71,508 (excluding GST). Details of individual consultancies are outlined in Table 16.

Table 15: Details of consultancies valued at \$10,000 or greater incurred in 2019-20

Consultant	Purpose of consultancy	Total approved project fee (excl GST)	Expenditure 2019-20 (excl GST)	Future expenditure (excl GST)
Spatial Vision Innovations Pty Ltd	Design, development, implementation and reporting of the eCatch project	473,979	473,979	0
MRAG Asia Pacific Pty Ltd	Abalone scientific assessments professional services	226,818	226,818	0
University of Tasmania	<i>Vic Rock Lobster and Giant Crab Assessment 2019-2021 - Milestone 3</i>	95,387	95,387	317,010
Ernst & Young	Fees for the engagement of services for the economic and social value of recreational fishing and boating in Victoria.	94,800	94,800	10,629
Crowe Horwath (Aust) Pty Ltd	Internal audit services	57,344	57,344	17,656
Grosvenor Management Consulting Pty Ltd	Development of a strategic plan for the management of VFA"s accommodation portfolio	56,700	56,700	0
Summit Consulting Solutions	Provision of financial management support	47,300	47,300	19,800
The Wedge Group Pty Ltd	New fish hatchery concept designs	44,418	44,418	0
Marsden Jacob Associates	Recreational fishing licence review 2019	34,550	34,550	0
Ertech Pty Ltd	Northern Hatchery cost estimation, risk register and delivery schedule	25,653	25,653	0
EDG. Space Pty Ltd	Native Fish Hatchery visitors centre study	22,847	22,847	10,003
DW Bowe & Associates Pty Ltd	Provision of assistance with HR Project for Victorian Fisheries Authority	21,393	21,393	0
The Wedge Group Pty Ltd	VFA Northern Hatchery Design Workshop	17,200	17,200	0
Grosvenor Management Consulting Pty Ltd	Development of a strategic plan for the management of VFA"s accommodation portfolio	15,900	15,900	0
Vidler Stephen Michael t/a Fishtech Services	Northern Hatchery meetings and site inspections	13,658	13,658	0
Governance Evaluator Pty Ltd	External assessment of VFA"s Board performance	12,833	12,833	0
JMA Architects	Engagement to prepare a redevelopment proposal for Victorian Fisheries Authority Snobs Creek accommodation	11,108	11,108	18,792
Marsden Jacob Associates	Review of VFA"s cost recovery framework	10,183	10,183	0
Sheree Marris	Video and social media design support	10,000	10,000	0
Seafood Industry Victoria Inc	Victorian seafood supply chain analysis following coronavirus (COVID-19)	10,000	10,000	0

Table 16: Details of consultancies valued at less than \$10,000 incurred in 2019-20

Consultant	Purpose of consultancy	Total approved project fee (excl GST)	Expenditure 2019-20 (excl GST)	Future expenditure (excl GST)
Flanagan Brown Greaves Pty Ltd	Provision of professional services to the VFA Peer support program	9,000	9,000	4,100
People Pathways Pty Ltd	Manager as Coach contract delivery	8,533	8,533	0
Ade Consulting Group (Vic) Pty Ltd	<i>Northern Fish Hatchery environmental assessment</i>	7,600	7,600	0
Fishwell Consulting Pty Ltd	Coxswain and scientific oversight of the snapper and flathead pre recruit survey 2020	7,500	7,500	0
Tim Bamford Consulting Pty Ltd	Northern Hatchery development professional services	7,000	7,000	0
Pricewaterhousecoopers	Advice on ATO ruling for Gippsland Lakes netting buyout.	6,000	6,000	0
Vitae Partners Pty Ltd	VFA IT Strategy Review	5,625	5,625	0
Australian Trout Foundation Inc	Wild Trout strategy workshop management fee	5,000	5,000	0
Peter Berry Consultancy	Executive workshop facilitation	4,017	4,017	0
Governance Evaluator Pty Ltd	Governance evaluation of VFA Board. Self-led evaluation of the Board provided by Governance Evaluator	2,999	2,999	0
CT Alliance Pty Ltd	Native Fish Hatchery - Probity Services	3,220	3,220	0
Crowe Horwath (Aust) Pty Ltd	Internal Audit Services	1,875	1,875	0
Orima Research Pty Ltd	People Matter Survey 2019	1,640	1,640	0
NPF Industry Pty Ltd	Consultancy fee for preparation and presentation to SFA Co-Management workshop	1,498	1,498	0

Information and communication technology expenditure

Details of information and communication technology (ICT) expenditure

For the 2019-20 reporting period, the VFA had a total ICT expenditure of \$2,366,823, with the details shown in Table 17 below.

Table 17: VFA operational ICT expenditure in 2019-20

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
	Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure	Operational expenditure
			Capital expenditure
	\$2,366,823	\$649,010	\$649,010
			\$0

The ICT expenditure refers to the VFA's costs in providing business enabling ICT services within the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the VFA's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

Disclosure of major contracts

In accordance with the requirements of government policy and accompanying guidelines, the VFA must disclose any and all contracts greater than \$10 million in value that it entered into during the year ending 30 June 2020.

The VFA did not enter into any contracts of a value greater than \$10 million in value during 2019-20.

Freedom of Information

The *Freedom of Information Act (Vic) 1982* (the FOI Act) allows 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 recordings 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, such as legal advice; personal information about other people; and information provided to a department in-confidence.

From 1 September 2017, the FOI Act was amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

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 \$29.60. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

Requests can be lodged online at www.foi.vic.gov.au or in writing to the VFA's Freedom of Information Unit at:

Freedom of Information Unit
Manager, Corporate Operations
Victorian Fisheries Authority
Level 19, 1 Spring St
Melbourne VIC 3000

Further information regarding the operation and scope of FOI can be obtained from the FOI Act, regulations made under the FOI Act and from www.foi.vic.gov.au

FOI Statistics for the 2019-20 period

During the 2019-20 period the VFA received four FOI applications. These applications were from members of the general public.

The VFA made three FOI decisions during the period; all decisions were made within the statutory 30-day time period.

One of the applications was withdrawn by the applicant before decision.

Of the three decisions, two were granted access in full and one decision was denied as all the material requested was exempt.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act, regulations made under the FOI Act and from www.foi.vic.gov.au

Compliance with the *Building Act 1993*

The VFA has a presence at 36 sites across Victoria, 12 of which are directly managed by the VFA.

The VFA complies with its obligations under the *Building Act 1993*, the Building Regulations and associated statutory requirements and amendments. The VFA undertakes significant proactive scheduled maintenance to ensure these facilities are presented in a safe and serviceable condition. The VFA engages industry experts to provide condition audits and to complete inspections of and provide reports on its owned and leased buildings to ensure compliance with building standards and regulations.

In 2019-20, the VFA delivered one project greater than \$50,000, which was the refurbishment of the channel system at the Snobs Creek Fish Hatchery. The channel system supports the water supply used for the breeding and growing of fish as part of the VFA's stocking program.

Competitive Neutral Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. The *Competitive Neutrality Policy* supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The VFA, where applicable, continues to comply with the requirements of the National Competition Policy and the requirements of policy statement, *Competitive Neutrality Policy Victoria*.

Compliance with the *Protected Disclosure Act 2012*

The *Protected Disclosure Act 2012* (the PD Act) encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The PD Act provides protection to people who make disclosures in accordance with the PD 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 any of the following personnel:

- The Department of Transport Secretary;
- The Department of Transport's Protected Disclosure Coordinator;
- The VFA Chief Executive Officer;
- The manager or supervisor of the person making the disclosure;
- The manager or supervisor of the person who is the subject of the disclosure; or
- A person acting in any of the above roles.

Alternatively, disclosures may also be made directly to the Independent Broad-based Anticorruption Commission:

Level 1, North Tower, 459 Collins Street
Melbourne, VIC 3000
Phone: 1300 735 135
Internet: www.ibac.vic.gov.au

Further information

As an Authority within the portfolio of the Department of Transport, the VFA or any of its employees can access the Protected Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the VFA or any of its employees and/or officers, on the Department's intranet.

Table 18: Disclosures under the *Protected Disclosure Act 2012*

	2018-19 number	2019-20 number
The number of disclosures made by an individual to the VFA and notified to the Independent Broad-based Anticorruption Commission	0	0
Assessable disclosures	0	0

Compliance with the *Carers Recognition Act 2012*

The VFA has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* (the CR Act). These include:

- Ensuring our staff have an awareness and understanding of the care relationship principles set out in the CR Act; and
- Considering the care relationships principles set out in the CR Act when setting policies and providing services, such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the CR Act.

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

The *Absolutely everyone: State disability plan for 2017-2020* is the Victorian Government's framework for enabling people with a disability to participate and contribute to the social, economic and civic life of their community. Over time, the Government will consider ways to align disability action plans to the State plan.

Under the VFA's *People and Culture Plan 2019-2024*, the VFA is committed to developing an environment that embraces diversity and fosters inclusion so that staff feel respected and can perform at their best. In line with this goal, the VFA Workforce Diversity and Inclusion Framework has been developed with one of its key focus areas on inclusion. Under the framework, the VFA has committed to developing a five-year Disability Action Plan to commence implementation in 2021, with an aim to achieve 12 per cent disability employment by 2025.

In line with the VPSC's *Getting to work: Victorian public sector disability employment action plan 2018-2025*, the VFA has commenced the development of a Disability Action Plan, with three focus areas:

- Building awareness through access to information;
- Attracting and recruiting people with disability; and
- Supporting employees with disability.

Reducing barriers to accessing goods, services and facilities

VFA is undertaking a major re-design of the administration block at the Snobs Creek Hatchery. The design phase has been completed with given to ensure we create a modern, fit for purpose workplace that supports diversity and is fully compliant with accessible amenities.

Reducing barriers to persons with a disability obtaining and maintaining employment

Following feedback from the 2019 People Matter Survey and further staff engagement, the VFA's Office of the CEO commenced a review of its recruitment policy and procedures using an inclusive lens. Part of the review focuses on whether advertised roles attract people with a disability and whether there are barriers in the recruitment process making it difficult for people with a disability to progress through it. The VFA will also be reviewing its procurement policy and procedures, including social procurement.

Promoting inclusion and participation in the community

The VFA, in conjunction with Fishcare Victoria, has been working to reduce barriers hindering people with disabilities from being able to enjoy the experience of recreationally fishing. The *Fishing for All* program, which was announced as part of the State Government's 2018 election commitments aims to:

- Increase the active involvement of people with disabilities into recreational fishing through coordinated and regular fishing events;
- Partner with agencies, local councils and organisations to develop strategic cooperative arrangements and increased awareness of the needs of people who face significant life challenges;
- Promote responsible fishing practices, as well as rules and regulations to participants and caregivers; and
- Be advocates in promoting inclusive participation in recreational fishing.

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

One of the key focus areas of the VFA Disability Action Plan is to build awareness through access to information. Planned communication and education will be key actions.

Social Procurement Framework

In 2018, the Victorian Government launched the *Social Procurement Framework (SPF)* to enable government buyers and suppliers to deliver social, economic and environmental outcomes that benefit the Victorian community, economy and environment.

Social procurement occurs *when organisations use their buying power to generate social value above and beyond the value of the goods, services or construction being procured* (Victoria's Social Procurement Framework, pg. 11).

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

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

In 2019-20, the VFA undertook several activities to support the SPF:

- Commenced the revision and redevelopment of the VFA's Aboriginal Fishing Strategy.
- Committed to supporting Indigenous employment in Shepparton, with the new native fish hatchery to employ Indigenous people for up to half of the workforce
- Wallpolla Stocking Trials - 'Culture Based Fisheries'
- Traditional Owner Aquaculture Trials - 'Gunditjmara'
- Commenced the development of the VFA Disability Action Plan
- Commenced the *Fishing for All* program to increase the participation of people with disabilities in recreational fishing.
- Developed the Workplace Diversity and Inclusion Framework
- Put strategies and actions in place to use sustainable merchandise and have eco-friendly events

Compliance with the Fisheries Act 1995

Under section 101 of the *Fisheries Act 1995*, the VFA is required to report on the number of personal searches conducted each year, including the type and number of priority species found during those searches.

In 2019-20, there were no personal searches conducted.

Compliance with DataVic Access Policy

The VFA did not have any datasets requiring submission to the DataVic website in 2019-20.

Additional departmental information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the Department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

- a. A statement that declarations of pecuniary interests have been duly completed by all relevant officers of the VFA;
- b. Details of shares held by a senior officer as a nominee or held beneficially in a statutory authority or subsidiary;
- c. Details of publications produced by the entity about the entity, and how these can be obtained;
- d. Details of changes in prices, fees, charges, rates and levies charged by the entity;
- e. Details of any major external reviews carried out by the entity;
- f. Details of major research and development activities undertaken by the entity;
- g. Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h. Details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
- i. Details of assessment and measures undertaken to improve the occupational health and safety of employees;
- j. General statements on industrial relations within the entity and details of time lost through industrial accidents and disputes;

- k. A list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- l. Details of all consultancies and contractors engaged, services provided, and expenditure committed.

The information is available on request, subject to the provisions of the FOI Act, from:

Chief Financial Officer
Victorian Fisheries Authority
Level 19, 1 Spring St
Melbourne VIC 3000
Phone: 136 181

Attestation for financial management compliance with Standing Direction 5.1.4

The Victorian Fisheries Authority Financial Management Compliance Attestation Statement

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



Gail Owen
VFA Board Chair
Victorian Fisheries Authority

22 October 2020



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The VFA has presented its audited general purpose financial statements for the financial year ended 30 June 2020 in the following structure to provide users with the information about the VFA's stewardship of resources entrusted to it.

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Declaration in the financial statements

The attached financial statements for the VFA 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 2020 and financial position of the VFA at 30 June 2020.

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 22 October 2020.



Gail Owen
VFA Board Chair
Victorian Fisheries Authority

22 October 2020



Travis Dowling
Chief Executive Officer
Victorian Fisheries Authority

22 October 2020



Simon Leverett
A/Chief Financial Officer
Victorian Fisheries Authority

22 October 2020

VAGO audit report



Independent Auditor's Report

To the Board of the Victorian Fisheries Authority

Opinion	<p>I have audited the financial report of the Victorian Fisheries Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2020 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's 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>
Board's responsibilities for the financial report	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



Simone Bohan

as delegate for the Auditor-General of Victoria

MELBOURNE
30 October 2020

Comprehensive operating statement for the financial year ended 30 June 2020

	Note	(\$ thousand)	
		2020	2019
Income from transactions			
Grants	2.2.1	54,054	40,500
Total income from transactions		54,054	40,500
Expenses from transactions			
Grant disbursements	3.1	(2,611)	(3,148)
Employee benefits	3.2.1	(20,167)	(19,679)
Depreciation and amortisation	5.1.1	(2,660)	(1,373)
Interest expense	7.1.2	(109)	(56)
Laboratory and livestock expenses	3.3	(12,625)	(2,967)
Contracts and services	3.4	(4,989)	(4,240)
Computer services and equipment	3.5	(2,126)	(2,821)
Capital asset charge	3.6	(2,400)	(787)
Other operating expenses	3.7	(8,704)	(7,338)
Total expenses from transactions		(56,390)	(42,409)
Net result from transactions		(2,337)	(1,909)
Other economic flows included in net result			
Net gain / (loss) on non-financial assets	9.1	130	252
Other gains / (losses) from other economic flows	9.1	(109)	(223)
Total other economic flows included in net result		21	30
Net result		(2,316)	(1,880)
Comprehensive result		(2,316)	(1,880)

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

Balance sheet as at 30 June 2020

	Note	(\$ thousand)	
		2020	2019
Assets			
Financial assets			
Receivables	6.1	6,834	7,363
Total financial assets		6,834	7,363
Non-financial assets			
Land	5.1	6,812	5,307
Buildings	5.1	21,938	21,751
Plant and equipment	5.1	4,758	4,964
Other non-financial assets	6.3	906	958
Total non-financial assets		34,413	32,980
Total assets		41,247	40,343
Liabilities			
Payables	6.2	1,754	2,225
Borrowings	7.1	3,519	2,539
Employee-related provisions	3.2.2	6,776	6,922
Total liabilities		12,048	11,686
Net assets		29,199	28,656
Equity			
Contributed capital		33,653	30,794
Accumulated surplus / (deficit)		(4,454)	(2,138)
Total Equity		29,199	28,656

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

Statement of changes in equity as at 30 June 2020

	Note	(\$ thousand)		
		Contributed capital	Accumulated deficit	Total
Balance at 30 June 2018		3,514	(259)	3,255
Administrative restructure - Net assets received	4	27,280	-	27,280
Net result for the year		-	(1,880)	(1,880)
Balance at 30 June 2019		30,794	(2,138)	28,656
Balance at a 1 July 2019		30,794	(2,138)	28,656
Contributed capital	7.3.3	2,859	-	2,859
Net result for the year			(2,316)	(2,316)
Balance at 30 June 2020		33,653	(4,454)	29,199

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 2020

	Note	2020	2019
(\$ thousand)			
Cash flows from operating activities			
Receipts			
Receipts from Victorian Government		53,751	42,149
GST recovered from / (paid) to ATO		3,248	3,257
Sale of services		1,015	-
Total receipts		58,013	45,406
Payments			
Payments of grants and other transfers		(2,696)	(3,148)
Payments to suppliers and employees		(49,199)	(37,047)
GST on payments		(3,146)	(3,415)
Capital asset charge payments		(2,400)	(787)
Interest and other costs of finance paid		(109)	(56)
Total payments		(57,550)	(44,453)
Net cash flows from operating activities	7.3.1	463	953
Cash flows from investing activities			
(Purchase) / sale of non-financial assets		(2,283)	252
Receipts from / (payments) for plant and equipment		183	(661)
Net cash flows from / (used in) investing activities	7.3.2	(2,101)	(409)
Cash flows from financing activities			
Contributed capital from Victorian Government	7.3.3	2,573	-
Repayment of finance leases		(935)	(544)
Net cash flows from / (used in) financing activities		1,637	(544)
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the financial year		-	-
Cash and cash equivalents at the end of the financial year	7.3.4	-	-

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

1. About this report

The Victorian Fisheries Authority (the VFA) 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*. The VFA commenced operations as an independent authority on 1 July 2017 and is part of Victoria's integrated transport portfolio led by the Department of Transport (DoT).

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 VFA.

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.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

The VFA has adopted AASB 16 to recognise right-of-use assets and lease liabilities for all leases except where an exemption is availed in respect of short-term and low value leases. The VFA has classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the VFA.

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 have been applied by management for Note disclosures:

- 3.2.2 Employee Benefits in the Balance Sheet,
- 5.1 Property, Plant and Equipment and;
- 8.3 Fair value determination.

These financial statements cover the VFA as an individual reporting entity and include all the controlled activities of the VFA.

Amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated. Figures in the 2019-20 Financial Statements may not add due to rounding.

Recreational fishing licences trust account

The Recreational Fishing Licences (RFL) Trust Account operates under section 151B of the *Fisheries Act 1995* to disburse revenue derived from the sale of recreational fishing licences to projects that will further improve recreational fishing opportunities in Victoria, and to fund costs incurred in the administration of recreational fishing licences.

The RFL Trust is a controlled trust under DoT. DoT is an administrator for the RFL Trust disburses funds to third parties including the VFA.

Coronavirus (COVID-19)

In January 2020, the World Health Organisation declared an outbreak of coronavirus (COVID-19) a public health emergency of international concern and in March 2020 announced that the virus was a global pandemic.

To reduce the spread of the virus, a series of public health measures were administered by the Victorian Government. This included a state-wide call to work from home, significantly reduced levels of outdoor activity and restrictions on public gatherings and domestic travel.

As a result of the coronavirus (COVID-19) restrictions, RFL revenue for 2019-20 was estimated to be around \$1 million lower than it would have otherwise been. RFL revenues are withheld in the RFL Trust Account, which is a controlled trust under DoT.

While contributions to the Trust Account revenue did not impact the VFA's revenue or expenditure during 2019-20, the RFL Trust Account closing balance is lower than it otherwise would have been, which will reduce capacity for expenditure in future years. This does not impact on the going concern assumption which this financial report is prepared upon.

Coronavirus (COVID-19) restrictions had minor impacts on operating expenditure, primarily through the reduction of expenditure on events and travel across Victoria, offset by additional expenditure on preventative and precautionary measures associated with coronavirus (COVID-19) restrictions. The VFA considers that these net impacts are both immaterial and difficult to quantify with precision.

Other areas potentially impacted include:

- Fair value of land and buildings in regional Victoria (Note 5.1); and
- Provision of Annual Leave and Long Service Leave (Note 3.2.2).

Due to the significant amount of uncertainty surrounding coronavirus (COVID-19), it was not possible to estimate the financial impacts on these notes.

Compliance information

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

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

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

2. Funding our delivery services

Introduction

The VFA's objective is to effectively manage Victoria's fisheries resources. The VFA 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

2.1 Summary of income that funds the delivery of our services

	Note	(\$ thousand)	
		2020	2019
Income from transactions			
Grants	2.2.1	54,054	40,500
Total income from transactions		54,054	40,500

Income is recognised to the extent it is probable the economic benefits will flow to the VFA and the income can be reliably measured.

2.2 Income from transactions

2.2.1 Grants

	(\$ thousand)	
	2020	2019
Income recognised as income from non-for-profit entities		
General purpose	54,026	39,394
Other specific purpose	28	1,106
Total grants	54,054	40,500

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the VFA, without controlling 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).

The VFA has determined that all grant income is recognised as *income of not-for-profit entities* in accordance with AASB 1058. Grant revenue is provided by DoT to fund the VFA's operations as a going concern in accordance with legislative obligations and government priorities. This funding is not contingent upon sufficiently specific performance obligations as defined under AASB 15.

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

3. The cost of delivering services

Introduction

This section details the major component of the expenses incurred by the VFA 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. Notes 5.1.1 and 7.1.2 provide additional information regarding depreciation, amortisation and interest expense.

Structure

- 3.1 Grant disbursements
- 3.2 Employee benefits
 - 3.2.1 Employee benefits in the comprehensive operating statement
 - 3.2.2 Employee benefits in the balance sheet
 - 3.2.3 Superannuation contributions
- 3.3 Laboratory and livestock expenses
- 3.4 Contracts and services
- 3.5 Computer services and equipment
- 3.6 Capital asset charge
- 3.7 Other operating expenses

3.1 Grant disbursements

	(\$ thousand)	
	2020	2019
Grants to government agencies		
Local government	108	328
Commonwealth government	217	284
Other government agencies	354	407
Total grants to government agencies	679	1,019
Grants to external organisations and individuals		
Other non-government agencies	1,932	2,129
Total grants to external organisations and individuals	1,932	2,129
Total grants and other transfers	2,611	3,148

Grant disbursements are contributions of the VFA'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.

3.2 Employee benefits

3.2.1 Employee benefits in the comprehensive operating statement

	(\$ thousand)	
	2020	2019
Salaries, wages and other on-costs	17,288	16,129
Annual leave and long service leave expenses	1,231	2,041
Defined contribution superannuation expense	1,649	1,509
Total employee benefits	20,167	19,679

Employee benefit 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.

The VFA 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).

3.2.2 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.

	(\$ thousand)	
	2020	2019
Current provisions		
Annual leave		
- Unconditional and expected to wholly settle within 12 months	952	905
- Unconditional and expected to wholly settle after 12 months	670	773
Long service leave		
- Unconditional and expected to wholly settle within 12 months	610	600
- Unconditional and expected to wholly settle after 12 months	2,873	2,823
Provisions for on-costs		
- Unconditional and expected to wholly settle within 12 months	249	239
- Unconditional and expected to wholly settle after 12 months	563	569
Total current provisions	5,916	5,909
Non-current provisions		
Employee benefits	742	875
Provisions for on-costs	117	138
Total non-current provisions	859	1,013
Total provisions for employee benefits	6,776	6,922

3.2 Employee benefits (continued)

3.2.2 Employee benefits in the balance sheet (continued)

Reconciliation of movement in on-cost provision

	(\$ thousand)	
	2020	2019
Opening balance	946	792
Additions due to transfer in	-	18
Additional provisions recognised	6	89
Additions due to acquisitions	10	48
Reductions arising from payments/other sacrifices of future economic benefits	1	(2)
Unwind of discount and effect of changes in the discount rate	15	30
Reduction transfer out	(50)	(29)
Closing balance	929	946
Current	812	808
Non current	117	138

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 VFA 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 VFA 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 VFA 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 VFA 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 VFA expects to wholly settle within 12 months; or
- present value if the VFA 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.

3.2.3 Superannuation contributions

	(\$ thousand)	
	Paid contribution for the year	
	2020	2019
Fund		
Defined contribution plans		
VicSuper	933	881
Other	716	628
Total	1,649	1,509

Employees of the VFA are entitled to receive superannuation benefits and the VFA 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 VFA.

The VFA 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 DTF recognises and discloses the State's defined benefit liabilities in its financial statements as an administered liability.

3.3 Laboratory and livestock expenses

	(\$ thousand)	
	2020	2019
Laboratory and livestock expenses	12,625	2,967

The VFA's laboratory and livestock expenses predominately relates to fish stock purchases, fish production supplies and commercial licence buy backs. The increase from 2018-19 to 2019-20 reflects the payment to fishers in Gippsland Lakes for the surrender of their netting licences.

3.4 Contracts and services

	(\$ thousand)	
	2020	2019
Contracts and services	4,989	4,240

The VFA engages contractors to supplement existing staff resources. The VFA 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.

3.5 Computer services and equipment

	(\$ thousand)	
	2020	2019
Computer services and equipment	2,126	2,821

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

3.6 Capital asset charge

	(\$ thousand)	
	2020	2019
Capital Asset Charge	2,400	787

A **capital asset charge** is a charge levied on the written down value of controlled non-current physical assets in an authority's balance sheet. It aims to attribute to the VFA outputs, a cost of capital used in service delivery. Imposing this charge provides incentives for the VFA to identify and dispose of underutilised or surplus non-current physical assets.

The increase in the 2019-20 expense is due to the Capital Asset Charge being applicable for the full financial year. The 2018-19 expense only related to a portion of the year, reflecting the timing of asset transfers to the VFA.

3.7 Other operating expenses

	(\$ thousand)	
	2020	2019
Supplies and services		
Service level agreement - shared services provided by DOT and DJPR	1,349	702
Occupancy	3,381	2,535
Communications	724	826
Travel and accommodation	490	576
Vehicle, equipment and marine vessel expenses	1,287	1,385
Other administrative expenses	1,472	1,274
Total supplies and services	8,704	7,298
Operating lease rental expenses		
Lease payments	-	39
Total operating lease rental expenses	-	39
Total other operating expenses	8,704	7,338

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 payments up until 30 June 2019 (including contingent rentals) 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. Restructuring of administrative arrangements

Appointment of Victorian Fisheries Authority as Committee of Management

In August 2018, the VFA requested to be formally appointed as a Committee of Management (CoM) of five allotments of Crown land under the *Crown Land (Reserves) Act 1978*, these being Apollo Bay, Cowes, Snobs Creek and Queenscliff and the Portland Depot. The land and associated improvements were managed and controlled by DoT, formerly the Department of Economic Development, Jobs, Transport and Resources. Following the appointment of the VFA as CoM, DoT transferred the assets to the VFA. In addition, four leased sites (Lakes Entrance, Portland, Mornington and Warrnambool) were transferred to the VFA including relevant leasehold improvement assets. The transfer of these assets as contributed capital was designated by the Minister of Transport in March 2019 and therefore the assets were transferred at their written down value as at 31 March 2019.

There were no administrative restructures during 2019-20.

	Note	(\$ thousand)	
		2020	2019
Assets			
Land	5.1	-	5,307
Buildings	5.1	-	21,708
Leasehold Improvements	5.1	-	265
Receivables - DOT	6.1	-	130
Total assets		-	27,410
Liabilities			
Provision for employee benefits (current)	3.2.2	-	(109)
Provision for employee benefits (non-current)	3.2.2	-	(21)
Total liabilities		-	(130)
Net assets transferred to the Victorian Fisheries Authority		-	27,280

5. Key assets to support output delivery

Introduction

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

Structure

5.1 Property, plant and equipment

5.1(a) Right-of-use assets: buildings, plant, equipment and vehicles

5.1.1 Depreciation and amortisation

5.1.2 Reconciliation of movements in carrying amount

5.1 Property, plant and equipment^(a)

	(\$ thousand)					
	Gross carrying amount		Accumulated Depreciation		Net carrying amount	
	2020	2019	2020	2019	2020	2019
Land and Buildings						
Land at fair value	6,812	5,307	-	-	6,812	5,307
Buildings and structures at fair value	22,032	21,718	(1,469)	(293)	20,564	21,425
Right-of-use Buildings	1,281	-	(408)	-	872	-
Buildings and structures - construction in progress	241	69	-	-	241	69
Building leasehold	296	264	(35)	(7)	261	257
Total Land and Buildings	30,662	27,358	(1,912)	(300)	28,750	27,058
Plant and equipment at fair value	3,574	3,421	(1,428)	(994)	2,146	2,427
Motor vehicles under finance lease	3,376	3,403	(765)	(866)	2,611	2,537
Total Plant and Equipment	6,950	6,824	(2,193)	(1,860)	4,758	4,964
Net carrying amount	37,612	34,182	(4,104)	(2,160)	33,507	32,022

^(a) AASB 16 Leases has been applied for the first time from 1 July 2019.

Initial recognition

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

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.

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

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.

Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Vehicles

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

Plant and equipment

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 8.3 – Fair value determination, for additional information on fair value determination of property, plant and equipment.

5.1(a) Right-of-use assets: buildings, plant, equipment and vehicles

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

	(\$ thousand)		
	Gross carrying amount 2020	Accumulated depreciation 2020	Net carrying amount 2020
Right-of-use Buildings	1,281	(408)	872
Motor vehicles	3,376	(765)	2,611
Total	4,657	(1,174)	3,484

	(\$ thousand)	
	Right-of-use Buildings	Motor vehicles
Opening balance - 1 July 2019	1,059	2,537
Additions	222	1,355
Disposals	-	(721)
Depreciation	(408)	(560)
Closing balance - 30 June 2020	872	2,611

Right-of-use asset acquired by lessees (Under AASB 16 – Leases from 1 July 2019) – Initial Measurement

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

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

Right-of-use asset – Subsequent measurement

Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category. In addition, for right-of-use assets the net present value of the remaining lease payments is often the appropriate proxy for fair value of relevant right-of-use assets.

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

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

5.1.1 Depreciation and amortisation**Charge for the period^(a)**

	(\$ thousand)	
	2020	2019
Buildings and structures at fair value	1,175	293
Right-of-use Buildings	408	-
Building leasehold	28	7
Plant and equipment	488	506
Motor vehicles under finance lease	560	567
Total	2,660	1,373

^(a) The table incorporates depreciation of right-of-use assets as AASB 16 Leases have been applied for the first time from 1 July 2019.

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under operating leases, assets held for sale, land and investment properties.

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	
	2020	2019
Land	Indefinite	Indefinite
Buildings and structures at fair value	1 to 30	1 to 30
Right-of-use Buildings	1 to 5	N/A
Building leasehold	1 to 5	1 to 5
Plant and equipment	1 to 50	1 to 50
Motor vehicles under finance lease	1 to 3	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.

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

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Indefinite life assets: Land is considered to have an indefinite life. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

5.1.2 Reconciliation of movements in carrying amount

	(\$ thousand)															
	Land		Buildings and structures at fair value		Right-of-use Buildings		Buildings and structures - construction in progress		Buildings Leasehold		Property, Plant & Equipment		Motor vehicles under finance lease		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Opening balance	5,307	-	21,425	-	-	-	69	-	258	-	2,426	2,372	2,537	1,839	32,022	4,211
Recognition of right-of-use assets in initial application of AASB16	-	-	-	-	1,059	-	-	-	-	-	-	-	-	-	1,059	-
Transfer of assets from DOT	-	5,307	-	21,708	-	-	-	-	-	265	-	-	-	-	-	27,280
Additions	1,505	-	315	10	221	-	172	69	31	-	262	583	1,355	1,751	3,862	2,413
Net transfer (to)/ from government entities	-	-	-	-	-	-	-	-	-	-	-	-	-	78	-	78
Depreciation and amortisation	-	-	(1,175)	(293)	(408)	-	-	-	(28)	(7)	(488)	(506)	(560)	(567)	(2,660)	(1,373)
Disposals / write-offs	-	-	-	-	-	-	-	-	-	-	(55)	(23)	(721)	(564)	(776)	(587)
Net carrying amount	6,812	5,307	20,564	21,425	872	-	241	69	261	258	2,146	2,426	2,611	2,537	33,507	32,022

6. Other assets and liabilities

Introduction

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

Structure

6.1 Receivables

6.2 Payables

6.3 Other non-financial assets

6.1 Receivables

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

	(\$ thousand)	
	2020	2019
Contractual		
Receivables – government (DOT)	6,582	5,995
Receivables – government other	-	1,017
Receivables – external	58	55
Total contractual receivables	6,640	7,067
Statutory		
GST input tax credit recoverable from the ATO	194	296
Total statutory receivables	194	296
Total receivables	6,834	7,363

Contractual receivables are classified as financial instruments and categorised as loans and receivables. They are initially recognised at fair value plus any directly attributable transaction costs.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments.

6.2 Payables

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

	(\$ thousand)	
	2020	2019
Contractual		
Supplies and services	84	1,772
Other payables	1,689	442
Total contractual payables	1,773	2,214
Statutory		
Other payables	(19)	11
Total statutory payables	(19)	11
Total payables	1,754	2,225

Contractual payables are classified as financial instruments and measured at amortised cost. Accounts payable represents liabilities for goods and services provided to the VFA 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.

Maturity analysis of contractual payables ^(a)						
	Carrying amount	Nominal amount	(\$ thousand)			
			Maturity dates			
			Less than 1 month	1-3 months	3-12 months	1-5 years
2020						
Supplies and services	84	84	84	-	-	-
Other payables	1,689	1,689	1,689	-	-	-
Total	1,773	1,773	1,773	-	-	-
2019						
Other payables	1,772	1,772	1,772	-	-	-
Total statutory payables	442	442	442	-	-	-
Total	2,214	2,214	2,214	-	-	-

^(a) 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'.

6.3 Other non-financial assets

Current other non-financial assets		
	(\$ thousand)	
	2020	2019
Prepayments	906	958
Total current other non-financial assets	906	958

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.

7. Financing our operations

Introduction

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

This section includes disclosures of balances that are financial instruments (such as borrowings). Notes 7.1 and 7.2 provide additional, specific financial instrument disclosures.

Structure

7.1 Borrowings

7.1.1 Maturity analysis of borrowings

7.1.2 Interest expense

7.2 Leases

7.2.1 Finance lease liabilities

7.3 Cash flow information and balances

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

7.4 Commitments for expenditure

7.1 Borrowings

Total borrowings	(\$ thousand)	
	2020	2019
Current borrowings		
Finance lease liabilities	1,423	1,172
Total current borrowings	1,423	1,172
Non-current borrowings		
Finance lease liabilities	2,095	1,366
Total non-current borrowings	2,095	1,366
Total borrowings	3,519	2,539

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 VFA 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 VFA determines the classification of its interest-bearing liabilities at initial recognition. All of the VFA interest-bearing liabilities are categorised as financial liabilities at amortised cost.

7.1.1 Maturity analysis of borrowings ^(a)

	(\$ thousand)						
	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years
2019-20							
Lease liabilities	3,519	3,719	278	313	933	2,194	-
Total	3,519	3,719	278	313	933	2,194	-
2018-19							
Lease liabilities	2,539	2,632	355	139	737	1,401	-
Total	2,539	2,632	355	139	737	1,401	-

^(a) Maturity analysis is presented using the contractual and discounted cash flow.

7.1.2 Interest expense

	(\$ thousand)	
	2020	2019
Interest on motor vehicle finance leases	109	56
Total interest expense	109	56

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.

7.2 Leases**7.2.1 Finance lease liabilities**

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

The VFA's leasing activities

The VFA leases various properties and motor vehicles. The lease contracts are typically made for fixed periods of 1-5 years with an option to renew the lease after that date. Property lease payments are renegotiated upon renewal to reflect market rentals.

7.2.1 (a) Right-of-use Assets

Right-of-use assets are presented in note 5.1(a).

7.2.1 (b) Amounts recognised in the Comprehensive Operating Statement

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

	(\$ thousand)
	2020
Interest on finance leases	109
Amortisation of right-of-use leases	968
Total	1,077

7.2.1 (c) Amounts recognised in the Statement of Cashflows

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

	(\$ thousand)
	2020
Interest and other costs of finance paid	109
Repayment of finance leases	935
Total	1,044

For any new contracts entered into on or after 1 July 2019, the VFA considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the VFA assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the VFA and for which the supplier does not have substantive substitution rights;
- the VFA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the VFA has the right to direct the use of the identified asset throughout the period of use; and
- the VFA has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Recognition and measurement of leases as a lessee (under AASB 16 from 1 July 2019)**Lease Liability – initial measurement**

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

Lease Liability – subsequent measurement

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

Presentation of right-of-use assets and lease liabilities

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

Recognition and measurement of leases (under AASB 117 until 30 June 2019)

In the comparative period, leases of property, plant and equipment were classified as either finance lease or operating leases.

Leases of property, plant and equipment where the VFA as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. Finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the consolidated comprehensive operating statement.

Assets held under other leases were classified as operating leases and were not recognised in the VFA's balance sheet. Operating lease payments were recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

7.3 Cash flow information and balances

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

	(\$ thousand)	
	2020	2019
Net result for the period	(2,316)	(1,880)
Non-cash movements		
Depreciation and amortisation of non-financial assets	2,660	1,373
Revaluation of long service leave liability	(109)	223
Gain on sale of leased vehicles (trade-in value)	(130)	(252)
Movements in assets and liabilities		
(Increase) / decrease in receivables	814	1,486
(Increase) / decrease in other non-financial assets	52	(78)
Increase / (decrease) in payables	(471)	(443)
Increase / (decrease) in provisions	(37)	524
Net cash flows from / (used in) operating activities	463	953

7.3.2 Non-cash financing and investing activities

Restructuring of administrative arrangements: The administrative restructure that occurred in 2018-19 through contributed capital was not a cash transaction and therefore not reflected in the cash flow statement.

7.3.3 Contributed capital from Victorian Government

Contributed capital was provided in 2019-20 to fund the majority of capital investment and the repayment of finance leases. Funding for capital investment and the repayment of finance leases was allocated as part of operating grants in 2018-19.

7.3.4 Cash and cash equivalents at the end of the financial year

The VFA is funded on a reimbursement basis via a receivable from the Department of Transport. The VFA does not operate a bank account. Therefore, the net cash balance at the end of the financial year was nil.

7.4 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
Nominal amounts: 2019-20				
Other operating commitments	3,725	1,873	-	5,598
Grant commitments ^(a)	1,503	118	-	1,621
Total commitments (inclusive of GST)	5,228	1,991	-	7,219
less GST recoverable	(425)	(211)	-	(636)
Total commitments (exclusive of GST)	4,803	1,780	-	6,583
Nominal amounts: 2018-19				
Other operating commitments	5,595	4,884	-	10,479
Grant commitments ^(a)	1,735	117	-	1,852
Total commitments (inclusive of GST)	7,330	5,001	-	12,331
less GST recoverable	(496)	(352)	-	(848)
Total commitments (exclusive of GST)	6,834	4,649	-	11,483

^(a) Grant commitments related to commitments by the VFA funded by the Recreational Fishing Licence (RFL) trust.

8. Risks, contingencies and valuation judgements

Introduction

The VFA is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument-specific information, including exposures to financial risks as well as those items that are contingent in nature or require a higher level of judgement to be applied. For the VFA, this related mainly to fair value determination.

Structure

8.1 Financial instruments specific disclosures

8.1.1 Categorisation

8.1.2 Net holding gain / (loss) on financial instruments by category

8.1.3 Financial risk management objectives and policies

8.2 Contingent assets and contingent liabilities

8.3 Fair value determination

8.3.1 Fair value determination of financial assets and liabilities

8.3.2 Non-financial physical assets

8.1 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 Department's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

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

Categories of financial assets

Financial assets at amortised cost

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

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

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment. The VFA recognises the receivables assets (excluding statutory receivables) in this category.

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 VFA recognises receivables (excluding statutory receivables) in this category.

Categories of financial liabilities

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

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

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

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 another economic flow in the estimated consolidated comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the VFA's business model for managing its financial assets has changed such that its previous model would no longer apply.

However, the VFA is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government departments are required to apply the PMF under the Standing Directions 2018 under the FMA.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

8.1.1 Financial instruments: categorisation

	(\$ thousand)		
	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
2020			
Contractual financial assets			
Receivables ^(a)			
Other receivables	6,640	-	6,640
Total contractual financial assets	6,640	-	6,640
Contractual financial liabilities			
Payables ^(a)			
Supplies and services	-	84	84
Other payables	-	1,689	1,689
Borrowings	-	-	-
Finance lease liabilities	-	3,519	3,519
Total contractual financial liabilities	-	5,292	5,292
2019			
Contractual financial assets			
Receivables ^(a)			
Other receivables	7,067	-	7,067
Total contractual financial assets	7,067	-	7,067
Contractual financial liabilities			
Payables ^(a)			
Supplies and services	-	1,772	1,772
Other payables	-	442	442
Borrowings	-	-	-
Finance lease liabilities	-	2,539	2,539
Total contractual financial liabilities	-	4,753	4,753

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

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

(\$ thousand)

2020	Interest income / (expense)
Contractual financial liabilities	
Financial liabilities at amortised cost	109
Total contractual financial liabilities	109

(\$ thousand)

2019	Interest income / (expense)
Contractual financial liabilities	
Financial liabilities at amortised cost	(56)
Total contractual financial liabilities	(56)

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

8.1.3 Financial risk management objectives and policies

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

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

The VFA'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 8.3 – Fair value determination of financial assets and liabilities, to the financial statements.

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

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

The carrying amounts of the VFA's contractual financial assets and financial liabilities by category are disclosed in the Note 8.1.1 – Financial instruments: categorisation.

Financial instruments: credit risk

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

Credit risk associated with the VFA's financial assets is minimal because its main debtor is DoT. For debtors other than government, it is the VFA'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 VFA 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 VFA's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the VFA's credit risk profile in 2019-20.

Credit quality of financial assets		
	(\$ thousand)	
	Government agencies (triple-A credit rating)	Total
2019-20		
Financial assets with loss allowance measured at lifetime expected credit loss:		
Receivables (with no impairment loss recognised) ^(a)	6,640	6,640
Total contractual financial assets	6,640	6,640
2018-19		
Financial assets with loss allowance measured at lifetime expected credit loss:		
Receivables (with no impairment loss recognised) ^(a)	7,067	7,067
Total contractual financial assets	7,067	7,067

^(a) The carrying amounts disclosed exclude statutory receivables (e.g. amounts owing from the State of Victoria and GST recoverable).

Impairment of financial assets under AASB 9 – applicable from 1 July 2019

From 1 July 2019, the VFA has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the VFA's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Contractual receivables at amortised cost

The VFA applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The VFA has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the VFA's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the VFA determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

	(\$ thousand)					
	Current	Less than 1 month	1-3 months	3-12 months	1-5 years	Total
1 July 2019						
Expected loss rate	0%					
Gross carrying amount of contractual receivables	7,067	-	-	-	-	7,067
Loss allowance	-	-	-	-	-	-
30 June 2020						
Expected loss rate	0%					
Gross carrying amount of contractual receivables	6,640	-	-	-	-	6,640
Loss allowance	-	-	-	-	-	-

Financial instruments: liquidity risk

Liquidity risk is the risk that the VFA would be unable to meet its financial obligations as and when they fall due. The VFA 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 VFA's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the balance sheet.

The VFA'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 VFA has no interest-bearing assets. The VFA's only interest-bearing liabilities relate to finance lease liabilities. Interest rates in relation to the VFA's finance lease liabilities are fixed. The 2019-20 weighted average interest rate for right-of-use assets was 3.87 per cent, and 2.75 per cent for motor vehicles (3.20 per cent in 2018-19).

8.2 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 VFA. These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

The VFA did not have any significant contingent assets for this financial year. (2018-19: Nil).

Contingent liabilities

Contingent liabilities are:

- possible obligations 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 entity; or
- present obligations that arise from past events but are not recognised because:
 - 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.

Non-quantifiable contingent liabilities - Victorian Pipi Fishery

Following on from the declaration of the *Victorian Pipi Fishery Management Plan in 2018*, the Victorian pipi fishery is being transitioned to an ongoing quota-managed fishery, authorised by a Pipi Fishery Access Licence. These changes will be enacted through the *Fisheries Regulations 2019*.

One of the licence holders to be granted a Pipi Fishery Access Licence and quota commenced judicial review proceedings in the Supreme Court against the Minister for Fishing and Boating and the VFA in relation to the pipi fishery decisions. There is a risk that the State may be liable to pay legal expenses if the Supreme Court proceedings are ruled in favour of the plaintiff.

Non-quantifiable contingent liabilities – Port Phillip Bay fishing licences

The State commenced the compulsory buyout of a number of fishing licences in Port Phillip Bay in 2015. This program was enacted by legislation passed by parliament in 2015, with compensation payments to be finalised by the end of 2022. To date, 36 fishers have exited and taken their package. Of the nine fishers remaining, two received compensation to surrender their nets and convert to long line fishing during 2019-20, with the timing of and extent of compensation for the remaining seven fishers dependent upon when netting practices are ceased.

8.3 Fair value determination

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

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating result; and
- land, buildings, infrastructure, plant and equipment.

Fair value hierarchy

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:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

How this section is structured

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

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

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 8.3.1 – Fair value determination of financial assets and liabilities) and non-financial physical assets (refer to Note 8.3.2 – Fair value determination: non-financial physical assets).

8.3.1 Fair value determination of financial assets and liabilities

The VFA 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 2019-20 reporting period.

8.3.2 Fair value determination: non-financial physical assets

	Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period using:		
2019-20		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Land at fair value				
Specialised land	5,307		-	5,307
Non-specialised land	1,505		1,505	-
Total of land at fair value	6,812	-	1,505	5,307
Buildings at fair value				
Specialised buildings	20,249	-	-	20,249
Non-specialised buildings	315	-	315	-
Total buildings at fair value	20,564	-	315	20,249
Leasehold Improvements				
Non-specialised leasehold improvements	261	-	261	-
Total Buildings leasehold at fair value	261	-	261	-
Plant, equipment, vehicles at fair value				
Leased vehicles ^(b)	2,611	-	-	2,611
Plant and equipment	2,146	-	2,146	-
Total plant, equipment, vehicles at fair value	4,758	-	2,146	2,611

^(a) Classified in accordance with the fair value hierarchy.

^(b) Vehicles are categorised to level 3 assets as current replacement cost (not market value) is used in estimating fair value.

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

	Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period using:		
2018-19		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Land at fair value				
Non-specialised land	5,307	-	5,307	-
Total of land at fair value	5,307	-	5,307	-
Buildings at fair value				
Non-specialised buildings	21,425	-	21,425	-
Total buildings at fair value	21,425	-	21,425	-
Leasehold Improvements				
Non-specialised leasehold improvements	257	-	257	-
Total Buildings leasehold at fair value	257	-	257	-
Plant, equipment, vehicles at fair value				
Leased vehicles ^(b)	2,536	-	-	2,536
Plant and equipment	2,426	-	2,426	-
Total plant, equipment, vehicles at fair value	4,962	-	2,426	2,536

^(a) Classified in accordance with the fair value hierarchy.

^(b) Vehicles are categorised to level 3 assets as current replacement cost (not market value) is used in estimating fair value.

Reconciliation of Level 3 fair value movements

2019	(\$ thousand)		
	Specialised land	Specialised buildings	Leased vehicles
Opening balance	-	-	2,537
Net purchases (sales)			634
Transfers in (out) of Level 3	5,307	20,249	
Depreciation			(560)
Closing balance	5,307	20,249	2,611

Specialised buildings

The VFA's buildings were reclassified from non specialised to specialised during 2019-20 to ensure consistency with the independent valuation of the VFA's buildings performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2016.

For the majority of the VFA's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Non-specialised land

Non-specialised land is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

To the extent that non-specialised land does not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

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 2020. 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 VFA 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.

Description of significant unobservable inputs to Level 3 valuations

Asset class	Valuation technique	Significant unobservable inputs
Specialised buildings	Depreciated replacement cost	Recognised building cost indicators
Leased Vehicles	Current replacement cost	Cost per unit: Useful life of vehicle

9. Other disclosures

Introduction

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

Structure

- 9.1 Other economic flows included in net result
- 9.2 Responsible persons
- 9.3 Remuneration of executives
- 9.4 Related parties
- 9.5 Remuneration of auditors
- 9.6 Subsequent events
- 9.7 Other accounting policies
- 9.8 Change in accounting policies
- 9.9 Glossary of technical terms
- 9.10 Style conventions

9.1 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		
	(\$ thousand)	
	2020	2019
Net gain / (loss) on non-financial assets		
Gain / (loss) on disposal of leased vehicles	130	225
Gain / (loss) on disposal of property, plant and equipment	0	27
Total Net gain / (loss) on non-financial assets	130	252
Other gain / (loss) from other economic flows		
Gain / (loss) arising from revaluation of long service leave liability ^(a)	(109)	(223)
Total other gain / (loss) on other economic flows	(109)	(223)
Total other economic flows included in net result	21	30

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

9.2 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer 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 VFA were performed by the following persons:

Minister for Fishing and Boating	The Hon. Jaala Pulford MLC	1 July 2019 to 21 June 2020
Minister for Fishing and Boating	The Hon. Melissa Horne MLA	22 June 2020 to 30 June 2020
Board Chairperson	Ms Gail Owen	1 July 2019 to 30 June 2020
Deputy Chairperson	Dr Bernadette Northeast	1 July 2019 to 30 June 2020
Director	Ms Sophie Harris	1 July 2019 to 30 June 2020
Director	Mr Chris Rose	1 July 2019 to 30 June 2020
Director	Mr Graeme Dear	1 July 2019 to 30 June 2020
Director	Mr David Shirer	1 July 2019 to 30 June 2020
Director	Ms Rebecca Edwards	1 July 2019 to 30 June 2020
Director	Mr Yorick Piper	1 July 2019 to 30 June 2020
Chief Executive Officer	Mr Travis Dowling	1 July 2019 to 30 June 2020

Remuneration of responsible persons^(a)

	Total number	
	2020	2019
Band Range		
\$10,000 - \$19,000	6	6
\$20,000 - \$29,000	-	1
\$30,000 - \$39,000	1	-
\$240,000 - \$249,999	1	1
Total number	8	8
Total remuneration	\$360,587	\$361,069

^(a) Table incorporates seven Board Directors and one Accountable Officer. Only seven of the eight Board Directors are remunerated.

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 \$240,000 - \$249,000 (2019: \$250,000 - \$259,000).

Other related transactions and loans requiring disclosure under the Directions of the Assistant Treasurer 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

9.3 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		
	(\$ thousand)	
	Total remuneration	
	2020	2019
Short-term employee benefits	459	353
Post-employment benefits	30	38
Other long-term benefits	9	56
Total remuneration	498	447
Total number of executives	2	2
Total annualised employee equivalent (AEE) ^(a)	2.00	1.75

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

9.4 Related parties

The VFA is a statutory authority of the State of Victoria.

Related parties of the VFA 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 VFA received funding in the form of grants from the DoT and made payments to other government entities in the 2019-20 financial year.

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

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

Related party	Nature of transaction	2020 (\$ thousand)		2019 (\$ thousand)	
		Revenue	Receivables	Revenue	Receivables
Department of Transport	Provision of grant revenue; receivable in relation to restructuring of administrative arrangements as well as grant revenue	54,026	5,881	38,717	5,318
Department of Premier and Cabinet	Grant - Gender Equality Bill Implementation Pilots.	18	-	89	-
Department of Environment, Land, Water and Planning	Grant - Port Phillip Bay Spider Crab Aggregations	10	-	1,017	1,749

Expenditure and Payables transactions over \$10 000 with government-related entities

Related party	Nature of transaction	2020 (\$ thousand)		2019 (\$ thousand)	
		Expenditure	Payables	Expenditure	Payable
Department of Environment, Land, Water and Planning	Provision of Corporate Services as per Service Level Agreement	451	-	584	-
Department of Jobs, Precincts and Regions	Provision of Corporate Services as per Service Level Agreement; accommodation charges	1,364	1,466	302	393
Department of Transport	Provision of Corporate Services as per Service Level Agreement	377	-	-	-
Victorian Managed Insurance Authority	Public and product liability, professional indemnity, and motor vehicle insurance	180	-	182	-
Department of Treasury and Finance	Grant payments	31	-	154	-
Games Management Authority		87	-	-	-
Gippsland Ports Committee of Management	Infrastructure improvements	81	-	-	-
Goulburn Murray Water	Grant payments	96	-	146	-
Coliban Regional Water Corporation	Boat ramp design and construction	64	-	-	-
Victorian Government Solicitor's Office	Legal advice	31	-	-	-

North East CMA	Grant payments	-	-	99	-
East Gippsland CMA	Grant payments	100	-	90	-
Goulburn Broken CMA	Grant payments	15	-	87	-
Victorian Auditor-General Office	Audit of VFA & RFL Financial Statements	56	-	75	-
Mallee CMA	Grant payments	18	-	72	-
Department of Transport	Biometrics support	377	-	71	-
Park Victoria	Grant Payments	-	-	40	-
Vicroads	Vehicle Registration	38	-	24	-
Victorian Equal Opportunity and Human Rights Commission	Staff Training	-	-	24	-
North Central CMA	Grant payments	58	-	12	-
Corinella Foreshore Committee of Management	Construction of boat ramp	20	-	-	-
Glenelg Hopkins CMA	Grant payments	-	-	11	-

CMA = Catchment Management Authority.

Key management personnel

Key management personnel (KMP) of the VFA include:

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

Individual KMP are identified in Note 9.2 – 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.

Compensation of key management personnel		
	(\$ thousand)	
	Total remuneration	
	2020	2019
Short-term employee benefits	327	313
Post-employment benefits	29	29
Other long-term benefits	5	19
Total compensation ^(a)	361	361

^(a) Note that the VFA's KMPs are excluded from the disclosure of remuneration of executive officers (Note 9.3 – 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.

During the year, the VFA made grant payments of \$100,000 (\$90,000 in 2018-19) to East Gippsland Catchment Management Authority (CMA), a related entity of Director Mr Graeme Dear. In addition, another \$100,000 was awarded to East Gippsland CMA and is payable in the 2020-21 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 7.4.

The VFA also made payments of \$87,000 to the Games Management Authority (GMA) for a Shared Intelligence Officer. The GMA is a related entity of Director, Mr Christopher Rose.

Outside of normal citizen type transactions with the VFA, with the exception of the above, there were no other reportable 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.

9.5 Remuneration of auditors^(a)

	(\$ thousand)	
	2020	2019
Victorian Auditor-General's Office		
Audit of the VFA financial statements	66	64
Total remuneration of auditors	66	64

Note:

^(a) The Victorian Auditor-General's Office is prohibited from providing non-audit services.

9.6 Subsequent events

Coronavirus (COVID-19)

The coronavirus (COVID-19) pandemic remains an ongoing challenge across the world, and will impact the VFA during 2020 21 and onwards.

Although the impacts are difficult to quantify, stay at home and travel restrictions will most likely impact upon revenues received from Recreational Fishing Licence (RFL) licence sales. While contributions to the Trust Account revenue are not expected to immediately impact the VFA's revenue or expenditure, RFL Trust Account balances are expected to be lower. This will reduce capacity for expenditure in future years.

The ongoing impacts of coronavirus (COVID-19) could also impact upon:

- The fair value of land and buildings across regional Victoria; and
- Provisions for Annual Leave and Long Service Leave due to reduced opportunities for staff to take leave.

9.7 Other accounting policies

Contributions by owners

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 VFA.

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.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Accounting for the goods and services tax (GST)

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

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

Cash flows are presented on a gross basis.

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

9.8 Change in accounting policies

9.8.1 Leases

This note explains the impact of the adoption of AASB 16 Leases on the VFA's financial statements.

The VFA has applied AASB 16 with a date of initial application of 1 July 2019.

The VFA has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

Previously, the VFA determined at contract inception whether an arrangement is or contains a lease under AASB 117 and Interpretation 4 Determining whether an arrangement contains a Lease. Under AASB 16 the VFA assesses whether a contract is or contains a lease based on the definition of a lease as explained in Note 7.2.

On transition to AASB 16, the VFA has elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied AASB 16 only to contracts that were previously identified as leases.

Contracts that were not identified as leases under AASB 117 and Interpretation 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under AASB 16 was applied to contracts entered into or changed on or after 1 July 2019.

Leases classified as operating leases under AASB 117

As a lessee, the VFA previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the VFA. Under AASB 16, the VFA recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low value leases.

On adoption of AASB 16, the VFA recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the VFA's incremental borrowing rate as of 1 July 2019.

On transition, right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019.

The VFA has elected to apply the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Adjusted the right-of-use assets by the amount of AASB 137 onerous contracts provision immediately before the date of initial application, as an alternative to an impairment review;
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term;
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For leases that were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and lease liability at 1 July 2019 are determined as the carrying amount of the lease asset and lease liability under AASB 117 immediately before that date.

Leases as a Lessor

The VFA is not required to make any adjustments on transition to AASB 16 for leases in which it acts as a lessor. The VFA accounted for its leases in accordance with AASB 16 from the date of initial application.

Impacts on financial statements

On transition to AASB 16, the VFA recognised \$1.0 million of right-of-use assets and \$1.1 million of lease liabilities.

When measuring lease liabilities, the VFA discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied for the new right-of-use assets is 3.87 per cent.

	(\$ thousand)
	1 July 2019
Total Operating lease commitments disclosed at 30 June 2019	1,206
Discounted using the incremental borrowing rate at 1 July 2019	1,059
Other finance lease liabilities as at 30 June 2019	2,539
Lease liabilities recognised at 1 July 2019	3,598

9.8.2 Transition impact on financial statements

This note explains the impact of the adoption of the following new accounting standards for the first time, from 1 July 2019:

- AASB 16 Leases

The impact on the Comprehensive Operating Statement and Balance Sheet has been summarised in the following tables. The impact on the balance sheet of the adoption of AASB 16 is illustrated with the following reconciliation between the restated carrying amounts at 30 June 2019 and the balances reported under the new accounting standards at 1 July 2019.

	Total number		
	Before new accounting standards	Impact of new accounting	After new accounting standards
Balance sheet as at 1 July 2019			
Total financial assets	7,363	-	7,363
Total non-financial assets	32,979	1,059	34,038
Total Assets	40,343	1,059	41,402
Payables and Contract Liabilities	(2,225)	-	(2,225)
Borrowings	(2,539)	(1,059)	(3,598)
Other liabilities	(6,922)	-	(6,922)
Total Liabilities	(11,686)	(1,059)	(12,745)
Accumulated surplus/(deficit)	2,137	-	2,137
Other items in equity	(30,794)	-	(30,794)
Total Equity	28,656	-	28,656

9.9 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2019-20 reporting period. These accounting standards have not been applied to the Model Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

- **AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material**
This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. It applies to reporting periods beginning on or after 1 January 2020 with earlier application permitted. The VFA has not earlier adopted the Standard.
The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.

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

- **AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current.** This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued ED 301 Classification of Liabilities as Current or Non-Current – Deferral of Effective Date with the intention to defer the application by 1 year to periods beginning on or after 1 January 2023. The VFA will not early adopt the Standard.

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

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

9.10 Glossary of technical terms

The following is a summary of the major technical items used in this report.

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.

Capital Asset charge

A charge levied on the written-down value of controlled non-current physical assets in an authority's balance sheet which aims to: attribute to agency outputs the opportunity cost of capital used in service delivery; and provide incentives to authority to identified and dispose or surplus assets in a timely manner.

Commitments

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

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.

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.

Leases

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

Net 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.

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.

Supplies and services

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

Transactions

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



9.11 Style conventions

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

The notation used in the tables is as follows:

-	zero, or rounded to zero
(xxx)	negative numbers
201x	year period
201x-1x	year period

The financial statements and notes are presented based on the illustration for a statutory authority in the 2019-20 Model Report for Victorian Government Departments.



1. Disclosure index

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

Legislation	Requirement	Page reference
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FRD 8D	Departmental objectives, indicators and outputs	2,60
FRD 22H	Key initiatives and projects	5-54
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FRD 8D	Performance against output performance measures	56-64
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FRD 22H	Application and operation of the Protected Disclosure Act 2012	87
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FRD 22H	Disclosure of ICT expenditure	85

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SD 5.2.1(a)	Compliance with Standing Directions	102
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FRD 11A	Disclosure of Ex gratia Expenses	n/a
FRD 13	Disclosure of Parliamentary Appropriations	n/a
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Legislation	Requirement	Page reference
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<i>Building Act 1993</i>		86
<i>Protected Disclosure Act 2012</i>		87
<i>Carers Recognition Act 2012</i>		87
<i>Disability Act 2006</i>		88
<i>Local Jobs Act 2003</i>		82
<i>Financial Management Act 1994</i>		vi, 90, 94, 102, 131
<i>Victorian Fisheries Authority Act 2016</i>		2, 65, 101
<i>Fisheries Act 1995</i>		25, 89, 101

2. Image acknowledgements

The images used in this Annual Report have been supplied by various groups and individuals. Their contribution is gratefully acknowledged.

Page	Description	Photographer/source
Cover	Commercial fishing vessel fishing for rock lobster	VFA stock image
	VicFishKids fishing event at Williamstown	David Hannah Photography
	Stocking urban lakes with Golden perch	VFA stock image
	VFA Beach Fishing Day	VFA stock image
	VFA Fisheries Vessel in port	Michelle Couling Photography
Pg iv	VFA vessels from Yarram and Geelong loaded with CFA Firefighters and gear leaving Lakes Entrance heading for Mallacoota	VFA stock image
	VFA staff assisting Wildlife Carers to relocate koalas, Wallagaraugh River, Mallacoota	VFA stock image
	VFA Mallacoota staff – safe and well after the bushfires	VFA stock image
	VFA staff assisted in moving fresh water and other essential supplies to Mallacoota	VFA stock image
Pg v	VFA Board Chair, Gail Owen	VFA stock image
	VFA CEO, Travis Dowling	VFA stock image
1	Family fishing event at Albert Park	David Hannah Photography
5	The VFA education trailer at a family fishing event in Albert Park	David Hannah Photography
6	Image of the Victorian digital recreational fishing licence	VFA stock image
	The GoFishVic app was launched by the (then) Minister for Fishing and Boating at Docklands with key recreational fishing representatives	VFA stock image
	GoFishVic campaign image	VFA stock image
7	Vic-eCatch app logo	VFA stock image
	Commercial rock lobster fishing vessel	VFA stock image
8	<i>Vic-eCatch app log in screen</i>	VFA stock image
	<i>Vic-eCatch app home screen</i>	VFA stock image
9	Hook and line permit trial – Mallacoota	VFA stock image
	Hook and line permit trial – Apollo Bay	VFA stock image
10	Freshly uncovered pipis	VFA stock image
	Octopus in fish shop	VFA stock image
	Showcasing freshly cooked octopus	VFA stock image
12	Fishing vessels in Portland	VFA stock image
	Corner Inlet commercial fishers with Minister Pulford, VFA Board members and FutureFish representatives	VFA stock image
	Showcasing freshly caught whiting	VFA stock image
13	VFA's Commercial Fishing Guides	VFA stock image
	Yambah Aquaculture Farm, Narrawong	Tim Rudge
	Fresh mussels, Flinders Conchilia	Michael Harris
14	Stocking event at Navan Park Lake	VFA stock image
	Minister Horne at Navan Park Lake	VFA stock image

Page	Description	Photographer/source
15	VFA staff in action at the Snobs Creek Hatchery VFA staff stocking Lake Eppalock with a variety of native fish species	David Hannah Photography VFA stock image
16	VFA staff stocking East Gippsland Lakes VFA staff stocking Lake Eppalock VFA staff stocking Navan Park Lake	VFA stock image VFA stock image VFA stock image
17	Murray cod broodstock being transported to a freshly renovated brood pond after receiving a health check at the Snobs Creek Hatchery VFA staff member with a trout cod at the Snobs Creek Hatchery VFA staff collecting the last remaining Murray cod from the drainage channel of a pond at the Snobs Creek Hatchery	VFA stock image VFA stock image VFA stock image
18	VFA staff member with a brown trout broodfish just before spawning VFA staff member with brown and rainbow trout at the Snobs Creek Hatchery Cann River estuary perch stocking VFA stocking East Gippsland Lakes	VFA stock image VFA stock image VFA stock image VFA stock image
19	Aerial photo of the new native fish hatchery site in Arcadia	Edge Space
20	Recreational fishers in Gippsland Lakes – VFA creel surveys View over the entrance to the Gippsland Lakes Recruitment monitoring of the Gippsland Lakes	Dianne Crookes VFA stock image VFA stock image
21	Kayak on-water access at Upper Coliban Kayak on-water access event attended by the VFA Board Chair and Minister Pulford Kayak on-water access at Barkers Creek Reservoir	VFA stock image VFA stock image VFA stock image
22	Signage for access to fishing and camping on Crown land that has grazing licences and river frontage	VFA stock images
23	Restoring reefs in Port Phillip Bay using discarded mussel and scallop shells Deploying mussel shells to restore reefs in Port Phillip Bay Progress of reef restoration in Port Philip Bay Eastern king prawns being stocked into Lake Tyers VFA staff member stocking eastern king prawns into Lake Tyers	The Nature Conservancy, Chris Gillies The Nature Conservancy, Simon Brannigan The Nature Conservancy, Jarrod Boord, Streamline Media VFA stock image VFA stock image
24	Women in Recreational Fishing Network members with southern bluefin tuna catch	VFA stock images
25	Stocking tiger trout for the first time in Lake Purrumbete Stocking juvenile Murray cod at the launch of the 2020 GoFish Nagambie Festival VFA staff – and Santa – with the VFA's education trailer at the Vic Fish Kids event in Shepparton	VFA stock image VFA stock image VFA stock image
26	VFA staff leading the 'Fishing for Culture' education program	VFA stock image
27	VFA-designed abalone fishing tool atop copies of the Recreational Fishing Guide in Vietnamese, Chinese and English	VFA stock image

Page	Description	Photographer/source
28	VFA's animation series to assist in learning about Victoria's recreational fishing rules	VFA stock image
	'Get Outside Go Fishing' series translated into Chinese	VFA stock image
	'Gone Fishing – Improving rock fishing safety' – helping people in multicultural communities to fish safely	VFA stock image
30	VFA trailer at a Community Fishing Day	VFA stock image
	VFA staff lending a hand with some fishing advice	David Hannah Photography
	Community Fishing Day at Albert Park	David Hannah Photography
31	VFA Education and Enforcement Director and VFA Education Officer receiving the Victorian Multicultural Commission's Police Community Exemplary Award	VFA stock image
32	VFA Ambassador Chloe Molloy with fans at the 2019 National 4x4 Outdoors Show, Fishing and Boating Expo	VFA stock image
	VFA Ambassador Chole Molloy and VFA staff at the VFA stand at the 2019 National 4x4 Outdoors Show, Fishing and Boating Expo	VFA stock image
	VFA Ambassador Bachar Houli at the VFA's Learn to Fish session in Williamstown	VFA stock image
33	Women in Recreational Fishing (WIRF) Leadership Program 2019	VFA stock image
	WIRF leaders at Trellis's Spectacular, Geelong	VFA stock image
	WIRF members and VFA staff at the VFA's Hooked on Lakes 2020	VFA stock image
	WIRK members doing a guest spot on Talking Fishing	VFA stock image
34	Brown trout being released with a 'golden tag'	VFA stock image
	Flathead being released with a 'golden tag'	VFA stock image
	Estuary perch being released with a 'golden tag'	VFA stock image
35	Vic Fish Kids event in Shepparton	Jim Gow Photography
	Kids getting involved in stocking fish at a Vic Fish Kids event in Seymour	VFA stock image
	Kids learning about abalone from VFA staff at a Vic Fish Kids event	VFA stock image
	Family fishing clinics with VFA staff at Shepparton	VFA stock image
	Kids learning to fish with WIRF members at a Vic Fish Kids event	VFA stock image
	Casting a line at a Vic Fish Kids event in Williamstown	David Hannah Photography
36	Showcasing the fish tanks at the Snobs Creek Fish Hatchery	David Hannah Photography
	Kids enjoying the Snobs Creek Fish Hatchery Open Day	VFA stock image
	Kids stocking fish for the future at the Goulburn Trout Opening Festival	David Hannah Photography
	Learning to fish at the Goulburn Trout Opening Festival	David Hannah Photography
	Proud angler with his catch at the Goulburn Trout Opening Festival	David Hannah Photography
37	Panel discussion at the Talking Snapper conference	VFA stock image
	VRFish Managing Director at the Talking Snapper conference	

Page	Description	Photographer/source
38	Kids and their showbags enjoying the VFA's Hooked on Portland WIRF member teaching people about squid at the VFA's Hooked on Bellarine Kids with Pinky the Snapper at the VFA's Hooked on Bellarine VFA staff handing out showbags at the VFA's Hooked on Portland WIRF members and Pinky the Snapper at the entry to the VFA's Hooked on Portland	Michael Peters Photography VFA stock image VFA stock image Michael Peters Photography Michael Peters Photography
39	VFA staff ready to welcome families to the Vic Fish Kids event in Shepparton VFA staff getting set for the Hooked on Lakes event VFA Board Chair and staff visit the Apollo Bay Fishermen's Coop Apollo Bay Seafood Festival in Apollo Bay Harbour Selling freshly caught fish off the boat at the Apollo Bay Seafood Festival	VFA stock image VFA stock image Paul Campbell VFA stock image VFA stock image
40	Promoting the benefits of mussels with the Victorian Blue Mussel Association - VFA stand at the Portarlington Mussel Festival Fresh mussels on the menu Mussels on rope	VFA stock image Michael Harris Michael Harris
41	VFA Facebook post – Snobs Creek nesting box VFA Facebook post – one of the Golden tag winners VFA CEO and Minister Pulford recording the first episode of the Poddy Mullet podcast	VFA stock image VFA stock image VFA stock image
42	VFA staff monitoring giant spider crab populations off Rye and Blairgowrie Mass aggregation of the giant spider crab, Rye, Port Phillip https://collections.museumsvictoria.com.au/species/14370	VFA stock image Justin Finn, Museums Victoria
44	Installing shark receivers at Phillip Island, Kina Diving Installing shark receivers at The Skerries, Kina Diving Installing shark receivers at Phillip Island, Kina Diving Installing shark receivers at Phillip Island, Kina Diving	Kina Diving Kina Diving Kina Diving Kina Diving
45	Boat electrofishing being conducted by Austral Research and Consulting in the Number 6 channel near Cobram VFA staff member looking after a cod salvaged from the channels Austral Research and Consulting carrying out backpack electrofishing in the Number 6 channel near Cobram	VFA stock image Jarrod Lyon, DELWP Sam Cunsolo
46	River health restoration on the Nariel Creek with Australian Trout Foundation volunteers and North Central Catchment Management Authority	David Anderson Photography
47	The Native Fish Report Card program produces easy to understand health report cards for nine native fish species across Victoria, including the iconic Murray cod The Native Fish Report Card Program surveys 10 priority Victorian Rivers VFA Director with a Murray cod	VFA stock image Jarrod Lyon, DELWP Sam Cunsolo
48	Wallpolla (Horseshoe Lagoon)	VFA stock image

Page	Description	Photographer/source
49	Collaborative partnerships at the Wallpolla Lagoon stocking trials	Malle CMA
50	VFA Fisheries Officer on tinnie patrol VFA Fisheries Officers on jet ski patrol	VFA stock image VFA stock image
51	Attendees at the 2019 Inaugural National Fisheries Crime Prevention Conference	VFA stock image
53	VFA staff member with Pinky the Snapper VFA staff stocking fish at the Goulburn Fishing Festival	VFA stock image David Hannah Photography
54	Artist's image of the VFA's new entrance to the Snobs Creek Native Fish Hatchery Administration complex	JMA Architects
55	Anglers enjoying the opening of trout season at the Goulburn Fishing Festival	VFA stock image
67	Murray the Cod at the School's Day Out in Shepparton	VFA stock image
75	The VFA's Research Vessel	Michelle Couling Photography
81	VFA Ambassador Bachar Houli teaching the new generation of fishers	David Hannah Photography
91	VFA staff stocking mature rainbow trout	VFA stock image
143	Sunset over the harbour	VFA stock image

*where relevant, descriptions are from left to right and clockwise

