

GUNAICKURNAI

Traditional Owner Land Management Board



Annual Report 2017-2018



Acknowledgement

Front cover photos – (clockwise from top) Lonely Bay, Lake Tyers State Park; GKTOLMB members, staff and joint management partner representatives during a field visit to Lake Tyers State Park; Joint management entrance sign to lake Tyers State Park.

Lake Tyers State Park is one of the ten parks and reserves now under Joint Management with the Gunaikurnai Traditional Owners following the 2010 Recognition and Settlement Agreement between Gunaikurnai Land & Waters Aboriginal Corporation and the State of Victoria.

Photos supplied by Rob Willersdorf

Published by the Gunaikurnai Traditional Owner Land Management Board

574 Main Street, (PO Box 1012) Bairnsdale VIC 3875

Phone 03 5152 3573

Fax 03 5150 3555

Email address: info@gunaikurnai.com.au

Website: www.gunaikurnai.com.au

ISSN 2203 - 1812

© State of Victoria, Gunaikurnai Traditional Owner Land Management Board. This publication is copyright. No part may be reproduced by any process except in accordance with the provisions of the *Copyright Act* 1968.



This work is licensed under a Creative Commons Attribution 3.0 Australia licence. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs or branding, including the Victorian Coat of Arms, the Victorian Government logo and the Department of Environment, Land, Water and Planning Industries logo. To view a copy of this licence, visit

<http://creativecommons.org/licenses/by/3.0/au/deed.en>

Accessibility

If you would like to receive this publication in an alternative format, please telephone DELWP Customer Service Centre 136186, email customer.service@delwp.vic.gov.au, via the National Relay Service on 133 677 www.relayservice.com.au.

This document is also available on the internet at www.delwp.vic.gov.au

Disclaimer

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

CONTENTS

CHAIRPERSON'S REPORT	5
REPORT OF OPERATIONS	6
1. YEAR IN REVIEW.....	6
1.1. VISION, MISSION, VALUES	6
1.2. MANNER OF ESTABLISHMENT AND RESPONSIBLE MINISTERS.....	7
1.3. NATURE AND RANGE OF SERVICES PROVIDED	7
FIGURE 1: MAP OF APPOINTED LAND (JOINT MANAGEMENT WITH ABORIGINAL TITLE)	8
1.4. ACHIEVEMENTS AND OPERATIONAL PERFORMANCE.....	9
1.5. KEY INITIATIVES AND PROJECTS COMMENCED IN 2017-18	15
1.6. FIVE YEAR FINANCIAL SUMMARY.....	15
1.7. FIVE YEAR FINANCIAL SUMMARY.....	16
1.8. SIGNIFICANT CHANGES IN FINANCIAL POSITION.....	16
1.9. SIGNIFICANT CHANGES OR FACTORS AFFECTING PERFORMANCE	16
1.10. CAPITAL PROJECTS	16
1.11. DISCLOSURE OF GRANTS AND TRANSFER PAYMENTS.....	16
1.12. SUBSEQUENT EVENTS.....	16
2. GOVERNANCE & ORGANISATIONAL STRUCTURE.....	17
2.1 ORGANISATIONAL CHART.....	17
2.2 RELATIONSHIPS	17
2.3 GOVERNING BOARD.....	18
2.4 AUDIT AND RISK COMMITTEE MEMBERSHIP AND ROLE	19
2.5 BOARD COMMITTEES.....	20
2.6 OCCUPATIONAL HEALTH AND SAFETY	20
3. WORKFORCE DATA	21
4. OTHER DISCLOSURES.....	21
4.1 LOCAL JOBS FIRST - VICTORIAN INDUSTRY PARTICIPATION POLICY.....	21
4.2 CONSULTANCY EXPENDITURE	21
4.3 DISCLOSURE OF MAJOR CONTRACTS	22
4.4 GOVERNMENT ADVERTISING EXPENDITURE	22
4.5 INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE	22
4.6 APPLICATION AND OPERATION OF FREEDOM OF INFORMATION ACT 1982	22
4.7 COMPLIANCE WITH BUILDING ACT 1993	23
4.8 COMPETITIVE NEUTRALITY POLICY	23
4.9 COMPLIANCE WITH THE PROTECTED DISCLOSURES ACT 2012.....	23
4.10 OFFICE-BASED ENVIRONMENTAL IMPACTS	24
4.11 COMPLIANCE WITH DATAVic ACCESS POLICY.....	24
4.12 STATEMENT OF AVAILABILITY OF OTHER INFORMATION	24
4.13 GKTOLMB FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT	25
FINANCIAL STATEMENTS	26
APPENDIX 1 – DISCLOSURE INDEX	53

GUNAIKURNAI

Traditional Owner Land Management Board

ABN: 33186833213

574 Main Street Bairnsdale 3875

PO Box 1012 Bairnsdale 3875

Tel: 03 5150 3573 Fax: 03 5150 3555

Responsible Body Declaration

The Gunaikurnai Traditional Owner Land Management Board is a public body under the *Financial Management Act 1994* (FMA).

In accordance with the FMA, I am pleased to present the Gunaikurnai Traditional Owner Land Management Board's Annual Report for the year ending 30 June 2018.



Grattan Mullett
Chairperson
Gunaikurnai Traditional Owner Land Management
Board 4th October 2018

Chairperson's Report

The Gunaikurnai Traditional Owner Land Management Board (the Board) reached a number of significant key milestones during 2017/18.

The final draft Joint Management Plan (draft JMP) was completed and approved by the Secretary of the Department of Environment, Land, Water and Planning (DELWP) in October 2017 for public release and submissions. A two month public consultation process was completed and feedback from submissions was used in developing the final JMP. During this period the Board invited key stakeholders, user groups and the public to view the draft JMP and provide submissions to the Board. The Board met again with Gunaikurnai people, a number of key groups and also held public drop in sessions in a number of towns throughout Gippsland. A total of 39 submissions were received, all of which provided encouraging support for joint management as well as providing refined factual information to be included in the draft JMP.

We continued to strengthen our communication and engagement processes by progressing in accordance with our integrated communication and engagement strategy. This ensured coherency across each element and each stage of the JMP's development through to its proposed launch. We continued to maintain and strengthen our close working relationship with our partners and, in particular, working closely with GLaWAC to ensure the work of the Board now and in the future is a true partnership that delivers the results and aspirations of the Gunaikurnai community. We have continued to support and encourage key interagency partnerships through joining the Gippsland Environment Agencies Group and signing up with their interagency partnership agreement.

While working on the completion of the draft JMP the Board continued to support and encourage priority projects that: reflect the shared objectives of joint management; align with Gunaikurnai Land and Waters Aboriginal Corporation's (GLaWAC) joint management priorities; and support the joint management implementation partnership. Key projects for the year included the on-going support for the priority joint management implementation projects being delivered by Parks Victoria in conjunction with GLaWAC as well as initiating a JMP Implementation Plan project to work with individual partners to determine their views on priority JMP activities/actions for implementation, scheduling and preferred project lead over six years following approval of the JMP.

The Board has maintained its support and guidance for the interim Knob Reserve Committee of Management, with members from GLaWAC, the Board and DELWP. We have also supported and conducted preliminary consultation with local user groups of the reserve to assist in the development of the JMP and to assist in committee decision making.

The Board has maintained its hosting arrangement with the East Gippsland Catchment Management Authority (EGCMA) which has been invaluable in helping the Board complete the JMP development task and maintain its governance and compliance obligations. This arrangement and relationship will continue to be important as we progress to implementing the JMP in the next reporting period.

The Board looks forward to submitting the draft JMP to the Secretary of DELWP in July 2018 to seek agreement to it and subsequent referral of the agreed JMP to the Minister for Energy, Environment and Climate Change for consideration and approval.

I would like to extend my appreciation to my fellow Board members and staff, the GLaWAC Board and its staff, for their endeavours over the last year which enabled us to finalise the JMP development journey. I would also like to acknowledge the importance of our partner agencies who continue to embrace the opportunity to work collaboratively with the Board. I look forward to further developing these unique partnerships as we move ahead with priority implementation actions for the ongoing benefit of all Gunaikurnai people and all Victorians now and into the future.

Grattan Mullett

Chairperson

Gunaikurnai Traditional Owner Land Management Board

Report of Operations

1. Year in Review

1.1. VISION, MISSION, VALUES

Vision

The vision of the Gunaikurnai Traditional Owner Land Management Board (the Board) is:

“Empowered and respected Gunaikurnai actively managing and caring for their land and water for the enjoyment of all people.”

Mission

The Board’s adopted mission is to:

- actively protect Gunaikurnai culture, land and waters and bring strength, knowledge, skills and innovation to that role
- support Gunaikurnai to maintain and build their strong connections to joint managed lands
- generate greater employment and economic development opportunities for Gunaikurnai
- use Gunaikurnai traditional knowledge to set and guide strategic and operational direction for joint managed lands; and
- build respectful relationships and enduring partnerships to protect and enhance Gunaikurnai joint managed lands.

Values

The values and principles the Board operate by are:

- we encourage and value leadership by example, creativity and new ideas;
- we serve the good of all Gunaikurnai
- we are persistent in supporting the journey for Gunaikurnai towards self-determination and social justice
- we listen to understand all views before judgement and decision making
- we demonstrate courage and integrity in all we do
- we encourage and value teamwork
- we are empowered to respectfully challenge and speak with candour and be committed to resolving conflict
- we value strong and enduring partnerships; and
- engaging and consultative processes are integral to the way we work.

1.2. MANNER OF ESTABLISHMENT AND RESPONSIBLE MINISTERS

The Board is established under s82B(1) of the *Conservation Forests and Lands Act 1987* (Vic) to give effect to, and regard to the *Gunaikurnai Traditional Owner Land Management Agreement* dated 22 October 2010.

The responsible Minister during the 2017/18 reporting period was the Hon Lily D'Ambrosio, Minister for Energy, Environment and Climate Change.

1.3. NATURE AND RANGE OF SERVICES PROVIDED

What the Board does

The Board's role is to:

- set and guide strategic direction for the joint management of the Appointed Land of the Board;
- collaborate with the State of Victoria (the State) and relevant State land managers in the management of the Appointed Land and enable the knowledge and culture of the Gunaikurnai people to be recognised in the management of the Appointed Land; and
- foster employment and economic development opportunities for Gunaikurnai in relation to management of the Appointed Land.

Appointed Land

The Appointed Land of the Board (Figure 1.) comprises a combination of national and other parks and reserves, with a combined area of over 45,000 ha, and includes:

Park / reserve name	Size (ha)	Park / reserve has an existing management plan that will be replaced by the JMP	Delegated land manager (as of May 2017)	Act under which the park / reserve is managed
Buchan Caves Reserve	295	No existing plan	Parks Victoria	<i>Crown Land (Reserves) Act 1978</i>
Corringle Foreshore Reserve	163	No existing plan	Parks Victoria	<i>Crown Land (Reserves) Act 1978</i>
Gippsland Lakes Coastal Park	17,690	Yes	Parks Victoria	<i>National Parks Act 1975</i>
Gippsland Lakes Reserve at Raymond Island	216	No existing plan	Parks Victoria	<i>Crown Land (Reserves) Act 1978</i>
Lake Tyers State Park	8,687	No existing plan	Parks Victoria	<i>National Parks Act 1975</i>
The Lakes National Park	2,390	Yes	Parks Victoria	<i>National Parks Act 1975</i>
Mitchell River National Park	14,394	Yes	Parks Victoria	<i>National Parks Act 1975</i>
New Guinea Caves within the Snowy River National Park	1,153	Yes	Parks Victoria	<i>National Parks Act 1975</i>
Tarra Bulga National Park	2,023	Yes	Parks Victoria	<i>National Parks Act 1975</i>
The Knob Reserve	59	Management prescriptions	<i>Committee of Management (GLaWAC, DELWP, the Board)</i>	<i>Crown Land (Reserves) Act 1978</i>

Under the terms of the *Gunaikurnai Recognition and Settlement Agreement*, Aboriginal Title is to be granted over all ten areas of the Appointed Land. Aboriginal Title is a grant of crown land to GLaWAC for the sole purpose of being jointly managed with the State. The Appointed Land will continue to be managed under the same legislation under which it is currently reserved, and Aboriginal Title will not affect existing use and access, which will continue to be managed under current legislation.

As at 30 June 2018, 9 of the 10 Appointed Land park/reserve areas above have been granted as Aboriginal Title. The remaining park (Gippsland Lakes Coastal Park) is due for transfer in 2018/19 following resolution of technical issues within the park.

Figure 1 below shows the location of the 10 parks and reserves comprising the Appointed Land in red, with the extent of the Gunaikurnai Native Title Consent Determination and Agreement area shown in black.

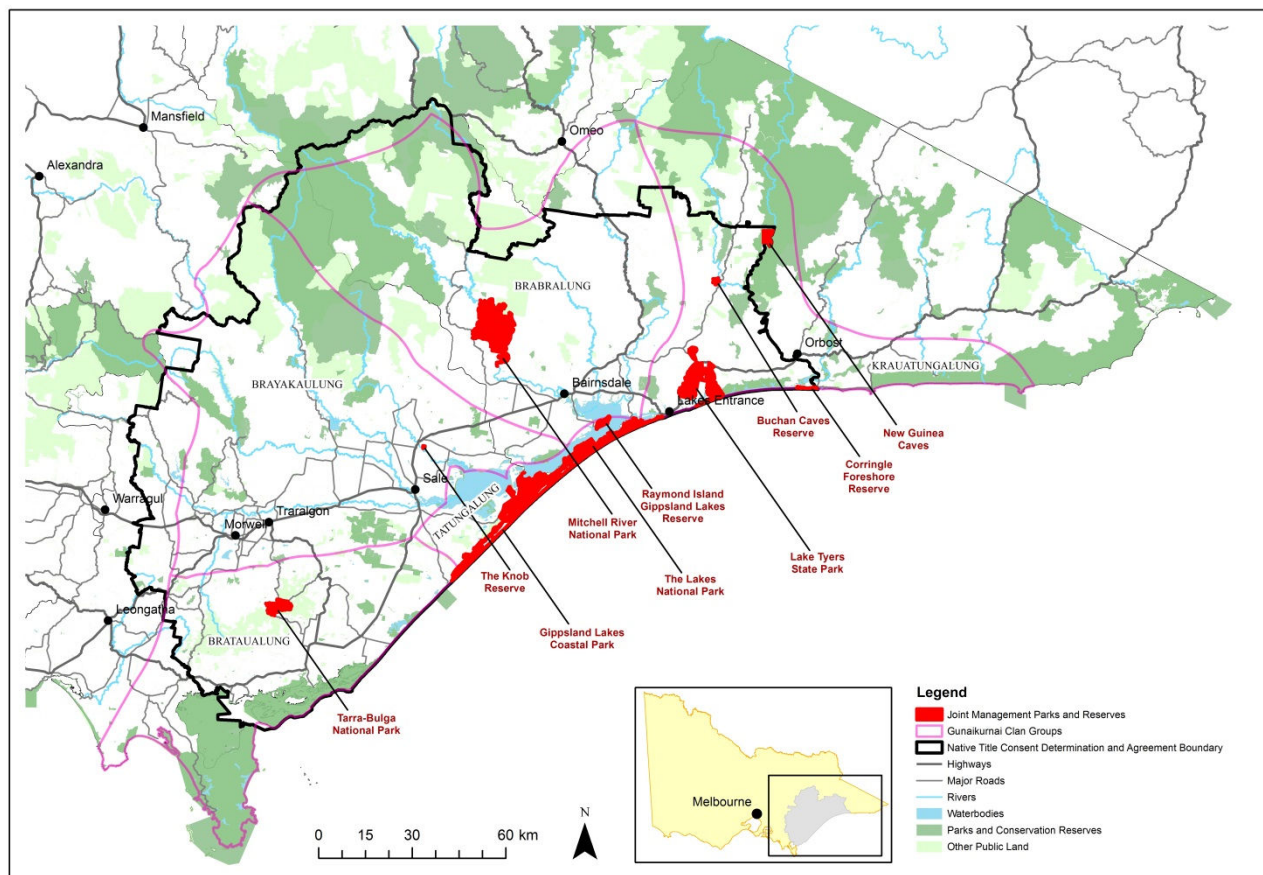


Figure 1: Map of Appointed Land (Joint Management with Aboriginal Title)

Objectives

The objective of the Board is to enable the knowledge and culture of the Gunaikurnai Traditional Owners of the Appointed Land to be recognised in the management of the land.

Functions

The functions of the Board are:

- to comment or make submissions on matters affecting or concerning the use or management of the Appointed Land;

- to prepare policies about the Board and its operation and engagement with external parties;
- those management functions that are conferred on the Board by agreement under any Act under which the Appointed Land is managed;
- those management functions that are delegated to the Board by a person or body who has those management functions in relation to the Appointed Land; and
- to carry out such other functions as are conferred on the Board by the Act or the Minister by notice published in the *Victoria Government Gazette*.

Powers

The powers of the Board include:

- to employ staff, including an Executive Officer to be responsible to the Board for implementing its decisions and carrying out its functions and duties
- to enter into arrangements or agreements with any other person or body for the carrying out of the Board's functions and duties
- to carry out works on the Appointed Land
- to delegate any of the Board's functions, powers or duties to a member of the Board or an employee of the Board; and
- to act as delegate or agent of a person or body who has management functions, powers or duties in relation to the Appointed Land when so appointed by that person or body.

Duties

The duties of the Board are:

- to prepare Joint Management Plans in relation to the Appointed Land
- to prepare subsequent plans at the time and in the manner specified in the Joint Management Plan
- to monitor and encourage compliance with and performance of the Joint Management Plan
- to take all reasonable steps to give effect to the Traditional Owner Land Management Agreement between the Gunaikurnai Land & Waters Aboriginal Corporation and the State of Victoria
- those duties conferred on the Board, by agreement or by or under the Act or any other Act, or are delegated to the Board; and
- to keep proper and full records of its proceedings.

1.4. ACHIEVEMENTS AND OPERATIONAL PERFORMANCE

The Board's performance throughout the reporting year continued to be guided by our Corporate Plan's strategic pillars. Annual work plans developed under these pillars continued to strategically guide the Board through the evolution of the Joint Management Plan, guide planning for implementation of joint management, support delivering a number of key joint management projects and build on board operating processes.

The Board's Corporate Plan strategic pillars are:

- promoting the strategic direction and **planning** requirements for joint management;

- building the **communication framework and relationships** with our key partners, stakeholders and the public;
- **building capacity** within the Gunaikurnai people, JM Partners and the Board and **implementing joint management** through priority projects; and
- fostering and supporting **economic development** opportunities for Gunaikurnai people (including those to be identified through the joint management planning process).

During the reporting period, a number of initiatives and projects consistent with the Board's values and strategic direction were further progressed, designed, planned and/or implemented. These are a combination of the Board's key strategic task of preparing the draft JMP (including supplementary activities associated with this objective) and guiding joint management implementation. They include the development of joint management projects that complement the joint management planning process by contributing to capacity building, strengthening relationships and partnerships through implementation, while providing planning information and case studies that have been included in the draft JMP.

Planning

Planning activities associated with the completion of the draft JMP in order to progress to the development of the final JMP and planning for outcomes associated with the interim Knob Reserve Committee of Management and future JMP launch.

Strategic planning for finalising the JMP

- On-going JMP development and review using our existing contractors or engagement of specialists to undertake workshops with our JMP partners to finalise the draft JMP
- Amended the draft JMP in conjunction with our project partners following the two-month public consultation process
- Supported and coordinated a Project Coordination Group and Editing Committee to seek direction and endorsement by partners of actions required to finalise the draft JMP.

The draft JMP has been prepared with input from our development partners and outlines the proposed strategies and actions required for joint management of the Appointed Land as a partnership between the Gunaikurnai people and the State of Victoria. The aim is for the JMP to be a tool to contribute to the restoration of the Gunaikurnai people's ability to use, control, benefit from, and influence the development and management of their land.

The draft JMP consists of an overarching Joint Management Strategic Plan and 10 individual park plans, and identifies actions that will enable the Gunaikurnai people to:

- Use their land for spiritual, cultural, recreational and business purposes
- Regain their ability to influence and make decisions on how Gunaikurnai land is used and managed
- Be actively involved in the management of their land through the protection of heritage sites, protection of the natural environment, the maintenance of built assets, and the control of future development
- Benefit from the use of their land through employment, the enjoyment of cultural practices, community development and through well-defined vocational pathways to tertiary education for young Gunaikurnai people.

Importantly, the draft JMP also provides opportunities for the State and Gunaikurnai people to further develop close partnerships to provide mutual economic, social and environmental benefits to the State, Gippsland and the Gunaikurnai people.

The Knob Reserve- The interim Committee of Management for the Knob Reserve was appointed in April 2016 to undertake a pilot of an alternate joint management governance arrangement for Aboriginal Title land managed under the *Crown Land (Reserves) Act 1978*.

In keeping with an earlier recommendation of the Board, the Committee was established to provide Gunaikurnai an opportunity to be a key decision maker, pending approval of the JMP.

The Committee comprises representatives from GLaWAC, the Board and DELWP with Gunaikurnai having the majority of representative members.

Through its membership on the Interim Knob Reserve Committee of Management, the Board maintained its oversight and continued to contribute to and support the Committee's strategic planning processes and to ensure alignment with the draft JMP. Additional key planning projects to facilitate effective management and decision-making by the Interim Knob Reserve Committee of Management were progressed or completed, including;

- vegetation mapping and condition assessment and associated works program; and
- the undertaking of a voluntary cultural heritage management plan.

The Board is pleased to report the Committee is now responsible for managing relationships with the Reserve's stakeholders, overseeing all projects being undertaken on the Reserve, governing any operations and activity occurring on the Reserve, assessing and issuing licenses for activity use, and managing the Committee's budget.

Achievements for the Committee's second year include:

Financial/Governance

- Members formally re-appointed by Regional Director, DELWP
- Executive support for minutes, meetings administration maintained
- Local traders maintained to supply cleaning/hardware/materials under account arrangements.

Project works

- Conducted a Voluntary Cultural Heritage Management Plan (VCHMP)
- Investigated cultural burning and planned burning for potential delivery in 2018/19
- Conducted a vegetation survey and condition assessment in conjunction with West Gippsland Catchment Management Authority (WGCMA)
- Conducted an ethnobotanical survey and bush food training with GLaWAC On-country Team
- Delivered a Threatened Species Initiative Program with: planting, fencing, pest plant and weed control works undertaken
- General reserve repairs and maintenance.

Tenure Management & Site usage

- Developed an interim booking system and uploaded it to the Board's website.
- Developed a standardised system for collection and assessment of Reserve use licences.

User Engagement

- Actively engaged with the Stratford Pony Club to create a formal lease area for their regular activities.
- Developed a Knob Reserve specific community engagement strategy and implemented some of its key actions to raise awareness about joint management and the role of the Committee.

Planning for the endorsement and launch of the approved JMP- To ensure the JMP launch is inclusive of all the partners and coordinated to ensure a positive outcome.

The Board supported the established a committee to begin to scope and coordinate the launch of the approved JMP.

Engagement

Communication and engagement is seen as an important role of the Board to ensure the JMP partners and the public are well informed of the JMP development and to ensure that the aspirations of the Gunaikurnai people are accurately conveyed.

Communication and Engagement Strategy

Throughout 2017/18 the strategy was a key to delivering the key messaging and articulating and establishing the most effective methods of communication for the development of the draft JMP, and for associated communication and engagement activities and collateral. It has provided guidance on the most effective communication and engagement practices for the day-to-day functions of the Board both in the lead up to and beyond formal approval of the JMP. The delivery of the integrated strategy has ensured all stakeholders and key user groups have been provided with a genuine opportunity to contribute to the draft JMP and facilitated cohesion and collaboration among the various partnering groups and suppliers by achieving the following communication and engagement goals:

Joint management

- To achieve a greater level of understanding among stakeholders and the general community about the purpose, principles and benefits of joint management
- To build and maintain public trust and confidence in the process being undertaken to develop, and eventually implement the JMP
- To genuinely encourage, receive and wherever possible accommodate input from the Gunaikurnai people, partnering organisations, key stakeholder groups and the broader community into the draft JMP
- To secure endorsement from the Gunaikurnai people, partnering organisations and key stakeholders on the key directions contained within the draft JMP
- To secure agreement to the draft JMP by the Secretary of DELWP
- To secure an ongoing shared commitment towards the successful collaborative implementation of the approved JMP from the Gunaikurnai people, partnering organisations and key stakeholders
- To promote the communities understanding of the Interim Knob Reserve Committee of Management.

Board

- To increase awareness and enhance clarity about the purpose, role and activities undertaken by the Board;
- To position and establish the Board as a trusted and respected partner among its stakeholders and the broader community.

Engagement activities for the year that progressed in accordance with our integrated communication and engagement strategy included:

- Implementing an integrated communication and engagement strategy to guide the two-month public consultation process through to JMP completion and proposed launch
- Development of JMP summary material for distribution during the proposed JMP launch
- Undertaking communication and engagement with the Gunaikurnai community, key stakeholders and user groups to inform them of the opportunity to provide input into the draft JMP and to identify issues of interest to them to be included in its final development
- Reporting to the GLaWAC Board to seek opinion, provide updates, discuss the JMP planning process, and to agree on how the two Boards are to continue to work together to finalise the draft JMP, while also working within the provisions of the legislation and agreements.

- Undertaking open community information sessions for public and stakeholders to find out more about the draft JMP and how to provide feedback/submissions.
- Maintaining and updating the Board's website as an important medium for Board communications and information (see www.gunaikurnai.com.au) and providing a platform for stakeholder and community feedback on the draft JMP.
- Maintaining effective communication and relationship management with partners through regular meetings, workshops, and reports to Board meetings.
- Supporting the Knob Reserve Committee of Management with its communication and engagement requirements.

Capacity Building and Joint Management Implementation

Maintaining the Board's endeavours to seek continual improvement of its operating and delivery outcomes and to continue to promote opportunities for joint management implementation consistent with the draft JMP.

Capacity building activities for the reporting period included:

- Undertaking an Internal Audit of its risk management framework
- Maintaining the engagement of a Chief Finance and Accounting Officer (required under Direction 3.1.2 of the 2003 Standing Directions of the Minister for Finance)
- Extending the secondment of a Project Officer from the EGCMA for support to the Executive Officer and the Board
- Reviewing and amending the Board's Business Plan to ensure the document continues to guide the work program and strategic direction of the entity over the next year, especially as the JMP moves from development to implementation
- The Audit and Risk Committee undertaking a review of its Ministerial Standing Directions obligations under the Financial Management Compliance Framework (FMCF) and the implementation of its recommendations to reach full compliance, including the development of additional policies and procedures required as a public entity
- Providing support to develop and endorse an annual work program for the Gunaikurnai Joint Management Rangers which includes a range of activities and capacity building elements
- Convening regular quarterly Audit and Risk Committee meetings and monitoring our Risk Register to address issues identified in the 2016/17 management letter from the Victorian Auditor-General's Office
- Maintaining an Executive Committee to define and focus the strategic direction of the Board, to prioritise operational decisions and consider urgent matters which require decisions that cannot be deferred until the next scheduled meeting of the Board
- Establishment and coordination of a Strategic Advisory Group to collectively guide implementation of the approved JMP
- Providing ongoing support for the priority joint management implementation projects by financially supporting the projects to progress GLaWAC's joint management priorities. These projects provide the platform for meaningful engagement, project delivery,

relationship building, Gunaikurnai Joint Management Ranger capacity building and informing the content of the individual park plans within the draft JMP.

Joint Management implementation projects supported by the Board in the reporting period included;

Sperm Whale Head- Joint 'On-Ground' Project

The joint 'on ground' project developed in conjunction with Parks Victoria and GLaWAC was largely completed in the 2017/18 year. The project team has followed its project plan and completed the day visitor site upgrade with the GLaWAC Joint Management Rangers completing the interpretation totem poles with interpretive content, refurbishing the day use shelter, installing new walkways/paths, upgrading the toilet facility and providing picnic tables and chairs. Remaining funds will be used to develop interpretive signs along a short trail leading from the site. The project has been an excellent example of promoting the outcomes and benefits of joint management and the positive outcomes associated with this type of project.

Enabling GLaWAC Priority Joint Management Projects

The Board, GLaWAC and Parks Victoria progressed a number of identified and agreed upon priority joint management implementation projects in 2017/18. Parks Victoria developed detailed project plans which were endorsed and overseen by a Project Control Group consisting of Parks Victoria, GLaWAC and Board representatives. Implementation of these progressed while also supporting training and capacity building of GLaWAC joint management staff through the roll-out.

Progress to date on these projects includes:

1. Cultural Mapping Project

- Archaeological survey and report for Lake Tyers visitor nodes completed
- Anthropologist has started collating recorded historic information and planning for Gunaikurnai interviews underway.

2. Joint Managed Parks Signage Manual

- Draft signage manual developed and approval process mapped.

3. Lake Tyers Camping and Access Strategy

- Communications and Engagement Plan approved
- Engagement sessions with Gunaikurnai and broader Aboriginal community with regard to the strategy with drop in sessions held at Lake Tyers Trust, Drouin, Morwell, Sale and Orbost
- Next stage of engaging with broader community groups and stakeholders planned.

4. New Guinea Cave II Project

- Site management options developed from consultation and engagement with Gunaikurnai.

Economic Development

Fostering and supporting the economic development opportunities presented by the joint management of the Appointed Lands is a key objective of the Board.

To progress this objective, the Board has worked collaboratively with GLaWAC to progress their economic development strategy, which focuses on four areas central to economic development for the Gunaikurnai people: the context, the principles, the initiatives and the performance framework.

These elements aim to ensure a robust, achievable, realistic and measurable journey towards sustainable economic development and which will provide the foundational support to identify and

support the development of opportunities presented through the use and joint management of the Appointed Land.

1.5. KEY INITIATIVES AND PROJECTS COMMENCED IN 2017-18

Joint Management Implementation Plan

The Joint Management Implementation Priority and Resourcing Project was initiated by the Board to provide an opportunity for joint management partners to consider initial JMP implementation priorities and resourcing required to implement them following the approval of the JMP.

Its aim is to ascertain and reflect an agreed position between the joint management partners on the following:

1. An agreed list of JMP priority delivery/implementation initiatives (including monitoring and evaluation tasks) that need to be continued, commenced and/or completed during the first 6 years following approval of the JMP
2. The ideal scheduling of these priority activities and actions over the 6 year period to ensure the strategic intent of the JMP is fulfilled
3. Which joint management partner will lead implementation of each priority activity/action, and which partners will collaborate in their implementation
4. Annual budget/resourcing estimates to undertake each of the priority activities/actions over the 6 year period to identify;
 - i) what can be delivered within existing work programs/budgets, and
 - ii) what actions will require additional resourcing.

JMP Strategic Advisory Group

A high level JMP Strategic Advisory Group comprising members representing GKTOLMB, DELWP, GLaWAC and Parks Victoria was established and coordinated by the Board. The Terms of Reference for this group was established to achieve high level partner JMP alignment and relationships, advise the Board on resolution of critical JMP issues and to ensure partner JMP commitment is maintained. The group aims to meet at least twice annually or in response to critical issues.

1.6. FIVE YEAR FINANCIAL SUMMARY

	2017/18 \$	2016/17 \$	2015/16 \$	2014/15 \$	2013/14 \$
Operating revenue					
State government	948,000	800,000	845,000	800,000	634,307
Other revenue	10,501	12,347	11,345	16,910	9,168
Total Operating Revenue	958,501	812,347	856,345	816,910	643,475
Operating expenses					
Governance and Corporate	386,517	415,051	394,411	327,275	264,992
Project Expenditure	505,492	592,757	408,351	259,990	77,835
Total Operating Expenses	892,009	1,007,808	802,762	587,265	342,827
Total Assets	684,678	806,237	823,179	785,531	495,693
Total Liabilities	52,817	240,868	62,349	78,284	18,091

1.7. CURRENT YEAR FINANCIAL REVIEW

The Board is funded through the Department of Environment, Land, Water and Planning as part of the *Gunaikurnai Recognition and Settlement Agreement* with the State of Victoria dated 22 October 2010.

As anticipated in the Board's 2017/18 Corporate Plan, operating expenses decreased for the reporting period, particularly those related to project expenditure. This expenditure related to the review and further development of the draft JMP, and the initiation of a number of joint management projects which support joint management in action. The experience gained by undertaking joint management in practice is accelerating information exchange and capacity building and has informed the proposed strategies and actions in the draft JMP.

1.8. SIGNIFICANT CHANGES IN FINANCIAL POSITION

There were no significant matters which changed our financial position during the reporting period.

1.9. SIGNIFICANT CHANGES OR FACTORS AFFECTING PERFORMANCE

There were no significant changes or factors which affected our performance during the reporting period.

1.10. CAPITAL PROJECTS

The Board does not manage any capital projects.

1.10. DISCLOSURE OF GRANTS AND TRANSFER PAYMENTS

The Board has provided grants to certain organisations to further the Board's and its partner's shared joint management objectives. Grants are administered via a funding agreement that specifies the purpose, outputs and reporting requirements for each grant.

In 2017/18 the following grants (excl. GST) were provided by the Board:

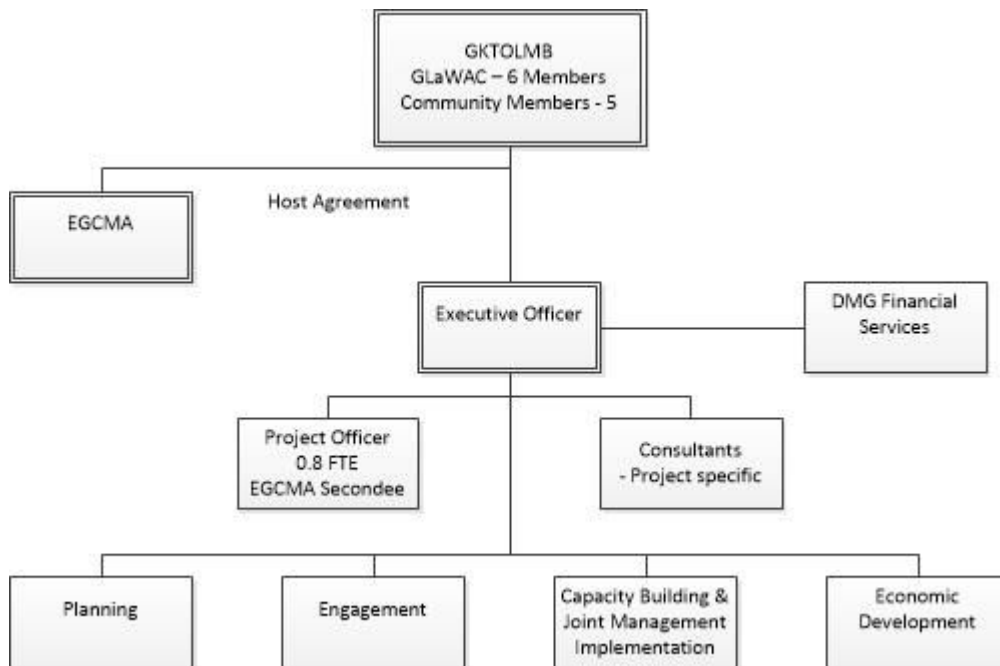
Organisation	Description	Amount granted in 16/17
Gunaikurnai Land & Waters Aboriginal Corporation	Undertake a Voluntary Cultural Heritage Management Plan for the Knob Reserve	\$9,960
Parks Victoria	Deliver Joint Management Priority Projects	\$185,000

1.12. SUBSEQUENT EVENTS

There were no events occurring after balance date which may significantly affect the Board's operations in subsequent reporting periods.

2. Governance & Organisational Structure

2.1 ORGANISATIONAL CHART



2.2 RELATIONSHIPS

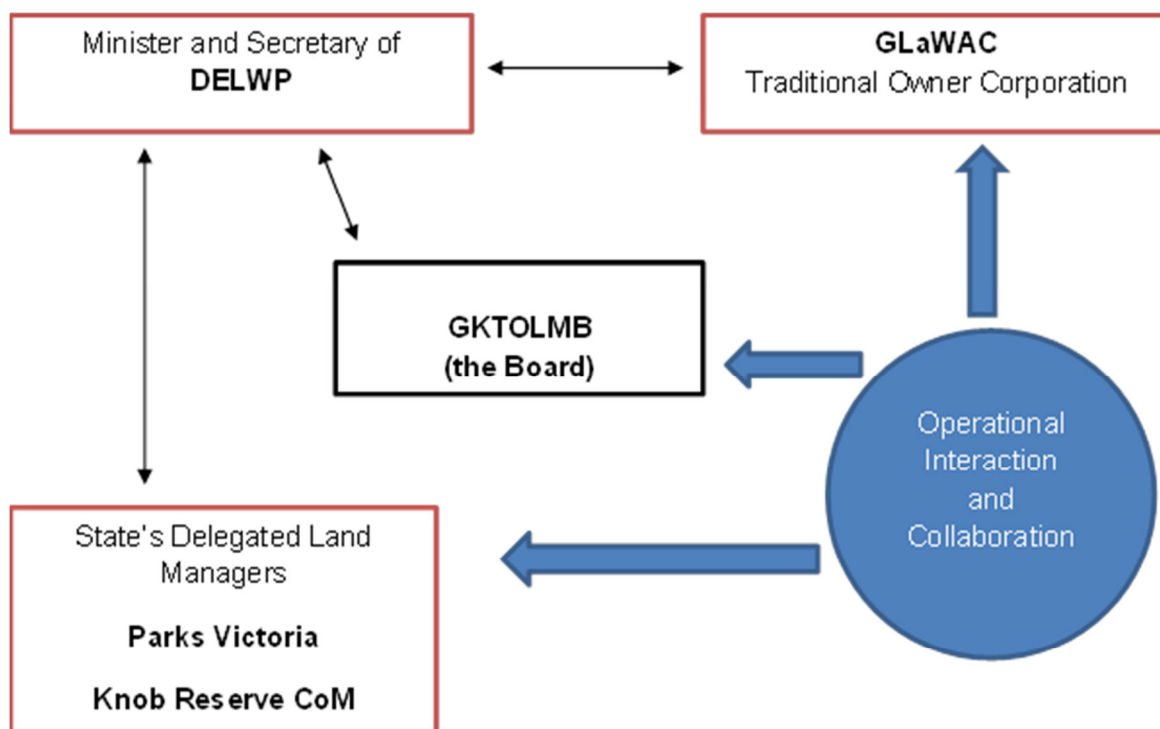
The following diagram illustrates the formal nature of the relationships that exist between the Board and its key partners in joint management, GLaWAC, Parks Victoria, and DELWP, along with its hosting relationship with the EGCMA.

As a joint management body, the development and maintenance of partner and stakeholder relationships is an integral part of the Board's work, and is essential for it to carry out its functions and duties effectively. The Board has actively encouraged GLaWAC, DELWP and Parks Victoria to participate in Board meetings and workshops. Structured reports are presented through standing agenda items at Board meetings where partner representatives are regular guests.

The Board identified a range of stakeholders and user groups who were consulted in the preparation of the draft JMP. The Board's Corporate Plan continues to identify actions aimed at building and strengthening these relationships throughout implementation of the approved JMP.

During 2017/18 the Board maintained its Hosting Agreement with the EGCMA. Through the Hosting Agreement, EGCMA provides to the Board a range of services and facilities associated with staff employment, office accommodation, equipment provision, and administration.

Relationships Diagram



2.3 GOVERNING BOARD

The Board is responsible for:

- Developing and reviewing governance arrangements
- Developing strategies and effective working relationships with key partners
- Preparing a Joint Management Plan with the Secretary of DELWP, in consultation with the community that will enable the knowledge and culture of Gunaikurnai people to be recognised and incorporated into the joint management of the Appointed Lands
- Fostering capacity building and economic development opportunities for Gunaikurnai in relation to the management of the Appointed Land.

The Board has a broad skills base with considerable understanding and experience in corporate governance, Natural Resource Management Planning, land and water management, capacity building, Indigenous empowerment and business management.

The Gunaikurnai members of the Board have a strong connection to the Appointed Land and lifelong experience and knowledge of their cultural heritage.

The Board has adopted a Board Charter that guides the performance of its governance role and its operation and meeting procedures. The Charter also references the *Directors' Code of Conduct* issued by the Victorian Public Sector Commission.

Board composition

The Board consists of not more than eleven members appointed by the responsible Minister. Not less than six members are appointed by the Minister following nomination by GLaWAC. The Chairperson and Deputy Chairperson of the Board are appointed from among the members of the

Board by the Minister. The Chairperson is nominated by GLaWAC from among the members of the Board.

Board Members

The Board members in office during the reporting period are shown in the following table. Board members were in office for the entire reporting period unless otherwise stated. The table also indicates Board member's attendance at the eleven Board meetings held during the reporting period.

Member	Meeting Attendance
Grattan Mullett (Chairperson)	8 of 10
John Mitchell (Deputy Chairperson)	8 of 10
Marianne Atkinson	10 of 10
Glenys Watts	9 of 10
Lena Morris	9 of 10
Katherine Mullett	5 of 10
Malcolm Siely	2 of 10
Janine Haddow	7 of 10
Geoff Hocking	8 of 10
Angela Hutson	9 of 10
David Willington	7 of 10

A precis biography of each current Board member is available on the Board website at <https://www.gunaikurnai.com.au/about/our-board>

Declaration of Pecuniary Interests

Annual declarations of pecuniary interests have been duly completed by all relevant officers of the Board.

2.4 AUDIT AND RISK COMMITTEE MEMBERSHIP AND ROLE

The Audit and Risk Committee consists of four members. Committee members are appointed by the Board. Two of the Committee members are Board members, and two members are external members with specific skills in financial accounting or auditing. All members of the Committee are independent members. The Committee's purpose is fully described in its charter and terms of reference.

The role of the Audit and Risk Committee is to assist the Board in delivering on its responsibilities for annual financial reporting and ensuring the Board has appropriate risk management and governance frameworks in place.

The Committee does this by ensuring:

- risks to the Board are identified and monitored effectively, and systems are in place to manage those risks
- a reliable system of internal controls is maintained, to ensure effective governance including compliance with laws and regulations; and
- annual accounts provide an accurate representation of the Board's financial position.

Membership of the Committee in 2017/18 comprised:

GKTOLMB

Geoff Hocking (independent) until 3 May 2018

Member- Marianne Atkinson (independent)

Katherine Mullett (independent) from 4 May 2018.

External Members

Thelma Hutchison (independent) - Convenor from July 2017

Michelle Dowsett (independent).

The Committee met on five occasions and fully achieved its role and purpose during the reporting period.

2.5 BOARD COMMITTEES

Executive Committee

The Executive Committee consists of the Chairperson, the Deputy Chairperson, and a Gunaikurnai Board Member appointed by the Board. The Executive Committee was established by the Board in May 2016. The purpose of the Committee is described in its terms of reference.

The role of the Executive Committee is to:

- define and focus the strategic direction of the Board; and
- prioritise operational decisions and consider urgent matters which require decisions that cannot be deferred until the next scheduled meeting of the Board.

Membership of the Committee in 2017/18 comprised:

Grattan Mullett (Chairperson)

John Mitchell (Deputy Chairperson)

Lena Morris (Member).

2.6 OCCUPATIONAL HEALTH AND SAFETY

The Board is committed to the pursuit of the highest possible health and safety standards in all of its workplace activities.

Given its hosting arrangement with the EGCMA, the Board has adopted, and works within, the EGCMA's systematic approach to integrating Occupational Health and Safety (OH&S) into our management and operational environments.

To this end, the Board's OH&S policy requires the staff who support the Board to adhere to the EGCMA's Work Health and Safety manual, safe work procedures, and training regime.

Whilst the Board's OH&S performance is included within the EGCMA's annual OH&S performance reporting, there were no reported hazards/incidents, lost time claims or fatalities, or associated WorkCover claims or related incidents attributable to the Board or its activities during the 2017/18 financial year.

3. Workforce Data

The Board did not directly employ any staff during the reporting period. The two staff that supported the Board during the reporting period are employed by the East Gippsland Catchment Management Authority via the Board hosting arrangement with the EGCMA. Thus no disclosures concerning Public Administration Employment & Conduct Principles, Comparative Workforce Data, Workforce Inclusion Policy, or Executive Officer disclosures are required to be made by the Board for this reporting period.

4. Other Disclosures

4.1 LOCAL JOBS FIRST - VICTORIAN INDUSTRY PARTICIPATION POLICY

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

The Board did not have any tenders valued at over \$1 million during the reporting period.

4.2 CONSULTANCY EXPENDITURE

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

In 2017/18, there were five consultancies where the total fee payable to the consultant was \$10,000 or greater. The total expenditure incurred during 2017/18 in relation to these consultancies was \$128,045 (excl. GST).

Details of individual consultancies where total fees payable were greater than \$10,000 (excl. GST) is provided in the table below:

Consultant	Summary of project	Total project fees approved	Total fees incurred in 17/18	Future commitments
Danny MacDonald	Develop JMP communication and engagement strategy	\$14,850	\$2,970	-
Danny MacDonald	Implement JMP communication and engagement strategy	\$61,879	\$61,879	-
DMG Audit and Advisory	Accounting, CFO and audit services	\$22,956	\$22,956	-
Montane Planning	Review and complete Individual Park/Reserve Plans	\$30,240	\$30,240	-
Ethos NRM	JM Implementation Priority and Resourcing Project	\$15,000	\$10,000	\$5,000

Details of consultancies (valued at less than \$10,000)

In 2017/18, there were four consultancies engaged during the year where the total fees payable to the consultants was less than \$10,000. The total expenditure incurred during 2017/18 in relation to these consultancies was \$17,810 (excl. GST).

4.3 DISCLOSURE OF MAJOR CONTRACTS

The Board did not award any major contracts (valued at \$10 million or more) during 2017/18.

A major contract is a contract entered into during the reporting period valued at \$10 million or more.

4.4 GOVERNMENT ADVERTISING EXPENDITURE

The Board's expenditure in the 2017/18 reporting period on government campaign expenditure did not exceed \$100,000.

4.5 INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

For the 2017/18 reporting period, the Board had a total ICT expenditure of \$0.

ICT expenditure refers to the Board's costs in providing business enabling ICT services.

4.6 APPLICATION AND OPERATION OF FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act* 1982 allows the public a right of access to documents held by the Board. For the 12 months ending 30 June 2018, the Board received no FOI requests.

Making a request

Access to documents sought under the Freedom of Information Act for information held by the Board may be requested from the Board's Freedom of Information Manager.

Requests should be in writing, should identify as clearly as possible which document is being requested, and must be accompanied by the application fee of \$28.90.

Requests for documents in the possession of the Board should be addressed to:

Freedom of Information Officer
Gunaikurnai Traditional Owner Land Management Board
574 Main St.
Bairnsdale VIC 3875

Requests can also be lodged online at www.foi.vic.gov.au

Access charges may also apply once documents have been processed and a decision on access is made, for example photocopying and search and retrieval charges.

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au

4.7 COMPLIANCE WITH BUILDING ACT 1993

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

4.8 COMPETITIVE NEUTRALITY 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. 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 Gunaikurnai Traditional Owner Land Management Board continues to comply with the requirements of the Competitive Neutrality Policy.

4.9 COMPLIANCE WITH THE PROTECTED DISCLOSURES ACT 2012

The *Protected Disclosure Act 2012 (PD Act)* enables people to make disclosures about improper conduct by public officers and public bodies. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

What is a protected disclosure?

A protected disclosure is a complaint of corrupt or improper conduct by a public officer or a public body.

The Board is a public body for the purposes of the PD Act.

What is improper or corrupt conduct?

Improper or corrupt conduct involves substantial:

- mismanagement of public resources;
- risk to public health or safety or the environment;
- corruption.

The conduct must be criminal in nature or a matter for which an officer could be dismissed.

How do I make a Protected Disclosure?

You can make a protected disclosure about the Board or its members, officers or employees by contacting IBAC on the contact details provided below. Please note that the Board is not able to receive protected disclosures.

How can I access the Board's procedures for the protection of persons from detrimental action?

The Board has established procedures for the protection of persons from detrimental action in reprisal for making a protected disclosure about the Board or its employees. You can access the Board's procedures on its website at <https://www.gunaikurnai.com.au/media/news>

Contacts

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria

Address: Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000

Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001

Internet: www.ibac.vic.gov.au

Phone: 1300 735 135

Email: see the website above for the secure email disclosure process, which also provides for anonymous disclosures.

4.10 OFFICE-BASED ENVIRONMENTAL IMPACTS

The EGCMA (being the Board's host for office based facilities) addresses environmental impacts arising from office based energy, waste, paper, water, transport, greenhouse gas emissions, and procurement through its Sustainability Policy and ResourceSmart Strategy. The Board office is within the EGCMA office facilities and staff adheres to these policies and strategies.

4.11 COMPLIANCE WITH DATAVIC ACCESS POLICY

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the information included in this Annual Report will be available at <http://www.data.vic.gov.au/> in electronic readable format.

4.12 STATEMENT OF AVAILABILITY OF OTHER INFORMATION

Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the Board and are available (in full) on request, subject to the provisions of the *Freedom of Information Act* 1982.

- a) Details of publications produced by the Board about itself, and how these can be obtained.
- b) Details of any major external reviews carried out on the Board.
- c) Details of major promotional, public relations and marketing activities undertaken by the Board to develop community awareness of the entity and its services.
- d) Details of all consultancies and contractors including: consultants/contractors engaged; services provided; and expenditure committed for each engagement.
- e) Details of assessments and measures undertaken to improve the occupational health and safety of employees, and
- f) A statement on industrial relations within the Board.

The information is available on request from:

Executive Officer

Gunaikurnai Traditional Owner Land Management Board

Phone: 03 5150 3573

Email: info@gunaikurnai.com.au

Additional Information included in annual report

Details in respect of the following items have been included in the Board's annual report, on the pages indicated below:

- g) A list of the Board's major committees; the purposes of each committee; and the extent to which the purposes have been achieved (sections 2.4 & 2.5).

- h) A statement that declarations of pecuniary interests have been duly completed by all relevant officers (section 2.3).

Information that is not applicable to the Board

The following information is not relevant to the Board for the reasons set out below:

- i) A declaration of shares held by senior officers (*No shares have ever been issued in the Board*).
- j) Details of overseas visits undertaken (*No Board members or senior executives took overseas work related trips*).
- k) Details of changes in prices, fees, charges, rates and levies charged (*The Board does not charge prices, fees, rates, levies or other charges*).
- l) Details of major research and development activities (*the Board does not undertake research and development activities*).

4.13 GKTOLMB FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Grattan Mullett, on behalf of the Responsible Body, certify that the Gunaikurnai Traditional Owner Land Management Board has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act* 1994 and Instructions.



Grattan Mullett
Chairman
Gunaikurnai Traditional Owner Land Management Board
4th October 2018

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Declaration of the financial statements

The attached financial statements for Gunaikurnai Traditional Owner Land Management Board (GKTOLMB) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

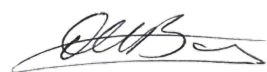
We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2018 and financial position of GKTOLMB at 30 June 2018.

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

We authorise the attached financial statements for issue on 4 October 2018.



Grattan Mullett
Chairman



Damian Brittnell
Accountable Officer



Justin Brook
Chief Finance and Accounting Officer

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Comprehensive operating statement
for the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2.1	958,501	812,347
Employee expenses	3	(197,567)	(193,509)
Administration expenses	3	(68,299)	(52,575)
Depreciation	4.1	(384)	(1,160)
Insurance	3	(7,860)	(7,776)
Board fees	3	(70,306)	(105,851)
Board member expenses	3	(42,101)	(54,180)
Project implementation	3	(505,492)	(592,757)
Total expenses		<u>(892,009)</u>	<u>(1,007,808)</u>
Net result for the year		66,492	(195,461)
Other comprehensive income		-	-
Comprehensive result		<u>66,492</u>	<u>(195,461)</u>

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

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Balance sheet
as at 30 June 2018

	Note	2018	2017
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6.1	648,341	762,662
Receivables	5.1	28,342	43,133
Prepayments	5.3	7,937	-
Total Current Assets		684,620	805,795
Non-Current Assets			
Plant and equipment	4.1	58	442
Total Non-Current Assets		58	442
Total Assets		684,678	806,237
Liabilities			
Current Liabilities			
Payables	5.2	52,817	240,868
Total Current Liabilities		52,817	240,868
Total Liabilities		52,817	240,868
Net Assets		631,861	565,369
Equity			
Accumulated surplus		631,861	565,369
Total Equity		631,861	565,369
Commitments for expenditure	6.2		
Contingent assets and contingent liabilities	7.2		

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

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Statement of changes in equity
for the year ended 30 June 2018

	Accumulated Surplus \$	Total \$
Balance at 30 June 2016	760,830	760,830
Comprehensive result	(195,461)	(195,461)
Balance at 30 June 2017	<u>565,369</u>	<u>565,369</u>
Comprehensive result	66,492	66,492
Balance at 30 June 2018	<u>631,861</u>	<u>631,861</u>

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

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Cash flow statement
for the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts			
Receipts from government		948,000	880,000
Interest received		10,501	12,347
Payments			
Payments to suppliers and employees		(1,193,995)	(891,279)
GST paid to the Australian Tax Office		121,173	(26,575)
Net cash inflows from operating activities	8.2	<u>(114,321)</u>	<u>(25,507)</u>
Net (decrease)/ increase in cash and cash equivalents		(114,321)	(25,507)
Cash and cash equivalents at beginning of financial year		<u>762,662</u>	<u>788,169</u>
Cash and cash equivalents at end of financial year	6.1	<u><u>648,341</u></u>	<u><u>762,662</u></u>

The above cash flow statement should be read in conjunction with the accompanying notes.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Basis of preparation

These financial statements are presented 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 financial report has been prepared on a going concern basis.

Consistent with the requirements of AASB 1004 Contributions are treated as equity transactions and, therefore, do not form part of the income and expenses of the Board.

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

Judgements, estimates and assumptions are required to be made about 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 future periods that are affected by the revision. Judgements and assumptions made by management in applying the application of Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates relate to:

- Estimated useful lives over which plant and equipment are depreciated (Note 4.1)
- Accruals (Note 5.2)

Note 1: Summary of significant accounting policies

(a) Compliance information

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Minister for Finance.

The Board is a not-for profit entity and therefore applies the additional Aus paragraphs applicable to “not-for-profit” Boards under the AASs.

The annual financial statements were authorised for issue by the Board on 4 October 2018.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

(b) Reporting entity

The GKTOLMB is a Land Management Board of the State of Victoria, constituted by a determination made under the powers conferred by section 82B of the *Conservation, Forests and Lands Act 1987*.

Its principal address is:
574 Main Street
Bairnsdale Vic 3875

(c) Basis of accounting preparation and measurement

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2018, and the comparative information presented in these financial statements for the year ended 30 June 2017.

Items included in this financial report are measured using the currency of the primary economic environment in which GKTOLMB operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the GKTOLMB's functional and presentation currency.

Note 2: Funding delivery of our services

GKTOLMB's overall objective is to develop a Joint Management Plan for the 10 parks and reserves in Gippsland transferred to Aboriginal title.

2.1 Summary of income that funds the delivery of our services

	2018 \$	2017 \$
Government grants	948,000	800,000
Bank interest	10,501	12,347
Total revenue	<u>958,501</u>	<u>812,347</u>

Government grants

Government grants are recognised as operating revenue on receipt or when the entity obtains control of the contribution and meets certain other criteria as outlined by AASB 1004 *Contributions*, whichever is the sooner, and disclosed in the Comprehensive Operating Statement as government grants and contributions.

Bank interest

Interest income is recognised using the effective interest rate method, in the period in which it is incurred.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Note 3: The cost of delivering our services

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

Expenses as reported on the comprehensive operating statement are as follows:

	2018	2017
	\$	\$
Employee expenses	197,567	193,509
Administration expenses	68,299	52,575
Insurance	7,860	7,776
Board fees	70,306	105,851
Board member expenses	42,101	54,180
Project implementation	505,492	592,757

Employee expenses and board expenses

Employee expenses include all costs related to employment including wages and salaries, superannuation, leave entitlements, redundancy payments and workcover premiums. The GKTOLMB's board members are paid a sitting fee and employer contributions for superannuation in accordance with government policy. GKTOLMB members who are employees of the Victorian Public Service are not eligible to receive a sitting fee for being a member of the GKTOLMB, unless criteria for payment have been met and approved by the Secretary of Department of Environment, Land, Water and Planning.

Employee expenses are recognised when incurred. Employee entitlements at year end are recognised by East Gippsland Catchment Management Authority, being the employer of GKTOLMB staff.

Other expenses

Other expenses include administration expenditure, advertising & signage, insurance and consultancy expenditure. Supplies and services costs which are recognised as an expense in the reporting period in which they are incurred.

Superannuation

The GKTOLMB contributes in respect of the board members and staff superannuation at a contribution rate of 9.50% (2017: 9.50%) of the board member's fees and staff remuneration.

The name, details and amounts expensed in relation to the superannuation contributions made by the GKTOLMB:

	2018	2017
	\$	\$
Defined contribution plans:		
Vicsuper	551	912
Other	13,935	16,250
Total	14,486	18,205

There are no unfunded liabilities associated with the above schemes as they are accumulation schemes.

At 30 June 2018 there was \$1,176 owing to the Superannuation Funds (2017: \$658).

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Note 4: Key assets to support service delivery

GKTOLMB controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to GKTOLMB to be utilised for delivery of those outputs.

4.1 Plant and equipment

	2018 \$	2017 \$
Computers at fair value	3,487	3,487
Less accumulated depreciation	(3,429)	(3,045)
	<u>58</u>	<u>442</u>
Total plant and equipment	<u>58</u>	<u>442</u>

Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Computers \$	Total \$
Balance at the beginning of the year	442	442
Depreciation expense	(384)	(384)
Closing balance at the end of the financial year	<u>58</u>	<u>58</u>

Initial recognition

All non financial physical assets are measured initially at cost.

Subsequent recognition

All non financial physical assets are subsequently revalued at fair value less accumulated depreciation and impairment.

The fair value of plant and equipment is normally determined by reference to the asset's depreciated replacement cost.

Depreciation

Plant and equipment that have finite useful lives are depreciated. Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

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

The following are typical estimated useful lives for the different asset classes for current and prior years.

Computers 3 years

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Fair value hierarchy

This section sets out information on how the Board 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 fair value measurement hierarchy for assets as at 30 June 2018 is presented below.

	Carrying amount as at 30 June 2018	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
Computers	58	-	-	58
Total plant and equipment	58	-	-	58

There have been no transfers between levels during the year. For all assets measured at fair value, the current use is considered the highest and best use.

	Carrying amount as at 30 June 2017	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
Computers	442	-	-	442
Total plant and equipment	442	-	-	442

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. As there is a limited secondary market for similar assets and useful lives are a significant unobservable input, these assets have been classified as level 3 assets.

Reconciliation of Level 3 Fair Value	2018	2017
Plant and equipment	\$	\$
Opening balance	442	1,602
Depreciation	(384)	(1,160)
Closing balance	58	442

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable
Computers	Depreciated replacement cost	Cost per unit: \$453-\$2,491 Useful life: 3 years

Consistent with AASB 13 *Fair Value Measurement*, the GKTOLMB determines the policies and procedures for recurring fair value measurements such as plant and equipment in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

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

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

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value 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.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Note 5: Other assets and liabilities

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

5.1 Receivables

	2018	2017
	\$	\$
Current		
Statutory - GST receivable	28,342	43,133

Receivables consist of statutory receivables, such as Goods and Services Tax (GST) input tax credits recoverable.

Revenue, expenses and assets are recognised net of the amount of GST, except where GST relating to the expenditure items is not recoverable from the taxation authority, in which case the item is recognised GST inclusive.

Contractual receivables are classified as financial instruments and categorised as loans and receivables. Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

5.2 Payables

Current

Contractual

Trade creditors	45,817	185,095
Accruals	7,000	55,773
	52,817	240,868

Payables represent liabilities for goods and services provided to GKTOLMB prior to the end of the financial year that are unpaid, and arise when GKTOLMB becomes obliged to make future payments in respect of the purchase of those goods and services. Trade creditors are recognised inclusive of GST.

The carrying amount of accounts payable approximates fair value. Creditors are payable within 30 days.

5.3 Prepayments

Current

Prepaid insurance	7,937	-
-------------------	-------	---

Prepayments 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.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Note 6: How we finance our operations

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

6.1 Cash and cash equivalents

Cash at the end of the year, as shown in the Cash Flow Statement, is reconciled to the related items in the Balance Sheet as follows:

	2018	2017
	\$	\$
Cash at bank	148,515	253,055
Term deposits	499,826	509,607
	<u>648,341</u>	<u>762,662</u>

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

For Cash Flow Statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as interest bearing liabilities on the Balance Sheet.

6.2 Commitments for expenditure

There are no commitments for expenditure at 30 June 2018 (2017: Nil)

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

Notes to the financial statements **for the year ended 30 June 2018**

Note 7: Risks, contingencies and valuation uncertainties

7.1 Financial instruments

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

Categories of financial instruments

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables and other receivables in the balance sheet. Loans and receivables are recorded at amortised cost less impairment.

Financial liabilities at amortised cost

Financial instrument liabilities 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 may be measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the comprehensive operating statement over the period of the interest-bearing liability, using the effective interest rate method. Financial instrument liabilities measured at amortised cost include all contractual payables.

Impairment of financial assets

At each reporting date, GKTOLMB assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses relating to loans and receivables are recognised in the Comprehensive Operating Statement.

(a) Financial risk management objectives and policies

The Board's principal financial instruments comprise:

- cash and cash equivalents
- receivables (excluding statutory receivables)
- payables (excluding statutory payables)

The Board holds financial instruments as a result of its ordinary business activities (in the case of receivables and payables), or to prudentially manage cash balances (in the case of cash deposits and investments).

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

The carrying amounts of the Board's contractual financial assets and financial liabilities by category are disclosed in the table below:

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

	Contractual financial assets - loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
2018			
Contractual financial assets			
Cash and cash equivalents	648,341	-	648,341
Total financial assets	648,341	-	648,341
Contractual financial liabilities			
Payables	-	52,817	52,817
Total financial liabilities	-	52,817	52,817
2017			
Contractual financial assets			
Cash and cash equivalents	762,662	-	762,662
Total financial assets	762,662	-	762,662
Contractual financial liabilities			
Payables	-	240,868	240,868
Total financial liabilities	-	240,868	240,868

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

	Total interest income/ (expense) \$
2018	
Contractual financial assets	
Loans and receivables	10,501
Total financial assets	10,501
2017	
Contractual financial assets	
Loans and receivables	12,347
Total financial assets	12,347

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents, receivables and investments, the net gain or loss is calculated by subtracting any impairment recognised in the net result from the interest income
- for financial liabilities measured at amortised cost, the net gain or loss reflects the interest expense.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

(b) Credit Risk

Credit risk arises when there is the possibility of the Board's counter party defaulting on their contractual obligations resulting in financial loss to the Board. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Board's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Board's policy to assess the credit worthiness of debtors. There are no contractual debtors at year end (2017: Nil).

In addition, the Board does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash held on call at bank. The Board's policy is to only deal with banks with high credit ratings.

Provision for impairment for contractual financial assets is recognised when there is objective evidence that the Board will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 30 days overdue and changes in debtor credit ratings.

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

Credit quality of contractual financial assets that are either past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently the Board does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

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

The following table discloses the ageing of contractual financial assets:

	Carrying amount \$	Not past due and not impaired \$
2018		
Contractual financial assets		
Cash and cash equivalents	648,341	-
Total financial assets	648,341	-
2017		
Contractual financial assets		
Cash and cash equivalents	762,662	-
Total financial assets	762,662	-

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

(c) Liquidity Risk

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as they fall due. The Board's policy is to meet its financial obligations within 30 days of a valid tax invoice being provided.

The Board's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Board manages its liquidity risk by ensuring that it has access to sufficient cash to meet its current liabilities.

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

	Carrying amount \$	Nominal amount \$	Maturity date less than month \$
2018			
Financial liabilities			
Payables	52,817	52,817	52,817
Total financial liabilities	52,817	52,817	52,817
2017			
Financial liabilities			
Payables	240,868	240,868	240,868
Total financial liabilities	240,868	240,868	240,868

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

(d) Market Risk

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

Interest rate risk

Exposure to interest rate risk solely relates to cash balances held in deposits at variable interest rates. Minimisation of risk is achieved by undertaking fixed rate or non-interest bearing financial instruments. The Board's exposure to interest rate risk is set out below.

	Weighted average effective interest rate	Interest rate exposure			
		Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
		\$	\$	\$	\$
2018					
Contractual financial assets					
Cash and cash equivalents	1.2	648,341	499,826	148,515	-
Total financial assets		648,341	499,826	148,515	-
Contractual financial liabilities					
Payables		52,817	-	-	52,817
Total financial liabilities		52,817	-	-	52,817
2017					
Contractual financial assets					
Cash and cash equivalents	1.0	762,662	509,607	253,055	-
Total financial assets		762,662	509,607	253,055	-
Contractual financial liabilities					
Payables		240,868	-	-	240,868
Total financial liabilities		240,868	-	-	240,868

A sensitivity analysis of a 0.5% (2017: 0.5%) increase or decrease movement in interest rates would result in a movement of \$3,242 (2017: \$3,813) in interest revenue.

The carrying value of assets and liabilities is a reasonable approximation of their fair values due to the inherent short-term nature of cash and cash equivalents, and payables.

7.2: Contingent assets and contingent liabilities

As at 30 June 2018 there were no contingent assets or liabilities (2017: Nil)

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

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

Note 8: Other disclosures

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

8.1: Ex-gratia expenses

GKTOLMB has not incurred any ex-gratia expenses during the year (2017: Nil)

8.2: Reconciliation of net result for the year to the net cash flows from operating activities

	2018	2017
	\$	\$
Net result for the year	66,492	(195,461)
Non-cash movements:		
Depreciation	384	1,160
Changes in assets and liabilities:		
Decrease/ (increase) in receivables	14,791	(17,501)
Decrease/ (increase) in prepayments	(7,937)	7,776
Increase/ (decrease) in payables	(188,051)	178,519
Net cash inflows from operating activities	<u>(114,321)</u>	<u>(25,507)</u>

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

8.3 Responsible persons

(i) Responsible persons

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

The names of the persons who were responsible persons of the Board at any time during the financial year were:

Relevant minister

The Hon Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change (1 July 2017 to 30 June 2018)

Board and accountable officer

Mr Grattan Mullett (Chair)	(1 July 2017 to 30 June 2018)
Mr John Mitchell (Deputy Chair)	(1 July 2017 to 30 June 2018)
Mr Damian Britnell (Executive Officer)	(1 July 2017 to 30 June 2018)
Ms Marianne Atkinson (Board Member)	(1 July 2017 to 30 June 2018)
Mr Geoff Hocking (Board Member)	(1 July 2017 to 30 June 2018)
Ms Angela Hutson (Board Member)	(1 July 2017 to 30 June 2018)
Ms Janine Haddow (Board Member)	(1 July 2017 to 30 June 2018)
Ms Glenys Watts (Board Member)	(1 July 2017 to 30 June 2018)
Mr David Willington (Board Member)	(1 July 2017 to 30 June 2018)
Ms Lena Morris (Board Member)	(1 July 2017 to 30 June 2018)
Mr Malcolm Siely (Board Member)	(1 July 2017 to 30 June 2018)
Ms Katherine Mullett (Board Member)	(1 July 2017 to 30 June 2018)

(ii) Remuneration

Income Band	2018 No.	2017 No.
\$0 - \$9,999	9	8
\$10,000 - \$19,999	2	3
\$130,000 - \$139,999	-	1
\$150,000 - \$159,999	1	-
Total	12	12
Total remuneration	\$ 255,726	\$ 239,058

The compensation detailed above excludes the salaries and benefits the Portfolio Minister receives. The Ministers' remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

8.4 Remuneration of executives

The authority does not have any executive officers that meet the definition of FRD 21C disclosures of responsible persons and executive officers, other than ministers and the accountable officer, during the reporting period. The accountable officer's remuneration has been disclosed in Note 8.5 Related parties.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

8.5 Related parties

GKTOLMB is a wholly owned and controlled entity of the State of Victoria. Related parties of GKTOLMB include:

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

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

Key management personnel (KMP) of the Board include the Portfolio Minister, board members and the accountable officer as reported under Note 8.3. 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.

Significant transactions with government-related entities

Entity	Funding received	Amount receivable at year end
	\$	\$
Department of Environment, Land, Water and Planning (DELWP)	948,000	-

Funding was received from DELWP for the ongoing operations of the Board.

	Expenses incurred	Amount payable at year end
	\$	\$
East Gippsland Catchment Management Authority (EGCMA)	459,746	40,810

Expenses were incurred with EGCMA for the provision of payroll related expenses for the board, executive officer and project officer.

Parks Victoria	185,000	-
----------------	---------	---

Expenses were incurred with Parks Victoria for the provision of a project officer to assist with project implementation.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

Remuneration

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 benefit or deferred compensation.

	2018	2017
	\$	\$
Short-term employee benefits	206,409	210,810
Post-employment benefits	14,964	17,162
Other long-term benefits	3,484	3,086
Total remuneration	224,857	231,058

Transactions with key management personnel and other related parties

	Expenses incurred	Amount payable at year end
	\$	\$
Gunaikurnai Land & Waters Aboriginal Corporation (GLaWAC)	22,238	-

During the year, GLaWAC, an entity of which Glenys Watts (board member) is a KMP of, was awarded contracts on terms and conditions equivalent for those that prevail in arm's length transactions under the Board's procurement process. The transactions related to providing funding to GLaWAC to complete the Gunaikurnai Cultural Strengthening Project and Knob Reserve Planning to the value of \$22,238.

During the year, EGCMA, an entity of which Glenys Watts (board member) is a KMP of, was awarded contracts on terms and conditions equivalent for those that prevail in arm's length transactions under the Board's procurement process. The transactions related to providing payroll related expenses for the board, executive officer and project officer to the value of \$459,746.

8.6: Remuneration of auditors

The amount paid or due and payable to the Victorian Auditor-General's Office for auditing the financial report is \$7,000 (2017: \$4,500).

8.7: Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of GKTOLMB.

Gunaikurnai Traditional Owner Land Management Board

Financial Statements for the year ended 30 June 2018

Notes to the financial statements for the year ended 30 June 2018

8.8 Australian Accounting Standards issued that are not yet effective

Certain new Australian Accounting Standards (AASs) have been published that are not mandatory for the 30 June 2018 reporting period. GKTOLMB assess the impact of all these new standards and advises the entity of their applicability and early adoption where applicable.

As at 30 June 2018, the following AASs that may be applicable to the board have been issued by the AASB but not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as indicated.

<i>Standard/Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning on</i>	<i>Impact on public sector entity financial statements</i>
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015 8 Amendments to Australian Accounting Standards – Effective Date of AASB 15 has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017.	1 Jan 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.
AASB 2016-7 <i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</i>	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 Jan 2019	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019-20 reporting period.

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for- Profit Entities	AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit- entities into AASB 9 and AASB 15. This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1 Jan 2019	This standard clarifies the application of AASB 15 in a not- for-profit context. The areas within these standards that are amended for not-for-profit application include: AASB 15 • The “customer” does not need to be the recipient of goods and/or services; • The “contract” could include an arrangement entered into under the direction of another party; • Contracts are enforceable if they are enforceable by legal or “equivalent means”; • Contracts do not have to have commercial substance, only economic substance; and • Performance obligations need to be “sufficiently specific” to be able to apply AASB 15 to these transactions
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of operating leases (which are currently not recognised) on balance sheet.	1 Jan 2019	The assessment has indicated that most operating leases, with the exception of short term and low value leases will come on to the balance sheet and will be recognised as right of use assets with a corresponding lease liability. In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge. There will be no change for lessors as the classification of operating and finance leases remains unchanged.

Gunaikurnai Traditional Owner Land Management Board
Financial Statements for the year ended 30 June 2018

Notes to the financial statements
for the year ended 30 June 2018

AASB 1058 <i>Income of Not-for-Profit Entities</i>	AASB 1058 standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 Contributions. The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context, AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.	1 Jan 2019	<p>The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds. This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets.</p> <p>The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants). Only after that analysis would it be possible to conclude whether there are any changes to operating grants.</p>
--	---	------------	--

Independent Auditor's Report

To the Board of the Gunaikurnai Traditional Owner Land Management Board

Opinion	<p>I have audited the financial report of the Gunaikurnai Traditional Owner Land Management Board (the board) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2018• 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. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the board as at 30 June 2018 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
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 board 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 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 board'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 board'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 board'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 board to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

MELBOURNE
10 October 2018



Paul Martin
as delegate for the Auditor-General of Victoria

Appendix 1 – Disclosure Index

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

<i>Legislation</i>	<i>Disclosure Required</i>	<i>Page</i>
Ministerial Directions and Financial Reporting Directions		
Report of Operations		
Declaration		
SD 4.2(j)	Responsible Body's declaration	4
Charter and purpose		
FRD 22H	Manner of establishment and responsible Minister(s)	7
FRD 22H	Purpose, functions, powers and duties	8
FRD 22H	Nature and range of services provided	7
FRD 22H	Key initiatives and projects	15
Management and structure		
FRD 22H	Organisational structure	17
Financial and other information		
FRD 8D	Performance against objectives	10
FRD 8D	Disclosure index	28
FRD 12B	Disclosure of major contracts	22
FRD 22H	Occupational Health and Safety	20
FRD 22H	Summary of the financial results for the year	16
FRD 22H	Significant changes in financial position for the year	16
FRD 22H	Major changes or factors affecting performance	16
FRD 22H	Subsequent events	16
FRD 22H	Freedom of Information	22
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	23
FRD 22H	Statement on Competitive Neutrality Policy	23
FRD 22H	Application and operation of the <i>Protected Disclosures Act 2013</i>	23
FRD 22H	Details of consultancies over \$10,000	21
FRD 22H	Details of consultancies under \$10,000	22
FRD 22H	Disclosure of Government advertising expenditure	22
FRD 22H	Disclosure of ICT expenditure	22
FRD 22H	Statement of availability of other information	24
FRD 22H	Reporting of Office-based environmental impacts	24
FRD 25C	Victorian Industry Participation Policy disclosures	21
FRD 29C	Workforce Data disclosures	21
SD 5.2	Specific requirements under Standing Direction 5.2	Entire report
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	25
SD 5.2.3	Declaration in report of operations	
Financial Statements		
Declaration		
SD 5.2.2	Declaration in financial statements	27
Audit Act 1994	Auditor-General's report	51

<i>Legislation</i>	<i>Requirement</i>	<i>Page reference</i>
Ministerial Directions & Financial Reporting Directions		
Other requirements under Standing Directions 5.2		
SD5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Page 32
SD5.2.1(a)	Compliance with Ministerial Directions	Page 32
SD5.2.1(b)	Compliance with Model Financial Report	

Other disclosures as required by FRDs in notes to the financial statements ^(a)

FRD 9B	Departmental Disclosure of Administered Assets and Liabilities by Activity	N/A
FRD 11A	Disclosure of Ex gratia Expenses	Page 44
FRD 13	Disclosure of Parliamentary Appropriations	Page 46
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	Page 45
FRD 103G [pending]	Non-Financial Physical Assets	Page 35
FRD 110A	Cash Flow Statements	Page 31
FRD 112D	Defined Benefit Superannuation Obligations	Page 34

Note:

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

Legislation		
	<i>Conservation Forests and Lands Act (Vic) 1987</i>	Page 7
	<i>Freedom of Information Act 1982</i>	
	<i>Building Act 1993</i>	Page 23
	<i>Protected Disclosure Act 2012</i>	Page 23
	<i>Carers Recognition Act 2012</i>	N/A
	<i>Victorian Industry Participation Policy Act 2003</i>	Page 21
	<i>Financial Management Act 1994</i>	Page 25

