



# Volunteering for Victorians

all day, everyday

**SES**

**PETER JANICKI**





Cover: Special thanks to John Reed, Peter Janicki, Penny Edwards, Yvonne Leeman, Matt Steckel and Nickal Barwick from the Emerald unit for giving up your time to participate in the Annual Report photo shoot. Thanks also to the Emerald unit for allowing us to utilise your facilities and equipment for the photo shoot.

## COMMUNICATION OBJECTIVE

This report provides an account of the Victoria State Emergency Service Authority during the 2008-2009 financial year, as required under the Financial Management Act of 1994.

It provides a record of events and activities, acknowledges the cooperation of the VICSES members and its supporters, and informs Government and the public about VICSES services and organisational development during the 2008-2009 financial year.

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# CONTENTS

About VICSES	2
Our Goals and Objectives	3
Chair's Report	6
CEO's Report	8
Board Details	10
Meetings of the VICSES Authority	12
VICSES Organisational Chart	13
Executive Management Team	14
Operations	16
Black Saturday	18
Regions	20
Emergency Management and Communication	28
Training	31
Funding & Sponsorships	35
Our People	36
Corporate Services	38
Corporate Governance	40
Committees & Taskforces	42
Financial Statements	44
Disclosure Index	86
Abbreviations & Acronyms	88



## ABOUT VICSES

### OUR VISION

VICSES will be seen as a robust, innovative, emergency service organisation keeping Victorian communities safe.

### OUR PURPOSE

Partnering with the community to provide timely and effective emergency services.

### OUR VALUES

- Our people
- Commitment
- Trust
- Community focused
- Integrity

# OUR GOALS AND OBJECTIVES

## A sustainable volunteer and employee workforce

- Developed a new Code of Conduct for Volunteers, that is aspirational and reflects the organisation's value "Our People".
- Successfully negotiated a new Enterprise Agreement that supports work-life balance for staff and better service delivery to volunteers.
- Developed and launched the VICSES OH&S Strategy - "Play your Part".
- Continued to roll out facilitate the "One VICSES" program for all members across the State.
- Conducted a second Cultural Audit and providing feedback to staff and volunteers on the outcomes.
- Developed and implemented a second "Moving Forward" Leadership Program with 17 staff participating.
- Continued roll out of the Fireline Leadership course tailored to the needs of VICSES needs for volunteers.
- Developed and implemented a "Change Management" survey involving volunteers and staff in conjunction with Monash University.
- Conducted an Accountability Review for the State and Regional Business Units that will lead to enhanced customer service.
- Received funding from the State Government's Valuing Volunteers Program to support VICSES' Recruitment, Retention and Recognition Strategy developed through the Recruitment, Retention and Recognition taskforce.
- Significant increases in members attaining national recognised competencies.
- The list below highlights the increase in percentage of members who gained accreditation in competencies from 2007/2008.
  - Delivery of Introduction to AIIMS incident management system 58%.
  - Delivery of Storm & Water Damage Operations 25%
  - Delivery of General Rescue 16%
  - Delivery of Working Safely at a CFA Incident 16%
  - Delivery of Road Rescue 10%
- Maintained a high public profile on the work of VICSES volunteers around the State with an average of 277 media reports mentioning VICSES per month.

- Developed and implemented the VICSES Media Strategy.
- Delivered VICSES Media Training Program to 80 volunteers.
- VICSES Volunteers completed a further 4436 national training competencies.

## A sustainable and independent source of funding

- Continued implementation of the Operational Information Management System (OIMS) with the roll-out of Incident Management System (IMS), the Resource Management System (RMS) and the Incident Reporting System (IRS). The Training System (TRAIN) is on track for a July 2009 go live date.
- Transfer the VICSES payroll function from DOJ to VICSES with the implementation Chris21 in house to go live 1/7/09
- Commenced procurement of major assets including:-
  - 19 new trucks delivered to units
  - 11 new rescue boats delivered to units
  - 10 Road Crash Rescue Kits delivered
- VICSES \$8.0m program for new and refurbished Units and upgrade to training facilities was continued
  - Completion of the Moe Unit refurbishment
  - Completion of the new Mitta Mitta LHQ
  - Commencement of the Swan Hill refurbishment
  - Commencement of the new Hepburn and Whittlesea Units Project
  - Negotiations underway to secure land for the Geelong and Wyndham projects
  - The concept designs for the enhancements to the training grounds are well progressed and usage agreements with CFA being finalised.
- ERC bids submitted in 2008 for the 2009/2010 financial year were successful with a further \$30million being allocated to VICSES over four years for asset replacement, communications systems including radio terminals and access to State Mobile Radio and extra funding for Units for day to day operations.

- Successfully re-negotiated current six year sponsorship with AAMI for a further two years.
- Entered into sponsorship agreement with Reliance Petroleum.

## An appropriately resourced emergency management capacity

- Thirty two Municipal Emergency Management Plans were Audited.
- Conducted a pilot and evaluation of the best practice municipal emergency management plan audit process.
- Conducted 25 "Introduction to Emergency Management" courses with 577 people from local council, police, ambulance, non government agencies, DHS, healthcare groups and other state government agencies attending.
- Revised and piloted new content for the Introduction to Emergency Management course.
- Active involvement with the development of the integrated Emergency Coordination Centre (iECC).

- Entered into an arrangement with the Bureau of Meteorology and the fire agencies to gain greater access to severe weather forecasting services.
- Introduction of AIIMS to VICSES continued throughout the year with a number of courses conducted and a tailored course "Managing Floods with AIIMS" being developed.

## A strategic and proactive approach to service delivery and meeting community expectations

- Developed community education information regarding earthquake and tsunami.
- Enhanced availability of flood information through collection of ninety one flood risk reports.
- Contributed to national project on development of a guideline on shelter in place versus evacuation in flash flood environments.
- Provided contributions to the revision of the Australian Emergency Manuals Flood Series.
- Participated as a member of the Australian Tsunami Working Group, in development of the Australian Tsunami Warning System and national community awareness programs for tsunami.
- Delivery of FloodSafe programs in Central and North East Regions.
- VICSES FloodSafe Programs were recognised by winning a Victorian Safer Communities award.
- Formed a partnership with Melbourne Water to fund three community education co-ordinators to provide community education for flood and storm in Central Region as well as enhancement of flood planning.
- Engaged with Bushfire affected communities regarding enhanced flash flood and storm risks.
- Implementation of the VICSES customised TRAIN software was achieved to provide greater access to training records and provide enhanced course administration capability.
- VICSES entered into a training agreement with Northern Metropolitan Institute of TAFE to provide Unit Assessor training across the State.
- To enhance the safety of members at VICSES training activities, standardised administrative risk assessment were developed for the range of VICSES training programs and trigger points identified for appointment of a designated Safety Adviser.
- Contributed to the national consultation process for development of Skill Sets for operational skills.



VICSES celebrated a partnership with Melbourne Water in an agreement which sees Melbourne Water fund three community education co-ordinators to provide community education for flood and storm in the Central Region, as well as enhancement of flood planning.



- VICSES managed a number of storm operations, largely resulting from damaging wind events.
  - In September 73 VICSES Units responded to 600 Requests for Assistance (RFAs)
  - Between 12/ 14 December, VICSES Units responded to over 1000 RFAs the majority being in metropolitan Melbourne.
  - On 15/16 May 2009, over 400 volunteers from 71 Units responded to 670 RFAs.
  - Over the Anzac Day weekend over 550 volunteers from 92 Units responded to 890 RFAs.
- In November 2008, VICSES deployed a taskforce to Queensland to assist with storm damage.
- On 7/8 February 2009, during the devastating Victorian bushfires, VICSES attended to 750 RFAs. On 7 February, 90 VICSES Units and over 600 volunteers were deployed to deal with storm damage whilst also providing support to the fire agencies. In the weeks following the fires, VICSES members continued to assist affected community members and the other agencies.

## A sound governance framework

- Continued review of existing policies and development of new governance and administrative policies.
- A complete review and update of the VICSES Risk Management Framework including Policy and Procedure development was conducted resulting in a new Risk Register being implemented.
- Commencement of Business Continuity Management Framework for VICSES.
- Units Financial Management Taskforce was set up and policy framework developed and procedures manual written to assist Units with their financial management.
- Cash balances for VICSES Units has been included in the annual report for the first time.

# CHAIR'S REPORT

Any reflection on the 2008-2009 year is rightfully dominated by the tragic events of Black Saturday, February 7. The tragedy that unfolded pulls into sharp focus the capacity of the Emergency Services, its systems, policies and procedures, particularly in extreme weather events. The planning for such events, in the context of drought and climate change, will continue to be a key focus and significant risk for Emergency Services. What is to follow through the recommendations of the Royal Commission will most certainly shape the Victorian State Emergency Service of the future.

I would like to take the opportunity to remember those most affected by Black Saturday, those members of our community we have lost, the people who have lost loved ones, and those who have to rebuild their lives.

In addition, I would like to acknowledge the tremendous efforts of the members of VICSES during this time and throughout the 2008-2009 year. In particular, the efforts in supporting the communities most affected by the fires are to be highly commended.

We are most thankful that there were no major safety incidents involving our staff or volunteers during the year. We must realise that safety needs to be of the highest priority during SES activities which requires members to undertake difficult tasks from time to time.

## VICSES Board Movements

During 2008-2009 there were no major changes to the membership of the Board of Directors, however a number of reappointments have occurred.

Roger Jones was reappointed as a Board Director and Deputy Chair from 20 June 2008 to June 2011. Barbara Yeoh was reappointed as a Director on 20 June 2008. Lawrence Russell was also reappointed as a Director as at 1 November 2008 for three years. Helen Dyson was reappointed as a Director on 20 June 2009.

## Setting the Strategic Direction

During the year, the Board has had the opportunity to reflect on its performance and it has been very pleasing to recognise the significant progress that has been made by VICSES in achieving the goals established in its first strategic plan.

Our second Strategic Plan contains the Vision, Purpose, Values, Goals and Objectives for the three years from 2009 to 2012.



Our thanks to all members of the Authority for their contribution and commitment during the year. I am very proud to be associated with VICSES. On behalf of the Board, I commend this annual report to you.



The Strategic Plan acknowledges that the Authority has undergone a substantial change process and needs an opportunity to ensure that the systems and procedures developed and implemented are working effectively and are supported throughout the organisation.

A particular area of focus is the personal safety of our people and our communities. Additional activities have been approved by the Board in this area.

The Board continues to be well supported by its Committees – the Governance Finance and Audit Committee and the People Committee is helping to ensure that robust systems are in place to ensure that significant areas of risk are identified and that appropriate mitigation initiatives are in place.

## Partnerships

It is timely for the Board to acknowledge our significant partners: Municipal Councils, the Department of Justice, the Commissioner for Emergency Services, the Country Fire Authority, Victoria Police, Metropolitan Fire Brigade, Department of Sustainability and Environment and other emergency services organisations in Victoria. We thank them for their support through the year.

In particular, I would like to acknowledge the significant funding boost to VICSES announced in the May 2009 Victorian State Budget.

## Financial Results

The Board has reviewed the Statutory Authority's financial statements for the period 1 July 2008 to 30 June 2009. The net result for the Victoria State Emergency Service Authority for this period was a consolidated operating surplus of \$17.592m, which includes the volunteer units' cash balances of \$7.29m, \$3.6m core services funding carried forward to 2009-2010 and externally-funded services of \$2.418m. This net result demonstrates the reliance on external funds for the Authority to fund unit improvements and capital equipment.

For the first time, as required by the Victorian Auditor General's Office (VAGO), the VICSES annual financial statements include the volunteer unit's cash balances total of \$7.29m.

In 2006 VICSES received \$8.016m in funding to develop new units (3), refurbish existing units (4), and improve training facilities (4) over a four-year period. This program of works is well progressed but due to some delays in appropriate land parcel identification and planning permits \$2.4m funding will be carried forward to 2009-2010.



Claire Higgins

**Chair**

Victoria State Emergency Service Authority Board

# CEO'S REPORT

The start of 2009 saw Victoria in the midst of the worst natural disaster in Victoria's history following the devastating fires that occurred on Black Saturday, 7 February 2009, when 173 people lost their lives. During this time, VICSES volunteers and staff worked around the clock, demonstrating their commitment in supporting Victorians during this tragic time. VICSES played a significant role in the bushfire event, assisting the fire services, other emergency service agencies and support organisations.

Tragically, many VICSES members lost their homes and personal possessions during the fires. Members of the Kinglake and Marysville Units also had to deal with the loss of their units with the Kinglake and Marysville Units suffering significant damage to both property and equipment. This loss contributed to an emotional toll already being experienced by so many directly and indirectly involved.

The Kinglake Unit lost its entire building including two rescue trucks. On 21 May a heavy rescue truck was delivered to Kinglake thanks to State Government funding. Another light rescue truck is set to be delivered in the next financial year. Kinglake also lost about \$300,000 worth of equipment. About \$100,000 worth of equipment has already been replaced with the remainder to be delivered once storage space is secured.

The Marysville Unit LHQ was significantly damaged during the fires and the rebuild planning of this facility has begun. The Marysville SES Unit also lost a rescue truck during the fires and lost about \$130,000 worth of equipment, all of which has been replaced. A State Government funded heavy rescue truck was also delivered to the Marysville Unit in May.

The 2008-2009 financial year began with the introduction of SAP, the new corporate finance and asset management system, as a result of strong partnerships and support from the Metropolitan Fire Brigade (MFB) and Department of Justice (DoJ). Staff at VHQ and regions are using SAP for all ordering of goods and services, payments to suppliers, invoicing to customers and financial reporting. The introduction of this new system has proved to be invaluable, significantly reducing the amount of paperwork associated with operations and inventory management.

In partnership with CFA, this year marked the roll-out of the VICSES Operational Information Management System (OIMS) with the first two components Incident Management (IMS) and Resource Management (RMS) being utilised by many units. The second two components Incident Reporting (IRS) and TRAIN will be rolled out from July 2009.

This year also saw the name of the VICSES community education programs changed to FloodSafe and StormSafe, which brings VICSES in line with other states. The name change was seen as a positive step to ensuring all state and territory emergency services (T/SES) work together to develop a national community education program for floods and storms. It will also assist with consistent cross border messaging in the future.



The 2008–2009 financial year has been both a rewarding and challenging time for VICSES. I would like to take this opportunity to thank all our volunteers and staff for their commitment over the past year and their dedication during the Victorian bushfires, which was a most tragic time for all Victorians.

Another significant development was the establishment of several VICSES Task forces to address some of the strategies outlined in the 2008-2009 Corporate Plan. Assets and PPC&E, Unit Financial Management Framework, Unit Structure, Recruitment, Retention and Recognition Strategy, OIMS User Group, Dress Manual/Uniform Review and Local Government Relationship Strategy were established in 2008-2009, along with Risk Management Framework Task force which was launched early in 2009. Each of the task force members continue to meet on a regular basis to discuss strategy, policy and organisational framework relating to each task force, with strategic plans being developed.

Due to the growth and development of the VICSES Emergency Management Services business unit and the Media and Public Relations business unit, the Board approved the establishment of a new Directorship – Director of Emergency Management Planning and Communication. Andrew Gissing was appointed to this role in January 2009. The purpose of the new directorate is to lead and manage Emergency Management Planning at VICSES including the standard of advice provided to local governments, the continued development and implementation of community education and awareness programs for flood and storm across the State and to promote and influence the development of a Total Flood Warning System in Victoria. The Directorship will also be responsible for leading the Media and PR Unit ensuring the community is fully aware of the role and work performed by VICSES volunteers and staff both in their local communities and at a State level.

In May 2009, the Victorian Government announced a major funding boost, with \$30 million allocated to VICSES over four years. As a result of the funding, VICSES will be able to purchase an extra 15 heavy rescue vehicles, seven 4WD vehicles, nine rescue boats and 11 road rescue kits. The funding will also enable VICSES to improve radio communications, with units receiving new radios for all vehicles and Local Head Quarters (LHQ). Another boost from the budget is the increase in the State Government's Unit Subsidy, with the 2008-2009 standard \$5,390 annual grant provided to each unit increasing to \$6020 for small units, \$11,674 for medium-sized units and \$14,363 for large units. This came into effect on 1 July 2009. Extra funding will enable VICSES units to better meet the day-to-day costs involved in running a unit.

Over the past three years there has been substantial change in VICSES, with new systems, processes and policies being introduced and implemented. Over the next 12 months the focus is now shifting and concentrating on consolidating these changes and adapting, so they are owned by the entire organisation. I am very proud of our achievements over the past 12 months, and I am looking forward to working together with volunteers and staff to approach the challenges that lay ahead for VICSES during the next 12 months.

I am confident that the challenges that lay ahead for 2009-2010 will be achieved and become some of VICSES's most significant milestones.



Mary Barry  
**Chief Executive Officer**  
Victoria State Emergency Service Authority

# BOARD DETAILS



**Claire Higgins**

**Board Chair**

Victoria State Emergency Service Authority

Claire Higgins is the Chair of the Victoria State Emergency Service Authority. Appointed on 1 September 2007 to 28 February 2010.

Claire Higgins has over 25 years governance, management, finance and accounting experience with major Australian Corporates – BHP and OneSteel Limited, and major Belgian Corporate – NV Bekaert SA.

Claire was appointed Chair of the Victoria State Emergency Service Authority on 1 September 2007, and is Deputy Chairperson of the Country Fire Authority.

Claire recently completed nine years on the Board of Barwon Health, seven of those as Chair.



**Roger Jones**

BED, FAIES

Roger Jones was appointed to the Board in June 2006. Roger was appointed Deputy Chair of the Board on 1 November 2006 and is a member of the Board's People Committee.

Roger brings to the Board an understanding of Australian emergency services, the regional and national context of emergency management policy and practice, and of the full-time and volunteer members who work in the field.



**Lawrence Russell**

ESM

Lawrence (Laurie) Russell was appointed to the Board in November 2005. Laurie is also a member of the Board's People Subcommittee. Laurie has extensive experience in municipal parks and gardens management in the Cities of Melbourne, Knox, Wyndham and Shire of Sherbrooke.

Laurie was a foundation member of the Werribee Unit, a past President of the Victoria Emergency Service Association and is the current Controller of the Werribee Unit.

Laurie brings to the Board a thorough understanding of volunteer issues in emergency service organisations with over 40 years experience volunteering in VICSES and CFA.



## Helen Dyson

B.Com LLB (Hons), Graduate Certificate of Trusteeship, F Fin, MAICD

Helen Dyson was reappointed to the Board in June 2009 and is a member of the Board's Governance, Finance & Audit Committee and the Remuneration Committee.

Helen has had over 25 years legal, finance and management experience with several of Australia's largest companies, Rio Tinto Limited and Coles Myer Ltd (now part of Wesfarmers). She has also worked in stockbroking, financial services and agribusiness in legal and commercial roles. Helen also spent nine years as a trustee of a major corporate superannuation fund.

Helen is also a board member of the Australian Institute of Superannuation Trustees.



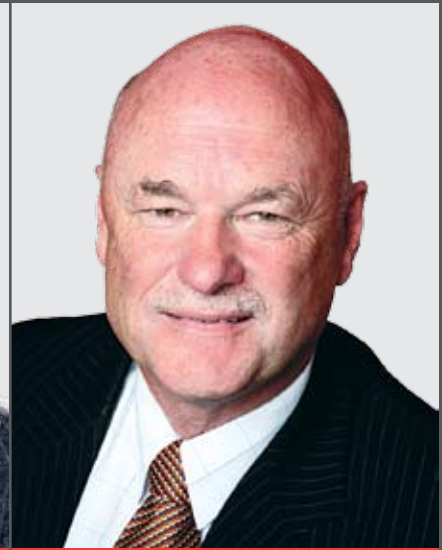
## Barbara Yeoh

BSC (Hons), FAICD

Barbara Yeoh was appointed to the Board in June 2006 and is a member of the Board's Governance, Finance & Audit Subcommittee and Remuneration Subcommittee.

Barbara has had an extensive career in the finance sector and has held a wide range of directorships over the past 20 years. Barbara is Chair of Southern Health, a Director of Melba Memorial Conservatorium of Music and a Member of the Gambling & Lotteries Licence Review Panel. Her other appointments include Chair of the Civil Aviation Safety Authority Audit & Risk Committee, Chair of the ACT Treasury Investment Advisory Board and a Member of the Commonwealth Statutory Fishing Rights Allocation Review Panel.

Barbara is currently a Principal Associate of PhillipsKPA, specialist advisers to the education sector.



## David Vendy

David Vendy was appointed to the Board in July 2007.

David was Mayor of Ballarat from 2001 to 2007 and a councillor of the City of Ballarat since municipal amalgamation in 1996. Prior to amalgamation, he spent four years as a councillor with the Shire of Ballarat.

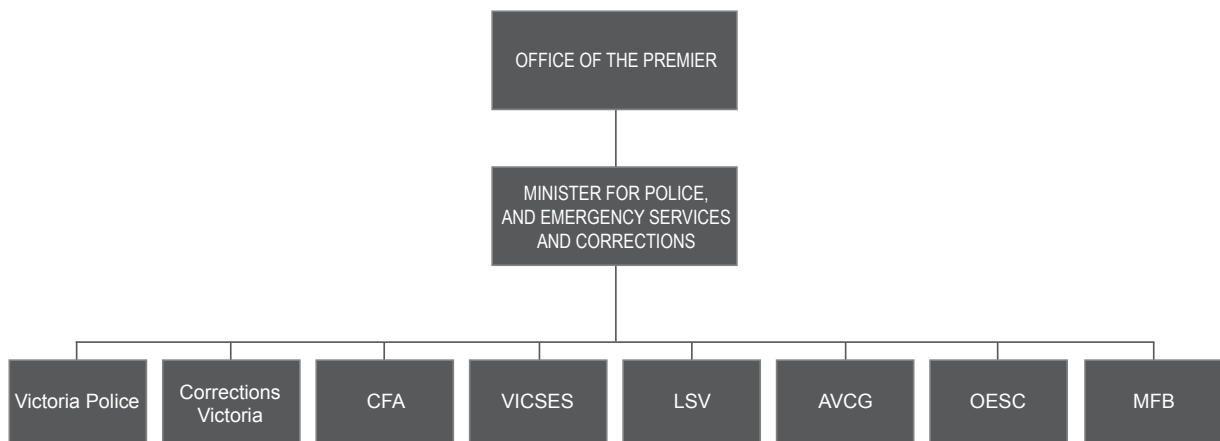
Previously David has worked in the transport industry, holding senior management jobs in both the public and private sector. He also has extensive experience as an owner and manager in the hospitality sector.

# MEETINGS OF THE VICSES AUTHORITY

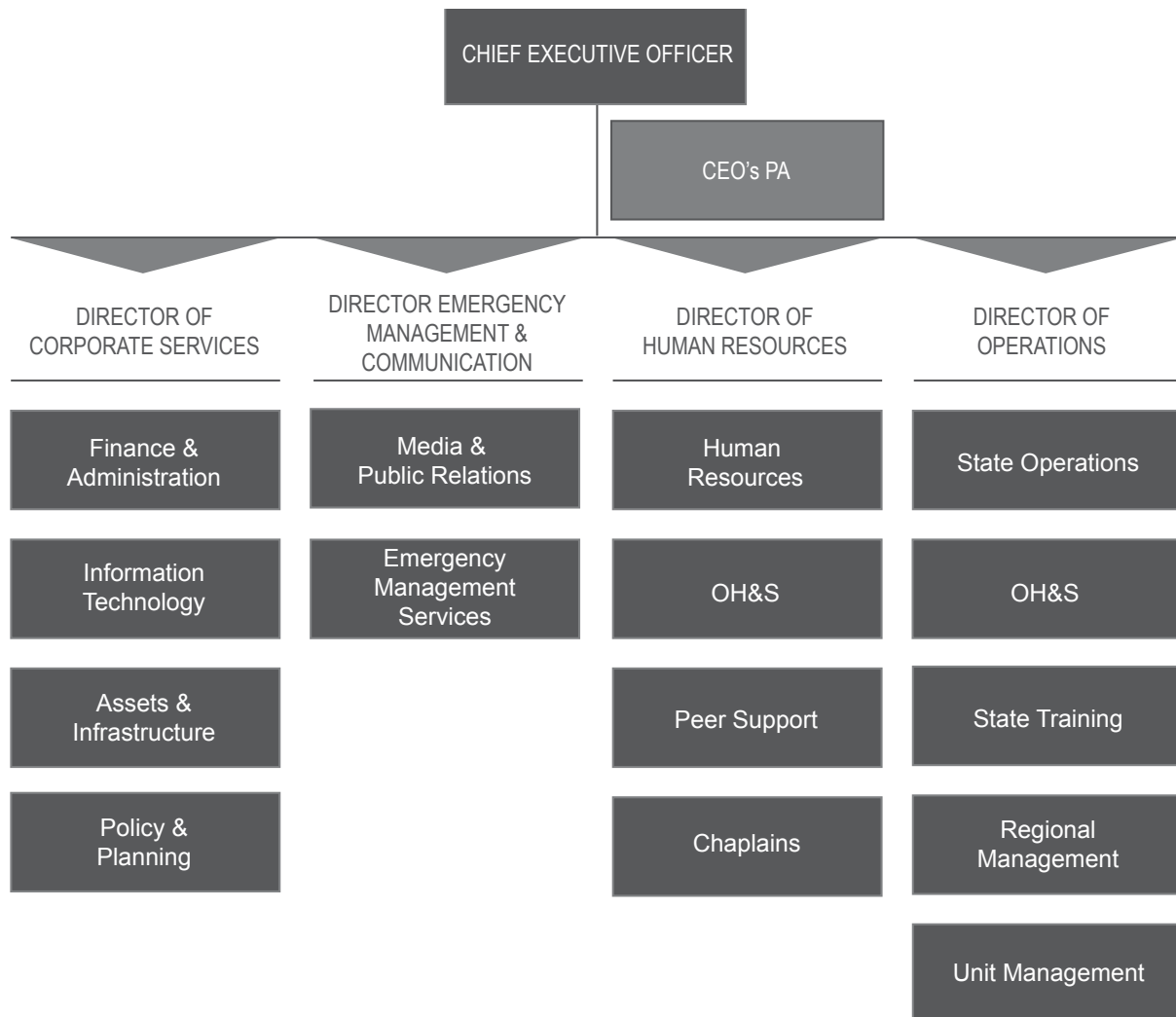
## Attendance by Board Directors

	Board Meetings	Special Meetings	Governance, Finance & Audit Committee	People Committee	Remuneration Committee
<b>Number of Meetings from 1 July to 30 June 2009</b>	<b>11</b>	<b>0</b>	<b>6</b>	<b>5</b>	<b>4</b>
Claire Higgins	9	–	6	5	4
Roger Jones	10	–		5	
Helen Dyson	9	–	5	–	3
Lawrence Russell	10	–	–	4	–
Barbara Yeoh	10	–	6	–	4
David Vendy	6	–	–	2	–

# ORGANISATIONAL CHART



# VICESES ORGANISATIONAL CHART



# EXECUTIVE MANAGEMENT TEAM



**Mary Barry**  
**Chief Executive Officer**

Mary Barry was appointed to the position of Chief Executive Officer in January 2006 following the re-establishment of VICSES as a Statutory Authority. Mary is responsible to the Board for the overall performance of the Victoria State Emergency Service and for leading its transition to a robust, innovative emergency service keeping Victorian communities safe. Mary uses an energetic approach to lead the Senior Executive, staff and volunteers of VICSES.

Previously Mary held the position of CEO of the Victorian Association of Health and Extended Care (VAHEC). Prior to that, Mary held executive roles at the Shire of Melton and MECWA Community Care. She has extensive experience working with community-based organisations where service delivery is dependent on the efforts and commitment of both voluntary and paid staff.



**Trevor White**  
**Director of Operations**  
AFSM, Grad Dip Business, GAICD.

Trevor White was appointed as Director of Operations in May 2006.

He has spent most of his career working for CFA undertaking operational and general management roles in rural and regional Victoria and concluding his CFA career in the outer eastern metropolitan area of Melbourne.

Trevor is responsible for the development of operational doctrine for VICSES and overseeing the introduction of AIIMS to improve the incident management capabilities of VICSES. He provides leadership for VICSES operations in an environment where VICSES continues to play a major role with other partner agencies in dealing with a range of emergencies that continue to challenge emergency services in Victoria.

Trevor is accountable for VICSES operations management, policy and capability planning at the State, Regional and unit levels, and for operational training within VICSES.



**Katrina Bahen**  
**Director Human Resources**  
B.Arts/Commerce majoring Labouring Relations  
Grad Dip Business (HRM)

Katrina Bahen was appointed to the position of Director Human Resources in March 2007.

Previously Katrina was Manager Human Resources at RSPCA Victoria where she gained experience working with committed and dedicated volunteers and staff. Prior to that role, Katrina applied her skills in consultancy roles particularly in the development and implementation of OHS Management Systems. Katrina has worked in local government and lectured in Management Systems in NMIT.

Katrina provides leadership and direction in the area of Human Resource Systems, Peer Support and the Chaplaincy program.





**Jeannene Stewart**  
**Director of Corporate Services**

B.Business (Accounting), Grad Dip Business Computing, CPA

Jeannene Stewart was appointed to the position of Director of Corporate Services in June 2008.

Previously Jeannene was Senior Adviser to the Commonwealth Minister for Ageing, Hon Christopher Pyne. Prior to that, Jeannene was the Funding and Retirement Living Manager for ACCV (Aged and Community Care Victoria) formerly VAHEC (Victorian Association of Health and Extended Care).

Jeannene is a Certified Practising Accountant (CPA) with over 20 years experience in senior management roles in the welfare, information technology, health and aged care sectors. She has also provided consulting services to the Aged Care Industry, particularly in the areas of financial management, funding and legislative compliance.

Jeannene's VICSES areas of responsibility are governance, finance and administration, information technology and assets and infrastructure.



**Andrew Gissing**  
**Director Emergency Management Planning and Communication**

B. Economics, M. Science (Hons)

Andrew Gissing was appointed to the position of Director Emergency Management Planning & Communication in February 2009.

Previously Andrew worked at NSW SES, where he held the position of Manager Planning. He has a depth of knowledge in emergency management, particularly in emergency planning, warning systems, risk management, community education and disaster research. He is passionate about the management of flood risk.

Andrew has authored some 30 published conference and journal papers on emergency management topics and has recently taken a lead role in revising the Australian Emergency Management Manual Flood Series. He is also an Honorary Associate of Macquarie University.

Andrew provides leadership and direction in the areas of VICSES' emergency management planning and advice functions, community education, flood emergency management, and communication (media/public relations) strategies.

# OPERATIONS



VICSES has experienced a phenomenal year in operational response and support activities. Throughout the year, damaging winds have lashed the state, volunteers have responded to countless storm-related call outs and an unprecedented number of resources have been deployed. During the worst natural disaster Victoria has ever experienced, VICSES supported many agencies, operating under Declared Operations conditions for 43 days during the Bushfire event. Throughout the past year, units have attended over 11,250 Requests for Assistance (RFA's), equating to over 107,400 volunteer hours.

## Operations

In 2008-2009 VICSES managed a number of small (up to 500 RFAs) and moderate sized storm operations, largely resulting from damaging wind events.

- During September, 73 VICSES units dealt with 600 RFAs relating to storm damage across the state.
- In the period between 12 and 14 December 2008, VICSES units responded to over 1000 RFAs relating to storm damage and flash flooding, with the majority of call outs in metropolitan Melbourne.
- Over the Anzac Day weekend, 92 units with more than 550 volunteers responded to over 890 RFAs.
- On 15 and 16 May 2009, over 400 volunteers from 71 units were kept busy responding to more than 670 RFAs.

In addition to the severe weather in Victoria, in November 2008, VICSES deployed a taskforce to Queensland, at the request of Emergency Management Queensland, to assist with storm damage after 'super cells' had lashed their State and, in particular, the Brisbane area.

Operationally there were numerous significant incidents, but none that compared with the devastating Victorian bushfires, when VICSES responded to 750 requests for assistance on Black Saturday. Ninety VICSES units and over 600 volunteers were deployed to deal with storm damage whilst also providing support to the fire agencies. Support activities included assisting with the clearance of roads by cutting up and removing trees, providing lighting for Victoria Police at roadblocks, supporting the operation of base camps for fire fighters, staging area management and logistics support. During the bushfires and aftermath, VICSES responded to more than 3400 RFAs across the state and had over 1000 volunteers deployed in the affected regions.

## Operational reviews

A significant operational debrief program has been conducted with a preliminary report prepared in July 2009 and a detailed report to be provided to the VICSES Board. VICSES has been actively contributing to the various forums, considering matters raised in the Royal Commission to date and noting matters of interest to VICSES. These matters of interest which apply to our control agency responsibilities will be considered and reviewed with the incorporation of an all hazards principle to be reflected in any new or changed arrangements.

## Operational capability improvement

During the year, a significant milestone was achieved with the implementation of new operational systems, including OIMS. These systems will now provide for a higher degree of visibility in monitoring operational activities, improve the timeliness of reporting and the provision of support to units operating in the field.

VICSES has been actively involved with the development of the integrated Emergency Coordination Centre (iECC); a partnership between CFA, DSE, MFB and VICSES which is hosted by DSE. The facility has initially been focused on developing a capability for the fire and flood agencies to conduct state level strategic control and coordination in an integrated environment. This has produced significant benefits for VICSES, including having access to additional staff from other agencies to support our limited staff base in managing large events. The facility also allows VICSES to work more closely with DSE to access expert advice from the Water Sector Group in support of flood planning and response activities.

VICSES has also entered into an arrangement with the Bureau of Meteorology and the fire agencies to gain greater access to severe weather forecasting services. State Operations now has twice weekly briefings with the Bureau of Meteorology to monitor developing weather events. For several months of the year VICSES and the fire agencies now have access to an on-site weather forecaster at the iECC.

The introduction of AIIMS to VICSES continued throughout the year, with a number of courses conducted and a tailored course "Managing Floods using AIIMS" being developed.

The State Government also announced in the May budget that VICSES would be funded for the procurement of radios and provision of statewide radio network access. The provision of statewide radio network access for VICSES will lead to a significant improvement in operational capability, interagency communications and improved safety for members.

As VICSES enters another challenging operational year we look forward to the delivery of several initiatives to enhance our operational capability, delivering an effective and robust emergency service response capacity to the Victorian community.

# BLACK SATURDAY



Bushfires ravaged the area along Steels Creek Road, north of Yarra Glen. SES and CFA volunteers assist Police Disaster Victim Identification teams as they investigate a home on Steels Creek Road.

During the fires that occurred on 7 February 2009 and the period immediately after, VICSES played a key role in overseeing the coordination of emergency relief centres across a number of affected municipalities.

On Saturday 7 February the community experienced a natural disaster of a magnitude not previously experienced in Victorian history. Not only did this event have a significant impact on the community, its devastation was also felt in the emergency services sector. VICSES became a significant entity throughout the event, supporting CFA, DSE and a number of other government agencies responding throughout the tragic event.

VICSES volunteers and staff worked tirelessly throughout the event providing support in many tasks. Volunteers performed a range of duties including management of staging areas, erecting temporary fencing to contain livestock, delivering vital supplies and operational support in Incident Control Centres. Several staff were deployed to CFA to assist in strategic roles.

The statistics of VICSES involvement demonstrate the extent and impact of involvement VICSES volunteers and staff played throughout the emergency.

- Over 1000 volunteers deployed
- 127 units involved in the operation
- An estimated 23,700 volunteer hours of deployment throughout the operation
- 88 VICSES staff deployed
- 13 interstate staff deployed
- 74 occurrences of relief centres being opened overnight

In the weeks following the fires, VICSES members continued to assist affected community members and the other agencies. VICSES operated under Declared Operations conditions for 43 continuous days, with operations first commencing with the Heatwave and Storm preparedness on 27 January 2009. Between 27 January and 10 March, VICSES responded to more than 3400 Requests For Assistance across the State.

Volunteer units provided an outstanding number of crews for statewide deployment across these 43 days, with over 1000 volunteers deployed. A significant number of volunteers also continued to maintain VICSES core response functions such as Road Crash Rescue and Storm/Flood response across the State. It is easy to overlook the maintenance of primary service across the State when large events occur (eg VICSES responded to 193 Rescue events during this period).

VICSES members supported the Victoria Police – Disaster Victim Identification (DVI) teams in gaining access to properties. VICSES Urban Search And Rescue (USAR) CAT2 operators also participated in the first operational deployment of the State's multi-agency USAR teams to remove fire victims from collapsed structures. As well as this, VICSES members were actively supporting the operation of relief centres and undertaking a range of other tasks to support the fire agencies. To support the ongoing field operations and State coordination functions, valuable assistance was provided by South Australia SES, New South Wales SES and Tasmania SES.

VICSES played a key role in overseeing the coordination of emergency relief across a number of affected municipalities. Due to the enormity of the incident, relief arrangements were given their biggest test in many decades. Whilst a number of improvement opportunities were identified, the community was provided with timely relief.

VICSES is working closely with the Department of Human Services and local government to review the relief arrangements and will make recommendations to the State Emergency Response Planning Committee to enhance service delivery of these services in the future.

## Fire impacts on VICSES units and members

Unfortunately, as a result of the fires, both the Kinglake and Marysville Units experienced significant damage to the unit buildings, vehicles and equipment. A number of VICSES members from Kinglake, Marysville and Kilmore Units were personally affected and lost their own homes, yet they remained devoted to the task at hand, helping other members of the community who were in need. During May 2009, both Marysville and Kinglake Units had their primary rescue vehicles replaced with new medium rescue trucks, along with the necessary vital equipment. Temporary accommodation has been provided and planning is now underway to reinstate permanent accommodation arrangements for the units.



**Her Excellency Quentin Bryce travelled to the fire ravaged Kinglake SES unit to meet with Kinglake and Marysville SES members whose lives were impacted by the devastating fires.**

On Sunday 15 February, members of the Kinglake and Marysville Units gathered at the site of the fire ravaged Kinglake SES building along with members of other supporting VICSES units to meet informally with the Governor General of Australia, Her Excellency Quentin Bryce. On the same day, impromptu visits to the site were also made by the Premier of Victoria, the Hon. John Brumby, Chief Commissioner of Police, Christine Nixon, and the Prime Minister, the Hon. Kevin Rudd MP. The visiting dignitaries took time out to engage with volunteers and hear their personal stories about how the fires had affected them and the role they were playing in the aftermath.

Due to the significant number of members who were working under difficult circumstances and the number of members personally affected, VICSES established a PEER\* Operations Centre to support PEER teams operating in the field. A number of PEERS from NSWSES were also brought in to assist VICSES PEERS.

As Victoria embraces for another predicted severe fire season, VICSES volunteers and staff will be prepared and available to assist CFA and other government agencies in providing professional emergency services to the community as required.

\* PEER provides members and families with a system from PEERS that are trained in conjunction with the Critical Stress Management foundation of Australia.

# REGIONS

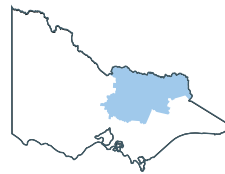


## CENTRAL

REGIONAL HEADQUARTERS LOCATION

Southbank, Melbourne

No. Operational Units	32
No. Road Crash Rescue Accredited	11
No. Regional Support Units	1



## NORTH EAST

REGIONAL HEADQUARTERS LOCATION

Benalla

No. Operational Units	25
No. Road Crash Rescue Accredited	22
No. Regional Support Units	1



## EAST

REGIONAL HEADQUARTERS LOCATION

Moe & Bairnsdale

No. Operational Units	24
No. Road Crash Rescue Accredited	16
No. Regional Support Units	2

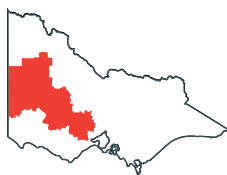


## NORTH WEST

REGIONAL HEADQUARTERS LOCATION

Bendigo & Swan Hill

No. Operational Units	22
No. Road Crash Rescue Accredited	18
No. Regional Support Units	1



## MID WEST

REGIONAL HEADQUARTERS LOCATION

Ballarat

No. Operational Units	14
No. Road Crash Rescue Accredited	11
No. Regional Support Units	1



## SOUTH WEST

REGIONAL HEADQUARTERS LOCATION

Hamilton & Geelong

No. Operational Units	24
No. Road Crash Rescue Accredited	22
No. Regional Support Units	2

Region	RHQ	Support Office	Operational Units	RCR Units	RSU Units
Central	Southbank		32	11	1
East	Moe	Bairnsdale	24	16	2
Mid West	Wendouree (Ballarat)		14	11	1
North East	Benalla		25	22	1
North West	East Bendigo	Swan Hill	22	18	1
South West	Hamilton	Geelong	24	22	2
VHQ	Southbank		-	-	1
<b>TOTAL</b>			<b>141</b>	<b>100</b>	<b>9</b>

\* Regional Support Units (RSU) provide an administrative and operational support to VICSES volunteer units and SES Business units



The 2008-2009 financial year marked numerous milestones in the regions. The year saw: the delivery of 19 trucks; the opening of the new volunteer unit, Hepburn Shire; and the FloodSafe and StormSafe pilot programs were rolled out in some regions. Operationally, thousands of volunteers from hundreds of units right across the state gave up their time to respond to the devastating Black Saturday bushfires

## Central Region

The Central Region covers an area of approximately 13,000 square kilometres. Geographically Central Region comprises metropolitan Melbourne and its immediate surrounds, including much of the Dandenong Ranges as well as the Mornington Peninsula (including French Island). It spans approximately 130kms east to west, and 100kms north to south. It stretches from Little River in the west to Bunyip River in the east and Mickleham in the north to Cape Schanck in the south. The Region contains approximately 80 per cent of the population of Victoria. It also contains the vast majority of the critical infrastructure that is of importance to the State.

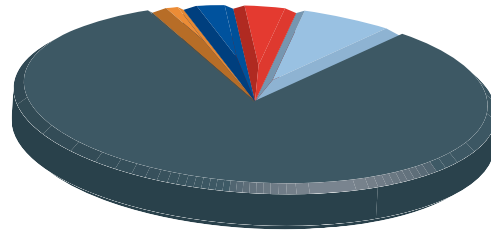
Central Region Headquarters is located at Southbank next to the State Headquarters. It services 32 municipally based volunteer units as well as 33 Municipal Emergency Management Planning Committees. The Central RHQ is currently staffed by a Regional Manager, a Manager Regional Operations, six Emergency Management Officers, three Training Officers, a Volunteer Support Officer, three Community Education Officers and two Administration Officers.

The Region currently has over 1,800 volunteers attached to the 32 units and supported by a Regional Support unit, with 11 of those units having road rescue accreditation. It hosts a significant vehicle and equipment cache that is dispersed across the region at strategic locations to enable an effective response to significant emergency events.

The Central Region covers the following municipal areas including: Banyule, Bayside, Boroondara, Brimbank, Cardinia, Casey, Darebin, Docklands,

### Central chart

113	Rescue Land
141	Flood
201	Fire support
331	Road Crash Rescue
3775	Storm



Frankston, Glen Eira, Greater Dandenong, Hobson's Bay, Hume, Kingston, Knox, Manningham, Maribyrnong, Maroondah, Melton, Melbourne, Monash, Moonee Valley, Moreland, Mornington, Nillumbik, Port Phillip, Stonnington, Whitehorse, Whittlesea, Wyndham, Yarra and Yarra Ranges.

The primary operational responsibilities of the units in the region involve responding to storms, with units across the region tasked with one every 1.4 hours and 75 per cent of all tasks for the Central Region volunteers relating to storm jobs. Motor vehicle accidents also occur frequently on a number of busy road networks across the region. The Region responds to flooding, building collapse, search and rescue and flooding which have no particular pattern or impact area.

During 2008-2009 the Region experienced the usual range of storm and motor vehicle accidents, but the most significant response activities related to the vital support provided to the fire services and other emergency service agencies during the Black Saturday fires and aftermath. Central Region volunteers contributed over 8,000 volunteer hours during this event. The Region also attended five community events on average every week.

A major achievement for the Central Region included the opening of the new Hastings Local Headquarters. Six new vehicles have also been added to the existing fleet, with 12 replacement vehicles for the Region. Looking forward, the focus is the relocation of the Regional Headquarters to Mulgrave, with the retention of some staff at the existing Southbank office. The 2009-2010 year will also see the establishment of two new volunteer units, the Whittlesea and Wyndham West Units.



SES volunteers assist Victoria Police with searches across the state. Search and Rescue is another skill of operational duties undertaken by volunteers.



## South West Region

VICSES South West Region covers an area of approximately 29,600sq km and serves a population of approximately 350,100 people distributed across large regional centres, coastal towns and hinterland communities. The Region, which extends from Queenscliff in the East through to the South Australian border in the West takes in virtually the entire Victorian coastline West of Melbourne, including the Grampians and Otway Ranges. Some of the major centres include the Geelong and Bellarine area, as well as Warrnambool and Portland. Large industrial and shipping operations are located in Geelong and Portland.

The South West Region consists of 24 units supported by two Regional Support Units, with eight permanent staff distributed across two regional offices that are located in Geelong and Hamilton. Twenty two of the 24 volunteer units provide road rescue services across the region.

The Region includes the following Local Government areas: the City of Greater Geelong, Borough of Queenscliffe, Surf Coast Shire, Colac Otway Shire, Corangamite shire, Moyne Shire, City of Warrnambool, Glenelg Shire and Southern Grampian Shire.

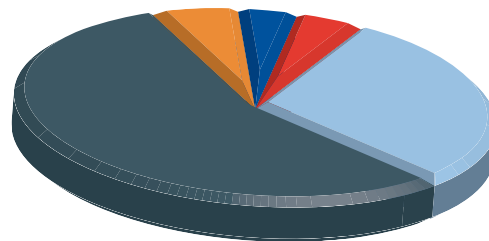
Historically, the emergencies that have had the greatest impact on the Region consist of periodic flooding emanating from the river systems across the Region, as well as bushfires in the Otway Ranges, Grampian Ranges, and open grassland areas. Storm events also occur regularly across the Region and transport and motor vehicle accidents occur frequently on the road and rail networks that cross the Region. Certain areas in the Region are also exposed to risks from earthquake and coastal inundation.

The 2008-2009 year has been another busy year for VICSES volunteers. Of particular note was the commitment of our volunteer members in responding to the February bushfires that devastated parts of Victoria. A total of four VICSES Task forces were deployed from the Region as part of the overall VICSES response to providing support to the fire agencies and impacted communities. Several other members deployed individually provided specialist expertise in support of the overall multi-agency effort.

During 2008-2009 our volunteers have continued to provide a highly proficient and professional 24 hour response service to the community, with a range of responses to motor vehicle accidents, storm events and searches being undertaken across the Region.

### South West

47	Rescue Land
31	Flood
33	Fire support
231	Road Crash Rescue
441	Storm



While operations have been a focal point for achievement, the region has had a very busy and successful year in adopting and implementing the state wide Operational Information Management System (OIMS), transitioning to a new financial management system (SAP) and implementing a new incident management system (AIIMS).

In the year ahead, VICSES will continue to provide support to our volunteer members, which will include the delivery of a comprehensive training program. We will also look to consolidation of our OIMS operating system, implementation of AIIMS and the continued implementation of the OH&S Management System. The introduction of a new integrated radio network across all VICSES Regions will be a great boost to the operational capability of the South West Region.

## North West Region

VICSES North West Region occupies the vast majority of the north-west part of the State of Victoria. Population in the region is located primarily in the two major centres of Bendigo and Mildura, and in medium-sized rural cities and towns including Swan Hill, Castlemaine, Echuca, Woodend, Gisborne and Maryborough. Many parts of the rural areas of the northern plains are affected by the rural decline and have an ageing population. This is less evident in the fertile fruit growing irrigation areas along the Murray River. In the south population is more densely and evenly spread, and in the far south many of the residents commute to Melbourne on a daily basis.

From a VICSES infrastructure perspective the region consists of 22 volunteer units supported by one regional support unit and two regional offices located at Bendigo and Swan Hill. The Regional Headquarters at Bendigo has five full time staff including the Regional Manager. Swan Hill Office has three full time staff. Eighteen of the 22 units provide road rescue services to their communities.

The Region includes the following municipal areas: the Rural City of Mildura, Rural City of Swan Hill, City of Greater Bendigo, Shire of Campaspe, Shire of Loddon, Shire of Mt Alexander, Shire of Central Goldfields, Shire of Macedon Ranges, Shire of Buloke and Shire of Gannawarra.

Historically, the emergencies that have had greatest impact on the region consist of periodic floods emanating from the river system in the north of the region, bushfires in both the Macedon Ranges area of the south and the national parks of the northern Mallee and storms which have no particular pattern or impact area, as well as motor vehicle accidents on the road network that crosses the region.

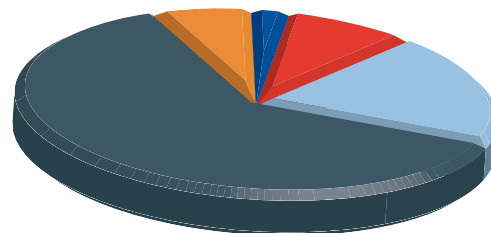
During 2008-2009 the Region experienced the usual range of storm and motor vehicle accidents, but the most significant response activities related to the very vital support provided to the fire services in the Bendigo

and Redesdale fires that started on Black Saturday. Further protracted support was provided to the fires in north eastern, central and Gippsland parts of Victoria. After the event, volunteers and staff from the North West Region received recognition in the form of a Certificate of Appreciation from the Federal Attorney General which acknowledged their extensive support of the fire agencies in the area.

The volunteers and staff from across the Region have responded to a total of 976 emergency situations during 2008-2009, with the most significant numbers

### North West

64	Rescue Land
21	Flood
80	Fire support
178	Road Crash Rescue
583	Storm



of responses including the following:

The Region also made a significant contribution to a task force deployed to the Queensland storm event in November 2008. Other major achievements in the Region included the piloting of the revised approach to General Rescue training and assessment, the roll-out of the new operational systems within the OIMS project, the introduction of the OH&S management system across the region, and the development of a comprehensive Regional Flood Response Plan. A major building extension was also commenced on the Swan Hill Unit headquarters.

Looking forward, in addition to continued support to our volunteers including the delivery of a significant training program, the Region is also seeking to consolidate the introduction of the range of new systems VICSES has adopted recently such as OIMS, AIIMS and the OH&S Management System. The focus will be to ensure our volunteers are comfortable with these systems and are able to use them to their full advantage. There will also be a significant focus on providing additional support to units in small communities that are struggling with viability. The Region will also be seeking to further develop operational planning and operational readiness in various ways including the testing of the regional flood plans.



RCR accredited units attended to 1,189 Road Accidents during 2008-2009.

## Mid West Region

The Mid West Region covers an area of 47,500 square kilometres, which makes it the second-largest VICSES region in terms of geographical size. The Region serves a population of approximately 220,000 people.

Large forest areas scatter the Region, including Wombat, Lederderg and Mt Arapiles State Parks. National Parks in the area include the Grampians, Wyperfeld, Little Desert and Big Desert National Park. The Region is the commencement of five river catchment systems and is dominated by the Wimmera River that winds through two-thirds of the Region. The Mid West Region also has large areas of agricultural and grazing land. Large industrial areas are mainly located in Ballarat, Ararat, Stawell and Horsham. Working gold mines are also located in Ballarat and Stawell with sand mining throughout the Wimmera.

The Region consists of 14 volunteer units and is supported by a Regional Support Unit and the regional office located at Ballarat. The Regional Headquarters has seven staff, including the Regional Manager. Eleven of the 14 units provide road rescue services to their communities.

The Mid West Region covers the municipal areas of Ararat Rural City, Ballarat City, Golden Plains Shire, Hepburn Shire, Hindmarsh Shire, Horsham Rural City, Moorabool Shire, Northern Grampians Shire, Pyrenees Shire, West Wimmera Shire and Yarriambiack Shire.

Risks to the area include flooding in the Wimmera River and flash flooding in Ballarat and Bacchus Marsh. Storm damage is also a frequent occurrence in Ballarat and Bacchus Marsh. Much of the Road Rescue operations in the Region take place along the Western, Midland and Henty Highways. Rescues of persons from Mt Arapiles and in the Grampians National Park also highlight the risks within both the State and National Park areas.

During 2008-2009 the Region experienced the usual range of storm and motor vehicle accidents, and also provided major support to the fire services and other agencies involved in the Black Saturday fires and aftermath, with operational activity lasting for over four weeks.

The volunteers and staff from across the Region have responded to a total of 875 emergency situations, giving over 6,147 volunteer hours (not including fire post ops) during 2008-2009, with the most significant numbers of responses including the following:

A major achievement for the Mid West Region included the establishment of a new volunteer unit, the

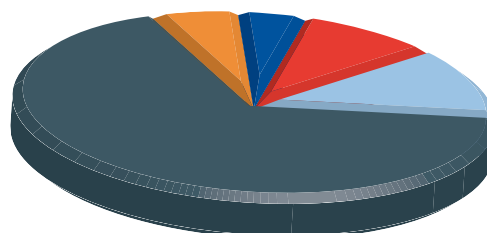


The vast majority of call-outs attended by VICSES relate to storm response. Over half of all of all jobs attended by units during 2008-2009 were storm related.

Hepburn Shire Unit located in Daylesford. The unit has members fully trained and has a membership of over 30 volunteers. The unit is now waiting on their building to be completed. Looking forward there will be a significant focus on the units and Region to further their capabilities in all aspects of their business including OHS, finance and operational response.

### Mid West

35	Rescue Land
25	Flood
54	Fire support
69	Road Crash Rescue
391	Storm



## East Region

East Region covers a large section of rural Victoria, stretching from San Remo near Phillip Island to Mallacoota on the NSW border and from the Victorian/ New South Wales border to the coast with a population of around 240,000 people. The Region covers an area of approximately 41,560 sq km's.

Significant industry is located within the region, most notably the coal-fired power stations located at Morwell, Hazelwood and Loy Yang which provides most of the State's energy supply. The Region also has dairy, vegetable growing and grazing farming supporting a large rural based population, whilst the Region also enjoys a long coastline and elevated areas that attract significant tourism throughout the year.

From a VICSES infrastructure perspective the Region consists of 24 volunteer units across the Region and supported by two Regional Support Units. The East Region boasts eight permanent staff with the Regional Headquarters being based in Moe and due to the size of the area, a Regional Office is also located in Bairnsdale.

The Region encompasses the municipalities of Bass Coast Shire, Baw Baw Shire, South Gippsland Shire, Latrobe City, Wellington Shire and East Gippsland Shire.

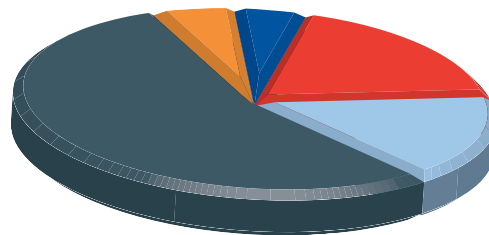
Emergencies that have had the greatest impact on the Region consist of periodic flooding in various parts of the state including the Gippsland and Bairnsdale areas. Transport and motor vehicle accidents occur frequently on the road and rail networks across the Region. Certain areas are also exposed to risks from earthquake and coastal inundation. Wildfires, storm events and land searches also occur in the Region which has no particular pattern or impact area.



According to research, floods have caused more damage to property and lives lost than any other natural disaster in Victoria.

## East

42	Rescue Land
44	Flood
168	Fire support
145	Road Crash Rescue
506	Storm



The 2008-2009 year was another busy one for VICSES volunteers across the East Region seeing them once again provide a highly proficient and professional 24 hour response to the community. An event of particular note was the commitment of the East Region volunteers in responding to the Black Saturday bushfires that devastated parts of Victoria. The Region also had two significant storm events in January and April 2009 with several units within the Region experiencing a significant number of tasks. East Region volunteers also attended 85 authorised activities including public relations events including Driver Reviver.

While operations have been a focal point for achievement, East Region has had a very busy and successful year in adopting and implementing new systems such as the Operational Information Management System (OIMS), the new financial management system (SAP) and implementing the incident management system (AIIMS).

In the year ahead, the East Region will continue to provide support to our volunteer members. This will include the delivery of a comprehensive training program, consolidation of our OIMS operating system, further implementation of AIIMS and the continued implementation of the OH&S Management System.

The Region has also implemented the FloodSafe program on a pilot basis. This community education program has been well received by the local community, enabling them to prepare for flood events and make informed decisions on their personal emergency plan. The recent addition of a Community Education officer for six months will enhance this program.

The introduction of a new integrated radio network across all VICSES regions will be a great boost to the operational capability of VICSES East Region.

## North East Region

The North East Region in central and northeast Victoria covers over 40,000 sq km. Its northern side borders New South Wales. The North East Region has a population of over 260,000 and its annual average growth is the second highest of all regions. The Region is experiencing significant areas of growth close to Melbourne, particularly in the Mitchell Shire. The Region boasts two outstanding features that distinguish it from other parts of provincial Victoria. These are the importance of the water catchments in the east of the region and of the transport links along the Hume Highway and the Melbourne-Sydney rail line.

The Region consists of 25 Municipal based units and a Regional Support Unit. The North East Region has nine staff comprising of a Regional Manager, two Regional Officers Training, two Regional Officers Emergency Management, two Administration Officers, one Volunteer Support Officer and a Community Education Facilitator. Twenty-two of the 25 units provide road rescue services to their communities.

The Region includes the following municipalities: Alpine Shire, City of Greater Shepparton, Indigo Shire, Mansfield Shire, Mitchell Shire, Moira Shire, Murrindindi Shire, Rural City of Benalla, Rural City of Wangaratta, Towong Shire and the Alpine Resorts of Falls Creek, Mount Hotham, Mount Buller and Mount Stirling and Lake Mountain.

The North East Region is active in all areas of SES activity. The past 12 months have seen significant support of the fire services, local government and communities during, and following, the February bushfires. Other key programs that have continued include StormSafe in Wodonga and FloodSafe in Benalla Rural City, Rural City of Wangaratta, and Alpine Shire.

The North East Region is traditionally the second busiest of the SES regions with major transport corridors and accidents as well as areas prone to windstorm and, in wet years, a significant flood risk. With tourist activity, searches for lost persons are also a regular activity. The ongoing drought conditions in parts of the region continue to provide challenges for communities and the Emergency Management sector.

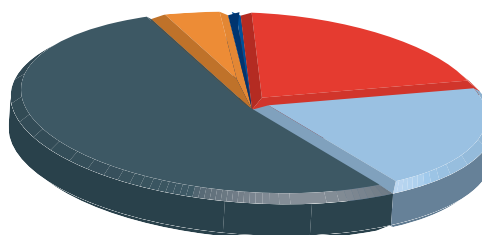
The volunteers and staff from across the Region have responded to a total of 1084 emergency situations during 2008-2009, with the most significant numbers of responses including the following:

In the 2008-2009 year North East Region provided assistance to East region during the November 2008 floods in Gippsland. The 22 January saw significant storm activity over the North East with 21 units across the region responding to 131 requests for assistance.

The 27 January saw the beginning of Operation Heatwave that was to culminate in the devastating Bushfires on 7 February and the significant response

## North East

59	Rescue Land
9	Flood
219	Fire support
224	Road Crash Rescue
573	Storm



during and after the event. The units of Kinglake and Marysville were the most directly affected with the loss of the Kinglake Unit LHQ and two rescue vehicles. Currently Kinglake has a Temporary Headquarters in the centre of the town and has been issued with a new 4WD rescue truck. Negotiations are underway to find them a new permanent home.

The Marysville Unit sustained significant damage to its vehicle shed and also lost its rescue truck. The Marysville Unit has also been issued a new 4WD rescue truck which is being temporarily housed at Buxton whilst the unit facility is repaired and residents, including our volunteers who lost homes, move back into a rebuilt Marysville.

A number of SES volunteers lost their homes during the event and, despite this, many continued to work on as SES volunteers, supporting their community throughout the operational event. They are to be highly commended for their contribution to their community. Other units whose operational areas that were directly impacted include Kilmore and Alexandra by the Kilmore-Murrindindi fire and Beechworth, Myrtleford, Yackandandah and Bright Units by the Beechworth fire. The units in these areas were greatly appreciative of the magnificent support given to them in the ensuing operation by all the volunteers who were deployed to the fire area.

North East Region staff and many volunteers remain actively engaged in recovery activities following the bushfire event and it is expected those activities will continue for some time yet.

This year also saw a meeting between NSW SES and VICSES in Jindabyne NSW to discuss and complete the work to have a national skill set for alpine search and rescue recognised under the NTSB. The coming financial year will see further development of the Regional Flood, Storm and Earthquake plans, more outstanding work in promoting FloodSafe and StormSafe and the finalisation of the Alpine Search competencies project.

# EMERGENCY MANAGEMENT AND COMMUNICATION



This year saw the improvement and enhancement of a number of initiatives within the Emergency Management and Communication Unit. Flood preparation was further improved with the drafting of local flood emergency plan templates and an Introduction to Emergency Management course introduced. On top of this, an additional 80 volunteers from across the state were media trained and the unit celebrated the successful coordination of a number of large scale public and internal events.

## Audit of Municipal Emergency Management Plans

VICSES is responsible under the Emergency Management Act 1986 to audit Municipal Emergency Management Plans. A total of 32 Municipal Emergency Management Plans were audited during 2008-2009.

VICSES in 2007-2008 developed a concept for a revised Municipal Emergency Management Plan audit process and in 2008-2009 completed a pilot of the revised process. The revised process involved enhancing the audit framework and trialling a panel of auditors, rather than a single VICSES representative conducting the audit. The audit panel consisted of VICSES, Victoria Police and Department of Human Services representatives. Ten Municipalities participated in the pilot.

An evaluation of the piloted process demonstrated it was well received with 81 per cent of participants believing that the process worked and 19 per cent stating that the process partially worked. Over 2009-2010 VICSES will be working with the Office of the Emergency Services Commissioner, Municipality Association of Victoria, Victoria Police and the Department Of Human Services to have its new multi-agency auditing panel process adopted for all Municipal Emergency Management Plan audits.

## Emergency Management Training

Within the Victorian Government Emergency Management Framework, VICSES is responsible for the provision of education and training to municipal councils, other agencies and the community in relation to emergency management principles and practices. To meet this obligation, VICSES developed the Introduction to Emergency Management course. The course includes information on emergency management arrangements in Victoria as well as introductory information on emergency management and emergency risk management principles. During the past 12 months VICSES conducted 25 Introduction to Emergency Management courses involving 577 participants.

Throughout the year, this course was revised to ensure ongoing best practice and accreditation of the course content. The revised course content was piloted in May 2009 with favourable feedback from participants.

## Flood Emergency Planning

According to research, floods are the most costly natural disaster to affect Victoria. Many tens of thousands of properties are at risk of flooding in Victoria. It is essential that Victorian communities are well prepared for the consequences of flooding.

During the course of the year VICSES enhanced its capability to conduct flood emergency planning through the drafting of a local flood emergency plan template in partnership with Melbourne Water. VICSES also enhanced its collection of flood information obtaining 91 flood risk reports from the Department of Sustainability and Environment. VICSES in partnership with DSE will continue to build its flood information collection and flood intelligence capability during 2009-2010.

VICSES contributed to a national project on the development of an emergency management guideline on shelter in place versus evacuation in flash flood environments. This project will assist with emergency planning in Victorian communities at risk of flash flooding.

VICSES provided contributions to the revision of the Australian Emergency Manuals Flood Series. These manuals provide the national doctrine on the emergency management of flooding, covering the topics of flood warning systems, flood emergency planning, community education, flood response and flood intelligence.

## Tsunami Preparedness

VICSES continued to provide positive contributions to the Australian Tsunami Working Group and was an active participant in the design of the Australian Tsunami Warning System and associated community education material. To test national warning arrangements, VICSES participated in a national tsunami exercise.

## Community Emergency Risk Management Review

VICSES first developed the Community Emergency Risk Management Tool in 1999. The tool was designed by VICSES for use by emergency management staff to assist local government to implement a risk based approach to emergency management planning. Since the development of the tool there have been some major developments in the risk management industry. During 2008-2009 VICSES commenced a review of the Community Emergency Risk Management process. This review will continue in 2009-2010 and ensure that the process incorporates the latest industry trends as well as climate change considerations.

## Pandemic Preparedness

In response to the Victorian Pandemic threat VICSES enhanced its business continuity measures through the preparation of a specific Pandemic Plan addressing business continuity issues. This plan was finalised in July 2009.

## Community Education

VICSES continued with the development and implementation of its FloodSafe and StormSafe programs in the VICSES North-East and Central Regions. Formally known as FloodSmart and StormSmart, these programs are designed to increase community awareness about flood and storm hazards and enhance the community's ability to prepare for, respond to, and recover from storm and flood events. A key message of these programs is that despite being in drought, Victoria has a variable climate dominated by not just droughts and bush fire, but also flooding rains. Large significant floods will occur again.

In metropolitan Melbourne a FloodSafe advertising campaign was conducted to highlight the dangers of flash flooding with the program tagline of "Rain turns to a Flood in a Flash".

Further engagement tools were developed as part of the FloodSafe program, including an enhanced generic FloodSafe brochure, FloodSafe meter box stickers and schools package.

The FloodSafe program won a Victorian Safer Communities award demonstrating the effectiveness of the program in delivering community engagement outcomes.

These pilot programs have been funded through Federal and State Government grant schemes as well as a partnership with Melbourne Water. In April, VICSES enhanced its partnership with Melbourne Water to fund three community education positions and associated community education resources and engagement events for four years starting in 2009-2010 within the VICSES Central Region. This partnership will grow VICSES' capacity to deliver FloodSafe and StormSafe programs within the Melbourne area. A future challenge for VICSES is to fund and expand these programs across the whole of Victoria.

In response to the enhanced flash flood and storm damage risks as a consequence of the Black Saturday bushfires, VICSES engaged with the affected community through education resources at community hubs and a statewide advertising campaign urging community awareness and preparedness in the context of the heightened danger.

VICSES, as the control agency for tsunami and earthquake, has introduced community education information on these hazards onto its website.

## Media and Public Relations

VICSES maintained a high public profile during 2008-2009 with an average of 277 media outlets mentioning VICSES each month.

The Volunteer Media Liaison Officer Training course continued across the state with VICSES delivering 10 media liaison courses for volunteers in the past year. Eighty volunteers were trained during 2008-2009, taking the total number of SES volunteers trained across the State to 117, along with 17 Coast Guard volunteers.

During the training, volunteers participated in a number of practical exercises that simulated real television and radio interviews, and learnt strategies for promoting their unit in their local media. The courses received extremely positive feedback from volunteers and will continue in 2009-2010 to enhance the media management capability of SES units.

Throughout 2008-2009 the Media and Public Relations unit planned, organised and coordinated a large number of public and internal events including the exhibition at the Royal Melbourne Show, International Volunteers Day, the Inverloch Boat Launch, Community Safety Day at Docklands and the Driver Reviver campaign. The unit attended numerous truck handovers, LHQ openings and sod-turning ceremonies across the State, which were also attended by representatives from State and local Government.

The unit also assisted Operations with the handling of media enquires during some significant operations including the November storms, the devastating Black Saturday bushfires, the Korumburra Earthquakes and the wind storms in March and April 2009.

Major accomplishments for the unit included the completion of the refurbishment of the State Headquarters foyer, which now proudly displays historic and current VICSES images, highlighting the organisation's rich history. New PR banners were also delivered to all Regions. The Media and PR Unit also coordinated the highly successful CALD recruitment campaign at the Springvale Unit which resulted in over 20 enquiries and 10 volunteers signing up to the unit.

Looking forward, the unit is aiming to have the Style Guide signed off by the Executive and finalise the Social Media Policy and Event Protocols, which will then be distributed to Regions and units to ensure a consistent approach and look for VICSES across the organisation. The unit has already begun to scope out and detail developments needed for the current VICSES website and this will continue in 2009-2010.

## Sponsorship

VICSES successfully re-negotiated its current six-year sponsorship agreement with AAMI for a further two years until September 2011. Under this sponsorship AAMI provides new equipment to all volunteer units each year. This year also saw AAMI develop an advertisement which featured volunteers that highlighted VICSES' role in the community.

VICSES also entered a new sponsorship arrangement with Reliance Petroleum supporting the State Road Rescue Challenge.





State Training experienced a busy year, with major developments across a broad range of projects, including enhanced safety at training activities, the new Traffic Management Training Program and the development of national skill sets in the public safety training package. Across the state VICSES Volunteers also achieved 4436 competencies during 2008-2009.

## Building Training Capability

Efforts made throughout the year to improve the capability of VICSES to provide quality training and assessment resulted in the following enhancements.

### **TRAIN – Training Management Software**

Development of the VICSES customised TRAIN software was achieved. This will provide greater access to training records and provide enhanced course administration capability. Standardisation of the way member training records are managed across a wider number of training programs will provide a more accurate picture of the individual capabilities a member has to offer the Service. This will be rolled out state-wide 2009-2010.

### **Unit Assessor Capability**

To increase the capability at the volunteer unit level to self manage the assessment process against national competency standards, VICSES entered into a training agreement with Northern Metropolitan Institute of TAFE to provide unit Assessor training across the State.

## Continuous Improvement

State Training Section oversaw a number of projects to provide continuous improvement of training delivery during the year.

### **Implementation of Revised Rescue Skills Training**

The new streamlined format provides better options for gaining the skills required to become an operational member before moving into skills specialisation such as road crash rescue and rescue boat operations. From January 2009 the revised training materials to support the new program format were rolled out through regions, with several training programs already resulting in members gaining this competency.

### **Alignment of OH&S Training to the VICSES OH&S Management System**

Following endorsement of the VICSES OH&S Management System, work commenced in partnership with Swinburne University TAFE to align the course delivery for OH&S Level 1 and 2 training programs with the new system. This saw the inclusion of VICSES specific OH&S policies and processes, such as the VICSES Dynamic Risk Assessment process included in the training delivery to better customise the content.

### **Enhancing Safety at Training Activities**

To enhance the safety of members at VICSES training activities, standardised administrative risk assessments were developed for the range of VICSES training programs and trigger points identified for appointment of a designated Safety Adviser.

## Partnerships

The importance of partnerships with other agencies and organisations continued during the year. Support and delivery for VICSES member training and assessment was enhanced through arrangements with the Country Fire Authority, the Department of Sustainability and Environment, ABC, the Metropolitan Fire Brigade, Swinburne University TAFE, Melbourne University, Wodonga TAFE and Northern Metropolitan Institute of TAFE.

### **Training Infrastructure Project**

Design specifications for training props at designated CFA sites were completed this year. These designs will inform the construction of buildings and props for use by VICSES volunteers for courses in roof safety systems, storm and water damage and road rescue. This partnership with CFA is an important strategy for improving volunteers' access to facilities that provide stimulating, sustainable and safe learning environments.

## Contribution to National Training Initiatives

VICSES has continued to actively contribute to national training initiatives to provide a voice for Victorian members.

### Development of National Skill Sets in the Public Safety Training Package

VICSES contributed to the national consultation process for development of Skill Sets for operational skills. Skill Sets complement full qualifications within the Australian Qualifications Framework. Skill Sets are logical clusters of competencies that align to job roles. They offer members the opportunity to train for a specific role and maintain currency in their critical skills rather than being driven by a qualification.

### Community of Practice Forum

A Community of Practice Forum, established through the Australian Council of State and Territory Emergency Services (ACSES), met three times during the year. VICSES provided representation and input into the forum's aim to build consistency in training and assessment across the jurisdictions.

### Review of the SES National Disaster Rescue Competition Guidelines.

This biennial event provides a national forum for learning rescue techniques while promoting a spirit of cooperation and friendly competition among State and Territory emergency service volunteers. VICSES staff joined interstate colleagues to seek input from previous competitors and judges to improve the Competition Guidelines. The new guidelines were used to manage the competition to be held in Brisbane in September 2009.



Volunteers are undertaking the 'Alpine, Search and Survival Course' which is held in various alpine areas in Victoria, including Falls Creek and Mount Hotham. The program is run jointly with NSW SES and gives members the skills to be self-sufficient in alpine areas for several days.

## Highlights

### Traffic Management Training Program

This new course is delivered by Wodonga TAFE on behalf of VICSES. The VICSES Act authorises VICSES members to give traffic directions to the driver of a vehicle within the immediate area of a traffic emergency. The course is customised to train volunteers to use stop-go bats and hand signals to manage traffic at operations. A total of 275 volunteers completed the course this year.

### EMA Skills Series Manual – Flood Boat Rescue Operations 3rd Edition

VICSES participated in the national consultative committee that was tasked to update this national publication. The Skill Series Manuals are designed to be useful reference tools for emergency service practitioners. This particular Manual includes information on flood boat handling, equipment, drills, searches and navigation.

### ‘Implementing AIIMS Project across VICSES’s Project

The Australasian Inter-service Incident Management System™ (AIIMS) provides a common incident management framework that facilitates the bringing together of resources from one or several organisations, to work cooperatively in resolving an emergency incident. AIIMS can be applied to an incident of any size because the management structure is designed to expand as the incident grows in either size or complexity.

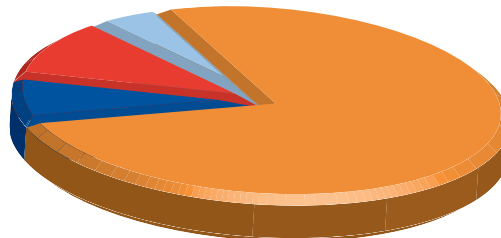
This Project supports VICSES in transitioning from using the previously used Operations Management System (OMS) to using AIIMS.

AIIMS training provides a foundation capability across VICSES. Members received training in AIIMS Awareness, Operations Officer, Information Officer and Incident Logistics and Managing Floods Using AIIMS. A total of 243 members completed AIIMS courses this year.

## Training Statistics

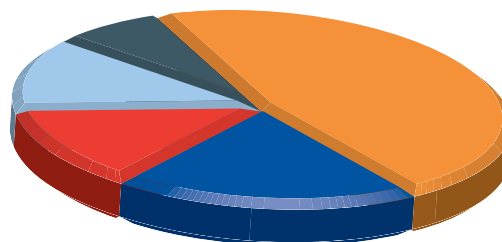
### Competencies Achieved

<span style="color: orange;">■</span>	4436	Number of competencies achieved by members during the year
<span style="color: blue;">■</span>	440	Number of qualified Assessors
<span style="color: red;">■</span>	648	Number of qualified trainers
<span style="color: lightblue;">■</span>	276	Number of members who completed the new Managing Traffic at Operations course



### Significant increases (%) in the number of competent active members

<span style="color: orange;">■</span>	58%	Introduction to AIIMS incident management system
<span style="color: blue;">■</span>	25%	Storm & Water Damage Operations
<span style="color: red;">■</span>	16%	General Rescue
<span style="color: lightblue;">■</span>	16%	Working Safely at a CFA Incident
<span style="color: grey;">■</span>	10%	Road Rescue



# FUNDING AND SPONSORSHIPS



VICSES is extremely grateful for the support it receives from Government, business and local communities across the State.

VICSES recognises the importance of all contributions, and is committed to further developing and strengthening relationships with its supporters and sponsors.

VICSES would like to thank Victorian municipalities for the contribution they make to their local VICSES units through funding, equipment and other forms of support.

VICSES would also like to thank other significant funding sources and sponsorship contributors including:

	Funding	For
MELBOURNE WATER	\$132,000	Community Education
AAMI	\$450,000	Equipment, in kind
OESC	\$191,000	Training & Recruitment
EMA	\$73,992	Operations & Recruiting
OESC	\$1,423,000	Various
BUSHHELLS	in kind support	Driver Reviver
HOLDEN	in kind support	Road Crash Rescue Training
RELIANCE PETROLEUM	\$70,000	RCR Challenge
BENDIGO BANK	\$250,000	Heavy Rescue Truck at Frankston
IGA	\$50,000	North West Region

# OUR PEOPLE



The 2008-2009 year was an extremely busy year for our people at VICSES. Staff and volunteers were kept busy not only operationally supporting the other agencies during the worst natural disaster Australia has ever experienced, but also by contributing to developing and implementing a number of new projects.

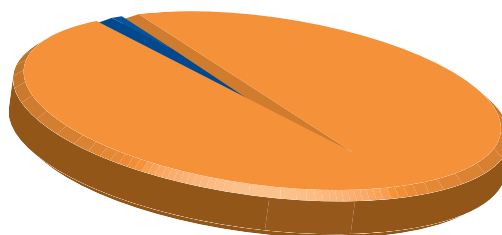
## Safety Play Your Part

This year VICSES launched the new VICSES OH&S Management System. Controllers, Deputy Controllers, managers, trainers and volunteer support officers were all trained in the new system. VICSES now has a dedicated OH&S resource to support the implementation of the OHS Management System. Fundamental to the success of this system has been building the understanding and awareness towards safe practices of the leadership teams within VICSES, particularly within the units, so they can champion safety within their unit or worksite.

Implementing the OH&S Management system will be an ongoing program because developing a safety culture within a large organisation can take time; however every VICSES member is aware that “short cuts” are not tolerated. The safety of our people is the number one priority across the Service. Developing safe systems of work is not a static process, especially

## Key Statistics:

5500	Number of volunteers
110	Full-time staff



for members of an emergency service organisation, it is a continuous improvement journey, which requires reviewing against the incidents we are aware of and have experienced (or that others have experienced) but also in terms of the unknown and how we learn from these experiences. Continuous improvement is being embedded into the current systems to ensure VICSES reaches the desired safety culture.

The People Committee (a VICSES Board sub committee) have continued to monitor the safety culture within VICSES and the State OHS Committee has developed policies, procedures and templates to continue to raise awareness, educate and consult with members who identified hazards and provided support in mitigating hazards within the service. In the past 12 months, the State OHS Committee has witnessed an increase in the reporting of hazards and incident, and a decrease in the number of serious injuries incurred.

## People Development

VICSES has continued to further develop, not only the operational skills of members, but also the communication skills of members. During the 2008-2009 year VICSES continued to deliver the "Working Together One VICSES Program" to 1963 members in 96 units across the State. This individualised program was funded by the State government through the Valuing Volunteers Program.

The first "Moving Forward" development program continues this year as one of the recommendations from the 2004 Cultural Audit. The group undertook several projects to support the organisation moving forward and some of these projects have been scoped further and outcomes implemented.

A second Cultural Audit was conducted in 2008 and the outcomes of this audit identified significant improvement in all areas and goals have been set for the 2009-2010 year to address new areas for improvement.

A "Change Management Survey" was distributed to all members in 2009 to assist the Executive in improving change management practices across the organisation. The feedback to date has been overwhelming in the support for the organisation's need for change. A full report became available in August 2009.

A full review of the current recognition, retention and recruitment strategies used at VICSES and other ESOs was undertaken through the Recruitment, Retention and Recognition Taskforce. Unit Controllers and Deputy Controllers were consulted to determine the focus areas for implementing new initiatives or programs for assisting units. Again through the State Government funded Valuing Volunteer Program, VICSES is developing a communications program for non-active members and a satisfaction survey for new members. The data will be used to improve recruitment, retention and recognition programs.

State and Regional Accountability Reviews were conducted in 2008 to support better delivery of services to units and implementation of this review will continue in 2009-2010.

In 2008-2009 VICSES was able to provide enhanced support to members by providing greater synergy between PEER Support and Regional Chaplains. This was certainly witnessed during the fire emergency where there were 496 PEER interventions and the Chaplains were on-site almost daily, particularly Arthur Ford, the Central Chaplain. Enhanced training programs were delivered to PEERs, again thanks to State Government funding through the Valuing Volunteers Program.

# CORPORATE SERVICES



2008-2009 has been another very busy year for the Corporate Services Team and, as we reflect upon the year's activities, we celebrate a number of significant achievements and milestones met.

## Connect I.T Project

A major development for VICSES in the past year has been the significant Connect I.T Project. The funding for this Project was provided from the Output Price Review which was established in September 2007. Milestones for this project include the roll-out of broadband to all units, implementation of SAP and significant progress on the development of the Operational Information Management System (OIMS), with the project coming close to completion this year.

OIMS consists of four modules:

### 1. Resource Management System (RMS)

The RMS module was delivered and rolled out to units in 2008.

### 2. Incident Management System (IMS)

IMS has also been delivered and rolled out in 2008.

Both the RMS and IMS modules were well field-tested during the 7 February bushfire operation and, from the feedback provided, enhancements have been made to better meet the needs of VICSES.

### 3. Incident Reporting System (IRS) and Call Taking

IRS was rolled out across the State on 1 July 2009.

In conjunction with IRS, the call centre went live on this date, with volunteers being able to achieve a more timely capture of incident data as they are able to lodge their reports without having to complete documentation.

### 4. TRAIN

Development works on TRAIN are almost complete with the 'live' date planned for mid 2009.

The OIMS team have put in a tremendous effort to achieve this outcome.



## Information Technology

This year saw a lot of “back room” activity with hardware upgrades and the implementation of software to facilitate remote access to the VICSES network in preparation to move forward into the future. This includes the hosting of Payroll in-house.

In addition, network links to the Regional Offices were upgraded to improve speed and functionality.

In order to improve communication and connectivity for VICSES across the State, a plan to introduce video conferencing was developed and a Tender process was undertaken. Video conferencing will be rolled out to all VICSES offices by December 2009.

## Assets and Infrastructure

VICSES received \$2.6 million funding towards critical asset infrastructure from the State Government for 2008-2009. Throughout the year, 19 new Rescue Trucks were built and delivered. In addition, four Rescue Trucks were rotated in accordance with the Asset Rotation Policy. Also, Bendigo Bank provided funding for the replacement of a unit Funded Rescue Truck at the Frankston Unit and a replacement unit Funded Rescue Truck at the Chelsea Unit.

Also this year, 11 new Rescue Boats were delivered and three Rescue Boats were rotated in accordance with the Asset Rotation Policy, along with 10 new Road Crash Rescue Kits.

To enhance our provision of Passenger Vehicle Lease and Management arrangements for VICSES, a Tender process was undertaken and awarded to Lease Plan in June 2009.

This year, service funded rescue trucks were maintained on-site with regular scheduled service provided by a contract company. The VICSES fleet department also facilitated the repair of more than 50 VICSES vehicle breakdowns.

VICSES received Government funding of \$8.16 million to establish three new volunteer units, refurbish four volunteer units and develop co-located training facilities on CFA training grounds.

During this financial year the Moe Unit and Mitta Mitta unit have been completed. Swan Hill, Hepburn Shire and Whittlesea construction contracts have been awarded with construction now underway. For the Geelong and Wyndham projects, land selection is being finalised, usage agreements are being finalised for the training facilities, with all projects planned to be completed by 30 June 2010.

## Finance

The 2008-2009 financial year saw the successful move of the accounting system from DOJ Oracle to SAP, which significantly improved and simplified the accounting processes and financial reporting within VICSES. As well as this, VICSES moved to “One-line Grant” funding in 2008-2009, which means that Cash Management and Taxation Management is now being undertaken by VICSES.

Another major milestone was VICSES’s transfer of the payroll function from DOJ to VICSES, with the implementation of Chrispay in-house. This project was scheduled for a go live date of 1 July 2009.

In September 2008, the unit’s Financial Management Task Force was set up primarily to implement changes recommended by VICSES Internal Auditors.

Significant progress has been made in the development of unit Financial Management Policy Framework and Procedures Manual through this Task Force.

Another major milestone has been the introduction of unit Cash Balances into the VICSES Financial Reporting framework for the first time.

## Governance

VICSES, together with our Insurer VMIA, ran a joint project during the year to completely review and update the VICSES Risk Management Framework. This included Policy and Procedure development and Business Unit and Strategic workshops to develop the VICSES risk profile. A new Risk Register was also implemented.

In conjunction with this, a project to develop Business Continuity Management Framework for VICSES was commenced. This work will continue over the next year.

## The Year Ahead

The 2009-2010 financial year will see significant consolidation for the organisation, with the completion of the OIMS project roll-out and a follow up review of units’ ongoing OIMS support and training requirements.

The \$8.16m Building project will also be completed by 30 June 2010, which will signify a major achievement for VICSES.

VICSES was successful in its application for Asset replacement funding for 2009-2010, receiving about \$6.6 million in asset funds from the State Government. This will see the establishment of a project team to facilitate the procurement and delivery of the asset program.

# CORPORATE GOVERNANCE



VICSES provides a sound corporate governance framework to comply with Victorian State legislation

## Responsible Minister

The responsible Minister is the Minister for Police and Emergency Services.

## Statutory Authority

The Victoria State Emergency Service Authority was established by the Victoria State Emergency Services Act 2005 (Vic).

The Victoria State Emergency Service Regulations 2006 were passed in November 2006.

These regulations address the management of issues detailed in the Victoria State Emergency Services Act 2005, including disciplinary arrangements for volunteers; training and exercising of registered members; and various other administrative issues.

## Board and its Composition

The Board is the governing body of the Authority and is constituted under S9 of the Victoria State Emergency Service Act 2005 (Vic) – the Act.

The Board is responsible for the overall corporate governance of the organisation including its strategic direction, establishing goals for management and monitoring the achievement of these goals. The composition of the Board is determined in accordance with the Act and allows up to seven members to be appointed by the Governor in Council, one of whom is appointed as the Chair of the Board.

## Conflicts of Interest

The Board complies with provisions of S22 of the Act that ensures that members of the Board and Executive Management Team do not place themselves in a position where there is conflict, actual or potential, between their private interests and duty owed to VICSES.

## Board Committees

The Board has incorporated into its management structure a Governance, Finance and Audit Committee, and a People Committee. The Governance, Finance and Audit Committee is chartered to provide the Board with assurance that there are adequate business systems in place with regard to matters of a financial, risk, audit and compliance nature. The People Committee is chartered to provide the Board more detailed consideration to specific human resource/ occupational health and safety related strategic and/or policy matters.

## Remuneration

Board members are paid an allowance determined by the Governor in Council.

## Legal Advice

The Board is assisted in aspects of its operations with external legal advice. Maddocks was the provider of legal services during 2008–2009. Maddocks was also appointed to undertake the Corporate Secretary role for the Board.

## Consultancies

There were no consultancies costing more than \$100,000 during the 2008–2009 year.

National Competition Policy VICSES complies, to the extent applicable, with the National Competition Policy.

## Victorian Industry Participation Policy (VIPP)

In accordance with requirement of the Victorian Industry Participation Policy Act 2003, Government agencies are required to include a statement summarising their implementation of the VIPP in their annual reports. FRD 25 specifies that VIPP be reported for contracts valued over \$3million in metropolitan areas and \$1million in regional areas. The Supply of Heavy Rescue Trucks and Ancillary Equipment Contract was the only VICSES contract that met the requirements of this policy. There were no contracts that fell into this category for the financial year 2008-2009.

## Freedom of Information (FOI)

VICSES is subject to the Freedom of Information Act 1982. Requests for access to documents should be made in writing to the Freedom of Information Officer. Contact details are on the back cover of this report. Further procedural information in relation to such requests can be obtained from the FOI Officer.

## Building Act

VICSES complies with the Building Act 1993 with respect to alterations and maintenance to the buildings owned by VICSES. It is not aware of any material non-compliance with the current building standards.

## Risk Management

I, Claire Higgins, Chair of the Board, certifies the Victoria State Emergency Service has risk management processes in place that are consistent with the Australian New Zealand Standard 4360:2004. VICSES has an internal control system in place that enables the executive to understand, manage and satisfactorily control risk exposures. VICSES's risk profile has been critically reviewed in the last 12 months and it is committed to continuous improvement in its risk management systems and processes.

# COMMITTEES & TASKFORCES

<b>EXTERNAL COMMITTEES - State Government</b>		<b>Dept</b>
CALD Emergency Services Network		OESC
EAS Contract Management Group		ESTA
EAS Operations Committee		ESTA
Emergency Markers Steering Committee		ESTA
Emergency Service Continuity Network		OESC
Emergency Service Foundation Conference Organising Committee		ESF
Interagency Steering Agency for Review of State Emergency Response Plan		
Municipal Emergency Management Plan Audit Process Review Committee		VICSES
Emergency Management Manual Victoria Strategy Group		OESC
Revision of Municipal Emergency Management Planning Reference Group		OESC
ESM Assessment Panel		OESC
ESTA Advisory Committee		ESTA
Integrated Emergency Coordination Centre (iECC) Project Board		VICSES
IMFMP Steering Committee		CFA
Integrated Emergency Services Framework Project Board		OESC
Financial Officers Group		DOJ
Marine Search and Rescue Arrangements Victoria - Multi-agency Working Party		OESC
Melbourne Water Steering Committee		VICSES
Mine Cave Rescue Working Group		VicPol
Performance Measurement Methodology Project		ESTA
Regional Communications Working Group		DOJ
SIPSaCS Renewal Project		DOJ
State Emergency Mitigation Committee		OESC
State Emergency Response Planning Committee (SERPC)		VicPol
State Emergency Recovery Planning Committee		DHS
Statewide Emergency Telecommunications and Technology Steering Committee (SETTSC)		DOJ
State Multi-Agency CSESP Panel		OESC
Victoria Emergency Management Council		OESC
Victorian Emergency Services Peers Alliance (VESPA)		DSE
Victorian Flood Warning Consultative Committee (VFWCC)		BOM
Victorian Emergency Services GIS User Group		ESTA
Victorian Bushfire Royal Commission Emergency Management Working Group		DOJ
Victorian Work Cover Authority ESO Reference Group		WorkSafe
AFAC Committee of Management		AFAC
<b>AFAC/ACSES COMMITTEES</b>		<b>Dept</b>
AFAC Council & AGM		AFAC
Australian Council of State Emergency Services		ACSES
NETC National Education & Training Committee		NSWSES
Joint Media Committee for Public Information		VicPol
<b>OTHER EXTERNAL COMMITTEES</b>		<b>Dept</b>
Police and Emergency Services Games Committee		VicPol
Royal Melbourne Show Emergency Services Committee		Info. Victoria
State USAR Coordination Unit		MFB
Australasian Road Rescue Organisation		ARRO

**INDEPENDENT BODIES**

Emergency Services Foundation	ESF Board
AEMC Tsunami Workgroup	EMA

**REGIONAL COMMITTEES**

	Dept
Control Room Committee - NSW & VIC	NSW Pol
DHS Recovery Meeting	DHS
Divisional Emergency Response Committees	VicPol
IFMP - Implementation Group	CFA
Melbourne Freeway Emergency Management Committee	VicRoads
Metropolitan Melbourne (CBD) Emergency Planning Group	City of Melbourne
Melbourne Ports Emergency Management Committee	Melbourne Ports Authority
Murrindindi Water and Catchments Sub-Committee	DSE
Barwon South West Regional Management Forum	DTF
Eastern Metropolitan Regional Management Forum	DTF
Gippsland Regional Management Forum	Gippsland Local Govt Network (GLGN)
Gippsland RSFMPC	CFA
Grampians Regional Management Forum	DPI
Hume Regional Management Forum	Sponsored by Sec DPC
Northern and Western Metropolitan Regional Management Forum	DPCD
Southern Metropolitan Regional Management Forum	DHS
Regional Emergency Recovery Planning Committee	DHS
Eastern Metropolitan Regional Strategic Fire Management Planning Meeting	CFA
North Western Metropolitan Regional Strategic Fire Management Planning Meeting	CFA
Southern Metropolitan Regional Strategic Fire Management Planning Meeting	CFA
Underground Emergency Planning Committee	Connex
VBRR Recovery Coordination Agency Meeting	VBRR
VBRR Recovery Community Meeting Forum	VBRR

**INTERNAL COMMITTEES VICSES**

	VICSES
State Awards Committee	DOO
State OH&S Committee	DHR
CERM Review Reference Group	DEMPC
Controller Seminar Working Committee x2	DHR
Emergency Management Services Group Forum Organising Committee	DEMPC
Assets Forum	DOCS
Road Rescue Challenge Committee	DOO

**INTERNAL TASKFORCES VICSES**

	Business Unit
Recruitment, Retention & Recognition TF	DHR
Unit Structures TF	DOO
RCR Kit Compilation	Mgr State Ops
Dress Manual/ Uniform Review TF	DOO
Unit Financial Management TF	DOCS
OIMS User TF	DOCS
Introduction to Emergency Management TF	DEMPC
Local Government Relations TF	DEMPC
Volunteer Accord TF	DOO

# FINANCIALS

## STATEMENTS

	Report on Operations
	Comprehensive Operating Statement
	Balance Sheet
	Statement of Changes in Equity
	Cash Flow Statement
	Notes to the Financial Statements
1	Summary of Significant Accounting Policies
2	Income from Transactions
3	Expenses from Transactions
4	Other Economic Flows Included in Net Results
5	Receivables
6	Other Assets
7	Financial Assets Classified as Held for Sale
8	Property, Plant and Equipment
9	Payables
10	Interest Bearing Liabilities
11	Provisions
12	Superannuation
13	Leases
14	Commitments to Expenditure
15	Contingent Liabilities and Contingent Assets
16	Financial Instruments
17	Cash Flow Statement Information
18	Ex-gratia Payments
19	Trust Account Balances
20	Responsible Persons
21	Remuneration of Executives
22	Remuneration of Auditors
23	Subsequent Events
24	Glossary of Terms
	Accountable Officers' and Chief Finance and Accounting Officer's Declaration
	Audit Report
	Disclosure index

## Report on Operations

The Board of the Victoria State Emergency Service Authority presents its report, financial statements, and the audit report thereon, for the year ended 30 June 2009.

## Board Members

At the date of this report, the following persons were Board members.

C Higgins	L Russell	H Dyson
R Jones	B Yeoh	

## Principal Activities

The principal activities of the Victoria State Emergency Service Authority are to provide emergency management planning, auditing of municipal management plans, emergency response to floods, earthquakes and storms, rescue services to other emergency agencies, and to assist with rescue operations on land and water.

## Operating Result

The Victoria State Emergency Service Authority is currently funded by an operational grant from government on an accruals basis. Using accrual accounting principles there was an operating surplus of \$17,592,000 for the period 1 July 2008 to 30 June 2009.

## Review of Operations

A review of the activities of the Victoria State Emergency Service Authority during the period 1 July 2008 to 30 June 2009 is covered in the Board's review of operations contained in this Annual Report.

## State of Affairs

In the opinion of the Board, there were no significant changes in the state of affairs of the Victoria State Emergency Service Authority that occurred during the period under review not disclosed in this report or the financial statements.

## Events Subsequent to Balance Date

There has not arisen any other item, transaction or event of a material and unusual nature, likely, in the opinion of the Board, to affect significantly the operations of the Victoria State Emergency Service Authority, the results of those operations, or the state of affairs of the Authority, in subsequent financial years.

**Signed at Melbourne on 16th September 2009 in accordance with a duly recorded resolution of the Board.**



Claire Higgins  
Chairperson

## Comprehensive Operating Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Notes	2009 \$'000	2008 \$'000
<b>Continuing Operations</b>			
<b>Income from Transactions</b>			
Grants & Other Transfers (Other than Contributions by Owners)	2(a)	37,335	27,210
Sales of Goods and Services	2(b)	89	0
Interest Income	2(c)	284	185
Other Income	2(d)	8,504	464
<b>Total Income from Transactions</b>		<b>46,212</b>	<b>27,859</b>
<b>Expenses from Transactions</b>			
Employee Benefits	3(a)	(10,829)	(8,976)
Depreciation and Amortisation	3(b)	(3,347)	(3,256)
Grants and Other Payments	3(c)	(785)	(797)
Other Operating Expenses	3(d)	(13,870)	(13,775)
Interest Expense	3(e)	(313)	(228)
<b>Total Expenses from Transactions</b>		<b>(29,144)</b>	<b>(27,032)</b>
<b>Net Result from Transactions (Net Operating Balance)</b>		<b>17,068</b>	<b>827</b>
<b>Other Economic Flows Included in Net Results</b>			
Net gain/(loss) on non-financial assets (i)	4(a)	556	16
Other gain/(loss) from other economic flows	4(b)	(32)	4
<b>Total Other Economic Flows Included in Net Results</b>		<b>524</b>	<b>20</b>
<b>Net Results from Continuing Operations</b>		<b>17,592</b>	<b>847</b>
<b>Comprehensive Result</b>		<b>17,592</b>	<b>847</b>

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

**Notes:**

- (i) Net gain/(loss) on non-financial assets includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation reserve.



## Balance Sheet

AS AT 30 JUNE 2009

	Notes	2009 \$'000	2008 \$'000
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and deposits	17(a)	23,544	236
Receivables	5	4,745	8,696
<b>Total Financial Assets</b>		<b>28,289</b>	<b>8,932</b>
<b>Non-Financial Assets</b>			
Other	6	236	29
Non-financial assets classified as held for sale	7	100	287
Property, plant and equipment	8	27,824	23,462
<b>Total Non-Financial Assets</b>		<b>28,160</b>	<b>23,778</b>
<b>Total Assets</b>		<b>56,449</b>	<b>32,710</b>
<b>Liabilities</b>			
Payables	9	8,435	2,791
Interest bearing liabilities	10	3,682	3,564
Provisions	11	2,276	1,891
<b>Total Liabilities</b>		<b>14,393</b>	<b>8,246</b>
<b>Net Assets</b>		<b>42,056</b>	<b>24,464</b>
<b>Equity</b>			
Contributed capital		22,342	22,342
Accumulated surplus/(loss)		19,714	2,122
<b>Total Equity</b>		<b>42,056</b>	<b>24,464</b>
Commitments for expenditure	14		
Contingent liabilities and contingent assets	15		

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

## Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Equity at 1 July 2008 \$'000	Total Comprehensive result \$'000	Transactions with Owners in their Capacity as Owners \$'000	Equity at 30 June 2009 \$'000
<b>Accumulated Surplus/(Deficit)</b>	2,122	17,592	0	19,714
	<b>2,122</b>	<b>17,592</b>	<b>0</b>	<b>19,714</b>
<b>Contributions by Owners</b>	22,342	0	0	22,342
	<b>22,342</b>	<b>0</b>	<b>0</b>	<b>22,342</b>
<b>Total Equity at end of Financial Year</b>	<b>24,464</b>	<b>17,592</b>	<b>0</b>	<b>42,056</b>

	Equity at 1 July 2007 \$'000	Total Comprehensive result \$'000	Transactions with Owners in their Capacity as Owners \$'000	Equity at 30 June 2008 \$'000
<b>Accumulated Surplus/(Deficit)</b>	1,275	847	0	2,122
	<b>1,275</b>	<b>847</b>	<b>0</b>	<b>2,122</b>
<b>Contributions by Owners</b>	18,799	0	0	18,799
Capital Appropriations	0	0	3,543	3,543
	<b>18,799</b>	<b>0</b>	<b>3,543</b>	<b>22,342</b>
<b>Total Equity at end of Financial Year</b>	<b>20,074</b>	<b>847</b>	<b>3,543</b>	<b>24,464</b>

## Cash Flow Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Notes	2009 \$'000	2008 \$'000
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Receipts from Government		42,994	26,655
Receipts from Other Entities		11,949	1,071
Recoveries from the ATO		1,332	0
Interest received		284	185
<b>Total Receipts</b>		<b>56,559</b>	<b>27,911</b>
<b>Payments</b>			
Payments of Grants and Other Transfers		(785)	(797)
Payments to Suppliers and Employees		(24,921)	(23,283)
Payments to the ATO		(294)	0
Interest and other costs of finance paid		(312)	(228)
Other Payments		(91)	(102)
<b>Total Payments</b>		<b>(26,403)</b>	<b>(24,410)</b>
<b>Net Cash Flow from / (used in) Operating Activities</b>	17(b)	<b>30,156</b>	<b>3,501</b>
<b>Cash Flows from Investing Activities</b>			
Payments for Non-Financial Assets		(9,430)	(6,124)
Proceeds from Sale of Non-Financial Assets		3,448	0
<b>Net Cash Flows from/(used in) Investing Activities</b>		<b>(5,982)</b>	<b>(6,124)</b>
<b>Cash Flows from Financing Activities</b>			
Owner Contributions by State Government		0	3,543
Repayment of Finance Leases		(866)	(882)
<b>Net Cash flows from/(used in) Financing Activities</b>		<b>(866)</b>	<b>2,661</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>23,308</b>	<b>38</b>
Cash and Cash Equivalents at the Beginning of the Financial Year		236	198
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	17(a)	<b>23,544</b>	<b>236</b>

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 1. Summary of Significant Accounting Policies

#### (a) Statement of Compliance

The financial report is a general-purpose financial report, which has been prepared on an accrual basis in accordance with the Financial Management Act 1994, Australian Accounting Standards (AAS) and Interpretations. AASs include Australian equivalents to International Financial Reporting Standards.

In complying with AASs, the Victoria State Emergency Service Authority (the Authority) has, where relevant, applied those paragraphs applicable to not-for-profit entities.

#### (b) Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-financial assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision, and future periods if the revision affects both current and future periods.

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 2009 and the comparative information presented for the year ended 30 June 2008.

#### (c) Scope and Presentation of Financial Statements

##### Early Adoption of AASB 101 (September 2007)

As a result of a statewide policy to improve consistency in public sector reporting, the Authority has revised the presentation of its complete set of financial statements to align with the AASB 1049 presentation format, used in the Financial Report for the State and the general government sector. In addition, the Authority has also early adopted the September 2007 version of AASB 101.

In keeping with AASB 101 (September 2007) this complete set of financial statements includes the following changes:

##### (i) the notion of:

- 'a complete set of financial statements' rather than using 'financial report';
- 'changes in equity' rather than 'movements in equity'; and
- 'transactions with owners in their capacity as owners' rather than 'transactions with owners as owners'.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### (ii) references to equity holders as owner.

Some of the changes applied to the financial statements and notes as a result of alignment to AASB 1049 that are allowable under the AASB 101 (September 2007) include the following:

- extended operating statement incorporating non-owner changes in equity, which is now referred to as comprehensive operating statement;
- items being presented by liquidity order in the balance sheet;
- the inclusion of a limited number of Government Finance Statistics (GFS) classifications, such as income or expenses from transactions, and other economic flows; and
- a glossary of terms included in the notes explaining certain terms, including GFS terms adopted.

### Comprehensive Operating Statement

The comprehensive operating statement includes items previously included in the statement of changes in equity.

Income and expenses in the comprehensive operating statement are separated into either 'transactions' or 'other economic flows'.

### Balance Sheet

Items of assets and liabilities in the balance sheet are:

- ranked in liquidity order;
- aggregated into financial and non-financial assets;
- classified according to GFS terminology, but retain measurement and disclosure rules under existing accounting standards applicable to the Authority; and
- current versus non-current assets and liabilities are disclosed in the notes where relevant.

### Statement of Changes in Equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the year to the closing balance at the end of the year, showing separately movements due to amounts recognised in the comprehensive result and amounts recognised in equity related to transactions with owners in their capacity as owners.

### Cash Flow Statement

The cash flow statement classifies flows by operating, investing and financing activities in accordance with AASB 107 Cash Flow Statements. There were no significant changes due to alignment of the Authority's financial statements presentation formats to AASB 1049.

### (d) Reporting Entity

The financial statements include all the controlled activities of the Authority.

The financial statements include cash balances of individual SES volunteer units.

### Objectives and Funding

The Authority is predominantly funded by accrual based parliamentary grants for the provision of outputs. The grants are received by the Authority from the Department of Justice. The Authority is also reliant on gifts, donations and sponsorship.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### (e) Goods and Services Tax

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

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

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

Commitments and contingent assets or liabilities are presented on a gross basis.

### (f) Income from Transactions

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the Authority's major activities as follows:

#### One-Line Grant Revenue

Revenue from the outputs the Authority provides to government is recognised when those outputs have been delivered and the relevant Minister has certified delivery of those outputs in accordance with specified performance criteria and is shown as a grant received from government.

#### Interest revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset. Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth in the comprehensive result.

#### Sales of Goods and Services

Revenue from the provision of services is recognised by reference to the stage of completion of the contract. The revenue is recognised when the sale of goods and services is incurred.

#### Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another government department or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value, can be reliably determined and the services would have been purchased if not donated.

#### Grants

Grants from third parties are recognised as revenue in the reporting period in which the Authority gains control over the underlying assets.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Other income

Other income received by the Authority, is recognised on receipt.

### Major Incident Funding

During 2008-09 the Authority received funding to assist with the 2009 bushfires. This funding has been expended or has future obligations attached to it.

## (g) Expenses from Transactions

### Employee Benefits

Expenses from employee benefits are recognised when incurred, except for contributions in respect of defined benefit plans.

### Depreciation and Amortisation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Note 8 provides details on the estimated useful lives that are used in the calculation of depreciation on property, plant and equipment.

### Interest Expense

Interest expenses are recognised as expenses in the period in which they are incurred.

### Grants and Other Payments

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as grants, subsidies and other transfer payments to local municipalities and VICSES volunteer units.

### Other Operating Expenses

Supplies and services:

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

## (h) Other Economic Flows Included in Net Results

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

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

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments and disposals of all physical assets and intangible assets.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Disposal of non-financial assets

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

### Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

### Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

### Impairment of financial assets

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

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

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

### (i) Financial Assets

#### Cash and Deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

#### Unit Cash Balances

Volunteer units' cash and deposits as defined above have been to be brought to account at 30 June 2009, as part of the ongoing consolidation of volunteer units activities with the Authority's financial activities. In accordance with Australian Accounting Standard AASB118, the movement has been disclosed as Income in the Operating Statement (note 2(d)) and as an increase in assets in the Balance Sheet (note 17(a)).

The basis of calculation for volunteer unit cash and cash equivalents was the balance as at 31 March 2009.

#### Receivables

Receivables consist predominantly of debtors in relation to goods and services, accrued investment income and GST input tax credits recoverable.

Receivables are recognised initially at fair value and subsequently measure at amortised cost, using the effective



## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

interest rate method, less any accumulated impairment.

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

### **Investments, loans and other financial assets**

Investments are recognised and de-recognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

The Authority classifies its other investments into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and held-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

The Authority assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

### **(j) Non-Financial Assets**

#### **Non-current physical assets classified as held for sale, including disposal group assets**

Non-current physical assets (and disposal group) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation.

Non-current physical assets and disposal groups, related liabilities and financial assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within twelve months from the date of classification.

#### **Property, plant and equipment**

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

#### **Revaluations of non-current physical assets**

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Minister for Finance. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of property, plant and equipment, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result.

Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of property, plant and equipment, they are debited to the revaluation reserve.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated funds on de-recognition of the relevant asset.

### **Non-current assets constructed by the Authority**

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

## **(k) Liabilities**

### **Payables**

Payables represent liabilities for goods and services provided to the Authority that are unpaid at the end of the financial year. Payables are initially measured at fair value, being the cost of the goods and services, and then subsequently measured at amortised cost.

### **Interest Bearing Liabilities**

Interest bearing liabilities are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs.

Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability using the effective interest rate method.

### **Provisions**

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

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

### **Employee benefits**

#### **(i) Wages and salaries and annual leave**

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as non-current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### (ii) Long service leave

Liability for Long Service leave (LSL) is recognised in the provision for employee benefits:

- Current liability - unconditional LSL is disclosed in the notes to the financial statements as a current liability even where the Authority does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value - component that the Authority does not expect to settle within 12 months; and
- nominal value - component that the Authority expects to settle within 12 months.
- Non-current liability – conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.
- This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow (refer to Note 4(b))

### (iii) Termination benefits

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

Benefits falling due more than 12 months after balance sheet date are discounted to present value.

### Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

### (l) Commitments

Commitments are disclosed at their nominal value and inclusive of the GST payable.

### (m) Contingent assets and contingent liabilities

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

### (n) Contributions by owners

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

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### (o) Functional and presentation currency

The functional currency of the Authority is the Australian dollar, which has also been identified as the presentation currency of this Authority.

### (p) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, or in other cases, to the nearest dollar.

### (q) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2009 reporting period. Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As advised in Note 1(c) the Authority has early adopted the September 2007 version of AASB 101.

As at 30 June 2009, the following standards and interpretations (applicable to departments and other entities) had been issued but were not mandatory for financial year ending 30 June 2009. The Authority has not, and does not intend to, adopt these standards early.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on authority financial statements
AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038].	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Impact expected to be insignificant.
AASB 2007-6 Amendment to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12]	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 Jan 2009	Standard will have no impact to not-for-profit public sector as the authority has an exemption from capitalising borrowing costs.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on authority financial statements
AASB 2008-2 Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 and Interpretation 2]	This amending standard introduces an exception to the definition of financial liability to classify as equity instruments certain puttable financial instruments and certain instruments that impose on an entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation of the entity.	Beginning 1 Jan 2009	Not applicable to not-for-profit entities.
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 and 139 and Interpretation 9 and 107]	This standard gives effect to consequential changes arising from revised AASB 3 and amended AASB 127.	Beginning 1 Jan 2009	Impact is being evaluated.
AASB 2008-5 Amendments to Australian Accounting Standards arising from the annual improvements project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 121, 132, 134, 136, 138, 139, 140, 141, 1023 and 1038]	Some amendments result in accounting changes for presentation, recognition and measurement purposes, while some other amendments that relate to terminology and editorial changes are expected to have no or minimal effect.	Beginning 1 Jul 2009	Impact is being evaluated.
AASB 2008-6 Amendments to Australian Accounting Standards arising from the annual improvements project [AASB 1 and AASB 5]	The amendments require all the assets and liabilities of a for-sale subsidiary's to be classified as held for sale and clarify the disclosures required when the subsidiary is part of a disposal group that meets the definition of a discontinued operation.	Beginning 1 Jan 2009	Impact is expected to be insignificant.
AASB 2008-9 Amendments to AASB 1049 for consistency with AASB 101	Amendments to AASB 1049 for consistency with AASB 101 (September 2007) version.	Beginning 1 Jan 2009	Not applicable to public sector entities except for certain presentation formats.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 2 Income from Transactions

	2009 \$'000	2008 \$'000
<b>Grants and Other Transfers (Other than Contributions by Owners)</b>		
<b>(a) Department of Justice</b>		
- Online Grant Revenue	30,951	25,491
- Community Safety and Emergency Support Program	1,223	471
- Valuing Volunteer Emergency Services Workers	191	215
- FloodSafe/StormSafe	200	0
<b>Other State Government Departments</b>		
- Marine Safety Victoria	57	149
- Department of Sustainability and Environment	82	0
- Department of Human Services	40	0
<b>Commonwealth Departments</b>		
- National Emergency Services Volunteer Fund	147	154
- Emergency Management Australia	73	175
<b>Other Grant Income</b>		
- Grant Income Unit Contribution	458	555
- Major Incident Funding	3,913	0
<b>Total Grants and Other Transfers (Other than Contributions by Owners)</b>	<b>37,335</b>	<b>27,210</b>
<b>(b) Sales of Goods and Services</b>		
Sales of Goods	0	0
Rendering of Services	89	0
<b>Total Sales of Goods And Services</b>	<b>89</b>	<b>0</b>
<b>(c) Interest Income</b>		
Interest from Financial Assets not at Fair Value Through P/L:		
- Interest on Bank Deposits	284	185
<b>Total Interest Revenue</b>	<b>284</b>	<b>185</b>
<b>(d) Other Income</b>		
Sponsorship	482	369
Donations	161	75
Other Income	571	20
Unit Cash Balances	7,290	0
<b>Total Other Income</b>	<b>8,504</b>	<b>464</b>

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 3 Expenses From Transactions

	Note	2009 \$'000	2008 \$'000
<b>(a) Employee Benefits</b>			
Post Employment Benefits:			
- Defined Contribution Superannuation Plans	12	(486)	(408)
- Defined Benefit Superannuation Expense	12	(127)	(157)
- Other Superannuation Expense	12	(152)	(116)
Termination Benefits		0	(108)
Salaries, Wages and Long Service Leave		(10,064)	(8,187)
<b>Total Employee Benefits</b>		<b>(10,829)</b>	<b>(8,976)</b>
<b>(b) Depreciation and Amortisation Expense</b>			
Depreciation of Non-Current Assets		(2,245)	(2,265)
Amortisation of Non-Current Physical and Intangible Assets		(1,102)	(991)
<b>Total Depreciation and Amortisation Expense</b>		<b>(3,347)</b>	<b>(3,256)</b>
<b>(c) Grants and Other Payments</b>			
Grants to Local Government		(785)	(797)
<b>Total Grants and Other Payments</b>		<b>(785)</b>	<b>(797)</b>
<b>(d) Other Operating Expenses</b>			
Supplies and Services:			
- Contractors and Professional Services		(1,796)	(1,561)
- Accommodation and Property Services		(2,737)	(2,167)
- Travel and Personal Expenses		(873)	(604)
- Printing, Stationery and Other Office Expenses		(954)	(856)
- Postage and Communication Expenses		(805)	(809)
- Vehicle Expenses		(1,236)	(1,033)
- Technology Services Costs		(1,588)	(2,149)
- Protective Clothing		(676)	(884)
- Emergency Rescue Equipment		(2,194)	(1,875)
- Training (Volunteers and Staff)		(638)	(1,453)
- Other		(314)	(282)
<b>Total Supplies and Other Services</b>		<b>(13,811)</b>	<b>(13,673)</b>
Operating Lease Rental Expenses			
- Minimum Lease Payments		(59)	(102)
<b>Total Operating Lease Rental Expenses</b>		<b>(59)</b>	<b>(102)</b>
<b>Total Other Operating Expenses</b>		<b>(13,870)</b>	<b>(13,775)</b>

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 3 Expenses From Transactions

	2009 \$'000	2008 \$'000
<b>(e) Interest Expense</b>		
Finance Lease Costs	(296)	(225)
Other finance costs	(17)	(3)
<b>Total Interest Expense from Financial Liabilities not at Fair Value through P/L</b>	<b>(313)</b>	<b>(228)</b>

### Note 4 Other Economic Flows Included in Net Results

	2009 \$'000	2008 \$'000
<b>(a) Net Gain/(Loss) on Non-Financial Assets</b>		
Net Gain on Disposal of Physical Assets	556	16
<b>Total Net Gain/(Loss) on Non-Financial Assets</b>	<b>556</b>	<b>16</b>
<b>(b) Other Gains/(losses) from Other Economic Flows</b>		
Net Gain/(Loss) Arising from Revaluation of Long Service Leave Liability (i)	(32)	4
<b>Total Other Gains/(losses) from Other Economic Flows</b>	<b>(32)</b>	<b>4</b>

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

### Note 5 Receivables

	2009 \$'000	2008 \$'000
<b>Current Receivables</b>		
Contractual		
Other receivables (i)	4,640	8,696
Provision for Doubtful Contractual Receivables	0	0
	<b>4,640</b>	<b>8,696</b>
Statutory		
ATO Recoverable (Net)	105	0
Provision for Doubtful Statutory Receivables	0	0
	<b>105</b>	<b>0</b>
<b>Total Current Receivables</b>	<b>4,745</b>	<b>8,696</b>

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

**(a) Ageing analysis of contractual receivables**

Please refer to Table 16.3 in Note 16 for the ageing analysis of contractual receivables.

**(b) Nature and extent of risk arising from contractual receivables**

Please refer to Note 16(b) for the nature and extent of credit risk arising from contractual receivables.



## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 6 Other Assets

	2009 \$'000	2008 \$'000
<b>Current Other Assets</b>		
Prepayments	236	29
	<b>236</b>	<b>29</b>
<b>Total Other Assets</b>	<b>236</b>	<b>29</b>

### Note 7 Non Financial Assets Classified as Held for Sale

	2009 \$'000	2008 \$'000
<b>Non-Current Assets</b>		
Motor Vehicles Held for Sale	100	287
	<b>100</b>	<b>287</b>
<b>Total Non Financial Assets Classified as Held for Sale</b>	<b>100</b>	<b>287</b>

### Note 8 Property, Plant and Equipment

	2009 \$'000	2008 \$'000
<b>Land</b>		
Crown Land		
At Independent Valuation 2005	2,454	2,454
	<b>2,454</b>	<b>2,454</b>
<b>Buildings</b>		
At Cost	402	305
At Independent Valuation 2005	4,741	4,741
Less: Accumulated Depreciation	(506)	(364)
	<b>4,637</b>	<b>4,682</b>
<b>Leasehold Improvements</b>		
At Cost	2,097	1,166
Less: Accumulated Depreciation	(405)	(245)
	<b>1,692</b>	<b>921</b>
<b>Total Land, Buildings and Leasehold Improvements</b>	<b>8,783</b>	<b>8,057</b>

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 8 Property, Plant and Equipment

	2009 \$'000	2008 \$'000
<b>Plant and Equipment</b>		
At Cost	19,383	13,311
Less: Accumulated Depreciation	(7,430)	(5,362)
	<b>11,953</b>	<b>7,949</b>
Plant and Equipment Under Finance Lease - at Cost	4,862	4,818
Less: Accumulated Amortisation	(1,377)	(1,561)
	<b>3,485</b>	<b>3,257</b>
<b>Total Plant and Equipment</b>	<b>15,438</b>	<b>11,206</b>
<b>Capital Works in Progress</b>	<b>3,603</b>	<b>4,199</b>
<b>Total Property, Plant and Equipment</b>	<b>27,824</b>	<b>23,462</b>

An independent valuation of the Authority's land and buildings was performed by the Valuer-General to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2005.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

**Table 8.1 Property, Plant and Equipment**

	Land		Buildings		Leasehold Improvements		Plant & Equipment		Leased Plant & Equipment		Capital Works in Progress		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance	2,454	2,454	4,682	4,619	921	824	7,949	8,393	3,257	3,533	4,199	183	23,462	20,006
Additions				203	854	248	2,246	1,689	2,794	1,102	3,537	4,016	9,431	7,258
Capitalisation of completed assets			97		126		3,905				(4,128)		(0)	0
Disposals					(39)	(25)	(44)	(8)	(1,534)	(226)	(5)		(1,622)	(259)
Classified as held for sale									(100)	(287)			(100)	(287)
Depreciation /amortisation expense			(142)	(140)	(170)	(126)	(2,103)	(2,125)	(932)	(865)	0	0	(3,347)	(3,256)
<b>Closing Balance</b>	<b>2,454</b>	<b>2,454</b>	<b>4,637</b>	<b>4,682</b>	<b>1,692</b>	<b>921</b>	<b>11,953</b>	<b>7,949</b>	<b>3,485</b>	<b>3,257</b>	<b>3,603</b>	<b>4,199</b>	<b>27,824</b>	<b>23,462</b>

Aggregate depreciation/amortisation allocated during the year is recognised as an expense and disclosed in note (f) to the financial statements.

Classification by 'Public Safety and Environment' Purpose Group

The following useful lives of assets are used in the calculation of depreciation:

- Buildings 40 years
- Leasehold improvements 2 - 10 years
- Plant and equipment 3 - 15 years
- Leased plant and equipment 3 - 5 years

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 9 Payables

	2009 \$'000	2008 \$'000
<b>Current Payables</b>		
Contractual		
Amounts Payable to Other Government Agencies (i)	3,366	0
Supplies and Services	4,901	2,785
	<b>8,267</b>	<b>2,785</b>
Statutory		
ATO Payable	168	6
	<b>168</b>	<b>6</b>
<b>Total Current Payables</b>	<b>8,435</b>	<b>2,791</b>
<b>Total Payables</b>	<b>8,435</b>	<b>2,791</b>

**Notes:**

(i) Terms and conditions of amounts payable to other government agencies vary according to a particular agreement with that agency.

**(a) Maturity analysis of contractual payables**

Please refer to table 16.4 in note 16 for ageing analysis of contractual payables.

**(b) Nature and extent of risk arising from contractual payables**

Please refer to note 16 for the nature and extent of risk arising from contractual payables.

### Note 10 Interest Bearing Liabilities

	Note	2009 \$'000	2008 \$'000
<b>Current Interest Bearing Liabilities</b>			
Finance lease liabilities (i)	13	1,380	2,383
<b>Total Current Interest Bearing Liabilities</b>		<b>1,380</b>	<b>2,383</b>
<b>Non-Current Interest Bearing Liabilities</b>			
Finance lease liabilities (i)	13	2,302	1,181
<b>Total Non-Current Interest Bearing Liabilities</b>		<b>2,302</b>	<b>1,181</b>
<b>Total Interest Bearing Liabilities</b>		<b>3,682</b>	<b>3,564</b>

**Notes:**

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

**(a) Maturity analysis of interest bearing liabilities**

Please refer to note 16 for ageing analysis of interest bearing liabilities.

**(b) Nature and extent of risk arising from interest bearing liabilities**

Please refer to note 16 for the nature and extent of risk arising from interest bearing liabilities.

**(c) Defaults and Breaches**

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 11 Provisions

	Note	2009 \$'000	2008 \$'000
<b>Current Provision</b>			
Employee benefits (i)	11(a)		
Unconditional and expected to be settled within 12 months (ii)		936	1,328
Unconditional and expected to be settled after 12 months (iii)		740	115
		<b>1,676</b>	<b>1,443</b>
<b>Provisions related to employee benefit on-costs</b>			
Unconditional and expected to be settled within 12 months (ii)		258	190
Unconditional and expected to be settled after 12 months (iii)		125	93
		<b>383</b>	<b>283</b>
<b>Total Current Provisions</b>		<b>2,059</b>	<b>1,726</b>
<b>Non-Current Provisions</b>			
Employee benefits (i)	11(a)	186	144
Provisions related to employee benefit on-costs		31	21
<b>Total Non-Current Provisions</b>		<b>217</b>	<b>165</b>
<b>Total Provision</b>		<b>2,276</b>	<b>1,891</b>
		<b>2009 \$'000</b>	<b>2008 \$'000</b>
<b>(a) Employee Benefits and Related On-Costs</b>			
<b>Current Employee Benefits</b>			
Annual Leave Entitlements		699	513
Unconditional Long Service Leave Entitlements		977	930
		<b>1,676</b>	<b>1,443</b>
<b>Non-Current Employee Benefits</b>			
Conditional Long Service Leave Entitlements		186	144
<b>Total Employee Benefits</b>		<b>1,862</b>	<b>1,587</b>
Current On-Costs		383	283
Non-Current On-Costs		31	21
<b>Total On-Costs</b>		<b>414</b>	<b>304</b>
<b>Total Employee Benefits and Related On-Costs</b>		<b>2,276</b>	<b>1,891</b>

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

(ii) The amounts disclosed are nominal amounts.

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 11 Provisions

	2009 \$'000
<b>(b) Movement in Provisions</b>	
<b>Opening Balance</b>	304
Additional Provisions Recognised	390
Reductions Arising from Payments/Other Sacrifices of Future Economic Benefits	(280)
<b>Closing Balance</b>	<b>414</b>
Current	383
Non-current	31
	<b>414</b>

### Note 12 Superannuation

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

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

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Operating Statement of the Authority.

The name and details of the major employee superannuation funds and contributions made by the Authority are as follows:

Fund	Contribution Paid for the Year	
	2009 \$'000	2008 \$'000
<b>Defined Benefits Plans:</b>		
State Superannuation Fund - Revised and New	127	157
<b>Defined Contribution Plans:</b>		
VicSuper	486	408
Other	152	116
<b>Total</b>	<b>765</b>	<b>681</b>

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 13 Leases

#### Leasing Arrangements

Finance leases relate to equipment with lease terms of 1 to 5 years. The Authority has options to purchase the equipment for a nominal amount at the conclusion of the lease agreements. Some leases provide for additional rent payment that is based on the change in a local price index.

In June 2009, all motor vehicle leases were transferred from VicFleet to Lease Plan.

Operating leases relate to property and equipment leases with lease terms of 1 to 10 years.

	Note	Minimum future lease payments		Present value of minimum future lease payments	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Finance Lease Liabilities Payable</b>					
Not Longer than 1 Year		1,681	2,508	1,380	2,383
Longer than 1 Year and not Longer than 5 Years		2,893	1,234	2,302	1,181
<b>Minimum Future Lease Payments (i)</b>		<b>4,574</b>	<b>3,742</b>	<b>3,682</b>	<b>3,564</b>
Less future finance charges		(892)	(172)	0	0
<b>Present Value of Minimum Lease Payments</b>		<b>3,682</b>	<b>3,570</b>	<b>3,682</b>	<b>3,564</b>
Included in the Financial Statements as:					
Current Interest Bearing Liabilities	10			1,380	2,383
Non-Current Interest Bearing Liabilities	10			2,302	1,181
				<b>3,682</b>	<b>3,564</b>

(i) Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

	2009 \$'000	2008 \$'000
<b>Non-Cancellable Operating Leases Payable</b>		
Not Longer than 1 Year	296	126
Longer than 1 Year and not Longer than 5 Years	751	270
Longer than 5 Years	206	238
	<b>1,253</b>	<b>634</b>

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 14 Commitments for Expenditure

	Note	2009 \$'000	2008 \$'000
<b>a) Capital Expenditure Commitments</b>			
<b><i>Plant and Equipment</i></b>			
Not Longer than 1 Year		3,009	471
Longer than 1 Year and not Longer than 5 Years		0	105
Longer than 5 Years		0	0
<b>Total Capital Expenditure</b>		<b>3,009</b>	<b>576</b>
<b>b) Other Expenditure Commitments</b>			
<b><i>Outsourcing Commitments</i></b>			
Not Longer than 1 Year		267	436
Longer than 1 Year and not Longer than 5 Years		0	104
Longer than 5 Years		0	0
<b>Total Other Expenditure Commitments</b>		<b>267</b>	<b>540</b>
<b>c) Lease Commitments</b>			
Finance Lease	13	3,682	3,564
Non-Cancellable Operating Lease	13	1,254	634
<b>Total Lease Commitments</b>		<b>4,936</b>	<b>4,198</b>
<b>Total Commitments for Expenditure (Inclusive of GST)</b>		<b>8,212</b>	<b>5,314</b>
Less GST Recoverable from the Australian Taxation Office		(747)	(483)
<b>Total Commitments for Expenditure (Exclusive of GST)</b>		<b>7,465</b>	<b>4,831</b>

### Note 15 Contingent Liabilities and Contingent Assets

#### Contingent Liabilities

There were no contingent liabilities at balance date. (2008: Nil).

#### Contingent Assets

There were no contingent assets at balance date. (2008: Nil).



## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 16 Financial Instruments

#### (a) Financial Risk Management Objectives and Policies

The Authority's principal financial instruments comprise:

- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)
- Finance lease payables

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

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

**Table 16.1 Categorisation of Financial Instruments**

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Cash and Deposits	23,544	236
Receivables	4,640	8,696
<b>Total Financial Assets (i)</b>	<b>28,184</b>	<b>8,932</b>
<b>Financial Liabilities</b>		
At Amortised Cost	11,949	6,349
<b>Total Financial Liabilities (ii)</b>	<b>11,949</b>	<b>6,349</b>

(i) The amount of financial assets disclosed here excludes statutory payable (ie amounts owing from Victorian Government and GST input tax credit recoverable).

(ii) The amount of financial liabilities disclosed here excludes statutory payable (ie taxes payable).

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 16 Financial Instruments

**Table 16.2 Net Holding Gain/(Loss) on Financial Instruments by Category**

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Cash and Deposits	284	185
	<b>284</b>	<b>185</b>
<b>Financial Liabilities</b>		
At Amortised Cost	296	225
	<b>296</b>	<b>225</b>

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

- For cash and cash equivalents, loans or receivables and available for sale financial assets, the net gain or loss is calculated by taking the interest revenue, plus or minus foreign exchange gains or loss arising from the revaluation of the financial assets, and minus any impairment recognised in the net result.
- For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measure at amortised cost.

#### **(b) Credit Risk**

Credit risk arises from the financial assets of the Authority, which comprise cash and deposits, trade and other receivables. The Authority's exposure to credit risk arises from the potential default of counterparty on their contractual obligations resulting in financial loss to the Authority. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Authority's financial assets is minimal because the main debtor is the Government. For debtors other than government, it is the Authority's policy to only deal with entities with high credit ratings of a minimum A2 rating and to obtain sufficient collateral or credit enhancements where appropriate.

In addition, the Authority does not engage in hedging for its financial assets and mainly obtains financial assets that have a fixed rate of interest.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in counter party credit ratings.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 16 Financial Instruments

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

#### Financial Assets that are Either Past Due or Impaired

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

As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no 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 only of financial assets that are past due but not impaired:

**Table 16.3 Ageing Analysis of Financial Assets (i)**

	Carrying amount \$000's	Not past due and not impaired \$000's	Past Due but not Impaired				Impaired Financial Assets
			Less than 1 Month	1-3 Months	3 Months - 1 Year	1-5 Years	
2009 Receivables	4,640	4,232	0	230	178	0	0
2008 Receivables	8,696	0	0	2,826	5,870	0	0

(i) Ageing analysis of financial assets excludes statutory financial assets (e.g. amounts owing from Victorian Government and GST input tax credit)

#### (c) Liquidity Risk

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

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

Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 16 Financial Instruments

**Table 16.4 Maturity Analysis of Financial Liabilities (i)**

	Carrying amount \$000's	Nominal amount \$000's	Maturity dates			
			Less than 1 Month	1-3 Months	3 Months - 1 Year	1-5 Years
2009						
<b>Payables</b>						
- Contractual Payables	8,267	8,267	7,474	793	0	0
<b>Interest Bearing Liabilities</b>						
- Finance Lease Liabilities	3,682	4,574	230	382	1,069	2,893
	<b>11,949</b>	<b>12,841</b>	<b>7,704</b>	<b>1,175</b>	<b>1,069</b>	<b>2,893</b>
2008						
<b>Payables</b>						
- Contractual Payables	2,785	2,785	2,785	0	0	0
<b>Interest Bearing Liabilities</b>						
- Finance Lease Liabilities	3,564	3,742	1,273	349	886	1,234
	<b>6,349</b>	<b>6,527</b>	<b>4,058</b>	<b>349</b>	<b>886</b>	<b>1,234</b>

(i) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

#### (d) Market Risk

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

#### (e) Interest Rate Risk

Interest rate risk might arise primarily through the Authority's floating rate bank deposits, term deposits at fixed rate, and its floating rate interest bearing liabilities. However, the Authority's exposure to this risk is insignificant due to its policy to minimise risk.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 16 Financial Instruments

**Table 16.5: Interest Rate Exposure of Financial Instruments**

	Weighted Average Effective Interest Rate %	Carrying Amount \$000s	Interest Rate Exposure		
			Fixed Interest Rate \$000s	Variable Interest Rate \$000s	Non- Interest Bearing \$000s
2009					
<b>Cash and Deposits</b>					
- Bank Deposits	3.76	23,544	2,000	21,544	0
<b>Receivables</b>					
- Contractual Receivables at Amortised Cost	0	4,745	0	0	4,745
		<b>28,289</b>	<b>2,000</b>	<b>21,544</b>	<b>4,745</b>
<b>Payables</b>					
- Contractual Payables at Amortised Cost	0	8,267	0	0	8,267
<b>Interest Bearing Liabilities - Finance Lease Liabilities</b>	9.32	3,682	3,682	0	0
		<b>11,949</b>	<b>3,682</b>	<b>0</b>	<b>8,267</b>
2008					
<b>Cash and Deposits</b>					
- Bank Deposits	0.01	236	0	236	0
<b>Receivables</b>					
- Contractual Receivables at Amortised Cost	6.90	8,725	0	2,826	5,899
		<b>8,961</b>	<b>0</b>	<b>3,062</b>	<b>5,899</b>
<b>Payables</b>					
- Contractual Payables at Amortised Cost	0	2,785	0	0	2,785
<b>Interest Bearing Liabilities - Finance Lease Liabilities</b>	6.75	3,564	3,564	0	0
		<b>6,349</b>	<b>3,564</b>	<b>0</b>	<b>2,785</b>

#### (f) Fair Value

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 17 Cash Flow Statement Information

	2009 \$'000	2008 \$'000
<b>(a) Reconciliation of Cash and Cash Equivalents</b>		
Total Cash and Cash Equivalents Disclosed in the Balance Sheet	23,544	236
<b>(b) Reconciliation of Net Result for the Period to Net Cash Flows from Operating Activities</b>		
	2009 \$'000	2008 \$'000
<b>Net result for the period</b>	17,592	847
<b>Non-Cash Movements</b>		
- (Gain)/Loss on Sale or Disposal of Non-Current Assets	(556)	0
- Depreciation and Amortisation of Non-Current Assets	3,347	3,256
<b>Movements in Assets and Liabilities</b>		
- (Increase)/Decrease in Current Receivables	3,951	66
- (Increase)/Decrease in Other Current Assets	(207)	(29)
- Increase/(Decrease) in Current Payables	5,644	(442)
- Increase/(Decrease) in Current Provisions	333	(194)
- Increase/(Decrease) in Non-Current Provisions	52	(2)
<b>Net Cash Flows From/(Used In) Operating Activities</b>	<b>30,156</b>	<b>3,501</b>

### Note 18 Ex-gratia Payments

The Authority did not make any ex-gratia payments for the period ending 30 June 2009. (2008: Nil).

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 19 Trust Account Balances

The following is a list of cash and investments held and controlled by the Victoria State Emergency Service Authority as at 30 June:

(a) Trust Account Balance Relating to Trust Accounts Controlled by the Authority	2009 \$'000	2008 \$'000
<b>Controlled Trusts</b>		
Victoria State Emergency Service Authority Volunteer Trust Fund	0	3,472
	<b>0</b>	<b>3,472</b>

Following the agreement with Department of Treasury and Finance and the Department of Justice, the Authority is recognised as a separate budget entity effective from 1 July 2008. As a result of this change the Authority has full discretion for any funding received and is no longer required to maintain a trust account.

All trust accounts have been closed by the Authority during the period 1 July 2008 to 30 June 2009.

### Note 20 Responsible Persons

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

#### Names

The persons who held the positions of Ministers and Responsible Officers in the Authority are as follows:

#### Minister for Police and Emergency Services

The Hon. Bob Cameron, MP      1 July 2008 to 30 June 2009

#### Board Members

C Higgins      Chairperson Appointed November 1, 2007  
R Jones  
L Russell  
B Yeoh  
H Dyson  
D Vendy

#### Accountable Officer of the Victoria State Emergency Service Authority

Mary Barry - Chief Executive Officer

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 20 Responsible Persons

#### Remuneration

Remuneration received or receivable by Responsible Persons in connection with the management of the Authority during the reporting period was in the range:

Remuneration band	2009 No.	2008 No.
\$1 - \$9,999	0	3
\$10,000 - \$19,999	5	3
\$20,000 - \$29,999	0	1
\$40,000 - \$49,999	1	0
\$210,000 - \$219,999	0	1
\$220,000 - \$229,999	1	0
	<b>7</b>	<b>8</b>

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

#### Other transactions

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

#### Related parties

C Higgins who is the Authority's chairperson is also a Board member of the Country Fire Authority.

During the financial year, the Authority and the Country Fire Authority conducted business transactions at arms length and on normal commercial terms.

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



## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 21 Remuneration of Executives

The numbers of executive officers, other than Ministers and Responsible Officers, included in the base remuneration amounts during the reporting period are shown below in their relevant remuneration bands. The total remuneration of executive officers includes base remuneration plus bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Income band	Total remuneration		Base remuneration	
	2009 No.	2008 No.	2009 No.	2008 No.
Less than \$100,000	1	0	1	0
\$120,000 - \$129,999	0	0	0	1
\$130,000 - \$139,999	1	2	1	1
\$140,000 - \$149,999	0	0	0	1
\$150,000 - \$159,999	1	0	1	0
\$160,000 - \$169,999	1	0	1	0
\$210,000 - \$219,999	0	1	0	0
<b>Total numbers</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>3</b>
<b>Total amount</b>	<b>517,048</b>	<b>480,169</b>	<b>517,048</b>	<b>404,208</b>

### Note 22 Remuneration of Auditors

	2009 \$'000	2008 \$'000
<b>Victorian Auditor-General's Office</b>		
- Audit of the Financial Statements	40	27
	<b>40</b>	<b>27</b>

### Note 23 Subsequent Events

There has not arisen any other item, transaction or event of a material or unusual nature, likely, in the opinion of the Board, to affect significantly the operations of the Victoria State Emergency Service Authority, the results of those operations, or the state of affairs of the Authority, in subsequent financial years.

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 24 Glossary of Terms

#### **Associates**

Associates are all entities over which an entity has significant influence but not control, generally accompanying a shareholding and voting rights of between 20 per cent and 50 per cent.

#### **Comprehensive result**

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of the net result and other non-owner changes in equity.

#### **Commitments**

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

#### **Employee benefits expenses**

Employee benefits expenses include all costs related to employment including wages and salaries, payments of leave entitlements, redundancy payments and superannuation contributions.

#### **Financial asset**

A financial asset is any asset that is:

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 24 Glossary of Terms

#### Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

#### Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

#### Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

#### Interest expense

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

#### Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received.

#### Net result

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

## Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

### Note 24 Glossary of Terms

#### **Net result from transactions/net operating balance**

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

#### **Non-financial assets**

Non-financial assets are all assets that are not 'financial assets'.

#### **Other economic flows**

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

#### **Payables**

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

#### **Receivables**

Includes short and long term trade credit and accounts receivable, grants, taxes and interest receivable.

#### **Sales of goods and services**

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

#### **Supplies and services**

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

#### **Transactions**

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

## Accountable Officers' and Chief Finance and Accounting Officer's Declaration

We certify that the attached financial statement for the Victoria State Emergency Service Authority have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian accounting standards 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 notes forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2009 and financial position of the Authority at 30 June 2009.

We are not aware of any circumstances, which would render any particulars included in the financial report to be misleading or inaccurate.

We authorise the attached financial report for issue on 16 September 2009.



Claire Higgins

**Chairperson**

**16 September 2009**



Mary Barry

**Chief Executive Officer**

**16 September 2009**



Jeannene Stewart

**Director of Corporate Services**

**16 September 2009**



Victorian Auditor-General's Office

## INDEPENDENT AUDITOR'S REPORT

### To the Members of the Board, Victoria State Emergency Service Authority

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2009 of the Victoria State Emergency Service Authority which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes forming part of the financial report, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the Accountable Officers', Chief Finance and Accounting Officer's Declaration has been audited.

#### *The Members' Responsibility for the Financial Report*

The Members of the Board of the Victoria State Emergency Service Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Members of the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1

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*Auditing in the Public Interest*

# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report (continued)

### *Matters Relating to the Electronic Presentation of the Audited Financial Report*

This auditor's report relates to the financial report published in both the annual report and on the website of the Victoria State Emergency Service Authority for the year ended 30 June 2009. The Members of the Board of the Victoria State Emergency Service Authority are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Victoria State Emergency Service Authority website.

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Auditor's Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victoria State Emergency Service Authority as at 30 June 2009 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of *the Financial Management Act 1994*.

MELBOURNE  
17 September 2009

  
D D R Pearson  
Auditor-General

## Disclosure Index

The Annual Report of the Victoria State Emergency Service Authority is prepared in accordance with all Victorian legislation. This index has been prepared to facilitate identification of the Authority's compliance with statutory disclosure requirements.

Legislation	Requirement
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### Ministerial Directions

#### Report of Operations

##### Charter & purpose

FRD 22B	Manner of establishment and the relevant Ministers
FRD 22B	Objectives, functions, powers and duties
FRD 22B	Nature and range of services provided

##### Management & structure

FRD 22B	Organisational structure
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##### Financial and other information

FRD 8A	Budget Portfolio Outcomes
FRD 10	Disclosure index
FRD 12A	Disclosure of major contracts
FRD 15B	Executive officer disclosures
FRD 22B	Summary of the financial results for the year
FRD 22B	Significant changes in financial position during the year
FRD 22B	Operational and budgetary objectives and performance against objectives
FRD 22B	Major changes or factors affecting achievement
FRD 22B	Subsequent events
FRD 22B	Application and operation of Freedom of Information Act 1982
FRD 22B	Compliance with building and maintenance provisions of Building Act 1993
FRD 22B	Statement on National Competition Policy
FRD 22B	Application and operation of the Whistleblowers Protection Act 2001
FRD 22B	Details of consultancies over \$100,000
FRD 22B	Details of consultancies under \$100,000
FRD 22B	Statement of availability of other information
FRD 22B	Occupational Health & Safety
FRD 22B	Employment and conduct principles
FRD 24B	Reporting of office-based environmental impacts
FRD 25	Victorian Industry Participation Policy Disclosures
FRD 29	Workforce Data Disclosure



## Financial Statements

### Financial statements required under Part 7 of the FMA

SD 4.2(a)	Statement of Changes in Equity
SD 4.2(b)	Operating Statement
SD 4.2(b)	Balance Sheet
SD 4.2(b)	Cash flow Statement

### Other requirements under Standing Directions 4.2

SD 4.2(c)	Compliance with AASs and other authoritative pronouncements
SD 4.2(c)	Compliance with Ministerial Directions
SD 4.2(c)	Accountable officer's declaration
SD 4.2(d)	Rounding of amounts
SD 4.2(f)	Compliance with Model Financial Report

### Other disclosures in notes to the financial statements

FRD 11	Disclosure of ex-gratia payments
FRD 21A	Responsible person and executive officer disclosures

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## Legislation

Freedom of Information Act 1982  
Building Act 1993  
Financial Management Act 1994  
Whistleblowers Protection Act 2001  
Victorian Industry Participation Policy Act 2003

## Abbreviations and Acronyms

ACSES	Australian Council of State Emergency Services
AFAC	Australasian Fire Authorities Council
AIIMS	Australasian Inter-Service Incident Management System
AusSAR	Australian Search and Rescue
CAD	Computer Aided Dispatch
CBR	Chemical Biological Radiological
CFA	Country Fire Authority (Victoria)
CFS	Country Fire Service (South Australia)
CISM	Critical Incident Stress Management
CPSU	Community and Public Sector Union
CSESP	Community Safety Emergency Support Program
DHS	Department of Human Services
DSE	Department of Sustainability and Environment
EAS	Emergency Alerting System
EBA	Enterprise Bargaining Agreement
EMforVM	Emergency Management for Victorian Municipalities
ESTA	Emergency Services Telecommunications Authority
GIS	Geographic Information System
IMFMP	Integrated Municipal Fire Management Planning
MECC	Municipal Emergency Coordination Centre
MEMPs	Municipal Emergency Management Plans
MFESB	Metropolitan Fire and Emergency Services Board
MOU	Memorandum of Understanding
MSCEST	Ministerial Steering Committee for Emergency Services Telecommunications
NETC	National Education Training Committee
OH&S	Occupational Health and Safety
RAV	Rural Ambulance Victoria
RTO	Registered Training Organisation
SIPSaCS	Statewide Integrated Public Safety Communications Strategy
USAR	Urban Search and Rescue
VBI	Victorian Bushfire Inquiry
VESA	Victoria Emergency Service Association
VICPOL	Victoria Police
VICSES	Victoria State Emergency Service
VIPP	Victorian Industry Participation Policy
VVESW	Valuing Volunteer Emergency Service Workers



| ALEXANDRA |  
ALTONA	ARARAT								
BACCHUS	MARSH								
BAIRNSDALE	BALLARAT								
BALMORAL	BANNOCKBURN								
BEECHWORTH	BELLARINE	BENALLA							
BENDIGO	BENDOC	BIRCHIP	BONANG						
BRIGHT	BRIMBANK	BROADMEADOWS							
BRUTHEN	BUCHAN	CAMPERDOWN	CANN RIVER						
CASTLEMAINE	CHELSEA	CHILTERN	COBDEN	COLAC	COBRAM				
CORIO	CORRYONG	CRAIGIEBURN	CROYDON	DARTMOOR	DIMBOOLA	DONCASTER	DUNKELD		
DUNOLLY	ECHUCA	EDENHOPE	ELTHAM	EMERALD	ERICA	ESSENDON	EUROA	FALLS CREEK	
FOOTSCRAY	FOSTER	FRANKSTON	FRENCH ISLAND	GEELONG	GISBORNE	GOROKE	HAMILTON		
HASTINGS	HEALESVILLE	HEATHCOTE	HEPBURN SHIRE	HEYWOOD	HORSHAM	INVERLOCH	KANIVA		
KEILOR	KERANG	KILMORE	KINGLAKE	KNOX	KYABRAM	LEONGATHA	LILYDALE	LISMORE	LOCH
SPORT	LORNE	MAFFRA	MALLACOOTA	MALVERN	MARYBOROUGH	MANSFIELD	MARONG	MARYSVILLE	
MELTON	MILDURA	MITTA MITTA	MOE	MOORABBIN	MORTLAKE	MORWELL	MURCHISON	MURRAYVILLE	
MYRTLEFORD	NARRE WARREN	NHILL	NORTHCOTE	NUMURKAH	NUNAWADING	OAKLEIGH	ORBOST	OTWAY	OUYEN
PAKENHAM	PHILLIP ISLAND	PORT CAMPBELL	PORT FAIRY	PORTLAND	ROBINVALE	ROCHESTER	ROSEDALE	RUPANYUP	
RUSHWORTH	RUTHERGLEN	SALE	SAN REMO	SEYMOUR	SORRENTO	SOUTH BARWON	SPRINGVALE	ST ARNAUD	
ST KILDA	STAWELL	STRATFORD	SUNBURY	SWAN HILL	SWIFTS CREEK	TALLANGATTA	TATURA	TERANG	
TORQUAY	UPPER YARRA	WANGARATTA	WARRACKNABEAL	WARRAGUL	WARRNAMBOOL				
WAVERLEY	WEDDERBURN		WERRIBEE	WINCHELSEA	WODONGA				
WONTHAGG			WOODEND	WOOMELANG	WYCHEPROOF				
YARRAM			YACKANDANDAH	YARRAWONGA					



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