



The Greater Metropolitan
Cemeteries Trust
Lasting memories, peaceful places.

Annual Report 2021–22

The Greater Metropolitan Cemeteries Trust



Letter to the Minister



24 August 2022

Hon. Mary-Anne Thomas MP,
Minister for Health, Minister for Ambulance Services
Level 22, 50 Lonsdale Street
Melbourne, VIC 3000

Dear Minister

We are pleased to submit, for presentation to Parliament, the annual report of The Greater Metropolitan Cemeteries Trust (GMCT) for the 12 months ending 30 June 2022. The report was endorsed at a meeting of the Trust on 24 August 2022.

The annual report has two sections: a report of operations and financial statements. It provides details of operational achievements, statutory information, financial statements and performance.

In line with our commitment to sustainability, limited printed copies of this annual report are available. The full report can be sourced online at www.gmct.com.au/annual-reports

Regards

Michael Doery
Trust Chair

Andrew Eriksen
Interim Chief Executive Officer

About this report

The Greater Metropolitan Cemeteries Trust (GMCT) Annual Report 2021–22 covers the financial year ended 30 June 2022. It provides information about the Trust's governance, objectives, functions, performance and achievements.

This report highlights GMCT's work throughout the year and includes information about management, operations, infrastructure and planning, workforce, sector leadership, stakeholder engagement and financial operations.

It includes reports from the Trust Chair and Interim Chief Executive Officer.

The Annual Report is a statutory obligation under the *Cemeteries and Crematoria Act 2003*. It complies with financial reporting directions and meets the requirements outlined in the model report of operations. The GMCT Annual Report is tabled in the Victorian Parliament before its release.

Responsible bodies declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for The Greater Metropolitan Cemeteries Trust for the year ending 30 June 2022.



Michael Doery, Chair, The Greater Metropolitan Cemeteries Trust, Fawkner, Victoria
24 August 2022

Acknowledgement of traditional owners

GMCT operates across the lands of both the Bunurong People and the Wurundjeri People. We acknowledge them as the Traditional Owners. We pay our respects to their Elders, past, present and emerging, and Aboriginal Elders of other communities who may use our sites and services.

Accessibility information

To receive this publication in an accessible format email GMCT at enquiries@gmct.com.au. You can also phone GMCT on 1300 022 298. First, call the National Relay Service on 13 36 77 if required.

Disclaimer

Except where otherwise indicated, the photographs in this publication show models and illustrative settings only, and do not necessarily depict actual services, facilities or recipients of services.

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About The Greater Metropolitan Cemeteries Trust

The Greater Metropolitan Cemeteries Trust (GMCT) oversees 19 cemeteries and memorial parks spanning over 650 hectares of open public space along with two greenfield sites. We care for these peaceful places in perpetuity to preserve and protect the memories and history they hold.



Kindness underpins all our work at GMCT, and we care for the community with dignity, compassion and respect. We help more than 12,500 families every year across a broad spectrum of communities, cultures and faiths.

GMCT is a body corporate with perpetual succession, established by the Governor in Council under the *Cemeteries and Crematoria Act 2003*.

GMCT is a designated Class A cemetery trust under the *Cemeteries and Crematoria Act 2003*. Established on 1 March 2010, GMCT was formed following the consolidation of eight cemetery trusts. Those trusts were in Altona, Andersons Creek, Fawkner, Keilor, Lilydale, Preston, Templestowe and Wyndham.

GMCT is governed by a Board of remunerated Trust members appointed by State Government. The Board sets the organisation's strategic direction, establishes the annual budget, monitors performance and compliance, develops policy, undertakes high-level stakeholder engagement and ensures a risk management framework is in place.

Our vision

Lasting memories, peaceful places.

Our mission

We provide the final care for your loved ones, with dignity and kindness. We respect all peoples, our heritage, our communities and the environment.

Our values

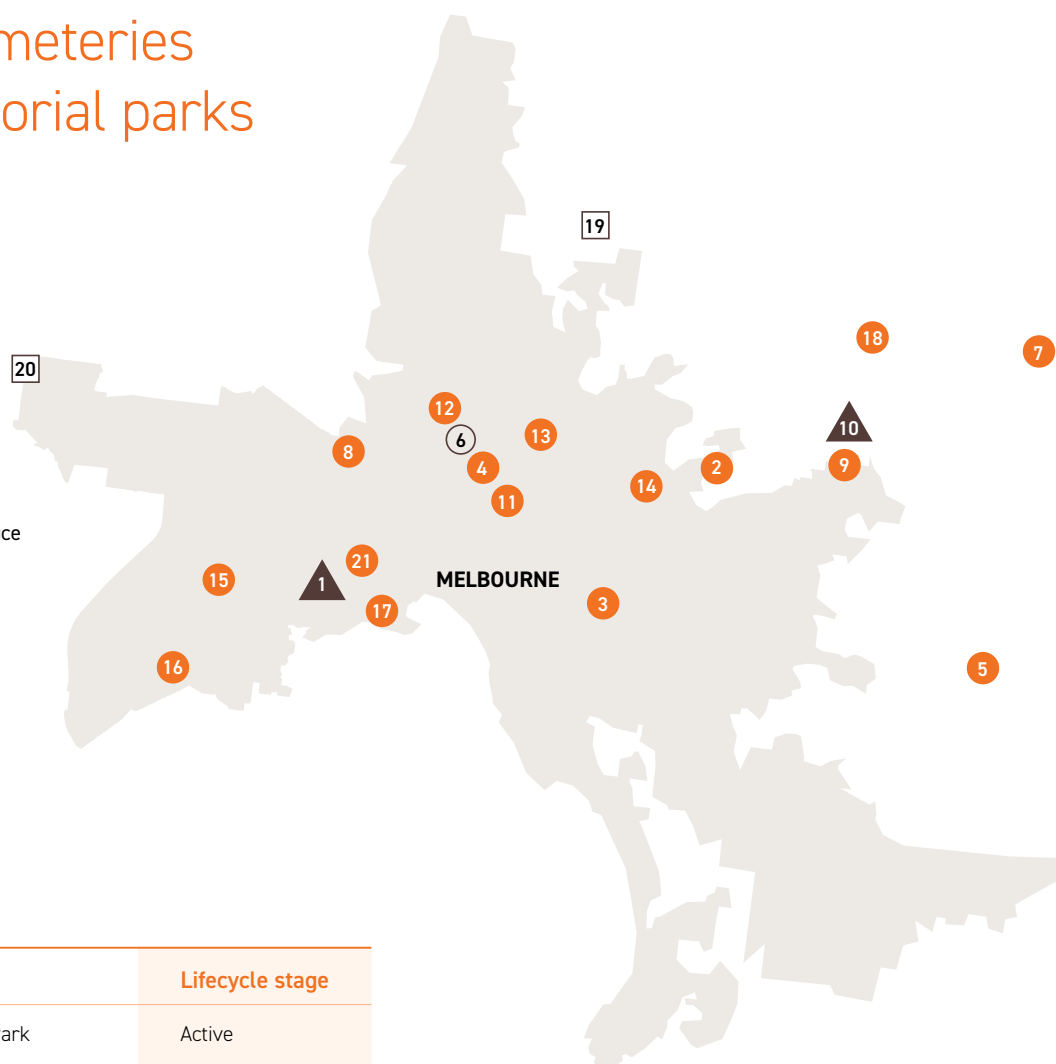
- › Compassion
- › Respect
- › Integrity
- › Sustainability

Our purpose

We care for the living by taking care of moments that matter.

GMCT cemeteries and memorial parks

- Corporate head office
- ▲ Regional office
- GMCT sites
- Greenfield sites



Site	Lifecycle stage
▲ 1 Altona Memorial Park	Active
● 2 Andersons Creek Cemetery	Transitional
● 3 Burwood Cemetery	Perpetual
● 4 Coburg Pine Ridge Cemetery	Perpetual
● 5 Emerald Cemetery	Transitional
○ 6 Fawkner Memorial Park	Active
● 7 Healesville Cemetery	Active
● 8 Keilor Cemetery	Active
● 9 Lilydale Lawn Cemetery	Perpetual
▲ 10 Lilydale Memorial Park	Active
● 11 Northcote Cemetery	Perpetual
● 12 Northern Memorial Park	Active
● 13 Preston Cemetery	Transitional
● 14 Templestowe Cemetery	Perpetual
● 15 Truganina Cemetery	Perpetual
● 16 Werribee Cemetery	Transitional
● 17 Williamstown Cemetery	Transitional
● 18 Yarra Glen Cemetery	Active
□ 19 Plenty Valley	Concept
□ 20 Harkness	Establishment
● 21 Footscray Cemetery*	Perpetual

*GMCT operates and maintains this cemetery on behalf of Maribyrnong City Council.

Cemetery lifecycle

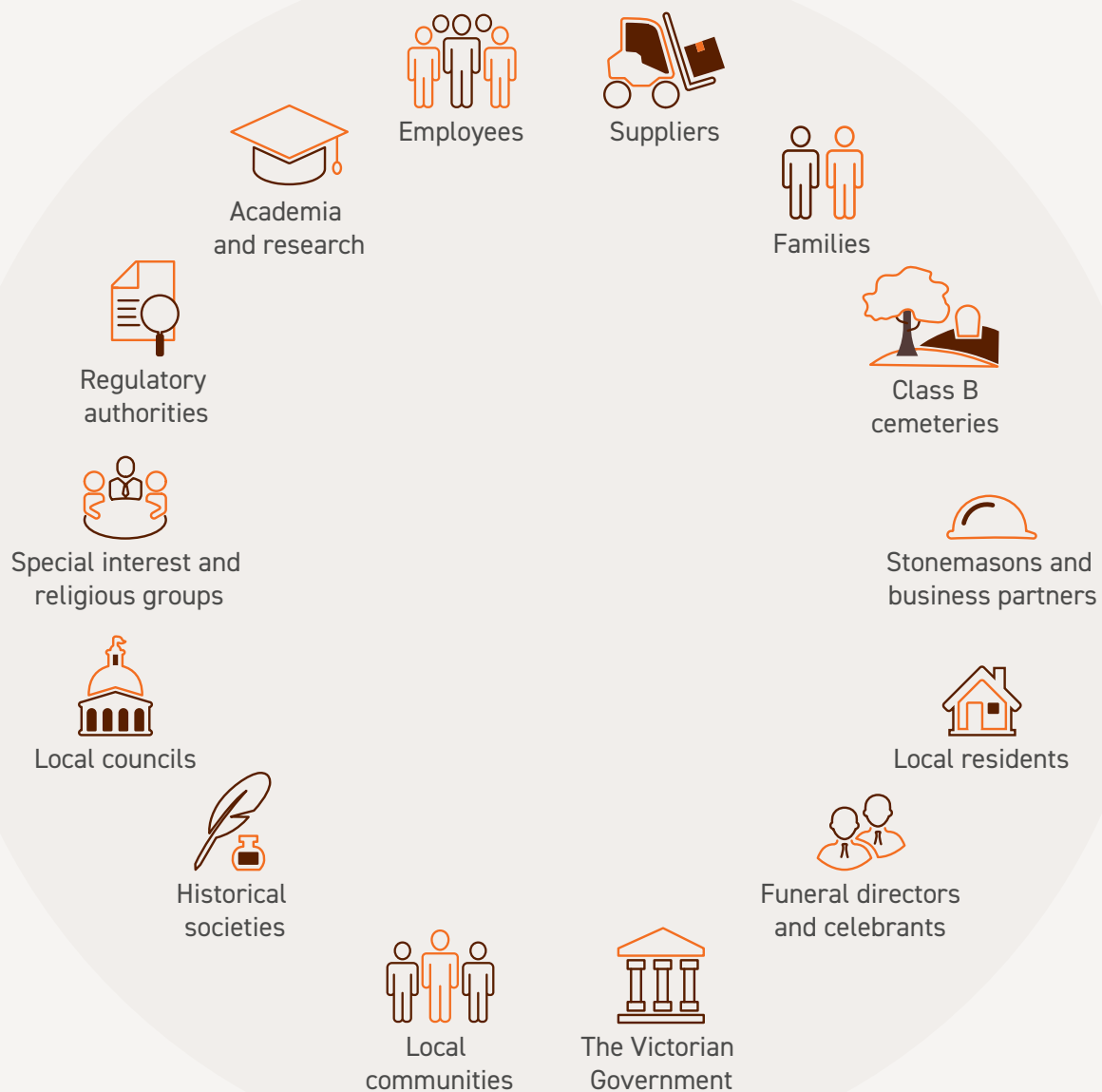
About one third of the cemeteries managed by GMCT are either in a state of perpetual maintenance or have almost reached peak capacity. Several GMCT cemeteries have been serving their local communities for more than 150 years.

The cemetery lifecycle includes:

- 1. Concept:** Identifying the need or opportunity and then identifying and acquiring new land for cemetery use.
- 2. Establishment:** Planning for the development of new greenfield sites and acquired land.
- 3. Active:** Operating cemeteries with high visitation, interments and a wide range of services.
- 4. Transitional:** Lessening requirement for infrastructure, continued but declining interment and services and medium visitation.
- 5. Perpetual:** Ongoing maintenance and a focus on heritage for cemeteries with minimal space available and low visitation rates.

Our key stakeholders

GMCT's diverse range of stakeholders includes the families and communities we serve, government, our staff and the wider funeral and cemetery sectors.



Trust Chair's message – Michael Doery



In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for The Greater Metropolitan Cemeteries Trust for the year ending 30 June 2022.

I join Interim CEO, Andrew Eriksen in acknowledging the sad passing of Deb Ganderton, our much loved and respected CEO. Deb worked closely with the Board of the Trust, her executive and all at GMCT. She will be sadly missed. I draw your attention to the tribute to Deb Ganderton in this Annual Report.

As we emerge into a COVID-normal environment, I continue to be impressed that we have not lost our deeply held values of Compassion, Respect, Integrity and Sustainability, and our commitment to caring for the families and communities we serve.

Despite the continued challenge of COVID, GMCT staff have proactively adapted and pivoted to meet this challenge at every turn. The Trust is proud of the huge effort to deliver a thoughtful and meaningful service to all the grieving families we serve.

Our 'Moments that Matter' program is a continual prompt for reflection on our contact with grieving families and the importance of keeping their needs central at every touch point.

This is underpinned by our purpose, which has not diminished despite continued change in the ways we work.

'We care for the living by taking care of moments that matter.'

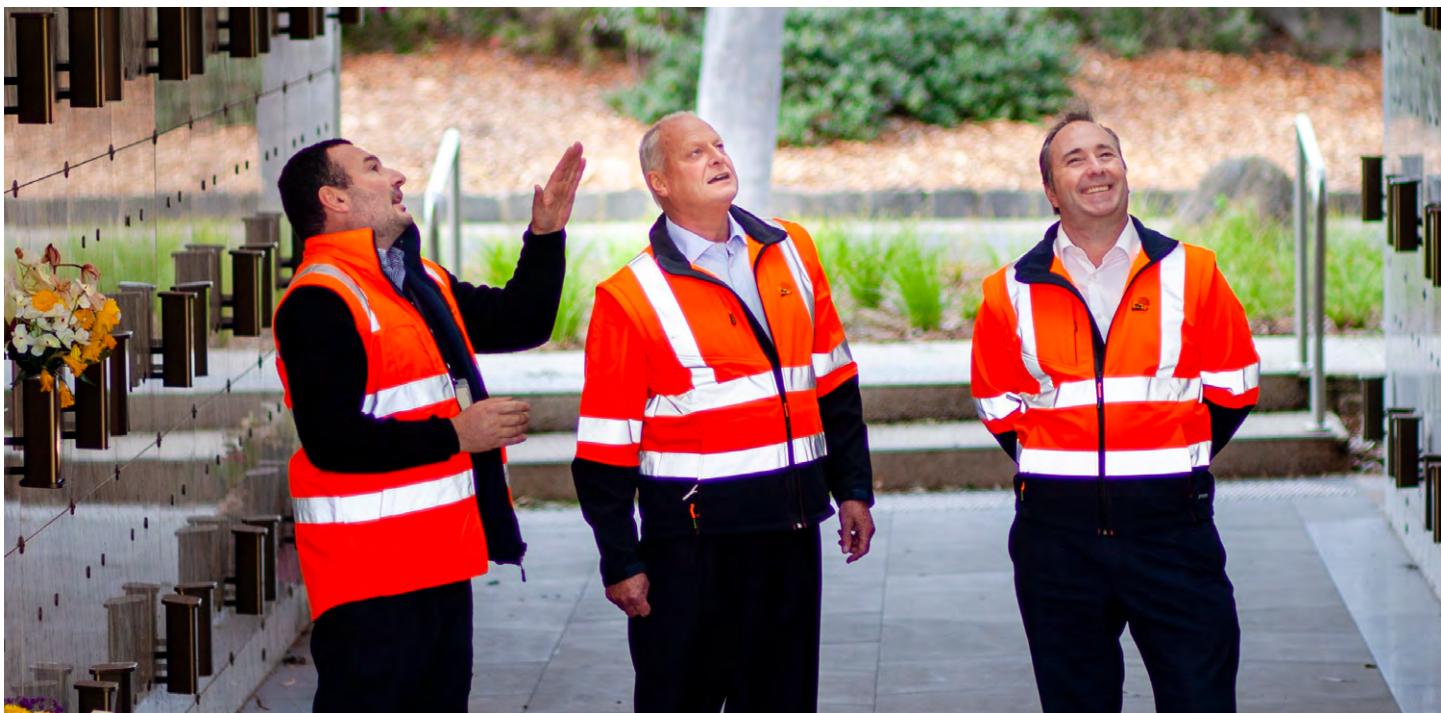
Infrastructure for the future

We continue to look ahead at how we can optimise our offering to meet Greater Melbourne's changing needs.

Our two new greenfield sites at Plenty Valley and Harkness will be developed following rigorous community consultation and engagement to ensure our services evolve alongside the changing needs of the community.

Works at Northern Memorial Park and Altona Memorial Park have created more aesthetically welcoming and peaceful spaces, which our community rightly expects.

Together with our two new mausolea at Keilor Cemetery and Fawkner Memorial Park, these major works will serve to enhance and improve our offering, ensuring future relevance.



Research for innovation and sustainability

We continue to benefit from research and insights into community attitudes and new technology through our collaborative relationship with DeathTech at the University of Melbourne. In the last year GMCT and DeathTech began planning for a first-of-its-kind industry conference. In the next financial year, this conference will look at how new research and development can be put into practice.

We believe we need to consider new ideas and concepts today, to continue to provide a service that is fit for purpose, future proof and sustainable.

Our environmental footprint is of great importance as we strive to meet our goal of carbon neutrality by 2030. Our newly approved Sustainability Strategy will support this goal.

Strong working relationships

The last financial year saw the adoption of a new Enterprise Bargaining Agreement between GMCT and our staff. It's a great platform for staff to work collaboratively, with the support they need to take care of our communities and grieving families.

We acknowledge our ongoing relationship with Class B cemetery trusts as we share information and learn together, while helping where we can and when asked to do so.

Acknowledgments

Our offices are located on the lands of the Wurundjeri and Bunurong Peoples, and I wish to acknowledge them as Traditional Owners. I pay my respects to their Elders, past, present and emerging.

I would like to acknowledge the exceptional relationship that has been forged between the executive and our Trust. The confidence between the Trust and the executive means we can challenge one another and set functional strategies.

This year we farewell Kim McAliney who served two and a half terms as a Trust member. I thank her for her dedication and hard work over the years.

Finally, I'd like to thank and acknowledge the Hon. Mary-Anne Thomas MP, Minister for Health, the Hon. Martin Foley MP, former Minister for Health, Anthony Carbines MP, former Parliamentary Secretary for Health (now Minister for Child Protection and Family Services, Minister for Disability, Ageing and Carers), the Department of Health and the Victorian State Government for their help and support in what has been another challenging year. We were able to act together to find a way through the emotional and practical impacts of COVID and embrace COVID-normal, continuing to keep our staff and communities safe.

Interim Chief Executive Officer's message



It is with mixed emotions that I present this year's Annual Report. In March, Deb Ganderton, GMCT CEO, sadly passed away.

Deb was a charismatic leader who believed in growth through professional vulnerability. She knew the value of delight, spreading cheer on her visits to those continuing to deliver services throughout another year initially challenged by COVID. Her presence will be missed.

Throughout the year GMCT placed significant focus on developing our people and our processes to bring certainty to families in moments that matter and to strengthen our relationship with our communities.

People

At GMCT's core is the desire to embrace the mosaic of our people and community through the new endorsement and continued implementation of the principles of the Reconciliation Action Plan, the Gender Equality Action Plan, and the Disability Action and Inclusion Plan.

With these principles, GMCT embarked on an ambitious and fruitful engagement of community, stakeholders, and beneficiaries of the future cemetery at Harkness. Much of the design has been influenced through the various partnerships and feedback received at information evenings and pop-up stalls in the local markets.

Although challenged by a changing environment, the cohesion of GMCT operational staff became stronger under a new Enterprise Bargaining Agreement. It provides greater role clarity, consistency, and development opportunities across the broader GMCT landscape spanning metropolitan Melbourne. This is supported by an increase in outdoor mobile technology bringing safety into the hands of outdoor teams.

The addition of more staff provided immediate support to an uplift in activity. This was most noticed in the pleasing community adoption of the newly opened Gallery of the Saints Mausoleum at Keilor and the Plaza of the Holy Angels Mausoleum at Fawkner, which underpin a strong financial result. Both mausolea respond to community feedback through the inclusion of tactile plaques within reach of families seeking connection.

The future

The strong financial result for the year builds on the previous year, allowing GMCT to be in a position to fund a capital-intensive infrastructure program throughout the coming years, establishing new cemeteries that will benefit generations to come.

Conscious of the responsibility of being a sustainable organisation, GMCT committed to a Sustainability Strategy, determined to lower our environmental impact for future communities through the continued exploration of alternative disposition methods, fuels, and materials.

GMCT is also passionately responding to an increased digital environment. Customer experience and insights teams are researching communication channels and informing digital capability. This is intended to provide a platform of education and support through the execution of a program focused upon the moments that matter.

GMCT staff and communities have once again proven resilient in a complex year and of all the reflections, perhaps one of the most compelling is the symbolism of the statue of the Holy Mother in the Plaza of the Holy Angels Mausoleum, reaching out to all in support for the year that was and the challenges ahead.

I am without doubt that GMCT is well placed to continue to support, educate and strengthen relationships with communities.

In memoriam Deb Ganderton



It is with great sadness that we pay tribute to our friend, colleague and CEO, Deb Ganderton, whose passing in March 2022 devastated our Trust, our staff, and our wider GMCT connections.

Deb joined GMCT in August 2017 as Director Service and Engagement and was appointed CEO in September 2019. Deb epitomised our organisational values and was a caring member of the GMCT community. The families we serve and our own GMCT family were always her central focus.

Always an unwavering advocate for the sector, Deb prioritised making GMCT's gains and learnings, sector-wide gains and learnings, facilitating the beginnings of a whole-of-sector strategic plan through our industry association, the Cemeteries and Crematoria Association of Victoria.

Under her leadership, GMCT's Moments that Matter program was born to make sure that our engagement, products and systems focus on customer needs.

Her enormous impact on shaping GMCT's internal culture ensured that those moments really do matter, not just for those we serve, but for those who serve them.

Genuinely wonderful and a force of nature, Deb has left a strong legacy of innovation and professionalism and will be missed by all at The Greater Metropolitan Cemeteries Trust.

Our deepest sympathy is extended to Deb's family and all those closest to her as well as our own team and Deb's many, many connections.

Strategic plan 2022–2024

GMCT's strategic goals are built around our service model and informed by the cemetery lifecycle. This cycle moves through phases, from concept to active to perpetual. This approach enables us to understand how each function contributes to our purpose and strategic goal setting.

GMCT's service model has four distinct functions, each with its own focus:

- › Past
- › Present
- › Future
- › Support and leadership.

The strategic goals embody our commitment to deliver a seamless customer experience, enhance the reputation of the cemetery sector, improve our service offering and work with our communities.

Past — to fulfil our purpose for those already in our care

This goal focuses on maintaining our established cemeteries and memorial parks, and the legacies of those interred or cremated there. This includes improving the accessibility and quality of important historical records, and the ongoing management of our investment funds for perpetual maintenance of these cemeteries.

Present — to fulfil our purpose for the families we care for today

This goal focuses on presenting GMCT to the community through all interactions in a manner that inspires trust, and confidence. Compassion for the customer is at the heart of our communication, service design and delivery.

Future — to fulfil our purpose to care for future communities

This goal focuses on designing new cemeteries and memorial parks, as well as developing grave and mausolea stock to meet community needs for Victoria's future generations.

Support and leadership — to sustain the operation of our business and the sector

Support and leadership includes all activities required for the delivery of GMCT's functions and purpose. This includes finance, human resources, governance, communications, risk management, technology and research. In addition, this includes strategies informing the leadership role we play in supporting the sector and Class B cemeteries.

GMCT's three-year strategic plan sets a total of eleven strategic objectives built on these four functions, informing our initiatives and decision-making at every level, and ensuring we remain focused, transparent and accountable.

GMCT's annual plans provide the mechanism through which we action and deliver on our three-year strategic plan. The strategic plan is available on our website: www.gmct.com.au/annual-reports

2021–2022 at a glance



5,169

Burials



655

Mausoleum interments



7,072

Cremations



3,397

Commemoration
services



1,892

Function bookings



\$10.062m

Capital expenditure
(excluding inventory)



19

Cemeteries and
memorial parks



1,209

Cremation interments



265.94

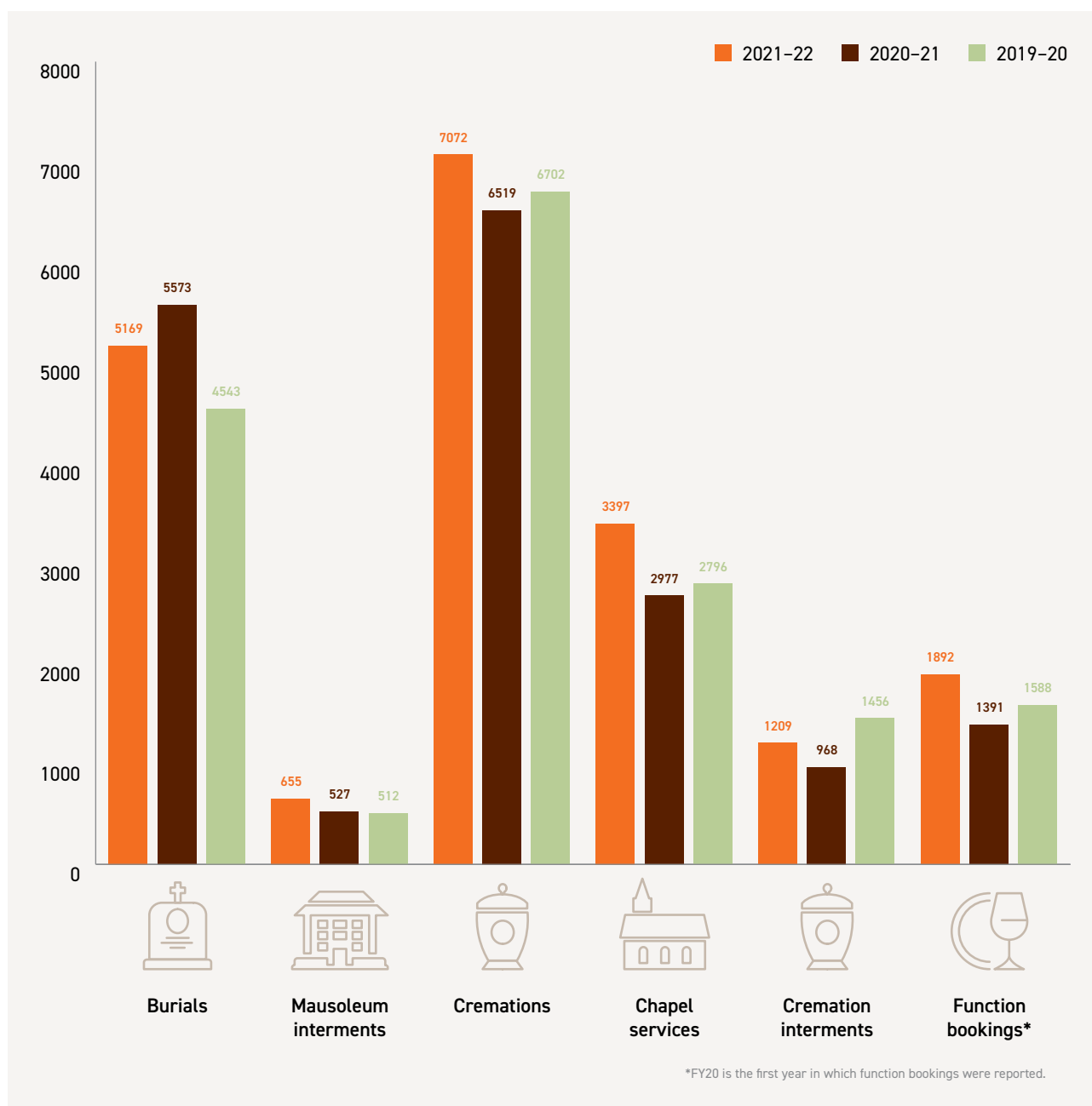
FTE members
of staff



4,229.55

Hours undertaken
by staff for development
and training

Performance report

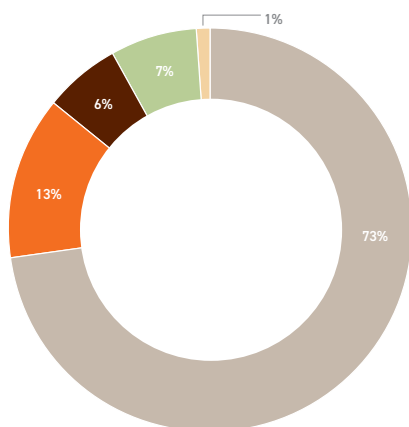


Environmental performance[#]

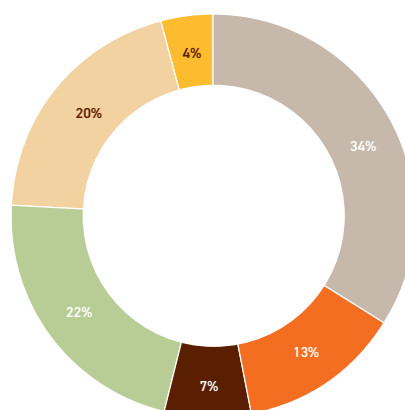
Resource consumption	2021-22	2020-21	2019-20
Energy			
Electricity (MWh)	1,263	1,317	1,247
Gas (GJ)	14,896	12,160	13,948
Water (ML)	122	124	95

[#]Also see 'Sustainability Strategy'

Comparative analysis



Key	Income
Right of interment	\$63,224
Interments	\$11,157
Cremations	\$5,404
Memorialisation	\$5,938
Other	\$1,266



Key	Costs
Salaries and wages	\$27,905
Maintenance and operations	\$10,880
Administration	\$5,402
Cost of sales	\$18,603
Other	\$16,624
Cemetery levy	\$3,255

COMPARATIVE RESULTS

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
GMCT comparative results	\$000	\$000	\$000	\$000	\$000	\$000
Operating and investment income	108,508	82,022	67,857	68,361	79,561	78,092
Cost of sales	(18,603)	(10,441)	(8,070)	(7,069)	(8,750)	(10,926)
Total income from transactions	89,905	71,581	59,787	61,292	70,811	67,166
Total expenses	64,068	49,413	61,812	39,463	38,476	34,962
Net result	(13,739)	57,446	(4,249)	21,829	32,335	32,204
Total assets	544,478	567,996	502,751	496,333	470,677	431,175
Total liabilities	48,064	51,962	44,954	34,287	30,460	28,383
Net assets	496,414	516,033	457,797	462,046	440,217	402,792

OPERATING RESULT

	2021-22 \$000	2020-21 \$000	2019-20 \$000	2018-19 \$000	2017-18 \$000
Total revenue	108,508	82,022	67,857	68,361	79,561
Total expenses	82,671	59,853	69,882	49,263	46,683
Net result from transactions	25,837	22,169	(2,025)	19,098	32,878
Total other economic flows	(39,576)	35,277	(2,224)	2,730	543
Net result for the year	(13,739)	57,446	(4,249)	21,829	32,335
Total assets	544,478	567,996	502,751	496,333	470,677
Total liabilities	48,064	51,963	44,954	34,287	30,460
Net assets/Total equity	496,414	516,033	457,797	462,046	440,217

Delivering on our strategic plan 2022–2024



Reimagining the public cemetery

A new site at Harkness connecting past, present and future

Our brand new 128-hectare site on Wurundjeri Country in the City of Melton represents the largest cemetery development project in Victoria for 100 years. Approximately 40 kilometres northwest of the Melbourne CBD, the City of Melton is one of the fastest growing local government areas. This flagship project spans GMCT's four strategic goals and will evolve to serve Victoria's communities for more than 100 years.

SIGNIFICANCE OF THE SITE

The site has significant cultural and environmental value. It includes remnants of woodland, is home to various endangered species and forms a significant biodiversity corridor. GMCT's newly approved Sustainability Strategy will help to support these attributes.

APPOINTING THE RIGHT PEOPLE

GMCT appointed a qualified consortium to work on engagement and then on the masterplan for the site. The consortium includes Greenshoot Consulting, Aurecon, Architectus, and McGregor Coxall.

ENGAGING WITH PEOPLE IN PERSON AND ONLINE

The consortium first engaged with the site's Traditional Owners and community members before commencing any significant design work. Broader engagement then continued.

GMCT used interactive ways to engage the community. Through the Your Say engagement platform, we distributed information and involvement opportunities through surveys, factsheets, maps, events and online forums. We also continued to post to our social channels.

To help capture input from those less digitally inclined we dropped a postcard into approximately 26,000 letterboxes in Melton and surrounding suburbs.

We held pop-up information stalls in the local area, including:

- › Melton Library and Learning Hub
- › Eynesbury Farmers Market
- › Caroline Springs Learning Hub
- › Arnold's Creek Reservation Reserve.

GMCT also leveraged external events to broaden the range of voices captured. For example, GMCT hosted an online forum, 'The Sustainable Cemetery', as part of the National Sustainable Living Festival.

RESEARCH PARTNERSHIPS WITH THE UNIVERSITY OF MELBOURNE AND RMIT

As part of our research partnerships with the University of Melbourne and RMIT, students undertook a project titled 'Hello, Harkness, my old friend' which investigated notions of endurance, ritual, life, legacy and death. Four students presented well-researched ideas such as using the different angles of sunlight to create special moments. We will continue to work with research partners to grow these strategic partnerships and introduce new ideas.

A MASTERPLAN FOR MELBOURNE AND INSIGHTS FOR INDUSTRY

The masterplan was completed in July 2022. It aims to balance community needs, future growth, new technology and environmental change.

Some of the ideas we've heard through engaging include, establishing community gardens and meeting spaces, developing walking and cycling trails that celebrate the ecological significance of the site, and ensuring the new cemetery recognises and celebrates all cultures. All ideas will be examined considering feasibility, sustainability, and community needs.

The lessons we learn can help shape the approach and planning for all GMCT sites. These lessons are also useful for the sector more broadly. This year, GMCT presented at a key industry conference in NSW to discuss the challenges and processes involved in developing new sites. The interest in the project, and the guidance we can offer, positions GMCT as an industry leader with valuable, practical working knowledge on shaping cemeteries of the future.

Past



This strategic goal relates to maintaining our established cemeteries and memorial parks, and the legacies of those interred or cremated there. This includes improving the accessibility and quality of important historical records, and the ongoing management of our investment funds for perpetual maintenance of these cemeteries.

There are two strategic objectives of this goal

1. We maintain our sites in perpetuity at standards that balance community expectations and financial sustainability.
2. We will identify and rectify gaps or errors in historical records where appropriate.

Strategic goal objective: We maintain our sites in perpetuity at standards that balance community expectations and financial sustainability

A SYSTEM TO MAINTAIN STANDARDS – NEW ASSET MANAGEMENT SYSTEM

This year we introduced a new asset management system, and new software to support staff working within the Asset Management Framework, to better monitor maintenance standards of sites. This means that with proactive and preventative maintenance, we can maintain areas for safety, and aesthetics, in real time, without compromising right of interment.

SENSITIVE SOLUTIONS FOR LASTING LEGACIES

GMCT continues to work with the community to find a balanced and sensitive solution to the provision of memorialisation options in the children's area. This year, we conducted several interviews with families to understand their memorialisation expectations. With these valuable insights we design the areas in a way that meets the needs of families and allows operational staff to present them in a sensitive way that reflects our organisational vision, 'lasting memories – peaceful places'.

SAFEGUARDING OUR CEMETERIES – VANDALISM RESPONSE

During this financial year, GMCT was deeply disappointed to have to report acts of vandalism at two of the cemeteries we manage.

GMCT has a comprehensive security strategy to keep our sites safe. We provided Victoria Police with significant recordings, and police increased patrols around the area. Both the local Council and GMCT increased internal security measures, and in March 2022, Victoria Police arrested a man in association with the damage at Footscray General Cemetery.

GMCT contacted affected families to inform them and offer our support. We helped guide families through the process to repair the damages, with the cost covered by a Victorian Cemetery Insurance Scheme.

Strategic goal objective: We will identify and rectify gaps or errors in historical records where appropriate.

PAVING THE WAY WITH HISTORY – DIGITISING HISTORICAL RECORDS

This year, we completed our digitisation project for historical records. Enhancements will mean quicker, easier access to valuable historic information. Applications for this technology include supporting families to trace history and connections, supporting research and community enquiries and activities such as tours and our own 'Discover Cemeteries' history and heritage app.

IDENTIFYING UNMARKED GRAVES

Community consultation activity in the last year helped GMCT to confirm that new developments would not affect unmarked graves from the 1900s in Yarra Glen cemetery, ensuring graves remain undisturbed. This work is continuing and contributes to our body of knowledge about the history of our sites, providing a more complete picture.

Present



This strategic goal aims to fulfil our purpose for the families we care for today. It relates to the delivery of burial and cremation services, including enquiries, bookings, and client care.

There are three strategic objectives of this goal

1. We ensure that 'moments that matter' in service delivery and design meet community expectations.
2. We have the right people, processes and systems in place to manage operational risks.
3. We strengthen our relationships with the families we serve.

Strategic goal objective: We ensure that 'moments that matter' in service delivery and design meet community expectations

The Moments that Matter (MtM) Program is designed to place key moments at the centre of our service design to ensure customers view GMCT as a trusted partner.

Through reviewing processes, using new technologies, and engaging with the families we serve, we plan what we can do, and when we should do it, to ensure we deliver their moments that matter.

Along with the key strategic objective, 'We have the right people, processes and systems in place to manage operational risks', MtM ensures our teams deliver the very best quality service in a way that supports them to enjoy their work, another moment that matters.

A NEEDS-BASED CUSTOMER SERVICE MODEL

Data from our customer service processes has helped us pinpoint changing positive and negative experiences. This has allowed us to create a customer service model that is needs-based, prioritising the highest needs and delivering during moments that matter. The model optimises workflow and staffing to achieve the best outcomes for grieving families.

DESIGN GUIDELINES TO ENHANCE THE VISITOR EXPERIENCE

Our new Design Guidelines for contractors will ensure continuity of brand, look and feel, while maintaining the unique character of individual sites. The guidelines will apply to aspects of the built environment, for example, seating. This will help to stamp GMCT properties with an overarching 'personality' enhancing the moments that matter for those who visit.

REFURBISHMENT OF ADMINISTRATION BUILDINGS AND COLLECTION ROOM AT FAWKNER

When families collect the ashes of a loved one, they value space, privacy and discretion. By engaging with these families, we have been able to refurbish our collection room at Fawkner to reflect the diverse community needs we serve and enable a peaceful experience, a moment that matters. Further enhancements are planned for Lilydale and Altona Memorial Parks.

Strategic goal objective: We have the right people, processes and systems in place to manage operational risks

This objective is also part of the Moments that Matter program.

MULTIPLE PROJECTS, ONE FRAMEWORK

A review of our Asset Management Strategy has delivered a new Project Governance Framework. New project management software generates previously unavailable predictive modelling and forecasting for projects. This has replaced manually adding and retrieving data and workflows, improved data accuracy, and allowed efficient reviews of whole projects. This helps to minimise risk through clearer pathways to risk assessment and mitigation.

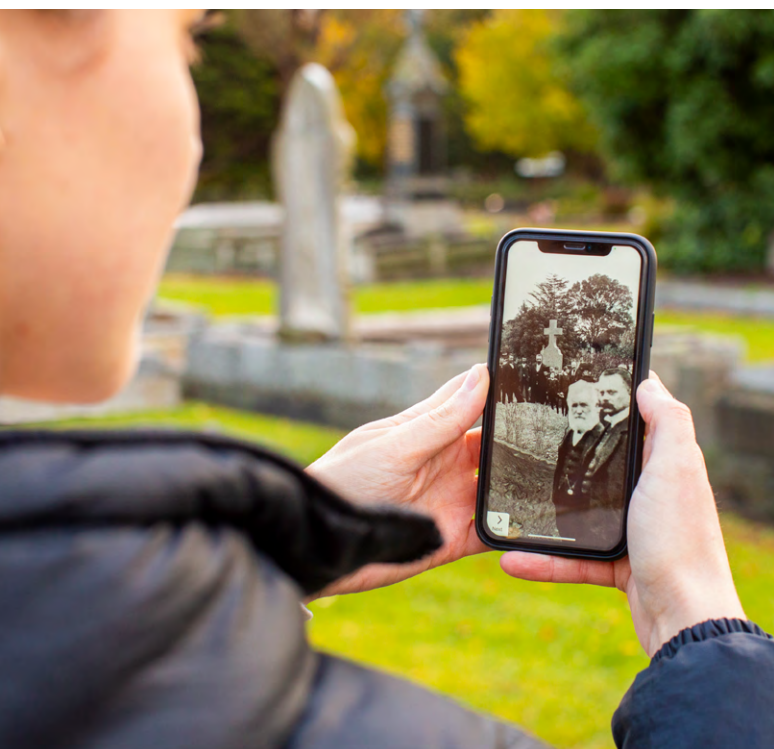
LESSONS LEARNT PROGRAM

GMCT has established a clear process for capturing, reviewing and implementing learnings from the entire project management life cycle. This means we can learn from and mitigate risk on future projects. The program has improved the process across projects from concept to community engagement to completion.

TREE RISK MANAGEMENT PROGRAM

Established three years ago, this program allows us to efficiently identify high, medium and low risk trees in our cemeteries and memorials parks. We can then diagnose the issue and address the risk. When the program began, we addressed all high-risk trees. This year, we funnelled over \$1 million into completing work on all medium to low-risk trees, delivering on our commitment to manage risk.

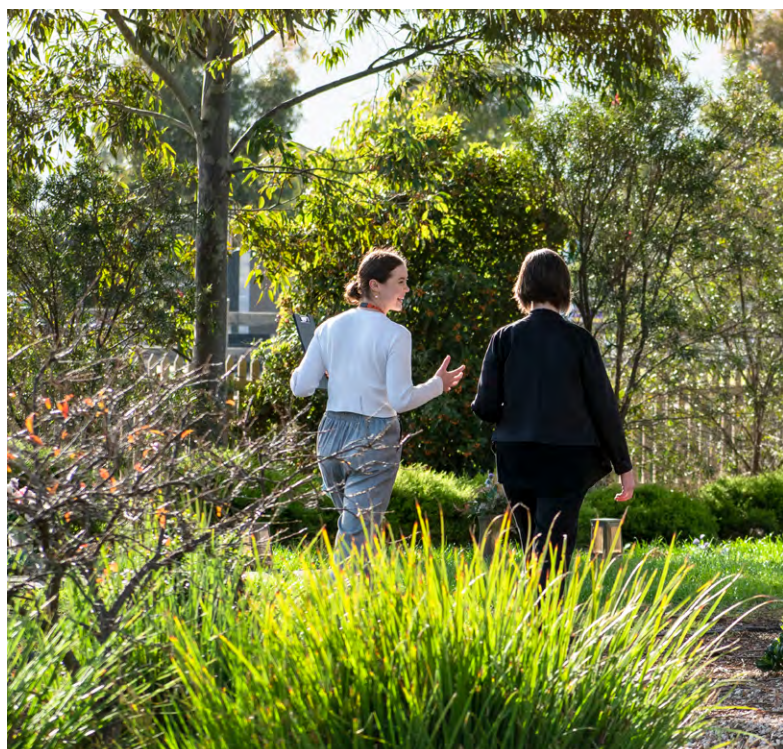
Present



Strategic goal objective: We strengthen our relationships with the families we serve

DISCOVER CEMETERIES – HISTORY AND HERITAGE APP LAUNCHED

Our new app creates an immersive experience with onsite tours, using augmented reality (AR) technology, maps, audio, video and storytelling. It brings to life the history, people and places of the past. The app provides two tours as well as the option to roam freely discovering specific stories. Through these stories of the people laid to rest here, our app teaches about history, heritage and culture. We believe this to be a world first use of AR within a cemetery setting for a heritage tour.



CELEBRATING OUR NEW RIVER RED GUM PRECINCT

In May 2022, we held a special community day at our new River Red Gum Precinct to celebrate the unique attributes of this new precinct at Northern Memorial Park.

The River Red Gum Precinct spans 46 hectares and is a unique memorial landscape flourishing with native plants and wildlife. It features three burial areas with a memorial wall embracing the site. The environment is designed to encourage visitors to connect to nature, and to support families at differing stages of grief through immersion in differing landscapes.

The River Red Gum Precinct was officially opened in September 2021, with an online launch. The community day in May allowed us a more personal celebration, strengthening our relationship with the families we serve.

The site also incorporates sustainable practices. We used 2,000 cubic metres of recycled crushed rock from other GMCT sites as the base for new infrastructure and pathways. The community day was the first official event to use and enjoy that space.



**WE REMEMBER THEM, LEST WE FORGET
– A SPECIAL REMEMBRANCE TRIBUTE**

To coincide with ANZAC Day, GMCT set up a special remembrance installation to honour and remember those who have served in our military.

GMCT's poppy display, at Lilydale Memorial Park, used 1,800 handcrafted poppies, knitted or felted by members of the Rotary Club of Lilydale, Friends of Rotary and the residents of Evelyn Ridge Retirement Village. It provided a striking visual reminder of the sacrifice of our fellow Australians. We thank Sharyn May, GMCT's Senior Supervisor Client Services, and her mother Lynn Whelan, who worked at Lilydale Memorial Park for many years, for the original concept.

Future



This strategic goal aims to fulfil our purpose to care for future communities. It is focused on designing new cemeteries and memorial parks, as well as developing grave and mausolea stock to meet community needs for Victoria's future generations.

There are three strategic objectives of this goal

1. We provide products and services for Victoria's diverse communities when and where they're needed.
2. We embrace research and partnerships that enhance community value.
3. We engage with our communities for data and insights to serve communities of the future.

Strategic goal objective: We provide products and services for Victoria's diverse communities when and where they're needed

EMERALD CEMETERY REZONING

GMCT has secured land adjacent to Emerald Cemetery. Through engagement with local council, the land will be rezoned for cemetery use, allowing us to expand our offering to the community. The concept for the design is now being discussed, with further engagement activities to follow.

PLENTY VALLEY GREENFIELD SITE REZONING

This greenfield site will allow GMCT to establish a new cemetery in the Plenty Valley area, where cemetery land is in demand. We are working closely with Whittlesea Council and the Department of Environment, Land, Water and Planning. This year the site was approved for rezoning allowing us to forge ahead with community engagement and planning.



NEW MAUSOLEA OPTIONS FOR OUR GROWING COMMUNITY

In March and April 2022, GMCT officially opened two new grand mausolea projects:

- › An addition to the Gallery of the Saints Mausoleum at Keilor Cemetery.
- › A new mausoleum, Plaza of the Holy Angels, at Fawkner Memorial Park.

GMCT has a proud history of offering public mausolea for Victorian families and recognises that a segment of our community and customers have social, religious or cultural preferences for mausolea over burial or cremation. The Plaza of the Holy Angels and the Gallery of the Saints were constructed to meet the needs of these customer families now and in the future.

The well-attended launch events for the mausolea also serve to 'strengthen our relationships with the families we serve', part of Strategic goal 2 – the Present.

Gallery of the Saints Mausoleum – Stage 4 Keilor Cemetery

On Friday 25 March we held the official opening of Stage 4 of the Gallery of the Saints Mausoleum at Keilor Cemetery.



Stage 4 is the new addition to the existing mausoleum. It draws on the current design to create a new, contemporary mausoleum embraced by the local community and linked to its surrounds.

Tandem, double or single crypts are interspersed throughout the mausoleum, and the gallery's ceiling allows natural sunlight in to create an uplifting, spiritual quality.

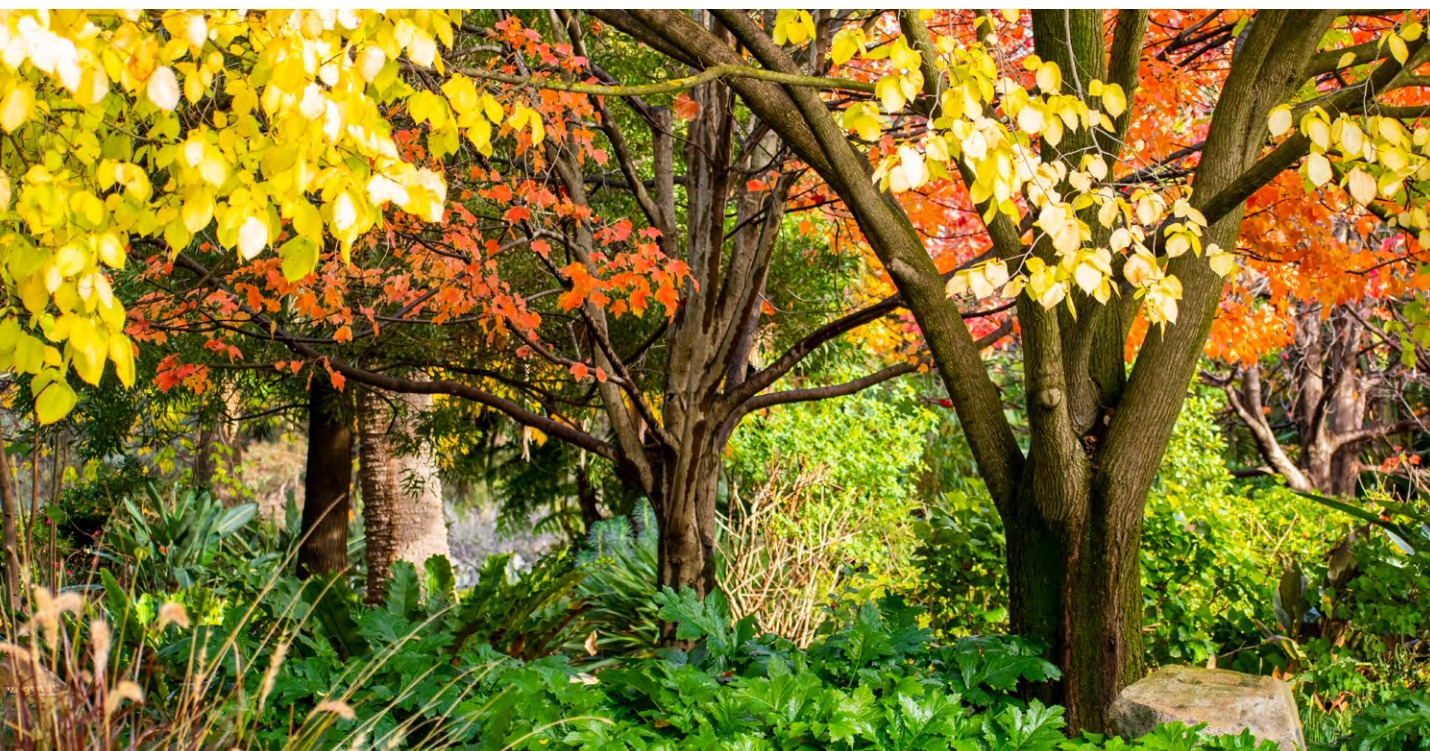
Plaza of the Holy Angels Mausoleum at Fawkner Memorial Park

Friday 8 April saw the opening of the Plaza of the Holy Angels, adjacent to the Atrium of Holy Angels, comprising approximately 1,800 mausoleum crypts arranged in single, double and tandem configurations.

The theme of the new mausoleum is motherhood, featuring a bronze statue of the Holy Mother. Each of its 18 galleries is dedicated to a woman of faith who has devoted her life to the nurturing, caring and healing of others. At the entrance to each gallery the names of loved ones are memorialised with individual bronze plaques.

The openness of the galleries provides a close connection with nature, where landscaped gardens offer seating for personal contemplation and reflection.

Future

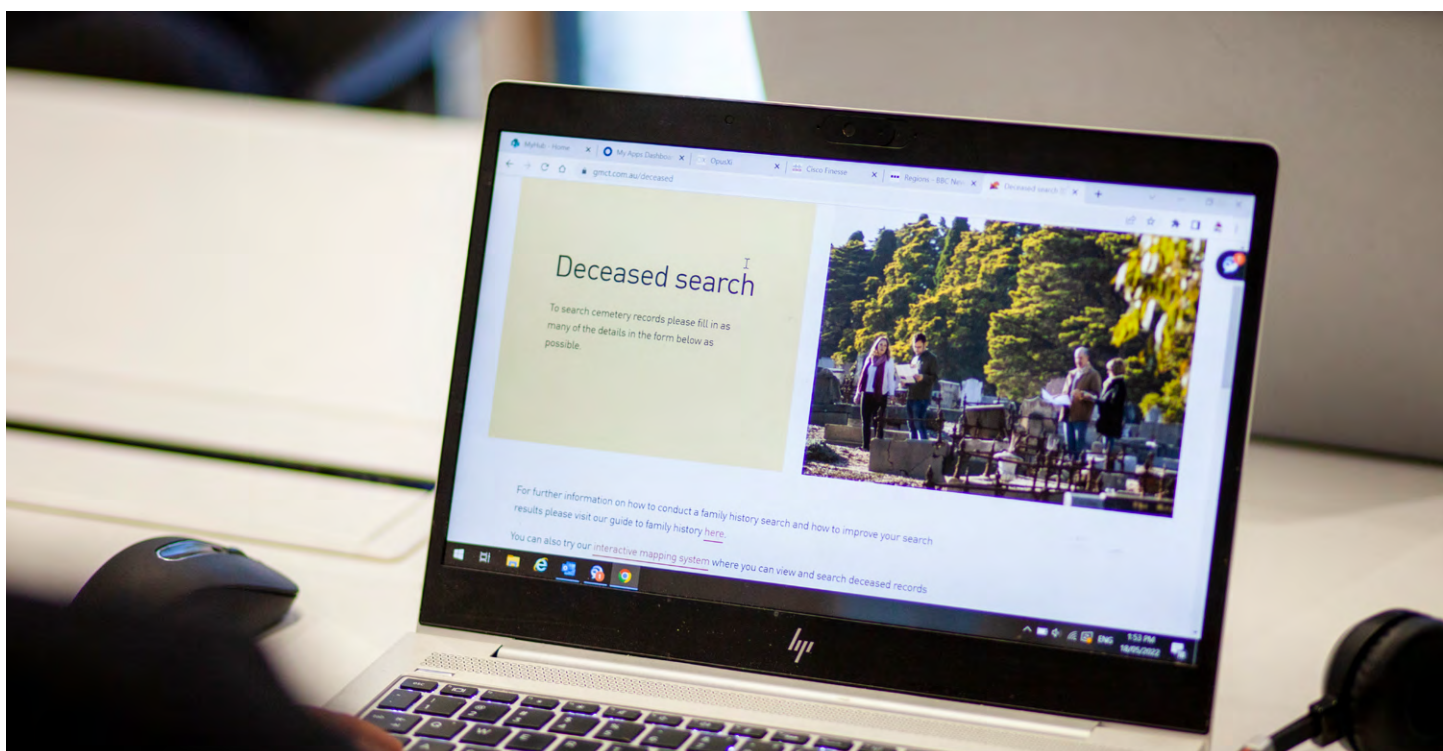


DISABILITY ACTION AND INCLUSION PLAN – FORMALISATION AND IMPLEMENTATION

This year GMCT formally adopted and began the implementation of the Disability Access and Inclusion Plan (DAIP). GMCT is a diverse organisation, serving Melbourne's diverse communities. The DAIP enables a more inclusive and accessible service and workplace. The vision for the DAIP is, 'an accessible and inclusive GMCT where people with disability are able to access our cemeteries and participate fully in all our activities and services'.

There are six principles that underpin the DAIP.

- › Design for the entire community: GMCT's built environment and digital products will be designed to meet the needs of all people who use it.
- › Continuous improvement: We will overcome barriers with a commitment to ongoing effort to improve.
- › Equitable and inclusive approach: We will prevent the marginalisation of any person, regardless of ability, through planning and action based on reason, conscience and a natural sense of fairness.
- › Cultural inclusion: We will promote spaces that enhance mutual respect, effective relationships, clear communication, shared learning, understandings about expectations and self-reflection.
- › A human-centric culture: We will create a safe space supported by training and awareness, where we continually reflect on our customers' and communities' needs as people, including GMCT staff.
- › Acknowledgement of legacy design: We understand that upgrading of some of our older cemeteries will be limited due to past design practices. However, we will strive to make sure that new works, repairs and future upgrades enhance accessibility where possible. Five focus areas for implementation:
 - › Access to cemetery grounds, buildings and facilities
 - › Access to services
 - › Access to information
 - › Access to an inclusive customer experience
 - › Access to an inclusive workplace



Strategic goal objective: We embrace research and partnerships that enhance community value

GMCT'S COLLABORATION WITH THE DEATHTECH RESEARCH TEAM FROM THE UNIVERSITY OF MELBOURNE

Redesigning deathcare – a first-of-its-kind conference

In the final year of our partnership, GMCT is collaborating with the DeathTech Research Team, from the University of Melbourne, to host the Redesigning Deathcare Conference later this year.

Redesigning Deathcare aims to bridge the divide between research and practice at the end of life and death, through discussing the challenges facing deathcare and how to build a better system. An Australian first, the conference includes funeral homes, cemeteries, stonemasons, customer service staff and horticulturists. It will also involve those working adjacent to the sector, such as florists, caterers, medical staff, app developers, urban planners, artists and content creators.

In this financial year, GMCT has:

- worked closely to engage our sector partners, including Class B trusts and industry stakeholders, in the conference

- provided a tailored suite of detailed communications tools to help the DeathTech Research Team promote the conference
- reached out to our own staff with ideas around active participation.

Organisations such as trusts, non-government organisations, professional associations, historical societies and community groups will benefit from involvement and from the research that will be showcased.

'Art, Death and Disposal' exhibition

In January 2022, this exhibition was a collaboration with the DeathTech Research Team from the University of Melbourne. The exhibition is part of ongoing research on the future of disposition.

Seven artists responded to the question: 'How might disposal of the deceased be designed in the 21st century?'

Photography works within the exhibition featured some of GMCT's people performing their deathcare roles during the pandemic. It was a moving way to showcase not only our partnership with the DeathTech Research Team, but to enhance community value through a widely accessible medium – art.

Future



WORLD URBAN PARKS ADVOCACY – GMCT THINKING GLOBALLY AND ACTING LOCALLY

GMCT has delivered significant value through its partnership with World Urban Parks (WUP). WUP is a global organisation providing international advice and connections about urban parks and open spaces. GMCT convenes a subcommittee of WUP about cemeteries. Our subcommittee provides a forum for discussion on common environmental, social and economic challenges for cemeteries. We have developed and shared a webinar to help lead the conversation about these challenges.

We are now working through this subcommittee to develop a set of universal design principles for cemeteries, with our international partners. Membership of our committee includes cemetery sector representatives from Australia, New Zealand, the United States, Canada and South Africa. This year, we have leveraged connections to invite Japan to join, expanding our access to global research, allowing us to further benefit and contribute.

ENGAGED WITH REGEN MELBOURNE – NETWORK OF MELBURNIAN BUSINESSES ADDRESSING SUSTAINABILITY

As a partner with Regen Melbourne, we support their purpose to create a safe, just and prosperous future for Melbourne. As a part of this partnership, GMCT led a workshop during Melbourne Knowledge Week, about how GMCT can be of service to Greater Melbourne as we recover from COVID, examining end of life issues and sustainability.

Strategic objective: We engage with our communities for data and insights to serve communities of the future

ATTITUDES ON END-OF-LIFE DECISIONS – CHOICE MODELLING

GMCT carried out a representative survey across Melbourne and Geelong to understand attitudes and behaviours on end-of-life choices. The survey covered different demographics within Melbourne's diverse communities. It uncovered valuable insights about what people prioritise across choices from cost, travel time, disposition methods and other options. For example, the results showed that over 60% of people make decisions based on price and product, with travel being a minimal driver in decision making. Sustainability was another key driver, with three out of five people saying they would choose carbon neutral cremation.

Not only will these results be fundamental to how we design our future offerings at GMCT, but they have also been shared throughout the Victorian cemeteries sector and will be presented at the Redesigning Deathcare conference in October. This way, we can help to elevate community needs regardless of whether people choose GMCT to take care of their loved ones.

GMCT now plans to develop a cross cultural insight program to extract views that may be different to the mainstream. This is because we found that there were some communities who were underrepresented in the initial survey, due to a discomfort with talking about death and dying. These results will also be shared widely.

GMCT'S RECONCILIATION ACTION PLAN AND ABORIGINAL CULTURAL SAFETY

GMCT's Reconciliation Action Plan (RAP) will set out how we commit to and contribute to reconciliation both internally and publicly. The RAP will help us to embed the principles and purpose of reconciliation. The first stage of internal engagement has begun to determine GMCT's starting point and level of reconciliation literacy. We will engage with Victoria's first nations people, the Wurundjeri and Bunurong, on whose lands GMCT operates.

As part of this commitment, we reflected on the land we use, and its Traditional Owners, with a Smoking Ceremony in December 2021. First Nations people use Smoking Ceremonies to promote the wellbeing of their people and guests on Country. To bring our people together, we hosted a Smoking Ceremony at four of our cemeteries: Lilydale, Keilor, Fawkner and Altona. Wurundjeri Elder, Perry Wandin, conducted the Smoking Ceremonies at Lilydale, Keilor and Fawkner. The Bunurong Land Council Aboriginal Corporation conducted the Smoking Ceremony at Altona. For many staff this was their first Smoking Ceremony, and an opportunity to further engage with and understand our diverse communities.

As part of finalising our 2021 Enterprise Bargaining Agreement (EBA), many amendments were made to include Aboriginal cultural safety:

- › clause 50: Cultural & Ceremonial leave
- › clause 51: Leave to participate in First Peoples' Assembly of Victoria.

In August 2021, we finalised our Sustainability Strategy which includes this objective:

- › Respect, respond and provide for cultural rights, beliefs, and practices, including First Nations cultures.

CHAPELS FROM OUR PAST, PRESERVED FOR OUR FUTURE

In December, GMCT opened an online consultation process with interested community members who have a connection to the Islamic and Jewish Chapels at Fawkner Memorial Park. Coupled with a targeted social media campaign, we saw high engagement among Islamic and Jewish communities. This followed targeted mail drops.

A meeting with the CEO of the Islamic Museum of Australia and the President of the Islamic Council of Victoria opened the important conversation of how best to work together to preserve this historic building to serve communities of the future.

Future



ONE MILLION STORIES AND COUNTLESS COMMUNITY INSIGHTS – CHINESE MUSEUM COLLABORATION

In October 2021, GMCT celebrated the stories of prominent Chinese Australians through our collaboration with the Chinese Museum. This included a webinar to launch the 'Class of 2021 Chinese Australian Achievers' and an exhibition, 'One Million Stories'.

The rich history of Chinese Australians is large in our cemeteries and memorial parks. At GMCT we are committed to partnering with our diverse communities and celebrating those who have shaped multicultural Melbourne.

Attended by over 160 participants, the webinar recognised prominent Chinese Australians across the arts and culture, food, sport and politics. The event included a powerful video summary of the over 200-year history of Chinese immigration to Australia. A robust discussion provided valuable insights into attitudes, opinions and values.

These events mark the formal completion of the strategic marketing agreement between GMCT and the Chinese Museum. The three-year partnership agreement has led to a strong and mutually beneficial relationship. We will continue to explore future partnership and community engagement opportunities with the Chinese community in Victoria.



COMMUNITY ADVISORY COMMITTEE CHAIR'S REPORT – Liz Beattie

It is my privilege to resume the role of Chair of the Community Advisory Committee (CAC), following a year of leadership service from Kim McAliney. I thank Kim for her service in strengthening GMCT's connections to the diverse communities we serve. This past financial year has continued to deliver challenges, as every year does, but it has also delivered several achievements and successes.

As a Trust member since 2016, I have seen many changes, but none more challenging than COVID. It has meant our meetings have not been in person for a third year, but this has not held us back. The CAC has risen to this challenge with renewed commitment and drive to understand, represent and advise on Greater Melbourne's needs and desires for the future of GMCT's sites and services.

GMCT's vision, mission and values of Compassion, Respect, Integrity, and Sustainability continue to form the foundation upon which we build our work and outputs. The CAC is a vital part of that.

The past year has seen the completion of large-scale infrastructure projects, such as the opening of two new mausolea, but it has also been a year which has paved the way for longer term gains. Widespread and detailed community consultation for a new site at Harkness will ensure this new cemetery development will serve Victoria for well over 100 years.

THANKS AND ACKNOWLEDGEMENTS

I would like to acknowledge the passing of our CEO, Deb Ganderton. She was loved and admired for her leadership, kindness and inspiration to all at GMCT, values which are shared by and reflected in the CAC.

Without the passion and dedication of the CAC members, we could not have the far-reaching scope we do, to represent the rich diversity and broad focus of our communities. We have members who are active in different faith-based, cultural, geographic and specialist interest communities. They give freely of their time, enriching the CAC with their knowledge and connections. I am, and GMCT is, deeply grateful for the many hours they so willingly dedicate as volunteers.

CAC MEMBERSHIP AND MOVEMENTS

This year, long-term member Joseph Hawei resigned from the CAC. We thank him for his valuable insights garnered from his involvement with the Assyrian community.

Our members:

Ms Elizabeth Beattie (Chair and Trust member)

Ms Katerina Angelopoulos (Trust member)

Mr David Cragg (Trust member)

Ms Tania DeCarli

Dr Hannah Gould

Ms Justine Hadj

Mr Joseph Hawei (term ended 30 April 2022)

Ms Kim McAliney (retired October 2021)

Ms Susan Parsons

Ms Cindy Plowman (retired June 2022)

Ms Tashwita Rahalkar

Ms Anita Rivera

THE YEAR IN REVIEW

This year, we operated under the new Community Advisory Committee Guidelines document which we developed last year. This has proven extremely valuable in ensuring we follow protocols that reflect our values and ensure that our advisory capacity continues to complement GMCT's community engagement activities in meaningful ways.

This year, the CAC was consulted on several GMCT projects. Most notably, the new development at Harkness and its impact upon the community, the GMCT Disability Access and Inclusion Plan and GMCT's Reconciliation Action Plan.

I'm particularly proud of the work done on the Disability Access and Inclusion Plan. While not retroactive, the plan will underpin all future site developments, readying our cemeteries and memorial parks to be more welcoming, safe and accessible for all.

Importantly, the work of the CAC is not about achieving consensus, in fact, it's often about the opposite. It's about variety, diversity, inclusion and debate. Essentially, it's about the value in our many differences. I'm pleased the CAC truly embodies, leverages and enables representation through these differences.

I look forward to more connections and enriching discussions in the year ahead.

Thank you to all CAC members for their time, passion and hard work over the past financial year.

STRATEGIC GOAL 4

Support and leadership



This strategic goal aims to sustain the operation of our business and the sector. Support and leadership includes all activities required for the delivery of GMCT's functions and purpose. This includes finance, human resources, governance, communications, risk management, technology and research. In addition, this includes strategies informing the leadership role we play in supporting the sector and Class B cemeteries.

There are three strategic objectives of this goal

1. We invest appropriately in people, processes and systems to support our culture and fulfil our purpose.
2. We continually adapt to meet evolving community needs through business improvement initiatives.
3. We support the sector and Class B cemeteries.

Strategic objective: We invest appropriately in people, processes and systems to support our culture and fulfil our purpose

PROMAPP FOR SMOOTH PROCESSES

Nintex Promapp is the tool we use to document processes within GMCT. It allows us to represent complex processes and lengthy procedure documents in clean, simple process maps that everyone can follow and comment on.

Promapp improves and simplifies process mapping by allowing our teams to visually understand and own processes. Several staff have been trained as Promapp champions and are based in GMCT's different local areas.

MANAGED THE INTRODUCTION OF LEGISLATIVE AMENDMENTS TO THE *CEMETERIES AND CREMATORIA ACT 2003*

During the past year, GMCT managed the start of amendments to the *Cemeteries and Crematoria Act 2003*. These amendments introduced new powers for the Secretary of the Department of Health to vary or transfer rights of interment in special circumstances.

Strategic goal objective: We continually adapt to meet evolving community needs through business improvement initiatives

NURTURING SUSTAINABILITY IN OUR LIVES AND LEGACIES – THE GMCT SUSTAINABILITY STRATEGY

The GMCT Sustainability Strategy was finalised in August 2021. As one of our core values, sustainability should be embedded in every decision and action we make. A strong sustainability agenda will enable GMCT to support communities, now and for many generations to come.

Sustainability means future-proofing the organisation against social, financial and environmental change. Future cemeteries will empower all Victorians to make informed end-of-life decisions including choosing new and sustainable ways to commemorate loved ones.

The GMCT Sustainability Strategy and action plan set out the vision, objectives, and actions for embedding sustainability across the organisation.

Five priority objectives drive sustainability at GMCT:

1. Respect planetary boundaries and maintain environmental integrity in the way we plan and operate our cemeteries.
2. Promote an empowered and inclusive workforce by investing appropriately in people, processes and systems, supporting our culture and fulfilling our purpose.
3. Create attractive and diverse public spaces, catering to all users in urban neighbourhoods.
4. Lead the way in innovative and sustainable cemetery practices, products and services.
5. Respect, respond and provide for cultural rights, beliefs, and practices, including First Nations cultures.

The strategy commits to completing 17 actions under these objectives within three years.

Various environmental initiatives have continued to strengthen our commitment to reducing energy and water consumption, enhance our material recycling, and provide effective carbon management initiatives. Our future-focused organisation will integrate sustainability in everything we do.

Achievements so far include:

- › **Renaturing our waterways:** Rehabilitation work continues, on the banks of Campbellfield Creek.
- › **Recycling our materials:** The use of 2,000 cubic metres of recycled crushed boulders cleared from GMCT sites over decades, rather than sourcing rock from a commercial supplier. More uses for this material have been applied across our sites.
- › **Natural burial options:** We have begun work to investigate the feasibility of offering environmentally sensitive burial options at River Red Gum precinct.
- › **Supporting habitats at River Red Gum precinct:** We have incorporated a substantial habitat zone into the design of the new River Red Gum precinct.
- › **Future built environment:** We are designing new memorial landscapes to last in perpetuity. Our future cemetery site at Harkness will encompass community parkland and integrated open space.
- › **New sustainable methodologies:** The sustainable approach we take to Harkness can be applied to all our future built works across our sites. The Lilydale masterplan and Plenty Valley masterplan will use the same approach.
- › **Altona Memorial Park stormwater harvesting:** This \$1.3 million project will protect and enhance landscape amenity, biodiversity and environmental value of Altona Memorial Park.
- › **Plaque recycling:** Through an agreement with Arrow Bronze, a disposal system has been set up, where unwanted or redundant plaques are collected and sent back to Arrow Bronze for recycling.
- › **Metal recycling:** Many metals such as implants, remain after cremation. A magnetic wand removes them for recycling. After deduction of costs, the proceeds are returned to GMCT.
- › **Cremator improvements:** Cremators upgraded to include staged start-up, oxygen sensors and PLC upgrades to realise efficient burn.
- › **Hybrid vehicles:** GMCT currently has three hybrid vehicles in the carpool. We are continuing to identify opportunities that will allow us to move to hybrid or electric vehicles and machinery.
- › **Activated staff:** GMCT's 'Green Team' continues to plan actions and sustainability improvements and raises awareness across GMCT. Our staff community garden has also been nurtured throughout COVID and continues to thrive despite the challenges of fewer staff on site.

STRATEGIC GOAL 4

Support and leadership



Strategic objective: We support the sector and Class B cemeteries

SUPPORTING THE CEMETERY SECTOR IN VICTORIA

GMCT meets regularly with the Department of Health, other Class A cemetery trusts, and the Cemeteries and Crematoria Association of Victoria. This provides a forum to address issues of common interest. Priorities for the past year have included the ongoing response to the pandemic, shared work on environmental sustainability initiatives, assessment of resource collaboration opportunities, and a review of the departmental guidelines for Class A cemetery trusts' strategic plans.

SHARING THE KNOWLEDGE ACROSS BORDERS

In May 2021, the amalgamation of Sydney's five Crown land cemeteries became effective. This financial year, GMCT welcomed and hosted OneCrown's executive team, to discuss our experience of managing and thriving within such an amalgamated framework. In 2010, GMCT was formed following the consolidation of eight cemetery trusts. This puts us in a unique position to be able to offer sector support and leadership on this issue.

Workforce

Growing, equipping and empowering our workforce spans the key strategic objectives of:

- › We ensure that 'moments that matter' in service delivery and design meet community expectations.
- › We invest appropriately in people, processes and systems to support our culture and fulfil our purpose.
- › We have the right people, processes and systems in place to manage operational risks.

GMCT Enterprise Bargaining Agreement and Competencies Framework

As part of the new GMCT Enterprise Bargaining Agreement (EBA) 2021, a Competency Criteria Framework was developed outlining the required skills, task, competency, behaviours, and experience required for staff to perform each role successfully.

The EBA also streamlined pay classifications and progression within each level and helped us develop a multi-skilled workforce. This means that our operational staff can have a primary and secondary role focus. For example, burial operations may be the primary focus, and assisting with horticulture may be the secondary focus. This allows us to mobilise an agile, adaptive workforce that can pivot to meet demands. The new classification structure addressed differences in the previous EBA pay classifications, allowing employees across all regions to be paid the same for doing the same role.

Leading the way

In September 2021, GMCT's Occupational Health and Safety (OHS) team began a two-year project, 'Leading the Way' (LTW). LTW is a Victorian Public Sector program, which recognises stages of organisational safety maturity and the factors that contribute to improving OHS outcomes.

The LTW action plan covers four categories:

- › accountability
- › OHS systems
- › safety culture
- › senior management commitment.

Within these categories, we've actioned five focus areas.

- › Mental health and prevention of occupational violence: GMCT employees self-nominated and were selected to complete formal Mental Health First Aid training. Representation increased from three to 18, extending both our reach and awareness of proactive mental health conversations for frontline and support service staff.
- › Outdoor mobility: Based on staff feedback, GMCT rolled out a digital solution to increase ease of access to safety guides commonly used by outdoor staff. As part of our Moments that Matter Program, we created a new Safe Work Method Statement (SWMS) module for burial operations staff to use on mobile devices. This mobility means staff can more readily check, perform and review work requiring safety compliance, using a mobile device.
- › Policy review: We have updated the organisational wide Incident and Investigation Procedure. In September 2021, GMCT made a COVID Compliance Manager available to the organisation.
- › Contractor management: This year, GMCT sourced a new system for improved communication and control of contractors. It will streamline onboarding, induction and permit processes for contractors, and stonemasons. We will fully implement the system in FY22-23
- › Training: In 2021, a Competency and Assessment Matrix integrated with Capability Framework and Training Needs Analysis commenced. Included in this matrix was a commitment to develop safety leadership capabilities across all levels of our organisation, something that has since been captured in Individual Professional Development Plans.



My Assist

MyAssist is an online portal with information and resources for staff wellbeing. A holistic approach to staff wellbeing ensures a healthy and capable workforce, ready to meet the needs of the families GMCT supports. We partnered with Allos, ADA Australia and Summit Industry Health to provide not only staff, but their families too, with a range of free wellbeing resources. Through MyAssist, staff can access:

- › Employee Assistance Program of independent, confidential counselling
- › Drug and Alcohol Awareness Program with 24/7 digital and phone support
- › Mental Health Awareness Program with 24/7 digital and phone support
- › Musculoskeletal Onsite Treatment and Advice Program



Graduate program

GMCT has a history of supporting employment for graduates and new entrants to the sector. This financial year, we have further solidified that with seven new people as part of GMCT's Graduate Program. This is in addition to the apprenticeships and traineeships we already support. As part of our commitment to youth employment and experience, we aim to showcase the many different professions that are part of the cemeteries and crematoria sector, from burial operations to landscape design, to data analytics to customer service and communications. GMCT's three entry-level employment programs continue to demonstrate the sector is a growing and vibrant career opportunity, attracting highly motivated and skilled staff.

The Victorian Government Risk Management Framework

This financial year, for the first time, GMCT became subject to compliance under the Victorian Government Risk Management Framework (VGRMF). We have worked to ensure our robust risk management processes and practices are well aligned, so we are not only managing risk, but can easily use data and information to demonstrate our compliance in the way the VGRMF requires. This also brings us into alignment with other Victorian public services subject to the VGRMF.

Workforce data

Employee Count	2021-22	2020-21
Male	163 (63%)	156 (67%)
Female	94 (37%)	78 (33%)
Self-described	0	0
Total	257	234

Employees Full-Time Equivalent (FTE)	2021-22	2020-21
Full-time	230	206
Part-time	14.32	15.71
Total payroll FTE at 30 June	244.32	221.71
Vacancies at 30 June	21.62	9.43
Total workforce FTE	265.94	231.14

Workforce age profile	2021-22	2020-21
65 and over	6	6
55-64	65	60
45-54	66	59
35-44	61	57
25-34	46	43
Under 25	13	9
Total	257	234

Workforce/ labour category*	June 2022
Indoor staff	119.83
Outdoor staff	118.69
Executive	5.8
Total	244.32

*excluding overtime. Does not include contracted staff (for example, consultants)

Executive Officer disclosures	2021-22	2020-21
Male	4	4
Female	2	3
Self-described	0	0
Total	6	7

Staff training	Total hours 2021-22	Total hours 2020-21
OHS	660.05	515.7
Leadership and development	569	228.5
Profession specific	2780.5	2460.1
Other	220	612
Total	4229.55	3816.3

GMCT staff years of service

GMCT continues to attract and retain staff with a variety of valuable skills, experience and qualifications. This year, several staff have completed 5, 10, 15 and 20 years of service. Please visit our website to learn more about employment at GMCT www.gmct.com.au

We acknowledge and thank long serving staff members:

Years of service	Staff names
30	John Rae
40	Trevor Weston

Occupational health and safety

Occupational health safety statistics

- › In 2021–22 the total recordable injuries at GMCT were 19.
- › There were 15 standard WorkCover claims during the reporting period. The 15 claims included:
 - › 5 standard claims as a result of the claims exceeding the >ten-day employer liability threshold.
 - › 10 standard claims that exceeded medical but did not exceed the >ten-day employer liability threshold.
- › 1 impairment benefits claim for hearing loss.
- › Lost time injury days were 877.
- › The number of lost time standard claims per 100 staff was 3.
- › Hazards and incidents per 100 staff were 200.42 (based on 265.94 staff).
- › 1 fatality at GMCT cemetery – member of public due to medical episode while attending a funeral. This was due to the health and condition of the member of the public and not because of any negligence on behalf of GMCT.
- › 5 (including 2 COVID) incidents occurred (including visitor and contractor incidents), reported to Victorian WorkCover Authority.

Occupational Health and Safety Statistics	2021–22	2020–21	2019–20
The number of reported hazards/incidents for the year per 100 FTE	200.42	173.49	127.01
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	3.00	1.73	2.91
The average cost per WorkCover claim for the year	\$145,750 ~	\$3,092	\$11,246
Total workforce (FTE)	265.94	231.14	240.12

~ Increase in average claim cost for FY22 due to two large claims

Year/item	Total recordable injury (TRI) incidents	Lost time injury (LTI) incidents	Total recordable injury frequency rate (TRIFR)	Total lost time injury frequency rate (LTIFR)	Total lost time injury frequency rate (LTIFR) target
2018–19	16	4	45.64	11.41	11
2019–20	31	9	84.05	24.40	11
2020–21	20	2	53.86	5.39	11
2021–22	19	8	42.53	17.90	11

Occupational violence

Occupational violence statistics	2021–22	2020–21
Workcover accepted claims with an occupational violence cause per 100 FTE	0	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0	0
Number of occupational violence incidents reported	12	13
Number of occupational violence incidents reported per 100 FTE	4.51 (based on 265.94 FTE)	5.62 (based on 231.4 FTE)
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0	0

Definitions of occupational violence

Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

- **Incident:** an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included.
- **Accepted WorkCover claims:** accepted WorkCover claims that were lodged in 2021–2022.
- **Lost time:** is defined as greater than one day.
- **Injury, illness or condition:** this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Gender Equality Act 2020 and GMCT's Gender Equality Action Plan



This financial year, GMCT has, in compliance with the requirements of the *Gender Equality Act 2020* (Vic) (the Act), committed to:

- › continuing to expand on the diversity of our workforce
- › fostering an inclusive workplace culture
- › ensuring we are truly representative of the communities we represent across the Greater Melbourne area.

In doing this, we can also ensure our current and future employees feel engaged, included, and safe.

Our obligations under the Act include:

- › conducting a gender equality audit
- › reviewing our audit results and, throughout meaningful consultation with our employees, leaders and governing members, creating our Gender Equality Action Plan 2021–2025
- › conducting Gender Impact Assessments to consider the impact new policies or programs, or those due for review, might have on the communities we serve.

Gender Equality Audit

Our gender equality audit provided us with valuable information about our employees which we had previously not gathered, allowing us to more effectively understand our workforce and design initiatives targeted to include and celebrate the diversity of our employees.

Gender Equality Action Plan (2021–2025)

GMCT's new Gender Equality Action Plan was completed towards the end of FY22. It considers the progress we have made over recent years and formalises our commitment to further embed diversity and inclusion principles.



Gender impact assessments

These assessments are completed when a new policy, program, or service, or one that is up for review, is deemed to have a significant and direct impact on the public. To date, we have completed a thorough assessment on our Discover Cemeteries project to ensure a suitably diverse balance of representation exists in the biographies featured in the application and website.

Through regular and thorough employee and community consultation, we aim to continue to develop our understanding of the various experiences of those we serve. This will help enhance how we operate to ensure we contribute to a more inclusive, just, and equitable society.

Towards gender equality – FY22 achievements

- › As part of finalising our 2021 Enterprise Bargaining Agreement (EBA), we made many amendments relating to gender, diversity and inclusion. This includes:
 - › clause 48: Gender equality which is designed to address the gender pay gap, gender inequality and discrimination
 - › clause 49: Gender transition leave.
- › Actively promoted diverse candidates, resulting in an increase in the operational workforce from 7 per cent women employees in July 2019 to 13 per cent in June 2020.
- › Aligned employees on the same EBA classification to be on equal pay rates.
- › Pay parity exercise conducted with Victorian Public Sector Commission for all executive team.
- › Appointed an Executive Sponsor for Gender Equality.
- › Commenced a working group to complete Gender Impact Assessments.
- › Reviewed our recruitment procedure to ensure interview panels were represented by more than one gender.
- › Have celebrated key inclusion events including International Women's Day, Harmony Day and National Carer's Week.
- › Our design for the Plaza of Holy Angels Mausoleum at Fawkner incorporated a woman of historical significance to be featured in each row of crypts, along with a brief description.

The organisation



The Greater Metropolitan Cemeteries Trust (GMCT) is classified as a Class A cemetery trust under the *Cemeteries and Crematoria Act 2003*.

Manner of establishment

Established in 2010, GMCT is a body corporate with perpetual succession, established by the Governor in Council under the *Cemeteries and Crematoria Act 2003*. GMCT is responsible for the management and perpetual maintenance of 19 cemeteries across Melbourne's north, east and west, two greenfield sites and all associated burial, cremation and interment services. It is also responsible for the management of one site under a fee-for-service arrangement.

The responsible Minister is the Minister for Health:

Minister for Health, The Hon. Mary-Anne Thomas MP:
27 June 2022 to 30 June 2022

Former Minister for Health, The Hon. Martin Foley MP:
1 July 2021 to 27 June 2022

Nature and range of services provided

GMCT provides:

- › interment in graves
- › interment in mausolea
- › interment of cremated remains
- › cremations
- › venue hire
- › hospitality
- › memorialisation
- › perpetual maintenance
- › archival cemetery and genealogical records
- › community events.



The Trust

Corporate governance of GMCT is the responsibility of eight Trust members who are appointed by the Governor in Council on the recommendation of the Minister for Health.

The key duties of the Trust members include:

- › setting and steering the organisation's strategic direction
- › establishing annual budgets and ensuring sound financial management and asset management
- › overseeing, monitoring and assessing performance against the annual plan
- › ensuring compliance with statutory and regulatory obligations
- › ensuring effective risk management through a robust framework and systems.

In accordance with the *Cemeteries and Crematoria Act 2003* and GMCT's terms of reference, Trust members hold office for a term of up to three years but are eligible to apply for reappointment. The Victorian Government sets their remuneration. When making new Trust member appointments the Victorian Government ensures the Trust has the necessary combination of skills and experience.

Trust members



MICHAEL DOERY

BFA, FCA, FAICD

Trust Chair, Executive Performance and Remuneration member



ELIZABETH (LIZ) BEATTIE

GAICD

Deputy Trust Chair, Community Advisory Committee Chair
Executive Performance and Remuneration Committee member, Infrastructure Working Group member



DANA HLAVACEK

BCom (Hons), MAcc, FCA, GAICD

Audit and Risk Management Committee Chair, Executive Performance and Remuneration Committee member



KATERINA ANGELOPOULOS

MAICD, BSW, DipWS

Audit and Risk Management Committee member, Community Advisory Committee member



VEDRAN DRAKULIC OAM

MPubAdv&Act, EMFIA, MAICD

Finance and Investment Committee member, Infrastructure Working Group Convenor



DAVID CRAGG

BA, Grad Dip (HRM)

Community Advisory Committee member, Finance and Investment Committee member



BEV EXCELL

BSc (Hons), FAICD

Executive Performance and Remuneration Committee Chair, Finance and Investment Committee member, Audit and Risk Management Committee member



KEVIN QUIGLEY FCA

Finance and Investment Committee Chair, Audit and Risk Management Committee member

Trust and committee meetings attendance

	2021						2022						
Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Michael Doery (Trust Chair) Appointed 1 November 2019. Renewed from 1 March 2022 to 28 February 2025	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	A	10/11
Elizabeth Beattie (Deputy Chair) Appointed 1 March 2016. Renewed 1 July 2021 – 30 June 2024.	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	11/11
Katerina Angelopoulos Appointed 1 August 2020 – 30 June 2023.	A	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	10/11
David Cragg Appointed 1 March 2016. Renewed 1 July 2018 – 30 June 2024.	Y	Y	Y	Y	A	Y		Y	Y	Y	Y	Y	10/11
Vedran Drakulic Appointed 1 August 2020 – 30 June 2023.	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	11/11
Beverley Excell Appointed 1 September 2017. Renewed 1 August 2020 – 30 June 2023.	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	11/11
Dana Hlavacek Appointed 1 March 2016. Renewed 1 July 2021 – 30 June 2024.	Y	Y	Y	Y	Y	Y		Y	Y	Y	A	Y	10/11
Kim McAliney Appointed 1 March 2016. Resigned 27 November 2021.	Y	A	Y	Y									3/4
Kevin Quigley Appointed 1 September 2017. Renewed 1 August 2020 – 30 June 2023.	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	11/11

Organisational structure



Reporting to government

GMCT reports to the Minister for Health through the Cemetery Sector Governance Support Unit of the Department of Health.

GMCT informs the government and relevant government departments of all major developments and activities through:

- › an Annual Report about operations and financial performance
- › a detailed Strategic Plan and Annual Plan
- › direct contact between the Chair, Chief Executive Officer, and government representatives on key issues
- › frequent communication at an executive level about performance, industry and policy issues.

Independence of Trust members

GMCT follows the Victorian Public Service Commission Code of Conduct for Board Members. Each year Trust members are required to complete a declaration of private interests and a conflict of interest statement. Declarations of conflict of interest are made at the beginning of each Trust and committee meeting.

Independent advice

With prior approval of the Chair, Trust members may seek relevant independent professional advice relating to performing their responsibilities.

Trust performance

As part of its commitment to effective and transparent corporate governance, the Trust undertook its annual self-assessment in April 2022.

Trust committees

Trust members serve on several committees in a review or advisory capacity.

Under the *Cemeteries and Crematoria Act 2003* (the Act) the Trust may also appoint independent members from outside the organisation to provide specialist skills, knowledge and expertise. During FY22, the Board appointed an independent member to the Finance and Investment Committee.

GMCT has four committees under the Act. Each committee is chaired by a Trust member and operates under terms of reference for its procedures. The terms of reference for each committee are available on GMCT's website.

The Audit and Risk Management Committee

This committee assists the Trust in fulfilling its governance and oversight responsibilities in:

- › financial reporting compliance, internal and external audit
- › internal control systems and processes
- › risk management and information systems
- › legislative and regulatory compliance.

Finance and Investment Committee

This committee has an advisory role assisting the Trust to fulfill its statutory and financial responsibilities relating to:

- › appropriate, prudent, sustainable, and efficient use of investment funds
- › establishment and maintenance of the perpetual maintenance fund
- › the accuracy and veracity of regular financial reports
- › compliance with obligations to third parties and relevant internal policies
- › other financial matters as requested by the Trust.

Community Advisory Committee

The Community Advisory Committee's (CAC) role is to provide advice to the Trust to assist it to carry out its community engagement responsibilities. It also raises any issues of concern or interest to the community with the services provided by GMCT.

A key objective is to proactively engage with the community to make sure community and consumer views are considered when GMCT plans and delivers services. The CAC provides advice about integrating consumer and community views at all levels of operations, planning and policy development.

Executive Performance and Remuneration Committee

The Executive Performance and Remuneration Committee provides advice and direction to the Trust on:

- › the overall performance and remuneration of executives
- › the individual remuneration packages of the Chief Executive Officer and other executive positions as defined by applicable government policies.

Executive team roles and responsibilities

The aim of the executive team is to ensure that activities occurring within GMCT are consistent with:

- › The *Cemeteries and Crematoria Act 2003*
- › GMCT's strategic plan
- › GMCT policies and procedures.



CHIEF EXECUTIVE OFFICER

Deb Ganderton 2019 – 25 March 2022

MA, MSF, MAICD

The Chief Executive Officer (CEO) leads the organisation in accordance with the vision and direction set by the Trust. They advise the Trust on operational, financial, and other matters and delegate responsibility for management and day-to-day operations to the executive team.



INTERIM CHIEF EXECUTIVE OFFICER

Andrew Eriksen – from 25 March 2022

The Interim Chief Executive Officer (CEO) leads the organisation in accordance with the vision and direction set by the Trust. They advise the Trust on operational, financial, and other matters and delegate responsibility for management and day-to-day operations to the executive team.

CHIEF OPERATING OFFICER

Andrew Eriksen

MAIM, MAIPM (CPPM), GAICD

The Chief Operating Officer is responsible for strategic leadership and customer experience in the day-to-day delivery of our services. This includes responsibility for customer (including the contact centre and bookings) client services, funeral services (chapels, gatehouse and crematoria), interment services and presentation functions (grounds and facilities maintenance).



COMPANY SECRETARY

Andrew Port

BBus, Grad Dip Finance, MBA

The Company Secretary is responsible for supporting the organisation to develop, implement and embed good governance principles to enable cohesion, consistency, and efficiency across the whole organisation.



CHIEF PEOPLE & RISK OFFICER

Dimi Patitsas

Grad Dip HR, Adv Cert Personnel, RTW Coordinator, CAHRI

The Chief People & Risk Officer leads and manages employee communications, organisational development, employee and industrial relations, policy development, employment legal compliance, occupational health and safety (OHS), compensation and benefits. The directorate provides support across the organisation with expertise in the development and training of GMCT's workforce, risk and OHS program and practices.



CHIEF FINANCE OFFICER

Brian Smart

BCom, Dip Treasury Mgt, Dip Corporate Mgt, CA

The Chief Finance Officer is responsible for establishing, promoting, and delivering a corporate and financial framework that facilitates the achievement of GMCT's vision as well as strategic and business objectives. The finance directorate provides a range of functions including finance and information communication technology.



CHIEF FUTURE BUILT ENVIRONMENT OFFICER

Zhanna Sichivitsa – 1 July 2021 – 24 September 2021

MAIM, MAIPM (CPPM), GAICD

James Reid – from 4 October 2021

The Chief Future Built Environment Officer is responsible for the masterplan development for GMCT sites, strategic land acquisitions and the implementation of masterplans. This includes the design of strategic major projects, project management and delivery.



CHIEF STRATEGY, INNOVATION & PERFORMANCE OFFICER

Rowena Morrow

BA, Grad Dip Urb Res Pol, MS (Strategic Foresight)

The Chief Strategy, Innovation & Performance Officer is responsible for strategic leadership in communications and community engagement, strategic planning, research, data insights and innovation.

Consultancies and IT expenditure

Consultancies

In 2021–22, there were 22 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021–22 in relation to these consultancies is \$2,018,776 (excluding GST). Details of individual consultancies can be viewed at www.gmct.com.au.

Consultant	Purpose	Start Date	End Date	FY22 Expenditure	Future Commitments	Total
Strategic Implementation Partners	Moments that Matter program	Jul-21	Jun-22	1,119,750	-	1,119,750
Protiviti Pty Ltd	Internal audit	Jul-21	Jun-22	90,636	466,092	556,728
Hypereal Pty Ltd	Innovation program	Nov-21	Jun-22	101,600	-	101,600
Bastion Insights Pty Ltd	Cross-cultural insights program	Apr-22	Jun-22	95,000	-	95,000
Customer Service Benchmarking Australia	Survey and analytics	Jul-21	Jun-22	91,110	-	91,110
Insurgence Pty Ltd	Omni-channel strategy	Aug-21	Mar-22	77,000	-	77,000
Greenshoot Consulting	Cultural intelligence evaluation	Jun-22	Jun-22	70,000	-	70,000
Nature Pty Ltd ATF Nature Unit Trust	Customer Choice Modelling Research	Feb-22	Jun-22	63,000	-	63,000
GPA Engineering Pty Ltd	Hydrogen feasibility report	Jun-22	Jun-22	38,821	-	38,821
Moonland Group Pty Ltd	Land surveys	Jul-21	Jun-22	37,010	-	37,010
Urban Initiatives Pty Ltd	Project designs	Jul-21	Jun-22	28,569	-	28,569
ABPS Consulting Services Pty Ltd	Advocacy advice for Harkness	Sep-21	Feb-22	28,200	-	28,200
The Dragonfly Collective ABO Andrew John Curtis	Board strategy workshop	Jan-22	Mar-22	28,000	-	28,000
Talis Consultants Pty Ltd ATF Talis Unit Trust	Consultancy for GIS solution	Oct-21	Dec-22	22,125	-	22,125
Pangolin Associates	GHG reporting and life cycle assessment	Jun-22	Jun-22	22,020	-	22,020
Hansen Partnership Pty Ltd	Property planning services	Jul-21	Jun-22	20,058	-	20,058
SACS Consulting ATF SACS Psychological	Psychometric	Jul-21	Jun-22	20,047	-	20,047
FEFO Pty Ltd	Environmental Management System	Feb-22	Jun-22	16,191	-	16,191
Velocious Consulting Pty Ltd	GHG emissions reduction strategy	Feb-22	Apr-22	15,000	-	15,000
GHD Pty Ltd	Condition assessments	Jul-21	Jun-22	13,139	-	13,139
Australian Built Asset Consultancy Pty Ltd	Cost plan services	Nov-21	Feb-22	11,500	-	11,500
Linda Stoneman Consulting ABO Linda Margaret Stoneman	Business planning facilitation	Jan-22	Jan-22	10,000	-	10,000
TOTAL				2,018,776	466,092	2,484,869

Consultancies less than 10k

In 2021–22, there were nine consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2021–22 in relation to these consultancies is \$33,188 (excluding GST).

ICT expenditure

The total ICT expenditure incurred during 2021–2022 is \$7.7 million (excluding GST).

Business as Usual (BAU) ICT expenditure	Non-Business as Usual (non-BAU) ICT expenditure		
Total (excluding GST)	Total = Operational expenditure (a) and Capital expenditure (a) and Capital Expenditure (b) (excluding GST)	Operational expenditure (OPEX) (a) (excluding GST)	Capital expenditure (CAPEX) (b) (excluding GST)
\$4.6 million	\$3.1 million	\$2.4 million	\$0.7 million

Attestations, compliance and disclosures

Financial management compliance attestation statement

I, Michael Doery, on behalf of the Responsible Body, certify that The Greater Metropolitan Cemeteries Trust has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Michael Doery
Chair

The Greater Metropolitan Cemeteries Trust
Fawkner, Victoria
24 August 2022

Data integrity declaration

I, Andrew Eriksen, certify that the Greater Metropolitan Cemeteries Trust has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. The Greater Metropolitan Cemeteries Trust has critically reviewed these controls and processes during the year.



Andrew Eriksen
Interim Chief Executive Officer

The Greater Metropolitan Cemeteries Trust
Fawkner, Victoria
24 August 2022

Conflict of interest and duty to disclose

I, Andrew Eriksen, certify that The Greater Metropolitan Cemeteries Trust has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of clause 9 of schedule 1A of the Act, and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within the Greater Metropolitan Cemeteries Trust and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



Andrew Eriksen
Interim Chief Executive Officer

The Greater Metropolitan Cemeteries Trust
Fawkner, Victoria
24 August 2022

Integrity, fraud and corruption

I, Andrew Eriksen, certify that The Greater Metropolitan Cemeteries Trust has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at The Greater Metropolitan Cemeteries Trust during the year.



Andrew Eriksen
Interim Chief Executive Officer

The Greater Metropolitan Cemeteries Trust
Fawkner, Victoria
24 August 2022

Compliance with Victorian Government Purchasing Board (VGBP) policies

I, Andrew Eriksen, certify that The Greater Metropolitan Cemeteries Trust has put in place appropriate internal controls and processes to ensure that it has complied with all requirements set out in the Victorian Government Purchasing Board policies and have critically reviewed these controls and processes during the year.



Andrew Eriksen

Interim Chief Executive Officer

The Greater Metropolitan Cemeteries Trust
Fawkner, Victoria
24 August 2022

Local Jobs First Act 2003 (Vic)

The *Local Jobs First Act 2003* requires departments and public sector bodies to apply the Local Jobs First Policy (LJFP) to all projects over \$3 million in metropolitan Melbourne or state-wide, and \$1 million in regional Victoria. This is factored into any tender evaluation conducted.

There was one building construction contract in metropolitan Melbourne completed in the current year that required disclosure under the LJFP.

The total value of the contract was \$11.4 million, the local content was 92%, the local steel content was 100%, 24 local jobs were retained, 0.65 apprenticeships were retained, and 0.38 cadetships were retained.

No Victorian State Government grants to which the Local Jobs First Policy applies were received in the current year.

GMCT continues to be committed to utilising local labour in its third party arrangements.

Freedom of Information Act 1982

The *Freedom of Information Act 1982* gives the public the right to access information contained in documents held by GMCT. Freedom of information (FOI) requests must be made in writing.

One request was received this year from a solicitor acting on behalf of their client in relation to Biodiversity Conservation Strategy surrounding the general vicinity of the Truganina cemetery. The request was granted, and 22 documents were issued by GMCT.

A request can be submitted using the website FOI Online (www.foi.vic.gov.au), via email to enquiries@gmct.com.au or by sending an application to:

Company Secretary
The Greater Metropolitan Cemeteries Trust
PO Box 42, Fawkner, VIC 3060

Building Act 1993

GMCT conducts regular assessments of its buildings to monitor compliance with the building and maintenance provisions of the *Building Act 1993*, which encompasses the Building Code of Australia and the Standards for Publicly Owned Buildings 1994. These regular assessments include essential safety measures and fire safety audits, and GMCT is implementing the recommendations arising from these assessments. Moreover, during FY22 GMCT undertook an independent third party assessment on all building's conditions which provided improvement recommendations for implementation as well as the implementation of recommendations from the Disability Action and Inclusion Plan. The recommendations are currently being implemented, with completion due end of Q1 FY23.

National Competition Policy and Competitive Neutrality Policy Victoria

Competitive neutrality seeks to enable fair competition between government and private sector businesses. These policies and their application in the cemetery environment were considered where appropriate during this reporting period.

GMCT supports and complies with the Department of Health code of practice for the external supply of merchandise to and within cemeteries.

GMCT is committed to competitive neutrality principles ensuring fair and open competition.

Many non-core activities have been outsourced, such as catering, security, cleaning, design, printing and construction. GMCT had zero competitive neutrality complaints during the reporting period.

Public Interest Disclosures Act 2012

Public Interest Disclosures Act 2012 enables people to make disclosures about improper conduct by public officers and public bodies. It aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do. GMCT is committed to the aims and objectives of the *Public Interest Disclosures Act 2012*. GMCT does not tolerate improper conduct by its employees, stakeholders or clients, nor the taking of reprisals against those who come forward to disclose such conduct. GMCT recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal conduct that is corrupt, involving substantial mismanagement of public resources or substantial risk to the environment or public health and safety. Disclosures can be made directly to the Independent Broad-based Anti-corruption Commission at:

Level 1, North Tower,
459 Collins Street, Melbourne, VIC 3000

Phone: 1300 735 135

Website: www.ibac.vic.gov.au

Gender Equality Act 2020

GMCT prides itself on having a diverse workforce and an inclusive culture and is committed to effectively meeting the regulatory requirements under the *Gender Equality Act 2020*. See page 40 for a detailed compliance summary.

ADDITIONAL INFORMATION

In compliance with the requirements of FRD 22H Standard Disclosures in the report of operations, the items listed below have been retained by The Greater Metropolitan Cemeteries Trust (GMCT) and are available to the relevant ministers, members of parliament and the public on request (subject to freedom of information requirements, if applicable):

- › Declarations of pecuniary interests have been duly completed by all relevant officers
- › Details of shares held by senior officers as nominee or held beneficially
- › Details of publications produced by the entity about itself, including annual Aboriginal cultural safety reports and plans, and how these can be obtained
- › Details of changes in prices, fees, charges, rates and levies charged by the Health Service
- › Details of any major external reviews carried out on the Health Service
- › Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations
- › Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit (none in 2021–22)
- › Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services
- › Details of assessments and measures undertaken to improve the occupational health and safety of employees
- › A general statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations
- › A list of major committees sponsored by the Health Service, including any Aboriginal advisory or governance committees, the purposes of each committee and the extent to which those purposes have been achieved
- › Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement. This information is available on request from:

Company Secretary
Phone: (03) 9355 3175
Email: enquiries@gmct.com.au

Chief Finance Officer's report



GMCT remains in a strong financial position. We have been financially responsible and continue to invest in our future by developing greenfield sites and grave infrastructure at existing cemeteries and managing investments. A key focus area is increased productivity to ensure we remain a resilient organisation.

GMCT recorded a net result from transactions of \$25.8 million, a net result for the year of a \$13.7 million loss including a net loss in the value of the investment portfolio, and net assets decreased to \$496 million. The perpetual maintenance reserve remains strong at \$234 million.

The net result for the year was favourably impacted by continuing sales from the Gallery of the Saints Mausolea at Keilor Cemetery coupled with the completion of the construction and subsequent release of positions in the Plaza of Holy Angels Mausoleum at Fawkner Cemetery. The construction of both mausoleums was funded from internally generated funds.

Operating statement

The income from cemetery operations for the year was \$86.9 million as compared to \$59.7 million for prior year. The increase primarily related to the increased mausoleum and monumental income.

Total expenses from transactions for the year were \$82.7 million as compared to \$59.9 million for prior year. Employee expenses of \$27.9 million reflects our commitment to staff and our support for the delivery of quality services to our communities. Maintenance and operating costs of \$10.9 million ensures the presentation of our 19 cemeteries and memorial parks meets community expectations.

We will contribute \$3.3 million to the state government via the cemetery levy during the next financial year. This fund supports the work of Victoria's Class B cemeteries and the communities they serve.

Investment income for the year of \$21.5 million is a consequence of actively managing our asset allocations and returns from investment markets during the year. While the investment portfolio incurred a net loss in the year our investment strategy continues to take a long-term view and we manage risk through a cautious risk appetite and a well-diversified portfolio.

Other economic flows included in the net result for the year was a loss of \$39.6 million, as compared to a profit of \$35.3 million in the prior year. This includes a net loss in the value of the investment portfolio of \$39.3 million.

Balance sheet

We have a significant investment in property, plant and equipment of \$110 million coupled with the investment portfolio of \$341 million that has ensured that a strong balance sheet is maintained, to cater for future community needs, with total net assets of \$496 million.

Total liabilities decreased from \$52 million to \$48 million, primarily due to the decrease in deposits received in advance in prior years now recognised as revenue in relation to the Fawkner mausoleum construction project.

Financial statements

For the financial year ended 30 June 2022

How this report is structured

The Greater Metropolitan Cemeteries Trust presents its audited general purpose financial statements for the financial year ended 30 June 2022 in the following structure to provide users with the information about the Greater Metropolitan Cemeteries Trust's stewardship of the resources entrusted to it.

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Trust Member's, Accountable Officer's and Chief Finance and Accounting Officer's declaration

The attached financial statements for The Greater Metropolitan Cemeteries Trust have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable financial reporting directions, Australian Accounting Standards including interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes presents fairly the financial transactions during the year ended 30 June 2022 and the financial position of The Greater Metropolitan Cemeteries Trust as at 30 June 2022.

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

We authorise the attached financial statements for issue on this 24 August 2022.



Michael Doery
Trust Chair

The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria
24 August 2022



Andrew Eriksen
*Accountable Officer
Interim Chief Executive Officer*

The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria
24 August 2022



Brian Smart
*Chief Finance and
Accounting Officer*

The Greater Metropolitan
Cemeteries Trust
Fawkner, Victoria
24 August 2022

Independent Auditor's report



Independent Auditor's Report

To the Trust Members of The Greater Metropolitan Cemeteries Trust

Opinion	<p>I have audited the financial report of The Greater Metropolitan Cemeteries Trust (the cemetery) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2022• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• trust member's, accountable officer's and chief finance and accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the cemetery as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the cemetery in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Trust Members' responsibilities for the financial report	<p>The Trust Members of the cemetery are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i> and for such internal control as the Trust Members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trust Members are responsible for assessing the cemetery's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Independent Auditor's report

Auditor's responsibilities for the audit of the financial report


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

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

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

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

MELBOURNE
7 September 2022



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Comprehensive operating statement

For the financial year ended 30 June 2022

	Note	2022 \$ 000	2021 \$ 000
Revenue and income from transactions			
Cemetery operations income	2.1	86,989	59,660
Investment income	2.1	21,519	22,362
Total revenue and income from transactions		108,508	82,022
Expenses from transactions			
Cost of sales	3.1	18,603	10,441
Employee expenses	3.1	27,905	22,610
Depreciation and amortisation	4.4	8,603	8,153
Maintenance and operations expenses		10,880	8,444
Administration expenses		5,402	5,595
Other operating expenses		7,920	2,042
Audit fees – Victorian Auditor General’s Office	8.6	102	99
Cemetery levy		3,255	2,469
Total expenses from transactions		82,671	59,853
Net result from transactions – net operating balance		25,837	22,169
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets		90	252
Net gain/(loss) on financial instruments		(39,330)	35,079
Revaluation of long service leave		(336)	(54)
Total other economic flows included in net result	3.2	(39,576)	35,277
Net result for the year		(13,739)	57,446
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation reserve	4.2	(5,880)	791
Total other comprehensive income		(5,880)	791
Comprehensive result for the year		(19,619)	58,237

This statement should be read in conjunction with the accompanying notes.

Balance sheet as at 30 June 2022

	Note	2022 \$ 000	2021 \$ 000
Current assets			
Cash and cash equivalents	6.1	2,548	4,422
Receivables and contract assets	5.1	19,783	24,058
Inventories	4.5	58,248	62,916
Prepayments		590	526
<i>Total current assets</i>		<i>81,169</i>	<i>91,922</i>
Non-current assets			
Inventories	4.5	11,736	12,341
Investments and other financial assets	4.1	341,121	344,986
Property, plant and equipment	4.2	110,451	117,683
Intangible assets	4.3	-	1,064
<i>Total non-current assets</i>		<i>463,308</i>	<i>476,074</i>
Total assets		544,478	567,996
Current liabilities			
Payables	5.2	10,938	11,384
Contract liabilities	5.3	31,075	35,005
Other provisions	5.4	95	85
Employee benefits	3.3	5,035	4,726
<i>Total current liabilities</i>		<i>47,143</i>	<i>51,201</i>
Non-current liabilities			
Employee benefits	3.3	921	762
<i>Total non-current liabilities</i>		<i>921</i>	<i>762</i>
Total liabilities		48,064	51,962
Net assets		496,414	516,033
Equity			
Contributed capital		148,872	148,872
Accumulated surplus/(deficit)		90,120	103,859
Perpetual maintenance reserve		233,533	233,533
Physical asset revaluation surplus reserve	4.2	23,889	29,769
Total equity		496,414	516,033

This statement should be read in conjunction with the accompanying notes.

Statement of changes in equity

for the financial year ended 30 June 2022

Note	Contributed Capital \$ 000	Accumulated Surplus/ (Deficit) \$ 000	Perpetual Maintenance Reserve \$ 000	Physical Asset Revaluation Surplus \$ 000	Total \$ 000
Balance at 30 June 2020	148,872	63,968	215,978	28,979	457,797
Net result for the year	-	57,446	-	-	57,446
Transfer to/(from) physical asset revaluation surplus	-	-	-	791	791
Transfer to/(from) Accumulated Surplus/(Deficit)	-	(17,555)	17,555	-	-
Balance at 30 June 2021	148,872	103,859	233,533	29,769	516,033
Net result for the year	-	(13,739)	-	-	(13,739)
Transfer to/(from) physical asset revaluation surplus	-	-	-	(5,880)	(5,880)
Transfer to/(from) Accumulated Surplus/(Deficit)	-	-	-	-	-
Balance at 30 June 2022	148,872	90,120	233,533	23,889	496,414

This statement should be read in conjunction with the accompanying notes.

Cash flow statement

for the financial year ended 30 June 2022

	Note	2022 \$ 000	2021 \$ 000
Cash flows from operating activities			
Receipts from customers		102,187	72,524
Payments to suppliers and employees		(67,624)	(63,173)
Investment income receipts		7,940	8,433
Goods and services tax received/(paid)		722	651
Net cash inflow/(outflow) from operating activities	8.1	43,225	18,435
Cash flows from investing activities			
Payments for property, plant and equipment		(10,022)	(16,603)
Proceeds from disposal of property, plant and equipment		388	160
Proceeds from sale of investments		24,700	81,719
Payments for investments		(60,166)	(84,037)
Net cash inflow/(outflow) from investing activities		(45,100)	(18,761)
Cash flows from financing activities			
Net cash inflow from financing activities		-	-
Net decrease in cash and cash equivalents		(1,875)	(326)
Cash and cash equivalents at beginning of the year		4,422	4,748
Cash and cash equivalents at the end of the year	6.1	2,548	4,422

This statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the financial year ended 30 June 2022

Note 1 - Basis of Preparation

STRUCTURE

- 1.1 Basis of preparation of the financial statements
- 1.2 Impact of COVID-19 pandemic
- 1.3 Abbreviations and terminology used in the financial statements
- 1.4 Key accounting estimates and judgements
- 1.5 Accounting standards issued but not yet effective
- 1.6 Goods and Services Tax (GST)
- 1.7 Reporting Entity
- 1.8 Perpetual Maintenance Reserve Policy

These financial statements represent the audited general purpose financial statements for The Greater Metropolitan Cemeteries Trust (GMCT) for the year ended 30 June 2022. The report provides users with information about GMCT's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

Note 1.1 – Basis of preparation of the financial statements

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

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

GMCT is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to 'not-for-profit' Cemetery Trust under the Australian Accounting Standards. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis.

The financial statements are in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest thousand dollars. Minor discrepancies in tables between totals and sum of components are due to rounding.

The annual financial statements were authorised for issue by the Board of GMCT on 24 August 2022.

Note 1.2 - Impact of COVID-19 pandemic

In March 2020 a state of emergency was declared in Victoria due to the global coronavirus pandemic, known as COVID-19. On 2 August 2020 a state of disaster was added with both operating concurrently. The state of disaster in Victoria concluded on 28 October 2020 and the state of emergency concluded on 15 December 2021.

The COVID-19 pandemic has created economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the cemetery trust at the reporting date. Management recognises that it is difficult to reliably estimate with certainty, the potential impact of the pandemic after the reporting date on the cemetery trust, its operations, its future results and financial position.

In response to the ongoing COVID-19 pandemic, GMCT introduced a range of measures in both the prior and current year, including:

- › introducing restrictions on non-essential visitors
- › greater utilisation of telecommunication and video conferencing
- › implementing work from home arrangements where appropriate.

The financial impacts of the pandemic have not been significant in the current financial year.

Note 1.3 - Abbreviations and terminology used in the financial statements

The following table sets out the common abbreviations used throughout the financial statements:

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
GMCT	The Greater Metropolitan Cemeteries Trust
SD	Standing Direction
VAGO	Victorian Auditor-General's Office

Note 1.4 - Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and best available current information and assume any reasonable expectation of future events. Actual results may differ.

Revisions to key estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and are disclosed in further detail throughout the accounting policies.

Note 1.5 - Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to GMCT and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 17: <i>Insurance Contracts</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-1: <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: <i>Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments</i>	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2021-2: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-5: <i>Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-6: <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-7: <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to GMCT in future periods.

Note 1.6 - Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis, except for the GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, which are disclosed as operating cash flows.

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

Note 1.7 - Reporting Entity

The financial statements include all the controlled activities of GMCT. GMCT was established under the *Cemeteries and Crematoria Act 2003* (the Act) and its operations are governed by the Act.

The principal address of GMCT is:

1187 Sydney Road
Fawkner Victoria 3060

A description of the nature of GMCT's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

GMCT comprises: Altona Memorial Park, Andersons Creek Cemetery, Burwood Cemetery, Coburg Pine Ridge Cemetery, Emerald Cemetery, Fawkner Memorial Park, Healesville Cemetery, Keilor Cemetery, Lilydale Lawn Cemetery, Lilydale Memorial Park, Northcote Cemetery, Northern Memorial Park, Preston Cemetery, Templestowe Cemetery, Truganina Cemetery, Werribee Cemetery, Williamstown Cemetery, Yarra Glen Cemetery and two Greenfield sites located at Harkness and Plenty Valley.

Note 1.8 - Perpetual Maintenance Reserve Policy

Under section 12 of *The Cemeteries and Crematoria Act 2003*, GMCT must have regard to its obligations in relation to funding of the perpetual maintenance of the public cemeteries for which it is responsible.

Fees received include amounts for perpetual maintenance to be carried out in future years in perpetuity.

The perpetual maintenance reserve allocation is based on 15% of the contribution margin, plus 100% of net investment income (excluding net gain/(loss) on financial instruments), plus 100% of net rental income, less an amount for perpetual maintenance costs, less the cemetery levy. The perpetual maintenance allocation is capped each year to not exceed the comprehensive result for the year.

At this time GMCT is aware that there may be ongoing significant cash outflows for future expenditure on perpetual maintenance of each public cemetery but is unable to calculate a sufficiently reliable estimate of any related present obligation that may arise under the accounting standards and accordingly has not recognised a value for this obligation in these financial statements.

GMCT has created a reserve that is cash and investment backed as a source of future contributions towards its perpetual maintenance obligations. This is disclosed as a perpetual maintenance reserve.

Note 2 – Funding delivery of our services

GMCT's overall objective is to provide quality cemetery trust services. GMCT is predominantly funded by income from the supply of products and services. GMCT may also receive grants from Government.

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 Coronavirus pandemic.

STRUCTURE

2.1 Income from transactions

2.2 Other income

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	<p>GMCT applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations.</p> <p>If this criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring GMCT to recognise revenue as or when the cemetery trust transfers promised goods or services to customers.</p> <p>If this criteria is not met, funding is recognised immediately in the net result from operations.</p>
Determining timing of revenue recognition	<p>GMCT applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.</p>

Note 2.1 – Revenue and income from transactions

	2022 \$ 000	2021 \$ 000
Revenue from contracts with customers		
Grave	29,453	23,244
Mausoleum	29,935	13,073
Cremation memorial	3,836	2,915
Interment	8,596	7,538
Cremation	5,404	4,956
Memorialisation	5,938	4,594
Other interment services	2,561	1,905
Chapel services	199	155
Total revenue from contracts with customers	85,922	58,380
Other sources of income		
Grant income (State)	-	21
Other operating income	440	484
Rental income	628	774
Total other sources of income	1,068	1,279
Total revenue and income from operating activities	86,989	59,660
Non-operating activities		
Interest income financial assets	6	-
Dividends and distributions	21,513	22,362
Total investment income	21,519	22,362
Total revenue and income from transactions	108,508	82,022

INCOME RECOGNITION

Income is recognised in accordance with either:

- › contributions by owners, in accordance with AASB 1004;
- › income for not-for-profit entities, in accordance with AASB 1058;
- › revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- › a financial instrument, in accordance with AASB 9; or
- › a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

For sales related to rights of interment for graves, cremation memorials and mausoleum crypts, revenue is recognised when the right is passed to the customer.

For sales related to interment, cremation and certain memorialisation products such as granite, revenue is recognised at the time of interment or when the memorialisation product is delivered. These performance obligations have been selected as they align with the terms and conditions of sale related to these revenue streams.

For retail sales and other operating income, revenue is recognised when the performance obligation has been fulfilled, which is principally at the point of sale after deducting taxes paid.

For contracts that permit the customer to return an item, revenue is recognised to the extent it is highly probable that a significant cumulative reversal will not occur. As the sales are made with a short credit term, there is no financing element present. There has not been a change in the recognition of revenue from the sale of goods as a result of the adoption of AASB 15.

GOVERNMENT OPERATING GRANTS

To recognise revenue, GMCT assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: *Revenue from Contracts with Customers*.

When both these conditions are satisfied, the cemetery trust:

- › identifies each performance obligation relating to the revenue
- › recognises a contract liability for its obligations under the agreement
- › recognises revenue as it satisfied its performance obligations, at the time or over time when services are rendered.

If a contract liability is recognised, GMCT recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

RENTAL INCOME

There are a number of operating lease contracts in place from which is derived rental income from the leasing of cemetery land, not currently required for cemetery operations. This rental income is recognised as revenue on a straight-line basis over the term of the lease.

Operating leases relate to cemetery land owned by GMCT with lease terms between 1 to 20 years.

All operating lease contracts contain market review clauses in the event that the lessee exercises their option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period. The risks associated with rights that GMCT retains in underlying assets are not considered to be significant.

OPERATING LEASE INCOME

The following table sets out the maturity analysis of undiscounted future lease payments receivable under our operating leases:

	2022 \$ 000	2021 \$ 000
Non-cancellable operating lease receivables		
Not longer than one year	326	710
Longer than one year but not longer than five years	1,419	1,602
Longer than five years	3,511	3,043
Total	5,256	5,355

OTHER OPERATING INCOME

Other operating income is recognised as revenue when the right to receive payment arises or when received, as appropriate.

DIVIDEND AND DISTRIBUTION INCOME

Dividend and distribution income revenue is recognised when the right to receive payment is established. Dividends and distribution represent the income arising from GMCT's investments in financial assets.

Distribution income that is received net of fees is recorded net of fees.

INTEREST INCOME

Interest revenue is recognised on a time proportionate basis that considers the effective yield of the financial asset, which allocates interest over the relevant period.

DISPOSAL OF NON-FINANCIAL ASSETS

Any gain or loss on the sale of non-financial assets is recognised in the operating result 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.

Note 3 – The cost of delivering services

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

Expenses incurred to deliver services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic.

STRUCTURE

- 3.1 Expenses from transactions
- 3.2 Other economic flows
- 3.3 Employee benefits
- 3.4 Superannuation

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>GMCT applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if GMCT does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if GMCT has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
Measuring employee benefit liabilities	<p>GMCT applies significant judgment when measuring its employee benefit liabilities.</p> <p>The cemetery trust applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the cemetery trust does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields on government bonds at the end of the reporting period.</p> <p>All other entitlements are measured at their nominal value.</p>

Note 3.1 – Expenses from transactions

	2022 \$ 000	2021 \$ 000
Employee expenses		
Salaries and wages	26,880	21,699
On-costs	147	169
Workcover premium	483	554
Other employee expenses	396	189
Total employee expenses	27,905	22,610
Cost of sales		
Rights of interment	16,509	8,829
Memorialisation	2,095	1,612
Total cost of sales	18,603	10,441

HOW WE RECOGNISE EXPENSES FROM TRANSACTIONS

Expense recognition

Expenses are recognised as they are incurred and are reported in the financial year to which they relate.

Employee expenses

Salaries and wages includes fringe benefits tax, superannuation, leave entitlements and termination payments.

Cost of sales

Costs of goods sold are recognised when the sale of an item or right of interment occurs by transferring the cost or value of the item/s or value of land related to the right of interment from inventories to operating expenses.

Supplies and services costs are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Cemetery levy

In accordance with Section 18Q of *The Cemeteries and Crematoria Act 2003*, GMCT is required to pay a percentage of its gross earnings, as defined by the Department of Health and Human Services, to the Consolidated Fund held by the State of Victoria. Gross earnings are currently defined as cemetery operations income and investment income, excluding donations, government grants, profit or loss on sale of investments and other assets and assets received free of charge. The levy rate for this reporting period is 3% (2021: 3%).

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and includes fuel, light and power, other administrative expenses, repairs and maintenance, expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$3K) and cloud computing costs.

Non-operating expenses

Other non-operating expenses generally represent expenditure outside the normal operations such as depreciation and amortisation.

Note 3.2 – Other economic flows

	2022 \$ 000	2021 \$ 000
Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment	90	252
Total net gain/(loss) on non-financial assets	90	252
Net gain/(loss) on financial instruments		
Net unrealised gain/(loss) on revaluation of financial instruments	(46,448)	23,504
Net realised gain/(loss) on disposal of financial instruments	7,118	11,575
Total net gain/(loss) on financial instruments	(39,330)	35,079
Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave	(336)	(54)
Total other gains/(losses) from other economic flows	(336)	(54)
Total gains/(losses) from economic flows	(39,576)	35,277

HOW WE RECOGNISE OTHER ECONOMIC FLOWS

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

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

NET GAIN/(LOSS) ON NON-FINANCIAL ASSETS

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- › Revaluation gains/(losses) of non-financial physical assets
 - › Refer to Note 4.2 Property plant and equipment.
- › Net gain/(loss) on disposal of non-financial assets
 - › Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is the difference between the proceeds and the carrying amount of the asset at the 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 at fair value;
- › Impairment and reversal of impairment for financial instruments at amortised cost, refer to Note 4.1 Investments and other financial assets; and
- › Disposals of financial assets and derecognition of financial liabilities.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets with indefinite useful lives (and intangible assets not available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired.

Note 3.3 – Employee benefits

	2022 \$ 000	2021 \$ 000
Current provisions		
Employee benefits		
Annual leave (unconditional and expected to be settled within 12 months)	1,410	1,235
Annual leave (unconditional and expected to be settled after 12 months)	772	669
Long service leave (unconditional and expected to be settled within 12 months)	305	175
Long service leave (unconditional and expected to be settled after 12 months)	1,876	2,022
Termination benefits (unconditional and expected to be settled within 12 months)	-	28
Provision for on-costs		
Unconditional and expected to be settled within 12 months	273	218
Unconditional and expected to be settled after 12 months	399	379
Total current provisions	5,035	4,726
Non-current provisions		
Employee benefits		
Long service leave (conditional and expected to be settled after 12 months)	805	673
On-costs	116	88
Total non-current provisions	921	762
Total provision for employee benefits	5,956	5,488

Employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs. The amounts disclosed are nominal amounts. The amounts disclosed are discounted to present values.

HOW WE RECOGNISE EMPLOYEE BENEFITS

Employee benefits

Employee benefits are accrued for employees in respect of accrued days off, annual leave and long service leave, for services rendered to the reporting date as an expense during the period the services are delivered.

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

Provisions

Provisions are recognised when GMCT 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 liability 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.

Annual leave

Liabilities for annual leave are recognised in the provision for employee benefits as current liabilities because GMCT does not have an unconditional right to defer settlement of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave are measured at:

- nominal value — if GMCT expects to wholly settle within 12 months; or
- present value — if GMCT does not expect to wholly settle within 12 months.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed as a current liability, even where GMCT 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. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- nominal value — if GMCT expects to wholly settle within 12 months
- present value — if GMCT does not expect to wholly settle within 12 months.

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

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

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

On-costs related to employee benefits

Provision for on-costs such as workers compensation and superannuation are recognised separately from employee benefits.

Note 3.3

(a) Employee benefits and related on-costs

	2022 \$ 000	2021 \$ 000
Current employee benefits and related on-costs		
Annual leave	2,182	1,903
Unconditional long service leave	2,181	2,197
Termination benefits	-	28
Current on-costs	672	597
Total current employee benefits and related on-costs	5,035	4,726
Non-current employee benefits and related on-costs		
Conditional long service leave	805	673
Non-current on-costs	116	88
Total non-current employee benefits and related on-costs	921	762
Total employee benefits and related on-costs	5,956	5,488

(b) Movement in total employee benefits and related on-costs

	2022 \$ 000	2021 \$ 000
Carrying amount at start of the year	5,488	6,226
Additional provisions recognised	2,628	1,613
Revaluation	(358)	(60)
Amounts incurred during the year	(1,803)	(2,290)
Carrying amount at end of the year	5,956	5,488

Note 3.4 – Superannuation

	Contributions for the year ending 2022 \$ 000	Contributions outstanding at year end 2022 \$ 000	Contributions for the year ending 2021 \$ 000	Contributions outstanding at year end 2021 \$ 000
Defined benefits				
Vision Super	122	16	140	7
Defined contributions				
Vision Super	713	71	726	54
Other	1,333	142	1,223	99
Total	2,168	229	2,089	160

HOW WE RECOGNISE SUPERANNUATION

Employees of GMCT are entitled to receive superannuation benefits and GMCT contributes to both defined benefit and defined contribution plans.

(a) Defined contribution superannuation plan

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by GMCT are disclosed above.

(b) Defined benefit superannuation plan

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by GMCT to the superannuation plans in respect of the services of current GMCT staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

GMCT does not recognise any unfunded defined benefit liability in respect of the plans because the cemetery trust has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of GMCT.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by GMCT are disclosed above.

Unfunded defined benefit superannuation liability

The Local Authorities Superannuation Fund, known as Vision Super since 2002, is a not-for-profit industry fund for cemeteries and certain other agencies. Vision Super is the trustee of both the defined benefit plan (closed since 1993) and the Super Save (accumulation) fund.

In accordance with regulations, the fund's trustees are required to complete an actuarial review of superannuation funds at least every three years to ensure the current assets are adequate to meet the benefits that have previously been promised to members. The last actuarial review was completed as at 30 June 2020 with a Vested Benefit Index of 104.6% and the next actuarial is scheduled for 30 June 2023.

As a participating employer of this defined benefit plan, GMCT is liable to meet any call made by the fund's actuary. In the event the Vested Benefit Index falls below the shortfall threshold of 97%, the fund's Trustee is required under the superannuation prudential standards (SPS 160) to formulate a restoration plan to restore the Vested Benefit Index to 100% within three years.

Based on the advice from the fund's trustee, there is no shortfall in the defined benefit plan as at 30 June 2022 as the Vested Benefit Index is 102.2%.

Note 4 – Key assets to support service delivery

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

Assets used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 coronavirus pandemic.

STRUCTURE

- 4.1 Investments and other financial assets
- 4.2 Property, plant & equipment
- 4.3 Revaluation surplus
- 4.4 Intangible assets
- 4.5 Depreciation and amortisation
- 4.6 Inventories
- 4.7 Impairment of assets

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	<p>GMCT obtains independent valuations for its non-current assets at least once every five years.</p> <p>If an independent valuation has not been undertaken at balance date, the cemetery trust estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices.</p> <p>Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken.</p>
Estimating useful life and residual value of property, plant and equipment	<p>GMCT assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset.</p> <p>The cemetery trust reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.</p>
Estimating the useful life of intangible assets	<p>GMCT assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.</p>

Key judgements and estimates	Description
Identifying indicators of impairment	<p>At the end of each year, GMCT assesses impairment by evaluating the conditions and events specific to the cemetery trust that may be indicative of impairment triggers. Where an indication exists, the cemetery trust tests the asset for impairment.</p> <p>The cemetery trust considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> › If an asset's value has declined more than expected based on normal use › If a significant change in technological, market, economic or legal environment which adversely impacts the way the cemetery trust uses an asset › If an asset is obsolete or damaged › If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life › If the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the cemetery trusts applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

Note 4.1 – Investments and other financial assets

	2022 \$ 000	2021 \$ 000
Non-current		
Managed Investment Schemes	341,121	344,986
Total non-current	341,121	344,986
Total investments and other financial assets	341,121	344,986

HOW WE RECOGNISE INVESTMENTS AND OTHER FINANCIAL ASSETS

GMCT's investments and other financial assets are made in accordance with Standing Direction 3.7.2 – Treasury Management, including the Central Banking System.

GMCT manages its investments and other financial assets in accordance with an investment policy approved by the Board.

Investments held by GMCT do not fall in the scope of the Standing Directions as they are not public entity funds (i.e. not controlled by the government). However, such investments are included in the GMCT financial statements.

Investments are recognised when GMCT enters into a contract to purchase the investment (i.e. when it becomes a party to the contractual provisions to the investment). Investments are initially measured at fair value, net of transaction costs.

GMCT classifies its other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset.

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

All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

Note 4.2 – Property, plant and equipment

Note 4.2 (a) Gross carrying amount and accumulated depreciation

	2022 \$ 000	2021 \$ 000
Cemetery land under infrastructure at fair value	7,747	7,832
Buildings at fair value	30,110	44,989
Less accumulated depreciation	-	(5,074)
	30,110	39,915
Infrastructure and improvements at fair value	63,871	65,232
Less accumulated depreciation	(10,400)	(7,898)
	53,471	57,333
Motor vehicles, plant and equipment at fair value	27,837	22,376
Less accumulated depreciation	(15,945)	(13,218)
	11,892	9,158
Capital works in progress at cost	7,231	3,444
Total property, plant and equipment	110,451	117,683

Note 4.2 (b) Reconciliation of property, plant and equipment

	Cemetery land under infrastructure \$ 000	Buildings \$ 000	Infrastructure and improvements \$ 000	Motor vehicles, plant and equipment \$ 000	Works in progress \$ 000	Total \$ 000
Balance at 30 June 2020	6,719	47,219	42,752	9,575	1,757	108,022
Additions	-	-	-	-	16,603	16,603
Transfers to intangible assets	(1)	(6,159)	3,902	2,258	(14,916)	(14,917)
Transfers to completed assets	324	140	13,759	693	-	14,916
Revaluation	790	-	-	-	-	790
Disposals	-	(134)	(11)	(168)	-	(313)
Depreciation expense (Note 4.4)	-	(1,150)	(3,069)	(3,200)	-	(7,419)
Balance at 30 June 2021	7,832	39,915	57,333	9,158	3,444	117,683
Additions	-	-	-	40	10,022	10,062
Transfers between asset classes	(5)	487	(4,246)	3,759	(79)	(84)
Transfers to completed assets	670	120	3,739	1,627	(6,156)	-
Revaluation	(750)	(5,130)	-	-	-	(5,880)
Disposals	-	(3,568)	(129)	(173)	-	(3,870)
Depreciation expense (Note 4.4)	-	(1,713)	(3,226)	(2,519)	-	(7,458)
Balance at 30 June 2022	7,747	30,110	53,471	11,892	7,231	110,451

HOW WE RECOGNISE PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that are used by GMCT in the supply of goods or services, for rental to others, or for administration purposes, and are expected to be used during more than one financial year.

Initial recognition

Items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

Subsequent measurement

Items of property, plant and equipment (excluding right-of-use assets) are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

Fair value is determined with reference to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Further information regarding fair value measurement is disclosed in Note 7.4.

Revaluation

Fair value is based on periodic valuations by independent valuers, which normally occur once every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate a material change in fair value has occurred.

Where an independent valuation has not been undertaken at balance date, GMCT perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

An adjustment is recognised if the assessment concludes that the fair value of land and buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of land and buildings since the last independent valuation, being equal to or in excess of 40%, GMCT would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of GMCT's land and buildings was performed by the VGV in 2022. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The assessment performed at 30 June 2022 indicated an overall decrease in fair value of land and buildings of \$5.9m.

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation reserve included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

Impairment

At the end of each financial year, GMCT assesses if there is any indication that an item of property, plant and equipment may be impaired by considering internal and external sources of information. If an indication exists, GMCT estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. An impairment loss of a revalued asset is treated as a revaluation decrease as noted above.

GMCT has concluded that the recoverable amount of property, plant and equipment which are regularly revalued is expected to be materially consistent with the current fair value. As such, there were no indications of property, plant and equipment being impaired at balance date.

Motor Vehicles

GMCT acquires new motor vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by GMCT, which sets relevant depreciation rates during use to reflect the consumption of the motor vehicles. As a result, the fair value of motor vehicles does not differ materially from the carrying value (depreciated cost).

Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the year to 30 June 2022.

For all assets measured at fair value, the current use is considered the highest and best use.

Note 4.2 – Property, plant and equipment revaluation surplus

	2022 \$ 000	2021 \$ 000
Property, plant and equipment revaluation surplus		
Balance at the beginning of the reporting period	29,769	28,979
Revaluation decrement		
Land	(750)	790
Buildings	(5,130)	-
Balance at the end of the reporting period	23,889	29,769
Represented by:		
Land	1,042	1,793
Buildings	14,458	19,588
Plant and infrastructure	8,389	8,389
Balance at the end of the reporting period	23,889	29,769

Note 4.3 – Intangible assets

Note 4.3 (a) Intangible assets – Gross carrying amount and accumulated amortisation

	2022 \$ 000	2021 \$ 000
Computer software systems at cost	2,778	2,699
Less accumulated amortisation	(2,778)	(1,635)
Total intangible assets	-	1,064

Note 4.3 (b) Reconciliation of intangible assets

	Intangible Assets \$ 000	Work in Progress \$ 000	Total \$ 000
Balance at 1 July 2020	2,699	-	2,699
Amortisation expense	(1,635)	-	(1,635)
Balance at 1 July 2021	1,064	-	1,064
Additions	79		79
Amortisation expense	(1,143)	-	(1,143)
Balance at 30 June 2022	-	-	-

HOW WE RECOGNISE INTANGIBLE ASSETS

Intangible assets represent identifiable non-monetary assets without physical substance and include computer software and associated development costs.

Initial recognition

Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is also recognised at cost if, and only if, all of the following are demonstrated:

- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised as an expense in the period on which it is incurred.

Subsequent measurement

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Impairment

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are testing for impairment whenever an indication of impairment is identified.

Note 4.4 – Depreciation and amortisation

	Note	2022 \$ 000	2021 \$ 000
Depreciation			
Buildings		1,713	1,150
Infrastructure and improvements		3,226	3,069
Motor vehicles, plant and equipment		2,519	3,200
Aggregate depreciation recognised as an expense during the year		7,460	7,419
Amortisation			
Amortisation of computer software systems	4.3(b)	1,143	735
Total depreciation and amortisation		8,603	8,153

HOW WE RECOGNISE DEPRECIATION

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated (excluding land, items under operating leases and assets held for sale). Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets with a cost in excess of \$5K (2021: \$3K) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated remaining useful lives.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated remaining useful life. Estimates of the remaining useful lives and the depreciation method for all assets are reviewed at least annually and adjustments are made where appropriate.

HOW WE RECOGNISE AMORTISATION

Intangible assets with a cost in excess of \$5K (2021: \$3K) are capitalised.

Amortisation is allocated to intangible assets with finite useful lives. This is undertaken on a systematic (straight-line) basis over the asset's useful life and is recognised as an expense. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the asset is tested to assess whether its carrying value exceeds its recoverable amount. Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

The following table indicates the expected useful life on which the depreciation and amortisation charges are based:

	2022	2021
Buildings	40 years	40 years
Infrastructure and improvements	10 or 50 years	10 or 50 years
Plant and equipment	10 years	10 years
Motor vehicles	5 years	5 years
Computer software systems	3-6 years	3-6 years

Note 4.5 – Inventories

	2022 \$ 000	2021 \$ 000
Current		
Land – interment purposes	232	375
Grave foundations and beams	20,010	17,984
Mausoleum crypts	18,020	13,533
Work in progress	19,986	31,023
	58,248	62,916
Non-current		
Land – interment purposes	11,736	12,341
Total inventories	69,984	75,256

HOW WE RECOGNISE INVENTORIES

Inventories include goods and other property held either for sale or for distribution at nominal consideration or for consumption in the ordinary course of business operations. Inventories exclude depreciable assets. Inventories are measured at the lower of cost and net realisable value.

Inventories include land allocated for interment purposes. Inventory of land allocated for interment purposes is measured at the lower of cost and net realisable value on the basis of weighted average cost and includes adjacent land and landscaping that add to the amenity of the land for interment.

Note 4.6 – Impairment of assets

HOW WE RECOGNISE IMPAIRMENT

At the end of each reporting period, GMCT reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

External sources of information include but are not limited to observable indications that an asset's value has declined during the period by significantly more than would be expected as a result of the passage of time or normal use. Internal sources of information include but are not limited to evidence of obsolescence or physical damage of an asset and significant changes with an adverse effect on GMCT which changes the way in which an asset is used or expected to be used.

If such an indication exists, an impairment test is carried out. Assets with indefinite useful lives (and assets not yet available for use) are tested annually for impairment, in addition to where there is an indication that the asset may be impaired.

When performing an impairment test, GMCT compares the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in net result, unless the asset is carried at a revalued amount.

Where an impairment loss on a revalued asset is identified, this is recognised against the asset revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the cumulative balance recorded in the asset revaluation surplus for that class of asset.

Where it is not possible to estimate the recoverable amount of an individual asset, GMCT estimates the recoverable amount of the cash-generating unit to which the asset belongs.

GMCT did not record any impairment losses for the year ended 30 June 2022.

Note 5 – Other assets and liabilities

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

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic.

STRUCTURE

- 5.1 Receivables and contract assets
- 5.2 Payables and contract liabilities
- 5.3 Contract liabilities
- 5.4 Other provisions

KEY JUDGEMENTS AND ESTIMATES

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	GMCT uses a simplified approach to account for the expected credit loss provision. A provision matrix is used, which considers historical experience, external indicators and forward-looking information to determine expected credit loss rates.
Measuring contract liabilities	GMCT applies significant judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, the cemetery trust assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.
Recognition of other provisions	Other provisions include GMCT's obligation to restore leased assets to their original condition at the end of a lease term. The cemetery trust applies significant judgement and estimate to determine the present value of such restoration costs.

Note 5.1 – Receivables and contract assets

	Note	2022 \$ 000	2021 \$ 000
Current			
Contractual			
Trade and sundry debtors		2,197	1,631
Payment plan receivable		3,756	7,782
Accrued interest and distributions		13,579	13,929
Less: Allowance for impairment losses of contractual receivables	5.1(a)	(127)	(6)
Total current contractual receivables		19,405	23,336
Statutory			
GST receivable		378	722
Total current statutory receivables		378	722
Total receivables		19,783	24,058

Note 5.1 (a) – Movement in the allowance for impairment losses of contractual receivables

	2022 \$ 000	2021 \$ 000
Balance at the beginning of the year	6	6
Amounts written off during the year	(10)	-
Increase/(decrease) in allowance recognised in net result	131	-
Balance at end of the year	127	6

HOW WE RECOGNISE RECEIVABLES

Receivables consist of:

- **contractual receivables**, which includes mainly debtors and payment plans (including off the plan sales) in relation to goods and services, and accrued investment income. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. GMCT holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.
- **statutory receivables**, which mostly includes amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The cemetery trust applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

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

GMCT is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

IMPAIRMENT LOSSES OF CONTRACTUAL RECEIVABLES

Refer to Note 7.2 for GMCT's contractual impairment losses.

Note 5.2 – Payables

	2022 \$ 000	2021 \$ 000
Current		
Contractual		
Trade creditors	1,279	4,276
Accrued salaries and wages	972	683
Other creditors and accruals	5,203	3,795
Total contractual creditors	7,454	8,755
Statutory		
Cemetery levy	3,255	2,469
Superannuation liability	229	160
Total statutory creditors	3,484	2,629
Total payables	10,938	11,384

HOW WE RECOGNISE PAYABLES AND CONTRACT LIABILITIES

Payables consist of:

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

The normal credit terms for accounts payable are usually net 30 days.

Note 5.3 – Contract liabilities

	2022 \$ 000	2021 \$ 000
Current		
Pre-need deed sales liability	23,945	21,407
Deposits received in advance	7,130	13,598
Total contract liabilities	31,075	35,005
Opening balance of contract liabilities	35,005	30,340
Payments received for performance obligations not yet fulfilled	8,539	10,017
Revenue recognised for the completion of performance obligations	(12,469)	(5,352)
Total contract liabilities	31,075	35,005

HOW WE RECOGNISE CONTRACT LIABILITIES

Contract liabilities comprises unearned income which represents monies received in advance of the provision of interment services, cremation services, right of interment sales and pre-sales of some goods e.g. memorial plaques.

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 2.1.

MATURITY ANALYSIS OF PAYABLES

Please refer to Note 7.2(b) for the ageing analysis of payables.

Note 5.4 – Other provisions

	2022 \$ 000	2021 \$ 000
Current other provisions		
Onerous contracts	95	85
Total other current provisions	95	85
Balance at beginning of year	85	78
Amount taken to comprehensive operating statement	10	7
Balance at end of the year	95	85

HOW WE RECOGNISE OTHER PROVISIONS

Other provisions are recognised when GMCT 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.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

An onerous contract is considered to exist when the unavoidable cost of meeting the contractual obligations exceeds the estimated economic benefits to be received.

Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the estimated economic benefits to be received.

Note 6 – How we finance our operations

This section provides information on the sources of finance utilised by GMCT during its operations and other information related to the financing activities of GMCT.

This section includes disclosures of balances that are financial instruments (such as cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

Our finance arrangements were not materially impacted by the COVID-19 Coronavirus pandemic.

STRUCTURE

- 6.1 Cash and cash equivalents
- 6.2 Commitments for expenditure

Note 6.1 – Cash and cash equivalents

	2022 \$ 000	2021 \$ 000
Cash on hand	1	1
Cash at bank	2,547	4,421
Total cash and cash equivalents	2,548	4,422

HOW WE RECOGNISE CASH AND CASH EQUIVALENTS

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

Note 6.2 – Commitments for expenditure

	2022 \$ 000	2021 \$ 000
Capital expenditure commitments		
Not longer than one year	23,977	8,937
Longer than one year and not longer than five years	4,357	200
Longer than five years	-	-
Total capital expenditure commitments	28,334	9,137
Not longer than one year	5,259	2,160
Longer than one year and not longer than five years	2,714	1,214
Longer than five years	-	-
Total operating expenditure commitments	7,973	3,374
Total operating expenditure commitments	7,973	3,374
Lease expenditure commitments		
Not longer than one year	319	107
Longer than one year and not longer than five years	-	80
Longer than five years	-	-
Total operating expenditure commitments	319	187

HOW WE DISCLOSE OUR COMMITMENTS

Our commitments relate to expenditure and short term and low value leases.

EXPENDITURE COMMITMENTS

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

Note 7 – Risks, contingencies and valuations uncertainties

GMCT is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for GMCT is related mainly to fair value determination.

STRUCTURE

- 7.1 Financial instruments
- 7.2 Financial risk management objectives and policies
- 7.3 Contingent assets and contingent liabilities
- 7.4 Fair value determination

Key judgements and estimates	Description
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Measuring fair value of non-financial assets

Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.

In determining the highest and best use, GMCT has assumed the current use is its highest and best use. Accordingly, characteristics of the cemetery trust's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.

GMCT uses a range of valuation techniques to estimate fair value, which include the following:

- › Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of GMCT's land and buildings are measured using this approach.
- › Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of GMCT's buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach.
- › Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. GMCT does not this use approach to measure fair value.

The cemetery trust selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Subsequently, the cemetery trust applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:

- › Level 1, using quoted prices (unadjusted) in active markets for identical assets that the cemetery trust can access at measurement date. GMCT does not categorise any fair values within this level.
- › Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. GMCT categorises non-specialised land and right-of-use concessionary land in this level.
- › Level 3, where inputs are unobservable. GMCT categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1 – Financial instruments

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

CATEGORISATION OF FINANCIAL INSTRUMENTS

2022	Financial Assets at Amortised Cost	Financial Assets at Fair Value through Net Result	Financial Liabilities at Amortised Cost	TOTAL
Contractual financial assets				
Cash and cash equivalents	2,548	-	-	2,548
Receivables	2,070	-	-	2,070
Payment plan receivable	3,756	-	-	3,756
Other receivables	13,579	-	-	13,579
Investments and other financial assets				
Managed investment schemes	-	341,121	-	341,121
Total financial assets (i)	21,953	341,121	-	363,074
Contractual financial liabilities				
Payables	-	-	(7,454)	(7,454)
Total financial liabilities (i)	-	-	(7,454)	(7,454)
	Contractual financial assets – loans and receivables	Contractual financial assets – available for sale	Contractual financial assets /liabilities at amortised cost	TOTAL
2021				
Contractual financial assets				
Cash and cash equivalents	4,422	-	-	4,422
Receivables	1,625	-	-	1,625
Payment plan receivable	7,782	-	-	7,782
Other receivables	13,929	-	-	13,929
Investments and other financial assets				
Managed investment schemes	-	344,986	-	344,986
Total financial assets (i)	27,758	344,986	-	372,744
Contractual financial liabilities				
Payables	-	-	(8,755)	(8,755)
Total financial liabilities (i)	-	-	(8,755)	(8,755)

(i) The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. Superannuation liability and DH payable).

HOW WE CATEGORISE FINANCIAL INSTRUMENTS

Categories of financial assets under AASB 9

Financial assets are recognised when GMCT becomes party to the contractual provisions to the instrument. For financial assets, this is at the date GMCT commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 para 63.

Financial assets at amortised cost

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

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

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

The following assets are recognised in this category:

- › cash and deposits; and
- › receivables (excluding statutory receivables).

Financial assets at fair value through net result

GMCT initially designates a financial instrument as measured at fair value through net result if:

- › it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or recognising the gains and losses on them, on a different basis
- › it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial asset can be managed and evaluated consistently on a fair value basis or
- › it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through net result is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Categories of financial liabilities

Financial liabilities are recognised when GMCT becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

GMCT recognises the following liabilities in this category:

- › payables (excluding statutory payables and contract liabilities).

Derecognition of financial assets

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

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

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

A financial asset is required to be reclassified between fair value between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, GMCT's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

Note 7.2 – Financial risk management objectives and policies

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

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

GMCT's main financial risks include credit risk, liquidity risk, interest rate risk, and equity price risk. GMCT manages these financial risks in accordance with its financial risk management policy.

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

Note 7.2 (a) Credit risk

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

Credit risk associated with GMCT's contractual financial assets. GMCT is exposed to credit risk associated with funeral directors and other debtors who are non-government.

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

GMCT does not engage in hedging for its contractual financial assets. GMCT's policy is to only deal with banks with high credit ratings.

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

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

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

There has been no material change to GMCT's credit risk profile in 2021-22.

Impairment of financial assets under AASB 9

GMCT records the allowance for expected credit loss for the relevant financial instruments, in accordance with AASB 9 *Financial Instruments* 'Expected Credit Loss' approach. Subject to AASB 9 *Financial Instruments*, impairment assessment includes contractual receivables, statutory receivables and its investment in debt instruments.

Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9 *Financial Instruments*. While cash and cash equivalents are also subject to the impairment requirements of AASB 9 *Financial Instruments*, any identified impairment loss would be immaterial.

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contractual receivables at amortised costs

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

On this basis, GMCT determines the opening loss allowance and the closing loss allowance at end of the financial year as follows:

	Current	Less than 1 month	1–3 months	3 months– 1 year	1–5 years	TOTAL
30 June 2022						
Expected loss rate*	0%	0%	0%	23.6%	0%	
Gross carrying amount of contractual receivables	17,145	1,391	461	535	-	19,532
Loss allowance* (\$ 000)	-	-	-	(127)	-	(127)

30 June 2021

Expected loss rate*	0%	0%	0%	4.2%	0%	
Gross carrying amount of contractual receivables	23,111	86	3	142	-	23,342
Loss allowance* (\$ 000)	-	-	-	(6)	-	(6)

* The expected loss rate is held at 0% based on historical credit risk examination. The loss allowance is assessed on trade debtors on an individual basis and reflects the doubtful debts from Note 5.1.

Statutory receivables and debt investments at amortised cost

GMCT's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

GMCT also has investments in Managed Investment Schemes.

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, no loss allowance has been recognised.

Reconciliation of the movement in the loss allowance for contractual receivables

	2022 \$ 000	2021 \$ 000
Opening loss allowance	6	6
Amounts written off during the year	(10)	-
Increase in allowance	131	-
Balance at the end of the year	127	6

Note 7.2 (b) Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

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

- › close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- › maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- › holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- › careful maturity planning of its financial obligations based on forecasts of future cash flows.

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

The following table discloses the contractual maturity analysis for GMCT's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

Payables maturity analysis

The following table sets out the contractual maturity analysis for financial liabilities at reporting date.

	Carrying amount \$ 000	Nominal amount \$ 000	Maturity dates			
			Less than 1 month \$ 000	1–3 months \$ 000	3 months– 1 year \$ 000	1–5 years \$ 000
Financial liabilities at amortised cost						
2022						
Total contractual creditors	7,454	7,454	7,454	-	-	-
	7,454	7,454	7,454	-	-	-
2021						
Total contractual creditors	8,755	8,755	8,755	-	-	-
Total	8,755	8,755	8,755	-	-	-

Note 7.2 (c) Market risk

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

Sensitivity disclosure analysis and assumptions

GMCT's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. GMCT's fund managers cannot be expected to predict movements in market rates and prices. The following movements are 'reasonably possible' over the next 12 months:

- › a change in interest rates of 1% up or down and
- › a change in the top ASX 200 index of 15% up or down.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. GMCT does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GMCT has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

Equity risk

GMCT is exposed to equity price risk through its investments in listed and unlisted shares held in Managed Investment Schemes. Such investments are allocated and traded to match the cemetery trust's investment objectives.

Note 7.3 – Contingent assets and contingent liabilities

How we measure and disclose 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 contingent liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the cemetery trust.

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

There were no material quantifiable or non-quantifiable contingent assets at the reporting date (2021: Nil).

Contingent liabilities

Contingent liabilities are:

- › possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the cemetery trust or
- › present obligations that arise from past events but are not recognised because:
 - › It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - › the amount of the obligations cannot be measured with sufficient reliability.

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

There were no material quantifiable or non-quantifiable contingent liabilities at the reporting date (2021: Nil).

Note 7.4 – Fair value determination

How we measure fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- › financial assets and liabilities at fair value through net result
- › property, plant and equipment

In addition, the fair value of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure.

Valuation hierarchy

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

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

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

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

GMCT determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

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

Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Note 7.4 (a) Fair value determination of investments and other financial assets

		Fair value measurement at end of reporting period using:			
		Carrying amount	Level 1 (i)	Level 2 (i)	Level 3 (i)
As at 30 June 2022					
Managed investment schemes	341,121	-	341,121	-	
Total investments and other financial assets at fair value	341,121	-	341,121	-	
As at 30 June 2021					
Managed investment schemes	344,986	-	344,986	-	
Total investments and other financial assets at fair value	344,986	-	344,986	-	

(i) Classified in accordance with the fair value hierarchy.

HOW WE MEASURE FAIR VALUE OF INVESTMENTS AND OTHER FINANCIAL ASSETS

Management investment schemes

GMCT invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions.

GMCT considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate. The net asset value of these funds is used as an input into measuring their fair value, and is adjusted as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund.

GMCT classifies these funds as Level 2.

Note 7.4 (b) Fair value determination of non-financial physical assets

		Fair value measurement at end of reporting period using:		
	Carrying amount	Level 1 (i)	Level 2 (i)	Level 3 (i)
As at 30 June 2022				
Cemetery land under infrastructure at fair value				
Specialised land	7,747	-	-	7,747
Total of land at fair value	7,747	-	-	7,747
Buildings at fair value				
Specialised buildings	30,110	-	-	30,110
Total of buildings at fair value	30,110	-	-	30,110
Infrastructure and improvements at fair value				
Infrastructure and improvements	53,471	-	-	53,471
Total of infrastructure and improvements at fair value	53,471	-	-	53,471
Motor vehicles, plant and equipment at fair value				
Motor vehicles and plant and equipment (ii)	11,892	-	-	11,892
Total of plant and equipment and vehicles at fair value	11,892	-	-	11,892
Total balance at fair value 30 June 2022	103,220	-	-	103,220

Note 7.4 – Fair value determination (continued)

		Fair value measurement at end of reporting period using:		
	Carrying amount	Level 1 (i)	Level 2 (i)	Level 3 (i)
As at 30 June 2021				
Cemetery land under infrastructure at fair value				
Specialised land	7,832	-	-	7,832
Total of land at fair value	7,832	-	-	7,832
Buildings at fair value				
Specialised buildings	39,915	-	-	39,915
Total of buildings at fair value	39,915	-	-	39,915
Infrastructure and improvements at fair value				
Infrastructure and improvements	57,333	-	-	57,333
Total of Infrastructure and improvements at fair value	57,333	-	-	57,333
Motor vehicles, plant and equipment at fair value				
Motor vehicles and plant and equipment (ii)	9,158	-	-	9,158
Total of plant and equipment and motor vehicles at fair value	9,158	-	-	9,158
Total balance at fair value 30 June 2021	114,238	-	-	114,238

(i) Classified in accordance with the fair value hierarchy.

(ii) Motor vehicles are categorised to Level 3 assets when the depreciated replacement cost is used in estimating the fair value.

(iii) There have been no transfers between levels during the period (2021: Nil).

HOW WE MEASURE FAIR VALUE OF NON-FINANCIAL PHYSICAL ASSETS

The fair value measurement of non-financial physical assets takes into account the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must take into account the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

In accordance with AASB 13 *Fair Value Measurement* paragraph 29, GMCT has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Non-specialised land, non-specialised buildings, investment properties and cultural assets

Non-specialised land, non-specialised buildings, investment properties and cultural assets are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings and investment properties, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2022.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

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

An independent valuation of GMCT's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2022.

Vehicles

The GMCT acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the cemetery trust who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2022.

Reconciliation of level 3 fair value measurement

	Cemetery infrastructure land at fair value	Buildings at fair value	Infrastructure and improvements at fair value	Motor vehicles, plant and equipment at fair value
Opening balance	7,832	39,915	57,333	9,158
Purchases/(sales)	-	(3,568)	(129)	(133)
Depreciation	-	(1,713)	(3,226)	(2,519)
Transfers in/(out)	665	607	(507)	5,386
Revaluation	(750)	(5,131)	-	-
Closing balance	7,747	30,110	53,471	11,892
Total balance at fair value 30 June 2022	7,747	30,110	53,471	11,892

	Cemetery infrastructure land at fair value	Buildings at fair value	Infrastructure and improvements at fair value	Motor vehicles, plant and equipment at fair value
Opening balance	6,719	47,219	42,752	9,575
Purchases/(sales)	-	(134)	(11)	(168)
Depreciation	-	(1,150)	(3,069)	(3,200)
Transfers in/(out)	323	(6,019)	(17,661)	2,950
Revaluation	791	-	-	-
Closing balance	7,832	39,915	57,333	9,158
Total balance at fair value 30 June 2021	7,832	39,915	57,333	9,158

Fair value determination of level 3 fair value measurement

Asset class	Examples	Expected fair value level	Valuation approach	Significant inputs (Level 3 only) (iii)
Cemetery – specialised land				
Land	Cemetery land subject to Level 3 restriction as to use		Market approach	Community Service Obligation (CSO) adjustment
Cemetery – specialised building				
Buildings	Specialised buildings with limited alternative uses and/or substantial customisation	Level 3	Depreciated replacement cost approach	Useful life of specialised buildings
Infrastructure	Any type	Level 3	Depreciated replacement cost approach	Useful life of specialised infrastructure
Plant and equipment at fair value				
Motor vehicles	Motor vehicles with no active resale market	Level 3	Depreciated replacement cost approach	Useful life of motor vehicles
Plant and equipment	Specialised items with limited alternate uses	Level 3	Depreciated replacement cost approach	Useful life of plant and equipment

Note 8 – Other disclosures

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

Our other disclosures were not materially impacted by the COVID-19 coronavirus pandemic.

STRUCTURE

- 8.1 Reconciliation of net result for the year to net cash flow from operating activities
- 8.2 Responsible persons disclosure
- 8.3 Remuneration of executives
- 8.4 Remuneration of other personnel
- 8.5 Related party transactions
- 8.6 Remuneration of auditors
- 8.7 Ex-gratia expenses
- 8.8 Events occurring after the balance sheet date
- 8.9 Equity

Note 8.1 – Reconciliation of net result for the year to net cash flows from operating activities

	2022 \$ 000	2021 \$ 000
Net result for the year	(13,739)	57,446
Non-cash flows in the operating result		
Depreciation and amortisation	8,603	8,153
(Profit)/loss from disposal of property, plant and equipment	(90)	(252)
Realised (gain)/loss on financial assets	(7,118)	(11,575)
Unrealised (gain)/loss on financial assets	46,448	(23,505)
Other non cash	2,192	-
Project accruals	379	-
	50,413	(27,179)
Changes in assets and liabilities		
(Increase)/decrease in receivables	4,275	(8,791)
(Increase)/decrease in inventories	6,607	(10,496)
(Increase)/decrease in prepayments	(64)	39
Increase/(decrease) in payables	(814)	3,481
Increase/(decrease) in employee benefits	467	(738)
Increase/(decrease) in onerous contracts	10	7
Increase/(decrease) in unearned income	(3,930)	4,665
	6,551	(11,832)
Net cash flow from operating activities	43,225	18,435

Note 8.2 – Responsible persons disclosure

In accordance with the ministerial directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting year.

Remuneration of ministers is disclosed in the State's Annual Financial Report.

The following were responsible persons for the entire period unless stated.

Responsible minister	Period
The Honourable Martin Foley, Minister for Health	01/07/2021 – 27/06/2022
The Honourable Mary-Anne Thomas, Minister for Health	27/06/2022 – 30/06/2022

Governing board (the Trust)

Michael Doery (Chair)	01/07/2021 – 30/06/2022
Elizabeth Beattie	01/07/2021 – 30/06/2022
David Cragg	01/07/2021 – 30/06/2022
Beverley Excell	01/07/2021 – 30/06/2022
Dana Hlavacek	01/07/2021 – 30/06/2022
Kim McAliney (resigned 27/10/2021)	01/07/2021 – 27/10/2021
Kevin Quigley	01/07/2021 – 30/06/2022
Katerina Angelopoulos	01/07/2021 – 30/06/2022
Vedran Drakulic	01/07/2021 – 30/06/2022

Accountable officers

Deb Ganderton (Chief Executive Officer)	01/07/2021 – 24/03/2022
Andrew Eriksen (Interim Chief Executive Officer)	25/03/2022 – 30/06/2022

Remuneration of responsible persons

The number of responsible persons is shown in the relevant income bands.

Income band	Total remuneration	
	2022	2021
\$0 - \$9,999	1	1
\$10,000 - \$19,999	7	8
\$30,000 - \$39,999	1	1
\$100,000 - \$109,999	1	-
\$290,000 - \$299,999	-	1
\$320,000 - \$329,999	1	-
	11	11
Total remuneration received or due and received by responsible persons from the reporting entity amounted to	\$588,754	\$447,180

Amounts relating to the Governing Board Members and Accountable Officer of GMCT's controlled entities are disclosed in their own financial statements. Amounts relating to Responsible Ministers are reported within the Department of State's Annual Financial Report.

Note 8.3 – Remuneration of executives

EXECUTIVE OFFICERS REMUNERATION

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

Remuneration of executive officers (including key management personnel disclosed in note 8.5)	Total remuneration 2022 \$ 000	Total remuneration 2021 \$ 000
Short-term employee benefits	1,290	914
Post-employment benefits	129	87
Total remuneration (i)	1,419	1,001
Total number of executives	7	5
Total annualised employee equivalents (AEE) (ii)	6	5

(i) The total number of executive officers includes persons who meet the definition of key management personnel (KMP) of GMCT under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure. (Note 8.5).

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

GMCT comply with the Public Entity Executive Remuneration Policy (PEER Policy) which came into effect on the 4 February 2021 and do not have any bonus arrangements in place for the current and prior year.

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

Short-term employee benefits

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

Post-employment benefits

Pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Note 8.4 – Remuneration of other personnel

There were no contractors charged with significant management responsibilities receiving total expenses in excess of \$100K (2021: Nil).

Note 8.5 – Related party transactions

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

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

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the GMCT and its controlled entities, directly or indirectly.

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

Key management personnel (KMP) of GMCT include portfolio ministers, cabinet ministers and KMP as determined by the Trust. KMP includes those identified as Responsible Persons by name in Note 8.2 and the following Executive Officers:

Brian Smart	Chief Financial Officer
Andrew Eriksen	Chief Operating Officer (from 01/07/2021 to 24/03/2022)
Dimi Patitsas	Chief People and Risk Officer and acting Chief Operating Officer (from 25/03/2022)
Andrew Port	Company Secretary
Zhanna Sichivitsa	Chief Future Built Environment Officer (from 01/07/2021 to 24/09/2021)
Jamie Reid	Chief Future Built Environment Officer (from 04/10/2021)
Rowena Morrow	Chief Strategy, Innovation and Performance Officer

The compensation below comprises the remuneration of responsible persons and executives but excludes the salaries and benefits the portfolio ministers receive. The minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's annual financial report.

Compensation	2022 \$ 000	2021 \$ 000
Short-term employee benefits	1,830	1,322
Post-employment benefits	178	126
Total	2,008	1,448

Transactions with key management personnel and other related parties

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

Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and codes of conduct and standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements. Outside of normal citizen type transactions with GMCT, there were no related party transactions that involved key management personnel and their close family members or their personal business interests.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

During the year GMCT had government related entity transactions with the Department of Health, being the payment of the 2020-21 cemetery levy of \$2.469 million (2021: \$2.031 million). Related party balances payable to the Department of Health for the cemetery levy as at 30 June 2022 were \$3.255 million (2021: \$2.469 million).

Note 8.6 – Remuneration of auditors

	2022 \$ 000	2021 \$ 000
Victorian Auditor General's Office Audit of the financial statements	102	99
	102	99

Note 8.7 – Ex-gratia payments

GMCT has not made any ex-gratia payments during the current reporting period or previous reporting period.

The Trust also has not written off any ex-gratia payments during the current reporting period or previous reporting period. (2021: Nil).

Note 8.8 – Events occurring after the reporting period

Assets, liabilities, income or expenses arise from past transactions or other past events. Adjustments are made to amounts recognised in the financial statements for events that occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed in the reporting period.

Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions that arose after the end of the reporting period and that may have a material impact on the results of subsequent reporting periods.

No material matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of GMCT, the results of the operations or the state of affairs of the GMCT in the future financial years.

Note 8.9 – Equity

Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the GMCT.

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

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Physical asset revaluation surplus reserve

The physical asset revaluation surplus reserve is used to record increments and decrements in the revaluation of non-current physical assets. In the event that an asset, that has an increment amount in the physical asset revaluation surplus reserve is sold, this amount may be transferred to accumulated surplus/(deficit).

Perpetual maintenance reserve

The perpetual maintenance reserve is to fund future perpetual maintenance of the cemetery parks. Refer to Note 1.8.


Disclosure Index


The annual report of the Greater Metropolitan Cemeteries Trust is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.


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For more information please contact GMCT

 1187 Sydney Road, Fawkner VIC 3060

 P.O. Box 42, Fawkner VIC 3060

 1300 022 298

 enquiries@gmct.com.au

 www.gmct.com.au

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