



2011

Annual Report

vision for a **healthy Wimmera catchment**



Wimmera
Catchment Management
Authority

Report Profile

Wimmera CMA is established under the *Catchment and Land Protection Act 1994*. The responsible Ministers during the 2010/2011 reporting period were Gavin Jennings MLC, Minister for Environment and Climate Change for the period from 1 July 2010 to 1 December 2010 and Ryan Smith MP, Minister for Environment and Climate Change and Peter Walsh MLC, Minister for Water for the period from 2 December 2010 to 30 June 2011.

The 2010-11 annual report of Wimmera CMA is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department of Sustainability and Environment's compliance with statutory disclosure requirements.

Other Wimmera CMA information is available from:

- Previous Annual Reports
- Wimmera CMA Corporate Plan 2010-2015
- Regional Catchment Strategy
- Wimmera CMA offices

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Message from the Chair

The year 2010-11 was a year of extremes. It brought the very welcome end to an extremely exhausting drought for our community, only to dampen our celebrations with our skies opening up and resulting in an extreme flood. Like many parts of Australia, parts of the Wimmera experienced the largest floods in living memory in January– following less extreme but still damaging floods in September, then again in December.

On behalf of the Board I would like to take this opportunity to commend the staff that were involved as part of the Flood Emergency Incident Control Center during all three flood events, providing key flood intelligence information and assistance.

These extremes have tested and continue to test the resilience of both the people and the environment of the Wimmera. Many are still recovering from the devastating effects and Wimmera CMA is playing a crucial role alongside government partners to help with the long recovery process ahead. Flood employment crews and volunteers from Conservation Volunteers Australia are working alongside CMA staff and farmers to restore damaged fencing and vegetation, as well as control weeds.

Even though the year was challenging I, on behalf of the Board, commend the team at Wimmera CMA for their dedication and professionalism towards their work and their community. In collaboration with community partners this highly skilled team continued to reach organisational goals during these climatic extremes. We also thank Marc Thompson for his role as CEO for the past 5 years and we are also extremely grateful to Don Forsyth for his energetic approach to leading the CMA team for four months, whilst recruiting our new CEO, David Brennan.

As an organisation, we continue to focus on working together with all sectors of our community including our farmers and landcarers to provide the tools and incentives to ensure the sustainability of our region's natural assets.

The past year saw continued support of CMA programs with high participation in Whole Farm Planning; various joint workshops with Victorian No-Till Farmers Association, and Department of Primary Industries; Habitat, Buloke and River Tenders; Funds For Farmers and community plantout weekends.

We continue to strive for increased funding support from government to ensure we can offer appropriate programs that resonate with our farming community in protecting our natural assets.

Looking forward, the most significant priority for the coming year is developing the Wimmera Regional Catchment Strategy. Our team will be working closely with its many regional partners and the broader Wimmera community to develop a strategy that reflects our community's aspirations as well as those of our Federal and State governments.

This strategy will set the natural resource management priorities, objectives and targets for the next six years and will be the guiding policy for future NRM funding in the Wimmera. It is an opportunity for everyone to be involved – from individual community members right through to government policy makers – to ensure that we get it right for our people and our environment.

I would also like to take this opportunity to wish Merryn Eagle our retiring Chair the very best of luck for the future and thank her for her dedication and leadership during her involvement in catchment management across the Wimmera since 2000.



Karen Douglas
Wimmera CMA Board, Chair

Message from the Chief Executive Officer

This has been a year of many challenges and rewards, where La Niña brought record rains resulting in our wettest spring and summer on record. As well, we faced a pending merger, a change of government, a new CEO, a locust plague and major flooding.

Through all these challenges and extremes, our dedicated team rose to the occasion and never lost sight of our commitment to working with the community.

Despite many of the weather-driven challenges, we still delivered positive outcomes for our region's natural assets. Although September, December and January floods brought pain and destruction to many, as a community we also celebrated the social, environmental and economic benefits that the return of water brings.

We've seen the resurrection of rowing regattas, the return of the famous Horsham Fishing Contest that was in recess for over half a decade. And in a cruel twist of fate, after finally having enough water in the river to hold the event, the Jeparit Fishing Competition was postponed because the weir structure suffered significant damage during the January floods.

It has been pleasing to see tourists flocking back to our region in droves and enjoying the many opportunities that water and sound environmental management brings such as fishing, rowing, bird watching, yabbying and water skiing. At Murtoa, the threatened Growling Grass Frog population recorded their first breeding event in years with large numbers of metamorphs detected at two sites as well as on surrounding roads.

Water flowed into Lake Hindmarsh for the first time in 15 years, lakes and our vast expanse of wetlands in the region filled and a constant flow of water has traversed down the Wimmera River and Yarriambiack Creek since September 2010.

Environmentally we haven't seen the Wimmera River this healthy for more than a decade. Salinity levels are stable and native fish populations are strengthening. On the flip side we are catching tonnes of European Carp and we still have a long way to go before we can say the river catchment has fully recovered from around 12 years of drought.

The floods gave us the opportunity to 'test' the flood intelligence that we've been gathering for many years during the long dry. It was a huge boost to our staff when VicSES publicly stated at a community flood meeting during the January crisis that our Horsham modelling was "millimetre perfect". Like all major emergencies there are always learnings and improvements to be made. We look forward to recommendations from the Comrie Flood Report and the Environmental and Natural Resources Committee Parliamentary Inquiry.

Our Buloke protection program delivered some outstanding results in the region's north. We continue to partner with the Department of Primary Industries on the delivery of our successful sustainable soils programs, and our wetlands program continues to enjoy great patronage and support from the community.

The proposed merger, whilst not eventuating did provide us with an opportunity to assess how we do business. The recent appointment of our new Board Chair plus new Board members to come in September, will bring fresh ideas and approaches to our business.

For the year ahead, we look forward to working with our partners and the wider community in setting natural resource management priorities through the Regional Catchment Strategy. Our region's resilience of natural resources rests upon common goals, common priorities, common understandings, shared visions and genuine partnerships.

With many game-changing initiatives likely to occur such as the release of the draft Murray Darling Basin Plan, Clean Energy Future Initiative, the potential sale of the Wimmera Irrigation Associations water entitlement and an increasing emphasis on food security – the challenges and opportunities will continue for the Wimmera catchment.



David Brennan
Chief Executive

Contents

Section 1	
Message from the Chair	1
Message from the Chief Executive Officer	2
Report of Operations	4
Manner of Establishment	4
Responsible Ministers	4
Objectives, Functions, Powers and Duties	4
Functions powers and duties of Authorities	4
Nature and range of services provided	5
Our Vision	5
Our Role	5
Who we are	5
Our Region	5
Our Stakeholders	6
Operational and budgetary objectives	7
Catchment Condition Report	14
Catchment Condition Statement	18
Summary of the Financial Results for the Year	21
Section 2	
Governance & Organisational Structure	22
WCMA Operational Organisation Chart	22
Board of Management	23
Board Meeting Attendance	24
Board Governance Committees	24
Employment and Conduct Principles	25
Occupational Health and Safety	26
Section 3	
Workforce Data	26
Diversity Reporting/Community Inclusiveness	26
Section 4	
Other Disclosures	27
Victorian Industry Participation Policy	27
Consultancies	27
Disclosure of Major Contracts	27
Application and Operation of the Whistleblowers Protection Act 2001	27
Compliance with Building and Maintenance Provisions	28
National Competition Policy	28
Application and Operation of the Freedom of Information Act 1982	28
Availability of Other Information	28
Office-based environmental Impacts	29
Risk Management Attestation	29
Section 5	
Financial Statements	30
Appendices	54
Disclosure Index	54
Wimmera CMA Whistleblowers Policy	56



CARING
FOR
OUR
COUNTRY



Report of Operations

Manner of Establishment

Wimmera CMA was established in July 1997 by order of the Minister for Agriculture and Resources, taking over the functions and obligations of the Wimmera Regional Catchment and Land Protection Board. It was established under the *Catchment and Land Protection Act 1994*.

Responsible Ministers

Wimmera CMA is established under the *Catchment and Land Protection Act 1994*. The responsible Ministers during the 2010/2011 reporting period were Gavin Jennings MLC, Minister for Environment and Climate Change for the period from 1 July 2010 to 1 December 2010 and Ryan Smith MP, Minister for Environment and Climate Change and Peter Walsh MLC, Minister for Water for the period from 2 December 2010 to 30 June 2011.

Objectives, Functions, Powers and Duties

The Objectives, Functions, Powers and Duties of the Authority are largely contained within the following Acts:

- *Catchment and Land Protection Act 1994*
- *Water Act 1989*
- *Financial Management Act 1994*
- *Audit Act 1994*
- *Freedom of Information Act 1982*
- *Information Privacy Act 2000*
- *Public Administration Act 2004*

The functions powers and duties of Wimmera CMA under Section 12(1) – (4) of the *Catchment and Land Protection Act 1994* are provided below:

Functions powers and duties of Authorities

(1) Each Authority has the following functions in respect of the region for which it has been appointed, to—

- (a) Prepare a Regional Catchment Strategy for the region and to co-ordinate and monitor its implementation.
- (b) Prepare special area plans for areas in the region and to co-ordinate and monitor their implementation.
- (c) Promote the co-operation of persons and bodies involved in the management of land and water resources in the region in preparing and implementing the Regional Catchment Strategy and special area plans.
- (d) Advise the Minister, and, if requested by any other Minister, that other Minister on—
 - (i) regional priorities for activities by and resource allocation to bodies involved in the management of land and water resources in the region;
 - (ii) guidelines for integrated management of land and water resources in the region;
 - (iii) matters relating to catchment management and land protection; and
 - (iv) on the condition of land and water resources in the region.
- (e) Promote community awareness and understanding of the importance of land and water resources, their sustainable use, conservation and rehabilitation.
- (f) Make recommendations to the Minister about the funding of the implementation of the Regional Catchment Strategy and any special area plan.
- (g) Make recommendations to the Minister and the Secretary about actions to be taken on Crown Land managed by the Secretary to prevent land degradation.
- (h) Advise the Minister and provide information to the Minister on any matter referred to it by the Minister.
- (i) Carry out any other functions conferred on the Authority by or under this Act or any other Act.

(2) Each Authority has power to do all things that are necessary or convenient to be done for or in connection with, or as incidental to, the performance of its functions, including any function delegated to it.

(3) Sub-section (2) is not to be taken to be limited by any other provision of this Act that confers a power on the Authority.

(4) Each Authority has the duties conferred on it by or under this or any other Act.

The Authority has additional objectives, functions, powers and duties for waterway management, floodplain management and regional drainage conferred under Part 7 and Part 10 of the *Water Act 1989*.

Nature and range of services provided

Our Vision

Wimmera CMA's vision is for a 'Healthy Wimmera Catchment'. A healthy Wimmera catchment is an environment in which people are living sustainably and profitably within the landscape and where our natural resources flourish.

Our Role

To achieve our vision, Wimmera CMA works with the community, key stakeholders and agencies to develop plans, priorities and actions that aim to protect, enhance and improve the Wimmera's key natural assets. These include:

- Agricultural land
- Biodiversity
- River and stream health
- Wetlands
- Floodplain management
- Groundwater

(Refer to the Catchment Condition Report on page on page 14 to see how these assets were managed and the state of their condition over the past 12 months).

Major environmental impacts that threaten these assets include:

- Clearing of native vegetation without permit
- Climate variability
- Land-use changes
- Introduced pests and weeds
- Soil degradation

Wimmera CMA sets out to mitigate threats and increase the quality, extent and connectivity of the Wimmera's natural assets. This is achieved by demonstrating leadership and providing a strategic overview of the threats, priorities and actions required to achieve our mission. The primary tool Wimmera CMA uses to guide its decision-making is the Regional Catchment Strategy and is currently developing the 2012-2018 Regional Catchment Strategy. The Authority also attracts and directs resources to improve natural resource management knowledge and increase on-ground action to stabilise threats.

Who we are

Wimmera CMA is one of 10 CMAs the Victorian Government established in July 1997 under the *Catchment and Land Protection Act, 1994*. Wimmera CMA is a statutory body that works in the region to support community to ensure a healthy and sustainable environment. Wimmera CMA provides advice to the Australian and State Governments about Wimmera environmental conditions, directions and priorities.

Nine regional community representatives make up the Wimmera CMA Board. The Board sets the organisation's strategic direction and ensures that Wimmera CMA meets statutory and financial responsibilities and that its activities reflect community values and expectations. Wimmera CMA sets out to:

- Improve catchment health through continual improvement and implementation of the Wimmera Regional Catchment Strategy.
- Build understanding and create effective partnerships by involving regional communities.
- Influence policy and investment decisions through partnerships.
- Foster a healthy organisation based on achievement.

Our Region

The Wimmera in western Victoria extends north from the Grampians to Lake Albacutya near Rainbow, and east from the South Australian border to Navarre. The Wimmera has a population of about 49,000 and about one quarter of its residents rely directly on agriculture for income. The region is predominantly cleared agricultural land and includes the municipalities of Hindmarsh, West Wimmera and Horsham Rural City and parts of Yarriambiack, Northern Grampians, Ararat Rural City, Buloke and Pyrenees.

Natural Wimmera features include more than 3000, or 25% of Victoria's wetlands, Grampians and Little Desert national parks and the 'closed catchment' Wimmera River system. All support a diverse range of plants and animals. The region also has productive agricultural soils and valuable groundwater.

The Wimmera catchment includes many cultural and environmental heritage sites. More than 2000 sites of Indigenous archaeological significance are associated with the catchment's reserves, waterways, floodplains and wetlands.

The region is home to about 1500 species of native plants and 420 species of native animals. These include 20 mammal, 40 reptile and more than 250 bird species.

Our Stakeholders

A commitment from communities, agencies and industries to achieve sustainable natural resource management outcomes in the region is vital. The natural resource management task is too big for Government alone and as a result there has to be investment in community capacity to gain leverage and have all parties working towards a shared sustainable outcome. Wimmera CMA engages a community that is broad and diverse. This includes land managers, Indigenous communities, Local Government and Australian and State Government investors.

Group	Characteristics	Relationship
Landholders	Rural property holders, farmers, absentee land owners	Partners in the delivery of on-ground change through grants, engagement and incentive programs.
Government Departments	Dept Sustainability and Environment; Environmental Protection Authority, Dept of Primary Industries, GWMWater, Australian Government, Department of Sustainability, Environment, Water, Population and Communities, Parks Victoria	Partners, compliance and investors
Landcare Networks, Landcare Groups and members	Project Platypus, Hindmarsh Landcare Network, Yarrilinks, Native Fish Australia, River Improvement Committee	Partners, grant recipients, education and capacity building
Local Government	Ararat, Buloke, Hindmarsh, Yarriambiack, Horsham, West Wimmera, Northern Grampians and Pyrenees municipalities	Partners, customer
NGO Natural Resource Management Organisations	Trust for Nature, Vic No Til, Birchip Cropping Group, Wimmera Conservation Farming Association, Greening Australia	Contractors, partners
Indigenous Groups	Barenji Gadgin Land Council, Martang Inc, Gunditj Mirring Traditional Owners Aboriginal Corporation, Wurega Aboriginal Corporation, Goolum Goolum Aboriginal Corporation	Partner, advice
Wimmera CMA Board	Nine-member Board appointed by the Minister for Environment and Climate Change	Governance, policy, strategy
Advisory Committees	Four Advisory Committees -Upper, Northern, South West and Landcare	Advice
Staff	Direct employees and contractors	Employees
Community Monitors	Four monitoring programs (birds, frogs, water and macroinvertebrates)	Volunteers
Wimmera Community	General public and urban population	Education partner, capacity building
Education Sector	Education Dept network, teachers, and school contacts	Education partner, capacity building
Consultants and Contractors	Numerous	Service providers

Operational and budgetary objectives

The following key performance indicators and targets are Wimmera CMA's commitment to deliver on legislative compliance requirements including the *Catchment and Land Protection Act 1994* Statement of Obligations commenced on 1 July 2007; and the *Water Act 1989* Statement of Obligations commenced on 19 October 2006.

These will be delivered to the extent Wimmera CMA is funded to do so. Wimmera CMA reports progress against performance indicators and targets established in its Corporate Plan.

The tables below list key performance indicators which measure our success in achieving the following objectives:

Objective 1. Governance

Performance Area	Performance Indicator	Target	Result
Board performance	Complete and submit an annual Board performance assessment report, according to any Ministerial guidelines issued	By 31 August annually	Achieved
	Participation by Board members in development activities	All Board members participate in development activities	Board participated in the development of the Wimmera CMA Wetland, Sustainable Soils, and Biodiverse Ecosystems Asset Strategies.
Board Charter	Develop and implement a Board Charter that as a minimum: Includes a requirement for the regular review of the Board's effectiveness Establishes appropriate board committees including a risk and compliance committee Features a provision that the Board will comply with Ministerial guidelines Requires the Board to monitor the CMA's financial, social and environmental performance	A Board Charter with these features was established 31 August 2010	Board Charter created May 06 – annual review and revision undertaken April 2011 Wimmera CMA board has a Finance, Audit & Risk Management, Human Resource, Business & Planning Committees as well as an Inter-catchment Advisory Group.
Risk and financial management	Compliance to risk management plans for each program	All programs have risk management plans in place Nil non-compliances with risk management plan	Whole-of-organisation risk management plan in place that incorporates all programs There were 0 non-compliances
	Annual review of governance policies and procedures	Review all governance policies and procedures by 30 June annually	Policy and procedure review completed by June 30

Objective 2. Efficiency and Organisational Performance

Performance Area	Performance Indicator	Target	Result	
Expenditure versus budget	Variation of actual to budgeted expenditure for the CMA	Total actual expenditure is less than or equal to budgeted expenditure	Actual expenditure was 11.6% below budgeted expenditure	
		For each program, actual expenditure is within +/- 10% of the budgeted expenditure	Exceptions were due to agreed changes in committed projects being delivered in 2010-2011 year	
Grant management	Administration costs of grants are minimised	10% or less of grant funds is spent on administration	All grants programs were delivered with administration costs limited to 10%	
	Minimise time taken to determine grant applications	Grant applications are determined within one month of being received	The average time taken to determine Second Generation Landcare Grant applications was eight weeks	
Regulatory waterway/water functions	Number of days to process works on waterways permits	Not more than 20 working days	Average number of working days to process permits was 14 days	
	Number of days to process referrals for any works on or in relation to a dam	Not more than 20 working days	No referrals received	
	Number of days to process referrals from Local Government on flooding and controls on planning scheme amendments, and planning and building approvals	Not more than 20 working days	Section 52 floodplain referrals were responded to on average of 10 days	Section 55 floodplain referrals were responded to with an average response time of 10 days
			Number of days to process enquiries from Local Government and the community on flooding	Not more than 20 working days
	Number of days to process referrals for Water Use Licences that don't meet the standard water-use conditions	Not more than 20 working days	No enquiries received	
	Number of days to process enquiries from Rural Water Corporations on irrigation and drainage plans and seasonal adjustments to annual use limits	Not more than 20 working days	No enquiries received	
	Number of days to process enquiries from Rural Water Corporations issuing Take and Use Licences	Not more than 20 working days	No enquiries received	

Objective 3. Effectiveness and Environmental Outcomes

Performance Area	Performance Indicator	Target	Result
Integrated river health management	Revise Regional River Health Strategy to plan for waterways in relation to their economic, social and environmental values	Regional River Health Strategy revised every six years	Review undertaken but no changes made due to pending Strategy for Healthy Rivers and Wetlands development by the State Government.
	Develop and revise Environmental Operating Strategies and Annual Watering Plans to manage the environmental water reserve in accordance with objectives	Environmental Operating Strategies developed or revised every five years	The strategy was developed in 2007 and revised in November 2008
		Annual Watering Plans approved for all Environmental Entitlements	Wimmera CMA followed approved environmental watering plans
	Implement annual river health programs and activities to improve environmental values and health of water ecosystems	All annual river health targets and works programs achieved	62% of annual river health targets and works programs achieved
Regional Catchment Strategy (RCS) implementation	Percentage of RCS annual actions implemented	All RCS annual actions implemented	RCS annual actions (outputs) are included in annual investment plans to investors
			The Catchment Condition Report on page on page 14 in this Annual Report outlines the performance against these outputs
			Annual investment plans are produced for the delivery of strategic outcomes in line with Federal, State and Regional priorities
			The CMA is developing asset strategies which describe the natural assets within the regional targets for management
			These will form the basis for review of the RCS and will be peer reviewed
Regional Native Vegetation Plan (RNVP) implementation	Percentage of RNVP annual actions implemented	All RNVP annual actions implemented	Annual actions (outputs) are considered in the development of asset strategies and are outlined in annual investment planning for biodiversity outcomes
			The Catchment Condition Report on page 14 outlines performance against these actions

Performance Area	Performance Indicator	Target	Result
Invasive plant and animal management	Regional Invasive Plant and Animal Strategies incorporating related priorities in all land tenures in the region	Invasive Plant and Animal Strategies revised by 30 June every five years	Strategy due for review in 2015
Regional and statutory planning	Provide advice on dryland salinity, irrigation management, soil erosion, or any other land management issue identified in the local Municipal Strategic Statement as the referral body	100% of referral responses provided for each issue	100% of referrals responded to
Salinity management	Implementation and periodic review of Regional Salinity Management Plans (RSMP) and Land and Water Management Plans (LWMP)	RSMP and LWMP completed RSMP and LWMP periodically reviewed RSMP and LWMP include annual actions to be implemented	The Wimmera Regional Salinity Action Plan contains five and 20-year target actions (outputs) Annual outputs are developed through annual investment planning process in consultation with investors
	Progress against annual action targets	All annual RSMP and LWMP actions and targets achieved	Performance against these outputs is outlined in the Catchment Condition Report on page 14
	Develop regional salinity targets and corresponding works programs in accordance with the Murray Darling Basin Salinity Agreement (for applicable CMAs only)	All annual salinity targets and works programs achieved	Annual outputs are developed through annual investment planning process in consultation with investors Performance against these outputs is outlined in the Catchment Condition Report on page 14
	Annual report on the allocation and update of salt disposal entitlements submitted to the responsible Minister	By 31 July annually or as otherwise requested by the responsible Minister	There is no salt disposal entitlement in the Wimmera CMA region
Regional Landcare groups, networks and other community groups	Deliver the Regional Landcare Support Strategy, including co-ordination of Landcare on a regional scale	Evaluate and revise the strategy every five years	Landcare strategy review undertaken and re-developed into Group Support Strategy.

Objective 4. Engaging the Community

Performance Area	Performance Indicator	Target	Result
Measure and build community capacity	Community leaders are actively supportive of Wimmera CMA goals and projects	Risk assessment undertaken and Risk Management Plan implemented	As part of our project planning process risk assessment and risk management plans are included.
	Relevant stakeholders are engaged to facilitate achievement of MATs and RCTs	Current landholder participation maintained	Landholder participation maintained in Wimmera CMA projects including, tender/ incentive, property management planning and pest, plant and animal projects
Foster partnership strategies	Partners are identified and committed to participating or investing	Relevant stakeholders are involved in targeted activities	Landholders directly engaged through property management planning, incentive programs and tenders
	Policy development is a joint process with other agencies; Wimmera CMA is seen as a leader and influential partner	Partnership goals align where relevant Wimmera CMA input is sought by other partners	Partnership projects also delivered involving Biolink groups and Landcare networks Formal channels for input through investment planning, development or renewal of plans and strategies and project delivery Active policy involvement at state level to ensure appropriate representation of regional needs
Communicate with the community	Communities have an awareness and knowledge of catchment issues and Wimmera CMA role	Communication with relevant stakeholders occurs	CMA delivered 119 targeted education events, forums and session directed to key stakeholders
Empower the community	Communities are engaged and involved in projects	Community participation in natural resource management activity is maintained	Delivered through a range of existing and new project activities including Kids Conference, Wimmera Biodiversity Seminar, Property Management Planning, Wimmera Machinery & Field Day, project events and Plantout Weekends.

Objective 5. Investment Partnership

Performance Area	Performance Indicator	Target	Result
Policy alignment	State, Regional and Local Government policies align where relevant	<p>Effective dialogue on policy issues occurring</p> <p>State, Regional and Local Government policies align where relevant</p>	<p>Meetings held with Local Government to discuss policy issues as required.</p> <p>Where requested Wimmera CMA provided feedback on Local Government planning mechanisms.</p> <p>Funding bids made to the State Government consistent with the Victorian Investment Framework for Natural Resource Management Statement of Priorities 2011/2012.</p> <p>Staff attended DSE-led technical working groups and forums relating to NRM policy.</p>
Leadership profile for the Wimmera CMA	Wimmera CMA is perceived as an influential leader in its field	Wimmera CMA input is sought by others	<p>Wimmera CMA's advice and input is being sought in a range of fields, including Federal and State level policy and strategies, including the Murray Darling Basin Plan and Western SWSS.</p> <p>Local Government also seeks CMA input when assessing development applications and considering resource management.</p>
Collaboration	Partners are engaged and involved in relevant projects	Relevant partners are involved in targeted activities partnership goals align where relevant	Entered into partnership agreements and contracts with relevant partners and where program activity goals aligned. MOU's are being developed with GWMWater, Landcare Networks and Barenji Gadgin Land Council.

Objective 6. Fostering a Healthy Organisation

Performance Area	Performance Indicator	Target	Result
Effective delivery of projects	<p>Projects delivered on time and within budget</p> <p>Continuous improvement through adaptive management</p>	<p>Projects delivered on time and within budget</p> <p>Project outputs achieved to desired quality</p> <p>Project outcomes are cost effective</p>	<p>All projects delivered on time and on budget except where a variation has been approved or sought by the relevant investor</p> <p><i>Refer management summary in Catchment Condition Report on page 14 for further information</i></p>
Attract and retain quality staff	<p>Recruitment of skilled and committed staff</p> <p>Recognise and foster leadership opportunities</p> <p>Appropriate policies and procedures</p> <p>Effective information management system in place</p> <p>Professional and personal development of staff</p>	<p>Staff management indicators out-perform industry benchmarks</p> <p>Days lost due to vacancies are minimised</p> <p>Staff turnover minimised</p> <p>Staff have access to information related to current best practices</p>	<p>Performance measured through State Services Authority Staff Survey. Results are compared against previous years and key actions are developed to address areas where issues are identified.</p> <p>Staff turnover rate was consistent with five-year average at 23%</p> <p>Wimmera CMA supports staff in professional and personal development by providing training opportunities and supporting personal development activities</p>
Knowledge management	<p>Manage risk and cost to explore new ways to achieve results</p> <p>Involvement or sponsorship of research</p> <p>Focus on empowerment</p>	<p>Wimmera CMA is involved in:</p> <p>Research with other partners</p> <p>Innovative concepts with other partners</p>	<p>Seeking sponsorship opportunities.</p> <p>Partnered with Vic No Till in a landholder mentoring program to empower farmers</p> <p>Landcare capacity building programs continue</p>
Innovation	<p>Management of key business and financial risks</p> <p>Wimmera CMA operates within legislation, Ministerial Guidelines and Ministerial Obligations</p>	<p>Finances are managed in accordance with relevant legislation</p>	Completed unqualified audit
Government monitoring and evaluation	<p>Framework and tools developed and implemented</p> <p>Progress against project targets measured and reported</p> <p>Condition of the catchment health communicated</p>	<p>All Wimmera CMA projects reporting against project evaluation database</p> <p>Evaluation reports utilised by management and staff</p> <p>Implementation of organisation-wide monitoring approach (June 2009)</p>	Evaluation of projects and delivery occurs as part of Annual Reporting process and for investment planning

Catchment Condition Report

Executive Summary

Wimmera Catchment Management Authority (Wimmera CMA) continues to work in partnership with the community to manage the region's natural assets.

Flooding in September and December 2010 and then more extensively in January 2011 set the focus for a large proportion of the year's activity, with immediate emergency management, regional flood preparedness and then flood recovery projects occupying a great deal of staff, management and board effort.

The Wimmera River remained a priority for investment because the river, its tributaries and its distributaries provide vital biolinks and refuges for wildlife as well as economic and social benefits for the community. However, the additional funds from flood recovery sources meant the focus of effort was in the area of restoring previous activities undone by flooding as well as helping landholders preserve and protect waterways through the reinstatement of damaged fencing originally undertaken of their own accord.

Due to the unprecedented impact these floods brought to the state, a number of inquiries and reviews have commenced. It is expected that the findings of the inquiry's and reviews will impact the way in which Wimmera CMA activity is conducted in the future.

Despite, or maybe as a result of these events, community participation in all projects remained high throughout the year. Our successful engagement program, with positive community engagement processes through a range of advertising and media arrangements, support the organisation's many projects. Wimmera CMA also continues to offer the community high quality and relevant opportunities to learn through events such as field days, conferences, workshops and mentoring programs.

During the 2010/11 financial year Wimmera CMA continued to focus on the protection of wetlands in the southwest, the sustainability of soil in the north, protection and enhancement of riparian areas in the upper catchment and protection and enhancement of terrestrial ecosystems, including building the resilience of biolinks and flagship areas across the region.

Wimmera CMA is continuing deployment of Market Based Instruments, with tenders being undertaken in multiple locations for a variety of purposes including wetland enhancement, river enhancement and buloke woodland protection and improvement. Our programs for managing soil sustainability, river health, biodiversity, and wetland health continued to be well patronised.

While funding opportunities limit the CMA in its onground work and engagement activities – the organisation continued to strive to maximise the proportion of funds that go to onground works compared to operational costs.

Over 75 percent of all targeted outputs were met or exceeded during the year. The majority of targets not met were largely out of the CMA's control; being related to either statutory referrals or landholder participation, both of which are somewhat driven by landholder and proponent aspirations. Flooding along with abnormal weather and locust plagues also influenced the results of projects, with delays being forced by these climatic-based conditions.

Wimmera CMA is frequently asked to comment and participate in the development and review of NRM-related policy. In many cases the CMA is not specifically funded to participate in these development or review processes, despite being responsible for operational implementation. This has been particularly apparent following the floods, subsequent inquiries, locusts and fire operation planning. Wimmera CMA believes that participation is a vital element of its business, although the organisation struggles with resourcing for such functions due to ever reducing budget constraints.

Governments need to consider this demand while continuing to maintain the same level of on-ground output. A model for this approach may be the River Health program where CMAs are funded specifically to participate in policy review, working groups and forums.

Management Summary

Theme	Statement
Biodiversity	<p>Biodiversity projects have on the whole met the delivery targets set. Significant achievements within the collective of projects include:</p> <ul style="list-style-type: none"> • Discovery of 15 new populations of threatened flora species through community-assisted surveys. • Germination and re-introduction of 6000 threatened Wimmera orchids into the wild. Species include Metallic Sun Orchid, Spiral Sun Orchid, Candy Spider Orchid and Yellow-lip Spider Orchid. • Listing of <i>Callistemon wimmerensis</i> (Wimmera Bottlebrush) as Critically Endangered in the EPBC Act 1999. • Control of rabbits through ripping and fumigation to protect 8300 hectares across the Wimmera. • Weed control to protect threatened flora on 210 hectares of land. • The release of 5 Brush-tailed Rock Wallabies as a part of the captive breeding program. To date, 21 individual animals have been released and monitoring programs have shown active breeding among those animals in the wild. • Establishment of an agreement to enable remnant land previously cropped and adjacent to other Golden Sun Moths habitat to be restored; effectively doubling the amount of habitat. • Recording of 837 birds through annual Red-tailed Black Cockatoo community counting, utilising the services of over 160 volunteers for the count. This was supported by an additional 199 individual sightings reported on the 1800 freecall telephone number. • Repair and maintenance of 4 grazing enclosures that were established almost 20 years ago to determine the impact grazing exclusion regimes have upon buloke recovery. • Trialling of higher quality digital cameras following last year's successful use of the technique to improve clarity and therefore accuracy of assessment. <p>Ongoing challenges to the program include invasive pest plants and animals along with removal of habitat. High locust numbers were recorded throughout the region and Incident Management Teams were formed to deal with the problem. A focus upon controlling spraying and vehicular activity in areas of particular sensitivity for threatened flora and fauna were a focus of the project.</p> <p>Survey results for the Growling Grass Frog have declined across the Wimmera in recent years although Murtoa results showed large breeding and dispersal events following heavy spring and summer rainfall across the region. It is expected that similar results would be apparent in other areas of the catchment.</p> <p>Three separate competitive tenders, each with differing key focus areas, achieved protection of a total of 1350ha throughout the catchment.</p> <p>The Landscape Scale Conservation project is delivered through 3 regionally significant community Biolink projects and also comprises the revegetation, non-Buloke and wetland components of Habitat tender. This year the project involved 74 landholders across 1140 hectares.</p>

Theme	Statement
Inland Aquatic Ecosystems	<p>Projects relating to Inland Aquatic Ecosystems met targets for the year with the exception of those relating to engineering and stream protection and enhancement activities. Flooding in September and December 2010 and January 2011, along with continued rainfall, meant many sites were unable to be accessed or worked upon. In addition, Wimmera CMA fieldstaff were reallocated to work upon flood recovery efforts, firstly working with the community in identifying damages and subsequently organising and participating in flood recovery activity following funding being delivered.</p> <p>2010-2011 was not only memorable for the large flood events but also shifts in water management arrangements. The new Environmental Entitlement following the completion of the Wimmera Mallee Pipeline was agreed in October 2010; the culmination of several years of hard work to ensure that the environmental benefits promised by the pipeline project would be achieved. Increases in passing flows and improved reliability of regulated entitlements mean the environment is in a much better position to deal with a range of climate scenarios. Work continued in supporting the Wimmera Irrigators' Association desire to sell their entitlements to the Commonwealth and return the water to the environment.</p> <p>There were also changes to policy and processes with creation of the Victorian Environmental Water Holder on 1 July 2011 requiring a revised approach to environmental water planning.</p> <p>Despite the reduction in deliverables resulting from the floods, onground activities of the CMA have resulted in substantial gains for inland aquatic ecosystems.</p> <p>The wetland component of Habitat Tender focused on wetland protection and enhancement; delivering fantastic results in protecting wetland ecosystems in the west of the region:</p> <ul style="list-style-type: none"> • A total of 460 hectares under management agreement; • Protection of 18 wetlands totalling 351 hectares through management agreement; and • Almost 20% or 90 hectares of the total area committed to being protected permanently through conservation covenants. <p>Monitoring programs highlighting the health of Wimmera waterways continued throughout the year, although floods again limited the ability of the program in a number of areas.</p> <p>Ongoing monitoring is critical in being able to quantify the outcomes of the recent drought/flood cycle endured in the Wimmera. While there have been some gains in water quality and floodplain habitats watered for the first time in many years - leading to substantial improvements to riparian, fish and macroinvertebrate communities - there have also been significant increases in the size of carp and weed populations which have taken advantage of the disturbances caused by the flooding. Given improved water availability compared to the previous drought conditions, there will be an increasing onus on Wimmera CMA to demonstrate to the community the positive outcomes achieved.</p> <p>The Platypus monitoring project was cancelled because flooding in the upper MacKenzie River inundated important habitat at the time of juveniles leaving their parents. Much of the available habitat for platypus in this system is thought to have been lost. It is expected that the program will be reinstated in the next financial year to assess the impact that the floods have had upon what is a very small and fragile platypus community.</p>

Theme	Statement
Land Health	<p>Projects relating to the Land Health theme were implemented successfully, resulting in an achievement of targeted objectives during 2010/11.</p> <p>Most notably, the property management planning project operating under the FarmPlan21 banner has achieved planning for large-scale change across the catchment through development of authorised plans involving 50 landholders covering almost 49,427 hectares.</p> <p>Wimmera CMA continued its participation in the West Wimmera Groundwater Committee which continued to meet through the year to finalise their proposal of how the resource should be managed into the future.</p> <p>The Victorian No Till Farmers Association successfully held 4 events promoting no till farming practice in Horsham, Nhill and the northern Wimmera. The events were all well attended with over 400 attending the four events in total.</p> <p>A variety of crop walks and field days also occurred throughout the year focussing upon farmers considering their soil health. This will be a continuing theme in the following year.</p> <p>The annual soil transect survey continued its assessment across the Hindmarsh and Yarriambiack shires, making next year the 15th consecutive year of the project. The project has now tracked through average, drought and now wet years focussing on a variety of farming practices and provides an important history and understanding of how Wimmera farms are being and have been managed. There had been an intent on running summer 'cultivation' transects to capture the progression of cultivation during the high risk months, however the previous was not a typical summer with heavy rain and untrafficable paddocks. Both spring and autumn transects were successfully completed.</p>
Environmental Stewardship	<p>This year saw the 4th year of a program where onground program delivery is related to Environmental Stewardship. Through this approach, every onground activity requires as a minimum, a management agreement that stipulates the objectives of each project site along with agreed and expected management actions by the landholder for a set number of years.</p> <p>While increasing the landholder agreement term to 5 years was to be considered this year, events within the farming community changed the focus and a continuation of the current 3-year approach was taken. Covenanting of property for programs continued to be an available option for landholders and is actively communicated through all programs by staff.</p> <p>In 2010/11 collective Environmental Stewardship projects resulted in 152 management agreements being created for 2132 hectares. This comprises:</p> <ul style="list-style-type: none"> • Remnant vegetation protection of 940 hectares; • Revegetation of 645 hectares; • Protection of almost 7 kilometres of river banks through fencing; • Permanent protection covenants of 90 hectares; and • Planting of 37,700 plants for improved biodiversity, soil protection and water quality improvement projects. <p>Wimmera CMA continued its 2nd year of the Securing Priority Riparian Areas (SPRA) project during 2010/11. The focus is to improve the management of land in these areas, specifically:</p> <ul style="list-style-type: none"> • Licensed Crown frontages; • Unlicensed occupation of Crown frontages; and • Private frontages. <p>The project aims to improve the management of key riparian areas across the state, assist in developing and trialling a 'tool kit' of approaches to provide field officers with everything they need for planning riparian management and negotiating land management agreements and licences with landholders.</p> <p>Again, due to climatic conditions and efforts of staff in responding to flood recovery in the project area, achievements for this project did not meet objectives.</p>

Theme	Statement
Community Capacity	<p>A range of projects have contributed to the regional capacity of communities to support NRM activities during the year. The continued employment of staff in areas such as Landcare, environmental flows, wetland management, floodplain management, Indigenous issues and biodiversity management result in a greater understanding of the particular issues for the community.</p> <p>Wimmera CMA continued to provide regional planning functions in flood, wetland and other water-related statutory planning activities for regional councils.</p> <p>Floodplain management was an important element of community capacity in 2010/11 with Wimmera CMA working as a critical partner in Incident Control Centres for the first time during the flooding events of September, December and January. Nearly all staff were reallocated from their normal tasks to assist with flood response, acting in areas such as intelligence gathering and hydrology advice during the events. This required 24-hour response for almost 3 weeks collectively. Ongoing response to community questions and understanding post the floods has resulted in additional workload with staff members attending over 30 separate council community meetings in the wake of the January event to discuss items for improved preparedness in future events. Additionally, separate inquiries from both State and Federal governments have contributed to further workload requirements by the CMA.</p> <p>The Landcare program reviewed its strategic planning documents and actions for its respective regions totalling 366,000 hectares. This review was performed during a number of events throughout the catchment and included over 200 individuals.</p> <p>The Second Generation Landcare grants process facilitated continued support for 34 regional Landcare groups to enable administration and insurance costs of each to be met. The grants process also facilitated regional activity for a further five group activities engaging almost 114 members of both the groups and the community in field days, revegetation, education presentations and weed control works.</p> <p>In 2009/10 Landcare groups in the upper Wimmera mapped their past achievements along with their area of influence during the year. The 2010/11 funding year saw an extension to this approach across the entire region, with Landcare groups utilising the CMA's group-based mapping mechanism to map their expectations for all projects within their funding submissions. This has enabled a very transparent approach and audit trail from investor to site for Landcare funding.</p> <p>The Project Hindmarsh, Yarrilinks and Project Platypus networks again delivered highly-successful community plantout events in their respective areas, attracting large numbers of people to assist with the revegetation of their landscapes.</p>

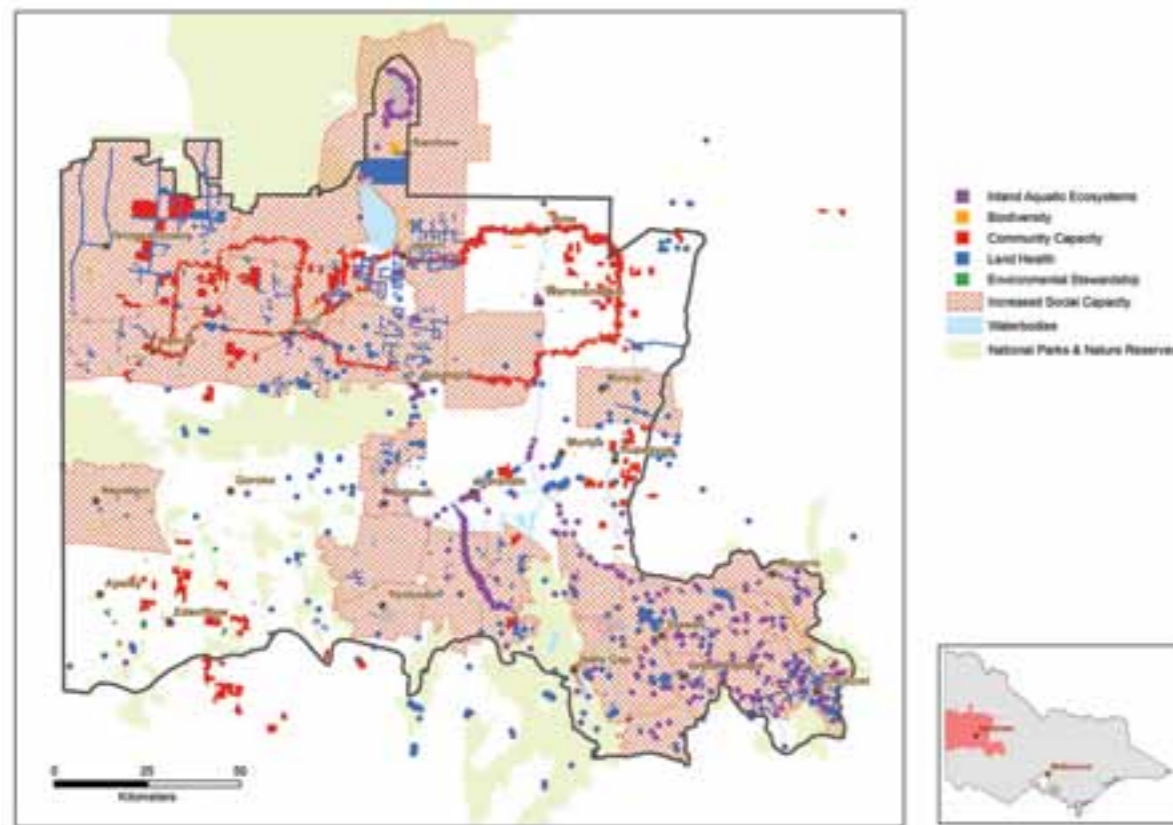
Catchment Condition Statement

Theme	Statement
Biodiversity	<p>For the first time in a decade, 2010/11 saw Wimmera rainfall exceeding the long-term average and many threatened flora species did well. Several discoveries of previously unknown populations were made this year, which is positive for the status of these species in the region.</p> <p>Monitoring of biodiversity is based around specific projects rather than overall biodiversity condition for the entire catchment. As works that are undertaken are based upon sound ecological principles and standards, effective improvement in the landscape is being achieved.</p> <p>On a broader landscape scale, negative pressures continue to compromise catchment condition. These negative pressures include the intensification of broad scale agriculture leading to the loss of paddock trees. There is limited regeneration occurring, and we can expect to have very few (if any) paddock trees on broadacre cropping land within 50 years. The remaining areas of native vegetation will need to be managed with this reality in mind.</p> <p>The second year of coordination of Invasive Plants and Animals management through the Wimmera Invasive Plant and Animal Management Strategy (WIPAMS) has resulted in works being conducted to improve asset-based protection at agreed priority areas. Despite individual farmer concerns that their collective pest problems are not being dealt with, the strategy allows for a considered approach to maximising the value of resources spent on invasive plant and animal management across the region.</p>

Theme	Statement
Inland Aquatic Ecosystems	<p>Flooding in September and December 2010 and January of 2011 have had a major impact on the region's inland aquatic ecosystems. Wimmera CMA field staff were reallocated to work upon flood recovery efforts: firstly working in the Incident Control Centre; then directly with the community in identifying damages; and finally organising and participating in flood recovery activity following funding being delivered. A large proportion of the initial recovery effort was focussed on protecting public assets from future risk should additional flooding occur.</p> <p>Monitoring data indicates an improved situation in important water quality indicators, such as salinity and dissolved oxygen. The floods have flushed the system and sustained flows have kept salinity to levels favourable for freshwater biota. The most continuous freshwater supply in many years has directly improved macro-invertebrate communities in particular. Dissolved oxygen recordings were at the highest levels seen for years over the critical summer period. Apart from a one-off incident of critically low dissolved oxygen that led to fish deaths in the lower reaches of the Wimmera River, the system has avoided large-scale occurrences of blackwater such as those that have happened in other Victorian rivers after the January floods. Floodwaters flushed vast amounts of sediment into and through the river system, but algal blooms have not been reported - the continuous mixing of the water and cooler water temperature through the mild summer has helped prevent outbreaks. There is evidence of waterways quickly reverting to highly saline conditions post-flows, but in contrast to recent years salinity has mostly been a concern in the pools of ephemeral upper catchment streams.</p> <p>The fish monitoring project highlighted consistent results to those achieved in previous years' studies. It is expected that large flood events are likely to directly impinge upon fish populations within the short term; for example increased mortality, changes to food-web dynamics and displacement of fish (Nislow et al.2002). Adult fish are likely to be more resilient to changes in stream flows than juveniles. The capture of very few juveniles of mountain galaxias, Southern pygmy perch and flat-headed gudgeon suggests failures in spawning or recruitment during the 2010-2011 reproductive period and is consistent with the theory that flooding can result in significant juvenile mortality.</p> <p>The results also indicate that indigenous and native fish are faring poorly, with Carp now doing very well due to 2010-11 floods and sustained flows. In the longer term, floods may provide many benefits to fish population by providing additional habitat features that are readily used. For example, the formation of deeper pools and the deposition of large woody debris are produced by significant flood events.</p> <p>Flooding was limited to the Wimmera Basin and didn't extend to the Millicent Coast Basin in the west of the region. The high rainfall that brought about flooding saw many wetlands in the Millicent Coast Basin fill for the first time in nearly a decade, delighting many in the community with the return of life that the water brought.</p>
Land Health	<p>Floods, pests and unseasonable weather patterns have challenged the farming community of the Wimmera over the past 12 months.</p> <p>Despite these setbacks, the Wimmera Cropland management transect project (this year in its 15th year) highlighted a continued increase in standing stubbles over the period; an indicator of adaptation of conservation farming practices in the region. Encouraging results from the study indicate that conservation practices were employed upon a greater proportion of high-risk soils compared to moderate and low risk soils.</p>

Theme	Statement
Environmental Stewardship	<p>Property management planning (FarmPlan21) delivered through a partnership model with the Department of Primary Industries has again taken place throughout the region. In the western and northern parts of the catchment, land managers responsible for properties totalling almost 50 square kilometres have been provided up-to-date knowledge on farm management issues including soil awareness and management, sustainable land management, water management, and protection of flora and fauna. Skills obtained through this process will enable them to develop plans for future long-term management of their properties with the environment in mind.</p> <p>As discussed earlier, every project managed within the past 4 years has required formalised agreements with the landholder being signed before works have been authorised and payments made. The various incentives on offer have been established such that those who sign up for longer-term protection (covenants) are awarded for their efforts.</p> <p>A variety of indigenous engagement activities took place throughout the year including the Garinga Working Together workshop, which brought together members of the regional indigenous community to look for opportunities to work on-country in environmentally focussed projects as well as an Aboriginal Cultural Heritage workshop aimed at educating land managers and the public about their responsibilities with respect to Aboriginal cultural protection. These projects were highly successful and have sown the seed for a potential Indigenous Landcare Group forming in the future.</p>
Community Capacity	<p>Floodplain management was a very important element of community capacity in 2010/11 as the organisation worked within Incident Control Centres for the first time during the flooding events of September and January. Nearly all staff were reallocated from their normal tasks to assist with flood response, acting in areas such as intelligence gathering and hydrology advice during the events. This required 24-hour response for almost 3 weeks collectively. Ongoing response to community questions and understanding post the floods has resulted in additional workload with staff members attending over 30 separate council community meetings in the wake of the January event to discuss items for improved preparedness in future events. Additionally, separate inquiries from both State and Federal governments have contributed to further workload requirements by the CMA.</p> <p>Wimmera CMA's continued partnerships with the regional plantout projects (Project Hindmarsh, Project Platypus and Yarrilinks) positively contributed to community understanding of the difference between current biodiversity populations compared with past, and also aims to set targets for the future. These highly-successful community plantout events attracted large numbers of people to assist with revegetation of the region's landscape.</p> <p>Wimmera CMA initiated a variety of fun and interactive days to help promote activity with respect to wetland protection and enhancement with Swamp Talk, Chicks in the Sticks and Yabby Races being positively attended and new projects being obtained as a result; highlighting that different mechanisms are important in enabling more elements of the community to be aware of the CMA's aims and the opportunities that they present to landowners wanting to undertake protection and enhancement activity upon their properties.</p>

Theme Activity Locations within Catchment



Summary of the Financial Results for the Year

Five-year Financial Summary ('000)

	2010-2011	2009-2010	2008-2009	2007-08	2006-07
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue From Government	8803	8,160	11,248	11,949	12,315
Other Revenue	506	433	538	618	611
Total Revenue	9309	8,593	11,786	12,567	12,926
Expenses	8515	9,405	9,980	13,294	13,211
Net Operating Result	794	-812	1,806	-727	-285
Net Increase (Decrease) in Cash Held	867	-408	756	-780	-1,559
Total Assets	7667	6,815	7,748	6,257	6,689
Total Liabilities	796	739	860	1,176	881
Total Equity	6871	6,076	6,888	5,081	5,808

Significant Changes in Financial Position During the Year

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

Major Changes or Factors Affecting Performance

Extreme Climatic conditions which resulted in major flooding in September, December and January seriously impeded Wimmera CMA's ability to deliver river health targets.

Subsequent Events

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

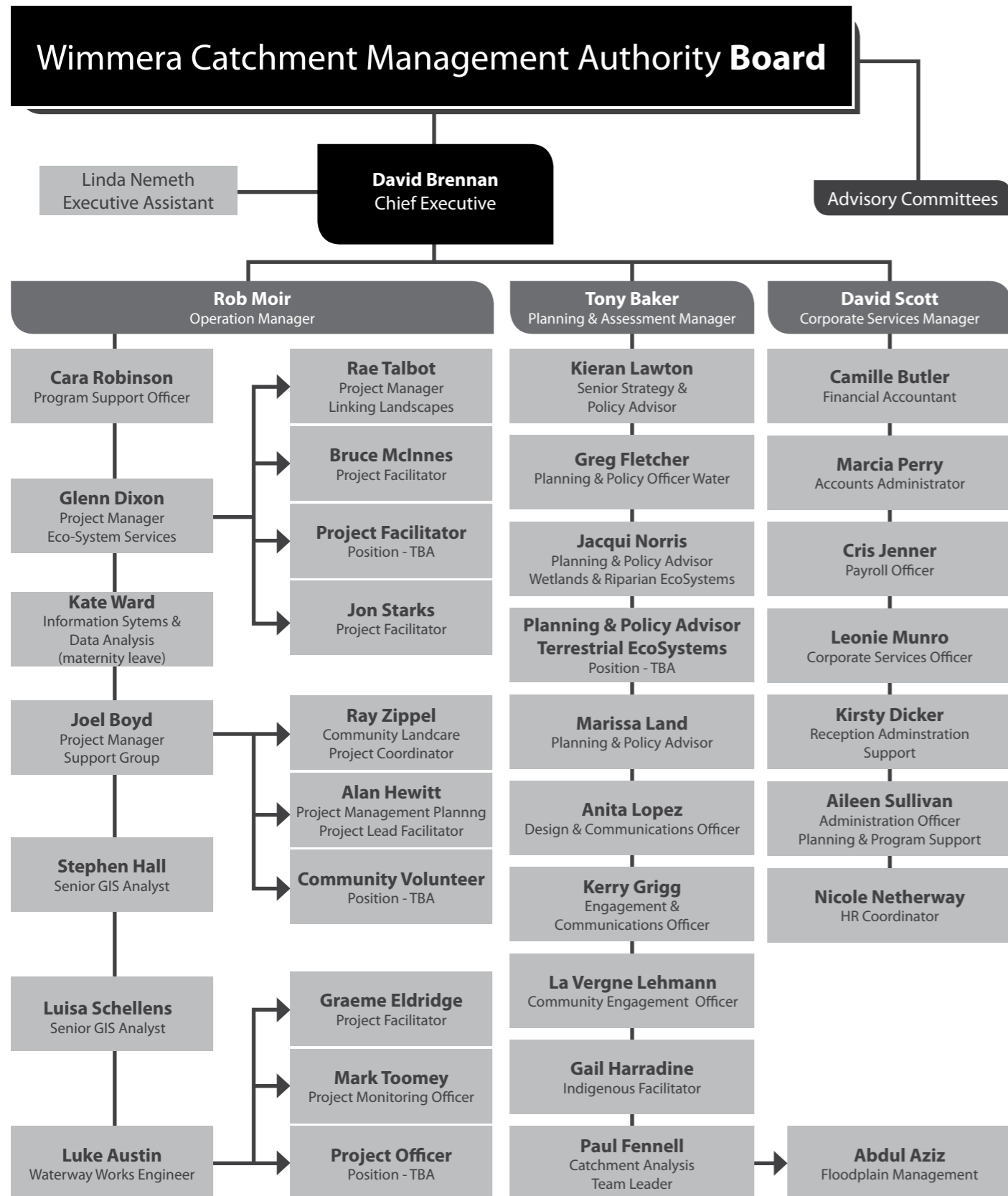
Summary Compliance Statement – Contributions Subject to Restrictions (000)'

Program	Revenue Recognised			Outgoings Current Year (i)	Unexpended Program Contributions	Outstanding Program Contributions (ii)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Opening Balance	Current Year	Total	\$	\$	\$
Corporate Services	1,956	1,955	3,911	1,696	2,215	2,215
Catchment Planning & Investment	746	3,754	4,500	2,188	2,312	2,312
Engagement	373	907	1,280	989	291	291
Catchment Works & Analysis	2,321	2,725	5,046	3,602	1,444	1,444
Total	5,396	9,341	14,737	8,475	6,262	6,262

(i) Program outgoings includes both capital and operating expenditures (including overheads)
 (ii) Outstanding program contributions refers to future expenses allocated to project tasks.

Governance & Organisational Structure

WCMA Operational Organisation Chart



Organisational structure as at June 30 2011

Board of Management

Merryn Eagle – Chair

Merryn Eagle has been a Wimmera CMA Board member since 2000 and was Deputy Chairman from 2003 – 2006 and Chair from 2009-2011. Merryn is involved in many aspects of the Wimmera community through her support of a broad range of regional and community initiatives. She helps run her family's broadacre cropping and livestock operation and for many years has implemented innovative and sustainable farming practices with much success. Merryn has qualifications in community service and biological sciences and skills in strategic planning, integrated natural resource management, financial and organisational management, corporate governance and community consultation. In addition, she has been a member of the Wimmera Leadership Board and lends her support to many organisations and events including Landcare.

Dennis Bell – Deputy Chairman

Dennis Bell has been a Wimmera CMA Board member since 2003. He has extensive experience in the education sector and Local Government, having been a Yarriambiack Shire Councillor for many years, and Mayor in 2001 and 2002. He has supported many regional initiatives and has strong skills in strategic planning and financial management.

Karen Douglas

Karen Douglas has been a member of the Wimmera CMA Board since 2006. She has an accounting background and extensive Local Government experience. She was a Northern Grampians Shire Councillor for nine years including four years as Mayor. She also has a strong interest in education issues and is chairperson of the North Central Local Learning and Employment Network. Karen is a member of the University of Ballarat Council and is involved in healthcare issues for her region. She is the Chairperson of Stawell Regional Health and Murdoch Community Services Inc., which supports physically and mentally challenged people in the St Arnaud area. Karen also helps manage her family farm.

Darryl Argall

Darryl Argall has been a Wimmera CMA Board member since 2000. He is a retired farmer based at Dimboola and is a member of the Order Of Australia. Darryl has been involved in many regional initiatives including the Wimmera Mallee Pipeline Project, the Hindmarsh Landcare Network and Project Hindmarsh. He has a long career in Local Government and is a former vice-president of the Municipal Association of Victoria. In addition to his membership of the Wimmera CMA Board he is currently chairman of the Western Regional Sustainable Water Strategy - a plan the State Government is using to balance future water use in the region.

Vanessa Drendel

Vanessa Drendel has been a Wimmera CMA Board member since 2003. Vanessa is widely recognised for her support of Landcare issues and sustainable farming practices. She is a founding member of her Landcare group and has been part of many regional initiatives including Project Hindmarsh. Junior Landcare and many community events and organisations have benefited from her passion and enthusiasm. Vanessa has qualifications in forestry and natural resource management and helps run her family farm near Nhill.

Geoff Michell

Geoff Michell is the former Managing Director of Coliban Water and has been a Wimmera CMA Board member since 2009. He retired from Coliban Water in 2008 after 10 years as Managing Director of the corporation. He has qualifications in civil engineering and business administration. He is a member of the Boards of Bendigo Health, Bendigo Tourism, Lower Murray Water and Bendigo Community Telco.

Lynne Josephs

Lynne Josephs has been a Wimmera CMA Board member since 2006. Lynne is a qualified town planner and teacher. She has extensive experience in the areas of community development, property development and financial management. She is a member of the Newstead Landcare Group and has previously been a board member of the Central Victorian Agribusiness Forum.

Emily Anderson

Emily Anderson has been a Wimmera CMA Board member since 2009. She has qualifications in geoscience and previously worked as a Community Facilitator and then as Manager of Project Platypus - an initiative of the Upper Wimmera Landcare Network. She brings skills and knowledge to the Wimmera CMA Board from her most recent position as Climate Action and Drought Recovery Officer, Northern Grampians Shire Council. Her values lie particularly with the importance of grass-roots community action and engagement and in supporting and recognising rural communities and farming families. Having a rural background herself, Emily helps manage a property with her husband Nick in Great Western.

Ken Dowsley

Ken Dowsley has been a Wimmera CMA Board member since 2009. He has a long association with agricultural science in the region, having worked with the Department of Primary Industries from the early 1970s until 2001. Ken is a board member of Rural Financial Counselling Service Victoria, Wimmera South West - an organisation he has been involved with since 1986. He is also the Purchasing Manager for the region's Christian Emergency Food Bank and a long-time member of Horsham East Rotary Club, where he is involved with many community projects, including a youth exchange program and house building projects in Cambodia. Ken is a former chairman of the Wimmera Community College of TAFE, now the University of Ballarat.

Board Meeting Attendance

Board Member	Meetings Attended 2010-2011
Merryn Eagle – Chair	13
Dennis Bell – Deputy Chair	13
Darryl Argall	10
Vanessa Drendel	11
Geoff Michell	10
Karen Douglas	12
Lynne Josephs	12
Emily Anderson	11
Ken Dowsley	12
Total Meetings	13

Board Governance Committees

The Board has delegated responsibility for many functions to the Board Sub-committees which meet monthly and on an as-needs basis, depending on the particular delegated responsibility.

Finance Committee

The purpose of the Finance Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and making recommendations to the Board regarding:

- Statutory compliance with relevant legislation.
- Financial information, including audited financial statements, that will be provided to the Board of Directors and other stakeholders.
- Strategic financial plans, corporate plan and the annual operating budget.
- Investment management activities.
- Financial implications of project delivery.

Members of the Finance Committee are:

- Emily Anderson
- Dennis Bell
- Merryn Eagle
- Vanessa Drendel

Audit and Risk Management Committee

As part of the Board's plans to fulfil its obligations in this area it has constituted an Audit and Risk Management Committee to ensure:

- Risks to Wimmera CMA (financial and organisational) are adequately identified and managed.
- Reliable management and financial reporting is in place.
- Wimmera CMA is in compliance with laws and regulations.
- An effective and efficient audit process is maintained.

Members of the Audit and Risk Management Committee are:

- Lynne Josephs
- Ken Dowsley (Independent)
- Geoff Michell (Independent)
- Jessica Adler (Independent)

Human Resource Committee

The Human Resources Committee's role is to monitor, review and recommend to the Board regarding:

- The recruitment and appointment of the Chief Executive Officer.
- The remuneration and incentive policies for the CEO.
- The performance appraisals of the CEO.
- The succession plans for the CEO.

Members of the Human Resource Committee are:

- Merryn Eagle
- Dennis Bell
- Karen Douglas

Inter-catchment Advisory Group

The Inter-catchment Advisory Group is a committee set up by Wimmera and Glenelg Hopkins CMAs to co-ordinate joint responsibilities as delegated by the Minister for Environment to manage the Environmental Water Reserve for the Wimmera and Glenelg water systems.

Wimmera CMA members are:

- Merryn Eagle
- Darryl Argall
- Geoff Michell

Wimmera Business & Planning Committee

This committee has the responsibility for overseeing the annual and long-term strategic plans and directions and their monitoring and evaluation.

Wimmera CMA members are:

- Darryl Argall
- Emily Anderson
- Karen Douglas
- Ken Dowsley

Advisory Committees

Advisory Committee members provide advice to the Board on:

- The implementation and review of natural resource management programs in their area.
- Local and emerging issues in the development and ongoing review of natural resource management plans.
- The delivery of the Regional Catchment Strategy.
- Emerging and existing catchment issues.
- Board-initiated reviews.

Advisory Committee Members are appointed based on demonstrated skills in one or more of the following areas: leadership, communication skills, natural resource management, farming, sustainable agriculture, business management and local knowledge. Equal opportunity principles apply. Wimmera CMA acknowledges the time and skills provided by Advisory Committee members and thanks members who have dedicated their time to Advisory Committee roles over the past 12 months.

West Wimmera Advisory Committee

- Andrew Bradey
- Patricia Hill
- Colin Mibus
- Darryl Argall (Board Representative)
- Ken Dowsley (Board Representative)

Northern Wimmera Advisory Committee

- John Griffiths
- Rodney Jones
- James McFarlane
- Glenn Rudolph
- Maurice Williams
- Darryl Argall (Board Representative)
- Dennis Bell (Board Representative)

Upper-Mid Wimmera Advisory Committee

- Gary Aitken
- Leigh Blackmore
- Michael Greene
- George Holden
- Gil Hopkins
- Rob Shea
- Geoff Miller
- Emily Anderson (Board Representative)
- Lynne Josephs (Board Representative)

Landcare Advisory Committee

- Lestyn Hosking
- Terry Lewis
- Clive Crouch
- Bernie Fox
- Robert Harding
- Michael McMurtrie
- Karen Douglas (Board Representative)
- Vanessa Drendel (Board Representative)

Employment and Conduct Principles

Our Staff

Providing a safe working environment and investing in people and efficient systems is an important part of Wimmera CMA's responsibilities. Wimmera CMA adheres to the employment and conduct principles as contained in the *Public Administration Act 2004*. The following summarises workforce data, training, the *Multicultural Victoria Act 2004* support, and the Occupational Health and Safety report undertaken by Wimmera CMA in 2010-11.

Training and Development

Wimmera CMA provides flexible working arrangements to provide a supportive and accommodating work environment that supports staff in pursuing further studies or training to enhance their skills.

Wimmera CMA is committed to providing training and support for the development of staff to meet the business objectives of the organisation.

Whole-of-organisation Training Provided

	When	Number of Participants
It's a matter of respect	14-15 September 2010	31

Employment Support Program

A professional, confidential counselling service was made available to employees during the year. The employment support program provides counselling and support to employees to manage challenges both within the workplace and outside of it.

Occupational Health and Safety

Wimmera CMA has an internal Occupational Health and Safety (OHS) Committee charged with the oversight of the Authority's health and safety policies and procedures. During the year, Wimmera CMA maintained a designated work group process to manage OHS issues across the organisation. These work groups comprise of:

- In-field contract works
- In-field monitoring
- Community engagement
- Administration and management

A representative and deputy were nominated and elected by members of their groups. These representatives form the OHS Committee for Wimmera CMA.

Wimmera CMA performance	Numbers		
	2010-11	2009-10	2008-09
Equivalent Full-time Staff	35.63	33.15	35.5
OHS Incidents	6	8	12
OHS Meetings	9	10	9
Claims under Equal Opportunity Act 1995	0	0	0
WorkCover Claims	0	0	0
Staff Trained in First Aid (Level 2)	9	0	11
Staff Trained in Workplace Fire and Emergency Control Procedure	11	2	2
Staff Trained in Fire Extinguisher, Hose Reel and Blanket Use and Operation	16	17	23
Time Lost to Injury	3	0	0

Application of Merit and Equity Principles

Wimmera CMA has a policy of advertising all vacancies and we encourage applications from suitably qualified people regardless of gender, race, ethnicity or disability. Equal opportunity principles apply. The selection process ensures that applicants are assessed fairly and equitably on the basis of key selection criteria and other accountabilities without discrimination.

Wimmera CMA recognises and values cultural diversity in our regional community and has noted the Victorian Government's direction on delivering culturally appropriate services. The Authority believes its services, including community inclusiveness, are provided in a manner in accordance with the Victorian Government's direction and are summarised below:

Industrial Relations

No days have been lost due to industrial action.

Workforce Data

Wimmera CMA employed 39 people (35.63 FTE) in 2010-11. The breakdown in staff for Wimmera CMA is as follows:

Staff Details As at 30 June 2010	2010-11	2009-10	2008-09
Total Staff	39	37	39
Staff FTE	35.63	33.15	35.5
Female Staff	20	17	18
Male Staff	19	20	21
Staff Departures	9	7	8

Diversity Reporting/Community Inclusiveness

Wimmera CMA is committed to working with relevant community members and groups in our programs and activities. Wimmera CMA has demonstrated community inclusiveness in the following areas:

Cultural Diversity

Wimmera CMA is an active supporter of the annual 'Yarrilinks' plantout weekend. This major cultural event combines food, the environment and culture. Annually, busloads of refugees from Melbourne come to the Wimmera and enjoy 'homestays' with local residents while enjoying the great outdoors and helping plant over 100,000 thousand trees as part of the combined Wimmera Plantout weekend program. Through this event multiculturalism and social inclusion provide a bridge between city and country and promotes understanding through human contact. Adult Multicultural Education Services and the Sudanese Australian Integrated Learning programs help make this event possible.

Women

Wimmera CMA recognised the role women play in natural resource management in 2010-11 by further developing the highly successful pilot program 'Chicks in the Sticks'. 'Chicks in the Sticks' was launched in 2009 to engage women specifically and celebrate their leadership and achievements made in rural Australia. The objective of the program is to raise awareness of wetland challenges and on-farm environmental management. The program recognises women as key decision makers within the family farming businesses and this forum provides a wonderful forum for women to learn, exchange ideas and to actively get involved in wetland enhancement and protection on their farms.

Indigenous Affairs

Throughout the Wimmera, and despite significant changes to the landscape through land clearing and farming, the landscape holds the imprint of many of Aboriginal people. The Wimmera landscape contains places where Aboriginal people lived; obtaining sustenance, expressing themselves artistically, passing on creation stories and cultural values, engaging in conflict, establishing alliances and social networks, trading goods, celebrating rites of passage and committing the departed to their final resting places.

With the arrival of Europeans in to the Wimmera, the nature of Aboriginal occupation and use of the land changed dramatically and different cultural heritage places were created;

Engaging with local indigenous individuals, communities and organisations is a critical element in building a comprehensive understanding of indigenous ecological knowledge needed for managing natural resources in the Wimmera Catchment region.

This year saw the successful appointment of a Wimmera CMA Indigenous Facilitator to take the lead role in relationship management and work with the engagement group to identify ways local indigenous people can actively participate in natural resource management in the region.

'Garinga Get Together', was launched in 2010 in the Grampians to continue with the development an Indigenous knowledge bank and building on the foundation of the relationship between the Wimmera CMA and the indigenous people of the region. In 2011 a second 'Garinga Get Together' was held at Nhill, and focused on identifying further opportunities of indigenous participation in Wimmera CMA programs.

'Scarred Trees to Middens' – was another forum that attracted excellent indigenous participation and the event focused on providing information about the operation of the Aboriginal Heritage Act 2006 for all land management practitioners including who is impacted, practical applications of the act Cultural Heritage Permits and Agreements along with risk management issues and sources of information. The aim of 'Scarred Trees to Middens' was to increase the knowledge of Wimmera land management practitioners of the Aboriginal Heritage Act and how it relates to their activities in a practical sense.

Young People

Wimmera CMA has a strong emphasis on youth education. Key youth engagement activities in 2010-11 included:

Wimmera Kids Conference bringing primary school children from across the catchment together to share ideas and participate in natural resource management workshops.

Program activity to improve children's understanding of natural resource management issues integrated into field days and major events.

A monitoring facilitator attended Wimmera schools running programs to educate school children about waterway health.

Students from Longerenong Agricultural College also participated in our Farm Planning modules – FarmPlan21

Other Disclosures

Victorian Industry Participation Policy

The Victorian Industry Participation Policy applies to tenders of over \$1 million in regional Victoria. During the 2010-11 reporting period, Wimmera CMA had no tenders of this size.

Consultancies

Number of major consultancies (more than \$100,000) = Nil

Number of minor consultancies (less than \$100,000) = 24

Total cost of consultancies: \$263, 322

Disclosure of Major Contracts

Wimmera CMA has not entered into any contracts valued in excess of \$19 million during 2010-2011.

Application and Operation of the Whistleblowers Protection Act 2001

The main objective of the *Whistleblowers Protection Act 2001* is to encourage and facilitate the making of disclosures of improper conduct or detrimental action by public officers and public bodies.

Further information is available from the Victorian Ombudsman's website at www.ombudsman.vic.gov.au. The protected disclosure co-ordinator for Wimmera CMA acts as an agent for the Authority to receive disclosures under the Act and applies Wimmera CMA procedures in managing disclosures. Disclosures of improper conduct by Wimmera CMA or its employees may be made to the following:

Linda Nemeth, Protected Disclosure Co-ordinator
Wimmera Catchment Management Authority
PO Box 479, Horsham Vic 3402.
Telephone: (03) 5382 1544, Facsimile: (03) 5382 6076
Email: nemethl@wcma.vic.gov.au

The Ombudsman Victoria
Level 3 (South Tower) 459 Collins St
Melbourne Vic 3000
Telephone: (03) 9613 6222 Toll Free: 1800 806 314

Wimmera CMA did not receive or make any disclosures during 2010-2011 under the *Whistleblowers Protection Act 2001*.

The Wimmera CMA's Whistleblowers Protection Policy can be found in Appendix 2 – page "Appendix 2" on page 56

Compliance with Building and Maintenance Provisions

Wimmera CMA has complied with the building and maintenance provisions of the Building Act 1993. The premises that Wimmera CMA occupy are leased.

National Competition Policy

Competitive neutrality seeks to enable fair competition between Government and private sector businesses. Any advantages or disadvantages that government business may experience, simply as a result of government ownership, should be neutralised. Wimmera CMA continues to implement and apply this principle in its business undertakings.

Application and Operation of the Freedom of Information Act 1982

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Wimmera CMA. Wimmera CMA is considered to be a 'Government Agency' under the terms of the *Freedom of Information Act 1982*. Accordingly, it is required to comply with the procedures that have been prescribed under which members of the public may gain access to information held by agencies. A decision to release information is made by an Authorised Officer.

Freedom of Information requests are made in writing describing the documents requested and including a payment of the prescribed \$24.40 application fee. Further charges may be payable.

Freedom of Information fees and charges are not subject to GST. Requests to Wimmera CMA are administered by Ms Linda Nemeth and should be sent to:

Wimmera Catchment Management Authority
PO Box 479, Horsham Vic 3402.
Telephone: (03) 5382 1544.
Principal Officer: David Scott
Authorised Officer: Linda Nemeth

Wimmera CMA's powers are drawn from the *Catchment and Land Protection Act 1994*. Wimmera CMA held and maintained the following categories of documents:

- Correspondence files
- Minutes of various meetings held by Wimmera CMA
- Technical reports and statistical information on Authority matters.

During the reporting period there were nil requests for information.

Availability of Other Information

Reports and general information can be accessed in person by attending our office at 24 Darlot St, Horsham during business hours. The Wimmera CMA's Annual Report and some key policy documents can also be accessed via our website www.wcma.vic.gov.au.

Literature can also be mailed upon request for a minimal charge. Requests for information can be requested by writing to the Chief Executive Officer, describing in as much detail as possible the nature of the document required.

Information relevant to the headings listed in Financial Reporting Direction 22B of the *Financial Management Act 1994* is held at the Wimmera CMA's office and is available upon request, subject to the *Freedom of Information Act 1982*.

Wimmera CMA has collected and collated details regarding the following information which is also available on request, subject to the *Freedom of Information Act 1982*:

- Declarations of pecuniary interests completed by all relevant officers.
- Details of shares held by a senior officer as nominee, or held beneficially in a statutory authority or subsidiary.
- Wimmera CMA publications. They can also be accessed and downloaded from www.wcma.vic.gov.au
- Details of changes in prices, fees, charges, rates and levies charged by the agency.
- Details of any major external reviews carried out on the agency.
- Details of major research and development activities undertaken by the agency.
- Details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the agency to develop community awareness of the entity and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees. Also refer to Occupational Health and Safety in this report on page "Occupational Health and Safety" on page 26
- Details on industrial relations within the agency, and details of time lost through industrial accidents and disputes. Also refer to Employment and Conduct Principles in this report on page "Employment and Conduct Principles" on page 25
- A list of the agency's major committees; the purposes of each committee; and the extent to which the purposes have been achieved. Also refer to Board Governance Committees in this report on page "Board Governance Committees" on page "Board Governance Committees" on page 24

Office-based environmental Impacts

Wimmera CMA continues efforts to improve the environmental sustainability of its operations. Improved sustainability is a core organisational goal and an internal Environmental Sustainability Team leads action to conserve energy and water and minimise waste through reduction, reuse and recycling.

After the state government review of Sustainability Victoria is completed, Wimmera CMA expects to receive further feedback from Sustainability Victoria on its Environmental Sustainability Strategy, developed through Victoria's ResourceSmart program. The strategy fulfils environmental obligations consistent with government policy and commitments. It commits Wimmera CMA to actions including the recycling of e-waste, fluorescent tubes, glass, cardboard and paper, as well as use of energy-efficient office lighting, double-sided printing and water-saving devices eg. Desert Cubes.

Sustainability audits were conducted during 2010-11 and the latest data for organisational energy, water and paper use, transportation, waste production and general recycling is highlighted below. Full-time-equivalent based indicators are adopted for monitoring and evaluation.

Energy consumption	4700 MJ/FTE/yr
Water consumption	15.2 kL/FTE/yr
Total waste production	72kg/FTE/yr
Fuel usage	3.1 kL/vehicle
Paper use	3851 sheets(A4 paper)/FTE/yr
General recycling rate	36.6% total diversion rate (FTE average)

The complete Corporate Sustainability Strategy can be found at www.cma.vic.gov.au

Risk Management Attestation

I, Karen Douglas, Chair of the Board, certify that Wimmera Catchment Management Authority has a risk management process in place consistent with the Australian/New Zealand Risk Management Standard AS/NZS ISO 31000-2009. As part of its continuous improvement process, the risk management process will be reviewed in the upcoming year. This will include improving risk management integration and risk reporting. Wimmera CMA is also reviewing its internal control and assurance systems to enable the executive to better understand, manage and satisfactorily control its risk exposure. Wimmera Catchment Management Authority verifies the risk profile of Wimmera Catchment Management Authority has been reviewed within the last 12 months.



Karen Douglas
Chairperson 15th August 2011

Financial Statements

**WIMMERA CATCHMENT MANAGEMENT AUTHORITY
FOR THE YEAR ENDED 30 JUNE 2011**

CONTENTS

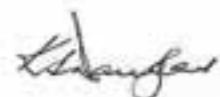
Certification to the Financial Statements
Statement of Comprehensive Income
Balance Sheet
Statement of Changes in Equity
Cash Flow Statement
Notes to and Forming Part of the Financial Statements

WIMMERA CATCHMENT MANAGEMENT AUTHORITY

We hereby certify that the attached financial statements for Wimmera Catchment Management Authority have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Australian Accounting Standards, Interpretations and other mandatory professional reporting requirements.

We further state, in our opinion, the information set out in the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to the financial statements, presents fairly the financial transactions during the year ended 30 June 2011 and the financial position of the Authority as at 30 June 2011.

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



Karen Douglas
Chairman



David Brennan
Accountable Officer



David Scott
Chief Financial Officer

Dated: August 17, 2011

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE REPORTING PERIOD ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue from operating activities			
Government Contributions			
State Government		6,116,877	5,788,028
Australian Government		2,686,460	2,371,867
Interest revenue		281,479	254,074
Other revenue		161,482	102,429
Revenue from non-operating activities			
Net gain/(loss) on Sale of Assets	3	63,146	77,392
Total Revenue		9,309,444	8,593,790
Expenses			
Administration		1,140,236	1,337,077
Consultancies		239,384	180,410
Contract Works		2,126,394	2,917,658
Depreciation	2	267,797	293,819
Operating lease rental		88,822	92,734
Project expenses		1,625,972	1,544,840
Employee benefits		3,026,469	3,038,823
Total Expenses		8,515,074	9,405,361
Net Result for the period		794,370	(811,571)
Other comprehensive income		0	0
Total comprehensive income for the period		794,370	(811,571)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

**BALANCE SHEET
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	4	6,262,145	5,395,616
Receivables	5	260,918	245,004
Prepayments		-	44,135
TOTAL CURRENT ASSETS		6,523,063	5,684,755
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	1,143,824	1,129,764
TOTAL NON-CURRENT ASSETS		1,143,824	1,129,764
TOTAL ASSETS		7,666,887	6,814,519
CURRENT LIABILITIES			
Payables	7	384,524	251,481
Employee benefits	8	268,568	366,131
TOTAL CURRENT LIABILITIES		653,092	617,612
NON-CURRENT LIABILITIES			
Employee benefits	8	143,273	120,755
TOTAL NON-CURRENT LIABILITIES		143,273	120,755
TOTAL LIABILITIES		796,365	738,367
NET ASSETS		6,870,522	6,076,152
EQUITY			
Contributed Capital	9 (a)	1,723,699	1,723,699
Accumulated Funds	9 (b)	4,227,124	3,402,195
Reserves	9 (c)	919,699	950,258
TOTAL EQUITY		6,870,522	6,076,152

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE REPORTING PERIOD ENDED 30 JUNE 2011**

	Note	Contributions by owners \$	Reserves \$	Accumulated Funds \$	Total \$
Balance at 1 July 2009		1,723,699	721,459	4,442,565	6,887,723
Total comprehensive income for the year as reported in the 2010 financial report		-	-	(811,571)	(811,571)
Transfers	9	-	228,799	(228,799)	-
Balance at 30th June 2010		1,723,699	950,258	3,402,195	6,076,152
Total comprehensive income for the period		-	-	794,370	794,370
Transfers	9	-	(30,559)	30,559	-
Balance as at 30 June 2011		1,723,699	919,699	4,227,124	6,870,522

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

**CASH FLOW STATEMENT
FOR THE REPORTING PERIOD ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash Flows from Operating Activities			
Government Contributions		8,786,426	8,482,291
Interest Received		370,746	178,350
Other Revenue		177,630	112,672
Net GST (paid)/received		394,223	608,985
Payments to Employees and Suppliers		(8,643,785)	(9,642,089)
Net Cash Provided by/(Used in) Operating Activities	10	1,085,240	(259,791)
Cash Flows from Investing Activities			
Payments for Property, Plant & Equipment		(313,324)	(290,113)
Proceeds from sale of Property, Plant & Equipment		94,613	141,865
Net Cash (used In) Investing Activities		(218,711)	(148,248)
Net Increase/(Decrease) in Cash and Cash Equivalents Held		866,529	(408,039)
Cash and cash equivalents at beginning of financial year		5,395,616	5,803,655
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	4(a)	6,262,145	5,395,616

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

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial reports of WCMA is a general purpose financial report that consists of an Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes accompanying these statements. The general purpose financial report complies with Australian Accounting Standards, Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the Financial Management Act 1994 and applicable Ministerial Directions.

This financial report has been prepared on an accrual and going concern bases.

The annual financial statements were authorised for issue by the Chief Finance Officer on 9/8/2011.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except where specifically stated.

Accounting policies

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year. Where appropriate, comparative figures have been amended to accord with current presentation and disclosure made of material changes to comparatives.

Critical accounting estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the authority's accounting policies.

(b) Revenue Recognition

Government grants and contributions are recognised as operating revenue on receipt or when the entity obtains control of the contribution and meets certain other criteria as outlined by AASB 1004.

Interest revenue is recognised as earned.

The value of all goods and services received free of charge are recognised as revenue when the Authority gains control of them. The benefit derived from these goods and services are recorded at their fair value.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

(c) Recognition and Measurement of assets

Property, plant and equipment replacement, leasehold improvements, plant, equipment, furniture and motor vehicles. Items with a cost or value in excess of \$1,000 and a useful life to the authority of more than one year are capitalised. All other assets acquired are expensed. Fixed assets are brought to account at acquisition cost or in the case of assets acquired at no cost, at a fair value determined by the Authority at the date they are acquired. The cost of fixed assets constructed by the Authority includes all direct labour and materials used in the construction together with an appropriate proportion of applicable overheads. The depreciation cost of plant, equipment, leasehold improvements and vehicles represents reasonable approximation of fair value.

Depreciation of Non-current assets

Property, plant and equipment assets having limited useful lives are systematically depreciated over their useful lives, in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on an annual basis.

Straight line depreciation is charged based on the residual useful life as determined each year. Major depreciation periods used are listed below and consistent with the prior year unless otherwise stated:

	Periods
Plant Equipment	3.5 - 10 years
Motor Vehicles	3.5 years
Leasehold Improvements	10 years

(d) Leases

Operating Lease

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Leasehold Improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is shorter. At balance date, leasehold improvements are amortised over a 10 year period.

(e) Contributions Subject to Restrictions

Wimmera Catchment Management Authority has unexpended program contributions of \$6,262,145 as at 30 June 2011 (\$5,395,616: 2010) with outstanding program commitments of \$6,262,145. Refer to note 11.

(f) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Measurement of short-term and long-term employee benefits

Short-term employee benefits are those benefits that are expected to be settled within 12 months, and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. They include wages and salaries, sick leave, annual leave, long service leave and accrued days off that are expected to be settled within 12 months.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

Long-term employee benefits are those benefits that are not expected to be settled within 12 months, and are measured at the present value of the estimated future cash outflows to be made by the Authority in respect of services provided by employees up to reporting date. They include long service leave and annual leave not expected to be settled within 12 months.

Long-term employee benefits are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Classification of employee benefits as current and non-current liabilities

Employee benefit provisions are reported as current liabilities where the Authority does not have an unconditional right to defer settlement for at least 12 months. Consequently, the current portion of the employee benefit provision can include both short-term benefits, that are measured at nominal values, and long term benefits, that are measured at present values.

Employee benefit provisions that are reported as non-current liabilities also include long-term benefits such as non vested long service leave (ie where the employee does not have a present entitlement to the benefit) that do not qualify for recognition as a current liability, and are measured at present values.

(g) Superannuation

The amount charged to the operating statement in respect of superannuation represents the contributions made by the Authority to the superannuation plan in respect to the current services of entity staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

(h) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than three months, net of bank overdrafts.

(i) Goods and Services Tax

Revenues, expenses and assets are recognised net of goods and services tax (GST), except where the amount of 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 an item of expense. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet. Cash flows arising from operating activities are disclosed in the Cash Flow Statement on a gross basis - i.e., inclusive of GST. The GST component of cash flows arising from investing and financing activities which is recoverable or payable to the taxation authority is classified as operating cash flows.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

(j) Impairment of Assets

All assets are assessed annually for indications of impairment, except for

- assets arising from employee benefits;
- non-current assets held for sale

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

(k) Contributions by Owners

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

(l) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less an allowance for impaired receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off.

(m) Financial Instruments

Recognition

Financial instruments are initially measured at fair value, plus in the case of a financial asset or financial liability not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or the issue of the financial asset or liability. Subsequently to initial recognition, the financial instruments are measured as set out below.

Loans and receivables

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

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

Impairment of financial assets

At each reporting date, the Authority assesses whether there is objective evidence that a financial instrument has been impaired.

(n) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting period. As at 30 June 2011, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2011. Wimmera Catchment Management Authority has not and does not intend to adopt these standards early.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on financial statements
AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	AASB Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. The derecognition rules have been transferred from AASB 139 financial Instruments: Recognition and Measurement and have not been changed. The group has not yet decided when to adopt AASB 9.	1 January 2013	The entity is yet to assess its full impact. However, initial indications are that it may affect the entity's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards	In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment removes the requirement for government-related entities to disclose details of all transactions with the government -related entities and clarifies and simplifies the definition of a related party.	1 January 2011	The entity will apply the amended standard from 1 July 2011. When the amendments are applied, the group will need to disclose any transactions between it subsidiaries and its associates. However, there will be no impact on any of the amounts recognised on any of the amounts recognised in the financial statements.
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Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on financial statements
AASB 2009-14 Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement	In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements.	1 January 2011	The entity does not make any such prepayments. The amendment is therefore not expected to have any impact on the entity's financial statements.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR
ENDED 30 JUNE 2011**

AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.	On 30 June 2010 the AASB officially introduced a revised differential reporting framework in Australia. Under this framework, a two-tier differential reporting regime applies to all entities that prepare general purpose financial statements	1 July 2013	The impact of this standard will depend on instructions provided by DTF on its applicability to the entity. The entity will assess its impact once DTF has provided guidance on this standard.
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's annual improvements project.	1 January 2011	These amendments are not expected to have any significant impact on the entity's disclosures.
Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on financial statements
AASB 2010-6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]	In November 2010, the AASB made amendments to AASB 7 Financial Instruments: Disclosures which introduces additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securities, lend or otherwise transfer financial assets to other parties.	1 July 2011	These amendments are not expected to have any significant impact on the entity's disclosures.

(o) Natural Resource Management Sector Reform

In the 2009/2010 Annual Report it was noted there was to be a commitment to restructure Victoria's natural resource management bodies and the associated legislation. Following a change in government, due to the November 2010 State Election, the proposed reforms will not be adopted and the alignment of Natural Resource and Catchment Authorities will not take place.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

	2011 \$	2010 \$
NOTE 2 DEPRECIATION		
Plant & Equipment	89,283	109,271
Motor Vehicles	106,240	112,274
Building Fit Out	72,274	72,274
	<u>267,797</u>	<u>293,819</u>
NOTE 3 NET GAIN (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS		
Proceeds from disposal non-current assets:		
Motor Vehicles	94,613	129,866
Plant & Equipment	0	12,000
	<u>94,613</u>	<u>141,866</u>
Less: written down value of non-current assets		
Plant & Equipment	0	8,289
Motor Vehicles	31,467	56,185
	<u>31,467</u>	<u>64,474</u>
Net gain(loss) on disposal non-current assets	<u>63,146</u>	<u>77,392</u>
NOTE 4 CASH AND CASH EQUIVALENTS		
Cash on Hand	500	500
Cash at Bank	2,082,590	1,417,936
Short Term Deposits	4,179,055	3,977,180
Total Cash and Cash Equivalents	<u>6,262,145</u>	<u>5,395,616</u>

At 30th June 2011, \$6,262,145 (2010:\$5,395,616) of the cash and cash equivalents held at balance date are committed to specific projects for which funding has been provided to the Authority. Refer note 11 for details of programs with funds committed at balance date.

(a) Reconciliation to cash at end of year

The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement, as follows:

	2011 \$	2010 \$
Balance as above	<u>6,262,145</u>	<u>5,395,616</u>

**NOTE 5 RECEIVABLES
CURRENT**

	2011 \$	2010 \$
Trade Debtors	0	35,074
Accrued Income	30,592	31,589
GST Receivable	230,326	178,341
Total Receivables	<u>260,918</u>	<u>245,004</u>

All receivables are current and expected to be fully recovered. The carrying amount approximates there fair value.

NOTE 6 PROPERTY, PLANT & EQUIPMENT

	2011 \$	2010 \$
Plant & Equipment at fair value	907,061	772,448
Less: Accumulated Depreciation	(642,994)	(553,712)
	<u>264,067</u>	<u>218,736</u>
Motor Vehicles at fair value	407,373	394,256
Less: Accumulated Depreciation	(105,813)	(133,699)
	<u>301,560</u>	<u>260,557</u>
Leasehold Improvements at fair value	722,745	722,745
Less: Accumulated Depreciation	(144,548)	(72,274)
	<u>578,197</u>	<u>650,471</u>
Total Property, plant & equipment	<u>1,143,824</u>	<u>1,129,764</u>

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and current financial year are set out below.

	Plant & Equipment	Motor Vehicles	Leasehold Improvem ents	Total
Balance at 1 July 2009	274,846	200,353	722,745	1,197,944
Additions	61,450	228,663	0	290,113
Disposals	(8,289)	(56,185)	0	(64,474)
Depreciation	(109,271)	(112,274)	(72,274)	(293,819)
Balance at 30 June 2010	<u>218,736</u>	<u>260,557</u>	<u>650,471</u>	<u>1,129,764</u>
Balance at 1 July 2010	218,736	260,557	650,471	1,129,764
Additions	134,614	178,710	-	313,324
Disposals	-	(31,467)	-	(31,467)
Depreciation	(89,283)	(106,240)	(72,274)	(267,797)
Balance at 30 June 2011	<u>264,067</u>	<u>301,560</u>	<u>578,197</u>	<u>1,143,824</u>

	2011 \$	2010 \$
NOTE 7 PAYABLES CURRENT		
Trade Creditors	252,516	158,074
Accrued Expenses	86,356	50,822
Group Tax payable	45,652	42,585
	<u>384,524</u>	<u>251,481</u>

**NOTE 8 EMPLOYEE BENEFITS
CURRENT**

Annual leave and unconditional long service leave entitlements representing more than 7 years of continuous service:		
- employee benefits expected to be settled within 12 months measured at nominal value	170,107	195,459
- employee benefits expected to be settled after 12 months measured at present value	98,461	170,672
Total Current	<u>268,568</u>	<u>366,131</u>

NON CURRENT

Conditional long service leave, measured at present value	143,273	120,755
Total Non-Current	<u>143,273</u>	<u>120,755</u>

Total Employee Benefits	<u>411,841</u>	<u>486,886</u>
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The following assumptions were adopted in measuring the present value or long service leave entitlements:

Weighted average increase in employee costs	4.60%	4.48%
Weighted average discount rates	5.28%	5.16%
Weighted average settlement period	7 yrs	12 yrs

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

	2011 \$	2010 \$
NOTE 9 EQUITY		
(a) Contributed Capital		
Total at beginning of financial year	1,723,699	1,723,699
Total at reporting date	1,723,699	1,723,699
(b) Retained Profits		
Retained Profits at the beginning of the year	3,402,195	4,442,565
Net Result for the year	794,370	(811,571)
Transfer (to) / from Reserves	30,559	(228,799)
Retained profits at the reporting date	4,227,124	3,402,195
(c) Committed Funds Reserve		
Opening balance	950,258	721,459
Transfer from/(to) retained profits	(30,559)	228,799
Total at reporting date	919,699	950,258

Reserve funds are legal obligations owed for committed projects

	2011 \$	2010 \$
NOTE 10 RECONCILIATION OF PROFIT/(LOSS) FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Net result for the period	794,370	(811,571)
Non Cash Flows in result:		
Depreciation	267,797	293,819
Loss/(Profit) on disposal of non-current Assets	(63,146)	(77,391)
Changes in Assets & Liabilities:		
Increase/(Decrease) in Payables	133,043	(171,201)
Increase/(Decrease) in Employee Benefits	(75,045)	49,082
Decrease/(Increase) in Receivables	(15,914)	315,963
Decrease/(Increase) in Prepayments	44,135	141,508
Net Cash provided by/(used in) Operating Activities	1,085,240	(259,791)

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

	2011 \$	2010 \$
NOTE 11 COMMITMENTS		
Capital commitments		
The Authority has no capital commitments (2010: nil)		
Operating lease commitments		
Not later than one year	121,286	120,854
Later than one and not later than five years	333,891	385,791
Later than five years	179,231	277,546
Total Operating Lease Liability	634,408	784,191
Contributions subject to restrictions	6,262,145	5,395,616

The Authority receives funding for specific projects. Such funding is allocated to, and must be expended on those projects. The following table displays monies held and committed at the end of the year in respect to projects currently in progress.

Funding Categories 2010/2011	Opening Balance	Amount Received	Amount Expensed	Closing Balance	Committed Funds	Uncommitted Funds
	\$	\$	\$	\$	\$	\$
Catchment Planning & Assess.	746,264	3,754,199	2,187,695	2,312,768	2,312,768	0
Engagement Program	372,660	906,574	988,829	290,405	290,405	0
Works Program	2,320,709	2,725,392	3,602,180	1,443,921	1,443,921	0
Corporate Program	1,955,983	1,954,745	1,695,677	2,215,051	2,215,051	0
Total Committed Funds	5,395,616	9,340,910	8,474,381	6,262,145	6,262,145	0

Funding Categories 2009/2010	Opening Balance	Amount Received	Amount Expensed	Closing Balance	Committed Funds	Uncommitted Funds
	\$	\$	\$	\$	\$	\$
Catchment Planning & Assess.	959,970	1,620,782	1,834,488	746,264	746,264	0
Engagement Program	626,028	1,306,185	1,559,553	372,660	372,660	0
Works Program	3,072,871	4,322,105	5,074,267	2,320,709	2,320,709	0
Corporate Program	1,144,786	1,409,192	597,995	1,955,983	1,955,983	0
Total Committed Funds	5,803,655	8,658,264	9,066,303	5,395,616	5,395,616	0

NOTE 12 CONTINGENT LIABILITIES AND ASSETS

The Authority has no contingent liabilities as at 30 June 2011 (2010: nil)

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

NOTE 13**RESPONSIBLE PERSONS AND RELATED PARTY DISCLOSURES****(a) Responsible persons**

The names of persons who were Responsible Persons at any time during the financial year were:

Responsible Minister

Wimmera CMA is established under the Catchment and Land Protection Act 1994. The responsible Ministers during the 2010/2011 reporting period were Gavin Jennings MLC, Minister for Environment and Climate Change for the period from 1 July 2010 to 1 December 2010 and Ryan Smith MP, Minister for Environment and Climate Change and Peter Walsh MLC, Minister for Water for the period from 2 December 2010 to 30 June 2011.

Governing Board

Merryn Eagle	1st July 2010 to 30th June 2011
Dennis Bell	1st July 2010 to 30th June 2011
Darryl Argall	1st July 2010 to 30th June 2011
Lynne Josephs	1st July 2010 to 30th June 2011
Karen Douglas	1st July 2010 to 30th June 2011
Vanessa Drendel	1st July 2010 to 30th June 2011
Emily Anderson	1st July 2010 to 30th June 2011
Kenneth Dowsley	1st July 2010 to 30th June 2011
Geoffrey Michell	1st July 2010 to 30th June 2011

Accountable Officer

Marc Thompson	Chief Executive Officer 1st July 2010 to 28th February 2011
Don Forsyth	Interim Chief Executive Officer 1st March 2011 to 13th June 2011
David Brennan	Chief Executive Officer 14th June 2011 to 30th June 2011

Remuneration of Responsible Persons:

Remuneration paid to Ministers is reported in the Annual Report of the Department of Premier and Cabinet.

The Number of Responsible Persons are shown in their relevant income bands:

\$0 - \$9,999	1	
\$10,000 - \$19,999	8	8
\$20,000 - \$29,999	1	1
\$50,000 - \$59,999	1	
\$120,000 - \$129,999	1	1
	12	10

Total amount Remuneration received, or due and receivable by Responsible persons amounted to:	\$ 317,731	\$ 280,790
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No other transactions with responsible persons and their related parties (2010: nil)

(b) Executive Officer's Remuneration

The number of executive officers other than Ministers and Accountable officer, whose total remuneration falls within the specified bands above \$100,000

\$100,000 - \$109,999	-	1
\$110,000 - \$119,999	2	1
\$130,000 - \$139,999	1	1

	3	3
Total remuneration	\$362,453	\$345,295

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

NOTE 14 SUPERANNUATION

The Authority contributes in respect of its employees, to the following superannuation schemes:

	Type of Scheme	Rate %	2011 \$	2010 \$
Government Superannuation Office	Defined Contributions	7.5-10.5	0	6,432
Government Superannuation Office	Accumulation Fund	9	1,822	1,446
Vision Super	Accumulation Fund	9	81,271	84,603
Other Superannuation Funds	Accumulation Fund	9	145,733	144,488
Total contributions to all funds			228,826	236,969

As at balance date there were no outstanding contributions payable to the above funds.

As at the reporting date, there were no loans to or from the Authority to any of the above funds.

The Fund's accumulation category, Vision Super, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as superannuation benefits accruing to the employees are represented by their share of the net assets of the Fund.

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32(b) of AASB 119, the Authority does not use defined benefit accounting for these contributions.

NOTE 15 FINANCIAL INSTRUMENTS

The Authority's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Authority's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Authority. The Authority uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the chief financial officer under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The main risk the Authority is exposed to through its financial instruments are as follows:

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

(a) Market Risk

Market risk is the risk that changes in market prices will affect the fair value of future cash flows of the Authority's financial instruments. Market risk comprises of foreign exchange risk, interest rate risk and other price risk. The Authority's exposure to market risk is primarily through interest rate risk, there is no exposure to foreign exchange risk and insignificant exposure to other price risks.

Objectives, policies and processes used to these risks are disclosed in the paragraphs below:

(ii) Interest Rate Risk

The Authority has minimal exposure to interest rate risk through its holding of cash assets and other financial assets.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

NOTE 15 FINANCIAL INSTRUMENTS (CONT'D)*(ii) Interest Rate Risk Cont'd*

The Authority's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating Interest Rate		Fixed Interest Rate		Non-Interest Bearing		Total Carrying Amount per Statement of Financial Position		Weighted Average Effective Interest Rate	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
(i) Financial Assets	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Cash Assets	4,179,055	1,417,936	2,082,590	3,977,180	500	500	6,262,145	5,395,616	4.92%	4.25%
Receivables-Debtors					260,918	245,004	260,918	245,004	0%	0%
(ii) Financial Liabilities										
Payables					384,524	251,481	384,524	251,481	0%	0%

The entity's exposure to interest rate risk would mainly arise from any financial assets and financial liabilities which are held to maturity and are subject to variable interest rates as their values will fluctuate according to changes in market rates.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

NOTE 15 FINANCIAL INSTRUMENTS (CONT'D)

(ii) Foreign Exchange Risk

The Authority has no exposure to changes in the foreign exchange rate.

(iii) Other Price Risk

The Authority has no significant exposure to Other Price Risk.

Market Risk Sensitivity Analysis

The following table summarises the sensitivity of the Authority's financial assets and liabilities to interest rate risk, foreign exchange risk and other price risk.

	Carrying amount \$ 30 June 11	Carrying amount \$ 30 June 10	30-Jun-11		30-Jun-10		30-Jun-11		30-Jun-10	
			-1%		-1%		+ 1%		+ 1%	
			Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$	Result \$	Equity \$
Financial assets										
Cash & Cash Equivalents	6,262,145	5,395,616	(62,621)	(62,621)	(53,956)	(53,956)	62,621	62,621	53,956	53,956
Receivables	260,918	245,004	0	0	0	0	0	0	0	0
Financial liabilities										
Payables	384,524	251,481	0	0	0	0	0	0	0	0
Total increase/(decrease)			(62,621)	(62,621)	(53,956)	(53,956)	62,621	62,621	53,956	53,956

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

NOTE 15 FINANCIAL INSTRUMENTS (CONT'D)

The Authority's maximum exposure to credit risk at balance date for each class of recognised financial assets, is the carrying amount of those assets as disclosed in the statement of financial position.

Concentrations of credit risk

In terms of its trade receivables, the Authority's customers are concentrated in Victoria, Australia. Major customers are the Victorian State Government and Victorian Public bodies. Credit risk is minimised by the large numbers of customers receiving the Authority's services. In addition the Authority's debt management procedure allow only 30 days credit from the date of invoicing and a follow-up process which will refer outstanding receivables to a debt collection agency if there is no response to reminder notices, within 21 days after the credit term. A provision for doubtful debts is raised for any debts, which are more than 120 days overdue, and there is a doubt regarding their collection.

(c) Liquidity Risk

The Authority manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

(d) Fair Valuation

The carrying value of trade receivables and payables is a reasonable approximation of their fair values due to their short-term nature.

	2011 \$	2010 \$
NOTE 16 Remuneration of Auditor-General		
Amounts received or due and receivable, by the auditor for auditing the accounts of the Authority	7,950	7,600

NOTE 17 Events occurring after the balance sheet date

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the Authority in future financial years.

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Wimmera Catchment Management Authority

The Financial Report

The accompanying financial report for the year ended 30 June 2011 of Wimmera Catchment Management Authority which comprises the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification of the financial statements has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of the Wimmera Catchment Management Authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

Independence

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

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Wimmera Catchment Management Authority as at 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Wimmera Catchment Management Authority for the year ended 30 June 2011 included both in the Wimmera Catchment Management Authority's annual report and on the website. The Board Members of the Wimmera Catchment Management Authority are responsible for the integrity of the Wimmera Catchment Management Authority's website. I have not been engaged to report on the integrity of the Wimmera Catchment Management Authority's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
19 August 2011

T. D. H.
for
D D R Pearson
Auditor-General

Appendices

Appendix 1

Disclosure Index

Report of operations

Legislation	Requirement	Page
Charter and purpose		
FRD 22B	Manner of establishment and the responsible Ministers	4
FRD 22B	Objectives, functions, powers and duties	4
FRD 22B	Nature and range of services provided	5
Management and structure		
FRD 22B	Organisational structure	22
Financial and other information		
FRD 10	Disclosure index	54
FRD 12A	Disclosure of major contracts	27
FRD 22B, SD 4.2(k)	Operational and budgetary objectives and performance against objectives	7-13
FRD 22B	Employment and conduct principles	25
FRD 22B	Occupational health and safety policy	26
FRD 22B	Summary of the financial results for the year	21
FRD 22B	Significant changes in financial position during the year	21
FRD 22B	Major changes or factors affecting performance	21
FRD 22B	Subsequent events	21
FRD 22B	Application and operation of <i>Freedom of Information Act 1982</i>	28
FRD 22B	Compliance with building and maintenance provisions of Building Act 1993	28
FRD 22B	Statement on National Competition Policy	28
FRD 22B	Application and operation of the <i>Whistleblowers Protection Act 2001</i>	27
FRD 22B	Details of consultancies over \$100,000	27
FRD 22B	Details of consultancies under \$100,000	27
FRD 22B	Statement of availability of other information	28
FRD 24C	Reporting of office-based environmental impacts	29
FRD 25	Victorian Industry Participation Policy disclosures	27
SD 4.5.5	Risk management compliance attestation	29
SD 4.2(g)	General information requirements	5
SD 4.2(j)	Sign-off requirements	30

Financial statements

Legislation	Requirement	Page
Financial statements required under Part 7 of the FMA		
SD 4.2(a)	Statement of changes in equity	33
SD 4.2(b)	Statement of comprehensive income	31
SD 4.2(b)	Balance sheet	32
SD 4.2(b)	Cash flow statement	34
Other requirements under Standing Direction 4.2		
SD 4.2(a)	Compliance with Australian accounting standards and other authoritative pronouncements	35
SD 4.2(a)	Statement of Compliance	30,35
SD 4.2(d)	Rounding of amounts	35
SD 4.2(c)	Accountable officer's declaration	30
Other disclosures as required by FRDs in notes to the financial statements		
FRD 21A	Responsible person and executive officer disclosures	46
FRD 103D	Non-current physical assets	36
FRD 104	Foreign currency	50
FRD 106	Impairment of assets	38
FRD 110	Cash flow statements	34
FRD 112B	Defined benefit superannuation obligations	47
FRD 114A	Financial Instruments – general government entities and public non-financial corporations	47
FRD 119	Contributions by owners	38
Legislation		
	<i>Freedom of Information Act 1982</i>	28
	<i>Building Act 1983</i>	28
	<i>Whistleblowers Protection Act 2001</i>	27
	<i>Victorian Industry Participation Policy Act 2003</i>	27
	<i>Financial Management Act 1994</i>	30
	<i>Multicultural Victoria Act 2004</i>	25

Appendix 2

Wimmera CMA Whistleblowers Policy

THE PURPOSE OF THESE PROCEDURES

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by the Wimmera CMA or its employees. The system enables such disclosures to be made to the protected disclosure co-ordinator or to one of the nominated protected disclosure officers. Disclosures may be made by employees or by members of the public.

These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

INTRODUCTION AND OBJECTIVES

The Whistleblowers Protection Act 2001 commenced operation on 1 January 2002. The main objective of the Whistleblowers Protection Act 2001 (the Act) is to encourage and facilitate the making of disclosures of improper conduct or detrimental action by public officers and public bodies. The Act provides protection to whistleblowers that make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and for rectifying action to be taken.

STATEMENT OF SUPPORT TO WHISTLEBLOWERS

Wimmera CMA does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct. The Authority is committed to the aims and objectives of the Whistleblowers Protection Act 2001 (the Act).

Wimmera CMA recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

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

DEFINITIONS OF KEY TERMS

Three key concepts in the reporting system are improper conduct, corrupt conduct and detrimental action. Definitions of these terms are set out below.

Public Bodies include:

All Government Departments and administrative offices; Statutory Authorities; Municipal Councils; Government-appointed Boards and Committees; Government-owned companies; Universities; TAFE Colleges; Public Hospitals; State-funded Residential Care Services; Health Services contractors; and Correctional Services contractors.

Public Officers include:

Members of Parliament; Councillors; Council employees; Public Servants; University employees; Police Officers; Protective Services Officers; Administrative Staff of the Chief Commissioner of Police; Teachers; and Office holders appointed by Governor in Council or a Minister.

Improper Conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Corrupt Conduct

Corrupt conduct means: Conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer's or public body's functions; the performance of a public officer's functions dishonestly or with inappropriate partiality; conduct of a public officer, former public officer or a public body that amounts to a breach of public trust; conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions; or a conspiracy or attempt to engage in the above conduct.

Detrimental Action

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes: action causing injury, loss or damage; intimidation or harassment; and discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

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