The Murrumbidgee CMA has made an electronic copy of this report available online at www.murrumbidgee.cma.nsw.gov.au. This allows fewer copies to be printed, keeping production costs to a minimum.

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Compiled by the Murrumbidgee CMA Media and Communications Unit, Wagga Wagga.
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Introduction

OUR VISION

Our vision is a healthy and productive Murrumbidgee catchment and its communities working together – Yindyamarra (Yindyamarra from the Wiradjuri language means to be gentle, be polite, to honour and respect, to do carefully).

We are achieving our vision through engaging the community in implementing on-ground natural resource management works.

This approach integrates the management of environmental assets and the economic, social and cultural wellbeing of the community within the catchment.

OUR MISSION

Our mission is to work with the community to better manage our natural assets and improve the environmental, economic and social outcomes for our catchment.

OUR VALUES

· Trust
· Honesty
· Respect
· Loyalty
· Flexibility

OUR PRINCIPLES

· Integration
· Accountability
· Transparency
· Learning approach
· Teamwork
· Professionalism
FROM THE CHAIR

Throughout the 2011-12 financial year, the Murrumbidgee CMA has worked to consolidate the achievements of past years to move forward with strategically driven goals and targets for the future.

At the centre of this is the development of the next Murrumbidgee Catchment Action Plan (CAP) which will establish the Murrumbidgee CMA’s priority areas of activity for the next ten years. To this end, the Murrumbidgee CMA has engaged in an inclusive, information driven and transparent process which has involved over 250 community members (through 14 Resilience Workshops run across the catchment) and over 300 stakeholder group members (through 29 stakeholder meetings). We have worked to give every interested resident of the Murrumbidgee catchment the opportunity to provide input into the process and content of the plan.

The next generation Murrumbidgee CAP (which will be released early in 2013) will reflect the changes in our environment, our communities and our knowledge which have occurred since the first CAP was published in 2008. It will focus natural resource management (NRM) in our catchment through the lens of resilience thinking. We hope it will be embraced by the catchment community, who have contributed to its development, as their plan.

Through contact with the media, awareness-raising events and the production of various written materials, Murrumbidgee CMA has continued to engage the community and keep them informed. We have maintained our commitment to the Aboriginal people of the Murrumbidgee catchment through support of the Murrumbidgee Traditional Custodians Group, as well as the production of 1000 DVDs and associated booklets titled “Farmers and Aboriginals – Sharing our Heritage”. The Murrumbidgee CMA has also worked with the NSW Office of Environment and Heritage to prepare the Murrumbidgee Cultural Watering Plan 2011-2013, and we are involved in an ongoing program to manage the Cultural Access Licence for the delivery of cultural water to the Aboriginal community. The Murrumbidgee CMA is also developing an Aboriginal and Torres Strait Islander Employment Strategy (AES), a draft of which has now been prepared.

It is my pleasure to present the Murrumbidgee CMA 2011-12 Annual Report, which has in our custom been compiled through consultation with the Board, Senior Management, specialist staff and various stakeholders in order to most accurately describe our business and our operational outputs and outcomes of the past year.

Sadly, Greg Bugden, who was our highly and warmly regarded General Manager, passed away suddenly in late 2011. The loss of Greg was a blow to the organisation for many reasons, and it is a testament to the professionalism and commitment of our staff, and the leadership of our management team that we were able to continue with business as usual. In May 2012, John Francis stepped permanently into the role of General Manager, in which he had been acting since Greg first became ill.

We continue to strive for best management practice, using the best science available and maintaining our close links to the community in order to provide a comprehensive range of NRM programs and projects with an eye to delivering sustainable environmental, economic and community benefits across the Murrumbidgee catchment.

Sulari Goonetilleke
Acting Chair
Murrumbidgee Catchment Management Authority
Dear Minister

2011-12 Annual Report for the Murrumbidgee Catchment Management Authority (CMA)

I have great pleasure in submitting the Murrumbidgee CMA Annual Report for presentation to the News South Wales Parliament for the period 1 July 2011 to 30 June 2012.

The year to 30 June 2012 was the eighth year of operation for the Murrumbidgee CMA, and saw the successful delivery of natural resource management projects in partnership with local landholders, councils, community organisations and government departments.

This report has been prepared in accordance with section 17 of the Catchment Management Authorities Act 2003, and the Annual Reports (Statutory Bodies) Act 1984 and Annual Reports (Statutory Bodies) Regulation 2000.

Yours sincerely

Sulari Goonetilleke
Acting Chair
Murrumbidgee Catchment Management Authority
The Murrumbidgee Catchment Management Authority (CMA) engaged with a broad spectrum of the catchment community during the 2011-12 financial year.

As part of the conservation farming program, landholders were provided with a simple property management plan which identified the broad land management units for their farm where different best management practices are required to deliver healthy and resilient landscapes. In total, 206 plans were developed covering more than 300,000 hectares and the spatial layers used in this program will also be used as part of the Murrumbidgee CAP upgrade.

Murrumbidgee CMA continues to employ best science and with the biodiversity corridors program the modelling was developed at a finer scale of twenty-five metre pixels to capture paddock trees and identify connectivity potential in a fragmented landscape. The improved models and layers are being used by the ACT government to inform connectivity prioritisation modelling within the territory and are now being used to extend corridors across the surrounding area of the Murrumbidgee catchment.

Implementation of the Lower Murrumbidgee Floodplain NRM Plan continued with the Murrumbidgee CMA partnering with the Nari Nari Tribal Council to protect significant Aboriginal cultural sites from destruction through fencing and strategic revegetation. As part of this project, three Green Team employees carried out the on-ground works and completed a Certificate II in Conservation and Land Management.

Another aspect of the Lower Murrumbidgee Floodplain NRM Plan was implemented by protecting 2,644 hectares of High Conservation Value Aquatic Ecosystems. Environmental flows and natural high flow events will now be complemented with land management to ensure that environmental outcomes are maximised such as maintaining wetland vegetation to support bird breeding events.

In another important realm of NRM, the Pest Animal Management Strategy (PAMS) is being developed. Locally relevant literature was reviewed and compiled with spatial data to link landholders to information regarding pest animal management and to guide future Murrumbidgee CMA investment.

A component of the project is to provide training workshops for land managers that included information on identification and control techniques. Murrumbidgee CMA collaborated with Livestock Health and Pest Authorities and Landcare groups to deliver four workshops across the catchment area.

I believe the business and operational outputs and outcomes demonstrated in this year’s report will assist the Murrumbidgee CMA to achieve better environmental, social and economic outcomes across the Murrumbidgee catchment and promote stronger partnerships with all stakeholders into the future.

John Francis
General Manager
Murrumbidgee Catchment Management Authority
**Performance at a Glance**

<table>
<thead>
<tr>
<th>Activity</th>
<th>2004-2011</th>
<th>2011-12</th>
<th>TOTAL</th>
<th>CAP Target (2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wetlands improved and rehabilitated (ha)</td>
<td>1,631</td>
<td>990</td>
<td>2,621</td>
<td>2,200</td>
</tr>
<tr>
<td>Creeks and river bank improved and rehabilitated (km's)</td>
<td>1,458</td>
<td>63</td>
<td>1,521</td>
<td>1,500</td>
</tr>
<tr>
<td>Native vegetation improved and rehabilitated (ha)</td>
<td>41,831</td>
<td>4,220</td>
<td>46,051</td>
<td>150,000</td>
</tr>
<tr>
<td>Community events and support activities</td>
<td>1,194</td>
<td>130</td>
<td>1,324</td>
<td>N/A</td>
</tr>
<tr>
<td>People attending events, workshops</td>
<td>11,302</td>
<td>2,693</td>
<td>13,995</td>
<td>300 farms</td>
</tr>
</tbody>
</table>

**State-wide Target**

<table>
<thead>
<tr>
<th>Activity</th>
<th>2011-12 Actual full year expenditure $000 (rounded)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Biodiversity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State-wide target 1 – By 2015 there is an increase in native vegetation extent and an improvement in native vegetation condition</td>
<td>3428</td>
<td>29%</td>
</tr>
<tr>
<td>State-wide target 2 – By 2015 there is an increase in the number of sustainable populations of a range of native fauna species</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>State-wide target 3 – By 2015 there is an increase in the recovery of threatened species, populations and ecological communities</td>
<td>139</td>
<td>1%</td>
</tr>
<tr>
<td>State-wide target 4 – By 2015 there is a reduction in the impact of invasive species</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Biodiversity</strong></td>
<td></td>
<td>3567</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State-wide target 5 – By 2015 there is an improvement in the condition of riverine ecosystems</td>
<td>3249</td>
<td>27%</td>
</tr>
<tr>
<td>State-wide target 6 – By 2015 there is an improvement in the ability of groundwater systems to support groundwater-dependent ecosystems and designated beneficial users</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>State-wide target 7 – By 2015 there is no decline in the condition of marine waters and ecosystems</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>State-wide target 8 – By 2015 there is an improvement in the condition of important wetlands, and the extent of those wetlands is maintained</td>
<td>260</td>
<td>3%</td>
</tr>
<tr>
<td>State-wide target 9 – By 2015 there is an improvement in the condition of estuaries and coastal lake ecosystems</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Water</strong></td>
<td></td>
<td>3509</td>
</tr>
<tr>
<td><strong>Land</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State-wide target 10 – By 2015 there is an improvement in soil condition</td>
<td>1585</td>
<td>13%</td>
</tr>
<tr>
<td>State-wide target 11 – By 2015 there is an increase in the area of land that is managed within its capability</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Land</strong></td>
<td></td>
<td>1585</td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State-wide target 12 – Natural resource decisions contribute to improving or maintaining economic sustainability and social well-being</td>
<td>2553</td>
<td>22%</td>
</tr>
<tr>
<td>State-wide target 13 – There is an increase in the capacity of natural resource managers to contribute to regionally relevant natural resource management</td>
<td>606</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total Community</strong></td>
<td></td>
<td>3159</td>
</tr>
<tr>
<td><strong>Total - State Wide Targets</strong></td>
<td></td>
<td>11820</td>
</tr>
</tbody>
</table>
Murrumbidgee Catchment Management Authority

MANAGING OUR FINANCES

Where the NRM investment funding comes from

Murrumbidgee CMA received $12,185,840 in funding from the NSW and Australian Governments in 2011-12.

Other income including interest contributed 9.5% to the total amount of funds for the 2011-12 period.

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW Government - Catchment Action NSW</td>
<td>$ 1,835,867</td>
</tr>
<tr>
<td>NSW Government - Catchment Action NSW (Land &amp; Water Management Plans)</td>
<td>$ 993,699</td>
</tr>
<tr>
<td>NSW Government - Catchment Action NSW Recurrent</td>
<td>$ 3,762,000</td>
</tr>
<tr>
<td>Australian Government - Caring For Our Country</td>
<td>$ 4,115,000</td>
</tr>
<tr>
<td>Other Income including Interest</td>
<td>$ 1,479,274</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$12,185,840</td>
</tr>
</tbody>
</table>

Where the NRM investment funding goes

The greatest percentage of expenditure (58%) was invested directly in project implementation.

<table>
<thead>
<tr>
<th>Expense Distribution</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Implementation</td>
<td>$ 6,820,081</td>
<td>58%</td>
</tr>
<tr>
<td>Training</td>
<td>$ 1,976,348</td>
<td>17%</td>
</tr>
<tr>
<td>Administration &amp; Operating</td>
<td>$ 740,013</td>
<td>6%</td>
</tr>
<tr>
<td>Monitoring, Evaluation, Reporting &amp; Improvement</td>
<td>$ 2,283,821</td>
<td>19%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$11,820,263</td>
<td>100%</td>
</tr>
</tbody>
</table>
Building on the success of previous years, there were substantial on-ground achievements made in 2011-12.

As a result of strong community engagement, the Murrumbidgee CMA has made significant headway in achieving the targets set in the Murrumbidgee CAP.

During 2011-12, the Murrumbidgee CMA funded 30% of total expenditure in delivering programs that protect and improve the biodiversity of the catchment and restore a balance to the catchment’s ecosystems. This included the delivery of the Climate Change Corridors project which prioritised Expressions of Interest received from landholders through the use of Site and Catchment Resource Planning and Assessment (SCaRPA), a spatially based decision support tool. SCaRPA is a business system that enables the user to assess projects through a robust, auditable and transferable reporting process. In addition to SCaRPA, the Landscape Corridors Connectivity (LCC) Tool, decision support technology developed through the 2008-09 Caring for Our Country competitive project Ecosystems=Murray Mouth to Mountains Climate Change Corridors (E=M³C³), was used in the prioritisation and assessment process. This built upon the valuable previous work undertaken in the E=M³C³ project. The continued development of SCaRPA through the 2009-10 and 2010-11 investment programs ensured that the Climate Change Corridors project was using the best available science and the most current information to make informed decisions regarding biodiversity funding across the catchment.

One of the highlights of 2011-12 was building the capacity of land managers to make better land management decisions, enabling them to adopt improved management practices and increase the area of land that is managed within its capability. 13% of the Murrumbidgee CMA’s 2011-12 funding allocation was spent on delivering outcomes against the Murrumbidgee CAP Land Asset. This included the development and delivery of the Conservation Farming project, which for the first time included the preparation and delivery of Property Management Plans (PMPs) for landholders. PMPs provide an opportunity for case officers and landholders to discuss strategies to deal with a range of land management issues. In particular, opportunities regarding management according to land capability and how these simple overarching principles could be applied to Murrumbidgee CMA funding to ensure an integrated land management approach was implemented to achieve the greatest NRM outcomes possible across the property.

The Murrumbidgee Irrigation Limited and Coleambally Irrigation Cooperative Limited Land and Water Management Plans continued to be implemented by the irrigation corporations. This ensured that Murrumbidgee CAP targets WMT 5: Manage Salt Sinks and LMT 5: Irrigation Land and Water Management Plans were undertaken, with the state-wide outcomes of an improvement in the condition of riverine ecosystems and an improvement in soil condition being achieved.

Creek and river rehabilitation continued to be a significant area of investment, with 30% of total funds being invested across the catchment against the Murrumbidgee CAP Water Asset. This was achieved predominantly through the Climate Change Corridors project where several landholders were successful in obtaining incentives, through the Expression of Interest, SCaRPA prioritisation and Property Vegetation Plan negotiation process. This resulted in landholders protecting and enhancing streambanks using native riparian vegetation for bank stabilisation and runoff filtration as well as managing wetlands to improve their condition and ecological character.

The Murrumbidgee CMA Community Partnerships program was run for its third year in 2011-12. This small grants program (up to $20,000 per grant) devolved funds to a range of local community groups across the catchment. This enabled the Murrumbidgee CMA to foster partnerships with Landcare and other sections of the community to encourage NRM practices that are consistent with the Murrumbidgee CAP. Other projects that contributed to
Murrumbidgee Catchment Management Authority

the expenditure of 27% of the Murrumbidgee CMA’s funding on activities to achieve outcomes against the Murrumbidgee CAP’s Community Asset included the “Farmers – Aboriginals, Sharing our Heritage” DVD which promoted the successful Balranald Inc. Indigenous Cultural Site Mapping Project, a partnership between the Murrumbidgee CMA, Balranald Inc., the Aboriginal community in Balranald, Lower Murrumbidgee Floodplain landholders, NSW Office of Environment and Heritage (OEH) and NSW TAFE. This project also engaged local Aboriginal communities and utilised traditional ecological knowledge in the development and delivery of the project.

<table>
<thead>
<tr>
<th>Investment Area</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodiversity</td>
<td>$ 3,566,972</td>
<td>30%</td>
</tr>
<tr>
<td>Water</td>
<td>$ 3,508,987</td>
<td>30%</td>
</tr>
<tr>
<td>Land</td>
<td>$ 1,584,747</td>
<td>13%</td>
</tr>
<tr>
<td>Community</td>
<td>$ 3,159,557</td>
<td>27%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 11,820,263</td>
<td>100%</td>
</tr>
</tbody>
</table>
ABOUT US

*With the support of our partners, we are educating and assisting communities to improve the management of natural resources.*

Our History

The Murrumbidgee CMA was one of 13 Catchment Management Authorities established by the NSW Government in 2004 under the *Catchment Management Authorities Act 2003.*

The way in which the Murrumbidgee CMA undertakes its role has been guided by the NSW Government’s *Standard for Quality Natural Resource Management (2005)* and *Recommendations State-wide Resource Condition Targets (2005).*

Our Role

The specific functions of the Murrumbidgee CMA, as described in section 15 of the *Catchment Management Authorities Act 2003,* are to:

- develop the *Murrumbidgee Catchment Action Plan (CAP)* and to give effect to this plan through annual implementation programs
- provide loans, grants, subsidies or other financial assistance for the purposes of the catchment activities it is authorised to fund
- enter into contracts or do any work for the purposes of the catchment activities it is authorised to carry out
- assist landholders to further the objectives of the Murrumbidgee CAP (including providing information about native vegetation)
- provide educational training courses and materials in connection with natural resource management
- exercise any other function relating to natural resource management as is prescribed by the regulations

Our Approach

The Murrumbidgee CMA is a team of highly skilled specialists in vegetation and landscape management. We rely on our dedicated staff, strong community partnerships and a well designed strategic approach to protect and improve the management of our ecologically diverse catchment.

As a statutory organisation we are the primary vehicle for the delivery of investment by the NSW and Australian Governments for strategic on-ground activities to achieve better outcomes for native vegetation, biodiversity, land and rivers.

The Murrumbidgee CMA has collaboratively developed the Murrumbidgee CAP which reflects how the broader community wants the catchment’s natural resources to be managed.

Our Work

We are working with the community to achieve the community’s targets set out in the Murrumbidgee CAP. The Murrumbidgee CMA is ensuring the protection and sustainable development of the environment through on-ground projects relating to:

- planting and protecting native vegetation
- managing water quality in creeks and rivers
- improving biodiversity
Murrumbidgee
Catchment Management Authority

- improving soil health
- raising awareness of Aboriginal cultural heritage
- supporting Landcare, agribusiness, industry and local government

Our Partners

Our partners are the individuals, communities and organisations that share a common goal for promoting the management of the catchment’s natural resources.

Clients

- rural landholders and managers with whom we negotiate on-ground natural resource works
- people of the Murrumbidgee catchment, including Aboriginal people
- local governments of the catchment with whom we negotiate on-ground natural resource works and collaborate on natural resource planning
- Landcare networks and groups within the catchment who we support for projects, communication, capacity building and natural resource funding submissions
- community participants in project liaison committees

Stakeholders

- rural landholders and managers
- Landcare members
- Aboriginal people
- local governments
- funding partners, including NSW Government and Australian Government
- NSW Natural Resources Commission
- agribusiness and related industry and corporate service providers
- Murrumbidgee catchment community – urban and rural
- contractors delivering Murrumbidgee CMA projects
- universities, research organisations and other providers of up-to-date knowledge
- related government agencies
- local members and Ministers at the State and Federal level
- NSW Catchment Management Authorities
- environmental groups
- media
- the wider Australian public

Our Strategic Direction

We are monitoring the implementation of the Strategic Plan. Key performance indicators will be reviewed by the Board during the coming year with a view to developing a new Strategic Plan during 2013.
2011-12 marked the commencement of the Murrumbidgee CMA’s development of the next generation Murrumbidgee Catchment Action Plan – CAP 2013

CAP 2013 is a ten-year strategic regional plan for improving the health, productivity and resilience of our landscape. All CMA’s across New South Wales are upgrading their Catchment Action Plans as a response to new knowledge, evolving policy and community values, and emerging issues such as climate change.

Healthy and Resilient Murrumbidgee Landscapes

In developing CAP 2013, the planning approach adopted by the Murrumbidgee CMA is based on a “long view”, as expressed by our Aboriginal communities. This means that our vision for CAP 2013 is for “Healthy and Resilient Murrumbidgee Landscapes” over the long term and across generations.

The Murrumbidgee CMA is working closely with community members, stakeholders, the Aboriginal community and government agencies to obtain information to develop the Murrumbidgee CAP 2013 draft plan which will be available for public comment toward the end of 2012.

Engaging the Murrumbidgee Catchment Community

In the latter half of 2011-12, members of the community were invited to share their views on the issues affecting their landscapes through fourteen community workshops, twenty-nine stakeholder meetings and participation in social media, online surveys and calls to the hotline.

The feedback received from the engagement process was collated and made available on the Murrumbidgee CMA website for community validation and comment. The material was then used to identify six catchment-wide themes (listed below) which the community and stakeholders consider to be the critical elements of a healthy and resilient Murrumbidgee Landscape.

Catchment Themes

- Healthy and Sustainable Productive Landscapes
- Diverse and Functional Natural Environments
- Viable and Resilient Communities
- Well Managed Aquatic Environments
- Landscapes and Enterprises Adaptive to Change
- Connecting People and Landscapes

A New Catchment Design

As part of the process of identifying socio-ecological landscapes within the Murrumbidgee catchment, a new design of the area was presented to the community for feedback and comment.

The new design divides the catchment into ten Landscapes (see map below) which were derived from the analysis of boundaries relevant to delivering natural resource management outcomes including biophysical, social, demographic and agricultural boundaries.

The community validated the new design by identifying with their Landscape and recognising how their own area stood out as unique. This endorsement confirmed the value of using these ten Landscapes in CAP 2013 to better align NRM targets with community needs.
A Systems Approach to Creating Resilient Landscapes

To understand how the Landscapes, shown above, need to be managed so that they can continue to function and provide for the communities that rely on them, the main systems operating across the catchment needed to be identified and systems understood. By identifying these systems, the Murrumbidgee CMA and community are better able to understand how our Landscapes work and where and how we can best intervene to keep them operating effectively.

The six systems identified are as follows:

1. Irrigation System
2. Community Capacity System
3. Rangelands System
4. Grasslands and Woodlands System
5. Mixed Farming System
6. Riverine System

In the first quarter of 2012-13 the Murrumbidgee CMA will guide sessions with technical panels across the catchment to work through the extent to which the six systems can withstand shocks and retain structure and function.

In October 2012, a draft Murrumbidgee CAP will be available for public comment. Once complete, CAP 2013 will be reviewed by the NRC before being recommended for approval by the Minister for Primary Industries, Katrina Hodgkinson.
Murrumbidgee Catchment Management Authority

THE BIG PICTURE

Australian Government

NSW State Government

Funding, priorities for natural resource management activities, reporting requirements, financial auditing

Murrumbidgee CMA

State-wide targets, auditing against the NSW Standard for Quality NRM

Knowledge providers (researchers, agencies, private sector, land managers, Landcare etc)

Up to date knowledge for planning, implementing and evaluating NRM works

Landcare

Planning assistance, on-ground works, support for NRM funding applications and activity

Local Government

Land management support, on-ground works, support for NRM funding applications and activity

Private Land Managers

NRM funding, planning & on-ground works support

Land & Water Management Plans Coleambally Irrigation & Murrumbidgee Irrigation

Information sharing, communication, provision of NRM solutions to client needs

Agribusiness

Community support, training, communication, strategic planning, support for NRM funding applications & on-ground works

Aboriginal Communities

Information sharing, communication, meeting training needs

Education Sector

Information sharing, communication, meeting training needs

Urban Communities

Support to urban Landcare & community groups for NRM funding applications & on-ground works, support local government for on-ground works
Corporate Governance

The Murrumbidgee CMA’s framework for good corporate governance is central to the organisation’s accountability and responsibility to all stakeholders.

This framework for governance revolves around adequate internal and external reporting processes, measuring and monitoring performance, demonstrating integrity and transparency in decision making and being accountable for these decisions.

The Murrumbidgee CMA operates within the provisions of the *Catchment Management Authorities Act 2003*.

The Board

The Murrumbidgee CMA Board is responsible for providing overall strategic direction to the Murrumbidgee CMA, as well as ensuring that the performance of management is regularly assessed.

The Board oversees the integrity of financial accounts and reporting and monitoring compliance with regulatory, legal and ethical standards.

The Board has an important role in building stakeholder and community relations.

Together, Board members provide a range of experience, skills and knowledge in community engagement, primary production, biodiversity conservation, cultural heritage, business administration and corporate governance.

Board appointments are for a three-year term and the appointment process is conducted by the Minister for Primary Industries, Katrina Hodgkinson, in accordance with the NSW Premier’s Department *Guidelines for NSW Board and Committee Members: Appointments and Remuneration*.

Board Structure

The Murrumbidgee CMA Board consists of seven members, including the Chair. Board members are required to complete Corporate Governance Training, and demonstrate eligibility for membership of the Australian Institute of Company Directors, or an equivalent body.
Lee O’Brien
Chair
Appointed 11 February 2004 – 31 December 2011
Lee has a Bachelor of Education (Technical) degree. In partnership with his wife Hetty, Lee owns and operates a sheep and dryland cropping farm at Henty in the southern part of the mid-Murrumbidgee catchment. He has a strong interest in Landcare, profitable - sustainable farming systems and integrated natural resource management.

Lee has been a member of the Alma Park/Pleasant Hills Landcare Group over the past sixteen years and was formerly an executive committee member of the Eastern Riverina Landcare Network.

Committees:
NSW NRM Senior Officers’ Group
E.H. Graham Centre Industry Advisory Committee
Murray-Darling Freshwater Research Centre Advisory Committee
Murrumbidgee CMA Finance and Audit Committee
Murrumbidgee CMA Risk Management & Governance Committee

Sulari Goonetilleke
Board Member
Appointed 10 March 2008
Acting Chair 1 January 2012 to 30 June 2012

Sulari resides, works and owns a property in West Batlow, where she and her husband run a Trufferie. With a Bachelor of Science, honours in Law and a Graduate Diploma in Legal Practice, Sulari started her career as a legal advisor and later worked as a corporate lawyer. She is now a writer with a number of published novels to her name. Sulari was an original member of the Catchment Management Board for the Murrumbidgee and assisted in the development of the Murrumbidgee Catchment Blueprint.

Committees:
Murrumbidgee CMA Risk Management and Governance Committee (Chairman)

Sue Bulger
Board Member
17 February 2009 to 31 December 2011
Reappointed 14 March 2012

Sue is a Wiradjuri woman, born in Gundagai and raised at the Brungle Mission. With 30 years of teaching experience, Sue is currently employed as a casual primary school teacher and at Riverina TAFE. Sue is an active member of the Tumut community, and has been a Councillor at Tumut Shire Council for the past eleven years and has been actively involved with the Tumut Shire Youth Council for seven years. She is passionate about youth, education, and Indigenous issues, and is dedicated to promoting opportunity for Aboriginal people to reconnect with ‘Country’ and further their education in Cultural Heritage. Sue believes understanding and applying the values of Cultural Heritage in the landscape will help maintain a sustainable catchment for the future.

Committees:
Council Delegate for Tumut Shire Youth Council
Tumut Shire Council Aboriginal Liaison Committee
Murrumbidgee CMA Risk Management and Governance Committee
JOE BURNS
Board Member
Appointed 5 June 2005

Joe is a Certified Practising Accountant and a Justice of the Peace. He previously worked for the NSW Department of Land and Water Conservation and has a deep interest and wide experience in natural resource and environmental management issues.

Joe is an associate of the Society of Certified Practicing Accountants. He has 34 years experience specialising in the preparation of Annual Financial Statements and annual budgets.

Joe was Mayor of the Leeton Shire Council for nearly ten years and was a Councillor for over eighteen years. He is also Deputy Chair of the Riverina Regional Development Australia Board.

Committees:
Riverina Regional Development Australia Board (Deputy Chair)
Murrumbidgee CMA Finance and Audit Committee (Chair)

GEOFFREY CHAPMAN
Board Member
Appointed 10 March 2008

Geoff, together with his wife Jill and family, own and operate a 8,200 ha pastoral property south of Hay. Geoff is a member of the Finance and Audit Committee. Geoff has lived in the Hay area for over 25 years and has a keen interest in all aspects of natural resource management. He is an active contributor to local community, Landcare and farmer industry associations.

Geoff brings to the Board an appreciation of landholder and community expectations of vegetation, water and biodiversity management.

Committees:
Murrumbidgee CMA Finance and Audit Committee (Member)

MIKE SCHULTZ
Board Member
5 May 2004 to 24 October 2011

Mike is an ecologist based in Leeton and has over twenty years experience as a primary producer in horticulture. He owns and operates Riverina Wildflowers Native Nursery, and Riverina Birding, an ecotourism company.

For the past 18 years Mike has worked in the areas of biodiversity conservation and catchment management, having been a member of the NSW Native Vegetation Advisory Council, NSW Resource and Conservation Assessment Council, Murrumbidgee Regulated River Management Committee, and the Murrumbidgee and Lachlan Groundwater Management Committees. Through his interest and involvement in waterbird research and wetland management, he has authored and co-authored a number of articles, technical reports, and publications in these fields.

Committees:
DEWHA Water Recovery and Environmental Use Reference Panel
Fivebough and Tuckerbil Wetlands Trust (Chair)
Murrumbidgee River Environmental Water Reference Group (Chair)
Murrumbidgee CMA Risk Management and Governance Committee (Chair)
DICK THOMPSON
Board Member
5 May 2004 to 24 October 2011

Dick owns and operates a broad acre irrigation farm at Hanwood producing rice, winter cereals and prime lambs. Dick was elected to the initial Irrigators Board in 1989 and was formerly Chair of Murrumbidgee Irrigation Limited, a position which he held for over 10 years. Dick is currently the Chairman of the Southern Agventure.

Committees:
Murray Darling Basin Community Committee (Member)
Murrumbidgee CMA Risk Management and Governance Committee (Member)

Board Meetings
The Murrumbidgee CMA Board held 10 scheduled meetings at various locations throughout the Murrumbidgee catchment in the 2011-12 reporting period. Members receive detailed briefings on key issues from senior management and staff throughout the year.

The Murrumbidgee CMA General Manager attends all meetings. Minutes are taken to record all Board decisions.

Board Meetings attendance record:

<table>
<thead>
<tr>
<th>Name</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lee O’Brien</td>
<td>5 of 10</td>
</tr>
<tr>
<td>Dick Thompson</td>
<td>4 of 10</td>
</tr>
<tr>
<td>Geoff Chapman</td>
<td>8 of 10</td>
</tr>
<tr>
<td>Joe Burns</td>
<td>9 of 10</td>
</tr>
<tr>
<td>Mike Schultz</td>
<td>3 of 10</td>
</tr>
<tr>
<td>Sue Bulger</td>
<td>7 of 10</td>
</tr>
<tr>
<td>Sulari Goonetilleke</td>
<td>10 of 10</td>
</tr>
</tbody>
</table>

Key Board Actions 2011-12
- Provided strategic direction for the Catchment Action Plan review and upgrade
- Monitoring of the Murrumbidgee CMA Corporate Strategic Plan
- Monitoring of the Operational Plan of the Murrumbidgee CMA Corporate Strategic Plan
- Lodged Investment Proposal for Caring for our Country 2012-13
- Lodged Investment Program for Catchment Action NSW 2012-13
- Reviewed and approved the Murrumbidgee CMA Media Strategy

Major Board Events 2011-12
- Board/Staff Workshop - inspected bird breeding event in Lowbidgee
- Attended the launch of the “What Have We Got Here?” DVD, an initiative of the Murray Darling Association and Burrumbuttock Public School, which was launched by well known identity Dick Smith
- Community Partnerships 2011-12 launched, Wagga Wagga
- Presentation to winners of the “2011 Bidgee Behind the Lens” Photographic Competition
Two committees assist the Murrumbidgee CMA with corporate governance functions. Each committee operates under approved terms of reference and is chaired by a Board member. Minutes of each meeting and recommendations are presented to the Board for consideration.

**Finance and Audit Committee**
The Finance and Audit Committee is responsible for ensuring the Murrumbidgee CMA’s corporate governance responsibilities, financial and administrative accountabilities are met. These responsibilities and accountabilities relate to financial planning, management and control processes. The Committee plays a major role in ensuring accounting policies and principles are implemented in accordance with the stated financial reporting framework. The Committee also regularly monitors project performance using a traffic light system so that agreed actions can be effected early through project managers to ensure project success.

**Finance and Audit Committee 2011-12 Attendance**
- Lee O’Brien: 2 of 4
- Geoff Chapman: 4 of 4
- Joe Burns: 4 of 4
- Michael Dunn (Program Manager – Investment): 3 of 4
- Wayne Maybury (Business Manager – Finance): 4 of 4
- Tim Sides (Catchment Coordinator) - support: 2 of 4

**Risk Management and Governance Committee**
The primary purpose of the Risk Management and Governance Committee is to ensure that the Murrumbidgee CMA’s corporate risk management and governance responsibilities are met. This is achieved by ensuring appropriate systems are in place to assess key strategic and operational risks to the Murrumbidgee CMA, and by maintaining the controls needed to manage these risks.

Key tasks during 2011-12 have been:
- To continue Board induction requirements against the CMA’s Corporate Governance Manual provided by the State government in November 2010
- To review the Terms of Reference and prepare a rolling work plan
- To undertake and respond to an internal Governance audit.
- To prepare a statutory compliance register.

**Risk Management and Governance Committee 2011/12 Attendance**
- Sulari Goonetilleke: 4 of 4
- Dick Thompson: 1 of 4
- Lee O’Brien: 3 of 4
- Mike Schultz: 0 of 4
- Sue Bulger: 2 of 4
- Lilian Parker (Program Manager – Landscapes): 4 of 4
- Marcus Wright (Catchment Coordinator) - support: 4 of 4
Murrumbidgee
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Management Team

The Murrumbidgee CMA Management Team is comprised of a skilled group of experienced professionals committed to achieving our corporate and strategic objectives.

Led by General Manager, John Francis, the Management Team has four managers who oversee the implementation of projects and business operations.

GENERAL MANAGER
John Francis
B.App.Sc (Agric); Grad.Cert.Mgt

The General Manager is responsible for the day-to-day operations of the Murrumbidgee CMA and reports to the Board. It is the responsibility of the General Manager to ensure the Murrumbidgee CMA achieves its mission and financial objectives by:

- Leading and managing operations through efficient and effective use of human, information and financial resources
- Developing, reviewing and implementing operational policies, strategies and plans
- Providing strategic, business, technical and policy advice to the Board and supporting the Board’s governance and advisory roles
- Maintaining and developing partnerships with stakeholders including the local community, private sector and all levels of government

PROGRAM MANAGER
Landscapes
Lilian Parker
B.Sc (Australian Environmental Studies); Grad. Dip Arts (Library and Information Science).

The Program Manager, Landscapes is responsible for staff and programs related to developing sustainable landscapes within a production-conservation oriented environment. The Landscapes unit is responsible for:

- Working closely with Landcare and the community to engage them in NRM activities
- Connecting with the Aboriginal community to promote understanding and awareness of traditional ecological knowledge
- Delivering environmental stewardship programs for the ongoing management of endangered ecological vegetation communities using tender based incentive programs
- Management, conservation and rehabilitation of riverbank, wetland and flood plains including a focus on significant wetlands
- Promoting sustainable agriculture in the wheat-sheep belt and sustainable grazing of the riverine plains and shrublands
- Working with industry including the major irrigation corporations to assist them with natural resource management outcomes
- Liaising with and fostering partnerships with local government and the community to achieve the targets set in the Murrumbidgee CAP
PROGRAM MANAGER (Acting)
Sustainable Ecosystems
John Franklin
B.Sc, M App Sci (Rural Development)

The Program Manager, Sustainable Ecosystems is responsible for staff, programs and projects to develop more resilient ecosystems at the regional scale. The program area includes the following activities:

- Strategic planning including the Murrumbidgee CAP and the Corporate Strategic Plan
- Monitoring evaluation and reporting of all programs, projects and organisational performance
- Program implementation – in the eastern half of the catchment
- Implementation of the Native Vegetation Act. In particular, the provision of advice on the Act and negotiation of Property Vegetation Plans with landholders.
- Delivery of legislative responsibilities under the Native Vegetation Act and other government policies and legislation
- Engagement of stakeholders in the eastern half of the catchment including partnership programs with Landcare, Local Government, community groups and Aboriginal people

PROGRAM MANAGER
Investment
Michael Dunn
Dip.App.Sc (Agriculture); Grad. Cert. Management Communications

The Program Manager, Investment and his team are responsible for facilitating the development and implementation of Murrumbidgee CMA Investment Strategies and providing support to management and staff. This includes a range of investment programs for implementation, the procurement of external services to undertake projects and the development of communication products for projects to acknowledge investors and properly involve the community and other stakeholders.

Projects are implemented throughout the year with set contract budgets and milestones, reviewed on a monthly and/or quarterly basis by the team. Auditing of each project contract is undertaken through either internal or external audits. The team is responsible for seeking, brokering and developing additional funding opportunities with stakeholders and other investors to implement the Murrumbidgee CAP. The team also coordinates the reporting of milestones and financials to major investors including the Australian Government and the NSW Government.

The engagement of Aboriginal communities in NRM is a particular activity of the team, overseeing specific projects, working groups and supporting the Murrumbidgee Traditional Custodians Group, and increasing awareness of traditional ecological knowledge.
Murrumbidgee
Catchment Management Authority

BUSINESS MANAGER
Finance
Wayne Maybury
Acct.Cert; Grad.Cert.Pr.Acct

The Business Manager and his team are responsible for providing financial and administrative support services to the Murrumbidgee CMA. The team manages the delivery of outsourced support services from Department of Finance and Services, (formerly Department of Services, Technology and Administration) and the Department of Trade and Investment, Regional Infrastructure and Services, (formerly within the Department of Environment, Climate Change and Water).

The team is responsible for the preparation of forward estimates and budgets, management reporting and preparation of statutory and funding body reports and audits. The team also undertakes the development and implementation of administrative procedures, records management, facilities management, assets, motor vehicles, staff establishment and recruitment issues.

Several team members have been trained as super-users to provide first level support and training in Objective records management and SAP accounting software applications used by the Murrumbidgee CMA.
‘Linking patches to create corridors’
The Murrumbidgee CMA continues to undertake a broad range of activities that aim to protect and improve the biodiversity of the catchment and restore a balance to the catchment’s ecosystems.

The Climate Change Corridors Project drew a good response from landholders with 157 expressions of interest received. These expressions of interest were prioritised through the use of SCaRPA. In addition to SCaRPA, the LCC Tool was used in the prioritisation and assessment process, building upon the valuable previous work undertaken in the E=M3C3 project, with a total of 41 PVPs approved, including 2 PVPs which will run in perpetuity. From the initial workshops through to the development of the PVPs, this project has proved to have a positive impact on the community with regards to education and extension on native vegetation management and biodiversity.

The Conservation Farming Project was developed to deliver training and incentives to landholders across the Murrumbidgee catchment to implement conservation farming strategies to manage land according to capability. This included management of threats to biodiversity and delivering on-ground works that protected and enhanced biodiversity.

Murrumbidgee Catchment Action Plan resource condition targets:

- **BRCT 1:** By 2016 an increase in the area of terrestrial native vegetation classes of the Murrumbidgee catchment managed for biodiversity
- **BRCT 2:** By 2016 selected threatened species, populations and ecological communities (for both terrestrial and aquatic ecosystems) will be managed for biodiversity conservation
- **BRCT 3:** By 2016 the distribution of priority environmental pest animals within the Murrumbidgee catchment will be restricted using a coordinated approach
- **BRCT 4:** By 2016 high priority areas affected by priority environmental weeds, including feral native plant species, will be treated within the Murrumbidgee catchment using a coordinated approach

State Plan E4 targets:

- **Target 1:** By 2015 there is an increase in native vegetation extent and an improvement in native vegetation condition
- **Target 2:** By 2015 there is an increase in the number of sustainable populations of a range of native fauna species
- **Target 3:** By 2015 there is an increase in the recovery of threatened species, populations and ecological communities
- **Target 4:** By 2015 there is a reduction in the impact of invasive species

NSW 2021 targets:

- **Goal 22**
  Protect our Natural Environment
  Protect and restore priority land, vegetation and water habitats
  Identify and seek to acquire land of high conservation and strategic conservation value, for permanent conservation measures
  Establish voluntary arrangements with landowners over the next decade to bring
  - an average 20,000 hectares per year of private land under conservation management
  - an average 300,000 hectares per year of private land being improved for sustainable management
Caring for Our Country targets:
- increase native habitat
- reducing the impacts of rabbits
- reducing the impacts of weeds

Achievements of the Biodiversity Program

<table>
<thead>
<tr>
<th>Biodiversity Programs</th>
<th>Area of terrestrial native vegetation improved/rehabilitated</th>
<th>3,107 ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native vegetation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protecting flora and fauna</td>
<td>Area protected by fencing specifically for significant species or ecological community protection</td>
<td>6,028 ha</td>
</tr>
<tr>
<td>Managing invasive species</td>
<td>Area of pest plant control measures implemented</td>
<td>3,883 ha</td>
</tr>
</tbody>
</table>
CASE STUDY – Biodiversity

“Restoring biodiversity across the landscape”

The Climate Change Corridors (CCC) project was developed to increase the resilience of our landscapes to threats such as climate change. This was achieved by developing an extensive corridor network to improve regional connectivity across riverine and ridgeline areas at a sub-catchment scale within the Murrumbidgee catchment. Connectivity was established by:

1. Linking native vegetation corridors including rivers and wetlands with newly planted native vegetation.
2. Protecting and enhancing existing native vegetation and wetlands through environmental stewardship and improved land management.

The CCC project exceeded expectations as a biodiversity focused program to encompass 14 condition targets across the four CAP assets of community, biodiversity, water and land.

Much interest was expressed after the announcement of the project, indicating that landholders are particularly interested in restoring biodiversity across the landscape. Implementing prioritisation through SCaRPA, a total of 157 applications to this project resulted in the need to evaluate and prioritise proposals according to landscape linkages and connectivity gains.

Prioritisation rank was allocated based on the level of connectivity value to native vegetation and riparian/wetland systems. To ensure that all landholders had an opportunity to participate, proposals evaluated as containing less connectivity value were offered opportunities through the Conservation Farming program. The selection of proposals identified as priority investment areas now form part of an increasingly extensive corridor network. A total of 39 PVPs were approved to run for the duration of 10 to 15 years, while two PVPs which protect 435.49 ha of remnant native vegetation will run for perpetuity.

In recognition of the success of this project, the connectivity principles and prioritisation process have been adopted by the ACT Government in a new project supported through the Australian Government’s Clean Energy Future Biodiversity Fund. Entitled **Building Restored Resilient Landscapes in the ACT & Greater Goorooyarroo**, this is a cross border joint partner project between the ACT Government, the Murrumbidgee CMA and Greening Australia.

**Location**
The Murrumbidgee catchment

**Significant achievements**

- 39 voluntary incentive PVPs aimed at increasing the resilience of Murrumbidgee landscapes.
- 6,363 ha of improved connectivity between riverine and ridgeline areas at a sub-catchment scale within the Murrumbidgee catchment.
- 3,756 ha of existing native vegetation and 2,187 ha of wetland communities protected through environmental stewardship.
- 420 ha of native vegetation protected and improved by fencing and strategic species replanting.
- 3 fact sheets produced to raise awareness of connectivity in the landscape, impact of water weeds and the importance of wetlands.

**Funding**
Australian Government’s Caring for Our Country Program
‘Local steps leading to regional change’

The Murrumbidgee CMA recognise that achieving natural resource outcomes across the catchment can only be achieved by listening to local communities, improving their knowledge and skills and partnering with them to implement priority actions.

The development of a catchment wide Pest Animal Management Strategy (PAMS) has been coordinated by the Murrumbidgee CMA. Community partners including the Livestock Health and Pest Authority (LHPA), Department of Primary Industries (DPI), Invasive Animals Cooperative Research Centre (CRC) and local groups identified the pest species across the catchment and appropriate control measures.

Small ‘grass roots’ organisations have been able to implement projects by accessing Community Partnership Program funding with twenty-three community projects funded in 2011-12. A successful project originating on the Western Plains was the use of a direct seeder for large scale restoration of rangeland shrubby ecosystems.

Successful Aboriginal projects were completed in Hay and Balranald with participants achieving the Certificate II in Conservation and Land Management from NSW TAFE and progressing to further employment in related industries.


Landholders have continued to move towards more sustainable land management practices through PVPs, with more than 1,230 PVP agreements now active in the Murrumbidgee catchment.

**Murrumbidgee Catchment Action Plan resource condition targets:**

- **CRCT 1:** By 2016 the effectiveness of the Murrumbidgee CMA’s engagement and collaboration with identified key stakeholders is addressed
- **CRCT 2:** By 2016 increase the engagement of Aboriginal people in NRM and increase the wider communities understanding of Indigenous values in NRM
- **CRCT 3:** By 2016 Catchment Action Plan targets are integrated in the planning frameworks and operations of all levels of government and other key stakeholders
- **CRCT 4:** By 2016 an improvement in community capacity to deliver NRM outcomes is achieved by increasing skills, knowledge and adoption of NRM activities as measured by monitoring of behaviour and subject to annual review

**State Plan E4 targets:**

- **Target 12:** Natural resource decisions contribute to improving or maintaining economic sustainability and social wellbeing
- **Target 13:** There is an increase in the capability of natural resource managers to contribute to regionally relevant NRM

**NSW 2021 targets:**

- **Goal 23**
  Increase opportunities for people to look after their own neighbourhoods and environments
  Increase the devolution of decision making, funding and control to groups and individuals for local environmental and community activities, including:
Murrumbidgee
Catchment Management Authority

- Catchment Management
- Landcare
  Minimise impacts of climate change in local communities

- **Goal 24**
  Make it easier for people to be involved in their communities
  Increase the proportion of the NSW population involved in volunteering, to exceed the national average by 2016
  Increase the proportion of the NSW population involved in local community organisations, to exceed the national average by 2016

- **Goal 26**
  Fostering Opportunity and Partnership with Aboriginal People
  Support Aboriginal Culture, Country and Identity
  Increase access for people to learn Aboriginal languages
  Increase the number of hectares of public lands that Aboriginal people are actively involved in managing
  Increase the number of Aboriginal culturally significant objects and places protected

- **Goal 28**
  Ensure NSW is ready to deal with major emergencies and natural disasters
  Maintain preparedness to deal with biosecurity threats

- **Goal 32**
  Increase opportunities for people to participate in local government decision making

**Caring for Our Country targets:**

- increasing community knowledge and skills
- increasing participation in natural resource management
- engaging Aboriginal communities
- utilising traditional ecological knowledge

**Achievements of the Community Program**

<table>
<thead>
<tr>
<th>Community Asset</th>
<th>Community engagement</th>
<th>Community group projects supported through Community Partnerships project funding</th>
<th>Landholder agreements on title</th>
<th>Conservation covenants or other agreements attached to title (negotiated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community events and support activities</td>
<td>130</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>People attending events, workshops</td>
<td>2,693</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landholder agreements on title</td>
<td></td>
<td></td>
<td>30</td>
<td></td>
</tr>
</tbody>
</table>

27
The beauty and diversity of the Murrumbidgee catchment was captured in images submitted for the annual ‘Bidgee from Behind the Lens’ Photographic Competition

The theme for this year’s competition was ‘Beyond the Drought’, celebrating the native plants, animals and wetlands that have returned and thrived after the floods.

Entries increased in 2011 by 30%, with a record 275 entries received over eight categories.

The photographic competition aims to raise awareness about biodiversity, water, land and our local communities including land managers, Landcare, Aboriginal people, local government and industry, who all contribute to addressing natural resource issues in the Murrumbidgee catchment.

According to the independent judges, the quality of the entries was exceptional and were received from all areas of the catchment from Hay to Cooma.

Winning photographs were showcased at various locations and events throughout the Murrumbidgee catchment from August 2011 to May 2012, including the Henty Machinery Field Days and were also featured in the Murrumbidgee CMA 2012 calendar.

The Bidgee from Behind the Lens 2011 Photographic Competition was supported by the Australian and NSW Governments, Murrumbidgee Irrigation Limited and Kosciuszko2Coast.

| Bidgee Behind the Lens Photographic Competition Entries |
|-------------|------|
| 2009        | 141  |
| 2010        | 192  |
| 2011        | 275  |
Field Days

HENTY MACHINERY FIELD DAYS - 20 TO 22 SEPTEMBER 2011

Representatives from Murrumbidgee CMA, Murray CMA and Lachlan CMA joined forces to host a combined display at the Henty Machinery Field Days.

Located in the Landcare Centre, the CMAs provided information and advice on issues such as conservation farming, soil health, endangered species, and this year, pest animal management.

The Invasive Animals Co-operative Research Centre generated much interest especially from young children and families with a taxidermy display which included a fox, rabbit and Indian Mynah birds. As part of the community consultation for the PAMS, Murrumbidgee CMA staff completed pest animal surveys with landholders in the Murrumbidgee catchment over the three days.

“What Have We Got Here?” a DVD produced by the Murray Darling Association and Burrimbuttock Public School, was launched by well known identity Dick Smith. The DVD was developed as part of the 2011 Creative Catchment Kids program and was created by students from Henty, Yerong Creek, Pleasant Hills and Culcairn to explain the importance of the Box-gum Grassy Woodlands.

MURRUMBATEMAN FIELD DAYS - 15 AND 16 OCTOBER 2011

Murrumbidgee CMA staff provided landholders with the opportunity to discuss NRM issues at the 2011 Murrumbateman Field Days on 15 and 16 October.

Many interested landholders perused the information available from the combined stall of Murrumbidgee CMA, Murrumbateman Landcare, Murrumbidgee Landcare Inc, Yass Landcare Group, Taylors Creek Landcare Group and Gearys Gap/Wamboin.

Landholders could access hands-on current best practice and had the opportunity to discuss property management plans for their property. There was also information and advice available on sustainable land management.

A generous donation from the Yass Area Network of Landcare Groups allowed local Landcare groups to print brochures, picture postcards, aerial photographs and information pamphlets for interested visitors to the site. Many people also admired the plant cuttings taken by Gearys Gap/Wamboin and some lucky people took cuttings home to strike in their own gardens.

As part of the community consultation for the PAMS, Murrumbidgee CMA staff completed pest animal surveys with landholders in the Murrumbidgee catchment over the two days and a number of local landholders took the opportunity to sign up for a Property Management Plan.
Murrumbidgee
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FARMERS – ABORIGINALS SHARING OUR HERITAGE DVD

The Lowbidgee Aboriginal Cultural Heritage Mapping Project was a partnership between the Murrumbidgee CMA and community group Balranald Inc located within the Balranald Shire, which lies at the junction of the Sturt Highway and the Murrumbidgee River.

The eight minute DVD “Farmer - Aboriginals, Sharing our Heritage” tells the story of the project, the sites identified and the building relationships between the land holders and the local Aboriginal participants.

The Project commenced with four Aboriginal participants in January 2011, and completed with three participants at the end of September 2011.

The participants completed training in modules from Certificate II Conservation and Land Management, first aid, chemical users training, safe motorbike handling, plant identification and other NRM courses (conducted in Hay and Balranald by TAFE).

Besides the recording and GPS mapping of these sites, a number of additional benefits were also gained from the project. Not only did the Aboriginal participants develop new skills through on-ground experience and training, they gained new found confidence and self-esteem, along with mutual respect while developing relationships with the landholders and their local community.

The Lowbidgee Aboriginal Cultural Heritage Mapping Project and the “Farmer - Aboriginals, Sharing our Heritage DVD” was funded by the Australian Government’s Caring for Our Country program and the Murrumbidgee CMA.

Scan to view the video
CASE STUDY - Community

‘Filling the gaps in native vegetation corridors’

**Project title:** Landcare Linking Biodiversity – Murrumbateman Landcare Group

This project identified missing links with the mosaic of existing remnants and revegetated areas and worked on improving the resilience of the local area. It involved local landholders in the project and equipped them with the knowledge and skills to undertake revegetation activities.

**Locations**

Murrumbateman - Mundoonen Ranges to Picaree Hill

**Significant achievements**

- 46 landholders engaged with the project
- 5,000+ ha of land covered
- Propagated and distributed over 3,000 tubestock
- Five field days held
- 500 colour pamphlets outlining the project were printed and distributed to landholders and landcare groups
- Assisted two landholders to successfully apply for CFoC Communities in Landscapes funding for revegetation and connectivity projects
- Priority mapping of the project area
- Strategic plan for sustainable land management and biodiversity connectivity for the region
- Increase in the capacity of the Murrumbateman Landcare Nursery to produce tubestock

**Funding**

Catchment Action NSW and Australian Government’s CFoC Program

Murrumbidgee CMA Community Partnerships Project

**In collaboration with**

Yass Valley Council, NSW DPI, and the Commonwealth Scientific and Industrial Research Organisation (CSIRO)
CASE STUDY- Community

‘Creating a model urban learning centre’

Project title: Hampden Bridge Pre School Interactive Learning Garden

Hampden Bridge Day Care Centre was awarded Community Partnerships Program funding to develop and maintain an interactive garden of locally native plants and wetland species. The garden provides a unique learning environment for the young children to experience at close range the uniqueness of local plants and ecology.

The program is enriched by the Traditional Custodians among the schools clientele who bring a wealth of experience and traditional techniques and uses of local plants, including the Wiradjuri language and stories.

Location:
Hampden Bridge Day Care Centre is located in the Wagga suburb of Wiradjuri

Funding:
Catchment Action NSW and Australian Government’s CFoC Program
Murrumbidgee CMA Community Partnerships Project

In collaboration with:
Hampden Bridge Day Care Centre
LAND PROGRAM

‘Improving Landscape Health through Integrated Projects’

The Murrumbidgee CMA Land Program essentially includes all projects and activities with a focus on maintaining the Land Natural Resource Asset.

Our priority in focussing on this asset is to maintain and improve the asset base as it underpins the sustainability of all productive and environmental outcomes across the catchment. The Land Program also heavily influences water quality issues via erosion and turbidity and therefore suitability for downstream users and uses.

Achievements:

- Development and delivery of PMPs as a foundation for engaging with landholders interested in participating in projects with the Murrumbidgee CMA in 2011-12
- Delivering 206 PMPs covering 360,172 hectares
- Design and development of a specific Murrumbidgee Conservation Farming Course recognising there was a gap in what was previously offered by training providers through existing courses
- Building staff capacity in being able to ‘read the landscape’ through both internal training courses/field days and attendance at the Murrumbidgee Conservation Farming Course
- Utilising increased “reading the landscape” capacity to deliver the project and more fully engage landholders in designing the best NRM outcomes for their specific needs
- Incorporating specific soil health measurement, including follow up monitoring, in order to be able to quantify improved soil health as a result of better land management practice
- Integrating the Soil Carbon Training collaborative project with NSW DPI and other CMAs in with our Conservation Farming landholders to increase the capacity of our Conservation Farming landholders to understand soil health and soil carbon and better participate in a soil carbon trading market in the future
- 2,360 hectares of land better managed according to its capability through provision of management fencing
- 11 drought lot feeding facilities constructed
- 13,195 hectares of land treated for soil erosion through exclusion fencing implemented
- 13,934 hectares of land managed for more sustainable grazing
- Auditing of flood damage to riparian areas across priority sub-catchments in the Murrumbidgee
- Collaborative planning with utility providers, NRM agencies and community stakeholders to plan for better catchment management in potable water catchments around the ACT via the "Actions for a Clean Water for ACT" project
- Design and plan structural erosion control earthworks program for priority point source erosion sites in the upper and mid Murrumbidgee catchments
- Introductory Conservation Farming Course - all staff will increase their land management capacity via attending this training in 2012-13
Landholders will also attend the Conservation Farming training in 2012-13 so staff and our clients can all have the same capacity and language about Conservation Farming issues.

**Murrumbidgee Catchment Management Authority**

- Landholders will also attend the Conservation Farming training in 2012-13 so staff and our clients can all have the same capacity and language about Conservation Farming issues

**Murrumbidgee Catchment Action Plan resource condition targets:**

- **LRCT 1:** Support sustainable farming enterprises by improving soil health indicators
- **LRCT 2:** Improved water use efficiency within cropping systems
- **LRCT 3:** Reduce the extent of dryland salinity and outbreaks
- **LRCT 4:** Increase the perennial content in both grazing systems and the pasture phase of farming systems

**State Plan E4 targets:**

- **Target 10:** By 2015 there is an improvement in soil condition
- **Target 11:** By 2015 there is an increase of the area of land that is managed within its capability

**NSW 2021 targets:**

- **Goal 3**
  - Drive Economic Growth in Regional NSW agricultural land and improve agricultural productivity
    - Strategic land use plans completed within set timeframes
    - Improved productivity on NSW farms

**Caring for Our Country targets:**

- improving land management practices
- increasing landscape scale conservation
- improving knowledge and skills of land managers

**Achievements of the Land Program**

<table>
<thead>
<tr>
<th>Land</th>
<th>Soil management</th>
<th>Area of soil treatment for other than erosion or acid sulphate soils</th>
<th>9,849 ha</th>
</tr>
</thead>
</table>
CASE STUDY – Land

‘Best practice helping to improve farming enterprise’

Project Title: Conservation Farming

The Conservation Farming Project assists land managers in maintaining and improving the natural resources on which productivity, their business and the environment depend.

The project supports basic planning and training as well as providing a range of incentives to assist landholders to implement the most appropriate land management practices which best suit their property.

This best practice approach ensures land is used within the land’s capability therefore limiting the potential for soil loss and degradation due to erosion. It also maintains and improves soil health, makes the environment and farming enterprises more resilient to variable climate and ensures we are all playing our part in looking after the natural resources on which the whole community depends.

The Conservation Farming Project supports the “conservation of natural resource base upon which agriculture depends” using a three tiered approach – planning, training and incentives.

Participating landholders received a PMP which breaks the landscape into land management units at farm scale and identifies constraints to agriculture for each unit.

The PMP is a useful engagement tool developed for the landholder based on land capability (eight class system), native vegetation layer (Using NSW OEH Vegetation Layer), riparian/drainage layer (3rd order streams) and Saline Discharge sites (Murrumbidgee salinity project) and utilise multi criteria analysis (MCAS) data and NSW OEH support.

Site assessments validate the mapping in delivering the project and best management practices developed in collaboration with industry and external consultant assistance.

The Conservation Farming Training Course has been developed specifically by the Murrumbidgee CMA by an industry based training provider.

Group training activities were offered to landholder groups and networks as well as the land management training courses available to individuals.

The Conservation Farming Project supported landholders to undertake the following activities, delivered via PVP contracts with individual landholders:

- Contribution towards new fencing which creates paddocks based on land management units as mapped in the PMP
- Contribution towards new fencing to manage environmentally sensitive areas such as creeks and rivers or badly eroded sites
- Contribution towards the cost of alternative watering points where fencing of creeks or rivers has changed stock access to previous watering points
- Revegetation of environmentally sensitive areas such as salt scalds and eroded areas
- Contribution towards the construction of Drought Lot Feeding Facilities for better ground cover management during drought
Murrumbidgee
Catchment Management Authority

- Cost of soil health testing to enable improvements in soil carbon, soil nutrient balance and soil biology to be measured over time

**Significant achievements**
- 206 PMPs covering a total area of 360,172 hectares. The delivery of this output therefore has the potential to improve land managed according to its capability on 360,172 hectares of the Murrumbidgee catchment
- All Murrumbidgee CMA operational staff attended “Reading the Landscape” training to increase their capacity to be able to explain and utilise the PMPs and associated best management practices to landholders. This will result in an increased capacity to facilitate land management according to its capability in subsequent engagement with landholders undertaking projects
- PMPs have been highlighted at the major field days in the Murrumbidgee at Henty and Murrumbateman and landholders were given the opportunity to have a PMP developed for their properties
- Murrumbidgee CMA Conservation Farming Training Course was developed and two workshops have been run

**Funding**
Catchment Action NSW and Australian Government’s CFoC Program

**In collaboration with**
NSW OEH, Training providers; both NSW DPI and private industry based, landholders and landholder networks.
‘The Mighty Bidgee in Action’

The Murrumbidgee River again flexed her muscle in late summer 2012, the second large flood in 18 months. This second flood was a sound follow-up to the floods of late 2010, at least for the rivers and floodplain ecology. However, many towns and landholders are still cleaning up after what has been a dramatic turn around in the catchment’s hydrology.

A cornerstone of the Australian Government’s Caring for Our Country business plan, and a key priority of the Murrumbidgee CMA is the health of the Lower Murrumbidgee Floodplain. More than 1,600ha of the Lower Murrumbidgee Floodplain was covered in new PVPs during 2011-12. These contracts will see an improvement in the condition and ecosystem function of sites integral to the health of the lower Murrumbidgee.

The Murrumbidgee CMA and its funding partners have continued their investment in on farm irrigation infrastructure in 2011-12. This program is funded by the Australian Government’s Water for the Future program, and supported by a local consortium led by the Rice Growers Association of Australia. The Murrumbidgee CMA is particularly optimistic that future rounds of this program and programs like it will be implemented in the Murrumbidgee.

Environmental water operation continues to be a big interest for many of the local community, especially in the Lower and Mid Murrumbidgee wetlands complex, between Narrandera and Hay. The portfolio of water which operates in that part of the regulated river is increasingly diverse, and decision making around dam releases is a complicated and important process as a result. The Murrumbidgee CMA continues to work with those decision makers and to support their work with technical environmental water information and tools, and farm scale incentive packages for managers of wetlands on farms. New water sharing instruments such as NSW Water Sharing Plans and the Murray Darling Basin Plan are a critical part of the future of this process, and the Murrumbidgee CMA is committed to maximising the opportunities which exist in these processes.

In stream structures and stream bank stabilisation have again featured in the investment portfolio of the Murrumbidgee CMA. Rivers in the Upper Murrumbidgee and the Riverina Highlands have again been the focus of in-stream works to stabilise stream banks to reduce sediment loads to the Murrumbidgee in targeted parts of those landscapes.

Aboriginal people in the Murrumbidgee have enjoyed access to the Murrumbidgee Cultural Access License in a new model in 2011-12. For the first time, the Murrumbidgee CMA met fixed fees and charges for the extractive license, enabling more Aboriginal people to access and use water for teaching traditional technologies, practices and ceremonies. This model is unique in NSW and continues to be a flagship of innovation and new ways to reconnect Aboriginal people to their Country, and to build skills for their critical role as NRM practitioners in the Murrumbidgee.

**Murrumbidgee Catchment Action Plan resource condition targets:**

- **WRCT 1:** By 2016 predicted annual average suspended sediment levels in the Murrumbidgee River are reduced by 15%
- **WRCT 2:** By 2016 river salinity at Balranald is less than 245 EC for 50% of the time and less than 320 EC for 80% of the time
- **WRCT 4:** By 2016 the extent (hectares), diversity, condition and connectivity of inland aquatic systems is increased

**State Plan E4 targets:**

- **Target 5:** By 2015 there is an improvement in the condition of riverine ecosystems
Murrumbidgee
Catchment Management Authority

NSW 2021 targets:

- **Goal 21**
  Secure Potable Water Supplies
- **Goal 22**
  Protect our Natural Environment
  Protect and restore priority land, vegetation and water habitats
  Improve the environmental health of wetlands and catchments through actively managing water for the environment by 2021

Caring for our Country targets:

- protecting Ramsar wetlands
- protecting high conservation value aquatic ecosystems

Achievements of the Water Program

<table>
<thead>
<tr>
<th>Water</th>
<th>Riparian areas</th>
<th>Area of riparian native vegetation improved/rehabilitated</th>
<th>63 km</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wetlands</td>
<td></td>
<td>Area of wetland native vegetation improved/rehabilitated</td>
<td>990ha</td>
</tr>
</tbody>
</table>
**“New Life for Traditional Practices”**

The Murrumbidgee Traditional Custodians Cultural Access Licence (CAL)

Each year the Regulated Murrumbidgee River Water Sharing Plan makes 2,150ML of high security extractive entitlement available to the Aboriginal people of the Murrumbidgee. During 2011-12, the Murrumbidgee CMA took the advice of the Murrumbidgee Traditional Custodians Group as to how that water ought to be used.

The water is available along the full length of the Regulated Murrumbidgee Water Source, from Blowering and Burrinjuck to Balranald.

Expressions of interest were invited from Aboriginal people across the Murrumbidgee catchment with ideas about how to use the water to re-engage local people with their traditional technologies and techniques.

The Murrumbidgee Traditional Custodians Group considered those ideas and endorsed the use of the CAL at locations along the river.

The Murrumbidgee CAL is subject to normal fixed and use charges by the State Water Corporation of NSW. The project was supported by the Australian Government’s Caring for Our Country program to build the capacity of Aboriginal people to undertake NRM.

**Locations**

Hay

**Significant achievements**

- 500 megalitres (ML) of the CAL was used by Nari Nari Tribal Council at Hay to inundate lignum wetland for the teaching of spear making, hunting techniques and traditional methods of food preparation and ceremonies

**Funding**

Australian Government’s CFoC Program

**In collaboration with**

State Water Corporation of NSW, the Murrumbidgee Traditional Custodians Group and the Murrumbidgee CMA.
The Murrumbidgee Wetland Relational Database

This is a relational database of wetlands in the Mid Murrumbidgee. The current project seeks to maximise the potential for this database to be applied to the full suite of environmental water being operated in the Regulated Murrumbidgee.

Primarily the work involves updating the various data sets and wetland information in the database, and secondly to apply the relational database to historic and planned overbank or environmental watering events.

The nature of the data in the database currently limits the spatial application of the tool, and the hydrology applied does not include recent dam release events.

The tool also presents a comprehensive monitoring platform, which potentially could be used to evaluate and report the success of environmental watering events, and the opportunities to optimise those successes into the future.

A range of funding opportunities and collaborations has the potential to feed into the project including the Australian Government, Sinclair Knight Merz (SKM), Griffith University, Charles Sturt University, the NSW Office of Water, State Water Corporation of NSW, and the NSW OEH.
A large amount of flow in the Murrumbidgee River is diverted or extracted from the river for human use, including for irrigation. This diversion reduces flows in the river and causes problems, including increased salinity, increased algal blooms, diminished native fish and bird populations, vegetation decline and poor wetland health. Environmental water use is one of the most important factors which can halt some of this decline and contribute to the recovery of riverine, floodplain and wetland health in the Murrumbidgee River.

Environmental water has been used in the Murrumbidgee River for the past several years and has resulted in significant improvements in the health of some areas. To date environmental water has provided drought refuge for bird, fish frogs including threatened and migratory species (e.g. southern bell frogs), has aided the recovery of aquatic and flood dependent plant species and also supported large bird breeding events.

In the next 12 months an environmental flow using environmental water from the Commonwealth and NSW is planned. This flow will specifically target large-bodied fish, namely Murray Cod. This flow, while aimed at producing conditions ideal for a successful Murray Cod breeding event, will also have benefits for other aquatic plants and animals.

Monitoring of outcomes of this environmental water in the Murrumbidgee will be undertaken by Commonwealth Environmental Water Office, Charles Sturt University, NSW Fisheries, Office of Environment and Heritage, NSW Office of Water and the Murrumbidgee CMA.

The Murrumbidgee CMA is committed to the successful planning, delivery and monitoring of environmental water across the Murrumbidgee River, wetlands and floodplains.

**Location**
Regulated river below Blowering Dam

**Funding**
Catchment Action NSW and Australian Government’s CFoC Program

**In collaboration with**
Commonwealth Environmental Water Office, Charles Sturt University, NSW Fisheries, NSW OEH, NSW Office of Water and the Murrumbidgee CMA.
The Murrumbidgee CMA has developed a systematic process of monitoring, evaluation and reporting incorporating adaptive management, to assess progress towards achieving the Catchment Action Plan targets, NSW State Plan targets and Australian Government CFoC priorities.

The purpose of the MER process is to demonstrate how activities undertaken at a property, sub-catchment and catchment scale ultimately contribute to improved NRM, while adaptive management enables lessons learnt to be incorporated into future projects.

To this end, the Murrumbidgee CMA has developed a suite of MER tools, which includes ‘Landholder Logs’ and ‘Performance Stories’. While data such as hectares of revegetation and kilometres of stream bank rehabilitated are important for reporting purposes, these MER tools provide valuable qualitative information and feedback to inform adaptive management. This improves project delivery and project outcomes which ultimately results in improved natural resource management.

The Murrumbidgee CMA has recently constituted the MER Team, consisting of three staff members, to provide more coordination, capacity and direction to the organisation’s MER requirements. This is due to the recognition of the increasing priority of MER as a result of the need to:

- demonstrate our ability to deliver NRM in a competitive funding environment
- adaptively manage our delivery of core business (adapt and improve)
- meet existing and future MER requirements with investors
- demonstrate to all stakeholders what we have achieved collaboratively
- inform strategic direction of the organisation and Strategic Plan
- inform development and implementation of the next generation CAP
- monitor progress of project/priority delivery to meet net cost of service and timelines
- monitor the organisation’s performance in real time against Strategic Key Performance Indicators
- demonstrate to our Board efficient and effective organisational management

The Team have divided the MER tasks into three main areas:

1. Coordination and alignment with organisational needs
2. Strategic monitoring, evaluation and reporting
3. Performance monitoring, reporting and audit
**Landholder Logs**

Landholder Logs are project diaries that are provided annually to landholders who have a PVP contract with the Murrumbidgee CMA. The logs are kept as part of the Landholder Project File, which is a record keeping system in which landholders store their PVP contract, project information, fact sheets and other related NRM information.

In recognition of the delayed time between on-ground implementation and measurable change, the Landholder Log concept was developed with the aim of capturing qualitative site information from landholders on an annual basis to monitor the progress of projects over the duration of the PVP contract. This information can also be reviewed and used for reporting by the Murrumbidgee CMA on an annual basis.

Information contained within the logs varies depending on the age and circumstances of the individual PVP. For example, the log of a new project may contain information on the survival rate of new trees, while the log of a five-year-old project will concentrate on tree growth. Essentially, the logs aim to encourage landholders to actively undertake monitoring, evaluation and reporting by taking note of any changes and interesting developments regarding their project.

Photo points are set up and recorded for each project site upon commencement of a PVP and landholders are required to take photographs annually. The Murrumbidgee CMA recommends that landholders take additional photographs and keep additional records regularly throughout the year, particularly after significant events such as bushfire, storms and bird breeding activity.

Landholder Project Files and landholder logs have been distributed to the landholders involved in the more than 1000 PVPs the Murrumbidgee CMA has successfully negotiated and approved. Case officers contact the landholders annually to ensure that they complete their logs and submit them to the Murrumbidgee CMA.

The Landholder Logs enable the Murrumbidgee CMA to gather qualitative information on individual projects long before measurable change has taken place.

In previous years the Landholder Logs have only been available to landholders as a hard copy document to be completed and returned to the Murrumbidgee CMA. However, in order to streamline the process and provide an easier alternative for landholders, the Murrumbidgee CMA is currently developing an online version of the Landholder Log which the landholder can submit via the Murrumbidgee CMA website. This will also provide the Murrumbidgee CMA with an increased capacity to analyse the information received in an efficient and timely manner.
Performance Stories

Quantitative NRM output reporting, such as hectares of revegetation and kilometres of stream bank rehabilitated, do not necessarily provide sufficient evidence of how long-term outcomes, such as increased biodiversity and improved water quality, will actually be achieved. Furthermore, the links between on-ground works and long-term outcomes may not become evident for many years.

In order to address this problem, as part of its suite of project management and MER tools, the Murrumbidgee CMA uses the performance story method of reporting.

Performance stories are an evidence-based reporting method that uses both quantitative and qualitative data to demonstrate the links between on-ground activities to intermediate and longer term outcomes where tangible evidence of these links is not immediately obvious.

A particular strength of the performance story method of reporting is the inclusion of sections which focus on ‘lessons learnt’ and ‘recommendations for future projects’. By incorporating the project outcomes, lessons learnt and recommendations into the project development of subsequent projects the Murrumbidgee CMA is applying adaptive management, resulting in improved project delivery and project outcomes.

The Murrumbidgee CMA produced performance stories, and from these, the lessons learnt and recommendations for future projects have been incorporated into the project planning for the next suite of projects.

Projected outcomes

- demonstrate the links between on-ground activities to intermediate and longer term outcomes where tangible evidence of these links is not immediately obvious
- reporting that informs adaptive management by incorporating ‘lessons learnt’ and ‘recommendations for future projects’ into subsequent projects to improve project delivery and project outcomes
- gather both quantitative and qualitative information

Funding

Catchment Action NSW and Australian Government’s CFoC Program.
Murrumbidgee
Catchment Management Authority

Financial Statements

For the financial year ended 30 June 2012

Financial Statement Contents

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<td>Statement of changes in equity</td>
<td>7</td>
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<td>Statement of cash flow</td>
<td>8</td>
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<tr>
<td>Notes to and forming part of the financial statements</td>
<td>9-27</td>
</tr>
</tbody>
</table>


Murrumbidgee  
Catchment Management Authority  

Murrumbidgee  
Catchment Management Authority  

STATEMENT BY BOARD MEMBERS  

Certificate under Section 41 C (1B) and (1C) of the  
Public Finance and Audit Act 1983  

Pursuant to the Public Finance and Audit Act 1983, we declare that in our opinion:  

(a) The accompanying financial statements exhibit a true and fair view of the financial  
position of the Murrumbidgee Catchment Management Authority as at 30 June 2012  
and its financial performance for the year then ended.  

(b) The financial statements have been prepared in accordance with:  

- The applicable Australian Accounting Standards, which include Australian  
Accounting Interpretations and other mandatory professional reporting  
requirements; and  
- The requirements of the Public Finance and Audit Act 1983, the Public Finance  
and Audit Regulation 2010 and the Treasurer’s Directions.  

(c) There are no circumstances which would render any particulars included in the  
financial statements to be misleading or inaccurate.  

For and on behalf of the Board  

Sulari Goonetilleke  
Chairperson  

Joe Burns  
Board Member  

Dated: 13th September 2012
INDEPENDENT AUDITOR’S REPORT
Murrumbidgee Catchment Management Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Murrumbidgee Catchment Management Authority (the Authority), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

The Board’s Responsibility for the Financial Statements

The members of the Board are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.
My opinion does not provide assurance:

- about the future viability of the Authority
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements
- about the assumptions used in formulating the budget figures disclosed in the financial statements.

**Independence**

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

Peter Barnes  
Director, Financial Audit Services  
10 October 2012  
SYDNEY
Mr John Francis
General Manager
Murrumbidgee Catchment Management Authority
PO Box 5224
WAGGA WAGGA NSW 2650

10 October 2012

Dear Mr Francis

STATUTORY AUDIT REPORT
for the year ended 30 June 2012

Murrumbidgee Catchment Management Authority

I have audited the financial statements of the Murrumbidgee Catchment Management Authority (the Authority) as required by the Public Finance and Audit Act 1983 (the Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2012, and details the matters I found during my audit that are relevant to you in your role as one of those charged with the governance of the Authority. The Act requires that I send this report to the Authority, the Minister and the Treasurer.

This report is not the Independent Auditor’s Report, in which I express my opinion on the Authority’s financial statements. I have enclosed the Independent Auditor’s Report, together with the Authority’s financial statements.

My audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. My audit is not designed to identify all matters that may be of governance interest to you. Accordingly, there may be other matters of governance interest that did not come to my attention during my audit.

My audit is continuous and I may therefore identify further significant matters. If this occurs, I will write to you immediately.

Audit Result

I expressed an unmodified opinion on the Authority’s financial statements and I have not identified any significant matters since my previous Statutory Audit Report.

Misstatements in the Financial Statements

The financial statements contained misstatements which are listed in the attached appendix.

Compliance with Legislative Requirements

My audit procedures are targeted specifically towards forming an opinion on Authority’s financial statements. This includes testing whether the Authority has complied with legislative requirements that may materially impact on the financial statements. The results of the audit are reported in this context. My testing did not identify any instances of material non-compliance.
Quality and Timeliness of Financial Reporting

Treasury Circular TC 12/03 'Mandatory early close procedures commencing in 2012' required the Authority to prepare pro forma financial statements before year end. The Authority was also required to submit its year-end information to Treasury and financial statements for audit at earlier dates.

The Authority completed the relevant early close procedures set out in the Circular. We endorse this activity and recommend the agency continue to identify ways to meet an earlier reporting timetable.

Auditor-General's Report to Parliament

As I have not identified any significant matters, commentary on the Authority's financial operations will not appear in the Auditor-General's Report to Parliament. Appendix 1 to that Report will advise the audit result for the Authority.

Acknowledgment

I thank the Authority's staff for their courtesy and assistance.

Yours sincerely

[Signature]

Peter Barnes
Director, Financial Audit Services
Murrumbidgee
Catchment Management Authority

Appendix

Misstatements in the Financial Statements

The following tables detail the effect of the misstatements in the financial statements originally submitted to me. Misstatements are reported individually, while trivial misstatements are reported in aggregate only.

Corrected Monetary Misstatements

There were no corrected monetary misstatements in the financial statements.

Corrected Disclosure Deficiencies

<table>
<thead>
<tr>
<th>AASB Reference</th>
<th>Disclosure Title</th>
<th>Description of Disclosure Deficiency</th>
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</thead>
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<tr>
<td>Treasury Policy Paper 12-01</td>
<td>Budgeted Amounts</td>
<td>The CMA did not originally disclose the budgeted amounts by line item for the Statement of comprehensive income and the Statement of cashflows as required by ttp 12-01. The budgeted amounts were disclosed as totals for revenue, expenses and the net result for the statement of comprehensive income and cash flows from operating activities and cash flows from investing activities for the statement of cashflows.</td>
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</table>

Uncorrected Monetary Misstatements

I reported the following uncorrected misstatements to management and I have received written representations from Wayne Maybury on 10 September 2012 confirming management’s belief that the effects of these misstatements are immaterial, individually and in aggregate, to the financial statements taken as a whole. I agree with management’s determination and do not consider the uncorrected misstatements were significant enough to modify the opinion in the Independent Auditor’s Report.

<table>
<thead>
<tr>
<th>Description of Error/ Account Balance</th>
<th>Assets</th>
<th>Liabilities</th>
<th>Retained Earnings</th>
<th>Other Equity</th>
<th>Statement of Comprehensive Income</th>
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<tbody>
<tr>
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<td>DR/(CR) $'000</td>
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<tr>
<td>Uncorrected misstatements identified in previous periods</td>
<td></td>
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<tr>
<td>Discounting of recreation leave</td>
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<td>Factual Misstatements</td>
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<td>63</td>
<td>--</td>
<td></td>
<td>(63)</td>
<td></td>
</tr>
<tr>
<td>Total impact</td>
<td>63</td>
<td>(5)</td>
<td></td>
<td>(58)</td>
<td></td>
</tr>
</tbody>
</table>

Uncorrected Disclosure Deficiencies

I did not detect any further disclosure deficiencies in the financial statements.
## Statement of comprehensive income for the year ended 30 June 2012

<table>
<thead>
<tr>
<th></th>
<th>Actual 2012 $'000</th>
<th>Budget 2012 $'000</th>
<th>Actual 2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>3</td>
<td>11,579</td>
<td>11,377</td>
</tr>
<tr>
<td>Other income</td>
<td>4</td>
<td>607</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td></td>
<td>12,186</td>
<td>11,677</td>
</tr>
<tr>
<td><strong>Expenses excluding losses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel services expenses</td>
<td>5</td>
<td>4,752</td>
<td>5,278</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>5</td>
<td>2,567</td>
<td>1,894</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>5</td>
<td>92</td>
<td>73</td>
</tr>
<tr>
<td>Grants &amp; subsidies</td>
<td>5</td>
<td>4,502</td>
<td>4,505</td>
</tr>
<tr>
<td><strong>Total expenses excluding losses</strong></td>
<td></td>
<td>11,913</td>
<td>11,750</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td></td>
<td>273</td>
<td>(73)</td>
</tr>
<tr>
<td><strong>Other Comprehensive Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL COMPREHENSIVE INCOME</strong></td>
<td></td>
<td>273</td>
<td>(73)</td>
</tr>
</tbody>
</table>

The above statement of comprehensive income is to be read in conjunction with the attached notes.
## Statement of financial position as at 30 June 2012

<table>
<thead>
<tr>
<th>NOTES</th>
<th>Actual 2012 $'000</th>
<th>Budget 2012 $'000</th>
<th>Actual 2011 $'000</th>
</tr>
</thead>
</table>

### ASSETS

**Current assets**
- Cash and cash equivalents 6 4,066 3,931 2,080
- Receivables 7 555 564 392
- **Total current assets** 4,621 4,495 2,472

**Non-current assets**
- Property, plant and equipment
  - Leasehold Improvements 8 115 115 165
  - Plant and equipment 8 74 80 79
- **Total property, plant and equipment** 189 195 244
- **Total non-current assets** 189 195 244

- **Total assets** 4,810 4,690 2,716

### LIABILITIES

**Current liabilities**
- Payables 9 3,106 3,535 1,357
- Provisions 10 632 294 575
- **Total Current Liabilities** 3,738 3,829 1,932

**Non-current liabilities**
- Provisions 10 172 307 157
- **Total non-current liabilities** 172 307 157

- **Total liabilities** 3,910 4,136 2,089

### Net assets
- **900** **554** **627**

### EQUITY
- Accumulated Funds 900 554 627
- **Total equity** 900 554 627

The above statement of financial position is to be read in conjunction with the attached notes.
## Statement of changes in equity for the year ended 30 June 2012

<table>
<thead>
<tr>
<th>NOTE</th>
<th>Accumulated Funds $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 1 July 2011</td>
<td>627</td>
<td>627</td>
</tr>
<tr>
<td>Net result for the year</td>
<td>273</td>
<td>273</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2012</strong></td>
<td><strong>900</strong></td>
<td><strong>900</strong></td>
</tr>
</tbody>
</table>

| Balance as at 1 July 2010                 | 566                     | 566         |
| Net result for the year                   | 61                      | 61          |
| Other comprehensive income for the year   | -                       | -           |
| **Balance as at 30 June 2011**            | **627**                 | **627**     |

The above statement of changes in equity is to be read in conjunction with the attached notes.
### Murrumbidgee Catchment Management Authority

**Statement of cash flow for the year ended 30 June 2012**

<table>
<thead>
<tr>
<th>NOTES</th>
<th>2012 $'000 Actual</th>
<th>2012 $'000 Budget</th>
<th>2011 $'000 Actual</th>
</tr>
</thead>
</table>

#### Cash flows from operating activities

**Payments**
- Employee related: (4,343) (4,798) (4,115)
- Grants and subsidies: (4,502) (4,505) (4,313)
- Other: (1,549) (380) (4,987)

**Total payments**

(10,394) (9,683) (13,415)

**Receipts**
- Grants and contributions: 11,558 10,707 10,420
- Interest: 230 100 246
- Other: 629 751 1,525

**Total receipts**

12,417 11,558 12,191

**Net cash flows from operating activities**

12 2,023 1,875 (1,224)

#### Cash flows from investing activities

- Purchase of property, plant and equipment & intangibles: (37) (23) (32)

**Net cash flows from investing activities**

(37) (23) (32)

#### Net (decrease) in cash and cash equivalents

1,986 1,852 (1,256)

**Opening cash and cash equivalents**

2,080 2,079 3,336

**Closing cash and cash equivalents**

4,066 3,931 2,080

The above statement of cash flow is to be read in conjunction with the attached notes.

**NOTE 1 - REPORTING ENTITY**

The Murrumbidgee Catchment Management Authority (the Authority) was established pursuant to the *Catchment Management Authorities Act 2003*. The objects of the Act are:

- (a) to establish Authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels;
- (b) to provide for proper natural resource planning at a catchment level;
- (c) to ensure that decisions about natural resources take into account appropriate catchment issues;
- (d) to require decisions taken at a catchment level to take into account State-wide standards and to involve the Natural Resources Commission in catchment planning where appropriate;
- (e) to involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise;
(f) to ensure the proper management of natural resources in the social, economic and environmental interests of the State;

(g) to apply sound scientific knowledge to achieve a fully functioning and productive landscape; and

(h) to provide a framework for financial assistance and incentives to landholders in connection with natural resource management.

The Authority is a Statutory Body and a separate reporting entity. There are no other entities under its control. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash-generating units.

These financial statements have been authorised for issue by the Board of the Authority on 13th September 2012.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant policies have been adopted in the preparation and presentation of the financial statements:

Basis of preparation

The Authority’s financial statements are general purpose financial statements which have been prepared in accordance with:

- The applicable Australian Accounting Standards, which include Australian Accounting Interpretations and other mandatory professional reporting requirements;
- The requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and the Treasurer’s Directions.

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at ‘fair value through profit or loss’ and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(a) Statement of compliance

The financial statements and notes comply with the Australian Accounting Standards, which include Australian Accounting Interpretations.

(b) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgement

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

Key judgements are disclosed as part of accounting policies notes.
Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates, with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

(i) Contributions from Government and other bodies are generally recognised as income when the agency obtains control or the right to receive the contributions. Control over contributions is normally obtained upon the receipt of cash.

(ii) Sale of Goods: Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of Services: Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment Income: Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(d) Insurance

The Authority's activities are insured through the NSW Treasury Managed Fund scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience and the insurance coverage is reviewed periodically to ensure that it is adequate.

(e) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- The amount of GST incurred by the Authority as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and

- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables respectively.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Authority. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to the asset when
initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

(g) **Capitalisation thresholds**

Property, plant and equipment and intangible assets costing $5,000 and above individually (or forming part of a network costing more than $5,000) are capitalised. All amounts below $5,000 are expensed to profit and loss as incurred.

(h) **Revaluation of property, plant and equipment**

Physical non-current assets are valued in accordance with the “Valuation of Physical Non-Current Assets at Fair Value” Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their higher and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling price for the same or similar assets. Where there is no available market evidence, the asset’s fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Authority revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net assets accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of asset, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one
another within a class of non-current assets but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(i) **Impairment of property, plant and equipment**

As a not-for-profit entity with no cash-generating units, the Authority is effectively exempt for AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(j) **Depreciation and amortisation of property, plant and equipment**

Depreciation is provided for on a straight line basis for all depreciable assets, as detailed below, so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority. Leasehold improvements are amortised over the life of the lease.

All material separately identifiable components of assets are depreciated over their shorter useful lives. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Land is not a depreciable asset.

The following depreciation and amortisation rates were applied in 2011/12 and 2010/11:

Plant and equipment:

- Other plant and equipment: 6.67% - 20%
- Leasehold improvements: life of lease

(k) **Major inspection costs**

When each major inspection is performed, the labour cost of performing inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(l) **Restoration costs**

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(m) **Maintenance**

The day-to-day servicing or maintenance costs are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(n) **Investments**

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transactions costs. The Authority determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss*: The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair
value option i.e. these financial assets are managed and their performance is evaluated on a fair value basis. In accordance with the Authority’s risk management strategy, information about these assets is provided internally on that basis to the Authority’s key management personnel.

Designation at fair value through profit or loss is consistent with the Authority’s risk management policy.

The movement in the fair value of the Hour-Glass Investment facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item ‘investment revenue’.

(o) Impairment of financial assets
All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Authority will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversal of impairment losses are reversed through net result for the year, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as “available for sale” must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(p) Derecognition of financial assets and financial liabilities
A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers the financial asset:

- Where substantially all the risks and rewards have been transferred or;
- Where the Authority has not transferred substantially all the risks and rewards, but has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards of ownership or transferred control, the asset is recognised to the extent of the Authority’s continuing involvement in the asset, and an associated liability for amounts it may have to pay.

(q) Other assets
Other assets are recognised on a cost basis.

(r) Receivables
Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Statement of Comprehensive Income when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.
Murrumbidgee
Catchment Management Authority

(s) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Personnel Services

(a) Personnel services

The Authority does not employ staff but utilises the personnel services of the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS). The costs of personnel services in respect of wages and salaries, superannuation, annual leave, long service leave, and for sick leave are recognised when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of benefits that fall due within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which do not fall due within 12 months 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.

The outstanding amounts of payroll tax, workers compensation insurance premium and fringe benefits tax, which are consequential to employment are recognised as liabilities and expenses when the benefits to which they relate have been recognised.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(b) Defined contribution plans

Contribution to a defined contribution funds, such as Basic Benefit and First State Super, are expensed when incurred. It is calculated as a percentage of the employees' salary. In 2010/11 and 2011/12, 9% was contributed.

(c) Long service leave and defined benefits superannuation

The Authority has no liability for long service leave and defined benefit superannuation. Personnel services are acquired from the Department of Trade and Investment, Regional Infrastructure and Services and the liability of these items has been assumed by the Crown Entity.

(iii) Provision for restoration of leased premises

A provision has been made for the present value at anticipated costs for future restoration of leased premises. Changes to the estimated future costs are recognised in the Statement of financial position.

(iv) Assistance provided by other organisations at no cost to the MA

The maintenance of the Authority’s accounting records and provision of corporate services (excluding IT services) were provided by ServiceFirst a unit of the Department of Finance and Services and the Department of Trade and Investment, Regional Infrastructure and Services, under the provisions of the Corporate Services, Service
Murrumbidgee
Catchment Management Authority

Level Agreement. Some agreed services were provided by “ServiceFirst” on a cost recovery basis.

The Office of Environment and Heritage a unit of the Department of Premier and Cabinet, provide services on native vegetation and environmental issues.

The Department of Finance and Services, Department of Trade and Investment, Regional Infrastructure and Services and Department of Premier and Cabinet cannot reliably estimate the fair value of these services to individual Authorities.

In addition, other organisations including community groups provide in kind assistance at no cost to the CMA.

(v) Budgeted Amounts
The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

(w) Comparative information
Except where an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(x) New Australian accounting standards issued but not effective
In the current year the Authority has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policies notes in the financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting period. In accordance with the NSW Treasury mandate (TC 12/04), the Authority did not early adopt any of these accounting standards and interpretations that are not yet effective.

The Authorities assessment of the impact of these new standards and interpretations is that they will not materially affect any of the amounts recognised in the financial statements or significantly impact the disclosures in relation to the Authority.

It is considered that the impact of these new standards and interpretations in future years will have no material impact on the financial statements of the Authority.

NOTE 3 - REVENUE

<table>
<thead>
<tr>
<th>Contributions received from:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint State/Commonwealth contributions (i)</td>
<td>6,945</td>
<td>6,504</td>
</tr>
<tr>
<td>Operating grant funding</td>
<td>3,762</td>
<td>3,719</td>
</tr>
</tbody>
</table>
Contributions were received from the Department of Trade and Investment, Regional Infrastructure and Services towards achieving pre-negotiated natural resources management outcomes.

Other contributions were received for specific agreed works towards achieving natural resources management outcomes. Of this $82,810 remained unspent for the Monaro Landscape Connectivity Project and $110,791 for the Newell Highway Revegetation Project at 30th June 2012.

NOTE 4 - OTHER INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>230</td>
<td>249</td>
</tr>
<tr>
<td>Liability assumed by the Crown</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Long Service Leave</td>
<td>223</td>
<td>178</td>
</tr>
<tr>
<td>- Superannuation</td>
<td>84</td>
<td>128</td>
</tr>
<tr>
<td>- Payroll Tax</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>65</td>
<td>618</td>
</tr>
<tr>
<td></td>
<td><strong>607</strong></td>
<td><strong>1,180</strong></td>
</tr>
</tbody>
</table>

NOTE 5 – EXPENSES EXCLUDING LOSSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel services expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and wages (including recreation leave)</td>
<td>3,842</td>
<td>3,564</td>
</tr>
<tr>
<td>Staff on-costs</td>
<td>910</td>
<td>803</td>
</tr>
<tr>
<td></td>
<td><strong>4,752</strong></td>
<td><strong>4,367</strong></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditors remuneration (i)</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Board Member’s remuneration (ii)</td>
<td>135</td>
<td>166</td>
</tr>
<tr>
<td>Board Member’s and Committees costs</td>
<td>29</td>
<td>54</td>
</tr>
<tr>
<td>Contractors</td>
<td>229</td>
<td>261</td>
</tr>
<tr>
<td>Fees for services</td>
<td>756</td>
<td>1,015</td>
</tr>
<tr>
<td>Insurance</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Operating lease expenses</td>
<td>406</td>
<td>419</td>
</tr>
<tr>
<td>Accommodation and related expenses</td>
<td>172</td>
<td>186</td>
</tr>
<tr>
<td>Stores, materials and minor equipment</td>
<td>403</td>
<td>327</td>
</tr>
</tbody>
</table>
Murrumbidgee
Catchment Management Authority

<table>
<thead>
<tr>
<th>Plant/vehicle expenses</th>
<th>180</th>
<th>111</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>110</td>
<td>131</td>
</tr>
<tr>
<td>Other</td>
<td>127</td>
<td>124</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,567</strong></td>
<td><strong>2,815</strong></td>
</tr>
</tbody>
</table>

Depreciation and Amortisation expenses

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements</td>
<td>63</td>
<td>53</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>92</strong></td>
<td><strong>82</strong></td>
</tr>
</tbody>
</table>

Grants and subsidies

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caring for Our Country</td>
<td>2,553</td>
<td>2,623</td>
</tr>
<tr>
<td>Catchment Action</td>
<td>1,949</td>
<td>1,690</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,502</strong></td>
<td><strong>4,313</strong></td>
</tr>
</tbody>
</table>

Total expenses excluding losses

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Audit fee to The Audit Office of New South Wales for audit of financial statement. The auditors received no other benefits.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii) Board members received no other benefits.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 6 - CURRENT ASSETS – CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets – Cash and Cash equivalents</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Cash at bank and on hand</td>
<td>482</td>
<td>235</td>
</tr>
<tr>
<td>NSW Treasury Corporation – HourGlass cash facility</td>
<td>3,584</td>
<td>1,845</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,066</strong></td>
<td><strong>2,080</strong></td>
</tr>
</tbody>
</table>

Also refer to Note 12 and Note 16.

NOTE 7 - CURRENT ASSETS - RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>79</td>
<td>107</td>
</tr>
<tr>
<td>Goods &amp; Services Tax recoverable</td>
<td>415</td>
<td>230</td>
</tr>
<tr>
<td>Accrued income</td>
<td>60</td>
<td>38</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>555</strong></td>
<td><strong>392</strong></td>
</tr>
</tbody>
</table>

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 16.
### Murrumbidgee Catchment Management Authority

**NOTE 8 - NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT**

<table>
<thead>
<tr>
<th></th>
<th>Leasehold Improvement $’000</th>
<th>Plant &amp; Equipment $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 July 2011 – fair value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross carrying amount</td>
<td>362</td>
<td>138</td>
<td>500</td>
</tr>
<tr>
<td>Accumulated depreciation and amortisation</td>
<td>(197)</td>
<td>(59)</td>
<td>(256)</td>
</tr>
<tr>
<td>Net carrying amount</td>
<td>165</td>
<td>79</td>
<td>244</td>
</tr>
<tr>
<td><strong>At 30 June 2012 – fair value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross carrying amount</td>
<td>375</td>
<td>134</td>
<td>509</td>
</tr>
<tr>
<td>Accumulated depreciation and amortisation</td>
<td>(260)</td>
<td>(60)</td>
<td>(320)</td>
</tr>
<tr>
<td>Net carrying amount</td>
<td>115</td>
<td>74</td>
<td>189</td>
</tr>
</tbody>
</table>

### Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting year is set out below.

#### Year ended 30 June 2012

<table>
<thead>
<tr>
<th></th>
<th>Leasehold Improvement $’000</th>
<th>Plant &amp; Equipment $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net carrying amount at start of year</td>
<td>165</td>
<td>79</td>
<td>244</td>
</tr>
<tr>
<td>Additions</td>
<td>13</td>
<td>24</td>
<td>37</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>(63)</td>
<td>(29)</td>
<td>(92)</td>
</tr>
<tr>
<td>Net carrying amount at end of year</td>
<td>115</td>
<td>74</td>
<td>189</td>
</tr>
</tbody>
</table>

#### At 1 July 2010 – fair value

<table>
<thead>
<tr>
<th></th>
<th>Leasehold Improvement $’000</th>
<th>Plant &amp; Equipment $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross carrying amount</td>
<td>361</td>
<td>200</td>
<td>561</td>
</tr>
<tr>
<td>Accumulated depreciation and amortisation</td>
<td>(144)</td>
<td>(123)</td>
<td>(267)</td>
</tr>
<tr>
<td>Net carrying amount</td>
<td>217</td>
<td>77</td>
<td>294</td>
</tr>
</tbody>
</table>

#### At 30 June 2011 – fair value

<table>
<thead>
<tr>
<th></th>
<th>Leasehold Improvement $’000</th>
<th>Plant &amp; Equipment $’000</th>
<th>Total $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross carrying amount</td>
<td>362</td>
<td>138</td>
<td>500</td>
</tr>
<tr>
<td>Accumulated depreciation and amortisation</td>
<td>(197)</td>
<td>(59)</td>
<td>(256)</td>
</tr>
<tr>
<td>Net carrying amount</td>
<td>165</td>
<td>79</td>
<td>244</td>
</tr>
</tbody>
</table>

### Reconciliation
Murrumbidgee Catchment Management Authority

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting year is set out below.

<table>
<thead>
<tr>
<th>Leasehold Improvement</th>
<th>Plant &amp; Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Net carrying amount at start of year</td>
<td>217</td>
<td>77</td>
</tr>
<tr>
<td>Net Present Value adjustment</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>31</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>(53)</td>
<td>(29)</td>
</tr>
<tr>
<td>Net carrying amount at end of year</td>
<td>165</td>
<td>79</td>
</tr>
</tbody>
</table>

NOTE 9 - CURRENT LIABILITIES - PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Accrued personnel services</td>
<td>83</td>
<td>58</td>
</tr>
<tr>
<td>Creditors</td>
<td>116</td>
<td>-</td>
</tr>
<tr>
<td>Accruals</td>
<td>913</td>
<td>80</td>
</tr>
<tr>
<td>Other</td>
<td>1,994</td>
<td>1,219</td>
</tr>
<tr>
<td></td>
<td>3,106</td>
<td>1,357</td>
</tr>
</tbody>
</table>

All payables are expected to be paid in the next 12 months.

Details regarding credit risk, liquidity risk and market risk, including the maturity analysis of the above payables, are disclosed in Note 16.

NOTE 10 - CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Personnel services and related on-costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel services provision</td>
<td>424</td>
<td>414</td>
</tr>
<tr>
<td>On-costs</td>
<td>216</td>
<td>167</td>
</tr>
<tr>
<td>Aggregate personnel services and related on-costs</td>
<td>640</td>
<td>581</td>
</tr>
<tr>
<td>Restoration of lease premises</td>
<td>164</td>
<td>151</td>
</tr>
<tr>
<td>Total Provisions</td>
<td>804</td>
<td>732</td>
</tr>
<tr>
<td>Provisions – current</td>
<td>632</td>
<td>575</td>
</tr>
<tr>
<td>Provisions – non current</td>
<td>172</td>
<td>157</td>
</tr>
<tr>
<td></td>
<td>804</td>
<td>732</td>
</tr>
</tbody>
</table>

All current provisions are expected to be settled within the next 12 months.

Movement in provisions (other than employee benefits)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Provision for leased premises</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying amount at beginning of the financial year</td>
<td>151</td>
<td>150</td>
</tr>
</tbody>
</table>
NOTE 11 – BUDGET REVIEW

The Catchment Management Authorities Income and Expenditure budgets are allocated by NSW Treasury on a source of funds basis. The actual figures in these Financial Statements are on a total funds basis. Therefore a reliable comparison between budget and actual figures should only be made in total.

The budget process is finalised prior to the beginning of each financial year. Events can arise after finalisation that necessitates variations to the planned activities of the Authority for that year. This in turn may cause variations to the financial activities. Main reasons for variations are outlined below.

Net result

The actual net result was a surplus as a result of the CMA being able to generate additional funding during the year which will be spent on priority natural resource outcomes. This was additional to the budgeted figures and relate to the Newell Highway Revegetation ($200,000), Action for Clean Water ($128,000), and the Cooma Monaro Connectivity Project ($150,000).

Assets and liabilities

Cash balance increases as a result of additional funding being received, decrease in payables reflects a finalisation project payments.

Cash flows

 Variations to the total payments and receipts relate to additional funds generated and the timing of payments made by the CMA for priority natural resource outcomes

NOTE 12 - NOTES TO THE STATEMENT OF CASH FLOWS

Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at bank and investments in NSW Treasury Corporation Hour Glass facilities.

Cash at the end of the financial year as shown in the Statements of cash flows is reconciled to the Statement of financial position as follows:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4,066</td>
<td>2,080</td>
</tr>
<tr>
<td>Closing cash and cash equivalents (per Statement of cash flows)</td>
<td>4,066</td>
<td>2,080</td>
</tr>
</tbody>
</table>

Reconciliation cash flows from operating activities to net result.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash used on operating activities</td>
<td>2,023</td>
<td>(1,224)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(92)</td>
<td>(82)</td>
</tr>
<tr>
<td>Increase / (Decrease) in receivables</td>
<td>163</td>
<td>101</td>
</tr>
<tr>
<td>(Increase) Decrease in payables and provisions</td>
<td>(1,821)</td>
<td>1,266</td>
</tr>
<tr>
<td>Net result</td>
<td>273</td>
<td>61</td>
</tr>
</tbody>
</table>
NOTE 13 - COMMITMENTS FOR EXPENDITURE

(a) Operating lease commitments

Aggregate operating lease commitments for office accommodation & motor vehicles. Contracted but not provided for at balance date, payable:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>393</td>
<td>424</td>
</tr>
<tr>
<td>Later than one year and not later than 5 years</td>
<td>208</td>
<td>216</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>601</strong></td>
<td><strong>640</strong></td>
</tr>
</tbody>
</table>

The commitments above include GST of $54,676 (2011: $58,209), expected to be recoverable from the Australian Taxation Office.

Operating lease commitments include contracted amounts for various offices and motor vehicles under operating lease contracts. Office leases vary from 1 to 10 years with, in some cases, options to extend. These leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

(b) Natural resources investment projects commitments

Aggregate commitments under contract for projects to deliver agreed natural resource outcomes. Contracted but not provided for at balance date, payable:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>1,302</td>
<td>271</td>
</tr>
<tr>
<td>Later than one year and not later than 5 years</td>
<td>144</td>
<td>-</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,446</strong></td>
<td><strong>271</strong></td>
</tr>
</tbody>
</table>

The commitments above include GST of $13,429 (2011: $24,607), expected to be recoverable from the Australian Taxation Office.

(c) Finance lease commitments

The Authority did not have any finance lease commitments at balance date. (2011: nil)

NOTE 14 - CONTINGENT LIABILITIES

The Authority is not aware of any material contingent liabilities.

NOTE 15 - CONTINGENT ASSETS

There are no known contingent assets at balance date.

NOTE 16 - FINANCIAL INSTRUMENTS

The Authority’s principal financial instruments are outlined below. These financial instruments arise directly from the Authority’s operations or are required to finance the Authority’s operations. The Authority does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.
The Authority’s main risks arising from financial instruments are outlined below, together with the Authority's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial statement.

The Authority’s Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Authority, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Authority’s Board on a continuous basis.
**Murrumbidgee Catchment Management Authority**

### a) Financial instrument categories

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>Note</th>
<th>Category</th>
<th>Carrying Amount 2012</th>
<th>Carrying Amount 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class:</td>
<td></td>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>6</td>
<td>N/A</td>
<td>4,066</td>
<td>2,080</td>
</tr>
<tr>
<td>Receivables¹</td>
<td>7</td>
<td>Loans and receivables (at amortised cost)</td>
<td>140</td>
<td>162</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Liabilities</th>
<th>Note</th>
<th>Category</th>
<th>Carrying Amount 2012</th>
<th>Carrying Amount 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class:</td>
<td></td>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Payables²</td>
<td>9</td>
<td>Financial liabilities measured at amortised cost</td>
<td>3,106</td>
<td>1,357</td>
</tr>
</tbody>
</table>

**Notes**

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

### b) Credit risk

Credit risk arises when there is the possibility of the Authority’s debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Authority, including cash, receivables and Authority deposits. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Credit risk associated with the Authority’s financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority’s deposits held with NSW TCorp are guaranteed by the State.

(i) Cash and cash equivalents

Cash comprises cash on hand, in banks and investment with the NSW Treasury Corporation Hour-Glass facilities. The TCorp Hour Glass cash facility is discussed in para (f) below.
(ii) Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer’s Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2012: $78,422; 2011: $106,699) and not less than 1 month past due (2012: $205; 2011: $Nil) are not considered impaired and together these represent 100% of the total trade debtors (2011: 100%). Most of the Authority’s debtors have a good credit rating.

The only financial assets that are past due or impaired are ‘sales of goods and services’ in the ‘receivables’ category of the statement of financial position.

<table>
<thead>
<tr>
<th></th>
<th>Total 1,2 ($’000)</th>
<th>Past due but not impaired ($’000) 1,2</th>
<th>Considered impaired ($’000) 1,2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 3 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3 months – 6 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>&gt; 6 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 3 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3 months – 6 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>&gt; 6 months overdue</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1. Each column in the table reports ‘gross receivables’;

2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB7 and excludes receivables that are not past due and not ‘impaired’. Therefore, the total will not reconcile to the receivables total recognised in the statement of financial position.

(iii) Other financial assets

The Authority has placed funds on deposit with TCorp, which has been rated “AAA” by Standard and Poor’s. These deposits are similar to money market or bank deposits and can be placed “at call” or for a fixed term. For fixed term deposits, the interest rate payable by TCorp is negotiated initially and is fixed for the term of the deposit, while interest rate payable on at call deposits can vary.

Deposits at 30 June 2012 were earning an average interest rate of 3.96% (2011: 4.75%), while over the period the weighted average interest rate was 4.90% (2011: 5.37%). None of these assets are past due or impaired.
Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and expenditure.

During the current and prior years, there were no defaults or breaches on any payables. No assets have been pledged as collateral. The Authority’s exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was Nil% (2011: Nil%).

The table below summarises the maturity profile of the Authority’s financial liabilities, together with the interest rate exposure.

<table>
<thead>
<tr>
<th>Maturity Dates</th>
<th>Interest Rate Exposure</th>
<th>Weighted Average Effective Int. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Nominal Amount</td>
</tr>
<tr>
<td>2012 Payables:</td>
<td></td>
<td>$’000</td>
</tr>
<tr>
<td>Accrued salaries, wages</td>
<td>N/A</td>
<td>83</td>
</tr>
<tr>
<td>Creditors and accruals</td>
<td>N/A</td>
<td>3,023</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,106</td>
</tr>
<tr>
<td>2011 Payables:</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Accrued salaries, wages</td>
<td>N/A</td>
<td>1,299</td>
</tr>
<tr>
<td>Creditors and accruals</td>
<td></td>
<td>1,357</td>
</tr>
</tbody>
</table>
**Murrumbidgee Catchment Management Authority**

### d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority’s exposures to market risk are primarily through price risks associated with the movement in the unit price of the Hour Glass Investment facilities. The Authority does not have any borrowings. The Authority has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis for 2011. The analysis assumes that all other variables remain constant.

### e) Interest rate risk

As the Authority has no interest bearing liabilities its exposure to interest rate risk is minimal. The Authority does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore for these financial instruments a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Authority’s exposure to interest rate risk is set out below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Carrying amount</th>
<th>$'000</th>
<th>-1%</th>
<th>+1%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Equity</td>
<td>Profit</td>
<td>Equity</td>
</tr>
<tr>
<td>2012</td>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4,066</td>
<td>(40)</td>
<td>(40)</td>
<td>40</td>
</tr>
<tr>
<td>Receivables</td>
<td>140</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,080</td>
<td>(20)</td>
<td>(20)</td>
<td>20</td>
</tr>
<tr>
<td>Receivables</td>
<td>162</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>3,106</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>1,357</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
f) Other price risk

Exposure to ‘other price risk’ primarily arises through the investment in the TCorp Hour Glass Investment facilities, which are held for strategic rather than trading purposes.

The Authority has no direct equity investments. The Authority holds units in the following Hour-Glass investment trusts:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Investment Sectors</th>
<th>Investment Horizon</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Facility</td>
<td>Cash, Money market</td>
<td>Up to 2 years</td>
<td>3,584</td>
<td>1,845</td>
</tr>
</tbody>
</table>

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp as trustee for each of the above facility is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp, acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

The Authority uses Level 2 hierarchy for the Hour Glass Investment Cash Facility as the prices are observable, however, no active market exists for the facilities as they are only accessible to government agencies.

Investment in the Hour Glass facilities limits Authority’s exposure to risk, as it allows diversification across a pool of funds, with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the facilities, using historically based volatility information collected over a ten-year period, quoted at two standard deviations (i.e., 95% probability). The TCorp Hour Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

<table>
<thead>
<tr>
<th>Impact on profit/loss</th>
<th>Change in unit price</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hour Glass Investment Cash Facility</td>
<td>+1%</td>
<td>36</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>-1%</td>
<td>(36)</td>
<td>(18)</td>
</tr>
</tbody>
</table>

g) Fair value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour Glass facilities, which are measured at fair value. As discussed, the value of the Hour Glass Investments is based on Authority’s share of the value of the underlying assets of the facility, based on the market value. All of the Hour Glass facilities are valued using ‘redemption’ pricing.

The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value, because of the short-term nature of many of the financial instruments.
NOTE 17 - AFTER BALANCE DATE EVENTS

There are no other significant events subsequent to balance date.

End of audited financial statements
Murrumbidgee
Catchment Management Authority

Internal Audit and Risk Management Statement for the 2011-12 Financial Year
for Murrumbidgee Catchment Management Authority

I, Sulari Goonetilleke am of the opinion that the Murrumbidgee Catchment Management Authority has internal audit and risk management processes in place that are, excluding the exceptions described below, compliant with the core requirements set out in Treasury circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Sulari Goonetilleke am of the opinion that the internal audit and risk management processes for Murrumbidgee Catchment Management Authority depart from the following core requirements set out in Treasury Circular NSW TC 09/08 and that (a) the circumstances giving rise to these departures have been determined by the Portfolio Minister and (b) the Murrumbidgee Catchment Management Authority is implementing the following practicable alternative measures that will achieve a level of assurance equivalent to the requirement:

<table>
<thead>
<tr>
<th>Ministerially Determined Departure</th>
<th>Reason for Departure and Description of Practicable Alternative Measures Implemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>An Internal Audit function has been established and maintained.</td>
<td>All thirteen Catchment Management Authorities are covered by a comprehensive Corporate Governance Manual, which has been prepared with the assistance of the Internal Audit Bureau. A copy of this Manual will be provided to Treasury upon request for assessment purposes.</td>
</tr>
<tr>
<td>An Audit and Risk Committee has been established.</td>
<td>The basis for this exception from the core requirements is that the Catchment Management Authorities operate as independent organisations governed by boards separate to the Department of Trade &amp; Investment, Regional Infrastructure and Services (DTIRIS).</td>
</tr>
<tr>
<td>The Audit and Risk Committee has an independent chair and a majority of independent members. The Audit and Risk Committee has at least three members, and no more than five members.</td>
<td>The existence of independent audit committees reporting to statutory boards is an important feature of good corporate governance and we are seeking to maintain internal audit and risk committee arrangements independent of the DTIRIS committee.</td>
</tr>
<tr>
<td>The Audit and Risk Committee has a Charter consistent with the content of the 'model charter'.</td>
<td></td>
</tr>
<tr>
<td>An enterprise risk management process that is appropriate to the department or statutory body has been established and maintained. The enterprise risk management process is consistent with the current Australian/New Zealand Standards (AS/NZS) on risk management.</td>
<td></td>
</tr>
</tbody>
</table>
The operation of the Internal Audit function is consistent with IIA *International Standards for the Professional Practice of Internal Audit*. In addition, the following requirements must be met:

- a) the Chief Audit Executive has implemented a risk based audit methodology for assessing and responding to audit findings, and this approach has been endorsed by the Audit and Risk Committee

- b) the Chief Audit Executive has ensured a risk rating has been provided on every audit finding and those audit findings considered by the Chief Audit Executive to be the most significant have been reviewed by the Audit and Risk Committee

- c) the Chief Audit Executive has recommended a course of action for every audit finding, and these actions have been referred to operational management for response

- d) the department head or governing board of the statutory body has ensured that operational management has prepared an ‘agreed action plan’ for every internal audit

- e) the department head or governing board of the statutory body has ensured that operational management has reported and tracked the implementation of ‘agreed action plans’ to both the Audit and Risk Committee and the department head or governing board of the statutory body to ensure all agreed actions are implemented within agreed timeframes.

Submissions have been made to Treasury requesting a more permanent solution for the audit committees for a number of the statutory bodies under the Super Department structure.

The NSW Catchment Management Authorities sought an exception from the core requirements from the Portfolio Minister.

The Portfolio Minister granted the exception from compliance with the terms of the policy.
Murrumbidgee
Catchment Management Authority

These processes, including the practicable alternative measures being implemented, provide a level of assurance that will enable the senior management of the Murrumbidgee Catchment Management Authority to understand, manage and satisfactorily control risk exposures.

In accordance with a resolution of the Board of the Murrumbidgee Catchment Management Authority.

Sulari Goonetilleke
Acting Chairperson
Murrumbidgee Catchment Management Authority

Date: 31 August 2012

Statutory Body contact officer:
Wayne Maybury
Business Manager
(02) 6932 3260
0412 137 757
Appendices

Governance and Management
Appendix 1: Our Act and Role
Appendix 2: Legal Changes

Human Resources
Appendix 3: Code of Conduct
Appendix 4: Employee Classification
Appendix 5: NSW Government Action Plan for Women
Appendix 6: Personal Policies and Practices

Funding
Appendix 7: Funds Granted

Financial Management
Appendix 8: Credit Card Use
Appendix 9: Consultants Engaged
Appendix 10: Investment Performance
Appendix 11: Payment of Accounts
Appendix 12: Production Cost of 2011-12 Annual Report

Operational
Appendix 13: Risk Management and Insurance
Appendix 14: Waste Reduction

Client Services
Appendix 15: Access
Appendix 16: Freedom of Information
Appendix 17: Guarantee of Service
Appendix 18: Privacy Management
Appendix 19: Publications
Appendix 1
Murrumbidgee CMA Act and Role
See page 10

Appendix 2
Legal Changes
No legal changes were applicable to the Murrumbidgee CMA in 2011-12.

Appendix 3
Code of Conduct
The Murrumbidgee CMA operates under the Department of Trade and Investment *Code of Ethical Conduct*. This code describes the ethical framework that should guide actions, decisions and behaviour as Trade and Investment employees. The Murrumbidgee CMA is committed to maintaining a workforce that displays the highest standards of conduct and ethics.

Appendix 4
Employee Classification
Pursuant to the provisions of the Public Sector Employment and Management Act 2002, staff are employed in Service of the Crown initially by DECCW and more recently with DPI, undertake work for the Murrumbidgee CMA in fulfilling its statutory functions.

Table 1: Summary of staff undertaking work for the Murrumbidgee CMA as at 30 June 2012.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>2010/11</th>
<th></th>
<th>2011/12</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 11 EFT Male</td>
<td>June 11 No. of Staff Male</td>
<td>June 12 EFT Male</td>
<td>June 12 No. of Staff Male</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td></td>
<td>Female</td>
<td></td>
</tr>
<tr>
<td>Permanent</td>
<td>12</td>
<td>11.4</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Temporary</td>
<td>5</td>
<td>17.5</td>
<td>5</td>
<td>18</td>
</tr>
<tr>
<td>TOTAL</td>
<td>17</td>
<td>28.9</td>
<td>17</td>
<td>32</td>
</tr>
</tbody>
</table>

Table 2: Trends in representation of EEO groups as at 30 June 2011. (Expressed as % of Full Time Equivalent)

<table>
<thead>
<tr>
<th>EEO Target Group</th>
<th>NSW Benchmark or Target</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>50%</td>
<td>58.5%</td>
<td>57%</td>
<td>65%</td>
<td>63%</td>
</tr>
<tr>
<td>Aboriginal people and Torres Strait Islanders</td>
<td>2%</td>
<td>3.8%</td>
<td>2.2%</td>
<td>0%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Appendix 5

NSW Government Action Plan for Women

The Murrumbidgee CMA is committed to the aims and objectives of the NSW Government Action Plan for Women and actively supports women in the workplace. During the 2011-12 period, the Murrumbidgee CMA provided flexible working conditions for all staff, including paid maternity leave. Of the 37 women employed by the Murrumbidgee CMA in 2011-12, four accessed paid maternity leave.

Appendix 6

Personal Policies and Practices

DECCW is the host employer for all CMAs and its personnel policies and practices have been adopted by the Murrumbidgee CMA. These policies and practices include:

- Industrial Relations
- Equal Employment Opportunity
- Disability Plans
- Multicultural Policies and Services Plan
- Workplace Health and Safety

Recruitment

The Murrumbidgee CMA continues to review and update recruitment procedures and policy to assist selection committees in undertaking their role effectively.

Aboriginal Employment and Cultural Awareness

In line with NSW Government targets, the Murrumbidgee CMA management team is committed to maintaining two per cent Aboriginal employment within the organisation.

Flexible work practices

Murrumbidgee CMA working conditions align with those of DECCW. DECCW recognises the importance of flexibility for all employees to balance their work and personal responsibilities more effectively, and the Murrumbidgee CMA provides opportunities for employees to make working arrangements to allow for this.

Appendix 7

Funds Granted to Non-Government Community Organisations

During the 2011-12 reporting period the Murrumbidgee CMA issued a total of $5,005,747 directly to non-government organisations, community groups and individuals. The remaining grant funds were delivered to the community via contracted third party providers on a fee for service basis.

Table 3: Funds Granted to non-government organisations, community groups and individuals

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Project Description</th>
<th>Amount Granted 1/7/11 to 30/06/12 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caring for Our Country and Catchment Action</td>
<td>Climate Change Corridors project offers land managers incentives to conserve and connect native vegetation corridors in the Murrumbidgee</td>
<td>1,573,531</td>
</tr>
</tbody>
</table>
### Murrumbidgee Catchment Management Authority

<table>
<thead>
<tr>
<th>NSW</th>
<th>Catchment area.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Catchment Action NSW-Land &amp; Water Management Plans</strong></td>
<td>Maintain and enhance the sustainability and profitability of agriculture in the sub-regions of Murrumbidgee Irrigation Area &amp; Coleambally Irrigation Area.</td>
</tr>
<tr>
<td><strong>Caring for Our Country</strong></td>
<td>Community Partnerships Program delivering small grants to community groups across the Murrumbidgee catchment.</td>
</tr>
<tr>
<td><strong>Caring for Our Country</strong></td>
<td>Property Vegetation Plan to protect and enhance biodiversity values of the lower Murrumbidgee floodplain.</td>
</tr>
<tr>
<td><strong>Caring for Our Country</strong></td>
<td>Numeralla River Riparian Restoration project is to procure and construct structural erosion control works and associated activities for stream restoration works at specified on the Numeralla River.</td>
</tr>
<tr>
<td><strong>Caring for Our Country</strong></td>
<td>The MERI project undertakes monitoring, evaluation and reporting activities at on-ground, project and organisation levels to determine whether we are achieving the outcomes we planned and the overall success of our projects, then reporting on these findings and identifying lessons learnt to improve future projects.</td>
</tr>
<tr>
<td><strong>Caring for Our Country</strong></td>
<td>Soil Management Training project aims to increase and progress land manager knowledge, skills and awareness in the natural resource management area of soil health and land management.</td>
</tr>
<tr>
<td><strong>Catchment Action NSW</strong></td>
<td>Development of Murrumbidgee Next Generation Catchment Action Plan.</td>
</tr>
<tr>
<td><strong>Other Aust Govt</strong></td>
<td>Bio-Regional Assessment project for the Murrumbidgee natural resource management region is to assess the potential risks to water resources as a result of the direct and indirect impacts of coal seam gas or large coal mining development.</td>
</tr>
<tr>
<td><strong>NSW Section 10</strong></td>
<td>Riverina Highlands Landscape project provides incentives to land managers in the Riverina Highlands area to enhance native vegetation and reduce soil erosion through Property Vegetation Plans.</td>
</tr>
<tr>
<td><strong>NSW Section 10</strong></td>
<td>Numeralla East Landscape project provides incentives to land managers in the Numeralla area to enhance native vegetation and reduce soil erosion through Property Vegetation Plans.</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>Profitable Animal Production (Evergraze) project aims to decrease groundwater recharge through use of increased perennial vegetation</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>Protection and management of the threatened Tumut Grevillea.</td>
</tr>
</tbody>
</table>
### Murrumbidgee Catchment Management Authority

<table>
<thead>
<tr>
<th>Trust/Group</th>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental Trust</strong></td>
<td>Restore Hay Rangelands: a collaborative project with the Hay Landcare group to develop a direct seeding program to achieve Catchment Action Plan (CAP) targets in biodiversity and community skills, knowledge and engagement.</td>
<td>17,241</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>ACWA project to develop a plan to reduce turbidity and improve water quality in the Upper Murrumbidgee River catchment.</td>
<td>98,279</td>
</tr>
<tr>
<td><strong>Caring for Our Country and Catchment Action NSW</strong></td>
<td>Conservation Farming: engaged rural communities with knowledge and capacity to conserve the natural resource base upon which agriculture and the community depends</td>
<td>497,559</td>
</tr>
<tr>
<td><strong>Caring for Our Country and Catchment Action NSW</strong></td>
<td>Pest Animal project: worked with land managers, government and the wider community to manage pests and improve native vegetation and habitat</td>
<td>9,056</td>
</tr>
<tr>
<td><strong>CiOC Competitive</strong></td>
<td>Monaro Landscape Connectivity project: provided selected properties in the Monaro Region, landscape/vegetation/habitat connectivity values to maximise production and conservation outcomes.</td>
<td>67,199</td>
</tr>
<tr>
<td><strong>Other NSW Govt</strong></td>
<td>Roads &amp; Maritime Services: provided funding to establish native vegetation offsets along the Newell Highway</td>
<td>74,964</td>
</tr>
<tr>
<td><strong>Other NSW Govt</strong></td>
<td>Landcare Group Support: provided packages of resources for Landcare groups tailored to the needs of the Landcare groups. This project also aims to develop and enhance Landcare and CMA networks and to build capacity and participation.</td>
<td>12,917</td>
</tr>
<tr>
<td><strong>Interest/CANSW</strong></td>
<td>Flood Recovery Project: assisting landholders via local government partnerships with the implementation of flood recovery works located in-stream and on the floodplain, treatment and removal activities.</td>
<td>476,359</td>
</tr>
<tr>
<td><strong>Interest/Miscellaneous Income</strong></td>
<td>Grant funds from prior years returned to the Murrumbidgee CMA. The Murrumbidgee CMA expended these funds in 2011/12 as Fee for Service expenditure not Grants in achieving original project outcomes</td>
<td>-335,686</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$5,005,747</td>
</tr>
</tbody>
</table>

### Appendix 8

**Credit Card Use**

Murrumbidgee CMA has two credit cards issued to the Chairperson and General Manager. Subject to DECCW and more recently DPI requirements, corporate credit cards have been issued to facilitate travel, accommodation and limited purchases.

DECCW and more recently DPI corporate card policies represent best practice in accordance with treasury and the Auditor General’s guidelines. Corporate card expenditures are monitored for compliance with the guidelines on a transaction basis. In accordance with
the Treasurer’s directions, the certification report on corporate-card usage is reviewed by officers of by Department of Finance and Services – ServiceFirst as part of their service level agreement with the CMAs. Corporate credit card usage was considered to comply with best practice guidelines.

Appendix 9

Consultants Engaged

No consultants were engaged for the 2011-12 Financial Year

Appendix 10

Investment performance

See financial statements.

Appendix 11

Payment of accounts

Payment of accounts on behalf of the Murrumbidgee CMA is undertaken by Department of Finance and Services – ServiceFirst as part of their service level agreement with the CMAs.

Murrumbidgee CMA [Co. 8500]

Table 4: Quarterly Schedule of Accounts Payable – Aged analysis at the end of each quarter.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Current (ie within due date) $</th>
<th>Less than 30 days overdue $</th>
<th>Between 30 and 60 days overdue $</th>
<th>Between 60 and 90 days overdue $</th>
<th>More than 90 days overdue $</th>
</tr>
</thead>
<tbody>
<tr>
<td>September Quarter</td>
<td>13,104</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>December Quarter</td>
<td>1,912</td>
<td>0</td>
<td>2,296</td>
<td>220</td>
<td>0</td>
</tr>
<tr>
<td>March Quarter</td>
<td>2,170</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>June Quarter</td>
<td>118,117</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
</tbody>
</table>

Accounts paid on time within each quarter

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Accounts Paid on Time</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target %</td>
<td>Actual %</td>
</tr>
<tr>
<td>September Quarter</td>
<td>90</td>
<td>98</td>
</tr>
<tr>
<td>December Quarter</td>
<td>90</td>
<td>99</td>
</tr>
<tr>
<td>March Quarter</td>
<td>90</td>
<td>98</td>
</tr>
<tr>
<td>June Quarter</td>
<td>90</td>
<td>99</td>
</tr>
</tbody>
</table>

Notes on above table:

- Percentage of accounts paid on time is based on SAP Payment Analysis Report, which compares vendor masterfile payment terms, invoice document date and payment
document date to determine if payment was made on time, and if not, how many days it was late. The dollar value is the actual dollar value of the documents in each column (i.e., paid on time, not paid on time), so the percentage is based on documents, not dollar value.

Comments

Initiatives to improve payment performance include:

- Tightened controls to ensure correct data entry of payment terms and invoice dates in SAP.
- Prioritise vouchers as they are received in Financial Operations so invoices due for payment first get processed first.
- Use of extra resources, to ensure smooth workflow during peak periods.
- Improved compliance with the tax system by vendors and Departmental staff.

Penalty Interest Paid

There was no penalty interest paid during financial year 2011/12.

Payment by Corporate Card

Subject to meeting Departmental requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The Department’s corporate card policies represent best practice in accordance with Treasury and the Auditor General’s guidelines. The Corporate Card Guidelines/Procedures satisfy the requirements of the Revised Treasurer’s Directions TD 205.01-205.08 and was based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditures are monitored for compliance with guidelines on a transaction basis and usage was considered to comply with best practice guidelines.

The Department incurred no late payment fees as a result of corporate card usage.

Appendix 12

Availability and Production Cost of Annual Report


Appendix 13

Risk Management and Insurance

Effective risk management is a core management requirement. Risk management is considered at all levels of Murrumbidgee CMA operations in the normal course of all activities. Murrumbidgee CMA has implemented or is implementing practicable alternative measures that will achieve a level of assurance equivalent to the requirement, see page 23-24.

Appendix 14

Waste

The NSW Government’s Waste Reduction and Purchasing Policy aims to reduce waste production by all government agencies. The Murrumbidgee CMA is committed to reducing the amount of waste produced and has a number recycling procedures in place to minimise environmental impacts.

In addition to existing strategies to reduce waste, the Murrumbidgee CMA has continued to increase the amount of recycled content in outsourced printing of publications and office-
Murrumbidgee Catchment Management Authority

based printing. Murrumbidgee CMA continues to develop waste reduction strategies for a more environmentally friendly workplace.

Appendix 15
Access
See inside back cover.

Appendix 16
Government Information Public Access applications

The Government Information Public Access (GIPA) Act 2009 confers a legally enforceable right of access to information held by government agencies, subject to certain grounds for refusal. The Act provides the main mechanism through which the public can apply to access Government-held documents, where those documents are not already made publicly available.

The Murrumbidgee CMA did not receive any applications Freedom of Information in 2011-12, nor were there any applications brought forward from a previous period.

Appendix 17
Guarantee of Service

The Murrumbidgee CMA aims to deliver quality customer services and strives to offer timely support and information from its 11 regional offices. Sensitive and confidential material is handled in a manner that ensures the rights of the individual and requirements of DTI are met.

Appendix 18
Privacy management plan

The Murrumbidgee CMA respects the privacy of members of the public who work in partnership agreements and access our services, and our employees. In the 2011-12 reporting period, there was one request for access to documents, no applications for an internal review and no complaints under the Privacy and Personal Information Protection Act 1998. As required under the Act, DTI has a Privacy Management Plan governing the collection, retention, accuracy and disclosure of personal information, including rights of access and correction, which the Murrumbidgee CMA adheres to.

Appendix 19
Publications

<table>
<thead>
<tr>
<th>Publication Type</th>
<th>Produced 2011-12</th>
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<tbody>
<tr>
<td>Brochure</td>
<td>The Bidgee from Behind the Lens Photographic Competition 2012 Murrumbidgee CMA Calendar Linking Biodiversity Farmers - Aboriginals, Identifying Cultural Sites on the Land</td>
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<tr>
<td>E-Newsletter</td>
<td>Bidgee Buzz, 4 editions</td>
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<td>Fact Sheet</td>
<td>Climate Change Corridors Wetlands Strategic Connectivity Corridors Willow Control and Management</td>
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<tr>
<td>Newsletters</td>
<td>Harden Murrumburrah Landcare Newsletter – Spring 2011 Harden Murrumburrah Landcare Newsletter – Summer 2011</td>
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</table>
### Murrumbidgee Catchment Management Authority

| Plans / strategies | Murrumbidgee CMA Media Policy
|                    | Murrumbidgee CMA Community Engagement Strategy

| Posters            | The Bidgee from Behind the Lens Photographic Competition
|                    | Identifying Cultural Sites on the Land
|                    | Murrumbidgee Flood Recovery 2011

| Reports            | 2010-11 Murrumbidgee CMA Annual Report

| Website            | Revised website content for the Murrumbidgee CMA |
## ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ACT</td>
<td>Australian Capital Territory</td>
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<tr>
<td>BRCT</td>
<td>Biodiversity Resource Condition Targets</td>
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<tr>
<td>CAL</td>
<td>Cultural Access Licence</td>
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<tr>
<td>CANFA</td>
<td>Conservation Agriculture and No-Till Farming Association</td>
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<tr>
<td>CAP</td>
<td>Catchment Action Plan</td>
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<tr>
<td>CMA</td>
<td>Catchment Management Authority</td>
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<tr>
<td>CRCT</td>
<td>Community Resource Condition Targets</td>
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<tr>
<td>DECCW</td>
<td>Department of Environment, Climate Change and Water</td>
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<tr>
<td>DLFF</td>
<td>Drought Lot Feeding Facility</td>
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<tr>
<td>DPI</td>
<td>Department of Primary Industries</td>
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<td>EEO</td>
<td>Equal Employment Opportunity</td>
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<td>E=M3C3</td>
<td>Ecosystems=Murray Mouth to Mountains Climate Change Corridors</td>
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<tr>
<td>GPS</td>
<td>Global Positioning System</td>
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<td>HA</td>
<td>Hectares</td>
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<td>HMFD</td>
<td>Henty Machinery Field Day</td>
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<td>KM</td>
<td>Kilometres</td>
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<td>LCC</td>
<td>Landscape Corridors Connectivity</td>
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<td>LPMA</td>
<td>Land and Property Management Authority</td>
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<td>MER</td>
<td>Monitoring, Evaluation and Reporting</td>
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<td>ML</td>
<td>Megalitre</td>
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<td>Property Vegetation Plans</td>
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<td>SCarPa</td>
<td>Site and Catchment Resource Planning and Assessment</td>
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<td>TEK</td>
<td>Traditional Ecological Knowledge</td>
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<td>Treasury Corporation</td>
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<td>TCorp</td>
<td>Traditional Custodians Advisory Group</td>
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<td>WHS</td>
<td>Workplace Health and Safety</td>
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<tr>
<td>WRCT</td>
<td>Water Resource Condition Targets</td>
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Murrumbidgee
Catchment Management Authority

“With 46 specialist staff located at 11 regional centres throughout the catchment, our team delivers a full range of professional natural resource management services”

Wagga Wagga (head office)
Postal Address: PO Box 5224, NSW 2650
Street Address: Level 1, 43-45 Johnston Street
Telephone: (02) 6932 3232
Fax: (02) 6932 3269
Email: murrumbidgee@cma.nsw.gov.au

Queanbeyan
Postal Address: PO Box 605, NSW 2620
Street Address: 11 Farrer Place, Queanbeyan
Telephone: (02) 6229 7706
Fax: (02) 6299 7701

Coleambally
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Telephone: (02) 6954 4650
Fax: (02) 6954 4420

Cooma
Postal Address: PO Box 26, NSW 2630
Street Address: 26 Soho Street
Telephone: (02) 6452 4150
Fax: (02) 6452 2080

Cootamundra
Postal Address: PO Box 189, NSW 2590
Street Address: 87 Cooper Street
Telephone: (02) 6940 2944
Fax: (02) 6940 2941

Harden
Postal Address: PO Box 145, NSW 2587
Street Address: Harden Shire Council, East Street
Telephone: (02) 6386 3954
Fax: (02) 6386 2083

Hay
Postal Address: PO Box 182, NSW 2711
Street Address: 126 Lachlan Street
Telephone: (02) 6993 2070
Fax: (02) 6993 1522

Henty
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Street Address: 27 Sladen Street
Telephone: (02) 6929 3555
Fax: (02) 6929 3566

Leeton
Postal Address: PO Box 156, NSW 2705
Street Address: Chelmsford Place
Telephone: (02) 6953 0700
Fax: (02) 6953 4468

Tumut
Postal Address: PO Box 71, NSW 2720
Street Address: 21 Fitzroy Street
Telephone: (02) 6941 2253
Fax: (02) 6947 4339

Yass
Postal Address: PO Box 23, NSW 2582
Street Address: 1411 Yass Valley Way
Telephone: (02) 6118 6012
Fax: (02) 6118 6019

Business hours: 8:30am – 4:30pm / Monday – Friday