

Annual Report

2019/20





Acknowledgment of Country

The North Central Catchment Management Authority acknowledges Traditional Owners within the region, their rich culture and spiritual connection to Country. We also acknowledge the contribution and interest of Aboriginal and Torres Strait Islander people and organisations in land and natural resource management, and pay respects to Elders past, present and emerging.

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ISSN 1837-0829 (Online)

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Cover Image

Woodend Primary School tree planting day, Campaspe River (image taken prior to COVID-19 restrictions)

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Responsible Body Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the North Central Catchment Management Authority's (CMA) Annual Report for the year ending 30 June 2020.



Julie Miller Markoff
Chair
North Central CMA
20 October 2020

PART 1: YEAR IN REVIEW

Foreword from the Chair

The North Central Catchment Management Authority (CMA) works closely with our communities and our partners to deliver lasting catchment change across our region.

During the latter part of the 2019-20 year the coronavirus (COVID-19) pandemic disrupted the way we traditionally do business. We've adapted to these uncertain circumstances and continued to demonstrate our commitment to 'getting the job done', co-ordinating the delivery of a \$15 million program, all well-planned and all with the long-term goal of landscape change in mind.

Our achievements also demonstrate and deliver on the trust the Victorian and Australian governments put in us through initiatives such as Victoria's Water for Victoria; Our Catchments, Our Communities; Protecting Victoria's Environment - Biodiversity 2037; and Australia's National Landcare Program.

We delivered a diverse programs of natural resource management change. Of note is our flagship waterway project - Caring for the Campaspe - funded through the Victorian Government's \$222M Water for Victoria initiative. Working with the community over the past eight years, the project has contributed to fencing 52% (or 87 km) of the entire river. Combined with more than 398 ha of weeds control and 271 ha of revegetation the river is now on a clear trajectory of improved health. We also secured \$200,000 of additional funding through the Victorian Government's Boosting Recreational Water Use Initiative and the Murray Darling Basin Authority - partnering with the Campaspe Shire - to build the first all-abilities fishing platform and kayak launch along the Campaspe River at Rochester. We want communities to get on the river and enjoy the benefits of its better health.

Across the year we have partnered with Trust for Nature to deliver our National Landcare Program funded Plains for Wanderer project. There are less than 1,000 plains wanderers left in the wild, and Victoria's Northern Plains habitat is identified as crucial for this Critically Endangered and internationally renowned bird. Working with private landholders to secure the threatened grasslands the plains wanderer calls home we permanently protected another 118 ha of prime habitat as well as 71 ha of revegetation, 67 ha of weed control and 958 ha of pest control.

Responding to climate change is central to the success of the work we do. Our Climate Change Commitment leads our strategy and planning; delivery; community engagement and our own carbon footprint. We aim to build resilience in rivers and wetlands that will help them deal with a changing and drier climate. Through our Water for the Environment program we delivered 57,700 ML of water using science, community and Traditional Owner knowledge to make every drop count. We also focused programs on sustainable soils and delivering climate resilient work practices and support for landholders and managers to adjust and mitigate against climate effects.

We continued to strengthen relationships with the seven Traditional Owner groups in our region to achieve shared aspirations for healthy Country. In 2018, we committed to a Reconciliation Action Plan to keep us accountable for our role in supporting Aboriginal self-determination. As we near the end date of this first plan we have many achievements: mentoring opportunities to two Aboriginal youth in partnership with TAFE through school based traineeships, increased Traditional Owner employment on Country through CMA funded projects, improved Aboriginal representation in governance and on a number of Board sub-committees and project committees; development and delivery of Boort Land Water and Fire and Wanyarram Dhelk projects in partnership with Dja Dja Wurrung to meet Country Plan objectives; Cultural leave provided for Aboriginal employees; and completion by 90% of the corporate family of cultural awareness training in accordance with our Cultural Competence Framework.

On behalf of the region, we're listening to our communities, Traditional Owners, partner agencies and stakeholders and co-planning with them to understand the natural assets that are most valued across the region and how best to protect them. The renewed Regional Catchment Strategy (RCS) will identify a clear roadmap for natural resource management efforts for all regional stakeholders over the next six years. Alongside this roadmap, our new Business Development program is exploring the region's wealth of knowledge, networks and capabilities in order to maximise natural resource management investment in north central Victoria, and increase delivery of the RCS.

As chair of an innovative, dynamic, and reliable organisation that has adapted to a changed operating environment over the past year, I am delighted and proud of what we have achieved. In accordance with the Financial Management Act 1994, I am pleased to present the North Central Catchment Management Authority's Annual Report for the year ending 30 June 2020.



Julie Miller Markoff
Chair



1.1 Our Vision, Our Mission, Our Approach, Our Culture

Our Vision

Sustainably managed land, water and biodiversity resources that support productive and prosperous communities now and in the future.



Our Mission

We create natural resource management partnerships and programs that deliver lasting change.



Our Approach

Connecting natural resource management activities

- Delivering environmental water and improving riparian habitat.
- Supporting productive agricultural land.
- Linking healthy biodiversity.
- Adapting our landscape to a changing climate.



Enabling active communities

- Supporting community action.
- Collaborating with Traditional Owner and Aboriginal groups.
- Partnering with government, industry and community.

Supporting sound decisions with knowledge

- Gathering knowledge from traditional, local and scientific sources.
- Sharing knowledge and information to empower our community.
- Fulfilling our statutory roles in floodplain management to prepare and protect the community.

Our Culture

As a public-sector entity we behave in-line with the Victorian Public Sector values.



We are knowledgeable, engaging and reliable. We do this by:

- seeking to understand
- being honest and taking responsibility
- seeing something and doing something
- showing respect
- actively engaging.

1.2 Manner of Establishment and Responsible Ministers

North Central Catchment Management Authority is established under the *Catchment and Land Protection Act 1994* (CaLP Act) and also has powers and functions under the *Water Act 1989* (Water Act).

The responsible Ministers for the period from 1 July 2019 to 30 June 2020 were the Hon. Lisa Neville MP, Minister for Water and the Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change.

1.3 Nature and Range of Services Provided

The North Central Catchment Management Authority (CMA) is principally responsible for protecting and improving the health of the region's natural resources in-line with the 2013–19 North Central Regional Catchment Strategy (RCS). Responsibilities also include delivering on statutory obligations for waterway, rural drainage and floodplain management.

The nature and scope of the North Central CMA's programs and projects contribute to the achievement of its business objectives.

The core programs of the North Central CMA are:

Environmental Assets: Responsible for delivering a broad range of projects aimed at improving the health of waterways, wetlands and biodiversity within our region. The program delivers on the priorities identified in the RCS, the North Central Waterway Strategy, and a range of international environmental obligations. The program also works closely with the community and key Traditional Owner groups to help build capacity for delivering shared benefits across the region.

Water for the Environment: Delivering against the North Central CMA's statutory responsibilities to manage the environmental water reserve in our region pursuant to the *Water Act 1989*. This includes long-term and annual planning, adaptively managing delivery, event-based monitoring and extensive community and Traditional Owner engagement. The program also includes management of works and measures that support environmental watering objectives such as infrastructure to deliver water to a site.

Sustainable Agriculture: Works with communities, Traditional Owners, agricultural industries, and partner agencies to achieve productive farming while protecting the natural resource base. The program delivers regional priorities identified in the North Central Regional Sustainable Agriculture Strategy that supports agriculture across north central Victoria.

The program focuses on protecting the condition of land and soils; waterways; floodplains and wetlands; consumptive water available for irrigation; agricultural livestock and crop health; the natural biodiversity and people in agriculture from the pressures of agricultural practices.

Strategy and Partnerships: Providing support and leadership across community focused projects and programs. A key part of the program is supporting Landcare Networks and groups, administration of the Victorian Landcare grants, delivering the Citizen Science Waterwatch program and coordinating the North Central CMA Indigenous Program.

Statutory Functions: Provides flood information and support to the Victorian State Emergency Service, local government, and the community. This contributes to the communities understanding of their flood risk whilst also ensuring that infrastructure development considers flood hazard and waterway health to minimise growth in flood risk and to protect and enhance waterway health.

The Regional Floodplain Strategy was finalised in 2017-18 and provides a work plan prioritising actions across the region to manage the risk of flooding and improve flood resilience of our communities into the future. North Central CMA delivers on actions in the work plan whilst also supporting partner agencies with technical assistance to deliver actions. North Central CMA will continue to support the delivery of priority actions, including the 13 projects currently funded in the region, whilst also working with partner agencies to secure further funding for priority actions that contribute to meeting the objectives of the strategy.

Major Projects: The Victorian Murray Restoration Project (VMFRP) aims to enhance the highly-valued floodplains and consists of nine distinct project sites on the Murray River in Victoria.

Works will generally involve construction of weirs, regulators, pump stations, and improvements to existing and new flood levees and access tracks, so that a more natural environmental watering regime can be achieved.

The planning phase has been funded by the Australian Government (\$29 million) until June 2021.

The North Central CMA is contracted by Lower Murray Water via a service level agreement (SLA) to deliver project management and support services for the Eastern Package (Guttrum-Benwell and Gunbower) of the VMFRP.

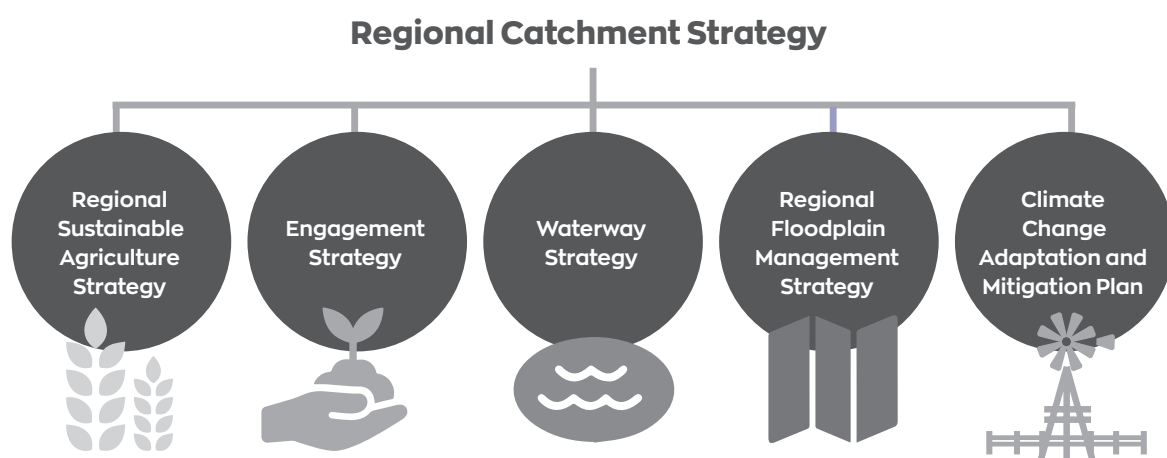


Figure 1 **Sub-strategies of the Regional Catchment Strategy**

1.4 Objectives, Functions, Powers and Duties

The principal statutory obligations of the North Central CMA are prescribed in the *Catchment and Land Protection Act 1994* and *Water Act 1989*.

The core functions of the North Central CMA deliver on the *Catchment and Land Protection Act* and *Water Act* accountabilities, which primarily include:

- Regional planning and coordination
- Regional delivery
- Statutory functions under Part 10 of the *Water Act 1989*
- Statutory functions under Part 11 of the *Water Act 1989*

Furthermore, in 2018 the Victorian Government developed an Outcomes Framework (Figure 2). The outcomes-based approach for government focuses on actual results achieved, rather than inputs and outputs. A focus on outcomes provides a clear line of sight from investment through to success. In response, the North Central CMA's 2019/20-23/24 Corporate Plan included a Business Outcomes Framework (Table 2). The framework demonstrates how the CMA would achieve the top two tiers of the Victorian Government's Outcomes Framework and how we will measure success against our vision, mission and approach.

Our performance against the Business Outcome Framework is detailed in the Performance Against Objectives, Functions, Powers and Duties section of this report (Table 2).

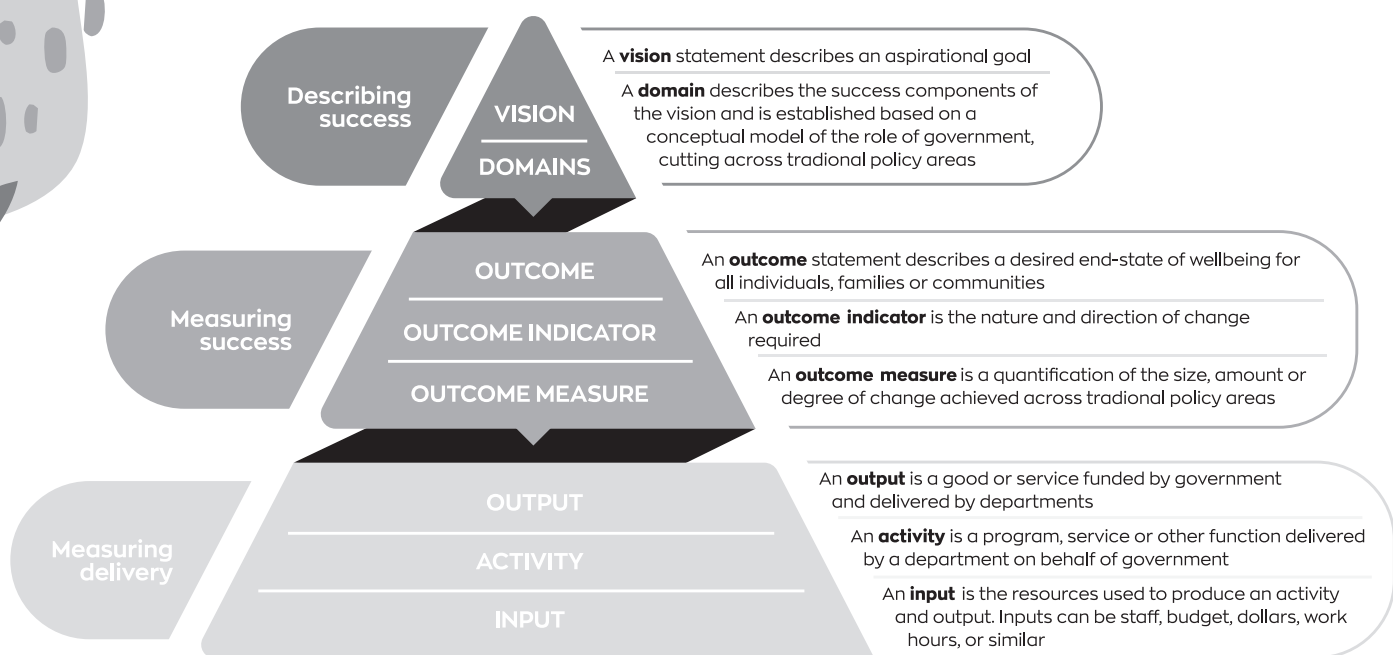


Figure 2 **Victorian Government Outcome Framework Diagram**

1.5 Performance Against Objectives, Functions, Powers and Duties

This section of the report addresses our achievements and operational performance against key areas in our 2019/20-23/24 Corporate Plan and legislative reporting requirements, including:

- Minister’s Letter of Expectations Priority Areas
- North Central CMA Business Outcomes Framework
- Organisational Performance Framework
- Catchment Condition Statement
- DELWP prescribed outputs
- Key Initiatives and Projects
- Business Improvement

Minister’s Letter of Expectations Priority Areas

In May 2019, the Minister for Water issued a Letter of Expectations to the North Central CMA outlining expectation and performance priorities that align with nine Victorian government policy priorities:

1. Climate Change
2. Waterway and Catchment Health
3. Water for Agriculture
4. Community Engagement and Partnerships
5. Recognise and Support Aboriginal Cultural Values and Economic Inclusion in the Water Sector
6. Recognise Recreational Values
7. Resilient and Liveable Cities and Towns
8. Leadership, Diversity and Culture
9. Improved Performance and Demonstrating Outcomes

The following table provides a high-level performance statement against each Victorian government priority policy area appropriate to the North Central CMA’s functions and duties. Additional narrative on our performance can be read in the 1.10 Key Initiatives and Project Performance section of this report.

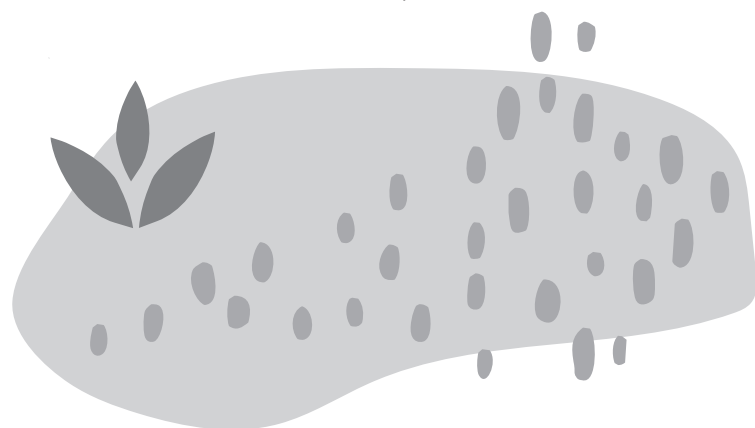


Table 1 Performance against Ministerial priority areas

Priority Area	Outcome Indicators	Measure	Performance statement
Climate Change	E4 Active investigation into new opportunities to sequester carbon.	E4.1 Explore opportunities to provide carbon offsets.	Continuing to work with partners to explore the barriers and opportunities to deliver local carbon offsets aligned with the North Central Climate Change Adaptation and Mitigation Plan to achieve environmental outcomes. Discussions are also continuing with Coliban Water about how local carbon offsets can help achieve objectives in Coliban Water’s 2030 Strategy.
		E4.2 Partnerships with Traditional Owners for carbon sequestration.	The statewide Carbon Abatement Partnership Opportunities with Traditional Owners project has been developed.
		E4.3 Progress in relation to Adaptation Programs.	CMA Board endorsed Climate Change Commitment Plan. A trial of electric cars in the CMA fleet is underway. CMA has also supported a Community Climate Change adaptation program ran by Jumpleads, a non-government organisation.

Table 1 **Performance against Ministerial priority areas**

Priority Area	Outcome Indicators	Measure	Performance statement
Waterway and Catchment Health	CH1 Improved health of priority waterways and their catchments.	CH1.1 Implement your regional waterway strategy, regional catchment strategy and related actions in Water for Victoria, Our Catchments Our Communities and the Regional Riparian Action Plan. Priority focus on large-scale waterway projects outlined in Water for Victoria.	<p>Investment in activities for priority waterways and wetlands contributed to improved waterway health and the protection of more than 14,500 ha through the following projects: Our Catchments, Our Communities (Upper Coliban and Long Swamp); Priority Waterways (Birch's Creek and Upper Coliban catchments); Environmental Water program; The Living Murray; Gunbower Compliance; Gunbower and Kerang Ramsar; Victorian Murray Floodplain Restoration project; the recovery of the Southern pygmy perch; Kyneton Offsets; and the Native Fish Recovery Plan.</p> <p>Of particular note is the achievements of the CMA's flagship waterway project, Caring for the Campaspe. Over the past eight years on-ground works have contributed to 52% (or 87 km) of the entire river being protected with fencing. More than 398 ha of weeds have been controlled; 271 ha revegetated with native plants.</p>
		CH1.2 A new approach to track progress and report back to communities for your region's Flagship Waterway, incorporating citizen science.	<p>The Campaspe River is one of 10 flagship waterways identified in the Victorian Government's \$222 M Water for Victoria initiative aimed at improving the health of 36 waterways across Victoria through large-scale, long-term projects.</p> <p>Our flagship waterway project, Caring for the Campaspe, is in its eighth and final year of implementation through the current Victorian Government's Environmental Contribution (EC) levy - EC3 and EC4 funding.</p> <p>The project has a commitment to reporting its achievements to the community and partners through informal and formal activities and methods including: 30 project group reference meetings; the involvement of nine Landcare groups; 146 participating landholders; engaged nine River Detective schools; the installation of nine interpretive signs along the river; the engagement of more than 3,600 people through 34 community events; the engagement and support of five local governments; three Traditional Owner groups and four partner agencies.</p>
		CH1.3 Better demonstrate the environmental, social, cultural and economic outcomes achieved through waterway and catchment programs.	<p>The Boort-Kinypanial Land, Water and Fire project funded through the Victorian Government's OCOC project was successful joint project with Dja Dja Wurrung Corporations, Djandak. In returning Wi (Fire) to Country (Djandak) Dja Dja Wurrung were able to maintain and manage weeds whilst supporting Cultural burns. This is a goal and an aspiration of the Djandak Wi plan and has built trust within the Yung Balug community and further family groups across Dja Dja Wurrung Country. The project enhanced social capacity and capability of Dja Dja Wurrung people to manage Djandak (Country), Wi (Fire) and Gatjin (Water) and further supported the development and resourcing for a business case to access water entitlements for economic development.</p>

Priority Area	Outcome Indicators	Measure	Performance statement
Waterway and Catchment Health	CH1 Improved health of priority waterways and their catchments.	CH1.4 A new integrated catchment management project for the region.	<p>Integrated catchment management approaches through A Healthy Coliban Catchment and Kyneton Offsets projects, in partnership with Coliban Water, Landcare, communities and Dja Dja Wurrung are progressing.</p> <p>The Upper Coliban Catchment integrated management model is being adopted with an MoU between the North Central CMA, Central Highlands Water and Corangamite CMA to explore projects of mutual interest, for example an Integrated Catchment Plan for the Tullaroop catchment.</p> <p>Partnership with Bendigo City Council to implement the Reimagining Bendigo Creek project with a focus on citizen science.</p>
Water for Agriculture	WA1 A productive and profitable irrigation sector and vibrant and resilient regional communities that adapt.	WA1.1 Promoting sustainable irrigation management practices to support the growth and viability of regional communities.	The draft Loddon Campaspe Irrigation Region Land and Water Management Plan's vision over the next ten years is 'Using water for healthy, productive, sustainable, irrigated food and fibre.' The draft plan includes actions for a productive and profitable irrigation sector and vibrant and resilient regional communities.
		WA1.2 Planning and coordinating activities to manage salinity, water logging and water quality in agricultural areas.	<p>The North Central CMA contributes to the implementation of the Murray Darling Basin Salinity Management Strategy (BSM2030).</p> <p>Manages accountable actions for MD BSM2030 Salinity Register entries within the north central Victoria.</p> <p>Contributes to Victoria's Annual Murray Darling Basin Salinity Management Strategy.</p>
		WA1.3 Providing flexibility for agriculture to continue to adapt to change and help the sector do more with less water.	<p>The agriculture sector is supported through the CMA's Regenerative Agriculture program and the Regional Agriculture Landcare Facilitator.</p> <p>Five community groups delivered 17 activities to 395 landholders, managing approx. 83,000 ha, to address knowledge gaps in managing soil and practices required to increase soil carbon and protect the soil from wind erosion. Collaborative partnerships have been formed with Agriculture Victoria and industry leaders participating in events and providing skills and knowledge to support the CMA and program outcomes.</p> <p>The Regenerative Agriculture team has partnered to deliver 20 online webinars/ workshops to increase landholder knowledge on a range of topics including the seasonal outlook and how to use information provided by an on-farm soil test, all available to view on the CMA's website.</p> <p>Our Regional Agriculture Landcare Facilitator works with Landcare groups to provide updates on upcoming events, funding opportunities and relevant information. Social media is used frequently to inform the farming community about workshops, field days, webinars, research, and publications. More than 40 agricultural social media posts with a reach of more than 50,000 people.</p>

Table 1 **Performance against Ministerial priority areas**

Priority Area	Outcome Indicators	Measure	Performance statement
Community Engagement and Partnerships	CE1 A strong community engagement focus that is a cornerstone of all CMA’s functions.	CE1.1 Continue to build extensive, effective and consistent approaches to community engagement and partnerships in regional planning and implementation.	<p>The CMA developed 17 project communication and engagement plans to reach engagement outputs and project objectives during the reporting period.</p> <p>The plans are underpinned by the objectives outlined in the 2017-2021 North Central CMA Engagement Strategy including principles that drive the Community Engagement and Partnerships Framework for Victoria’s Catchment Management Authorities. The Strategy’s Charter is our engagement commitment to our communities, stakeholders and partners.</p> <p>During 2019-20 the North Central CMA’s participation rates in NRM engagement was 5,421. The slight decline in participation from the previous year is most likely due to COVID-19 restrictions on social gatherings which impacted our traditional engagement methods. It can be assumed the trajectory for participation rates for 2019-20 would have far exceeded participation rates achieved in 2018-19.</p> <p>Despite the challenges to the normal way we do business, we are finding new and innovative ways to engage with our communities that will help deliver natural resource management partnerships and programs that deliver lasting change. Over recent months our projects and programs have engaged our communities and partners online. An example is the use of webinars to reach our agriculture community on a range of topics through the Regenerative Agriculture project.</p> <p>For the first time we have also engaged our community to help renew the Regional Catchment Strategy online through Engage Vic with 1,574-page views and 77 surveys completed over a three-month period. Survey results will help identify priority assets and regional challenges and opportunities for their protection.</p>
		CE1.2 Work collaboratively with organisations and communities to strengthen engagement approaches and capacity.	<p>The CMA works closely with NRM and local government agencies such as Coliban Water to strengthen engagement approaches and capacity. Another example of collaboration is with the City of Greater Bendigo through the Reimagining Bendigo Creek project that has a focus on community engagement and citizen science.</p>

Priority Area	Outcome Indicators	Measure	Performance statement
Recognise and Support Aboriginal Cultural Values and Economic Inclusion in the Water Sector	AC1 Effective engagement of Traditional Owners.	AC1.1 Number of engagements with Traditional Owners in water planning and management and report on outcomes.	Traditional Owner engagement facilitates knowledge exchange, monitoring and reporting through a number of projects e.g. - Barapa Wamba Water for Country; Our Catchments, Our Communities Dja Dja Wurrung Boort-Kinypanial project; Environmental Water Program; Caring for the Campaspe project Steering committee membership; The Living Murray Program; Barapa Wamba Water for Economic Development project; Regional Catchment Strategy renewal process.
Recognise Recreational Values	RV1 Water services that explicitly consider recreational values, within existing frameworks.	RV1.1 Evidence that recreational values were considered the planning and delivery of environmental water.	Recreational values are considered in the Seasonal Watering Proposals as well as the environmental and economic benefits.
	RV2 Engagement with the community to identify and prioritise opportunities to deliver recreational objectives relating to the management of water and waterways.	RV2.1 Number of engagement processes that identified and considered recreational objectives relating to management of water and waterways.	73 processes considered the recreational objectives relating to water and waterway management during the reporting period. These processes are a combination of methods including consideration at community reference group and stakeholder meetings e.g. development of Seasonal Watering Proposals; events, there were 217 during 2019-20; social and traditional media.
	RV3 Accessible and user- friendly information for recreational users about river and waterway conditions to help community members plan their recreational activities.	RV3.1 Evidence of improvements to online information sources.	A strategic approach to online information through the North Central CMA's Social Media Policy that informs other communication platforms. The CMA's website includes content such as river and waterway condition and information regarding the delivery of water for the environment to help community members' plan their recreational activities.
	RV4 Information about community recreation objectives relating to waterways shared with organisations seeking to prioritise investment in regional development, recreation, community wellbeing and tourism objectives.	RV4.1 Evidence that information on recreational objectives was shared with other organisations, amount of funding contributed by other organisations as a result of information sharing).	The CMA is part of a vibrant community who values recreational activities aligned to healthy waterways. We work with our partners and community to develop and share information about our Seasonal Watering Plans for waterways. Delivery of water for the environment at the right time and right amount provides environmental, recreational and economic benefits.

Table 1 **Performance against Ministerial priority areas**

Priority Area	Outcome Indicators	Measure	Performance statement
Resilient and Liveable Cities and Towns	LC1 Healthy communities and supporting resilient environments.	LC1.1 Collaborating with water corporations and local government, including the participation in Integrated Water Management Forums, to enhance public spaces through integrated water management in existing and new urban environments.	An Integrated catchment management approach through A Healthy Coliban Catchment and Kyneton Offsets projects, in partnership with Coliban Water, Landcare, communities and Dja Dja Wurrung are in their second year of implementation. The Upper Coliban Catchment integrated management model is being adopted with an MoU between the North Central CMA, Central Highlands Water and Corangamite CMA to explore projects of mutual interest, for example an Integrated Catchment Plan for the Tullaroop catchment. Partnership with City of Greater Bendigo to implement the Reimagining Bendigo Creek project with a focus on citizen science.
		LC1.2 Participating in the development and implementation of integrated water management plans, particularly through prioritising measures to enhance urban waterway values.	A Healthy Coliban Catchment and Kyneton Offsets projects are examples of the development and implementation of integrated water management plans, particularly through prioritising works and measures to enhance urban waterway values. Partnership with City of Greater Bendigo to implement the Reimagining Bendigo Creek project with a focus on citizen science.
Leadership, Diversity and Culture	G1 Diversity and inclusion.	G1.1 Developing strategies and goals that will increase cultural diversity in the workforce and gender equity in executive leadership.	North Central CMA values the differences between people and the contribution these differences make in the workplace. Our Leadership team is gender balanced with 45% male and 55% female membership. During the reporting period, the North Central CMA has continued to implement our Diversity and Inclusion Plan 2017–2022. The plan encapsulates four key objectives to focus activities that will continue to cultivate a diverse and inclusive culture within the CMA.
		G1.2 Encouraging staff participation in the Victorian Public Sector Commission 'People Matter Survey' or equivalent survey.	The 2020 People Matter Survey scheduled for May was postponed by the Victorian Public Sector Commission. North Central CMA intends to participate in the 2020 People Matter Survey Wellbeing Check which is scheduled for October. We will encourage our people to participate and share insights into their wellbeing during the COVID-19 pandemic and working from home.

Priority Area	Outcome Indicators	Measure	Performance statement
Improved Performance and Demonstrating Outcomes	PE1 Improved performance and demonstrated results against outcomes.	PE1.1 Collaborate with DELWP to improve reporting systems and processes.	CMA has contributed to the DELWP led Standard Output review and trailed Year 3 assessments of riparian sites via the capture, storage and provision of information under the new Riparian Works Review Standard.
		PE1.2 Demonstrate outcomes of government investment into waterways and catchment health.	Riparian outcomes and case studies demonstrating investment in waterway and catchment health have been submitted to DELWP via 2019-20 Regional Riparian Action Plan and Budget Paper 3 reporting.
		PE1.3 Deliver efficiency through shared services, smarter procurement, and lower-cost technology.	CMA has migrated services to the cloud, enabling a more efficient delivery, particularly for when staff are working remotely during COVID-19 restrictions.
		PE1.4 Commit to working collectively via Vic Catchments membership to strengthen collaboration and performance in the catchment management sector in Victoria.	North Central CEO and Chairperson are members of the Vic Catchments forum. In addition, the CMA reports performance and identifies case studies annually through the Statewide Actions and Achievements Report and promotes the report through the media and on their website.
		PE1.5 Commit to the delivery of Our Catchments Our Communities Integrated Catchment Management program, including leading the development and implementation of new catchment partnership agreements.	Since 2018, signatory members of the North Central Catchment Partnership Agreement have been meeting quarterly to strengthen coordination, collaboration and accountability, reduce duplication, and provide clarity on roles and responsibilities between key catchment management partners.



Business Outcomes Framework

The Business Outcomes Framework demonstrates how the CMA will achieve the top two tiers of the 2018 Victorian Government’s Business Outcomes Framework i.e. describing domains, outcomes and outcome indicators and how to measure success our value to the community and our investors.

The outcomes and outcome indicators closely align with the Victorian government’s nine key policy priorities areas and our project and program delivery with commentary on performance detailed in the 1.10 Key Initiatives and Program Performance section of this report.

Table 2 Vision **Sustainably managed land, water and biodiversity resources that support productive and prosperous communities now and in the future.**

Framework

Outcomes	Outcome Indicators	Measure
Domain – Healthy Environment		
Priority waterways and associated riparian zones are providing enhanced social, economic and environmental services to the community	Increased waterway protection and/or improved management	Hectares; number of systems with seasonally correct environmental flows
Priority wetlands and associated riparian zones are providing enhanced social, economic and environmental services to the community	Increased wetland protection and/or improved management	Hectares
Planning guidelines, advice and agencies are reducing the costs and impacts of flooding to property and asset owners, while maintaining floodplain connectivity and flow paths	Reduced flood risk	Hectares/ number of properties
Priority ecosystems are providing enhanced social, economic and environmental services to the community and protecting threatened species for future generations	Increased biodiversity protection and/or improved management	Hectares
Appropriate land use and management practices are enabling economic profit for farmers, while minimising social and environmental impacts for the community	Improved agricultural management	Hectares
Domain – Knowledgeable and Active Communities		
The community is aware, knowledgeable, skilled and resourced to actively participate in environment and agricultural management	Maintain Landcare Group Health. Increased participants knowledge, awareness, skills and/ or attitude (KASA)	Group Health Score; percentage of respondents with increase in KASA
Traditional Owners are aware, knowledgeable, skilled and resourced to actively participate in managing Country	Increased number of projects with Traditional Owner participation in decision- making about design and delivery	Count of projects



Key to result:

- ✓ = performance target achieved or exceeded or expected to be achieved
- = performance target not achieved – exceeds 5% variance
- = performance target not achieved – within 5% variance

Performance

	Outputs	Business Unit Alignment	Target	Actual	Result
	Fence, vegetation, weed control, pest control, water, grazing, management agreement, engagement event, approval and advice, partnership.	Environmental Assets, Water for the Environment, Strategy and Partnerships, Statutory Functions and Floodplain Management	762 ha	1,980 ha	✓
	Fence, vegetation, weed control, pest control, water, grazing, management agreement, engagement event, partnership	Environmental Assets, Water for the Environment, Strategy and Partnerships	2,712 ha	12,629 ha	✓
	Approval and advice, partnership, measurement station, assessment engagement event	Statutory Functions and Floodplain Management	500 referrals 23,992 ha	579 Referrals 24,170 ha	✓
	Waterway structure, fence, vegetation, weed control, pest control, water, grazing, management agreement, engagement event	Environmental Assets, Water for the Environment, Strategy and Partnerships	2,787 ha	2,917 ha	✓
	Fence vegetation, soil treatment, grazing, agricultural practice, assessment, engagement events, partnership and plans	Sustainable Agriculture	18,400 ha	26,364 ha	✓
	Fence, vegetation, weed control, pest control, engagement event, partnership	Environmental Assets, Water for the Environment, Strategy and Partnerships, Sustainable Agriculture	N/A	74%	✓
	Fence, vegetation, weed control, pest control, engagement event, partnership	Environmental Assets, Water for the Environment, Strategy and Partnerships, Sustainable Agriculture	N/A	6	✓

Organisational Performance Framework performance

The CMA developed the Organisational Performance Framework (Figure 3) to understand performance and inform ongoing improvement activities.

It provides a set of fifteen mid-term measures (2-9 years) to track performance against and between different organisational functional levels (from governance to people and knowledge development). It was developed in response to a series of monitoring, evaluation, reporting and improvement (MERI) related discussions, the Australian Organisational Excellence Framework review and Organisational Performance Framework and work of the Strategic Directions Committee.

Many of the measures proposed for the Organisation Performance Framework are aligned with the Business Outcomes Framework, described in Table 2. This places the North Central CMA in a sound position to further report on outcomes in alignment with Victorian government direction.

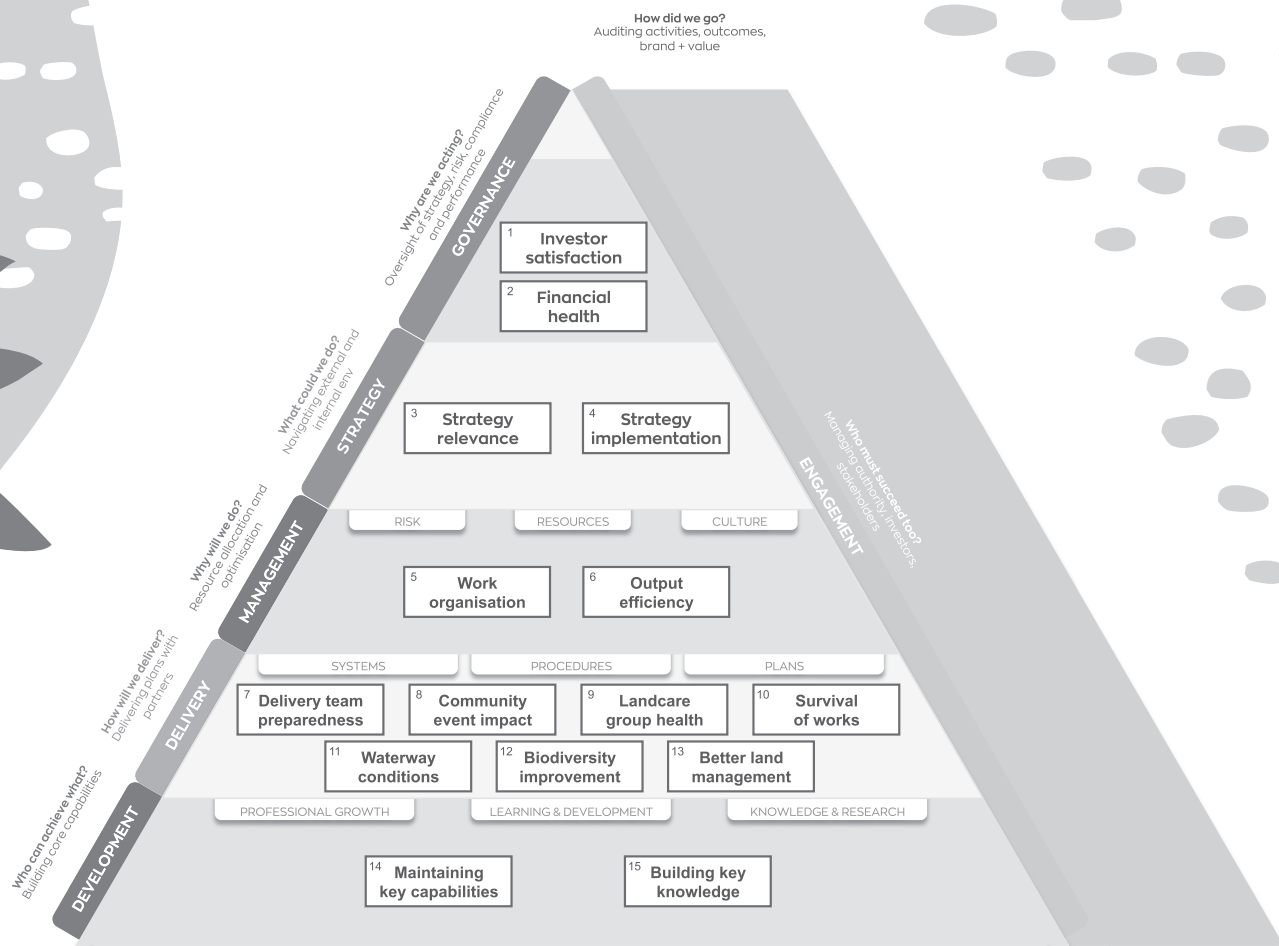


Figure 3 Organisational Performance Framework

The following provides a high-level overview of our achievements against the Organisational Performance Framework:

	Measure	Trend	Comment
Governance	Financial health	↓	Noting the Victorian government's delay in the State Budget announcement due to the COVID-19 disruption and uncertainty in future funding levels, the organisation's financial position remains stable. In planning for the 2020-21 year we have tested a range of scenarios to ensure we are on the front foot in the event of government budget change and can evolve and reset our programs and budgets to meet emerging funding circumstances.
Strategy	Strategy implementation	↑	RCS renewal on track to be completed by June 2021, despite engagement difficulties experienced during COVID-19. Land and Water Management Plan for the irrigation area has been drafted with extensive community consultation.
Management	Work organisation	→	Staff have a good understanding of the organisation's direction and strategy and have clarity over work group and individual roles. (People Matters Survey has been delayed due to COVID-19).
Delivery	Delivery team preparedness	→	Data has not been collected during 2019-20 due to COVID-19 although significant progress was made in setting up systems to support staff, such as video conferencing and a new project lifecycle system.
	Community event impact	→	No. of events and participants is down due to COVID-19 restrictions. The CMA has adapted to online engagement approaches to successfully engage.
	Landcare group health	→	Landcare Group health is relatively stable, although there were reduced numbers of Landcare groups completing the annual survey. COVID-19 restrictions are causing some difficulties and delays with groups completing projects.
	Survival of works	→	NRM Audit assessments have been delayed due to COVID-19.
	Better Land management	→	Participants in our Regenerative Agriculture program are trialing new practices to achieve productivity outcomes.
Development	Maintaining key capabilities	↑	Results from a recent staff capability survey, part of the CMA's Pursue your Potential initiative, indicate staff feel their capabilities meet, or are above, what is required to perform their role.



2019-20 Standard Outputs

The table below summaries North Central CMA outputs delivered against Department of Environment, Land, Water and Planning standard outputs for the reporting period.

Table 3 **DELWP standard outputs**

Category	Output	Actual 2019-20	Actual 2018-19	Measure
Structural works	Channel	0	0	kilometres
	Water storage	66	39	of
	Pump	5	1	of
	Waterway structure	24	57	of
	Terrestrial structure	0	1	of
	Terrestrial feature	*47	0	of
	Monitoring structure	2	6	of
	Fence	60	82	kilometres
	Visitor facility	0	0	of
Environmental works	Vegetation	721	404	hectares
	Weed control	2,160	2,362	hectares
	Pest animal control	*17,739	1,876	hectares
	Threatened species response	0	2	of
	Soil treatment	0	0	hectares
	Earth works	3	4	of
	Rubbish removal	0	242	hectares
Management services	Grazing regime	94	111	hectares
	Agricultural practices	*26,364	0	hectares
	Water regime	51	99	of
	Fire	132	5	of
Planning and regulation	Approval and advice	3,291	4,276	of
	Management agreement	35	79	of
	Assessment	1,244	1,134	of
	Engagement events	5,421	5,993	participants
	Partnership	35	38	of
	Plan	71	144	of
	Publication	172	100	of
	Information management system	0	1	of

***Explanatory note:** Variances between years could be due to project funding cycles i.e. some projects were in the initial planning phase during the reporting period or this is the first year we have reported on an output.

1.6 Catchment Condition Statement

The catchment condition section of the report provides an assessment of the region's catchment condition under the following themes: Waterways, Biodiversity, Land and Community. A key purpose of monitoring and assessing catchment condition is to help identify opportunities for adapting and changing the way the environment is managed.

The assessment includes a reflection on the likely impact of annual scale actions, events and observed change.

Each theme includes:

- Regional context
- Benchmark conditions and key indicators
- Annual assessment
- Assessment explanation

- Key data gaps or areas for future focus (where applicable)
- A supporting case study.

The catchment condition assessment for each theme describes the level of confidence or concern that catchment managers have about the future of the regional environment. The assessment is based on available science and expert advice as well as evidence gained during the preceding year and uses the criteria detailed in Table 4 with overall results aligned to Table 5. A positive assessment indicates a level of optimism about future direction and a concerned or highly concerned assessment indicates a more pessimistic view of the direction of environmental condition of the direction of environmental change.

Table 4 **Catchment condition assessment criteria**













Assessment Criteria		
1. Positive		An optimistic future with evidence that events during the year will have a positive impact on the longer-term.
2. Neutral		A largely neutral state, where events during the year may have been significant but are within expected variation and will have little impact in the longer-term.
3. Concerned		A level of concern that significant events during the year may have an adverse impact in the longer-term.
4. Highly concerned		A high level of concern that significant events during the year are likely to have an adverse impact in the longer-term.

Table 5 **Summary catchment condition assessment**

Theme	Longer term assessment	Annual assessment	Summary condition assessment
Waterways			Water for the environment deliveries to rivers and wetlands, natural inflows and additional protection and restoration works build on more than 20 years of activity that is addressing historical degradation.
Biodiversity			Medium-scale protection and restoration works continue to incrementally address a long history of degradation.
Land			Additional protection and restoration work, building momentum of good management practices were offset by hotter and drier conditions, fractionally reducing soil moisture and ground cover.
Community			The community continues to participate in natural resource management activities, building its capacity, resilience, and support of the region's assets. Since late March 2020, the CMA's ability to deliver face-to-face activities has been disrupted by the COVID-19 pandemic but we are adapting and adopting online techniques to keep communities, partners and stakeholders engaged.

Other reporting

The Commissioner for Environmental Sustainability Victoria released the State of the Environment Report 2018 (<https://www.ces.vic.gov.au/reports/state-environment-2018>). The report is the first to include a proposal that the government environment sector aligns with both the United Nations' System for Environmental and Economic Accounts and the Sustainable Development Goals. Several recommendations also seek further improvements to the collection and management of environmental data by the Victorian government. Results from the report align closely with the North Central CMA's regional reporting.

Waterways

Regional context

Waterways (rivers and wetlands) and the aquatic and terrestrial ecosystems they support are notable characteristics of north central Victoria.

The major river catchments of the Campaspe, Loddon, Avoca and Avon-Richardson and the Murray River are unique and integral to the environmental, economic, and social values of the region.

The environmental condition of waterways is determined by key drivers such as habitat, water regimes, water quality, vegetation, and connectivity. Broader catchment condition, land-use, natural events like floods and bushfires, development and climate change can also influence the environmental condition and values of waterways. Waterway management needs to consider how both natural and anthropogenic factors (i.e. human impact via farming practices, recreation, urban development etc.) impact on waterway condition and, therefore, on the values of the region's waterways.

Benchmark conditions

Key indicators:

- Index of Stream Condition for water flows (hydrology), water quality, riparian vegetation (streamside zone), bank stability (physical form) and aquatic life.
- Waterwatch water quality data.
- Index of Wetland Condition data for water flows (hydrology), plant and animal life (biota), extent (physical form), soils, water properties and adjacent land use and buffers (wetland catchment).
- Annual rainfall for inflows.
- Project delivery and local knowledge.

Waterways in the North Central CMA region are in mostly moderate to poor condition. Many of the waterways are highly regulated that impact seasonal flow conditions, water quality and habitat for aquatic dependent species.

The 2013 State-wide Index of Stream Condition report provides a snapshot of river health for approximately 29,000 km of major rivers and streams in Victoria. For north central Victoria, the 2013 report indicates that only 1% of streams are in good condition, 46% in moderate condition and 30% in poor condition.

Twenty years of Waterwatch data report indicates water quality across the region is in moderate condition. The upper catchments, (southern end of the region) tend to be in better condition compared to the lower (northern) or western parts. With the Campaspe, Upper and Lower Loddon, Loddon Western tributaries and Upper Avoca faring better than Gunbower, Loddon Eastern Tributaries and Avon-Richardson.

The 2006–2012 Index of Wetland Condition (<http://ics.water.vic.gov.au/ics/>) indicates that seven per cent of high value wetlands are in excellent condition, 38% are in good condition, 49% are in moderate condition and 5% in poor condition.

The assessments were undertaken at the end of thirteen years of below average rainfall (1996 to 2009) which indicates wetlands have evolved under a variable climate and have a degree of resilience. It is important to note that the wetlands assessed in the North Central CMA region only represent a small percentage of the high-value wetlands identified in the North Central Waterway Strategy 2014.

Rainfall totals for north central Victoria for the period July 2019 to June 2020 were below the long-term average although above average rainfall occurred in Autumn (source: <http://www.bom.gov.au/climate/current/annual/vic/summary.shtml>). Reduced rainfall has reduced soil moisture and river inflows (Figure 4).



Annual Assessment - Waterways



A largely neutral state. Events during the year have been significant but are within expected variation and will have only a small impact in the long-term.

Assessment explained:

Investment in riparian, wetland and riverine protection encouraged activity in the North Central CMA region through the following projects: Our Catchments, Our Communities (Upper Coliban and Long Swamp); Priority Waterways (Birch's Creek and Upper Coliban catchments); Caring for the Campaspe (a Victorian government Flagship Waterway project); Environmental Water program; The Living Murray; Gunbower Compliance; Gunbower and Kerang Ramsar (various); Victorian Murray Floodplain Restoration project planning for Gunbower and Guttrum-Benwell; the recovery of the Southern pygmy perch; Kyneton Offsets; and the Native Fish Recovery Plan.

These waterway project works protected more than 14,500 ha through fencing, weed and pest control works, fencing of riparian zones, grazing management to provide enhanced social, economic and environmental services to the community.

Fourteen wetlands or waterways were provided with 57,700 ML of environmental water or managed consumptive flows to maintain or improve the environmental condition for targeted riverine species (e.g. fish, platypus, vegetation). Project activities build on a 20-year history of the CMA delivering large-scale waterway interventions.

Through the Living Murray project, Gunbower Creek received 21 GL of water for the environment during the reporting period.

The current activities for creating in-stream and riparian habitat, as part of the Native Fish Recovery Plan in the northern parts of the catchment, are working to enhance stream health and create opportunities for recreational fishers, by using water for multiple purposes.

No new significant threatening processes were identified and with continued investment in waterway health activities delivered by the North Central CMA in partnership with a range of partners and landholders, the overall condition can be maintained or improved into the future.

Annual river inflow

mm

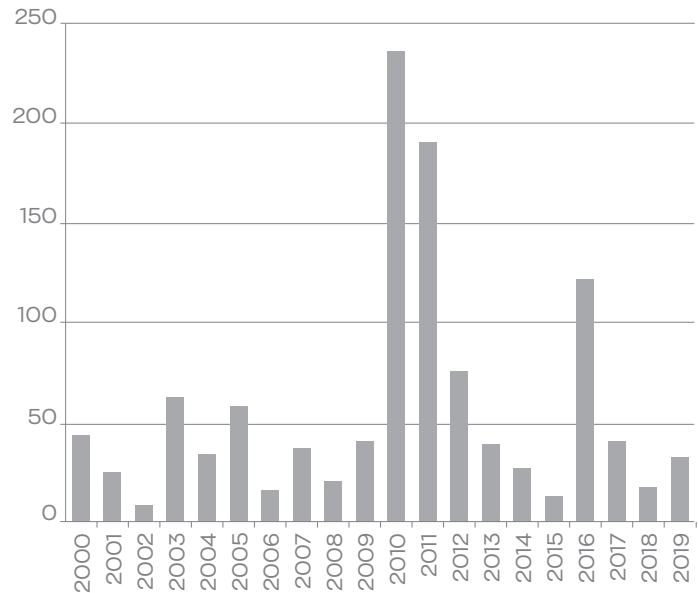


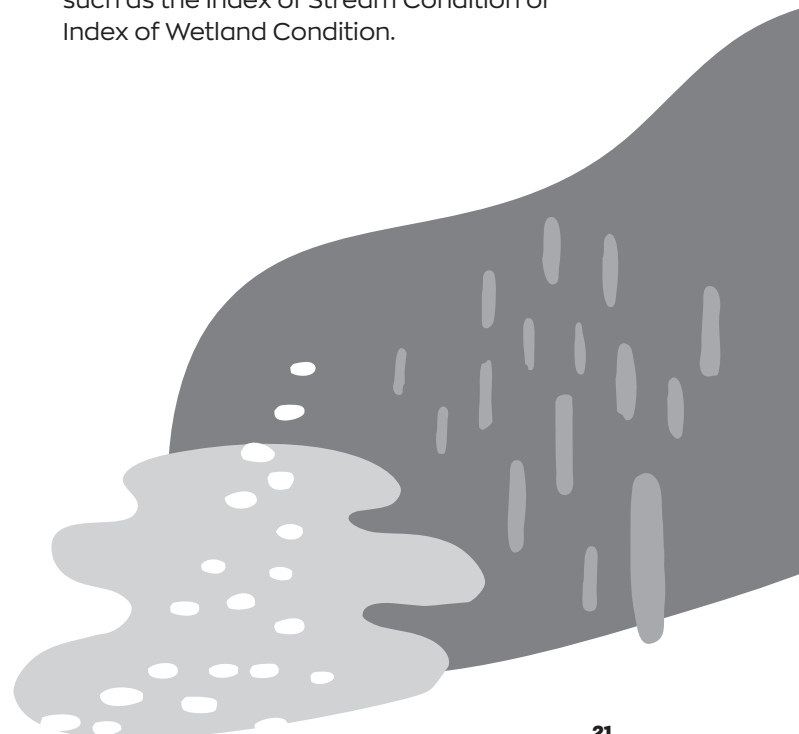
Figure 4 **Annual river inflow**

Total surface and subsurface runoff into the river as estimated by the OzWALD model-data fusion system.

Source: *Australia's Environment in 2019*: National-scale, comprehensive information on the condition and trajectory of our environment. Developed by Australian National University – Fenner School of the Environment and Society.

Key data gaps or areas for future focus:

- Long-term funding and regular monitoring programs in place for key data collection such as the Index of Stream Condition or Index of Wetland Condition.



Case study **Caring for the Campaspe**

Challenge: The Campaspe River flows from the Great Dividing Range near Woodend to the Murray River at Echuca. The cumulative impacts of land clearance, river regulation, farming and urbanisation has greatly impacted the health of the Campaspe River's riparian vegetation, aquatic life, flow regime and water quality.

Approach: The project is in its second four-year term and final year of implementation under the current Victorian government funding arrangement. Working with the local community and partners the project's vision is, 'A resilient Campaspe River which supports a functioning ecosystem, productive uses and is valued by the community'.

Highlighted as one of 10 Flagship Waterways in Victoria, the Campaspe River is a key tributary of the Murray River supporting many threatened species, such as the Murray cod, squirrel glider and Australian anchor plant.

Since inception the project's focus has been to protect and enhance the riparian vegetation of the Campaspe River along its entire 240 km length from Ashbourne to Echuca.

Project works complements the benefits of providing water for the environment through the system to promote and sustain healthy instream and streamside vegetation.

Results: During the reporting period more than 13 kms of fencing was undertaken; 22 ha of weed control; 38 ha of revegetation; 15 off-stream watering facilities installed; engaging and connecting with 280 participants at various field days and meetings and nine publications written showcasing the project's achievements.

The 2019-20 works contribute to the impressive results achieved over the past eight years. Working with landholders, Traditional Owners, the local community, partner agencies, and local government, the health of the Campaspe River is in good shape. Fifty-two per cent of the entire river is protected with fencing. More than 398 ha of weeds have been controlled; 271 ha revegetated with native plants; 87 km of riparian fencing installed.

Key partners: Partnering and engaging with Traditional Owners, organisations, landholders and community groups is an important and valuable principle that underpins the success of the work undertaken to improve the health of the Campaspe River.

Traditional Owners help shape where work should be undertaken, deliver on-ground works, influence understanding of the river and landscape, and work to protect cultural heritage. Both Dja Dja Wurrung Clans Aboriginal Corporation and Taungurung Land and Water Council have been actively working on site to restore the health of the river. Dja Dja Wurrung man, Djandak crew member, described his experience working with the CMA, "It's good to be out there healing Country. We can turn it around so future generations can look after it and enjoy it".

The 2018 appointment of Water Officers within each of the Traditional Owner groups Yorta Yorta Nations Aboriginal Corporation, Dja Dja Wurrung and Taungurung Land and Water Council, continues to have positive outcomes for the river, through the project, and enables Traditional Owner Groups to actively participate and influence outcomes along the river.



Biodiversity

Regional context

Historical clearing and current farming practices have impacted the vegetation cover with approximately 15 per cent of cover remaining across the North Central CMA region, making it one of the most cleared regions in the country.

While development has resulted in a productive and vibrant regional economy it is now crucial to protect and rebuild biodiversity assets for the future (North Central Regional Catchment Strategy 2013- 19). The region's eight bioregions are affected with three bioregions at less than 10 per cent of cover pre-European extent (Murray Mallee, Wimmera and Victorian Riverina).

The Murray Fans bioregion has 20 per cent cover compared to pre-European vegetation, while the remaining three bioregions (Central Victorian Uplands, Goldfields and Northern Inland Slopes) have between 20–30 per cent of pre-European cover.

Benchmark conditions

Key indicators:

- Biodiversity (plant and habitat) value using NaturePrint.
- Project delivery and local knowledge.

North central Victoria is home to scattered areas of high biodiversity value (source: NaturePrint V3). While most of the high value areas are captured in existing parks and reserves, narrow bands along major streams illustrate the importance of riparian zones for the protection of biodiversity across the region. There is a relatively steady long-term incremental decline in areas affected by land clearing, livestock grazing, inappropriate land uses, invasive pest species and predicted increases in climate variability (North Central Regional Catchment Strategy 2013-2019).

Annual Assessment – Biodiversity



A largely neutral state. Events during the year have been significant but are within expected variation and will have only a small impact in the long-term.

Assessment explained:

Investment in biodiversity protection encouraged activity in the North Central CMA region through the Bringing Back the Bittern and Plains for Wanderers projects.

With expenditure of nearly \$1,130,000 the two projects delivered three kilometers of fencing, 71 ha of revegetation, five hectares of wetland establishing earthworks and watering infrastructure, 67 ha of weed control, 958 ha of pest control and 118 ha of covenanting (permanent protection), plus planning, support and monitoring activities. These continue to build on a smaller, but steady program of CMA and partner- led biodiversity focused projects across the region.

Key data gaps or areas for future focus:

- Long-term funding and regular monitoring programs in place to collect data to further understand vegetation extent and condition.
- A clear understanding of the extent and populations of threatened and important native species (both plant and animal).



Case study **Kerang Wetlands**

Challenge: The Kerang Wetlands complex forms an extensive system of more than 100 wetlands. It consists of 23 lakes and swamps that cover an area of 9,419 hectares. These wetlands differ widely in permanence, depth, salinity and levels of aquatic vegetation cover. The Kerang Wetlands are recognised for their representativeness of Victorian wetlands, flora and fauna values and for the system's significance as habitat for a large abundance of waterbirds. Their significance is recognised by their listing under the International Ramsar convention. The Kerang Wetlands are rich in Aboriginal cultural heritage and provide reliable sources of water as well as a rich and diverse supply of plant and animal resources for food, medicines, shelter, clothing, and tools. The local Aboriginal community, particularly the Barapa Barapa Nation, continue to have a strong and unique spiritual connection to the area.

Unfortunately, altered catchment hydrology, abundant pest plants and animals, illegal grazing and firewood collection is impacting on flora, fauna and cultural heritage sites.

Approach: The Kerang Ramsar implementation project has been delivered for the past four years and over the past twelve months, a comprehensive and coordinated rabbit control program which included 1080 baiting combined with warren fumigation resulted in more than 800 ha treated across five wetlands - Lake Cullen, Lake Kelly, Little Lake Kelly, Lake William and Lake Tutchewop.

This work complemented two other rabbit control programs being implemented by Parks Victoria (60 ha) and the Loddon Plains Landcare Network (2,481 ha treated) encompassing eight wetlands within the Ramsar site.

A comprehensive woody weed control program was carried out, resulting in more than 260 ha being treated at five wetlands - Stevenson's Swamp, Lake Cullen, Lake William, Middle and Third Reedy Lakes.

During 2019-20 conditions were dry, storages were low and the approach to providing water for the environment was to maintain habitats and providing refuges to support critically endangered species such as Murray hardyhead, Southern purple spotted gudgeon, growling grass frog and Australasian bittern. To achieve this aim water was provided to four Ramsar Wetlands and other wetlands in the area. The Ramsar listed wetlands being, Third Reedy (permanent freshwater lake - 250 hectares), Lake Cullen (temporary saline lake 629 hectares) and Johnson Swamp (temporary freshwater marsh 411 hectares).

Results: The combined impact of reducing rabbits and weeds across large areas of the Kerang Ramsar site improved native vegetation quality and extent, and therefore improved habitat for fauna that relies on the site for bird feeding, breeding and raising of young.

Monitoring has shown that waterbird breeding was evident across all wetlands, specifically Australasian darters and cormorants were observed forming a nesting colony of up to 16 nests amongst the island of trees in the middle of Johnson Swamp. Some of the significant species recorded at Johnson Swamp during 2019-20 include Australasian bittern, Australian little bittern, brolga, glossy ibis, sharp-tailed sandpiper, great egret, royal spoonbill, great cormorant, white-bellied sea eagle and nankeen night-heron.

Lake Cullen has been a significant drought refuge for waterbirds in north central Victoria. Up to 32,000 waterbirds were observed in November 2019. Some significant species observed at Lake Cullen were freckled duck, little curlew, royal spoonbill, sandpiper, great egret, white-bellied sea eagle, brolga, and Australasian bittern.

The provision of water for the environment has maintained habitat for Southern purple spotted gudgeons which were found at Third Reedy Lakes which, until now, were considered regionally extinct in Victoria.

Key partners: Barapa Wemba and other Aboriginal Victorians, Parks Victoria, Goulburn-Murray Water and DELWP.



Land and soils

Regional context

The land and soils of the North Central CMA region contribute to regional economic viability, provide water purification, carbon cycling and storage, support for biodiversity, resistance to erosion and an abundance of clean air and water.

With Victorian and Australian government support, conservation and community groups in north central Victoria are working together to protect the region's significant natural capital while also maintaining long-term agricultural productivity, access and opportunities for recreation and protection of important cultural values. Managing and improving soil health on private land is a key focus for sustainable agriculture. While protection and improved management through agreements, covenants and management plans are important, parks and reserves are key components of a long-term approach for landscape scale management.

Benchmark conditions

Key indicators:

- Land managed for conservation (Table 6), to understand permanently protected parts of the landscape, managed for natural values. This includes areas under private covenant.
- Percentage of exposed soil, to understand the area of the region at higher risk of wind and water erosion.
- DustWatch information.
- Project delivery and local knowledge.

Land that is permanently protected for natural values is quantified (Table 6), as this demonstrates the amount of the region that is secure. From an agricultural perspective, soil health would be an ideal dataset but is not currently available.

As wind and water erosion are key risks for the region, exposed soil is used as a surrogate to understand the likely risk of large-scale erosion events, while DustWatch tracks the hours per month with above threshold particulates in the air; these could be caused by smoke or dust.

Land under permanent protection continues to rise over time with additional covenants placed on title through Trust for Nature (Figure 5).

Table 6 Land managed for conservation

Protection type	Area covered (ha)	Additional area this year (ha)
*National parks	52,573 hectares	4,855 hectares
*State parks	13,470 hectares	0 hectares
Trust for Nature covenants (Figure 5)	12,606 hectares	312 hectares
**Other	351,031 hectares	5,000 hectares

*Source: Public Lands Management spatial dataset <http://services.land.vic.gov.au/SpatialDatamart/dataSearchViewMetadata.html?anzlicid=ANZVIO803003978&extractionProvider=1>

**'Other' includes: Community Use Area, Earth Resources, Historic and Cultural Features Reserves, Land not required for Public Purposes, Mineral Spring, National Heritage Park, Natural Features Reserve, Nature Conservation Reserve, Plantation, Regional Park, Services and Utilities, State Forest, Uncategorised Public Land, Water Production.

Hectares covenanted per year

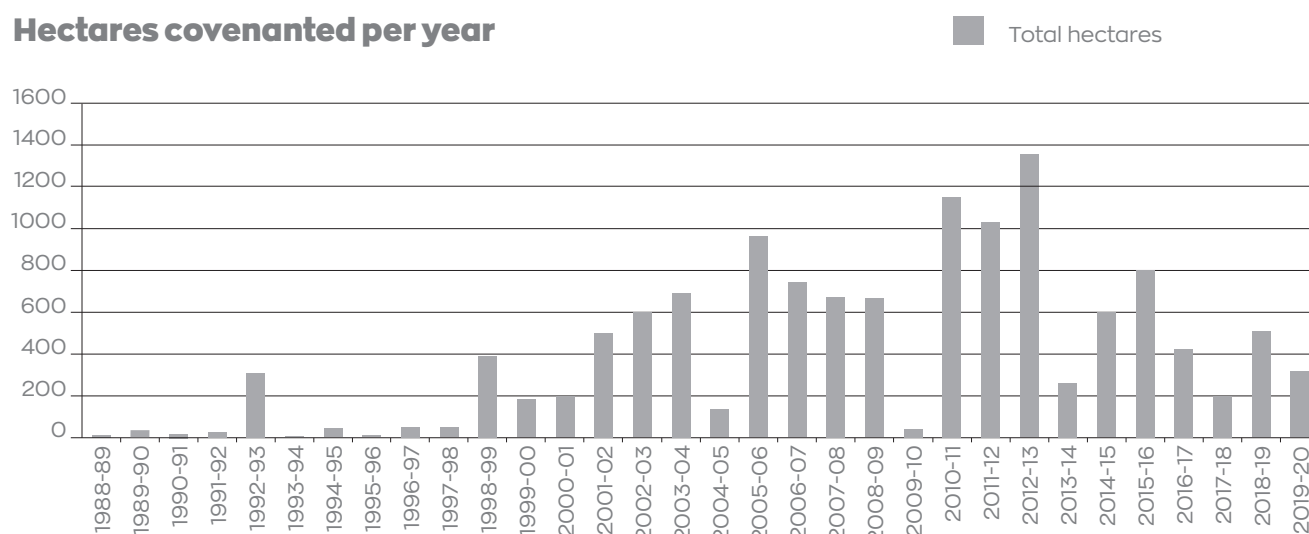


Figure 5 Annual hectares of Trust for Nature covenants, over time.

Source: <https://www.trustfornature.org.au/>

Land cover

Research presented in the Australian National University's 'Australia's Environment Explorer' report indicates the annual percentage of soil that is unprotected by living vegetation - i.e. exposed to wind and water erosion (source: Australia's Environment in 2019: National-scale, comprehensive information on the condition

and trajectory of our environment. Developed by Australian National University - Fenner School of the Environment & Society) - in the North Central CMA region has fluctuated between 15 and 20 per cent since 2000 (Figure 6). The dry year has seen an increase in bare soil, increasing the likelihood of wind and water erosion.

Percentage exposed soil

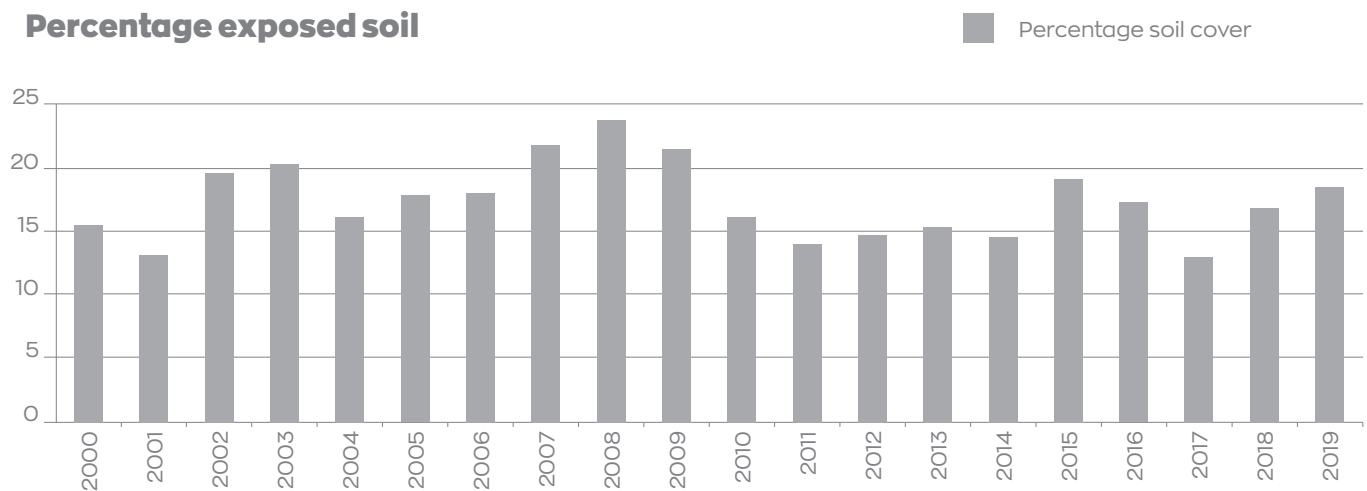


Figure 6 Percentage of exposed soil

Source: Van Dijk, Albert. I.J.M., Summers, David (2016) Australia's Environment Explorer, The Australian National University (<https://wenfo.org/aer>) DOI: 10.4225/41/5934faf27397

Annual Assessment - Land and Soils



A largely neutral state. Events during the year have been significant but are within expected variation and will have only a small impact in the long-term.

Assessment explained:

Investment in land and soil protection encouraged project activities in the North Central CMA region: Healthy Productive Irrigated Landscapes; Loddon Campaspe Irrigation Region Land and Water Management Plan Renewal; Reporting and Accounting for Salinity; Regenerative Agriculture in north central Victoria; Plan2Farm; and the Regional Landcare Facilitator.

Exposed soil cover (Figure 6) remains highly variable due to a combination of climatic conditions and average soil water availability (Figure 7) is relatively stable, indicating a recovery from loss of carbon matter content during the Millennium Drought.

Average soil water availability

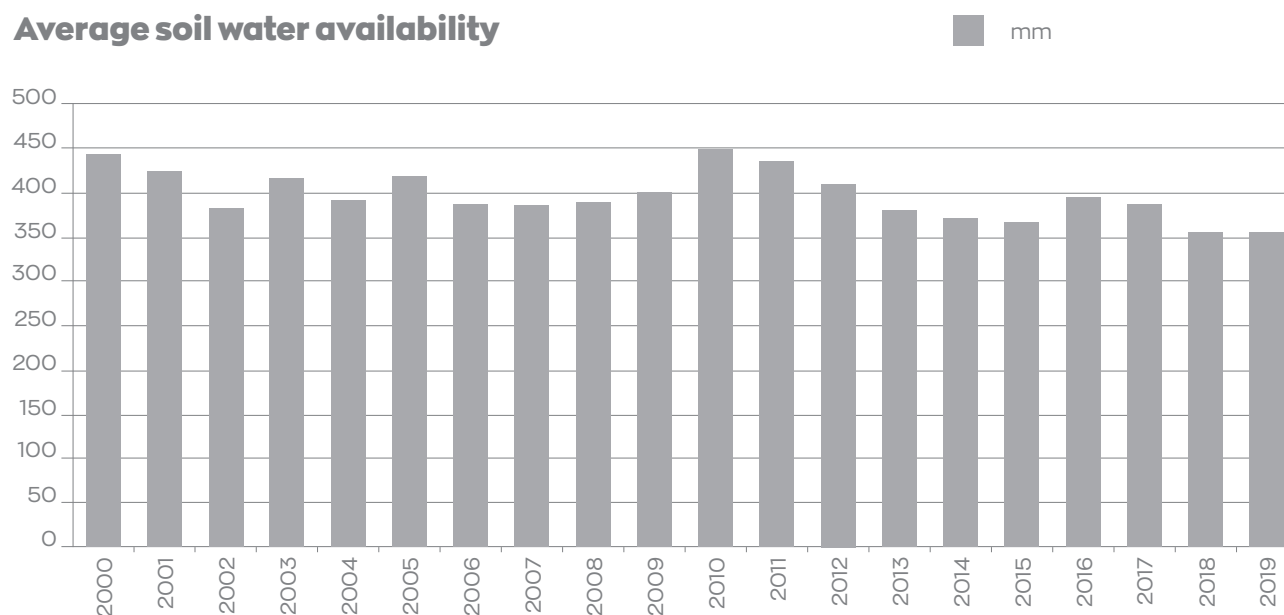


Figure 7 **Average soil water availability**

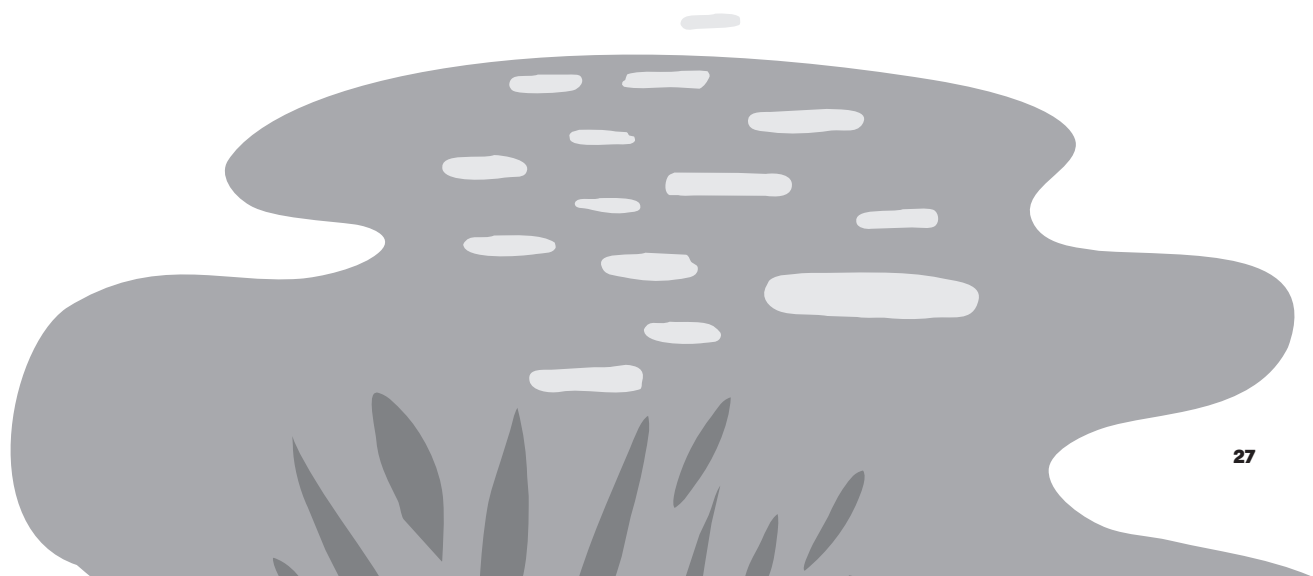
Average amount of water stored in the soil profile during the year as estimated by the OzWALD model-data fusion system.

Source:

Australia's Environment in 2018: National-scale, comprehensive information on the condition and trajectory of our environment. Developed by Australian National University - Fenner School of the Environment and Society.

Key data gaps or areas for future focus:

- Long-term funding and a regular monitoring program in place for soil health data collection (physical, chemical and biological) is a critical long-term management gap.



Case study **Regenerative Agriculture**

Challenge: The North Central CMA's Regenerative Agriculture project aims to increase awareness and adoption of land management practices that improve and protect the condition of soil, biodiversity and vegetation. By 2023, there is an increase in the capacity of agriculture systems to adapt to significant changes in climate and market demands for information on provenance and sustainable production.

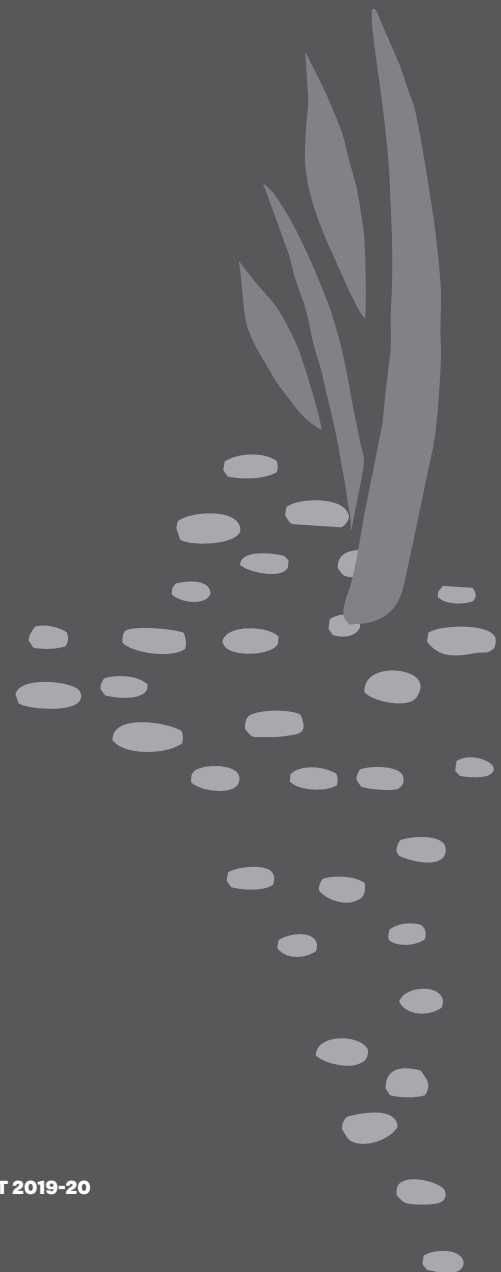
Approach: The Regenerative Agriculture works with farmers, industry and communities to improve soil carbon and enhance biodiversity and vegetation on-farm. The project provides landholders with skills and knowledge for managing threatening soil carbon processes and biodiversity and vegetation on farm delivered through a range of landholder selected themes and activities including trial options and tests new and innovative land management practices at local on-farm demonstration sites. These activities are aimed at landholder adoption of practices to improve soil health and water cycles, enhance ecosystem services, increase resilience to climate changes and to strengthen the health and vitality of farming communities. Traditional Owners are supported to increase agriculture participation through the development of an agriculture business case.

Results: An impressive 75% of people engaged through the program during the reporting period have increased their knowledge/awareness in building and maintaining soil carbon on-farm and 72% are trialing new practices to achieve project outcomes. These percentages are the result of five committed community groups delivering 17 activities to 395 landholders, managing approx. 83,000 ha, to address knowledge gaps in managing soil and practices required to increase soil carbon and protect the soil from wind erosion.

Industry groups visited established trial sites to increase their knowledge with landholder demonstrations assessing multispecies pastures, nitrogen and phosphorus fertiliser management, alternative soil conditioners e.g. manures, compost, worm castings, and biological additives to promote nutrient and soil carbon cycling. Collaborative partnerships have also been formed with Agriculture Victoria and industry leaders participating in events providing skills and knowledge to support the programs outcomes. Central Victorian Regenerative Farmers have 246 Facebook group members.

COVID-19 restricted meeting face-to-face with communities during the latter part of the reporting period but also created innovative opportunities to engage differently. Delivery of workshops via video conferencing attracted strong attendance and encouraged feedback. Multiple methods of communication were used to promote project activities to maximise community involvement. Face-to-face engagement through field days etc. remains the most effective way to exchange knowledge and advocate practice change with our community and this method will be complemented by online engagement when safe to do so.

Key partners: Agriculture Victoria, North Central Landcare Group, Normanville Farm Advancement Group, Mt Alexander Sustainability Group, Central Victorian Regenerative Agriculture Group, Barapa Wamba Traditional Owners.



Community

Regional context

The health and wellbeing of the region’s community benefit not only from visiting and staying in Victoria’s many parks and reserves but also from participation in direct environmental action. The community in the North Central CMA region are active participants in a range of environmental activities that help improve the condition of the region’s biodiversity and waterways and improve the way land is managed.

Benchmark conditions

Key indicators:

- Community participation (Table 7) to understand the number of people involved in NRM events and activities.
- Landcare Group Health scores (Figure 8).
- Project delivery and local knowledge.
- A knowledgeable, involved and active community around NRM issues is a key enabler for the implementation and maintenance of protection works and sensitive use of public spaces. Tracking this information assists the CMA in understanding the contribution of its activities.

Table 7 Annual and previous year community participation

Activity	Participation in 2019–20	Participants in 2018-19
Attending skills and training events	283	324
Taking part in awareness raising activities	2,888	3,896
Working as collaborators in planning in decision making	1,613	897
Being consulted to help determine appropriate action	567	876

Average group health report

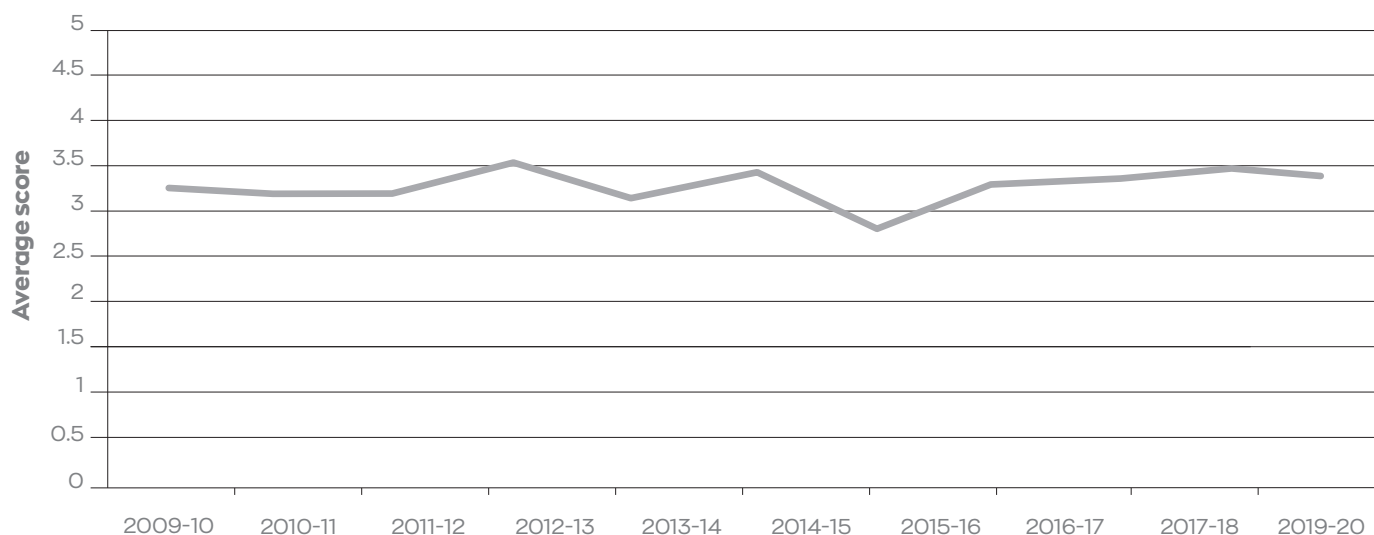


Figure 8 Landcare group health score

Annual Assessment – Community



A largely neutral state. Events during the year have been significant but are within expected variation and will have only a small impact in the long-term.

Assessment explained:

North Central CMA projects contributing to the assessment under the community theme include: Victorian Landcare Grants; Regional Landcare Coordinator; Protecting Investment, increasing Capacity; Regional Agricultural Landcare Facilitator; North Central Waterwatch Program; River Detectives Program; Our Catchment, Our Communities and various water for Indigenous projects including The Living Murray, Barapa Barapa Water for Country and Environmental Water Shared Benefits.

A neutral assessment score is, for the most part, responding to the coronavirus (COVID-19) pandemic and the subsequent government measures to stop its spread, such as social distancing, restrictions on social gatherings and advice for CMA staff to work from home. These measures impacted our business direction and planned activities, particularly face-to-face engagement to increase community NRM awareness, knowledge and capacity.

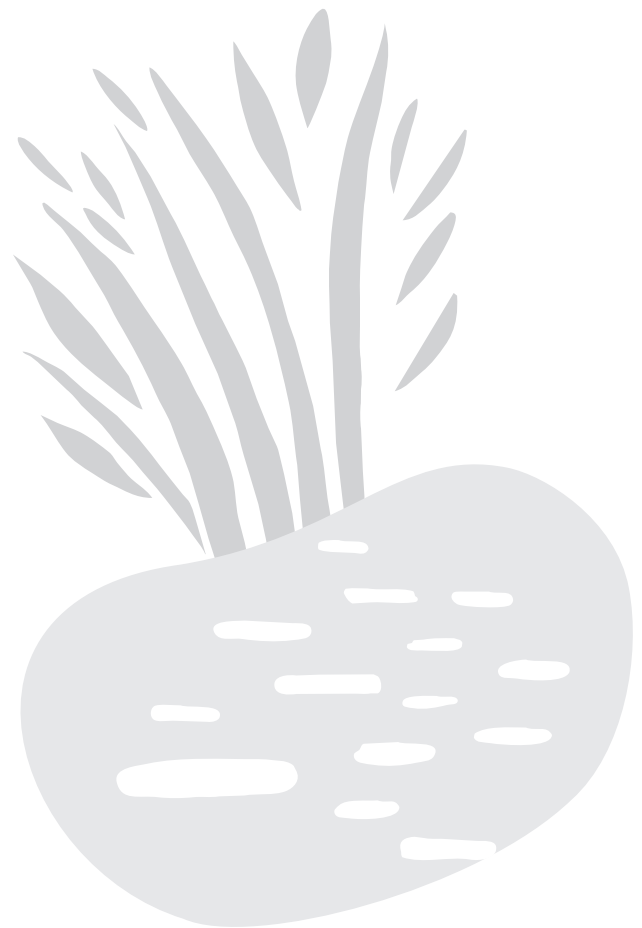
North Central CMA participation rates in NRM engagement events were slightly down from last year, with 5,421 participants compared with 5,993 in 2018-19. This decline is most likely due to COVID-19 restrictions on social gatherings which impacted our traditional engagement methods. It can be assumed the trajectory for participation rates for 2019-20 would have far exceeded those achieved in 2018-19.

Despite the challenges to the normal way we do business, we are finding new and innovative ways to engage with our communities that will help deliver natural resource management partnerships and programs that deliver lasting change. Over recent months our projects and programs have engaged our communities and partners online. An example is the use of webinars to reach our agriculture community on a range of topics through the Regenerative Agriculture project.

For the first time we engaged our community to help renew the Regional Catchment Strategy online through Engage Vic with 1,574-page views and 77 surveys complete over a three-month period. Survey results will help identify priority assets and regional challenges and opportunities for their protection.

The CMA supports more than 160 Landcare Groups and devolved just over \$236,000 - 18 project grants and 52 support grants, for groups to undertake group or maintenance NRM work through the 2019-20 Victorian Landcare Grants (Appendix 2).

Each year, Landcare groups are invited to complete a Landcare Group Health Survey. The survey captures group perceptions of their current health and activity levels. The most recent survey results indicate a slight decrease in self-assessed health (Figures 8 and 9).



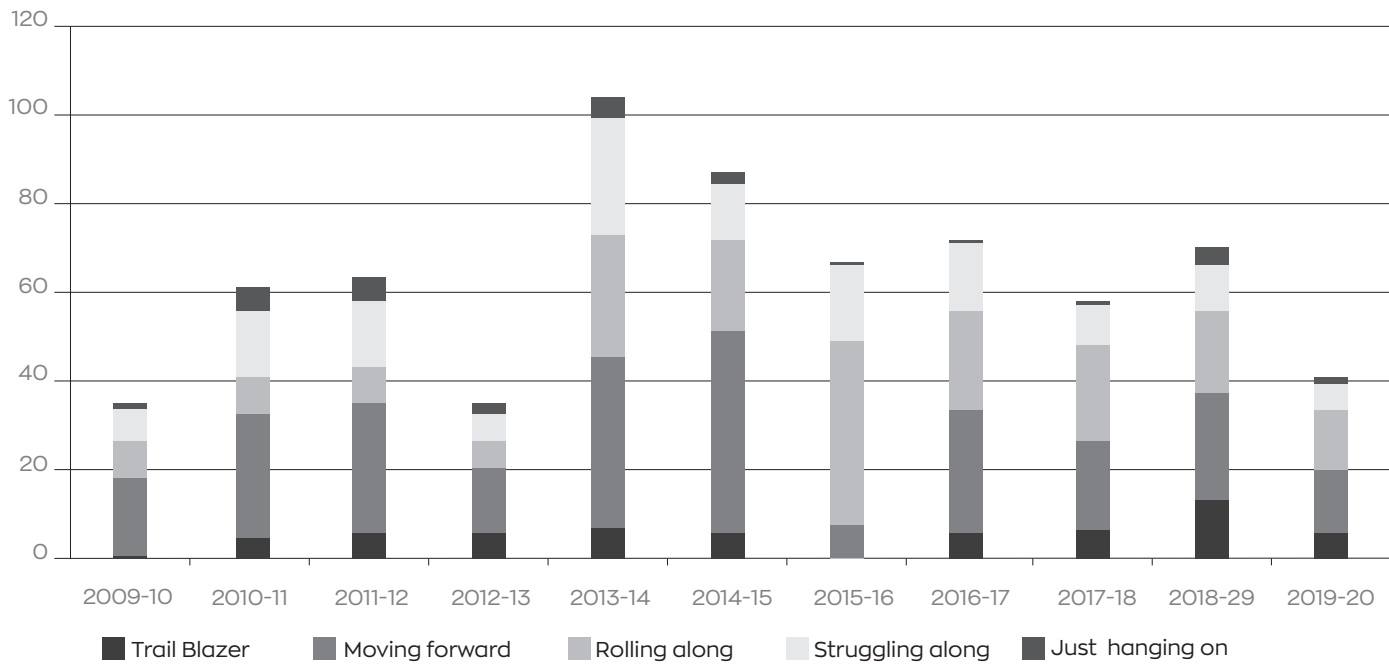


Figure 9 Landcare group health survey results

Key data gaps or areas for future focus:

- In 2019 a repeat of the 2014 Social Drivers of Natural Resource Management landholder survey was undertaken. Survey data will continue to inform engagement approaches and a better understanding of the differences in landholder identity, beliefs, attitudes and issues in relation to natural resource management.
- The use of event evaluation data to establish the number of participants who have increased their NRM skills, knowledge or awareness as well as those who intend to change management practices as a result of the increase.
- Understanding and tracking Traditional Owner social and environmental values over time would be an advantage particularly as more groups gain recognition and settlement agreements are in place.



Case study **Citizen Scientists** **Reimagining Bendigo Creek**

Challenge: Bendigo Creek has a long, rich, and varied history. Valued by Traditional Owners for thousands of years as a place of beauty and a source of food and in modern times, as the lifeblood of an emerging and thriving regional city.

It is well known that during the gold rush of the 1800s Bendigo Creek was fundamentally used as a drain to direct the vast amounts of sludge away from town. The values and function of the creek have vastly improved since this time and the City of Greater Bendigo's (CoGB) Reimagining Bendigo Creek plan marks a turning point in history. The start of renewal, understanding and connection to create a healthier, more inclusive more connected and more beautiful creek.

Approach: An integrated catchment management approach between the CoGB and partners including Dja Dja Wurrung and the North Central CMA has culminated in the CMA supporting the Reimagining Bendigo Creek project with a focus on sharing knowledge, citizen science and waterway health.

An army of citizen scientists are monitoring the health of Bendigo Creek to analyse how planned remediation works and development will impact water quality and help the CMA and CoGB better manage the health of the creek as it changes over coming years.

Results: Waterwatch volunteers and students from local schools are involved in the River Detectives program and are regularly monitoring sites, testing for pH levels, salinity, reactive phosphorous, turbidity, dissolved oxygen and waterbugs. To date the project has engaged:

- 10 River Detective schools
- 350 school children
- 15 sites monitored along Bendigo Creek

An additional highlight over the past year was the launch of 'Litter Trackers', a first for regional Victoria. The CMA engaged school students through its River Detectives program and partnered with the CoGB and RMIT to raise awareness about litter, how it enters the creek and where it goes.

Inside the bottles were GPS trackers that were thrown into the creek in an attempt to map exactly where they end up and what happens to rubbish when it enters the creek. River Detectives students will showcase the results at an event in October, helping spread the word on how and why the creek needs to be protected.

The Victorian Government is supporting community partnerships over the next four years through Waterwatch and other citizen science initiatives to address local waterway priorities.

Key partners: Led by the City of Greater Bendigo in partnership with the North Central CMA, Dja Dja Wurrung, Parks Victoria, Coliban Water, Environment Protection Authority, Goulburn Murray Water and the local Bendigo community.



1.7 Key Initiatives and Project Performance

Coronavirus (COVID-19) impact statement

The World Health Organisation announced a world-wide pandemic on 11 March 2020. In response to the coronavirus (COVID-19) outbreak, the Victorian Government declared a State of Emergency on 16 March and introduced a range of measures to stop its spread, such as social distancing, restrictions on social gatherings and advice to work from home. These measures impacted our business direction and planned activities, particularly face-to-face engagement with our communities, stakeholders, and Traditional Owners, during the latter part of the 2019-20 financial year. Despite the challenges to the normal way we do business, we are finding new and innovative ways to deliver natural resource management partnerships and programs that deliver lasting change.

The following tables provide an overview of North Central CMA's Delivery Program's key initiatives and performance and any significant deviations for the reporting period. Business units that contribute directly to the Delivery Program are:

- Environmental Assets
- Water for the Environment
- Sustainable Agriculture
- Strategy and Partnerships
- Major Projects
- Statutory Functions and Floodplain Management



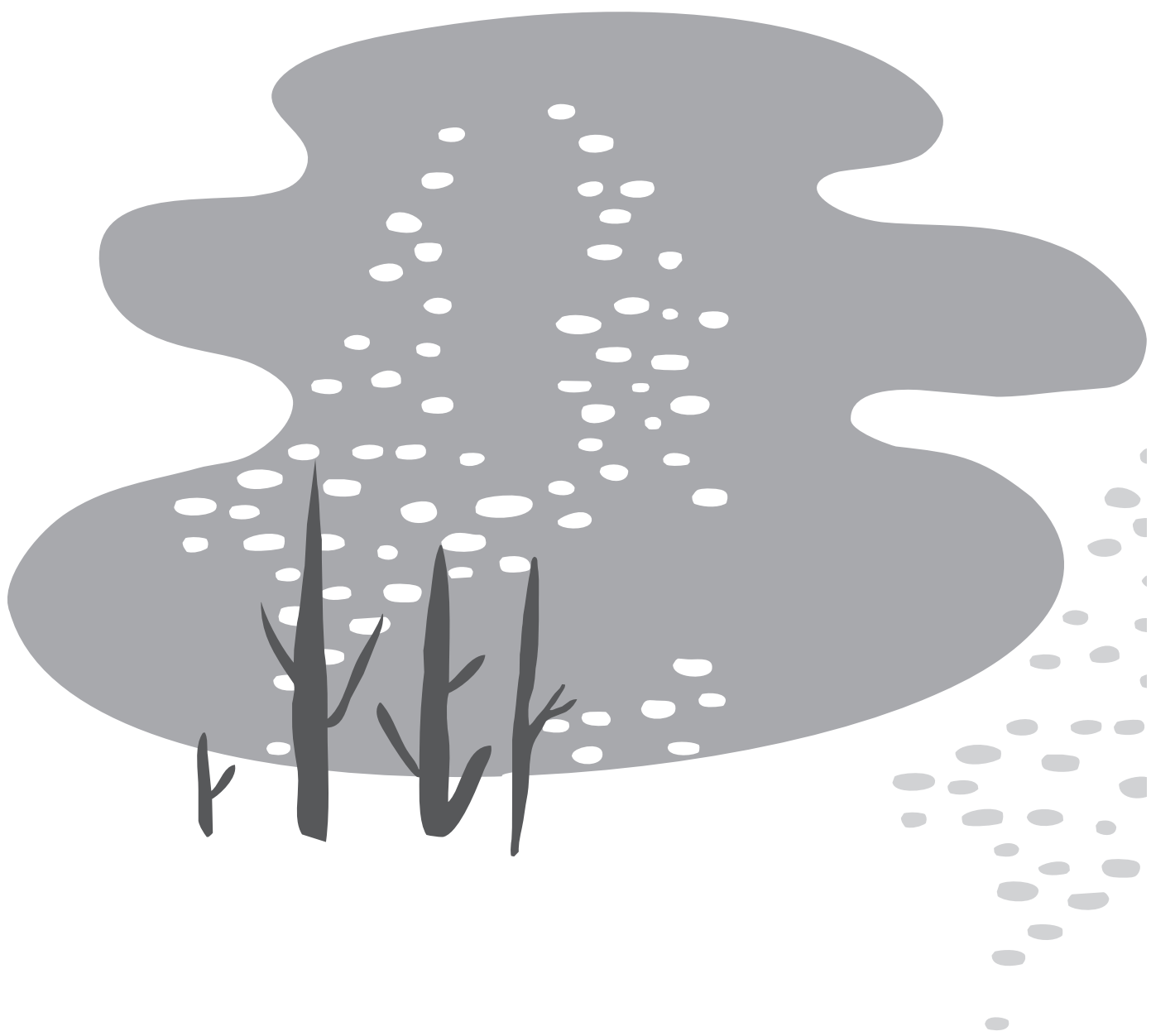
Environmental Assets

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Delivering Riparian Priorities			
<p>Delivers a range of activities to improve waterway health, build capacity and support our community through a large river restoration project (Caring for the Campaspe) and Landcare support initiatives on riparian land as part of the annual Community Grants program.</p>	<p>After eight years, the Caring for the Campaspe project has grown community awareness and support for improving river health, that has contributed to 52% of the river fenced and 75% of the crack willow infestation controlled. In 2019-20, Regional Riparian Action Grants supported five community groups to deliver a total of \$58,000 of river restoration projects throughout the region.</p> <p>The Kyneton Offsets project (through funding provided by Coliban Water), has extended the outcomes of the Caring for the Campaspe project by delivering extensive catchment improvement works along the Campaspe River upstream of Kyneton. This included 12 km of river fencing, 56 ha of willow control and 15 ha of revegetation delivered by local contractors, including Djandak (business arm of Dja Dja Wurrung Clans Aboriginal Corporation).</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>
Delivering On-ground Work Priorities			
<p>Restore native fish populations through the Native Fish Recovery project.</p> <p>Continue sharing ideas, transferring knowledge, and collaborating on initiatives with the Dja Dja Wurrung.</p> <p>Improves riparian conditions and management of Birch's Creek and the Upper Coliban waterways using traditional waterway management approaches and strategic partnerships and initiatives.</p>	<p>Key achievements include:</p> <ul style="list-style-type: none"> • 35 ha of riparian revegetation and 9.8 km of riparian protection and enhancement adjacent to woody habitat previously installed. • Securing ~\$15M funding for fishways and irrigation screens in the project area. • Working with the Environmental Water team and GMW to deliver carbon rich water from Hird Swamp to Pyramid Creek to benefit Murray cod recruitment. <p>Furthermore, A Healthy Coliban Catchment project has contributed significantly to the realisation of outcomes including the installation of 14.7 kms of fencing, 89 ha of weeds controlled and providing more than 30 off- stream watering points to landholders.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Protecting Investment and Building Capacity			
Enhance river health outcomes achieved throughout the catchment by ensuring previous works are being maintained and where possible improved by landholders.	<p>More than 370 landholder assessments completed. Analysis of data collected showed 88% of sites assessed indicates positive change. 90% of landholders were very satisfied or satisfied with project outcomes.</p> <p>Engaged contractors from Dja Dja Wurrung to complete on-ground audits, a benefit to both organisations and building to capacity.</p>	Victorian Government - Water Program Investment Framework	Nil
Threatened Species			
Increase the extent and quality of wetland habitats to contribute to the recovery of the Australian bittern and growling grass frog.	<p>During the reporting period an additional two sites have started the transformation into wetlands, which in time will be critically important habitat for Australasian bittern and growling grass frog. Works included earthworks and the installation of irrigation infrastructure.</p> <p>More than 20 ha of tall marsh revegetation was planted, 3 kms of fencing installed/replaced to protect habitat areas for Australasian bittern.</p> <p>Almost 900 ha of fox/cat control was completed at wetlands.</p>	Australian Government - National Landcare Program	Nil
Ramsar Wetlands			
Improves the ecological character of the Kerang Wetlands and the Gunbower Forest through traditional on-ground works such as revegetation and pest control. This project will strengthen regional partnerships around monitoring and management.	<p>The Kerang Ramsar implementation project has been delivered for the past four years and over the reporting period a comprehensive and coordinated rabbit control program was undertaken that resulted in more than 800 ha treated across five wetlands. This work complemented two other rabbit control programs being implemented by Parks Victoria (60 ha) and the Loddon Plains Landcare Network (2,481 ha treated) encompassing eight wetlands within the Ramsar site.</p> <p>A comprehensive woody weed control program was also carried out resulting in more than 260 ha being treated across five wetlands.</p>	Victorian Government - Water Program Investment Framework	Nil
Grasslands			
Protects and enhances high quality plains wanderer grassland habitat on private land and in partnership with public land managers.	Delivered 3 km of fencing, 71 ha of revegetation, 5 ha of wetland establishing earthworks and watering infrastructure, 67 ha of weed control, 958 ha of pest control and 118 ha covenanted for permanent protection.	Australian Government - National Landcare Program	Nil

Water for the Environment

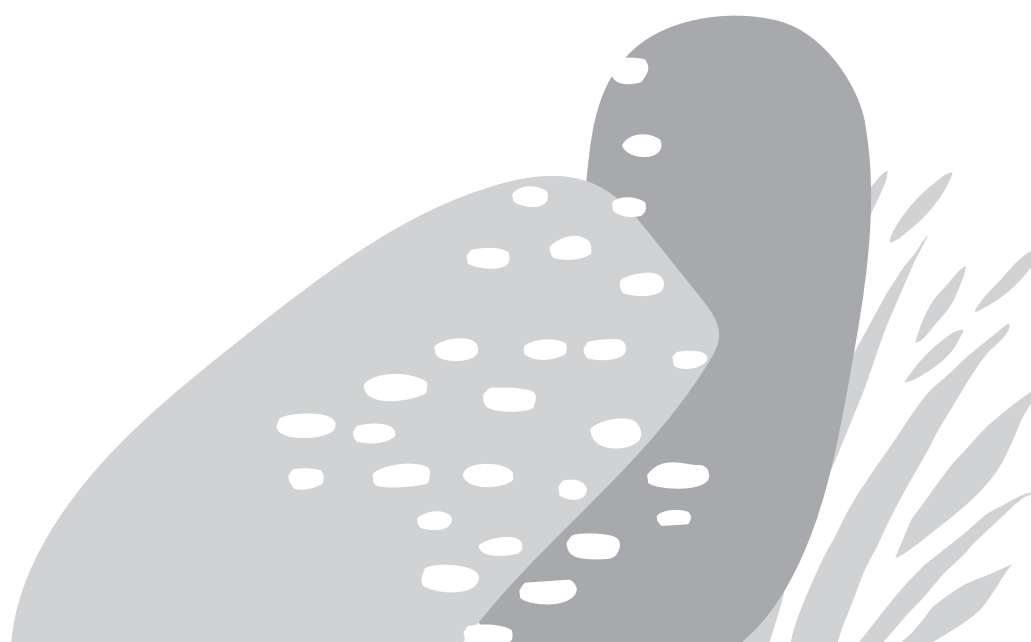
Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
The Living Murray 'Flooding for Life'			
<p>Provides environmental flows to Gunbower Creek and restores regular flooding to Gunbower Forest through a combination of environmental watering, engineering works, monitoring, Indigenous partnership programs and community engagement.</p>	<p>Approximately 21 GL of water for the environment was delivered to Gunbower Creek to support aquatic biota including native fish. An additional 3.5 GL was delivered to high priority wetlands in Gunbower Forest to provide habitat for waterbirds, fish, turtles and frogs and support the growth of wetland vegetation.</p> <p>Cultural values and Traditional Owner aspirations for management of water on Country were also supported through these deliveries.</p>	<p>Australian Government - The Living Murray</p>	<p>Nil</p>
Environmental Water Management			
<p>Manages specific Victorian Environmental Water Holder entitlements for the Campaspe River (including the Coliban River), Loddon River System (including Tullaroop, Serpentine and Pyramid creeks) and 14 Central Murray and Mid Loddon wetlands, and seven Wimmera Mallee Pipeline wetlands.</p> <p>Collaborates with key partners, provide input to water policy, deliver technical investigations.</p> <p>Ensures shared benefits for Traditional Owner Groups cultural values, key recreational users and the regional economy.</p> <p>Manage flow related issues in unregulated catchments as required.</p>	<p>Works closely with key stakeholders and community in the development of the Seasonal Watering Proposals. The project delivered 57,700 ML (excluding unregulated flows and consumptive water deliveries) to wetlands and waterways across the region. These environmental and consumptive flows helped improve the environmental condition for target native species providing significant benefits to the water dependent values on the region's rivers and wetlands.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>
Environmental Works and Measures			
<p>Undertakes investigations, planning and works to improve the management of environmental water and/ or enhance its outcomes over the next three years</p> <p>Tang Tang Swamp delivery infrastructure: approvals and construction.</p>	<p>The project is undertaking design work for fishways at Dehnes Weir and Taylors Weir as part of the Native Fish Recovery Plan.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>



Sustainable Agriculture

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Regenerative Agriculture			
Increases the capacity of north central Victorian agricultural communities to achieve practice change adoption for soil, biodiversity and vegetation improvements.	75% of participants have increased knowledge/ awareness in building and maintaining soil carbon on farm and 72% are trialing new practices to achieve project outcomes. Five community groups delivered 17 activities to 395 landholders, managing approx. 83,000 ha, to address knowledge gaps in managing soil and practices required to increase soil carbon and protect the soil from wind erosion. Collaborative partnerships have been formed with Agriculture Victoria and industry leaders participating in events providing skills and knowledge to support outcomes.	Australian Government - National Landcare Program	Nil
Plan2Farm			
Supports farming families to develop strategic plans with appropriate enterprise goals and make informed, confident and more timely farming decisions around farm layout and design; irrigation upgrades; infrastructure optimisation; water entitlements and tariffs; land area and configuration; agriculture type and scale; the people involved (family and labour); and if necessary, to exit farming with dignity.	22 workbooks complete; contracted Agriculture Victoria to deliver four spring and four autumn seasonal workshops with 272 participants. Delivered four succession planning workshops to farmers and service providers. The midterm review found that Plan2Farm greatly increased farmers confidence in their on-farm decision making. Although the level of intended participants was not achieved the evaluation of the program determined that it was a supportive program which greatly increased farmers confidence in their on-farm decision making.	Victorian Government - Water Program Investment Framework	Nil
Regional Agricultural Landcare Facilitator			
Directly supports rural, regional and urban communities, including Indigenous Australians to improve ecological conditions, farm sustainability and build resilience around changing climate and market demands.	Support to Landcare groups by attending meetings to provide updates on upcoming events, funding opportunities and relevant information. Social media is used frequently to inform the farming community about workshops, field days, webinars, research, and publications. More than 40 agricultural social media posts with a reach of more than 50,000 people. Facilitated a 'Holistic Management Communities of Practice' and other regenerative agriculture groups.	Australian Government - National Landcare Program	Nil

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Healthy Productive Irrigated Landscapes			
<p>Implements the Loddon Campaspe Irrigation Region Land and Water Management Plan.</p> <p>Develops, coordinates and monitors an irrigation region Land and Water Management Plan and Drainage Management Plan.</p> <p>Supports development and management of water-use licences and associated Ministerial determinations.</p> <p>Takes responsibility for changes to Water-Use Objectives and Standard Conditions (including section 51 licence amendments).</p> <p>Develops and implement Irrigation Development Guidelines.</p> <p>Convenes and coordinate State Environment Protection Policy obligations for surface drainage to reduce river impacts</p> <p>Land and Water Management Plan Renewal.</p>	<p>An evaluation of the HPIL project for the years 2016-17 and 2017-18 is complete and concluded that the project implementation has built on previous years' investment in sustainable irrigation management in the region and continued to contribute to the achievement of outcomes intended.</p> <p>Following extensive community and stakeholder consultation during the reporting period a renewed Loddon Campaspe Irrigation Region Land and Water Management Plan has been developed and on track for Board and Ministerial endorsement in 2020-21.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>
Reporting and Accounting for Salinity			
<p>Contributes to the Implementation of the Murray Darling Basin Salinity Management Strategy (BSM2030).</p> <p>Manages accountable actions for MD BSM2030 Salinity Register entries within the north central Victoria.</p> <p>Contributes to Victoria's Annual Murray Darling Basin Salinity Management Strategy Report.</p>	<p>Compliant.</p> <p>Five-year reviews in accordance with assessment methods under Murray-Darling Basin 2030 completed for the Barr Creek catchment, Loddon catchment and Tragowel Plains.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil.</p>



Strategy and Partnerships

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Victorian Landcare Grants & Regional Landcare Coordinator			
A rigorous process enables funding through the Victorian Landcare grants to local Landcare groups. Supports Landcare groups and Landcare networks to undertake local NRM activities.	18 Project Grants and 52 Support Grants were devolved in 2019-20 through the Victorian Landcare Grants program. The RLC engaged with 595 participants directly through events and meetings. Eleven North Central Chat newsletters were distributed to more than 1,700 readers.	Victorian Government - Victorian Landcare Program	Nil
Waterwatch			
Works with community volunteers and schools to monitor waterways across the region.	The Waterwatch program supports 56 active volunteers to monitor waterway health at 77 sites across the North Central CMA region. North Central Waterwatch also supports various on-ground works programs and monitoring priority waterways, including: RiverScan (citizen science program of the North Central CMA's Native Fish Recovery Project); Healthy Coliban Catchment Citizen Science Program; Bendigo Creek Citizen Science Program; Castlemaine Urban Waterways Citizen Science Program and Birch's Creek Citizen Science Program.	Victorian Government - Water Program Investment Framework	Nil
River Detectives Program			
Works with primary schools to improve environmental understanding of our waterways.	The project engaged 80 schools across five regions of Victoria. Teachers were provided resources, training and support to deliver curriculum aligned water testing on local waterways.	Victorian Government - Water Program Investment Framework	Nil

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Our Catchment Our Communities			
<p>Works with the community, government agencies and stakeholders to deliver integrated catchment management outcomes that align to the Regional Catchment Strategy.</p>	<p>The project delivered community-led environmental protection works within the Mt Alexander Shire, Long Swamp and throughout the upper Coliban catchment as part of the Healthy Coliban Catchment project.</p> <p>Additionally, region-wide governance and communications were strengthened through the Catchment Partners Forum and the implementation of a Catchment Partnership Agreement.</p> <p>The Lake Boort Djandak, Gatjin and Wi (Land Water and Fire) project is working with the Yung Balug Clan of Dja Dja Wurrung to empower the Traditional Owners of this significant landscape to manage and care for Country.</p>	<p>Victorian Government - Water Program Investment Framework</p>	<p>Nil</p>
Water for Country			
<p>Works with Traditional Owners to improve participation in the Victorian water planning and management frameworks, plus leverage opportunities for economic development from water, through consultative structures that address the rights and interests of Victorian Traditional Owners.</p>	<p>Projects that support the interest and rights of Victorian Traditional Owners to care for Country include:</p> <ul style="list-style-type: none"> Barapa Wamba Water for Country; Dja Dja Wurrung Boort-Kinypanial project; Water for the Environment program; Caring for the Campaspe and the Living Murray Program. Traditional Owners are also involved in Seasonal Watering Proposals development, the Barapa Wamba Water for Economic Development project and the Regional Catchment Strategy renewal process. 	<p>Victorian Government - Aboriginal Water Program</p>	<p>Nil</p>

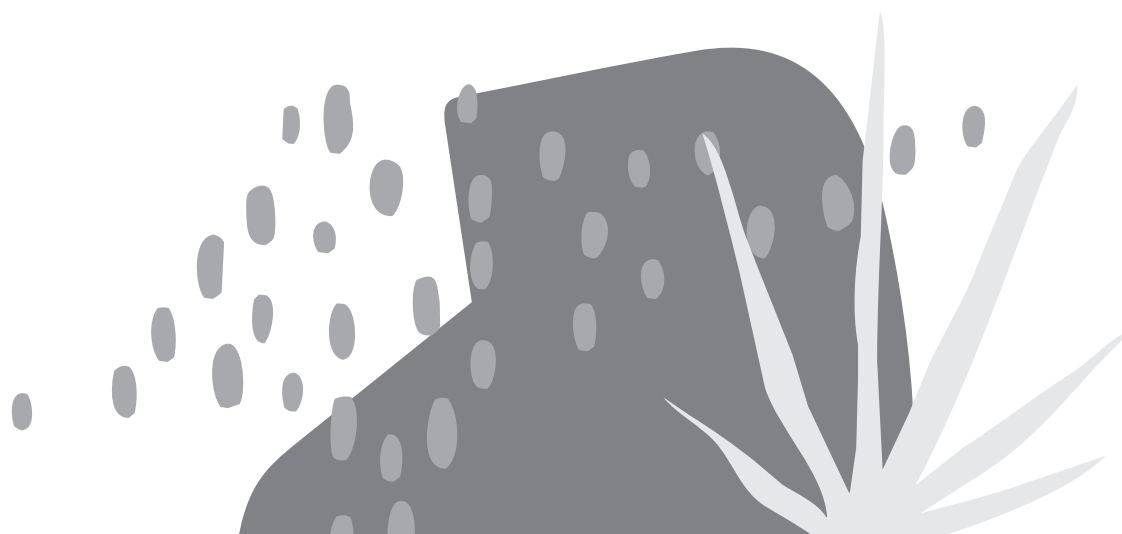


Major Projects

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Guttrum Benwell Forest Floodplain Restoration Project			
Reinstates a more natural flooding regime for the forest, particularly to address the reduced frequency and duration of floods by delivering water for the environment to the forest and semi-permanent wetlands via inlets and levees to contain water on the floodplain.	The Victorian Murray Floodplain Restoration project is in progress. Progressing infrastructure designs to enable the effective and efficient delivery of water for the environment to help meet Victoria's obligations under the Murray Darling Basin Plan. Investigation includes community and Traditional Owner involvement and engagement.	Australian Government - funding devolved to the North Central CMA through Lower Murray Water	Nil
Gunbower Forest Floodplain Restoration Project			
Enables the delivery of environmental water to the wetlands and forest of the Gunbower National Park to mimic a natural flood event, including delivering water to almost half of the permanent and temporary wetlands and river red gums with flood dependent understorey. Enhances infrastructure and channels to enable the provision of water to land that can currently not be watered by any other infrastructure.	The Victorian Murray Floodplain Restoration project is in progress. Progressing infrastructure designs to enable the effective and efficient delivery of water for the environment to help meet Victoria's obligations under the Murray Darling Basin Plan. Investigation includes community and Traditional Owner involvement and engagement.	Australian Government - funding devolved to the North Central CMA through Lower Murray Water	Nil

Statutory Functions and Floodplain Management

Project/Program description	Outcomes and outputs commentary	Funding source	Significant deviations
Administration of Statutory Functions			
<p>Provide advice to the community, development industry and local government about the potential impacts of flooding.</p> <p>Protect waterways from the impacts of third party works through the Works on Waterway Permit Scheme.</p>	<p>The team complied with the statutory obligations regarding approving works on waterways permits and floodplain referrals.</p> <p>Responded to 579 formal planning referrals and processed 93 works on waterways applications during the reporting period.</p> <p>Additionally, 594 flood/development advice responses were provided, and 1,417 flood advice reports were downloaded on the Flood Eye website.</p>	Victorian Government - Water Program Investment Framework	Nil
Regional Floodplain Management Strategy Implementation			
Support local government, DELWP, VicSES and the community to implement the priorities of the Regional Floodplain Management Strategy (RFMS).	<p>The Regional Floodplain Management Strategy is in its third year of implementation.</p> <p>Significant funding was secured by the CMA and/or local government to deliver key actions and priorities.</p>	Victorian Government - Water Program Investment Framework	Nil
Natural Disaster Resilience Grants Scheme Project Delivery			
<p>Projects to improve the flood resilience of communities, specifically:</p> <ul style="list-style-type: none"> • Rapid flood risk assessments for 21 towns; and • Community flood education signage boards 	In progress.	Natural Disaster Resilience Grants Scheme funded through Emergency Management Victoria	Nil



1.8 Business Improvement Program Performance

With a commitment to continual improvement and organisational development, the North Central CMA identifies and delivers a targeted suite of business improvement (Table 8) initiatives each year, some of which are the focus of effort over multiple years and some of which are shorter term. The implementation of the program ensures we continue to make significant progress against identified business improvement opportunities.

The initiatives below, as documented in our 2018-19 2022-23 Corporate Plan, focus on the people and culture, the processes and systems and the approaches and strategies that support our NRM activities. The initiatives are informed by various sources including the Minister's Letter of Expectations and an external Organisational Performance Excellence review completed in 2017.

Table 8 Business improvement initiatives

Performance area	Action	Progress
MERI Improvement	Continue to improve our Monitoring, Evaluation, Reporting and Improvement approach to support evidence-based development and delivery of strategies and projects, enable better communication of outcomes and prioritise future investments in research and development. This includes implementation of an organisational Science Panel.	Continued roll-out of the MERI approach across the organisation. A highlight has been the development of performance reports for projects and strategy that provide a detailed evaluation, lessons for future adaptation and support communication of outcomes. The Social Benchmarking Study that provides valuable information about farmer knowledge and practices was completed in partnership with the Soil CRC. The Science Panel has been delayed due to the COVID-19 disruption.
Reconciliation Action Plan	The North Central CMA is committed to partnering with our Traditional Owners and Aboriginal stakeholders. This program includes the development and implementation of a Reconciliation Action Plan and a cultural competency assessment and development program.	Implementation of actions outlined in our Reconciliation Action Plan include: <ul style="list-style-type: none"> Cultural Diversity and Inclusion and Aboriginal Torres Strait Islander awareness training delivered to whole of corporate family. Cultural awareness sessions delivered by Yorta Yorta. School Based Apprenticeship Trainee program - supporting a development pathway for Aboriginal and Torres Strait Islander students by providing opportunities to work on and connect with Country. The mentoring program increases their cultural knowledge and awareness of natural resource management activities. Students have also said involvement with the program has given them a purpose and sense of self. Key partnership projects such as the Yung Balug Djarra, Dja Wurrung, Health Country Planning - Djandak, Gatjin and Wi (Land, Water and Fire) at Boort. The engagement of businesses such as Djandak, Woka Walla, Barapa Land and Water and Taungurung works crews in the delivery of on-ground works on Country.
System Improvement	<ul style="list-style-type: none"> ICT Strategy – North Central CMA developed an Information Communication Technology (ICT) Strategy in 2017-18. This Strategy provides guidance to the organisation on the direction for technology related investment during the 2017-20 period. Regional Catchment Strategy System. Improvements to NRM Audit process including systems review to further streamline processes and automate desktop review. GIS Improvement with a focus on improving external access to spatial information. 	Core systems improvements during the reporting period include: <ul style="list-style-type: none"> Implementation of Project Lifecycle Management. Budget systems improved. Upgrades to GIS systems including system and mapping upgrades to latest available versions, output dashboard implemented and remote access infrastructure in place. Transition of all core systems to off-premise infrastructure close to completion.

Performance area	Performance target	Achievement commentary
Culture	The North Central CMA values the difference between people and contribution these differences make to our work and our communities. We will continue to implement our Diversity and Inclusion strategy 2017-2022 and incorporates additional activities in relation to gender equity.	<p>Founding member of the City of Greater Bendigo's Coalition for Gender Equity</p> <p>Piloting a peer support network for women within the organisation to coach and support each other, and to share experiences in the achievement of their career and leadership goals.</p> <p>We will continue to embed our Pursue Your Potential Program to foster talent and develop leadership capabilities across all levels the organisation.</p> <p>The Our Culture component of the North Central CMA's strategic direction will be refined in consultation with staff over the coming year to better reflect the organisation's appetite towards new challenges, innovation and collaboration.</p> <p>For more information refer to 3.3 Workforce Inclusion Policy section of this report.</p>
Catchment Partnership Development	Working with regional agencies and local government to coordinate natural resource management planning, investment and delivery.	The Catchment Partners Forum meets regularly. A draft Regional Prospectus that aligns with objectives of the RCS and presents opportunities for planning, investment and delivery of natural resource management projects and programs is in development.



1.9 Five Year Financial Review Performance

The below table provides a comparative summary of the CMA's financial results for the reporting year and the previous four years.

	2019-2020	2018-2019	2017-2018	2016-2015	2015-2016
	\$	\$	\$	\$	\$
Total revenue	15,086,885	13,514,080	15,738,716	16,521,389	15,454,535
Total expenditure	16,241,980	14,646,901	15,856,021	16,368,980	16,087,706
Total surplus/(deficit)	(1,155,095)	(1,132,821)	(117,305)	152,409	(633,171)
Current assets	7,737,932	7,851,134	8,912,328	9,402,291	9,870,785
Non-current assets	2,009,371	2,255,524	2,198,738	2,269,506	2,424,134
Total assets	9,746,763	10,106,658	11,111,066	11,671,797	12,294,919
Current liabilities	1,902,486	2,228,817	2,126,870	2,637,500	3,348,813
Non-current liabilities	137,054	106,737	98,751	93,547	157,765
Total liabilities	2,039,543	2,335,554	2,225,621	2,731,047	3,506,578

Current Year Financial Review

As of 30 June 2020, the North Central CMA recorded a \$1.16 million deficit from operating activities compared with a \$1.13 million deficit from operating activities in 2018–19.

In 2019–20, service delivery expenditure of \$16.2 million was performed verses \$14.5 million in 2018-19.

At 30 June 2020, the North Central CMA held \$4.67 million in contract liabilities representing works yet to be completed under funding contracts and has \$1.15 million of contract assets, representing works completed for which funding is to be received from investors.

Significant Changes in Financial Position

The introduction of AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for Profit Entities* and AASB 16 Leases is illustrated under the *Notes to the Financial Statements 8.4.4*. There were no other significant matters which affected the North Central CMA's financial position during the reporting period.

Significant Changes or Factors Affecting Performance

The COVID-19 global health pandemic has resulted in a number of directions from Government; the Authority has considered this and with the assistance of funders, delivery of works impacted by restrictions has been amended with mutual agreement. Our workforce has adopted a safe

working approach to ensure continuity of all essential services and obligations. There were no other significant changes or factors which affected the North Central CMA's performance during the reporting period.

Capital Projects

The North Central CMA does not manage any capital projects.

Disclosure of Grants and Transfer Payments

In the reporting period the North Central CMA provided grants to 61 community groups totalling \$236,049.90 through the Victorian Government's Victorian Landcare Grants Program, Regional Riparian Action Plan and the Australian Government's National Landcare Program (Appendix 2).

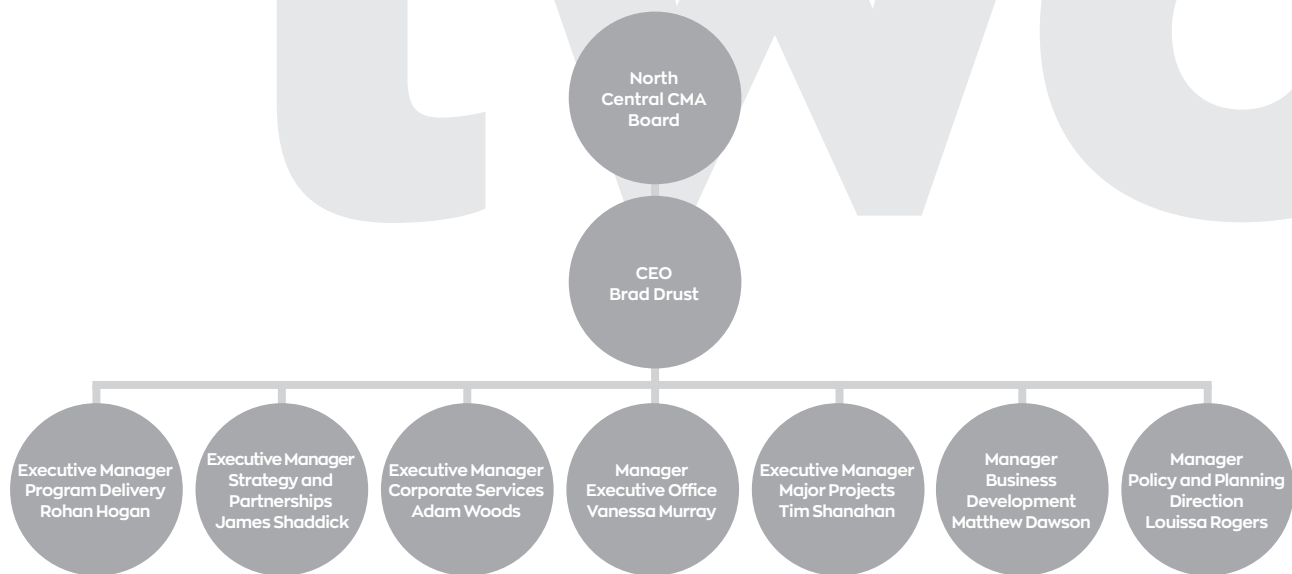
Subsequent Events

The COVID-19 global health pandemic has resulted in a number of directions from Government; the Authority has considered this and with the assistance of funders, delivery of works impacted by restrictions has been amended with mutual agreement. Our workforce has adopted a safe working approach to ensure continuity of all essential services and obligations. No additional matters or circumstances have arisen since the end of the reporting period which further significantly affects or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the Authority in future financial years.

PART 2: GOVERNANCE AND ORGANISATIONAL STRUCTURE

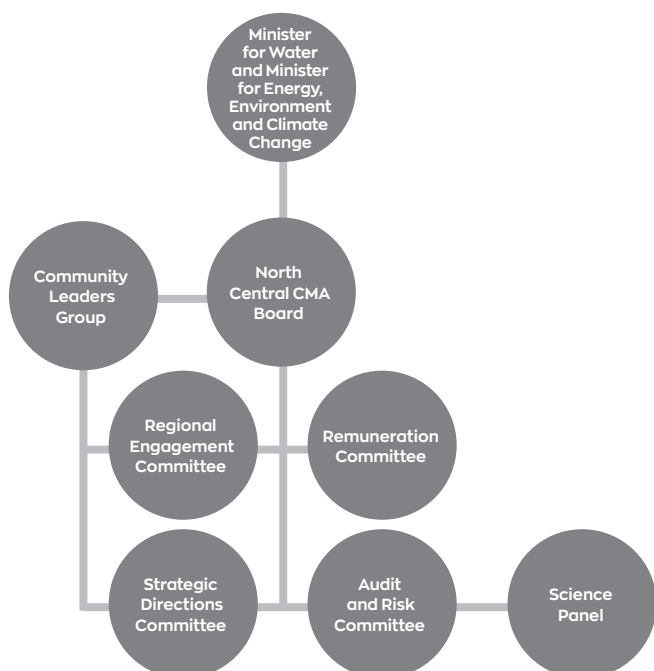
2.1 Organisational Structure and Corporate Governance Arrangements

The North Central CMA organisation structure is underpinned by seven key business units with a senior manager of each unit reporting directly to the CEO.



2.2 Board and committees

The Victorian Government appoints diverse Boards of up to nine members to govern CMA's based on their skills and background relevant to natural resource management. Board members also have a valuable connection to their local community and represent community values and priorities when considering strategic issues relating to the protection and improvement of the region's natural resources. The Board has six standing committees each chaired by a Board member, complemented by a range of project specific committees.



Governing Board

Julie Miller Markoff (Chair)

CASTLEMAINE

Julie is a non-executive Director, transformational change and systems architect and implementer, and advocate for regional prosperity.

Since moving to central Victoria, and with extensive experience in facilitating and managing complex business transformation, her focus has evolved to working with resilience strategies, place-based innovation and transitions for better community outcomes in environmental, social and economic development. Her expertise is combining strong governance with progressive systems thinking and collaborative practice and leadership to create a collective impact.

Julie was appointed Chairperson in October 2017. A Director since 2013, she has chaired the Audit and Risk subcommittee and the advisory Community Consultative Committee.

She is currently co-founder and Chair of the bHive co-operative (Australia's first platform co-operative), and previous Board Chair of Heathcote Health. Julie has a Master's Degree in Applied Science (Innovation), is an Advanced Analytic Network Leadership Coach, and is a member of the Australian Institute of Company Directors.

Julie is committed to making sustainable, climate responsive investments in natural resource management, creating shared benefits from water use, and broadening and deepening stewardship of catchments through community partnerships.

Charlie Gillingham

LAKE CHARM

Charlie is an irrigation/dryland farmer from Lake Charm and former Chair of the Natural Resource Management Committee. Charlie has been involved with the CMA in an advisory role since 2004 and has strong links within the irrigation industry and is an active contributor in local irrigation issues.

Charlie is enthusiastic about encouraging greater community awareness and participation in natural resource management issues. He believes we live in a wonderful region full of exceptional environmental assets that need to be maintained and enhanced for future generations to enjoy.

Charlie is a councillor for the Gannawarra Shire and is also involved in numerous local community groups.

Richard Carter

NEWLYN

Richard operates a rural water consultancy and water brokering business, which he combines with a small berry farm from his property at Newlyn. He is an active member of his local Landcare group, as well as various other community organisations.

He has spent many years involved in natural resource management, predominantly in the water industry which has led to his interest in the health of the rivers and waterways of the area and a keen interest in groundwater resources. As a part-time primary producer he is also passionate about sustainable agriculture and the vital role it plays in the economic life of central Victoria and Australia.

Richard is currently a member of the Goulburn Murray Water Loddon Campaspe Regional Water Service Committee and was previously a member of our Natural Resource Management Committee. He is also an executive member of the Australian Water Brokers Association.

Graham Atkinson

DJA DJA WURRUNG

Graham is a Dja Dja Wurrung Traditional Owner and Yorta Yorta man. He gained a Bachelor of Social Work and Arts degree from the University of Melbourne in the 1970s and an MBA from RMIT University in the early 1990s.

He is a graduate of the Australian Institute of Company Directors good governance program (2013) and is an accredited mediator under the National Mediation Association (2013). He is Principal Consultant of Atkinson Consulting Group with nearly 30 years consulting with government and Indigenous communities on land justice, native title, natural resource management, cultural heritage and economic development issues.

Graham is currently a Director on Native Title Service Victoria, a Director on the Victorian Federation of Traditional Owners Corporation and Chairs its subsidiary, Barpa Pty Ltd, which is a joint venture with Cockram Constructions; is a Director on Dja Dja Wurrung Clans Aboriginal Corporation, Director on Djandak Enterprises Pty Ltd.

He is Chair of Dhelkunya Dja Land Management Board established in 2014 under the Recognition and Settlement Agreement between the Corporation and State Government. He served on the National Board of the Indigenous Land Corporation (ILC) from 2011-2015 including as director on its subsidiaries, the National Indigenous Pastoral Enterprise (NIPE) and National Centre for Indigenous Excellence.

Graham is also on the Board for the Judicial Commission of Victoria as a Community Member and was appointed to the Inner Metropolitan Partnerships Panel.

Mary Bignell

Mary is a partner in a family broadacre cropping business in the Wimmera in north-west Victoria. She has been a Non-Executive Director of Grampians Wimmera Mallee Water from 2010 to 2019. In 2018 she was appointed to the Barwon South West Waste Resource Recovery Group as a Non-Executive Director for four years.

With qualifications in agricultural science, Mary has experience working in governance, natural resource management, emergency management, agribusiness, community development and primary production.

Susan Jackson**ST ARNAUD**

Susan and her husband operate a broadacre grain and hay enterprise in the west of the catchment.

She has a background in teaching, with more than 20 years' experience in education, training and leadership.

Susan has written and published a series of children's farm books, promoting agriculture through education. She also has experience in community capacity building, community consultation and project work. She is focused on actively encouraging community voice and the participation of youth.

Susan holds a Bachelor of Education (Primary) and a Master of Education.

Trish Kevin**BLAMPIED**

Trish has a background as a community engagement manager and has extensive experience in catchment and land protection.

She has worked for almost 30 years in various roles including hydrogeological research, biodiversity enhancement, revegetation and private forestry extension, nursery and seed bank management.

She also has had roles in Landcare education, waste mitigation and energy efficiency across central and western Victoria.

Trish is passionate about sound catchment management and ensuring that rural communities have opportunities to participate in catchment protection issues and programs. She has a Bachelor of Forest Science, Graduate Certificate of Farm Forestry, Certificate IV Workplace Training and Assessment and was a Churchill Fellow in 2006.

Efim Tkatchew**ASHBOURNE**

Efim is a finance executive with global experience in funds management and banking including investing in infrastructure such as water assets.

He and his wife are involved in small-scale mixed agriculture, and are committed to balancing environmental, social and economic benefits for rural communities.

Efim holds a Bachelor Degree in Commerce, a Masters of Business Administration (Exec.), is a member of the Institute of Chartered Accountants and a Graduate of the Australian Institute of Company Directors.

Sally Mitchell

Sally has lived and worked on her families irrigated farms for most of her life located in the northern end of the catchment. Recent changes in direction have seen her family undergo a "hill" change and they have relocated to Samaria in Victoria's north east. Sally remains committed to the protection and enhancement of the North Central CMA and its communities.

Sally has a strong interest in involving young people in community projects, so that the bank of knowledge built up over many years can be passed on and that new and innovative ways can be incorporated. She believes communities need good leadership to thrive in times of change. A keystone in her beliefs is good natural resource management goes hand-in-hand with sustainable farming practices.

Sally holds a Bachelor of Social Science, a Graduate Diploma of Education, a Graduate Certificate in Australian Rural Leadership and has completed the Australian Rural Leadership Program.

Board membership and meeting attendance

Board Member	Full Board meetings	Out-of-session
Julie Miller Markoff	10 of 10	2 of 2
Graham Atkinson	7 of 10	2 of 2
Mary Bignell	7 of 7	2 of 2
Richard Carter	10 of 10	1 of 2
Charlie Gillingham	10 of 10	2 of 2
Susan Jackson	9 of 10	2 of 2
Patricia Kevin	8 of 10	2 of 2
Sally Mitchell	9 of 10	2 of 2
Julie Slater	3 of 3	1 of 1
Efim Tkatchew	9 of 10	2 of 2

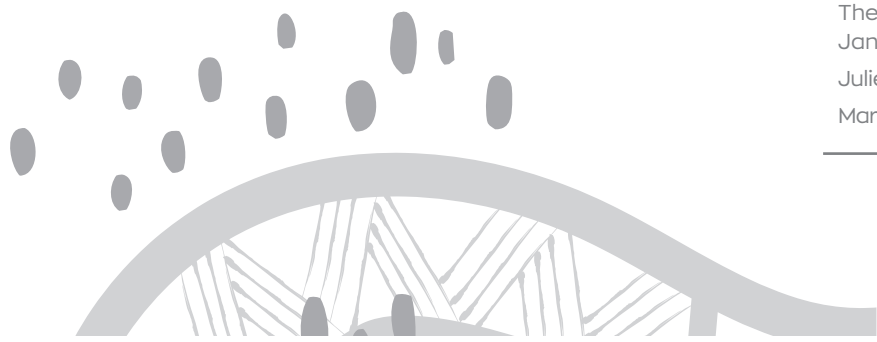
Notes:

All Board absences were approved by the Board.

There were no meetings held in October 2019 or January 2020

Julie Slater's Board term finished on 30 September 2019

Mary Bignell was appointed to the Board on 1 October 2019



Audit and Risk Committee Membership and Roles

The main responsibilities of the audit committee are to:

- Review and report independently to the Board on the Annual Report and all other financial information published by the North Central CMA.
- Assist the Board in reviewing the effectiveness of North Central CMA's internal control environment e.g. effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations.
- Determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors.
- Maintain effective communication with external auditors, consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised.
- Oversee the effective operation of the organisation's risk management framework.
- Members are appointed by the Board, usually for a three-year term, and are subject to the committee's Terms of Reference.
- Meetings are generally held bi-monthly and at any other time on request of a committee member or the internal or external auditor. In 2019–20 the committee met six times.

Audit and Risk Committee membership and meeting attendance

Name		Term	Attended	Eligible to attend
Richard Carter (Chair)	Independent	1 July 2019 to 30 June 2020	6	6
Julie Miller Markoff		1 July 2019 to 30 June 2020	6	6
Mary Bignell	Independent	7 November 2019 to 30 June 2020	4	4
Susan Jackson	Independent	1 July 2019 to 19 November 2019	2	2
Graham Atkinson	Independent	1 July 2019 to 19 November 2019	0	2

Board Committees

The Board has six subcommittees – Audit and Risk Committee; Remuneration Committee; Regional Engagement Committee; Strategic Directions Committee (formerly the Strategic Implementation Committee), Science Panel and the Community Leaders Group.

Remuneration Committee

The purpose of the committee is to:

- Oversee the remuneration and incentive policies for the CEO and to ensure they meet GSERP rules and guidelines.
- Oversee the CEO's work plan and annual performance appraisal.
- Develop a succession plan for the CEO role.
- Other matters as requested by the Board.

Remuneration Committee membership and meeting attendance

Julie Miller Markoff	2 of 2
Charlie Gillingham (Chair)	2 of 2
Efim Tkatchew	2 of 2

Regional Engagement Committee

The purpose of the committee is to:

- Oversee the review and renewal of the North Central CMA Engagement Strategy and monitor its implementation.
- Strategically analyse, develop, monitor and coordinate approaches and practices in relation to the way the CMA engages with its partners, stakeholders and the general community.

Regional Engagement Committee membership and meeting attendance

Board members	Total
Julie Slater	4 of 4
Sally Mitchell	2 of 4
Patricia Kevin	4 of 4
CLG members	Total
Ted Gretgrix	4 of 4
Adam Campbell	1 of 2
Gabby Gamble	1 of 2

Strategic Directions Committee (formerly the Strategy Implementation Committee)

The purpose of the committee is to support the North Central CMA to deliver on the strategic direction of the North Central RCS and sub-strategies.

Strategic Directions Committee membership and meeting attendance

Board members	Total
Richard Carter	3 of 3
Charlie Gillingham	3 of 3
Efim Tkatchew	2 of 3
CLG members	Total
Colin Smith	2 of 3
Ellen White	1 of 2

Community Leaders Group (CLG)

Community leaders have specific appointed roles as chair of project/program committees and/or participating in strategy initiatives e.g. membership on Board sub-committees. These projects and programs have a significant community interface with members bringing personal expertise and a community linkage to the work of the North Central CMA.

CLG membership and meeting attendance

*Julie Slater (Board member)	1 of 1
**Patricia Kevin (Board member)	4 of 4
Faye Bail	4 of 4
Di Bowles	2 of 4
Adam Campbell	3 of 4
Ken Coates	4 of 4
Ron Cosgrave	3 of 4
Alan Denehey	3 of 4
Aunty Gabby Gamble	3 of 4
Ted Gretgrix	4 of 4
Rob Loats	4 of 4
Colin Smith	4 of 4
Ellen White	3 of 4

Notes:

* Julie Slater's Board term finished on 30 September 2019.

**Patricia Kevin was appointed by the Board in October 2019

Science Panel

The Science Panel stewards long-term, evidence based knowledge management and ensures that this is embedded into our strategies and projects as well as undertaking key tactical tasks to respond to challenging or contested areas of science. It is chaired by a Board member and will be made up of recognised academic or industry experts relevant to the work of the North Central CMA.



2.3 Occupational Health and Safety

The North Central CMA is committed to ensuring the safety and welfare of its employees, contractors, volunteers and visitors. This is achieved through maintaining workplaces that are safe and without risk to health, adhering to risk control documents and integration of Occupational Health and Safety (OH&S) in all aspects of the business. People engaged at the CMA premises are inducted and monitored to ensure they are familiar with the health and safety policies and emergency procedures.

The CMA procurement process ensures suppliers engaged to perform work have fit for purpose risk control documents and appropriate insurances, regular audits confirm compliance with these requirements.

OH&S policies and procedures are in place and regularly updated. OH&S training is provided to all employees.

During the past year North Central CMA employees have received training in first aid, driver and four-wheel driver training, Emergency Warden and Health and

Safety Representative (HSR) training. North Central CMA premises are quarterly assessed for OH&S compliance and external events are controlled by a Hazard Identification and Risk Assessment process. Contractor worksites have pre-start assessment and interim inspections to ensure OH&S compliance, these Risk Management performance measures are reported monthly to the North Central CMA Board.

The Staff Consultative Committee administers the Wellbeing program which includes a wide range of amenities, flu vaccinations, health checks, information sessions on mental health and wellbeing, and activities to support workplace wellbeing and connectedness.

Results from the 2018 People Matter Survey (current data) indicate 95% of staff agree that the North Central CMA provides a safe work environment and consults on safety matters. WorkSafe incidents are reported under the *Accident Compensation Act 1985*. The North Central CMA had no WorkSafe claims or time lost injuries.

Measure	Key performance indicator	2019-20 Target ¹	2019-20	2018-19 Target ¹	2018-19	2017-18 Target ¹	2017-18
Hazards reported	No. of hazards	N/A	3	N/A	2	N/A	5
Incidents	No. of Incidents	N/A	11	N/A	28	N/A	39
	Rate per 100 FTE	N/A	24	N/A	53	N/A	66
	No. requiring first aid and or further treatment	0	NIL		4		7
Claims	No. of standard claims	0	NIL	0	NIL	0	NIL
	Rate per 100 FTE	N/A	(0)	N/A	(0)	N/A	(0)
	No. of lost time claims	N/A	NIL	N/A	NIL	N/A	NIL
	Rate per 100 FTE	N/A	(0)	N/A	(0)	N/A	(0)
	No. of claims exceeding 13 weeks	N/A	NIL	N/A	NIL	N/A	NIL
	Rate per 100 FTE	N/A	(0)	N/A	(0)	N/A	(0)
Fatalities	Fatality claims	N/A	NIL	N/A	NIL	N/A	NIL
Claim Costs	Average cost per standard claim	N/A	(0)	N/A	\$0	N/A	\$0
Return to work	Percentage of claims with RTW plan < 30 days	N/A	N/A	N/A	N/A	N/A	N/A
Management commitment	Evidence of OH&S policy statement, objectives, and regular reporting to senior management; and OH&S plans (signed by CEO or equivalent)	Compliant	Met	Compliant	Met	Compliant	Met
	Evidence of OH&S criteria(s) in purchasing guidelines (incl. goods, services & personnel)	Compliant	Met	Compliant	Met	Compliant	Met
Consultation and participation	Evidence of agreed structure of designated work groups, health and safety representation, and issue resolution procedures	Compliant	Met	Compliant	Met	Compliant	Met

Measure	Key performance indicator	2019-20 Target ¹	2019-20	2018-19 Target ¹	2018-19	2017-18 Target ¹	2017-18
Consultation and Participation	Compliance with agreed structure	Compliant	Met	Compliant	Met	<i>Compliant</i>	Met
	No. of quarterly OHS Committee meetings	4	3	4	4	4	6
Risk Management	Percentage of internal audits/ site safety plans, site inspections conducted as planned	100%	100%	100%	100%	100%	100%
	Percentage of reported incidents reviewed/ investigated	100%	100%	100%	100%	100%	100%
	No. of WorkSafe Improvement Notices	N/A	NIL	N/A	NIL	N/A	NIL
	Percentage of issues identified and actioned arising from: <ul style="list-style-type: none"> Internal audits; HSR improvement notices; and WorkSafe notices. 	100%	100%	100%	100%	100%	100%
Training	Percentage of managers and staff that have received OH&S training: <ul style="list-style-type: none"> induction; management training; and contractors and temps 	100% 100% 100%	100% 100% 100%	100% 100% 100%	100% 100% 100%	100% 100% 100%	100% 100% 100%
	Percentage of HSR'S trained: <ul style="list-style-type: none"> upon acceptance of role (initial) retraining (annual refresher) 	100%	100%	100%	100%	100%	100%
Safety Investment as a % of payroll	PPE, equipment and other safety items	0.1%	0.20%	0.1%	0.30%	0.1%	0.30%
	Training	0.3%	0.23%	0.3%	0.23%	0.3%	0.23%
Wellbeing investment	Cost as a % of payroll	0.8%	0.68	0.8%	0.68	0.8%	0.68
	Events, initiatives and ongoing programs	2	4	N/A	16	N/A	25
	Trained Mental Health First Aiders	N/A	7	N/A	4	N/A	2
	Employee Opportunity Officers/ Peer Support	N/A	32	N/A	4	N/A	4
		N/A	4	N/A	4	N/A	4

Note: ¹ Incidents and Hazards are now reported separately. Increase in incident/hazard reporting is a result of increased promotion and education on the importance of incident/hazard reporting. It is not an indication of an actual increase in incidents. Removal of targets for incident/hazard reporting was to encourage reporting and remove the perception that reporting of incidents or hazards was a negative behavior.

2.4 Employment and Conduct Principles

The North Central CMA is committed to applying merit and equity principles when appointing staff. Our selection processes ensure applicants are assessed and evaluated fairly and equitably based on the key selection criteria and other accountabilities without discrimination.

PART 3: WORK FORCE DATA

3.1 Public Sector Values and Employment Principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The North Central CMA introduced policies and practices that are consistent with the VPSC's employment standards and provided for fair treatment, career opportunities and the early resolution of workplace issues. The North Central CMA advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

Our people

The North Central CMA strives to provide a workplace culture that embraces and reflects diversity and consider our people to be our greatest asset. Embedded at the CMA is a culture that supports teamwork, inclusion, continuous learning, and individual leadership.

The North Central CMA's aim is to be an employer of choice. To achieve this the CMA is focused on providing current and prospective employees with competitive terms and conditions of employment, and a positive and collaborative work culture that promotes the public-sector values of respect, leadership, human rights, integrity, accountability, impartiality, and responsiveness.

Learning and development

The North Central CMA's people are our most important asset. Through our Pursue your Potential program we continue to build organisational capability by fostering talent and developing leadership capabilities across all levels the organisation. We continue to promote the personal and professional development to achieve a mobile and agile public sector workforce responsive to our community while creating satisfying career paths for our people.

Professional development programs undertaken by employees during the reporting period included a range of leadership development programs such as Loddon Murray Community Leadership Program, Compass Leadership Program for Women and Waterway Management Twinning Program. Technical and safety-based programs included Mad Bad Sad Tears Abuse and Threats (dealing with unwelcome behaviours); First Aid; Mental Health First Aid; VICSES Introduction to Emergency Management; 4WD operation and 4WD recovery. During the financial year a staff member continued their tertiary studies through Master of Business Administration. Employees have also developed their skills and knowledge by attending training and educational seminars covering a range of topics including Tools for Participation Training; Advances in Integrated River Management; 2D Water Modelling; Rivers of Gold Symposium; National Climate Emergency Summit; International River Symposium, and the AFSS Annual Conference.

Additionally, the North Central CMA facilitates a regular forum for people managers to facilitate peer-to-peer learning and knowledge sharing on a range of topics and continues to leverage our Pursue Your Potential Capability and Development Framework. The framework describes leadership capabilities across all levels and roles and supports individuals in identifying their core capabilities, assessing their development needs, and supporting the formation of a customised development program to further develop staff capabilities.

3.2 Comparative Workforce Data

As of 30 June 2020, the North Central CMA employed the full-time equivalent of 52.4 people compared to the full-time equivalent of 54 people in 2019-20. The breakdown of staff is as follows:

	June 2020						June 2019					
Gender												
	All employees		Ongoing		Fixed Term, Casual		All employees		Ongoing		Fixed Term, Casual	
	Number (Head-count)	FTE	Number (Head-count)	FTE	Number (Head-count)	FTE	Number (Head-count)	FTE	Number (Head-count)	FTE	Number (Head-count)	FTE
Women	32	28.31	21	18.72	11	9.59	31	27.07	22	18.76	9	7.87
Men	26	24.11	17	16.39	9	7.71	28	27.31	21	20.72	7	6.42
Self-described	0	0					0	0				
Age												
15-24	0	0.00					1	1.00	0	0	1	1.00
25-34	10	9.90	6	5.90	4	4.00	9	8.90	5	4.9	4	4.00
35-44	26	22.67	18	15.69	8	6.98	27	23.95	21	18.68	6	5.27
45-54	15	13.45	9	8.63	6	4.82	15	13.39	11	10.37	4	3.02
55-64	5	4.50	3	3.00	2	1.50	5	4.63	4	3.63	1	1.00
65+	2	1.89	2	1.89	0	0.00	2	1.89	2	1.89		
Classification Data												
Band 4	3	2.80	1	1.00	2	1.80	4	3.63	3	2.63	1	1.00
Band 5	3	3.00	1	1.00	2	2.00	2	2.00	0	0.00	2	2.00
Band 6	13	12.00	8	7.32	5	4.68	18	16.29	11	9.71	7	6.58
Band 7	16	14.03	11	10.23	5	3.80	15	13.66	12	11.38	3	2.28
Band 8	11	9.26	9	8.24	2	1.02	11	9.55	9	8.12	2	1.42
Manager ¹	7	6.33	5	4.33	2	2.00	5	4.63	5	4.63	0	0.00
Senior Manager ²	4	4.00	2	2.00	2	2.00	3	3.00	2	2.00	1	1.00
Chief Executive Officer	1	1.00	1	1.00	0	0.00	1	1.00	1	1.00	0	0.00

All figures reflect employment levels at the last full pay period in June of each year.

Excluded are external contractors/consultants and temporary staff employed by an employment agency.

Ongoing employees include employees engaged on an open-ended contract of employment and executives engaged on a standard executive's contract who were active in the last full pay period of June.

FTE is the proportional total number of paid hours, i.e. FTE of 1.0 is equivalent to 38 hours per week.

¹ Executive Officers who oversee the operation and directions of a significant part of the business or delivery program, and may report to a Senior Manager or to the CEO.

² Senior Executive Officers who oversee the operation and directions of the business, and report to the CEO.

3.3 Workforce Inclusion Policy

The North Central CMA values the differences between people and the contribution these differences make in the workplace. The CMA believes in the inherent value of a diverse workforce reflective of the communities in which it operates and is committed to ensuring that all people are treated with respect and dignity.

The North Central CMA has continued to implement our Diversity and Inclusion Plan 2017–2022. The plan encapsulates four key objectives to focus activities that will continue to cultivate a diverse and inclusive culture within the CMA.

Diversity and Inclusion Plan 2017–2022 Progress	Actions completed	Actions in progress
Embed diversity and inclusion in the way we work	33%	50%
Foster Indigenous partnerships	60%	40%
Champion gender representation	44%	56%
Cultivate wellbeing and resilience	75%	25%
Total	47%	47%

Some of our key achievements to date include:

Our innovative Reconciliation Action Plan, a guide for reconciliation that recognises Aboriginal and Torres Strait Islander peoples’ connection to Country, commits us to tangible actions, including:

- Cultural Diversity and Inclusion and Aboriginal Torres Strait Islander awareness training delivered to whole of corporate family.
- Cultural awareness sessions delivered and facilitated by Yorta Yorta.
- Traineeship program supporting a development pathway for Aboriginal and Torres Strait Islander students into NRM and working on Country.
- Key partnership projects such as the Yung Balug Djarra, Dja Wurrung, Health Country Planning - Djandak, Gatjin and Wi (Land, Water and Fire) at Boort.
- The engagement of businesses such as Djandak, Woka Walla, Barapa Land and Water and Taungurung works crews in the delivery of on-ground works on Country.

The North Central CMA’s commitment to gender representation is evidenced by the balance of genders within the workplace.

- Structuring our workplace to enable 88% of staff to access flexible working arrangements, including part-time hours, flexible start and finish times, purchased leave and other arrangements.
- Founding member of the City of Greater Bendigo’s Coalition for Gender Equity and signatory to the gender equity strategy which launched in April 2020.
- Responding to Family Violence training for all people managers and contact officers.
- Successfully piloting a peer support network for women within the organisation to coach and support each other, and to share experiences in the achievement of their career and leadership goals. This program will be embedded into the way we work in 2020-21.

- Four women appointed to Executive positions over the past twelve months, three of whom were internal candidates who have leveraged opportunities through our Pursue Your Potential program to develop their leadership capabilities.

The CMA also encourages female participation in senior roles within the water sector by proactively providing leadership development opportunities that support and encourage women. These opportunities include programs such as the Compass Leadership Program for Women, Dattner Grant Leadership Program and the Waterways Twinning program, as well as secondment roles within and external to the CMA.

The North Central CMA continues to offer the services of an Employee Assistance Program. The program provides employees and their immediate family members with access to professional and confidential counselling services for both work-related and non-work-related matters. In addition, 30 CMA staff are certified in Mental Health First Aid, with four undertaking a tailored program for Aboriginal and Torres Strait Islander mental health.

During 2019-20, the organisation encouraged staff to participate in a wellbeing program, planned and managed by the Staff Consultative Committee. The program involves a range of work sponsored activities focusing on staff health and wellbeing. Activities included flu vaccinations, skin checks, workplace resilience workshops, information sessions and support to lead an active and healthy lifestyle. Additionally, we have a Reward and Recognition program to enable employees across the organisation to directly acknowledge their colleagues. The program is designed to be inclusive and recognise individual preferences in how they are rewarded and acknowledged.

Diversity profile	Jun-20	Jun-19	Jun-18
Gender (M/W)			
Board	44/56%	44/56%	44/56 %
Executive ¹	45/55%	70/30%	71/29 %
People managers ²	32/68%	47/53%	39/61 %
All staff	45/55%	47/53%	46/54 %
Age			
Youth cohort ³	17%	20%	23%
Mature cohort ⁴	12%	8%	8%
Cultural			
Aboriginal or Torres Strait Islander ⁵	3%	3%	2%
Staff born overseas	*	2%	4%
LOTE at home ⁶	*	4%	4%
Notes to Diversity Profile:			
* The People Matters survey was not conducted in 2020 due to COVID-19 disruptions therefore some data is not available for the reporting period.			
¹ Executive Officers are senior personnel who oversee the operation and directions of the business or significant part of the business.			
² Managers with People Management responsibilities (inclusive of Executive Officers)			
³ Aged 35 years and under			
⁴ Aged 55 years and over			
⁵ Staff who have identified as Aboriginal or Torres Strait Islander			
⁶ Language other than English			
⁷ Bachelor level and above			
Staff with a disability			
	2%	4%	0%
Staff with a modified work arrangement			
	83%	44%	42%
Staff with Tertiary Qualifications ⁷			
	*	70%	75%

3.4 Executive Officer Disclosure

An Executive Officers is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government’s Public Entity Executive Remuneration Policy applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

During the reporting period, the North Central CMA had one employee classified as an Executive Officer. This was the Chief Executive Officer (CEO) who is male.

There were no vacancies or special project executives employed during the reporting period.

In the previous reporting period one person met the definition of Executive Officer. This person was the CEO who is male.



PART 4: OTHER DISCLOSURES

4.1 Local Jobs First - Victorian Industry Participation Policy

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered.

During 2019-20 the North Central CMA had no procurement activities valued at \$1 million or more.

Other personnel i.e. contractors with significant management responsibilities

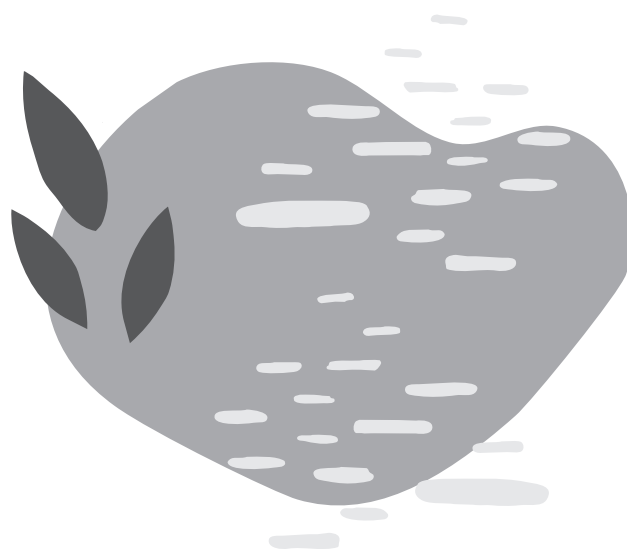
The number of contractors charged with significant management responsibilities is disclosed within the \$10,000 expense band. These contractors are responsible for planning, directing or controlling, directly or indirectly, the entity's activities due to substantive staff leave requirements.

During 2019-20 there were no contractors with significant management responsibilities engaged. The total expenses for the 2018—2019 reporting period was driven by the short-term secondment of Managers to the entity during the 2019 reporting period.

Expense Band	Total expenses (exclusive of GST)	
	2020 No.	2019 No.
\$0 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	-	-
\$30,000 - \$39,000	-	-
\$40,000 - \$49,000	-	1
Total expenses (exclusive of GST)	\$-	\$71,713

4.2 Government Advertising Expenditure

The North Central CMA's expenditure in the reporting period on government campaign expenditure did not exceed \$100,000.



4.3 Consultancy Expenditure

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

In 2019–20 there were five consultancies where the total fees payable was \$10,000 or greater. The total expenditure incurred during 2019–20 in relation to these consultancies was \$321,440 (excl. GST).

Consultant	Purpose of consultancy	\$		
		Total approved project fee (excl. GST)	Expenditure 2019-20 (excl. GST)	Future expenditure (excl. GST)
Niltech Consulting Pty Ltd	Technology One consulting	90,484	90,484	-
Hydro Geo Environmental Consulting	Gunbower Groundwater Analysis	20,000	10,000	10,000
Cassinia Environmental	Business Development - develop the approach and systems to harvest innovative concepts both internally and with its external stakeholders, and to develop efficient and effective internal structures to prioritise, develop and materialise those ideas.	46,700	46,700	-
Natural Capital Economics Pty Ltd	Valuing socio-economic outcomes - Environmental Water	159,856	159,856	-
Australian Workplace Strategies	Industrial Relations consultant (retainer)	14,400	14,400	-

Details of individual consultancies are outlined on the North Central CMA's website at www.nccma.vic.gov.au.

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

In 2019-20 there were two consultancies engaged where the total fees payable was less than \$10,000. The total expenditure incurred during 2019–20 in relation to these consultancies was \$11,612 (excl. GST).

4.4 Information and Communication Technology (ICT) Expenditure

For the 2019–20 reporting period the North Central CMA had a total ICT expenditure of \$881,639 shown below:

(\$ thousand)

All operational ICT expenditure	ICT expenditure relating to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non Business As Usual (non BAU) ICT expenditure	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
(Total)	(Total = Operational expenditure and Capital Expenditure)		
882		867	15

Notes:

- ICT expenditure refers to North Central CMA's costs in providing business enabling ICT services within the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure.
- Non-BAU ICT expenditure relates to extending or enhancing North Central Catchment Management Authority's current ICT capabilities.
- BAU ICT expenditure is all remaining ICT expenditure, which primarily relates to ongoing activities to operate and maintain the current ICT capability.

4.5 Major Contracts

The North Central CMA did not award any major contracts (valued at \$10 million or more) during 2019–20.

4.6 Freedom of Information

Application and operation of the *Freedom of Information Act 1982*

The North Central CMA is considered a Government Agency under the *Freedom of Information Act 1982*. The purpose of the *Act* is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the *Act*. As such an applicant has a right to apply for access to documents held by an Agency. This comprises documents created by or supplied to the Agency, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the North Central CMA is available on our website under its Part II Information Statement.

The *Act* allows for the refusal of access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to an Agency in-confidence.

From 1 September 2017, the *Act* was amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times.

If an applicant is not satisfied by a decision made by the Department, under section 49A of the *Act*, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

Access to documents may be obtained through written request to the Authorised Officer, and as detailed in s17 of the *Freedom of Information Act 1982*. An application fee of \$29.60 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought. Requests for documents in the possession of the North Central CMA should be addressed to the FOI Officer:

By mail: Freedom of Information Officer, North Central CMA, PO Box 18 Huntly Vic 3551

By email: foi@nccma.vic.gov.au

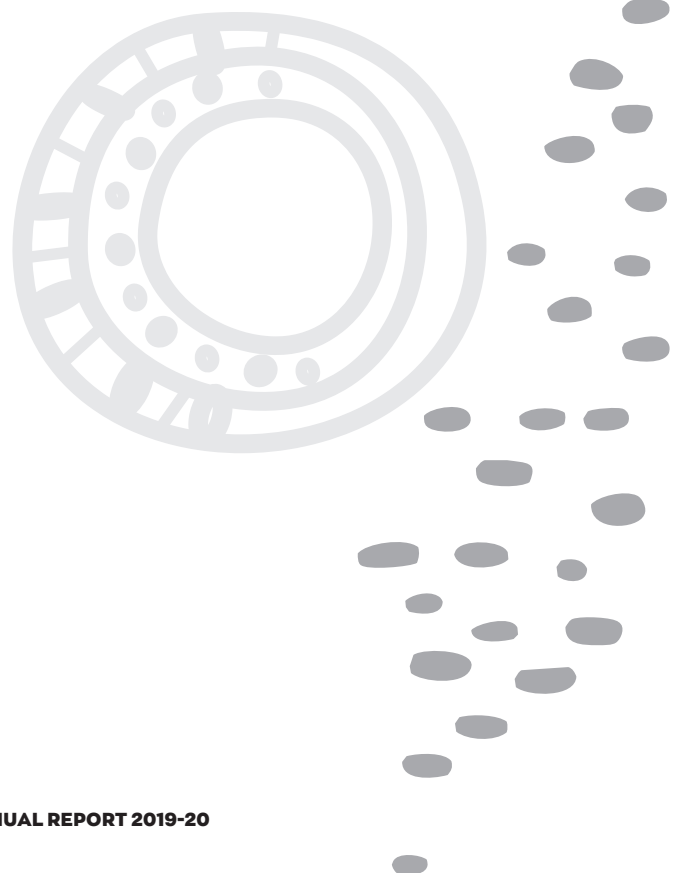
Requests can also be lodged online at www.ovic.vic.gov.au

FOI statistics/timeliness

During 2019–20, the North Central CMA received one FOI application under the *Freedom of Information Act 1982*. Due to the complexity of the request and the additional consultation required, the request was not complete within the statutory timeframe of 30 days but was less than 45 days overdue.

Further information

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



4.7 Compliance with Building Act 1993

The North Central CMA owns one building located at 628 – 634 Midland Highway, Huntly, Victoria and is required to include a statement on its compliance with the building and maintenance provision of the *Building Act 1993* in relation to that building.

North Central CMA requires that appropriately qualified contractors are engaged for all proposed works on land controlled by the CMA and that their work and services comply with current building standards. All such contractors are expected to have appropriate mechanisms in place to ensure compliance with the building and maintenance provisions of the *Building Act 1993*.

In relation to existing buildings the Corporate Services Unit is responsible for mandatory testing of emergency and exit lighting in accordance with relevant standards, monthly, quarterly and bi-annual inspection and preventive maintenance routine of mechanical services and annual fire service audits. These inspections then inform the works program which is delivered annually through existing maintenance contracts.

Number of major works projects undertaken greater than \$50,000	0
Number of building permits or certificate of final inspection issued in relation to the building owned by NCCMA	0
Number of emergency orders and building orders issued in relation to buildings	0
Number of buildings that have been brought into conformity with building standards during the reporting period	0

4.8 Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be reviewed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provided government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provisions of service.

The North Central CMA is working to ensure Victoria fulfils its requirements on competitive neutrality reporting for technological based businesses against the enhanced principles as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

4.9 Protected Disclosures Act 2012

The North Central CMA is a public body subject to the *Protected Disclosure Act 2012*. The purpose of the *Act* is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies, including the North Central CMA, its staff, members and employees.

The North Central CMA does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. The North Central CMA will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

How to make a disclosure

Public interest complaints of improper conduct or detrimental action by the North Central CMA or any of its employees may be made to the Independent Broad-based Anti-Corruption Commission (IBAC). Public interest complaints may be made anonymously, in writing, or orally, by contacting IBAC by phone or via their secure website:

Phone: 1300 735 135

Website: www.ibac.vic.gov.au

The North Central CMA is not permitted to receive public interest complaints made under the *Public Interest Disclosures Act*. If the North Central CMA believes a complaint may be a public interest complaint, it will ask that it be made directly to IBAC.

More information and contact details

As required under the *Act*, the North Central CMA has established procedures to facilitate and encourage the making of public interest complaints, and how the North Central CMA will manage the welfare of employees connected with public interest disclosures.

The North Central CMA's Public Interest Disclosure Procedures are available on our website.

For more information about public interest disclosures or the Victorian integrity system visit www.ibac.vic.gov.au/reporting-corruption

4.10 Disclosures under the Whistleblowers Protection Act 2001 (up to 9 February 2013)

The archived procedures established under the Whistleblowers Protection Act 2001 are available upon request.

4.11 Compliance with Establishing Act

Catchment and Land Protection (CaLP) Act 1994

The responsibilities of the North Central CMA as they relate to the CaLP Act are as follows:

- Prepare, coordinate, monitor and review the Regional Catchment Strategy.
- Prepare and submit an Annual Report on the condition and management of land and water resources in the region.
- Annually, prepare and submit a Corporate Plan to the responsible Minister(s).
- Comply with the Statement of Obligations.

In performing its functions and providing its services an Authority shall, in a manner consistent with relevant government policies, frameworks, strategies, plans and guidelines:

- a) Facilitate and coordinate the management of catchments in an integrated and sustainable manner, including as it relates to land, biodiversity and water resources.
- b) Take a sustainable approach by balancing social, economic and environmental outcomes.
- c) Plan and make decisions within an integrated catchment management context:
 - recognising the integral relationship between rivers, their catchments, coastal systems, and estuary and marine environments
 - recognising the integral relationship between the land – its soil, water, vegetation and fauna – and associated natural ecosystems
 - recognising the need to foster the resilience of natural assets, including land, biodiversity and water resources, to climate change
 - using the best available scientific information
 - targeting investment to address priorities and deliver maximum improvement in resource condition of catchments, land, biodiversity and water resources.
- d) Provide opportunities for community engagement in the integrated management of catchments and natural assets, including land, biodiversity and water resources.
- e) Develop strategic partnerships with relevant stakeholders including public authorities and government agencies.

- f) Promote and apply a risk management approach that seeks to protect, enhance and restore natural assets and reduce the impact of climate change.
- g) Promote and adopt an adaptive approach to integrated catchment management, including continuous review, innovation and improvement.
- h) Manage business operations in a prudent, efficient and responsible manner.

Water Act 1989

Under the Water Act 1989, the North Central CMA aims to reduce the impact of flood damage to new buildings, help conserve and preserve flora, fauna and habitat in designated waterways, and to reduce water quality decline. This is done by providing:

- permits to construct and operate works on a waterway, compliance and community education
- resources to planning permit referrals for developments within a flood prone area
- responding to applications for flood levels, flood risk reports and flood information before development
- flood planning information and advice to councils, state emergency services, developers and others
- flood response action plans, including collection of flood information during and after a flood, and assistance with emergency planning and flood warning
- flood data management compliance with the Statement of Obligations.

2019-20 actual results

Unit	Target	Actual
No. of permits exempted	25	47
No. of permits issued	75	46
No. of permits rejected	0	0
No. of complaints investigated for unauthorised works	0	12
No. of formal planning referrals	500	579

The North Central CMA is compliant with its statutory obligations under the Water Act 1989.



4.12 Office-based Environmental Impacts

The North Central CMA is committed to reducing the impact of its day-to-day operations on the environment. The CMA strives to reduce negative environmental impacts by using fuel efficient vehicles, purchasing green power electricity together in addition to our 50 kW solar panels, and using paper sourced from sustainable forest practices.

Objectives:

- reducing the amount of waste, and maximising the amount reused and recycled
- purchasing green power

- separating office waste into reusable, recyclable, compost and true waste parts
- reducing passenger vehicle fleet emissions
- ensuring new capital works incorporate environmental sustainability principles
- making environmentally sound purchasing decisions for capital items and consumables
- communicating environmental performance through regular reporting
- encouraging staff to reduce environmental impacts.



Energy

North Central CMA consumes energy primarily for office facilities.

The data represented below was collected through PowerCorp.

Targets

The following target was set for 2019-20:

- five per cent reduction of total energy by 2020

Explanatory notes

Energy reduction in the office was evidenced significantly through the impacts of COVID-19, our energy usage within the office was dramatically reduced from March-June 2020 due to the workforce directed to work remotely from home. We hope to continue our reduction efforts in 2020-21 through the following initiatives:

- Changing service providers to Red Energy in July 2020 who offer carbon neutral energy. We will be purchasing fully renewable power in 2020-21.
- Continued sourcing of low energy and more efficient computing and lighting solutions.

Indicator	2019-20				2018-19			
	Electricity	Natural gas	Green power	Total	Electricity	Natural gas	Green power	Total
Total energy usage segmented by primary source (MJ)	65,703		16,426	82,129	72,149		18,037	90,187
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (t CO ₂ -e)	54			54	59			59
Percentage of electricity purchased as green power	25			25	25			25
Units of energy used per FTE (MJ/FTE)	1,254			1,254	1,361			1,361
Units of energy used per unit of office area (MJ/m ²)	78			78	85			85



Waste

The waste generated by processes within North Central CMA is divided into three general classes: - landfill, compost and recycling.

Targets

The following targets were set for 2019-20:

- reduce rubbish that is cleared by landfill
- increase the amount of waste cleared to compost.

Explanatory notes

North Central CMA has less than 100 employees. From March 2020 there was a dramatic reduction in office wastage due to remote working. However, when working in the office, all employees actively compost their food waste and where possible use reusable containers.

Waste units are based on high level estimates associated with waste collection services and likely over estimate waste generation. Improvements in waste measurement are planned for 2020-21.

Indicator	2019-20				2018-19			
	Landfill	Commingled recycling	Compost	Total	Landfill	Commingled recycling	Compost	Total
Total units of waste disposed of by destination (kg/yr)	2,720	10,460	680	13,860	4,160	14,400	1,040	19,600
Units of waste disposed of per FTE by destinations (kg/FTE)	52	200	13	265	78	272	20	370
Recycling rate (percentage of total waste)				75%				73%
Greenhouse gas emissions associated with waste disposal (t CO ₂ -e)	3	25	1	40	5	33	2	40



Paper

North Central CMA is becoming more efficient in relation to paper use. Programs commenced during the reporting period which provided additional reductions in consumption.

Targets

The following targets were set for 2019-20:

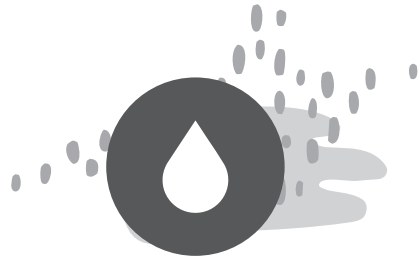
- reduction in total units of A4 equivalent copy paper used (reams) from 2018-19
- reduction in units of A4 equivalent copy paper used per FTE (reams per FTE) from 2018-19.

Explanatory notes

All paper purchased from our supplier is certified. Where possible documents are viewed on screen and newsletters and publications are electronically distributed. Since March 2020 staff have been working remotely which has significantly reduced the units of copy paper being used. Software was installed on all printers in 2019 to reduce the number of abandoned print jobs which has also contributed to the reduction in copy paper usage.

Indicator	2019-20	2018-19	2017-18
Total units of copy paper used (reams)	157	282	322
Units of copy paper used per FTE (reams/FTE)	3	5.32	5.75
Percentage of 75-100% recycled content copy paper purchased	0	0	0
Percentage of 50-74% recycled content copy paper purchased	0	0	0
Percentage of 0-49% recycled content copy paper purchased	100	100	100

Carbon neutral under the National Carbon Offset Standard (NCOS) Carbon Neutral Program.



Water

The data in the table below is based on water meter readings at our Huntly office.

Targets

The following target was set for 2019-20:

- reduction in water consumption (litres per FTE) by 30 June 2020

Explanatory notes

The installation of water tanks in 2019-20 has greatly reduced water consumption this financial year. Remote working from home since March 2020 is also a contributing factor to the significant reduction in water consumption.

Indicator	2019-20	2018-19	2017-18
Total units of metered water consumed by usage types (kilolitres)	137	188	353
Units of metered water consumed in offices per FTE (kilolitres/FTE)	2.61	3.55	6.31
Units of metered water consumed in offices per unit of office area (kilolitres/m ²)	0.16	0.22	0.42



Transport

North Central CMA's fleet comprises 18 vehicles.

Targets

The following target was set for 2019-20:

- reduction of consumption of unleaded petrol used by the North Central CMA passenger vehicle fleet

Explanatory notes

Last financial year, two vehicles were replaced with a plug-in hybrid and a fully electric vehicle. As more plug-in options become available, the fleet will be progressively transferred to electric vehicles and fueled with renewable energy in place of fossil fuels. Due to COVID-19 and staff working from home, there has been a significant reduction in fuel usage.

Operational vehicles	2019-20				2018-19			
	Unleaded	Ethanol	Diesel	Total	Unleaded	Ethanol	Diesel	Total
Total energy consumption by vehicles (MJ)	397,601	-	1,016,840	1,414,441	644,697	8,284	1,104,152	1,757,133
Total vehicle travel associated with entity operations (km)	153,247	-	281,139	434,386	235,050	4,414	301,733	541,197
Total greenhouse gas emissions from vehicle fleet (t CO ₂ -e)	27	0.00	72	99	44	0.00	78	122
Greenhouse gas emissions from vehicle fleet per 1000km travelled (t CO ₂ -e)	0.18	0.00	0.26	0.23	0.19	0.00	0.26	0.23



Greenhouse gas emissions

The emissions disclosed in the section below are taken from the previous sections and consolidated to show the North Central CMA's greenhouse footprint.

Targets

The following target was set for 2019-20:

- reduce the North Central CMA's carbon footprint by 50 per cent by 2036 from 2017 levels

Indicator	2019 -20	2018 -19	2017 -18
Total greenhouse gas emissions associated with energy use (t CO ₂ -e)	54	59	57
Total greenhouse gas emissions associated with vehicle fleet (t CO ₂ -e)	99	122	137
Total greenhouse gas emissions associated with air travel (t CO ₂ -e)	8	2	6
Total greenhouse gas emissions associated with waste production (t CO ₂ -e)	29	40	53
Greenhouse gas emissions offsets purchased (t CO ₂ -e)			

Other information

The North Central CMA Procurement Policy complies with the Government's Environmental Purchasing Policy. While value for money is the core principle governing North Central CMA's procurement activities, environmental considerations are also included in the procurement planning stage, tender specifications and tender evaluation criteria, where applicable.

4.13 Statement of Availability of Other Information

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

- A statement that declarations of pecuniary interests have been duly completed by relevant officers of the North Central CMA.
- Board members' indemnity declarations.
- Inwards and outwards correspondence.
- Details of publications produced by the agency about itself, and how these can be obtained.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- Details of changes in prices, fees, charges, rates and levies charged by the agency.
- Details of any major external reviews carried out on the agency.
- Details of major research and development activities undertaken by the agency.
- Details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the agency to develop community awareness of the entity and its services.
- A general statement on industrial relations within the agency, and details of time lost through industrial accidents and disputes.
- A list of the agency's major committees; the purposes of each committee; and the extent to which the purposes have been achieved.

The information is available on request from:

Trephina Marek
Human Resources Coordinator
03 5448 7124
trephina.marek@nccma.vic.gov.au

4.14 Compliance with DataVic Access Policy

The information used to generate the catchment condition report in the North Central CM's 2019-20 Annual Report has come from DataVic. In the reporting period the North Central CMA has not supplied any data directly to DataVic.

The North Central CMA has been consistent with the DataVic Access Policy by accessing the data, using it for day-to-day operations, and giving appropriate recognition to DataVic on all published maps.

4.15 Financial Management Compliance Attestation

North Central Catchment Management Authority Financial Management Compliance Attestation Statement

I, Julie Miller Markoff on behalf of the Responsible Body, certify that the North Central Catchment Management Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Julie Miller Markoff
Chair
North Central CMA

Auditor-General's report



Independent Auditor's Report

To the Board of North Central Catchment Management Authority

Opinion	<p>I have audited the financial report of North Central Catchment Management Authority (the authority) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2020• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• Board member's, accountable officer's, and chief finance accounting officer's declaration. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor-General's report

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

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

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

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

MELBOURNE
20 October 2020



Paul Martin
as delegate for the Auditor-General of Victoria

PART 5: FINANCIAL STATEMENTS

How this report is structured

The North Central Catchment Management Authority has presented its audited general purpose financial statements for the financial year ended 30 June 2020 in the following structure to provide users with the information about the Authority's stewardship of resource entrusted to it.

Financial statements

Comprehensive Operating Statement
Balance Sheet
Statement in Changes in Equity
Cash Flow Statement

Notes to the financial statements

1. About this report

The basis on which the financial statements have been prepared and compliance with reporting regulations

2. Funding delivery of our services

Revenue recognised in respect of Government contributions and other income sources

- 2.1 Summary of income that funds the delivery of our service
- 2.2 Income from transactions
- 2.3 Contract Assets

3. The cost of delivering services

Operating expenses of the Authority

- 3.1 Summary of expenses incurred in delivery of services
- 3.2 Employee benefits in the comprehensive operating statement
- 3.3 Materials, maintenance, grants, contracts and consultancies
- 3.4 Other operating expenses

4. Key assets available to support output delivery

Land, buildings, works assets, plant and equipment, office furniture and equipment, motor vehicles, and intangible assets

- 4.1 Total property, plant and equipment
- 4.2 Fair value determination

5. Other assets and liabilities

Other key assets and liabilities

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other financial assets
- 5.4 Other non-financial assets

6. Financing our operations

Cash flow information, commitments for expenditure

- 6.1 Cash flow information and balances
- 6.2 Commitments for expenditure
- 6.3 Carry forward project funding

7. Risks, contingencies and valuation judgements

Financial risk management, contingent assets and liabilities as well as fair value determination

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities

8. Other disclosures

- 8.1 Ex-gratia expenses
- 8.2 Other economic flows included in net result
- 8.3 Reserves
- 8.4 Change in Accounting policies
- 8.5 Responsible persons
- 8.6 Remuneration of executives
- 8.7 Related parties
- 8.8 Remuneration of auditors
- 8.9 Subsequent events
- 8.10 Australian Accounting Standards issued that are not yet effective
- 8.11 Economic Dependency

5.1 Declaration in the Financial Statements

The attached financial statements for the North Central Catchment Management Authority have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2020 and financial position of the Authority at 30 June 2020.

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

We authorise the attached financial statements for issue on 16 October 2020.



Julie Miller Markoff
Chairperson
20 October 2020



Brad Drust
CEO and Accountable Officer
20 October 2020



Adam Woods
Chief Financial Officer
20 October 2020

Comprehensive Operating Statement for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue and income from transactions			
Government governance contribution	2.2.1	843,200	843,200
Government investor contributions	2.2.1	11,733,748	11,460,323
Revenue from other investors	2.2.3	2,391,168	986,575
Interest	2.2.2	83,062	144,147
Other income	2.2.4	24,268	36,991
Net gain on non financial assets	8.2	11,439	42,844
Total revenue and income from transactions		15,086,885	13,514,080
Expenses from transactions			
Employee expenses	3.2	6,353,897	6,053,566
Depreciation	4.1.1	199,205	196,432
Materials, maintenance, grants, contracts and consultancies	3.3	8,061,859	6,844,756
Other operating expenses	3.4	1,627,019	1,552,147
Total expenses from transactions		16,241,980	14,646,901
Net result from transactions (net operating balance)		(1,155,095)	(1,132,821)
Other comprehensive income - items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	8.3	-	18,480
Comprehensive Result		(1,155,095)	(1,114,341)

The accompanying notes form part of these financial statements.

Balance Sheet as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Financial assets			
Cash and cash equivalents	6.2	6,253,152	6,878,790
Other financial assets	5.3	-	500,000
Prepayments	5.4	213,869	181,138
Receivables	5.1	117,253	472,344
Contract Assets	2.3	1,153,118	-
Total financial assets		7,737,392	8,032,272
Non-financial assets			
Property, plant and equipment	4.1	2,009,371	2,074,386
Total non-financial assets		2,009,371	2,074,386
TOTAL ASSETS		9,746,763	10,106,658
LIABILITIES			
Liabilities			
Payables	5.2	407,389	735,202
Lease Liabilities	6.1 (d)	30,740	-
Employee benefits	3.2.1	1,601,414	1,600,352
Total liabilities		2,039,543	2,335,554
NET ASSETS		7,707,220	7,771,104
EQUITY			
Contributed capital		8,755,693	8,755,693
Reserves	8.3	847,999	847,999
Accumulated deficit		(1,896,472)	(1,832,588)
TOTAL EQUITY		7,707,220	7,771,104

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the financial year ended 30 June 2020

	Notes	Accumulated Deficit	Contributed Capital	Reserves	Total
		\$	\$	\$	\$
Balance at 30 June 2018		(699,767)	8,755,693	829,519	8,885,445
Net result for the year		(1,132,821)	-	-	(1,132,821)
Other comprehensive income for the year		-	-	18,480	18,480
Balance at 30 June 2019 (before new accounting standards)		(1,832,588)	8,755,693	847,999	7,771,104
Adoption of new accounting standards (AASB 15)	8.4.4	1,091,211	-	-	1,091,211
Restated balance at 30 June 2019		(741,377)	8,755,693	847,999	8,862,315
Net result for the year		(1,155,095)	-	-	(1,155,095)
Balance at 30 June 2020		(1,896,472)	8,755,693	847,999	7,707,220

The accompanying notes form part of these financial statements.

Cash Flow Statement for the financial year ended 30 June 2020

	<i>Notes</i>	2020 \$	2019 \$
Receipts			
Interest received		83,062	144,147
Net GST received from the Australian Taxation Office		211,772	389,574
Other income		121,209	38,348
Receipts from Government and other investors		15,164,359	13,540,652
		<u>15,580,402</u>	<u>14,112,721</u>
Payments			
Payments to suppliers		(10,253,880)	(8,805,801)
Payments to employees		<u>(6,351,680)</u>	<u>(6,160,431)</u>
		<u>(16,605,560)</u>	<u>(14,966,232)</u>
Net cash flows used in operating activities	6.2.1	<u>(1,025,158)</u>	<u>(853,511)</u>
Cash flows from financing activities			
Principal element of lease liability repayments	6.1	<u>(8,468)</u>	-
Net cash flows from financing activities		<u>(8,468)</u>	<u>-</u>
Cash flows from investing activities			
Payments for property, plant and equipment	4.1.2	(199,139)	(396,264)
Proceeds from sale of non-current assets	8.2	107,127	189,938
Proceeds from disposal of investments	5.3	<u>500,000</u>	<u>500,000</u>
Net cash flows from investing activities		<u>407,988</u>	<u>293,674</u>
Net decrease in cash and cash equivalents		<u>(625,638)</u>	<u>(559,837)</u>
Cash and cash equivalents at beginning of financial year		<u>6,878,790</u>	<u>7,438,627</u>
Cash and cash equivalents at end of financial year	6.2	<u>6,253,152</u>	<u>6,878,790</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2020

1. About this report

The North Central Catchment Management Authority is a government authority of the State of Victoria, established on 1 July 1997 by the state government.

Its principal address is:

North Central Catchment Management Authority
628-634 Midland Highway
Huntly Vic 3551

A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

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

Accounting Policies

This is the first set of annual financial statements in which AASB 15 *Revenue from Contracts*, AASB 1058 *Income for Not-for-Profit Entities* and AASB 16 *Leases* have been applied. The Authority has applied the new accounting standards on a modified retrospective basis, as mandated by Department of Treasury and Finance. Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

The following standards have been adopted for the first time:

- AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue*. AASB 15 requires the Authority to recognise revenue when the Authority satisfies a performance obligation by transferring a promised good or service to a customer. The Authority has adopted AASB 15 as at 1 July 2019 and has applied the new rules on a modified retrospective basis as mandated by the DTF through FRD 121 Transitional requirements on the application of AASB 15 *Revenue from Contracts with Customers*. As a result, comparatives for 2018/19 in our 30 June 2020 accounts have not been restated. The transition adjustment was \$1,091,211 and was made directly to retained earnings. Further disclosures in relation to AASB 15 are at note 2.2 and note 8.4 of this report.
- AASB 16 *Leases* was issued in February 2016 and replaces AASB 117 *Leases*. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed for lessees. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay the obligation for lease payments are recognised. The Authority has adopted AASB 16 as at 1 July 2019 and has applied the new rules on a modified retrospective basis as mandated by the DTF through FRD 123 Transitional requirements on the application of AASB 16 *Leases*. As a result, comparatives for 2018/19 in our 30 June 2020 accounts have not been restated. The transition adjustment was \$0 and was made directly to retained earnings. Further disclosures in relation to AASB 16 are at note 8.4 of this report.
- AASB 1058 *Income for Not-for-Profits* replaces requirements of income transactions previously accounted for under AASB 1004 *Contributions*. It establishes principles for not-for-profit entities that apply to (a) transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit Corporation to further its objectives; and (b) the receipt of volunteer services. It will apply to capital grants from government and grants with no sufficiently specific performance obligation. The Authority needs to determine whether a transaction falls under AASB 1058 or actually a contract with a customer under AASB 15. The Authority has adopted AASB 1058 as at 1 July 2019 and has applied the new rules on a modified retrospective basis as mandated by the DTF through FRD 122 Transitional requirements on the application of AASB 1058 *Income of Not-for-Profit Entities*. As a result, comparatives for 2018/19 in Draft our 30 June 2020 accounts have not been restated. The transition adjustment was \$0 and was made directly to retained earnings. Further disclosures in relation to AASB 1058 are at note 2.2 and note 8.4 of this report.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements and are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates', and relate to:

- employee benefit provisions (note 3.2.1);
- estimation of useful life (note 4.1.1);
- accrued revenue (Note 5.1);
- accrued expenses (Note 5.2);
- operating lease commitments (note 6.1);
- fair value measurements of assets and liabilities (note 7.1);
- determining whether the performance obligations are sufficiently specific so as to determine whether the arrangement is within the scope of AASB 15 or AASB 1058 (note 8.4);
- the timing of satisfaction of performance obligations (note 8.4);
- determining transaction price and amounts allocated to performance obligation (note 8.4);
- for leases, determining whether the arrangement is in substance short-term arrangement (note 8.4): and
- estimating discount rate when not implicit in the lease (note 8.4).

All amounts in the financial statements have been rounded to the nearest \$1 unless otherwise stated.

Coronavirus (COVID-19) pandemic and the impact on the financial statements

The COVID-19 global health pandemic has resulted in a number of directions from Government that have had some impact on the Authority. Specifically, these have included work from home orders, restrictions preventing community gatherings, payments to suppliers within 5 days and delays to funding decisions. The Authority has been able to adapt to these directions and enacted its Business Continuity and Pandemic Action Plans successfully. With the assistance of funders, delivery of works impacted by restrictions has been amended with agreement and our workforce has adopted safe working approaches to ensure continuity of all essential services and obligations.

At this time, management assesses there is no material impact to key assumptions as a result of COVID-19.

Compliance Information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. Funding Delivery of Our Services

The Authority's overall objective is for the co-ordinated control of natural resource management within the broader catchments of North Central Victoria. The role of the Authority is to ensure effective implementation of the Regional Catchment Strategy, strategic planning and advice to Government.

To enable the Authority to deliver on its objectives, it receives income predominantly through State and Commonwealth Government Contributions.

Significant judgement: Grants revenue

The Authority has made judgements on the recognition of grant revenue as income of not-for-profit entities where they do not contain sufficiently specific performance obligations.

Income from grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers is recognised when the Authority satisfies the performance obligation by providing the relevant goods and services. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Income from transactions
- 2.3 Contract Assets

2.1 Summary of revenue and income that funds the delivery of our services

	Note	2020 \$	2019 \$
Government governance contribution	2.2.1	843,200	843,200
Government investor contributions	2.2.1	11,733,748	11,460,323
		<u>12,576,948</u>	<u>12,303,523</u>
Interest	2.2.2	83,062	144,147
Revenue from other investors	2.2.3	2,391,168	986,575
Miscellaneous	2.2.4	24,268	36,991
		<u>2,498,498</u>	<u>1,167,713</u>
Total revenue and income from transactions		<u>15,075,446</u>	<u>13,471,236</u>

Revenue and income that funds delivery of the Authority's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value.

2.2 Revenue and income from transactions

2.2.1 Government contributions

Income recognised as income of a not- for-profit entity

State Government

Government governance contribution	843,200	843,200
Victorian River and Wetland Management	3,948,343	4,790,756
Victorian Landcare Program	299,504	192,086
Our Catchments, Our Communities	391,000	436,000
Disaster Recovery Program	-	643,263
Dryland Salinity Monitoring Program	50,000	50,000
Victorian Sustainable Irrigation Program	1,475,000	1,959,000
Victorian Environmental Water Holder	146,503	247,385
Floodplain Management	1,707,600	650,400
Victorian State Common Funding	564,321	677,569
Total State Government Contributions	<u>8,582,271</u>	<u>9,646,459</u>

Commonwealth Government

The Living Murray	1,339,586	1,258,324
National Landcare Programme - Sustainable Agriculture	-	136,743
National Landcare Programme - Sustainable Environment	-	418,797
Total Commonwealth Government Contributions	<u>1,339,586</u>	<u>1,813,864</u>

Revenue recognised as income from contracts with customers

Commonwealth Government

National Landcare Programme - Sustainable Agriculture	446,057	-
National Landcare Programme - Sustainable Environment	1,365,834	-
Total Commonwealth Government Contributions	<u>1,811,891</u>	<u>-</u>

Total Government contributions

<u>12,576,948</u>	<u>12,303,523</u>
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The Authority has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

The impact of initially applying AASB 1058 on the Authority's grant revenue is described in Note 8.4. Due to the modified retrospective transition method chosen in applying AASB 1058, comparative information has not been restated to reflect the new requirements [AASB 1058.C3(b)]. The adoption of AASB 1058 did not have an impact on Other Comprehensive Income and the Statement of Cash flows for the financial year.

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers. These grants relate to the National Landcare Programme. Revenue is recognised when the authority satisfies the performance obligation by providing the relevant services and outputs. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received after the relevant obligation is satisfied. Where the performance obligations are satisfied but not billed, a contract asset is recorded (refer to note 2.3).

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the department has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the department recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- (a) contributions by owners, in accordance with AASB 1004;
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- (c) a lease liability in accordance with AASB 16;
- (d) a financial instrument, in accordance with AASB 9; or
- (e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

As a result of the transitional impacts of adopting AASB 15 and AASB 1058, a portion of the grant revenue has been accrued. If the grant income is accounted for in accordance with AASB 15, the accrued grant revenue has been recognised in contract assets (Note 2.3). If the grant revenue was accounted for under the previous accounting standard AASB 1004 in 2019-20, the total grant revenue received would not have been recognised until it was invoiced.

The balance of grant funds received under AASB1058 for which future program expenditure commitments are not recognised as liabilities due to no clear performance obligations is \$4,665,828 as at 30 June 2020 (note 6.4).

Previous accounting policy for 30 June 2019

Previous accounting policy for 30 June 2019
Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the Authority without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

Some grants are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider). The Authority recognises income when it has satisfied its performance obligations under the terms of the grant.

For non-reciprocal grants, the Authority recognises revenue when the grant is received.

Grants can be received as general-purpose grants, which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific-purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants for on passing are grants paid to one institutional sector (e.g. a state based general government entity) to be passed on to another institutional sector (e.g. local government or a private non-profit institution).

2.2.2 Interest

	2020 \$	2019 \$
Interest on bank deposits	<u>83,062</u>	<u>144,147</u>

Interest income includes interest received on bank deposits. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

2.2.3 Revenue from Other Investors

	2020 \$	2019 \$
Other investors	<u>2,391,168</u>	<u>986,575</u>

Other investors consist of funds received from organisations as partners in funding of not-for-profit major projects. The Authority has determined that these contributions are recognised as income of not-for-profit entities in accordance with AASB 1058 as contracts are not enforceable or do not have sufficiently specific performance obligations. There was no impact of initially applying AASB 1058 on the Authority's Other investor contributions. Due to the modified retrospective transition method chosen in applying AASB 1058, comparative information has not been restated to reflect the new requirements [AASB 1058.C3(b)]. The adoption of AASB 1058 did not have an impact on Other comprehensive income and the Statement of Cash flows for the financial year.

2.2.4 Miscellaneous

	2020 \$	2019 \$
Miscellaneous	<u>24,268</u>	<u>36,991</u>

Miscellaneous includes Freedom of Information fees, contributions by management for salary sacrificed motor vehicle use and small adhoc payments from non-investment entities.

2.3 Contract Assets

The following table provides information about contract assets from contracts with customers. The Authority recognised the cumulative effect of initially applying AASB 15 Revenue from Contracts with Customers as an adjustment to the opening balance at 1 July 2019.

	2020
	Contract
	assets
	\$
Opening balance (Note 8.4.4)	1,091,211
Less: Cash received for revenue recognised in prior period	(1,091,211)
Plus: Revenue recognised based on the measure of progress during the year	1,153,118
Closing balance	<u><u>1,153,118</u></u>

The contract assets primarily relate to the Authority's rights to consideration for work completed but not billed as at the reporting date on government works contracts. The contract assets are transferred to receivables when the rights become unconditional (i.e. when the Authority issues an invoice).

3. The Cost of Delivering Services

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

Significant judgement: Employee benefit provisions

In measuring employee benefits, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using a single weighted average discount rate based on market yields of national government bonds in Australia that reflects the estimated timing and amount of benefit payment.

Structure

- 3.1 Summary of expenses incurred in delivery of services
- 3.2 Employee benefits in the comprehensive operating statement
- 3.3 Materials, maintenance, grants, contracts and consultancies
- 3.4 Other operating expenses

3.1 Summary of expenses incurred in delivery of services

		2020 \$	2019 \$
Employee benefit expenses	3.2	6,353,897	6,053,566
Materials, maintenance, grants, contracts and consultancies	3.3	8,061,859	6,844,756
Other operating expenses	3.4	1,627,019	1,552,147
Total expenses incurred in delivery of service		<u>16,042,775</u>	<u>14,450,469</u>

3.2 Employee benefits in the comprehensive operating statement

	2020 \$	2019 \$
Salaries and wages	4,831,043	4,416,833
Annual leave	382,292	377,500
Long service leave	54,516	139,880
Other leave	409,540	419,065
Superannuation	497,118	514,526
Other employee expenses	179,388	185,762
Total employee benefit expenses	<u>6,353,897</u>	<u>6,053,566</u>

Employee expenses include all costs related to employment including wages and salaries, payroll tax, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

3.2.1 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	<i>Notes</i>	2020	2019
		\$	\$
Current provisions			
Annual leave			
Unconditional and expected to settle within 12 months		258,780	250,281
Unconditional and expected to settle after 12 months		86,260	83,427
Purchased Leave			
Unconditional and expected to settle within 12 months		28,369	37,246
Time in Lieu and rostered days off			
Unconditional and expected to settle within 12 months		57,052	47,962
Long service leave			
Unconditional and expected to settle within 12 months		128,150	110,288
Unconditional and expected to settle after 12 months		711,517	766,452
Provision for on-costs			
Unconditional and expected to settle within 12 months		71,280	67,119
Unconditional and expected to settle after 12 months		122,952	130,840
Total current provisions for employee benefits		<u>1,464,360</u>	<u>1,493,615</u>
Non-current provisions			
Long service leave			
Employee Benefits		118,695	92,456
On-costs		18,359	14,281
Total non-current provisions for employee benefits		<u>137,054</u>	<u>106,737</u>
Total provisions for employee benefits		<u>1,601,414</u>	<u>1,600,352</u>
Reconciliation of movement in on-cost provision			
			2020
			\$
Opening balance			212,239
Additional provisions recognised			156,614
Additions due to transfer in			34,931
Reductions arising from payments			(106,079)
Reductions resulting from settlement without cost			(240)
Unwind of discount and effect of changes in the discount rate			16,049
Reduction transfer out			(100,923)
Closing balance			<u>212,591</u>
Current			194,232
Non-current			18,359

Wages and salaries and annual leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Authority does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Authority expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Long service leave (LSL)

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

The components of this current LSL liability are measured at:

- undiscounted value – if the Authority expects to wholly settle within 12 months; or
- present value – if the Authority does not expect to wholly settle within 12 months.

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

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

3.2.3 Superannuation contributions

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to defined contribution plans.

The amount recognised in the comprehensive operating statement in relation to Superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the Authority are as follows:

	<i>Notes</i>	2020 \$	2019 \$
Defined contribution plans			
Vision super		184,032	201,053
Vic super		58,208	61,570
Other private schemes		254,877	251,903
Total		<u>497,117</u>	<u>514,526</u>

3.3 Materials, maintenance, grants, contracts and consultancies

	<i>Notes</i>	2020 \$	2019 \$
Materials		536,972	575,390
Repairs and maintenance		43,535	62,848
Consultants		333,052	60,183
Contractors		5,891,392	5,615,541
Grants paid		1,256,908	530,794
Total materials, maintenance, grants, contracts and consultancies		<u>8,061,859</u>	<u>6,844,756</u>

Materials, grants, contracts, consultancies are recognised as an expense in the reporting period in which they are paid or payable.

3.4 Other operating expenses

	<i>Notes</i>	2020 \$	2019 \$
Information and communications technology		804,792	712,652
Conferences, seminars and related travel costs		105,153	102,713
Advertising		30,609	41,957
Audits costs - internal and external		45,931	45,334
Motor vehicle costs		80,529	102,328
Insurance (general)		53,696	50,059
Meeting expenses		172,548	167,231
Promotions and public relations		72,738	58,863
Training and education		107,295	89,477
Utilities		14,693	26,673
Uniforms and staff facilities		50,633	45,448
Lease expenses		-	50,861
Interest expense (Note 6.1(b))		42	-
Leases - Low Value items *		42,393	-
Other operating expenses		45,967	58,551
Total other operating expenses		<u>1,627,019</u>	<u>1,552,147</u>

Other operating expenses represent the day-to-day running costs incurred in normal operations and are recognised as an expense in the reporting period in which they are paid or payable.

* Leases of IT equipment with contract terms of 1-3 years are leases of low-value items and the Authority has elected under practical expedients of AASB16 not to recognise right-of-use assets and lease liabilities for these leases (Note 6.1).

4. Key Assets available to Support Output Delivery

Introduction

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

Significant judgement: Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 4.2 in connection with how those fair values were determined.

Structure

- 4.1 Total property, plant and equipment
- 4.2 Investments and other financial assets

4.1 Total property, plant and equipment

	2020 \$	2019 \$
Land		
At fair value	480,480	480,480
	<u>480,480</u>	<u>480,480</u>
Buildings		
At fair value	1,025,000	1,025,000
Accumulated depreciation	(104,251)	(80,726)
	<u>920,749</u>	<u>944,274</u>
Plant and equipment		
At fair value	553,766	541,066
Accumulated depreciation	(499,276)	(491,082)
	<u>54,490</u>	<u>49,984</u>
Furniture and office equipment		
At fair value	846,775	839,315
Right-of-use office equipment (Note 4.1(a))	39,317	-
Accumulated depreciation	(828,467)	(804,430)
	<u>57,625</u>	<u>34,885</u>
Motor vehicles		
At fair value	725,618	730,302
Accumulated depreciation	(229,591)	(165,539)
	<u>496,027</u>	<u>564,763</u>
Net carrying amount	<u>2,009,371</u>	<u>2,074,386</u>

4.1(a) Total right-of-use assets: office equipment

	2020 \$	2020 \$	2020 \$
	Gross carrying amount	Accumulated depreciation	Net carrying amount
Office Equipment	39,317	(8,577)	30,740
Net carrying amount	<u>39,317</u>	<u>(8,577)</u>	<u>30,740</u>
Office Equipment			\$
Opening balance on transition to AASB 16 – 1 July 2019 (Note 8.4.4)			39,317
Additions			-
Disposals			-
Depreciation			(8,577)
Closing balance – 30 June 2020			<u>30,740</u>

(a) This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 to right-of-use assets (recognised under AASB 16 at 1 July 2019).

Initial recognition

Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

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

The initial cost for non-financial physical assets under a finance lease (under AASB 117 until 30 June 2019) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Right-of-use asset acquired by lessees (Under AASB 16 Leases from 1 July 2019) – Initial measurement

The Authority recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Subsequent measurement

Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category.

Right-of-use asset – Subsequent measurement

The Authority depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Note 4.2 includes additional information in connection with fair value determination of property, plant and equipment.

Revaluation of property

Revaluations are conducted in accordance with FRD 103H. Scheduled revaluation is undertaken every five years with an annual assessment of fair value to determine if it is materially different to the carrying value. If the difference to carrying value is greater than 10 per cent, a management revaluation is undertaken while a movement greater than 40 per cent will normally involve an Approved Valuer (usually the Valuer General of Victoria) to perform detailed assessment of the fair value. If the movement in fair value since the last revaluation is less than or equal to 10 per cent, then no change is made to carrying amounts.

Revaluation increments are credited directly to equity in the asset revaluation reserve surplus/(deficit), 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 determining the net result, the increment is recognised as revenue in determining the net result.

Revaluation decrements are recognised immediately as an expense 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 assets, they are debited to the asset revaluation reserve.

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

Revaluation reserves are not transferred to accumulated surplus/(deficit) on derecognition of the relevant asset.

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under assets held for sale, land and investment properties.

4.1.1 Depreciation and impairment

	2020 \$	2019 \$
Charge for the period		
Buildings	23,525	25,625
Plant and equipment	8,195	9,854
Furniture and office equipment	15,459	25,993
Motor vehicles	152,026	134,960
Total depreciation	199,205	196,432

All non-financial physical assets that have finite useful lives are depreciated.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the next table.

Asset	Useful Life
Buildings	40 years
Works assets	20 years
Plant and equipment	3 - 20 years
Furniture & office equipment (including right-of-use assets)	3 - 10 years
Motor vehicles	5 years
Intangible assets	3 - 10 years

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

Land which is considered to have an indefinite life and is not depreciated.

Impairment

Non-financial assets, including items of Property, Plant and Equipment, are tested for impairment whenever there is an indication that the assets may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

4.1.2 Reconciliation of movements in carrying values of property, plant and equipment

	Land	Buildings	Plant and equipment	Furniture and office equipment	Motor vehicles	Right-of-Use of Assets Office Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Carrying Amount							
Balance as at 1 July 2018	462,000	969,899	55,497	60,878	454,894	-	2,003,168
Additions	-	-	5,500	-	390,764	-	396,264
Revaluation	18,480	-	-	-	-	-	18,480
Disposals	-	-	(1,159)	-	(145,935)	-	(147,094)
Depreciation	-	(25,625)	(9,854)	(25,993)	(134,960)	-	(196,432)
Balance as at 1 July 2019	480,480	944,274	49,984	34,885	564,763	-	2,074,386
Recognition of right of use assets on initial application of AASB16	-	-	-	-	-	39,317	39,317
Adjusted balance at 1 July 2019	-	-	-	-	-	39,317	2,113,703
Additions	-	-	12,700	7,460	178,979	-	199,139
Revaluation	-	-	-	-	-	-	-
Disposals	-	-	-	-	(95,689)	-	(95,689)
Depreciation	-	(23,525)	(8,195)	(15,459)	(152,026)	(8,577)	(207,782)
Balance as at 30 June 2020	480,480	920,749	54,489	26,886	496,027	30,740	2,009,371

4.2 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Authority.

In compliance with FRD 103H, in the year ended 30 June 2020, the Authority's management conducted an annual assessment of the fair value of land and buildings. To facilitate this, management obtained from the Department of Treasury and Finance the Valuer General Victoria indices for the financial year ended 30 June 2020. The indexed value was then compared to individual assets written down book value as at 30 June 2020 to determine the change in their fair values. The latest indices did not identify that a further revaluation was required in 2020, however there is a level of uncertainty inherent to this approach during the Coronavirus (COVID-19) environment.

The Authority's Property, plant and equipment are carried at fair value.

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

The Authority determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Authority determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.2.1 Fair value determination of financial assets and liabilities

The Authority currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2019-20 reporting period.

These financial instruments include:

Financial assets

Cash and deposits

Receivables:

- Contractual receivables
- Accrued revenue

Financial liabilities

Payables:

- Contractual payables
- Accrued expenses
- Other payables
- Lease liabilities

4.2.2 Fair value determination: Non-financial physical assets

Land and buildings were independently valued as at 30 June 2016 by the Valuer-General Victoria. Land and buildings have since been revalued to fair value as assessed on an annual basis. In 2019/20 the Authority determined that a revaluation was not required. To facilitate this, management obtained from the Department of Treasury and Finance, the Valuer General Victoria indices for the financial year ended 30 June 2020. The indexed value was then compared to individual assets written down book value as at 30 June 2020 to determine the change in their fair values. The latest indices did not identify that a further revaluation was required in 2020, however there is a level of uncertainty inherent to this approach during the Coronavirus (COVID-19) environment.

Fair value measurement hierarchy as at 30 June 2020

	Carrying Amount as at 30 June 2020	Fair value measurement at end of reporting period using;		
		Level 1 (i)	Level 2 (i)	Level 3 (i)
	\$	\$	\$	\$
Land at fair value				
Non-specialised land	- 480,480	-	480,480	-
Total of land at fair value	480,480	-	480,480	-
Buildings at fair value				
Specialised buildings	920,749	-	-	920,749
Total of buildings at fair value	920,749	-	-	920,749
Vehicles	496,027	-	-	496,027
Plant and equipment	54,489	-	-	54,489
Office furniture and equipment	26,886	-	-	26,886
Right-of-Use Assets	30,740	-	-	30,740
Total of plant, equipment and vehicles at fair value	608,142	-	-	608,142

Fair value measurement hierarchy as at 30 June 2019

	Carrying Amount as at 30 June 2019	Fair value measurement at end of reporting period using;		
		Level 1 (i)	Level 2 (i)	Level 3 (i)
	\$	\$	\$	\$
Land at fair value				
Non-specialised land	480,480	-	480,480	-
Total of land at fair value	480,480	-	480,480	-
Buildings at fair value				
Specialised buildings	944,274	-	-	944,274
Total of buildings at fair value	944,274	-	-	944,274
Vehicles	564,763	-	-	564,763
Plant and equipment	49,984	-	-	49,984
Office furniture and equipment	34,885	-	-	34,885
Total of plant, equipment, office furniture and equipment and vehicles at fair value	649,632	-	-	649,632

Note:

(i) Classified in accordance with the fair value hierarchy, see Note 4.2. There have been no transfers between levels during the period. For all assets measured at fair value, the current use is considered the highest and best use.

(ii) The above tables are inclusive of Right-of-Use of Assets.

4.2.3 Reconciliation of Level 3 fair value

2020	Specialised buildings \$	Vehicles \$	Plant and equipment \$	Office furniture and equipment \$
Opening Balance	944,274	564,763	49,984	34,885
Recognition of Right of Use - Assets	-	-	-	39,317
Net Purchases (Sales)	-	71,851	12,700	7,460
Transfers in (out) of Level 3	-	-	-	-
Gains or (Losses) recognised in net result	-	11,439	-	-
Depreciation	(23,525)	(152,026)	(8,195)	(24,036)
Impairment Loss	-	-	-	-
Subtotal	(23,525)	(68,736)	4,505	22,741
Revaluation	-	-	-	-
Subtotal	(23,525)	(68,736)	4,505	22,741
Closing Balance	920,749	496,027	54,489	57,626
Unrealised gains (losses) on non-financial assets	-	-	-	-
Reconciliation of Level 3 fair value				
2019	Specialised buildings \$	Vehicles \$	Plant and equipment \$	Office furniture and equipment \$
Opening Balance	969,899	454,894	55,497	60,878
Purchases (Sales)	-	213,563	5,500	-
Transfers in (out) of Level 3	-	-	-	-
Gains or Losses recognised in net result	-	31,266	(1,159)	-
Depreciation	(25,625)	(134,960)	(9,854)	(25,993)
Impairment Loss	-	-	-	-
Subtotal	(25,625)	109,869	(5,513)	(25,993)
Revaluation	-	-	-	-
Subtotal	(25,625)	109,869	(5,513)	(25,993)
Closing Balance	944,274	564,763	49,984	34,885
Unrealised gains (losses) on non-financial assets	-	-	-	-

Note: The above tables are inclusive of Right-of-Use of Assets.

Description of significant unobservable inputs to Level 3 valuation at 30 June 2020 and 30 June 2019.

	Valuation technique	Significant unobservable
Specialised buildings	Current Replacement cost	Direct cost per square metre Useful life of specialised buildings
Plant and equipment	Current Replacement cost	Cost per unit Useful life of plant and equipment
Office furniture and equipment	Current Replacement cost	Cost per unit Useful life of plant and equipment
Vehicles	Current Replacement cost	Cost per unit Useful life of motor vehicles

Non-specialised land

Non-specialised land is valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no improvement value.

Land was independently valued as at 7 January 2016 by the Valuer-General Victoria. Land has since been revalued based on a managerial revaluation at 30 June 2019. In 2019/20 the Authority determined that a further revaluation was not required. To facilitate this, management obtained from the Department of Treasury and Finance, the Valuer General Victoria land indices for the financial year ended 30 June 2020. The indexed value was then compared to individual assets written down book value as at 30 June 2020 to determine the change in their fair values. The latest indices did not identify that a further revaluation was required in 2020, however there is a level of uncertainty inherent to this approach during the Coronavirus (COVID-19) environment.

To the extent that non-specialised land does not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised buildings

For the Catchment Management Authority's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Specialised buildings owned by North Central Catchment Management were independently valued as at 7 January 2016 by the Valuer-General Victoria. Buildings have since been annually assessed by management. In 2019/20 the Authority determined that a revaluation was not required. To facilitate this, management obtained from the Department of Treasury and Finance, the Valuer General Victoria building indices for the financial year ended 30 June 2020.

The indexed value was then compared to individual assets written down book value as at 30 June 2020 to determine the change in their fair values. The latest indices did not identify that a further revaluation was required in 2020, however there is a level of uncertainty inherent to this approach during the Coronavirus (COVID-19) environment.

Vehicles

Vehicles are valued using the depreciated replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles. As a result, the fair value does not differ materially from the carrying amount (depreciation cost).

Plant and equipment

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

Office furniture and equipment

There were no changes in valuation techniques throughout the period to 30 June 2020. For all assets measured at fair value, the current use is considered the highest and best use. Office furniture and equipment is held at fair value. When office furniture and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value. The North Central CMA leases two photocopies which have been recognised under AASB16 *Leases*.

There were no changes in valuation techniques throughout the period to 30 June 2020.

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

5. Other assets and liabilities

Introduction

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

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Other financial assets
- 5.4 Other non-financial assets

5.1 Receivables

	Notes	2020 \$	2019 \$
Current receivables			
Contractual			
Receivables		1,065	323,450
Accrued investment income		-	8,862
Accrued revenue		-	37,110
		<u>1,065</u>	<u>369,422</u>
Statutory			
GST received from the ATO		116,188	102,922
		<u>117,253</u>	<u>472,344</u>

Contractual receivables are classified as financial instruments and categorised as 'loans and receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Significant judgement: Accrued revenue

Accrued revenue represent goods or services that have been supplied but have not been invoiced to the customer. In estimating the amount of an accrued revenue, consideration is given to the stage of completion of the services being performed.

5.1.1 Ageing analysis of contractual receivables

	Carrying amount \$	Not past due and not impaired \$	Past due but no impaired - less than 1 month \$
Contractual receivables	1,065	1,065	-
Total	1,065	1,065	-
2019			
Receivables:			
Contractual receivables	323,450	323,450	-
Accrued investment income	8,862	8,862	-
Accrued revenue	37,110	37,110	-
Total	369,422	369,422	-

Contractual and other receivables are due for settlement 30 days from the from the end of the month that they were invoiced. There are no material financial assets that are individually determined to be impaired.

5.2 Payables

	2020 \$	2019 \$
Current payables		
Contractual		
Supplies and services	7,191	419,460
Amounts payable to government agencies	-	42,130
Accrued expenses	400,198	273,612
Total current payables	407,389	735,202

Contractual payables and are classified as financial instruments and categorised as 'financial liabilities at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, they are measured at amortised cost.

5.2.1 Maturity analysis of contractual payables

	Maturity dates			
	Carrying amount \$	Less than 1 month \$	1-3 months \$	3-6 months \$
2020				
Payables:				
Supplies and services	7,191	7,191	-	-
Accrued expenses	400,198	400,198	-	-
Total	407,389	407,389	-	-
	Maturity dates			
	Carrying amount \$	Less than 1 month \$	1-3 months \$	3-6 months \$
2019				
Payables:				
Supplies and services	419,460	419,460	-	-
Amount payable to government and agencies	42,130	42,130	-	-
Accrued expenses	273,612	273,612	-	-
Total	735,202	735,202	-	-

Payables for supplies and services between July 2019 and February 2020 have an average credit period of 30 days. From March 2020, due to COVID-19, payables for supplies and services have been reduced to an average credit period of 7 days.

5.3 Other financial assets

	2020 \$	2019 \$
Current		
Term Deposits (a)		
Australian dollar term deposits over three months	-	500,000

5.4 Other non-financial assets

	2020 \$	2019 \$
Prepayments	213,869	181,138

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6. Financing our operations

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

This section includes disclosures of balances that are financial instruments, such as cash balances. Notes 7.2 and 7.3 provide additional, specific financial instrument disclosures.

Structure

- 6.1 Leases
- 6.2 Cash flow information and balances
- 6.3 Commitments for expenditure
- 6.4 Carry forward project funding

6.1 Leases

Information about leases for which the Authority is a lessee is presented below.

The Authority's leasing activities

The Authority leases photocopiers and the lease contracts are typically made for fixed periods of 5 years with an option to renew the lease after that date.

Leases of IT equipment with contract terms of 1-3 years are leases of low-value items. The Authority has elected not to recognise right-of-use assets and lease liabilities for these leases.

6.1(a) Right-of-use Asset

Right-of-use assets are presented in note 4.1(a).

6.1(b) Amounts recognised in the Statement of Comprehensive Statement

The following amounts are recognised in the Statement of Comprehensive Operating Statement relating to leases:

	2020 \$
Interest expense on lease liabilities	42
Expenses relating to leases of low-value assets	42,393
Total amount recognised in the Statement of Comprehensive Statement	<u>42,435</u>

6.1(c) Amounts recognised in the Statement of Cashflows

The following amounts is recognised in the Statement of Cashflows for the year ending 30 June 2020 relating to leases.

	2020 \$
Total cash outflow for leases	<u>8,468</u>

6.1(d) Lease liabilities included in the Balance Sheet:

<i>Right-of-Use Assets</i>	Furniture and Office equipment	
		Total
Balance at 1 July 2019	\$ 39,236	\$ 39,236
Depreciation charge	8,496	8,496
Balance at 30 June 2020	<u>30,740</u>	<u>30,740</u>

Lease liabilities included in the Balance Sheet at 30 June:

	2020
	\$
Current	8,522
Non-current	22,218
Total lease liabilities	30,740

Maturity analysis of Leases under AASB16

	Carrying amount \$	less than 1 month \$	1-3 months \$	3 months - 1 year \$	1-5 years \$
2020					
Lease Liability	30,740	710	2,131	5,681	22,218
TOTAL	30,740	710	2,131	5,681	22,218

For any new contracts entered into on or after 1 July 2019, the Authority considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Authority assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Authority and for which the supplier does not have substantive substitution rights;
- Whether the Authority has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Authority has the right to direct the use of the identified asset throughout the period of use; and
- Whether the Authority has the right to take decisions in respect of ‘how and for what purpose’ the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee (under AASB 16 from 1 July 2019)

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Authority’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Leases of low-value assets

The Authority has elected to account for leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Authority has no “Peppercorn” leases.

Presentation of right-of-use assets and lease liabilities

The Authority presents right-of-use assets as ‘property plant equipment’ unless they meet the definition of investment property, in which case they are disclosed as ‘investment property’ in the balance sheet. Lease liabilities are presented as ‘borrowings’ in the balance sheet.

Recognition and measurement of leases (under AASB 117 until 30 June 2019)

In the comparative period, leases of property, plant and equipment were classified as either finance lease or operating leases.

The Authority determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfilment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).

Assets held under leases were classified as operating leases and were not recognised in the Authority's balance sheet. Operating lease payments were recognised as an operating expense in the Statement of Comprehensive Income on a straightline basis over the lease term.

6.2 Cash flow information and balances

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

	2020 \$	2019 \$
Cash and deposits disclosed in the balance sheet		
Cash at bank	6,253,152	6,378,790
Deposits		
Term Deposits	-	500,000
Balance as per cash flow statement	6,253,152	6,878,790

Cash and deposit requirements for General Government agencies were amended during the 2018/19 Financial year following Ministerial Direction that agencies are to hold the majority of working capital in the Centralised Banking system (CBS) as part of the Banking and Financial Services State Purchase Contract.

Of the total cash balance, \$4,665,837 represents grant funds received for specific future program expenditure commitments (note 6.4) and is not otherwise available for working capital purposes.

6.2.1 Reconciliation of net result to cash flow from operating activities

	2020 \$	2019 \$
Net result for the period	(1,155,095)	(1,132,821)
Non-cash movements		
(Gain)/loss on disposal of non-financial assets	(11,439)	(42,844)
Depreciation of non-financial assets	199,205	196,432
AASB Standard Changes	1,091,212	-
	1,278,978	(979,233)
Movements in assets and liabilities		
Decrease/(increase) in receivables	309,119	25,942
Decrease/(increase) in prepayments	(32,731)	14,432
Decrease/(increase) in accrued revenue	(1,107,146)	(24,585)
(Decrease)/Increase in payables	(445,931)	371,183
(Decrease)/Increase in accrued expenses	126,586	(317,555)
(Decrease)/increase in employee benefits	1,062	56,305
Net Cash flows from/(used in) operating activities	(1,025,158)	(853,511)

6.3 Commitments for expenditure

Commitments for future expenditure include operating and external program commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.3.1 Total commitments payable

	2020 \$	2019 \$
Operating lease commitments payable		
Less than 1 year	23,316	53,187
1 to 5 years	-	69,949
Total commitments (inclusive of GST)	23,316	123,136
Less GST recoverable	2,120	11,194

6.4 Carry forward project funding

Catchment Management Authorities are responsible for the facilitation and coordination of catchments in an integrated and sustainable manner. This is achieved by undertaking projects funded by Victorian and Australian Government programs. The Authority received funding for specific projects which are guided by the Regional Catchment Strategy and delivered in line with the Authority's Corporate Plan approved by the Minister for Water.

The projects funded by the State and Commonwealth Governments can be undertaken over multiple financial years and is received at various stages of the project life based on contractual agreements. At the end of the financial year there are some projects that have not reached completion but will be completed within the contractual terms in future financial periods. At balance date the Authority has cash and cash equivalents of \$4,665,837 that will be utilised to complete these projects in future financial years. The value of commitment for future program expenditure under contracts that do not meet the specific performance obligation requirements of AASB15, as such funds received are recorded through AASB1058 through the comprehensive operating statement and the balance of funds is retained in equity.

Where COVID-19 restrictions have impacted delivery of contracts, agreement has been made with funders to amend contract terms to ensure business continuity and service delivery as restrictions ease.

7. Risks, contingencies and valuation judgements

Introduction

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

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities

7.1 Financial instruments specific disclosures Introduction

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Categories of financial assets

Financial assets at amortised cost

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

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

The Authority recognises the following assets in this category:

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

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. The Authority recognises payables and lease liabilities (excluding statutory payables) in this category.

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

7.1.1 Financial Instruments: Categorisation

	Contractual financial assets - loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
2020			
Contractual financial assets			
Cash and deposits equivalents	6,253,152	-	6,253,152
Contractual receivables (i)	1,065	-	1,065
Total contractual financial assets	6,254,217	-	6,254,217
Contractual financial liabilities			
Contractual payables	-	407,389	407,389
Lease Liabilities	-	30,740	30,740
Total contractual financial liabilities	-	438,129	438,129

	Contractual financial assets - loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
2019			
Contractual financial assets			
Cash and deposits equivalents	6,878,790	-	6,878,790
Other financial assets	500,000	-	500,000
Contractual receivables (i)	369,422	-	369,422
Total contractual financial	7,748,212	-	7,748,212
Contractual financial liabilities			
Contractual payables	-	735,202	735,202
Total contractual financial liabilities	-	735,202	735,202

(i) The total amounts disclosed here exclude statutory amounts.

7.1.2 Financial risk management objectives and policies

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

The Authority uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Board of the Authority.

Financial instruments: Credit risk

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

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Authority's sensitivity to interest rate risk are set out in the table that follows.

Credit risk associated with the Authority's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, the Authority has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate. For cash assets, the Authority's policy is to only deal with banks with high credit-ratings assigned by international credit-rating agencies. All cash and deposits are held with the National Australia Bank, Bank of Australia and Westpac.

Financial instruments: Liquidity risk

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

Under direction of Government, financial obligations have been requested to be paid within 5 business days wherever possible to support businesses during COVID-19 restrictions, which is within the 30 day obligation.

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The Authority has one lease for photocopiers and maintains high levels of cash and deposits readily available to meet its financial obligations. The Authority manages its liquidity risk by maintaining adequate cash reserves and continually monitoring the Authority's expenditure commitments and cash flow needs.

Financial instruments: Market risk

The Authority's exposure to market risk is primarily through interest rate risk with surplus funds held in accounts with deposits at a call. The Authority has no exposure to foreign exchange risk or other price risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority manages its cash flow interest rate risks by investing surplus funds into the State of Victoria Cash and Banking Services financial instruments. Management has concluded for cash at bank and deposits at call as financial assets that can be left at floating rate without necessarily exposing the Authority to significant risk. Management monitors movements in interest rates regularly.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Authority's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

	Weighted average interest rate %	Interest rate exposure			
		Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2020					
Financial assets					
Cash and cash equivalents	0.99	6,253,152	-	6,253,152	-
Contractual receivables		1,065	-	-	1,065
Total financial assets		6,254,217	-	6,253,152	1,065
Financial liabilities					
Contractual payables		407,389	-	-	407,389
Lease Liabilities	0.65	30,740	30,740	-	-
Total financial liabilities		438,129	30,740	-	407,389
2019					
Financial assets					
Cash and cash equivalents	1.67	6,878,790	-	6,878,790	-
Other financial assets	2.77	500,000	500,000	-	-
Contractual receivables		369,422	-	-	369,422
Total financial assets		7,748,212	500,000	6,878,790	369,422
Financial liabilities					
Contractual payables		735,202	-	-	735,202
Total financial liabilities		735,202	-	-	735,202

Interest rate risk sensitivity

The sensitivity analysis below shows the impact on the Authority's net result and equity for a movement of 50 basis points up and down in market interest rates.

	Carrying amount \$	Interest rate			
		-50 basis points		+50 basis points	
		Net result \$	Equity \$	Net result \$	Equity \$
2020					
Cash and cash equivalents	6,253,152	(31,266)	(31,266)	31,266	31,266
2019					
Cash and cash equivalents	6,878,790	(34,394)	(34,394)	34,394	34,394
Other financial assets	500,000	(2,500)	(2,500)	2,500	2,500

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

As at 30 June 2020, the Authority has no known contingent assets or liabilities.

8. Other disclosures

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

Structure

8.1 Ex-gratia expenses	8.7 Related parties
8.2 Other economic flows included in net result	8.8 Remuneration of auditors
8.3 Reserves	8.9 Subsequent events
8.4 Change in Accounting policies	8.10 Australian Accounting Standards issued that are not yet effective
8.5 Responsible persons	8.11 Economic Dependency
8.6 Remuneration of executive officers	

8.1 Ex-gratia expenses

The Authority had no ex-gratia expenses for the year ending 30 June 2020 (2019 \$0).

8.2 Other economic flows included in net result

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

	2020 \$	2019 \$
Net gain/(loss) on disposal of non-financial assets		
Proceeds from sale of non-financial assets	107,128	189,938
Less written down value	(95,689)	(147,094)
Total net gain/(loss) on disposal of non-financial assets	11,439	42,844

8.3 Reserves

	2020 \$	2019 \$
Balance at beginning of year	847,999	829,519
Revaluation during the year	-	18,480
Balance at end of year	847,999	847,999

(i) The physical assets revaluation surplus arises on the revaluation of land and buildings.

8.4 Change in accounting policies

8.4.1 Leases

This note explains the impact of the adoption of AASB 16 Leases on the Authority's financial statements.

The Authority has applied AASB 16 with a date of initial application of 1 July 2019.

The Authority has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

Previously, the Authority determined at contract inception whether an arrangement is or contains a lease under AASB 117 and Interpretation 4 *Determining whether an arrangement contains a Lease*. Under AASB 16, the Authority assesses whether a contract is or contains a lease based on the definition of a lease as explained in note 6.1.

Leases classified as operating leases under AASB 117

As a lessee, the Authority previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under AASB 16, the Authority recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low-value leases.

On adoption of AASB 16, the Authority recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the Authority's incremental borrowing rate as of 1 July 2019. On transition, right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019.

The Authority has elected to apply the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term;
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For leases that were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and lease liability at 1 July 2019 are determined as the carrying amount of the lease asset and lease liability under AASB 117 immediately before that date.

Impacts on financial statements

On transition to AASB 16, the Authority recognised \$39,236 of right-of-use assets and \$39,236 of lease liabilities.

When measuring lease liabilities the Authority used the weighted average rate of 0.65 per cent.

	2019 \$
Total operating lease commitments disclosed at 30 June 2019	
Discounted using the incremental borrowing rate at 1 July 2019	
Finance lease liabilities as at 30 June 2019	103,106
Recognition exemption for:	
Leases of low-value assets	63,870
Lease liabilities recognised at 1 July 2019	39,236

8.4.2 Revenue from Contracts with Customers

In accordance with FRD 121 requirements, the Authority has applied the transitional provisions of AASB 15, under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, the Authority applied this standard retrospectively only to contracts that are not 'completed contracts' at the date of initial application.

Comparative information has not been restated.

8.4.3 Income of Not-for-Profit Entities

In accordance with FRD 122 requirements, the Authority has applied the transitional provision of AASB 1058, under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, the Authority applied this standard retrospectively only to contracts and transactions that are not completed contracts at the date of initial application. The Authority has not applied the fair value measurement requirements for right-of-use assets arising from leases with significantly below-market terms and conditions principally to enable the entity to further its objectives as allowed under temporary option under AASB 16 and as mandated by FRD 122.

Comparative information has not been restated.

The adoption of AASB 1058 did not have an impact on Other comprehensive income and the Statement of Cash flows for the financial year.

8.4.4 Transition impact on financial statements

This note explains the impact of the adoption of the following new accounting standards for the first time, from 1 July 2019:

- AASB 15 Revenue from Contracts with Customers;
- AASB 1058 Income of Not-for-Profit Entities; and
- AASB 16 Leases.

Impact on balance sheet due to the adoption of AASB 15, AASB 1058 and AASB 16 is illustrated with the following reconciliation between the restated carrying amounts at 30 June 2019 and the balances reported under the new accounting standards at 1 July 2019:

Balance Sheet

	Notes	Before new accounting standards Opening 1 July 2019 \$	Impact of new accounting standards AASB 16, 15 and 1058 \$	After new accounting standards Opening 1 July 2019 \$
Total Financial assets		8,032,272	1,091,211	9,123,483
Total non-financial assets		2,074,386	30,740	2,105,126
Total assets		10,106,658	1,121,951	11,228,609
Payables		735,202	-	735,202
Borrowings		-	30,740	(30,740)
Contract liabilities		1,600,352	-	1,600,352
Total liabilities		2,335,554	- 30,740	2,304,814
Contributed Capital		8,755,693	-	8,755,693
Reserves	8.3	847,999	-	847,999
Accumulated surplus/(deficit)		(1,832,588)	1,091,211	(741,377)
Total Equity		7,771,104	1,091,211	8,862,315

The following table show the adjustment recognised for each individual line item as a result of the adoption of AASB 15. Line items that were not affect by the changes have not been included.

Revenue and income from transactions

	Current Standard AASB 15 \$	Previous Standard AASB 118 \$	Increase/ (Decrease) \$
Government investor contributions	11,733,748	11,905,724	(171,976)
Revenue from other investors	2,391,168	2,157,286	233,882
Total revenue and income from transactions	15,086,885	15,024,979	(61,906)
Net result from transactions (net operating balance)	(1,155,095)	(1,217,001)	(61,906)
Comprehensive Result	(1,155,095)	(1,217,001)	(61,906)

8.5 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for *Finance under the Financial Management Act 1994*, the following

The persons who were responsible persons at anytime during the financial year were:

		From	To
Hon Lisa Neville, MP	Minister for Water	1-Jul-19	30-Jun-20
Hon Liliانا (Lily) D'Ambrosio MP	Minister for Energy, Environment and	1-Jul-19	30-Jun-20
Julie Miller Markoff	Board Chair	1-Jul-19	30-Jun-20
Julie Slater	Board Member	1-Jul-19	30-Sep-19
Charles Andrew Gillingham	Board Member	1-Jul-19	30-Jun-20
Graham John Atkinson	Board Member	1-Jul-19	30-Jun-20
Richard John Carter	Board Member	1-Jul-19	30-Jun-20
Susan Margaret Jackson	Board Member	1-Jul-19	30-Jun-20
Patricia Mary Kevin	Board Member	1-Jul-19	30-Jun-20
Sally Dene Mitchell	Board Member	1-Jul-19	30-Jun-20
Mary Bignell	Board Member	1-Oct-19	30-Jun-20
Efim James Tkatchew	Board Member	1-Jul-19	30-Jun-20
Brad Drust	Chief Executive Officer	1-Jul-19	30-Jun-20

Remuneration of responsible persons

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members' Interests which each member of the Parliament completes.

Remuneration received or receivable from the Authority in connection with the management of the Authority during the reporting period was:

	2020	2019
Band		
0 - 9,999		
10,000 - 19,999	6	8
20,000 - 29,999	2	1
30,000 - 39,999	1	-
180,000 - 189,999	-	1
210,000 - 219,999	1	-
Total Remuneration \$	432,819	338,533

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

8.6 Remuneration of executive officers

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

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

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

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long-service benefit or deferred compensation.

Remuneration

	2020 \$	2019 \$
Short-term employee benefits	1,037,939	996,927
Post-employment benefits	96,180	94,253
Other long-term benefits	278,482	239,958
Termination benefits	-	-
Total remuneration	1,412,601	1,331,138
Total number of executives (i)	10	11
Total annualised employee equivalents (ii)	8	8

Note:

(i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.7)

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

8.7 Related parties

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

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

Significant transactions with government-related entities

During the year, the Authority received funding from the following government-related entities:

Entity	2020 \$ Funding received	2019 \$ Funding received
Department of Environment, Land, Water and Planning	10,032,186	11,501,787

During the year, the Authority made significant payments to the following government-related entities:

Entity	2020 \$ Payments made	2019 \$ Payments made
Department of Environment, Land, Water and Planning	476,987	252,124

Key management personnel of the Authority includes all Responsible persons as listed in Note 8.5, and all members of the executive team which includes:

Mr Tim Shanahan	Major Projects Manager
Mr Rohan Hogan	Statutory and Partnerships Manager
Ms Rachel Murphy	Program Delivery Manager
Mr Adam Woods	Corporate Services Manager

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

Compensation of KMPs

	2020 \$	2019 \$
Short-term employee benefits	898,519	695,156
Post-employment benefits	82,643	70,285
Other long-term benefits	213,151	217,009
Total	<u>1,194,313</u>	<u>982,450</u>

During the year, a company of which Board Member Graham Atkinson is a Director (Dja Dja Wurrung) was awarded various contracts totalling \$451,337 under the Authority's procurement process. Transactions involved included NRM works on various properties. A company of which the brother of Timothy Shanahan, (Executive Manager of North Central CMA), is a principal (RM Consulting Group) was awarded various contracts totalling \$132,552 under the Authority's procurement process. Transactions involved included Environmental Water Program Management support, Plan2Farm mid-term review and workbooks, and facilitation of various community workshops.

All other transactions that have occurred with KMP and their related parties have not been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Authority's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

Notes:

(i) Some KMP's are also reported in the disclosure of remuneration of executive officers.

8.8 Remuneration of auditors

	2020 \$	2019 \$
Victorian Auditor General Office (VAGO) for audit of financial statements	13,600	13,200
Internal audit costs	32,331	32,134
Total remuneration of auditors	<u>45,931</u>	<u>45,334</u>

8.9 Subsequent events

The COVID-19 global health pandemic has resulted in a number of directions from Government; the Authority has considered this and with the assistance of funders, delivery of works impacted by restrictions has been amended with mutual agreement and our workforce has adopted a safe working approach to ensure continuity of all essential services and obligations. No additional

matters or circumstances have arisen since the end of the reporting period which further significantly affects or may significantly affect the operations of the authority, the results of those operations, or the state of affairs of the authority in future financial years.

8.10 Australian Accounting Standards issued that are not yet effective

Certain new Australian Accounting Standards (AAS) have been published that are not mandatory for the 30 June 2020 reporting period. DTF assesses the impact of all these new standards and advises the Authority of their applicability and early adoption where applicable. The following is a list of the AASs issued but are not yet effective for the 2019-20 reporting period.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on financial statements
AASB 2018-7 <i>Amendments to Australian Accounting Standards - Definition of Material</i>	<p>This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. It applies to reporting periods beginning on or after 1 January 2020 with earlier application permitted. The Authority has not earlier adopted the Standard.</p> <p>The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.</p>	1-Jan-20	The Authority is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.
AASB 2020-1 <i>Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current</i>	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued ED 301 Classification of Liabilities as Current or Non-Current – Deferral of Effective Date with the intention to defer the application by one year to periods beginning on or after 1 January 2023. The Authority will not early adopt the Standard.</p>	1-Jan-22	The Authority is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the Authority's reporting.

- AASB 17 Insurance Contracts.
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business.
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework.
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform.

- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia.
- AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.

8.11 Economic Dependency

North Central CMA is dependent on the Department of Environment, Land, Water and Planning for the majority of its revenue used to operate the entity. At the date of this report, the Board of Directors has no reason to believe the Department of Environment, Land, Water and Planning will not continue to support the North Central CMA.

APPENDICES

Appendix 1: Disclosure Index

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

Legislation	Requirement	Page reference
Standing Directions and Financial Reporting Directions		
Report of Operations		
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Ministers	4
FRD 22H	Objectives, functions, powers and duties	6
FRD 8D	Departmental objectives, indicators and outputs	7
FRD 22H	Key initiatives and projects	33
FRD 22H	Nature and range of services provided	4
Management and Structure		
FRD 22H	Organisational structure	47
Financial and other information		
FRD 8D	Performance against output performance measures	7
FRD 8D	Budget portfolio outcomes	46
FRD 10A	Disclosure index	104
FRD 12B	Disclosure of major contracts	60
FRD 15D	Executive officer disclosures	57
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Appendix 2: 2019-20 Grants and Transfer Payments

Organisation name	Project Title	Project Summary	Total Allocated
Malmsbury District Landcare Group	Willows and Wombats - A War on Weeds or a Wildlife Wasteland?	Aim to eradicate the last major weed infestation on the Malmsbury Common and build on the years of control work undertaken by Malmsbury Landcare, Macedon Ranges Shire, North Central CMA and DELWP.	\$20,000.00
Natte Yallock Landcare Group	Natte Yallock VLG - Revegetation, Enhancement and Protection	Revegetate and enhance four sites with indigenous native vegetation. Three of the sites will have stock-exclusion erected to protect them from uncontrolled grazing.	\$19,850.00
Buloke and Northern Grampians Landcare Network	BNG Landcare Plant-out 2019-10 - Innovations in Volunteering and Partnerships	Continue to facilitate annual community planning days and introduce new innovations in securing volunteers and partners to participate.	\$19,200.00
Tylden Landcare group	Bringing Back the Wombat Bush at Spring Hill	Protect bush adjacent to the Wombat near Spring Hill by vigorous invasive plant control works to ensure habitat is maintained and enhanced. Earlier weed control works will allow for revegetation activities to be initiated in this area giving neighbours and the community an opportunity to contribute to this program.	\$16,760.00
Tylden Landcare group	Bringing Back the Wombat Bush at Spring Hill	Protect bush adjacent to the Wombat near Spring Hill by vigorous invasive plant control works to ensure habitat is maintained and enhanced. Earlier weed control works will allow for revegetation activities to be initiated in this area giving neighbours and the community an opportunity to contribute to this program.	\$18,424.00
Kara Kara Conservation Management Network Inc	Protecting Core Habitat	Protect a rare 18 ha remnant of core habitat with high biodiversity values from intense grazing pressure by a booming kangaroo population.	\$15,556.00
Mid-Loddon Sub-Catchment Management Group Inc.	Protecting, Enhancing and Replacing	In its second year, funding will continue to build on many years of previous projects for remnant woodland and waterway protection and the creation of corridor connections, across the agricultural landscape west, north and south of the Shelbourne Nature Conservation Reserve to the Loddon River.	\$15,236.00
Avon Plains Banyena Landcare Group	Avon Plains Banyena VLG 2019-20 - Protecting Walkers Lake	Revegetation and enhancement work in and around Walkers Lake aimed at protecting the significant biodiversity, natural and cultural values of the area.	\$15,095.00
Friends of Cornish Hill	Hands up for Habitat	Control of weeds along Smith creek corridor. Replanting of trees and shrubs in the area will be completed by local school students during three planned planting days.	\$14,175.00
Axe Creek Landcare Group	Building Biodiversity Blocks in the Axe Creek Catchment	Following on from works achieved in 2018/19 this project will establish new vegetation corridors on a 'greenfield' property with owners who have recently moved to the area.	\$11,549.00
Carapooee Landcare Group	Carapooee VLG 2019 Rehabilitation Project	Planting 3,500 tubes of indigenous vegetation will contribute to the rehabilitation, protection and enhancement of 102 ha across three separate landholder sites improving biodiversity and habitat values.	\$8,160.00
Guildford Upper Loddon Landcare	Freeing Fryers Creek from Weeds	The Fryerstown community has been actively managing weeds on public and private land, in conjunction with Guildford/Upper Loddon Landcare (GULL), CFA, and Mount Alexander Shire Council for two years focused on the Fryers Creek weed control project. Funding will enable the continuation of this work.	\$7,995.00
Turtles Australia Inc.	Gunbower Island Turtle Nest Survey and Protection	Continue monitoring and protection of turtle nests on Gunbower Island and expand community engagement activities.	\$7,450.00
Golden Point Landcare	Celebrating and Supporting Forest Creek Flora Regeneration	Improve and extend regenerating areas of native bushland scattered through the Forest Creek Valley, disturbance and impact, and allow increased seed dispersal of native plants.	\$5,400.00
Donald Music Literature and Arts Society History and Natural History Group	Engaging the Cope Cope Community in Landcare	Revegetating two Crown Land blocks - one the site of the former Cope Cope Community Hall. The project will also highlight the history and heritage associated with the site and include awareness of Indigenous cultural heritage.	\$5,375.00

Organisation name	Project Title	Project Summary	Total Allocated
Stuart Mill Landcare Group	Stuart Mill 2019-20 VLG - Hall Reserve Creekline Revegetation	Rehabilitate a cleared and degraded 0.4 ha site along and on the banks of the Strathfillan Creek.	\$4,925.00
Harcourt Valley Landcare Group	Prosperous People and Waterways in Pippin Court	Small enhancement project along Barker's Creek will be the first step in a rehabilitated waterway and a future walking path for the Harcourt community.	\$4,570.00
Campaspe Valley Landcare Group	Tuan (Brush-tailed Phascogale) Conservation	The manufacture, placement and monitoring of approximately 50 tuan nest boxes to support the conservation of this threatened native mammal species.	\$3,500.00
Nuggetty Land Protection Group Inc		Support Grant	\$500.00
Kamarooka Landcare Group		Support Grant	\$500.00
Muckleford Catchment Landcare Group Inc		Support Grant	\$500.00
Wedderburn Conservation Management Network		Support Grant	\$500.00
Emu Landcare Group		Support Grant	\$500.00
Woosang Landcare group		Support Grant	\$500.00
Newham & District Landcare Group		Support Grant	\$500.00
Friends of Black Hill Reserve		Support Grant	\$500.00
Strathallan Family Landcare		Support Grant	\$500.00
Northern United Forestry Group		Support Grant	\$500.00
Mt Korong Eco-Watch Association Incorporated		Support Grant	\$500.00
Friends of the Terrick Terrick National Park Incorporated		Support Grant	\$500.00
Mandurang Strathfieldsaye Landcare Network		Support Grant	\$500.00
Perennial Pasture Systems Inc.		Support Grant	\$500.00
Tarrangower Cactus Control Group Inc		Support Grant	\$500.00
Victoria Gully Group		Support Grant	\$500.00
Loddon Plains Landcare Network		Support Grant	\$500.00
St Arnaud Field Naturalist Club Inc.		Support Grant	\$500.00
Friends of Campbells Creek Landcare Group		Support Grant	\$500.00
Timor West Landcare Group Inc.		Support Grant	\$500.00
Wattle Flat-Pootilla Landcare Group		Support Grant	\$500.00
Junortoun Community Action Group (JCAG) Inc.		Support Grant	\$500.00

Organisation name	Project Title	Project Summary	Total Allocated
Donald and District Landcare Group		Support Grant	\$500.00
Metcalfe Landcare Group		Support Grant	\$500.00
Castlemaine Landcare Group Inc.		Support Grant	\$500.00
Winjallok Landcare Group		Support Grant	\$500.00
Longlea and District Landcare Group		Support Grant	\$500.00
Maldon Urban Landcare Inc.		Support Grant	\$500.00
Kooreh Landcare Inc.		Support Grant	\$500.00
Ullina Landcare Group		Support Grant	\$500.00
Yawong Conservation Group		Support Grant	\$500.00
Amphitheatre Landcare Group		Support Grant	\$500.00
Mount Bolton/Beckworth Landcare Group		Support Grant	\$500.00
Moolort Landcare Group		Support Grant	\$500.00
McCallums Creek Landcare Group		Support Grant	\$500.00
Avoca & District Landcare Group		Support Grant	\$500.00
McKenzies Hill Action and Landcare Group		Support Grant	\$500.00
Blampied-Kooroocheang Landcare Group INC		Support Grant	\$500.00
Jeffcot North Landcare Group		Support Grant	\$500.00
Kaweka Wildflower Reserve Committee of Management		Support Grant	\$500.00
Kerang Landcare Group		Support Grant	\$500.00
St Arnaud Hills Landcare Group		Support Grant	\$500.00
Upper Loddon & Avoca Landcare Network		Support Grant	\$500.00



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