

Western Catchment Management Authority

Annual Report 10-11



Catchment Management
Authority
Western



CARING
FOR
OUR
COUNTRY

Freecall 1800 032 101 **Email** western@cma.nsw.gov.au

Website www.western.cma.nsw.gov.au

The Honourable Andrew John Stoner MP
Deputy Premier
Minister for Regional Infrastructure and Services
Minister for Trade and Investment
Member of the Legislative Assembly



Catchment Management
Authority
Western

The Honourable Katrina Ann Hodgkinson MP
Minister for Primary Industries
Minister for Small Business
Member of the Legislative Assembly

Level 30 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

25 October 2011

Dear Minister Stoner and Minister Hodgkinson

Subject: Presentation of Western Catchment Management Authority, 2010-11 Annual Report

I have great pleasure in presenting the Annual Report for the Western Catchment Management Authority. This report covers the period of the financial year 1 July 2010–30 June 2011.

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

The report details the activities, achievements and relevant statutory and financial information for the Western Catchment Management Authority.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rory Treweeke'.

Rory Treweeke
Western CMA Chairman

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In accordance with section 17 (2) of the *Catchment Management Authorities Act 2003*, this document is the Annual Report of the Western Catchment Management Authority.

Sixty copies have been printed at a production cost of \$852.50 (including GST).
The report is available at: www.western.cma.nsw.gov.au

Photo acknowledgements: All images in this report, unless otherwise attributed, have been provided by the Western Catchment Management Authority.

Chairman's Foreword

It is a pleasure to contribute the Chairman's Foreword for the Western CMA's Annual Report. It highlights our continuing emphasis on community engagement through education and on-ground works. The partnerships that we have developed over the years have been strengthened, and land manager and community engagement is growing throughout the Catchment.

Leadership and Governance are integral to the success of any organisation, and I thank my fellow board members Diana Hoffman, Sam Jeffries, Justin McClure, Andrew Mosely, Matthew Nicholson and Tony Thompson for their continued dedication, support and informed debate on Catchment Issues.

I would also like to pay tribute to former Western CMA General Manager Daryl Green, who retired from the position in early July 2011 after working in the Western Division for almost 40 years. Daryl was the founding General Manager for the Western CMA and oversaw the development of the organisation, its systems and processes. His commitment to rangelands, natural resource management and community driven planning, as well as his comprehensive understanding of issues facing landholders saw him become one of the most respected figures in rangelands and natural resource management in NSW and Australia. The Western CMA was very fortunate to have him as its inaugural General Manager.

Succeeding Daryl in the position of General Manager is Ken Harrison, who officially began on 8 July 2011. Ken has 20 years experience in natural resource management working in the Western Division of NSW and has been employed with the Western CMA and its predecessor departments since 1991.

Western Catchment people are continuing to improve the Catchment and have undertaken more than 600 projects, large and small, since 2004. In the 2009-11 period the Western CMA worked with local groups, organisations and individuals and invested \$9.2 million to ensure a healthier catchment in the longer term. This includes \$3.2 million that was allocated through the incentive program committed to land managers undertaking 119 natural resource management projects.

More than \$115,723 was also committed to 27 community groups and landholders through the Training and Communities Activities funding program where a wide range of activities were funded including training, educational workshops and field days with schools, landholders, and community groups.



Some notable achievements in the Catchment include:

- \$29,469 provided to two applicants to encourage sustainable agriculture through conservation farming.
- \$580,500 provided to 30 applicants for groundcover management.
- \$189,909 provided to 16 applicants to treat 53,933 hectares (539 km²) affected by invasive native scrub (INS) through the incentives program.
- \$511,545 provided to 14 applicants for riverine habitat and water quality improvements.
- \$1.5 million provided to 20 land managers who are managing 16,185 hectares for conservation, including 3,000 hectares of malleefowl habitat, protection of an endangered plant, showy indigo, and The Little Thigibillas, a series of low hills forming part of an Aboriginal creation story.
- The production of the "Through Our Eyes" DVD which presented Aboriginal cultural knowledge from the north-east of the Catchment was a significant success and the Western CMA looks to build on it through the rest of the Catchment.

In concluding, I would like to thank the talented and dedicated Western CMA staff who work diligently with our partners to protect and improve the natural landscapes of the Western Catchment.

A handwritten signature in black ink, appearing to read 'Rory Treeweke'.

Rory Treeweke
Chairman Western Catchment Management Authority

Message from the General Manager

The Western Catchment Management Authority (CMA) works with our community to promote and deliver initiatives that improve and our region's natural resources. Our programs aim to achieve sustainably managed, productive landscapes that serve the needs of the Catchment community and NSW.

Our Annual Report again presents the progress towards implementing the management targets in the Western Catchment Action Plan. The evidence of onground progress is showcased through a number of case studies in this report.

In 2009 Western CMA changed its approach to implementing incentive schemes and broadscale projects and trialled implementing contracts with partners over a two-year period. Now halfway through this period, Western CMA has found this approach very successful, resulting in more effective outcomes in natural resource management.

During the 2010-11 financial year Western CMA facilitated more than \$3 million in funding for natural resource management into the region. Through our continued investment in the region hundreds of landholders have taken the opportunity to conserve and rehabilitate thousands of hectares of land. However, it is not only the landscape that is benefiting from the array of programs being delivered from the Western CMA, but also the people and communities who live and work in the Catchment.

In the coming year the organisation will be focusing on a major review of our Catchment Management Plan as well as a new round of incentive funding, both of which will benefit the Western Catchment. The Catchment Action Plan sets the direction for natural resource management actions within the Catchment and I am looking forward to engaging the community and seeking their input on how we can build upon the success of the previous plan.

The 2010-11 financial year has seen a period of change in the Western Catchment Management Authority, the most significant of which was the departure of Daryl Green who had been General Manager since the inception of the CMA in 2004.



There has also been a strong commitment to organisational change and I would like to congratulate all the staff who have embraced this opportunity by contributing time and enthusiasm to achieving positive outcomes, while continuing to deliver natural resource management investment to the Western Catchment. I would also like to acknowledge the Western CMA Board for their leadership and staff for their professionalism and efforts.

A handwritten signature in black ink, which appears to read "Ken Harrison". The signature is written in a cursive style and is positioned above a horizontal line.

Ken Harrison
General Manager
Western Catchment Management Authority

Executive Summary

In the past seven years since its establishment in 2004, the Western Catchment Management Authority (CMA) has established more than 600 partnerships with land managers, community groups, schools, government departments and agencies as well as industry to foster understanding and adoption of best practice in sustainable natural resource management.

In 2009 a decision was made to combine funding for both 2009-10 and 2010-11 years into a two year program. This innovation also allowed land managers and other partners a full 12-months to implement catchment programs, ensuring more effective and timely outcomes, while taking into account the vagaries of the Western Catchment climate.

During the 10-11 financial year, the Western CMA has continued to work with local groups, organisations and individuals to ensure a healthier catchment. A total of \$9.2 million was invested over the 2009-11 period to improve natural resources in the Western Catchment.

The Western CMA's two-year incentive program provided \$3.2 million to land managers undertaking 119 natural resource management projects. This brought the total number of projects funded since the Western CMA commenced to more than 600.

Following extended dry conditions for many years, 2010 saw above average rainfall and widespread flooding in many areas of the Western Catchment. Although the rain was welcome, flooding affected many land managers' abilities to complete on-ground works.

Western CMA staff kept in close contact with flood-affected landholders to negotiate reasonable extensions for the completion of their projects. Of the \$3.2 million committed through the incentives program, approximately \$500,000 of final payments to flood-affected landholders will be carried forward to 2011-12 where project completion was justifiably delayed due to ongoing wet ground conditions.

The Western CMA continues to improve its application and assessment processes to ensure the best projects are funded and the two-year program has been a major change to this process.

The remainder of the \$9.2 million was committed towards broadscale projects, such as feral pig control, support services, community education and contracted works.

As well as improving natural resources, the incentive program supports local communities by using local suppliers and contractors.

The Catchment community is engaged through the delivery of incentive programs funded by the New South Wales and Australian Governments through Catchment Action NSW and Caring For Our Country. These programs also enable the provision of education, advisory and extension services on natural resource management to complement on-ground activities. These funds provide the backbone to Western CMA's on-ground works program, including incentives for landholders.

Western CMA is continuing to implement the Western Catchment Action Plan (CAP) in partnership with the community and industry stakeholders. The Western CAP, which is being reviewed in consultation with the Catchment community, provides strategic direction for natural resource management.

The Western CMA has developed its CAP to reflect how the broader community wants the Catchment's natural resources to be managed. We work with the community to achieve the targets set out in the Western CAP.

Executive Summary

The role of Catchment Management Authorities

The Western CMA is one of thirteen CMAs striving to meet one state-wide goal as set down by the NSW Government: "Resilient, ecologically sustainable landscapes functioning effectively at all scales and supporting the environmental, economic, social and cultural values of communities".

The Western CMA works to protect the natural values of the Western Catchment and ensure it continues to be healthy and productive. We achieve this through strategic planning, partnerships and funding for natural resource management projects on public and private land to address priority issues.

The Western CMA helps local people by:

- Putting into action the directions supported by catchment residents in the Western Catchment Action Plan, a 10-year plan for improving and managing natural resources in the Catchment.
- Administering incentive funding for on-ground works and training to improve natural resources in the Catchment
- Assisting landholders with native vegetation matters
- Coordinating broadscale projects which are essential for the health of the Catchment.

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

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

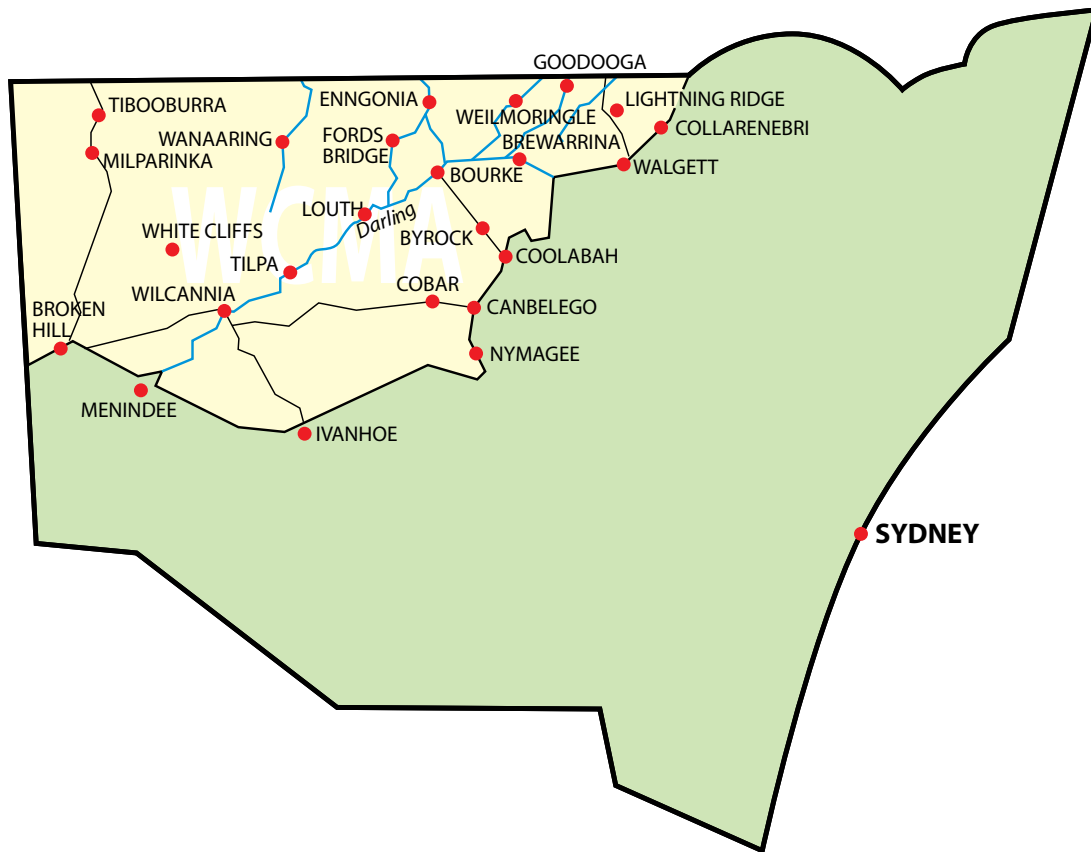
As a community governed statutory organisation, the Western CMA is the primary vehicle for the delivery of investment by the NSW and Australian Governments for strategic on-ground activities to achieve better outcomes for native vegetation, biodiversity and rivers in the Western Catchment.

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

The Western CMA receives corporate support services (including financial management, human resources, accommodation, legal services, information technology and fleet management) from the Department of Finance and Services (ServiceFirst) and Office of Environment and Heritage (OEH) under Service Level Agreements.

The host employer for the Western CMA was the Department of Environment, Climate Change and Water. This role transferred to the Department of Primary Industries (DPI) on 4 April 2011. Under transitional arrangements, the personnel and relevant corporate policies of OEH will remain applicable to the Western CMA until DPI establishes similar policies.

Executive Summary



About the Western Catchment

The Western Catchment is the largest in NSW, covering 230,000 km² or 29 per cent of the state. A significant portion of the Catchment makes up 20 per cent of the Murray-Darling Basin, with the remaining area falling within the Lake Eyre and Bulloo Basins.

Bourke, Brewarrina, Cobar, Lightning Ridge, Walgett and Broken Hill are the major service centres (with the latter two located just outside the Catchment). The Catchment includes the whole of Bourke and Brewarrina Shires and significant portions of the Unincorporated Area, Cobar, Central Darling and Walgett Shires and a small part of the Bogan Shire. Mining, agriculture and tourism are the main industries.

It is one of the most diverse areas of natural rangelands in Australia. Rangelands are large areas of arid or semi-arid land which are unsuitable for intensive agriculture because of unreliable rainfall and other constraints.

Unlike many other catchments in NSW, the Western Catchment is largely in an intact state in terms of native vegetation communities. Broadly, the native vegetation includes open woodlands, timbered areas, chenopod shrub lands and native pastures.

Managing invasive native scrub (INS) is a major challenge. Although native vegetation, INS is symptomatic of a landscape out of balance where natural checks on regeneration are suppressed. INS out-competes native pasture and can result in bare, eroded soils.

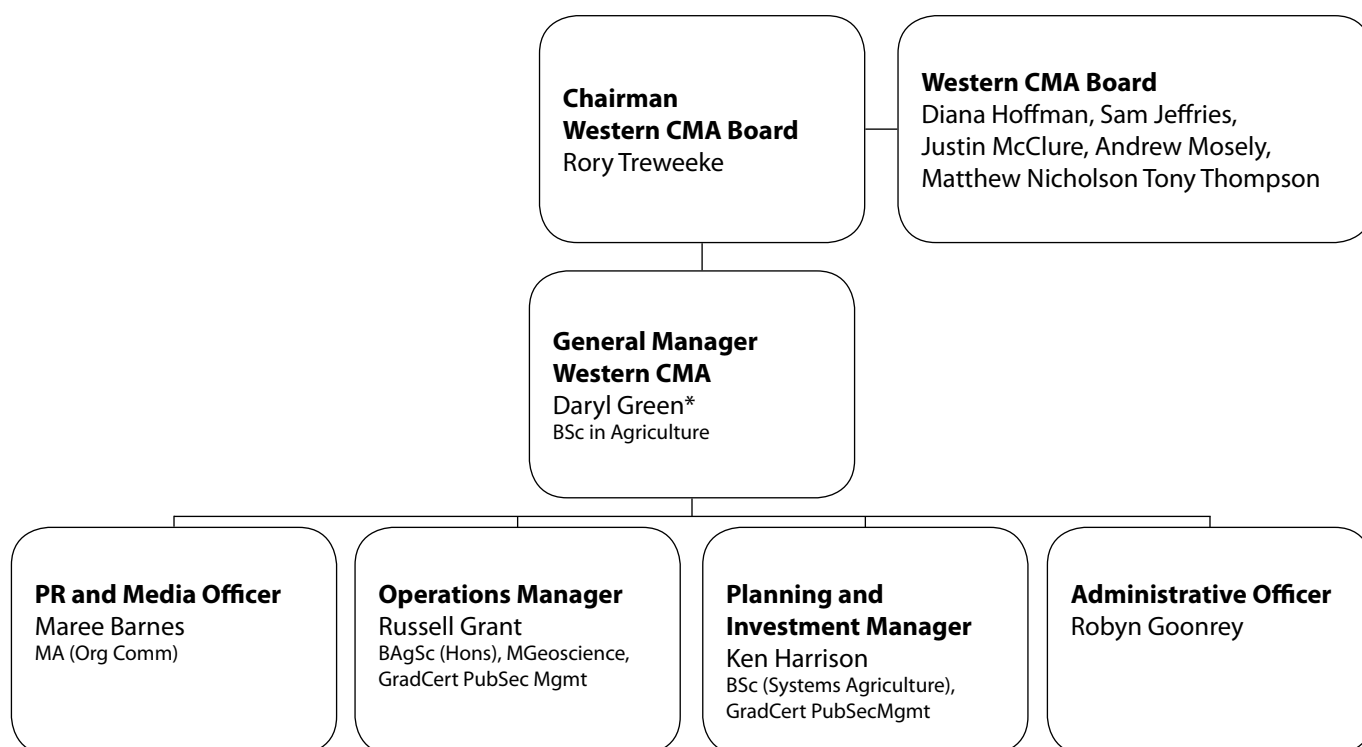
The Western Catchment is different to other catchments because it encompasses a series of river systems. These include the Barwon-Darling, Culgoa, Paroo, Warrego, Narran, Bokhara, Birrie, Bulloo Overflow and part of the Bogan Rivers. Many of these rivers originate in Queensland, with the Condamine-Balonne system contributing 20 per cent and the MacIntyre and Border Rivers contributing 35 per cent of tributary flows entering the Barwon-Darling system.

Groundwater is an important natural resource in the Western Catchment. The volume of water stored in the pores and fractures of rocks below the water table vastly exceeds the volume of fresh surface water resources. The Great Artesian Basin underlies much of the northern part of the Western Catchment area.

The Western Catchment's population is approximately 18,000. An estimated 20% of the population is Aboriginal, with 13 current Aboriginal language groups identified by the Western Catchment Aboriginal Reference Advisory Group.

Executive Summary

Management structure



* Daryl Green retired as General Manager of the Western CMA on 4 July 2011 and was succeeded by Ken Harrison.

Vision and Objectives

Dynamic, viable communities and enterprises which support and sustain diverse natural environments and cultural values.

Catchment Objective 1

Diverse values equitably reflected in the integrated management of natural resources for present and future communities.

Catchment Objective 2

Land and vegetation managed on a landscape basis to achieve an acceptable balance between environmental, productive, cultural and social values for present and future communities.

Catchment Objective 3

Native biological diversity is conserved and, where possible, improved in the Western Catchment.

Catchment Objective 4

Water resources supporting the environmental, productive, cultural and social values for present and future communities

Executive Summary



The Western CMA Board: (Back) Justin McClure, Tony Thompson, Sam Jeffries and Matthew Nicholson. (Front) Diana Hoffman, Rory Treweeke (Chairman) and Andrew Mosely.

Our Board

Board members are recruited and recommended to the Minister by the existing CMA Board. The recruitment, selection and appointment of the Chair is determined by the Minister.

The selection and appointment of Chairs to date has been on the recommendation of a selection committee appointed by the Minister, convened by the Director General, Department of Primary Industries. CMA Board members (including Chairs) are appointed for a term of up to three (3) years by the Minister. CMA Boards must have members with an appropriate mix of skills, expertise, experience and a range of perspectives.

In accordance with Section 8 (4) of the *Catchment Management Authorities Act 2003*, CMA Board members must possess knowledge and skills in one or more of the following areas: primary production; environmental, social and economic analysis; state and local government administration; negotiation and consultation; business administration; community leadership; biodiversity conservation; cultural heritage; water quality.

Members of public sector boards are also expected to possess the capacity to learn quickly; handle complex issues and offer innovative solutions.

The Western CMA is run by a management board made up of seven Western Catchment residents, all of whom have extensive experience in natural resource management.

The Chairperson is Rory Treweeke and the board members are Diana Hoffman, Sam Jeffries, Justin McClure, Andrew Mosely, Matthew Nicholson and Tony Thompson.

The Western CMA Board had 10 meetings in 2010-11. Those meetings included six face-to-face meetings (in August, October, December, February, April and June) and four meetings via teleconference (in July, September, March and May). There were no meetings held in November or January.

Executive Summary

Board member profiles



Rory Treweeke (Chairman) Rory lives with his wife, Joan on their station near Lightning Ridge in north-western NSW. Rory has a Bachelor of Laws from Melbourne University. He has been Chair of the Western CMA since February 2004.

Rory was the independent chair of the Barwon Darling River Management Committee from 1997-2003 and a member of the Boards of West 2000 and West 2000 Plus. He is currently a member of the Western Lands Advisory Council, Great Artesian Basin Advisory Group, the Murray Darling Basin Community Committee and the Water Recovery and Environmental Use Stakeholder Panel of the Commonwealth Department of Sustainability, Environment, Water, Population and Communities. (Meetings attended: 10/10)



Diana Hoffman, a former high school science teacher, has been an active member of natural resource and community organisations both locally and on a state-wide level. She has served as a member of the National Parks and Wildlife Service (NPWS) Advisory Council 2001-2009 and was the first woman to Chair the Council from 2004-2006.

As a volunteer she has been actively involved with and held executive positions with tourism, history, education and community organisations. She is currently Chair of the Far West Region Advisory Committee for National Parks and the White Cliffs Community Association Committee for the Central Darling Shire Council. (Meetings attended: 10/10)



Sam Jeffries is a member of the Murrawari Aboriginal people and lives in Brewarrina. He has held a range of senior positions including: Walgett Shire Councillor, ATSI Councilor, Chairperson of the Murdi Paaki Regional Council, Board member of the NSW Aboriginal Housing Office and Chairperson of the NSW ATSI State Council. He is currently Chairperson of the Murdi Paaki Regional Assembly, Deputy Chairperson Indigenous Land Corporation, Panel Member of the NSW Aboriginal Trust Fund Repayment Scheme, Chairperson of the National Aboriginal Sporting Chance Academy and Adjunct Professor, Jumbunna Indigenous House of Learning University of Technology, Sydney. Sam was appointed in February 2010 to July 2011 as Co-chair of the National Congress of Australia's First Peoples, where he worked towards establishing the organisation, conducting elections and holding the inaugural National Congress Forum. (Meetings attended: 2/10*)

**Sam Jeffries was granted a leave of absence from 1 June 2010 – 1 January 2011 to participate as Co-chair for the National Congress of Australia's First Peoples.*



Justin McClure lives on and works 110,000 hectares of certified organic land in the Tilpa district at Kallara Station on the Darling River.

Justin, his wife Julie and their children pursue a dynamic lifestyle combining their grazing, white dorper sheep, cattle, farming and tourism operations.

Justin gained a Certificate in Animal Production from Longreach Pastoral College, has a keen interest in natural resource and river management and is the Chairperson of the local community committee at Tilpa. He is the CMA Representative on the Landcare Steering Committee and is involved with the Australian Floodplain Association.

(Meetings attended: 9/10)

Executive Summary



Andrew Mosely lives and works on his 28,000 hectare property near Cobar, with his wife, Megan, and their children. Together they operate six diverse and integrated businesses including white dorper sheep, meat goats, cattle and cropping. Andrew has a Bachelor of Science, majoring in Wool & Pastoral Science, from the University of NSW, and was runner-up in the NSW Young Farmer of the Year Award in 2004. Andrew and his family took out the Environmental Achievement award in the 2008 Cobar business awards and won the title of NSW Western Plains Carbon Cocky of the Year 2008-2009. (Meetings attended: 9/10)



Matthew Nicholson was appointed to the Western CMA Board in March 2009. Matthew holds a Bachelor of Science in Agriculture degree from the University of Sydney. Among other NRM issues, Matthew has a particular interest in the control of Invasive Native Scrub. Matthew lives in Nymagee, with his wife, Megan, and their children. Matthew manages the family farm with his father and brother. The farming business incorporates a number of activities including beef cattle production, harvesting of broombush and cypress pine, contract work and opportunity cropping. An active member of the Buckwaroon Catchment Landcare Group, Matthew was a founding member of the NSW Broombush Industry Group. He is involved in numerous community organisations including the Rural Fire Brigade and the Nymagee Progress Association. (Meetings attended: 10/10)



Tony Thompson began his career as a dryland agronomist, started growing irrigated cotton in 1993 and adopted grazing agriculture in 2001. He has implemented an innovative 'integrated rangeland management' system, which focuses on the reintroduction of perennial pastures through rotational grazing. Tony designed and built a remote walk through weighing and drafting system, which allows management of stock on an individual, rather than a herd basis, resulting in increased efficiency and productivity. These initiatives have attracted considerable interest both locally and abroad. (Meetings attended: 9/10)

Executive Summary



Members of the Western CMA Aboriginal Reference Advisory Group.

Aboriginal Reference Advisory Group

The Aboriginal Reference Advisory Group (ARAG) advises the Board on matters pertaining to the Aboriginal community in the Catchment. It is the Western CMA's primary consultation mechanism with the Aboriginal community.

Specifically the ARAG advises the Board on Aboriginal views on land management and projects contained in the Catchment Action Plan. A major project of the ARAG is the development of an Aboriginal knowledge system for the Catchment which aims to capture the Aboriginal people's sustainable land management practices and cultural values.

The group comprises Aboriginal people specifically endorsed by their local community.

In 2010-11, the Aboriginal Reference Advisory Group comprised of the following members:

- Ben Flick (Chairman)
- Les Barker (Vice chair)
- Alma Bates-Hannah

- Alf Fazldeen
- George Fernando
- Joe Flick
- Paul Gordon
- Norman Hall (Vice chair)
- Roger Hartnett
- Christine Hooper
- Edna Kelly
- Bill Kennedy
- Alan Lamb
- Bill Lord
- Elaine Ohlsen
- Bill Riley
- Max Sullivan
- Gordon Sullivan.

Strategic Planning

Western Catchment Action Plan

About the Western Catchment Action Plan

The purpose of the Western Catchment Action Plan is to provide a road map to ensure the protection and enhancement of natural resources.


The Plan is the strategic document that outlines the direction for actions within the Catchment. It sets the framework by specifying catchment and management targets that address key natural resource management issues, specifically for the Western Catchment of NSW.

Catchment targets set broad strategic goals for natural resource issues within the Western Catchment and are realised by achieving relevant management targets, which set the specific goals.

CAP review

The Natural Resources Commission (NRC) and Catchment Management Authorities recently undertook a pilot program to test how Catchment Action Plans can be upgraded, how whole-of-government and community strategic planning can work and how the NRC should assess upgraded CAPs.

A 'Framework for Assessing and Recommending Upgraded CAPs' was developed through this pilot. The framework sets expectations so that all 13 CMAs and their partners can upgrade their CAPs in a regionally-appropriate way, confident in the framework that will be used for assessment.

A photograph showing a man wearing a light-colored shirt and a wide-brimmed hat, looking up and holding a green, spiky weed plant. The background is a clear blue sky with some clouds. The plant has many thin, green stems with small, spiky leaves.

Fred Barlow of Burren Downs Station on the banks of the Barwon River near Mungindi is working with the Castlereagh-Macquarie County Council to control parkinsonia, a potentially devastating weed.

Strategic Planning

Catchment and management targets

A catchment target is an acceptable condition of natural resources at a specified point in time. A management target is the level of action needed to achieve a catchment target. The Western CMA's targets are:

Catchment theme 1: Land and vegetation

Catchment target:

- Quality and quantity of vegetation managed to maintain and/or improve designated cover capable of preventing soil erosion (i.e. designated cover greater than or equal to 40%).

Management targets:

- Sustainable Agriculture Management practice carried out by 50% of landholders by 2016.
- Maintain and rehabilitate one million hectares of native pasture vegetation communities by 2016.
- No increase in the number of species or extent of pest weeds or animals above current levels and a reduction in the impact of pest species.

Catchment theme 2: Rivers and groundwater

Catchment targets:

- The Surface Water System Health Index Rating and the Groundwater System Health Index Rating improved at 60% of relevant monitoring sites by 2016.
- Salinity in the Barwon-Darling at Wilcannia less than 800EC for 80% of the time as measured on a daily basis and less than 350EC for 50% of the time by the year 2016.

Management targets:

- Habitat improvement actions implemented on 20% of identified priority areas of stream, floodplain, wetland and riparian areas by 2016.
- Water quality and salinity levels meeting ANZECC drinking water and recreational use criteria for greater than 95% of the time at key town use sites by 2016.
- Flow sharing arrangements including water sharing plans implemented by the Department of Water and Energy or all priority streams by 2010, with advice from the Western CMA on water management issues which affect the Catchment community.
- Water pressure stabilised in key regions of the Great Artesian Basin, as defined by the NSW Great Artesian Basin Advisory Group, by 2016.

Catchment theme 3: Biodiversity

Catchment targets:

- Ecological communities of high conservation value are adequately protected.
- In each of the other ecological communities, 12% of the area will be managed for conservation within 10 years of Catchment Plan approval and 25% within 25 years of Catchment Plan approval.

Management targets:

- Ecological communities of high conservation value (including threatened species) are identified within three years of Catchment Plan approval and adequately protected throughout the Catchment by negotiation with landholders, within eight years of Catchment Plan approval.
- An ongoing program is established that allows landholders to incorporate lands managed for conservation as an alternative landuse and part of a viable enterprise, within two years of Catchment Plan approval.

Catchment theme 4: Community

Management targets:

- Establish an Indigenous Natural Resource and Cultural Reference Group, within two years of Catchment Plan approval to formally coordinate the input of Aboriginal communities into natural resource management planning activities in the Western Catchment.
- Develop and assist the implementation of a process for the documentation, evaluation and ownership of Aboriginal knowledge of sustainable land management and cultural values in the Western Catchment by 2009.
- There is a continual increase in land managers' awareness, knowledge and skills in natural resource management and adoption of practices which improve natural resource outcomes.
- Land managers and other natural resource managers are actively engaged in collaborative action to improve the management of natural resources through the development and implementation of regionally relevant natural resource management.
- There is a continual increase in the willingness of land managers, other stakeholders and the community to partner natural resource management organisations to deliver natural resource outcomes.

Strategic Planning

Investment Program and Annual Implementation Plan

In 2009-10 the Western CMA shifted to a two-year incentive program, replacing the previous annual program. The allocations from 2009-10 and 2010-11 financial years were combined to run a single incentives round. The Western CMA has submitted its 2011-12 Investment Program (incorporating the Annual Implementation Plan) and has received approval from the Minister for Primary Industries.

Investment Program 2010-11

Summary of incoming natural resource funding

Activity	Source of Funds	Amount 2010-11
2010-11 Investment Program: Base bid	Caring for Our Country (CfOC)	\$2,468,000
2010-11 Investment Program: Base bid	Catchment Action NSW	\$1,488,465
2010-11 Landcare Regional Facilitator	CfOC Sustainable Practices	\$150,000
Protected Areas on Private Lands	National Reserve System	\$123,597

Summary of funds granted to non-government bodies.

National Landcare Program

Projects	Landholder (1)	Training/education/ sponsorship/research	\$5,290
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2010-11 Investment Program: Incentives

Landscape management	Landholders (29 completed)	On-ground works ^(a)	\$284,535
	Community groups (8)	Training/education/ sponsorship/research	\$38,615
	Landholder workshops (51 participants)	Training/education/ sponsorship/research	\$32,197
	Education/school/university (11)	Training/education/ sponsorship/research	\$43,465
Pests	Landholders (4 completed)	On-ground works	\$16,985
High conservation value	Landholders (24 completed)	On-ground works ^(b)	\$673,130
Sustainable agriculture	Landholders (18 completed)	On-ground works	\$113,471

^(a) Additional 17 projects carried forward due to extensive rain/flooding for completion by 31/12/2011 - \$123,487

^(b) Additional 10 projects carried forward due to extensive rain/flooding for completion by 31/12/2011 - \$282,225

Strategic Planning

2010-11 Investment Program: Projects

Pests	Community groups (3)	On-ground works	\$43,163
	Private providers (1)	Training/education/ sponsorship/research	\$13,837
Landscape management	Landholders (8)	On-ground works	\$107,275
	Landholders (3)	Training/education/ sponsorship/research	\$31,825
	Private Provider (4)	Training/education/ sponsorship/research	\$145,648
Cultural Heritage	Private provider (1)	Training/education/ sponsorship/research	\$15,000
Aquatic Habitat	Landholders (1)	On-ground works ^(c)	\$15,773
	Community Group (1)	On-ground works	\$17,700

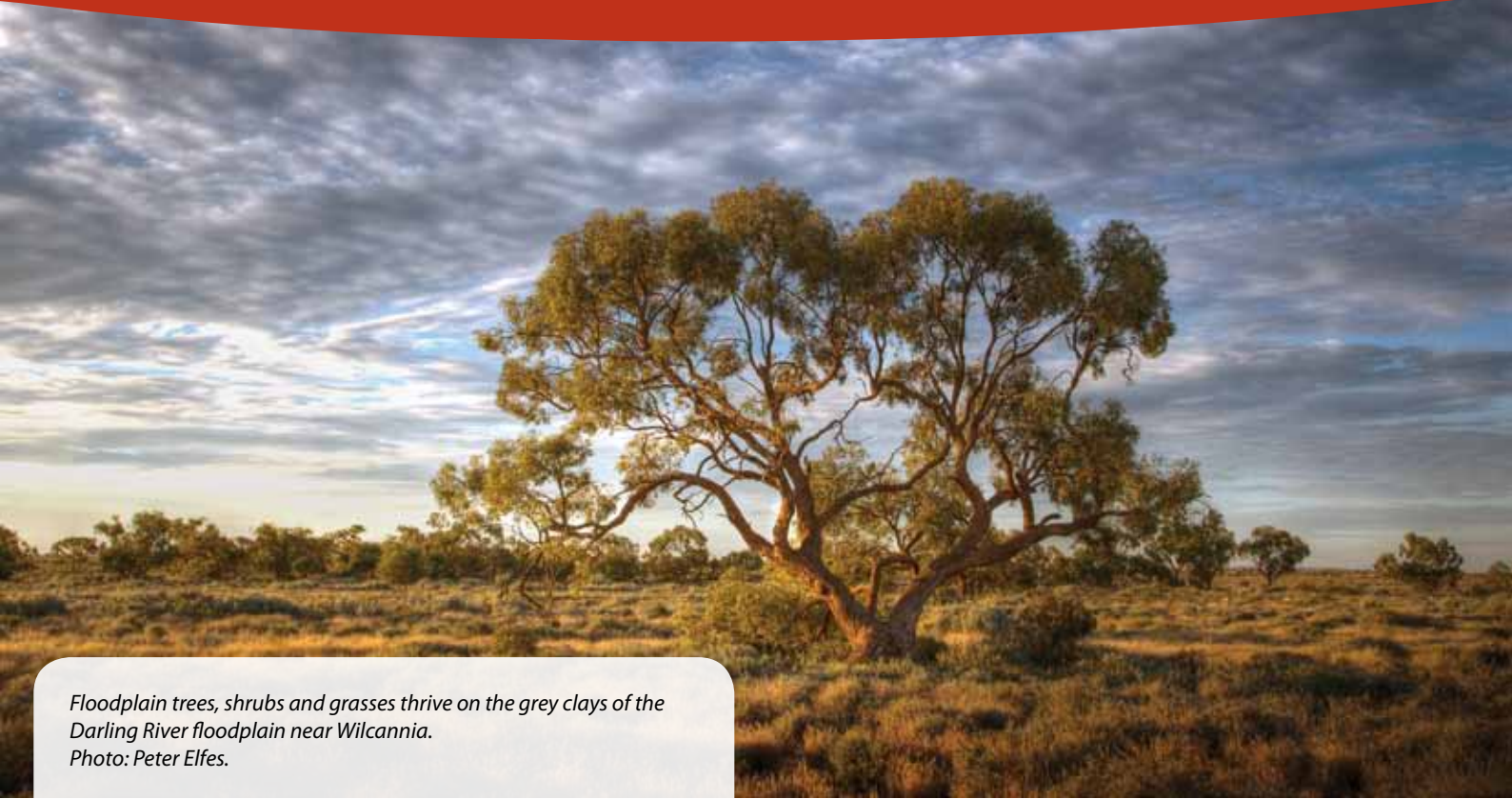
^(c) 3 projects carried forward due to extensive rain/flooding for completion by 31/12/2011 - \$98,566

Summary of funds granted to government bodies

2010-11 Investment Program: Projects

Pests	Darling Livestock Health and Pest Authority	On-ground works	\$145,000
	Western Livestock Health and Pest Authority	On-ground works	\$65,000
	Bourke Shire Council	On-ground works	\$8,000
	Central West CMA	Training/education/ sponsorship/research	\$9300
	Trade & Investment NSW	Training/education/ sponsorship/research	\$21,254
	Bourke Shire Council	Training/education/ sponsorship/research	\$909
	Cobar Shire Council	Training/education/ sponsorship/research	\$1,000
	Brewarrina Shire Council	Training/education/ sponsorship/research	\$909
Aquatic habitat	Darling Livestock Health and Pest Authority	On-ground works	\$100,000
	North West Livestock Health and Pest Authority	On-ground works	\$45,000
	Trade and Investment NSW	Training/education/ sponsorship/research	\$15,000
	NSW Office of Water	Training/education/ sponsorship/research	\$30,000

On-ground Works



*Floodplain trees, shrubs and grasses thrive on the grey clays of the Darling River floodplain near Wilcannia.
Photo: Peter Elfes.*

Native vegetation management

Catchment Management Authorities are responsible for statutory functions under the *Native Vegetation Act 2003* and *Native Vegetation Regulation 2005*. The Act and Regulation set out the framework for management of native vegetation in NSW.

Western CMA staff provide native vegetation management advice and develop Property Vegetation Plans (PVPs) with landholders.

In 2010-11, the Western CMA negotiated 48 PVPs with landholders, covering a total area of over 485,000 hectares (4,850 km²).

The majority of the PVPs are Invasive Native Scrub PVPs allowing management of invasive native scrub across more than 472 000 hectares (4,720 km²). The PVPs enable landholders to manage the invasive native scrub to restore a balanced landscape, maintaining habitat for native plants and animals in the rangelands.

The Western CMA also developed specific PVPs for rehabilitating native groundcover, known as "Clause 28 Policy PVPs". Rangeland rehabilitation has many long term environmental benefits including increased biodiversity and reduced erosion. Clause 28 Policy PVPs have allowed minor clearing for the rehabilitation of groundcover on more than 7,500 hectares.

The Western CMA has funded many projects that will rehabilitate native perennial grass in large areas of the rangelands. Property Vegetation Plans are developed for such projects. The Western CMA has funded areas to be managed for conservation under the High Conservation Value Program and six conservation PVPs secure over 3,500 hectares to be managed for conservation.

The La Nina weather pattern that began in 2009 continued until early 2011 in many parts of the Western Catchment. After a decade-long drought, 2010 was the wettest year in half a century for the Broken Hill, Hillston and Ivanhoe areas. In the far west of the Catchment, the rain continued into 2011 with the wettest February on record (140.6 mm). By the end of June 2011, Broken Hill had received 431 mm, which is almost double its annual average rainfall.

This has resulted in a spectacular renewal of the landscape, with wetlands filling, wildflowers blossoming and increased numbers of birds and animals. Landholders who managed their property carefully during the dry times saw the results of their efforts with native vegetation responding well to the rain.

Other areas of the Western Catchment have not enjoyed the same rainfall into mid-2011 and the landscape in these parts is starting to dry out again. The variability of climatic conditions remains a constant in the Western Catchment.

On-ground Works

Invasive native scrub (INS)

During the 2009-11 period \$189,909 was provided to 16 applicants to treat 53,933 hectares (539 km²) affected by INS through the Western CMA Incentive Funding program.

INS has caused major changes to landscapes in the Western Catchment. Although native vegetation, INS can reduce habitat variability, out compete grasses and result in bare soil, which is easily lost through wind and water erosion.

Mass INS seedling germinations occur following prolonged moist soil conditions such as in 2010-11. Burning INS seedlings is the most cost effective way to manage INS. However, the seedlings need to be burnt before they are 30 cm high, so there is a limited window of opportunity to act. Fortunately, high fuel loads this year provided the best opportunity to burn invasive native scrub regrowth in a decade.

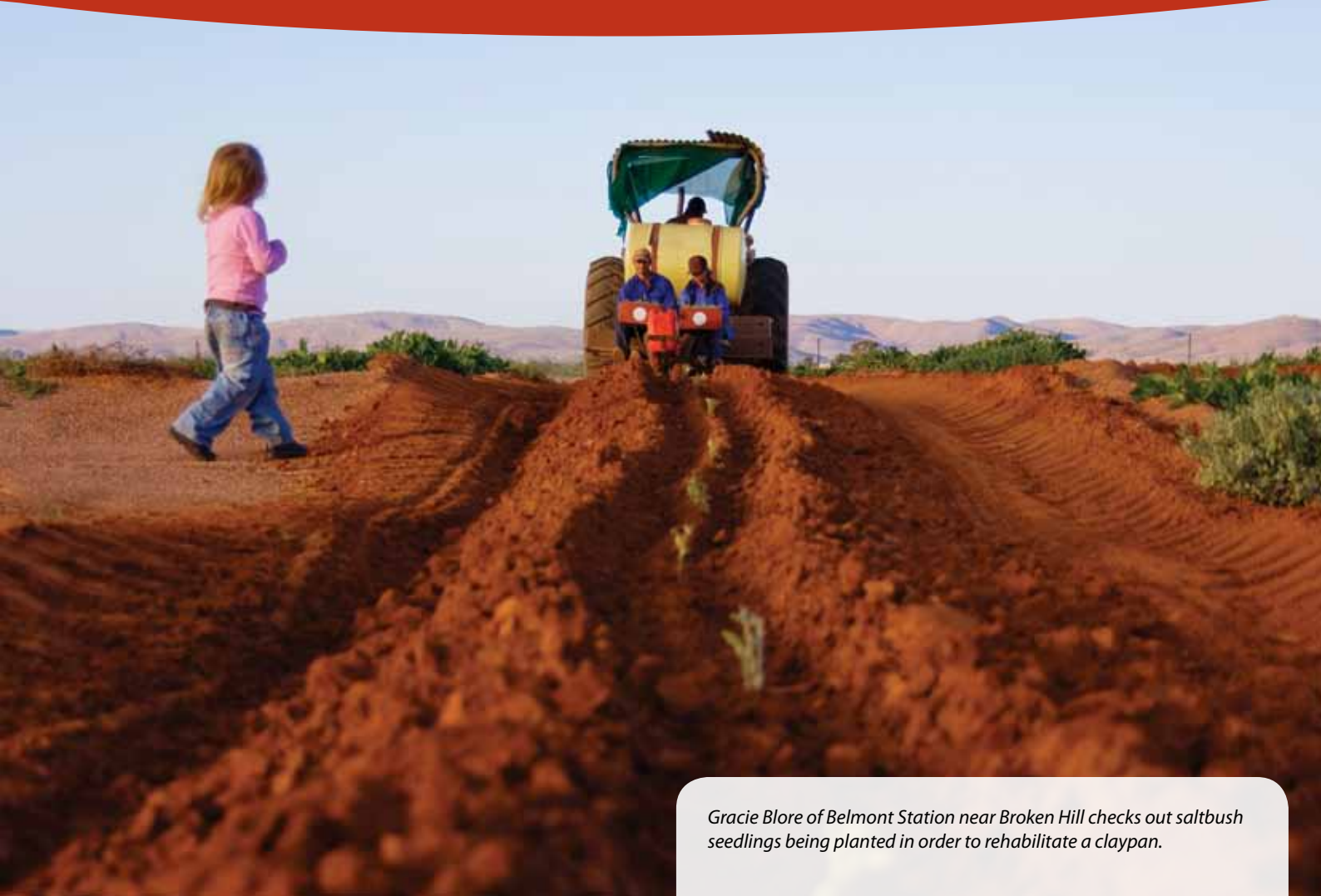
The Western CMA, in conjunction with the Rural Fire Service conducted a series of workshops across the Western Catchment to enable landholders to take advantage of the limited opportunity to use fire to manage INS. A total of 117 people attended the four information sessions held in Walgett, Bourke, Wanaaring, Cobar and Broken Hill, which provided an opportunity for land managers to learn what to expect from burning to manage INS and how to prepare for a managed burn. For instance, managing total grazing pressure before and after burning is crucial to achieving improved environmental and production outcomes.

Effective management of INS will result in a mosaic of native vegetation types in the landscape which creates a diversity of habitats. Controlling INS results in improved native groundcover and soil stability which benefits productivity and the environment.

Burning invasive native scrub seedlings is the most cost effective way to manage invasive native scrub.



On-ground Works



Gracie Blore of Belmont Station near Broken Hill checks out saltbush seedlings being planted in order to rehabilitate a claypan.

Incentives Program

During the 2010-11 financial year, the Western CMA continued to work with local groups, organisations and individuals to ensure a healthier catchment.

A new initiative was implemented in 2009 to combine the funding for both 2009-10 and 2010-11 years into a two-year program. This resulted in \$8.9 million being invested over the two years to improve natural resources in the Western Catchment.

The innovation provided land managers and other partners with a full 12-months to implement catchment programs, ensuring much better and more timely outcomes considering the vagaries of the Western Catchment climate.

The Western CMA's program implemented for the two years committed \$3.2 million to land managers undertaking 119 natural resource management projects. This brings the total number of projects funded since the Western CMA became operational to 600.

This funding went towards projects which meet the Western CMA's natural resource management targets and are aligned with both NSW and Australia-wide targets and priorities.

Applications for incentives funding are assessed against funding criteria and ranked on merit. They must meet both Western CMA's natural resource management targets and the objectives of our funding partners. Not all eligible applications are funded, as there is often more demand than funds available.

On-ground Works

Major project funding included:

- \$29,469 provided to two applicants to encourage sustainable agriculture through conservation farming. Five implements have been converted to controlled traffic and no-till, resulting in 7,850 hectares (78 km²) of cropping land converted to minimum or no-till agriculture.
- \$580,500 provided to 30 applicants for groundcover management. Land managers are using a total of 356 km of fencing and controlling access to 22 watering points used in conjunction with trap yards to assist with the management of total grazing pressure. This will encourage native pasture growth on a total of 171,012 hectares (1,710 km²). This is roughly equivalent to the size of the Paroo-Darling National Park, north of Wilcannia.
- Landholders funded to erect 26 trap yards to control feral goats on 110,718 hectares. Control of feral goats has positive results for landscape management and sustainable agriculture as well as pest management.
- \$181,465 provided to 18 applicants to rehabilitate 3,842 hectares of rangelands using a range of measures including waterponding, water spreading and contouring furrowing.
- \$189,909 provided to 16 applicants to treat 53,933 hectares (539 km²) affected by invasive native scrub (INS) through the incentives program. The landholders have used a combination of methods such as chaining, mechanical pushing, spot treatment and burning to manage invasive native scrub and restore native perennial pastures.
- \$33,970 provided to four applicants to control plant and animal pests. Rabbit warrens have been treated on 405 hectares. Control of pest plants has been undertaken including treatment of 6,919 hectares of Hudson pear as part of a larger, long-term plan, 219 hectares of parkinsonia and African boxthorn and 115,501 hectares of mesquite.
- \$511,545 provided to 14 applicants for riverine habitat and water quality improvements. Thirty-three off-river watering points have been installed to stop stock accessing waterways and 219 km of waterways have been fenced (equivalent to the distance by road from Brewarrina to Wilcannia). As a result, 20,063 hectares (200 km²) of riverine vegetation has been protected, which is equivalent in size to the Ledknapper Nature Reserve near Enngonia.
- \$1.5 million provided to 20 land managers who are managing 16,185 hectares for conservation. This includes 3,000 hectares of malleefowl habitat, protection of an endangered plant, showy indigo, and The Little Thigibillas, a series of low hills forming part of an Aboriginal creation story.
- Through the Enterprise Based Conservation program, nine landholders within the NSW Western Division are now managing a total of 60,000 hectares for conservation outcomes rather than agriculture until at least 2023.

Training and Communities Activities Funding

In the 2010-11 year, three rounds of the Training and Communities Activities funding program were held. \$115,723 was committed to 27 community groups and landholders who undertook a wide range of activities including training, educational workshops and field days with schools and landholders, community activities including a 'carp muster', tree planting and a holiday heritage discovery program in Milparinka.

Applications for all incentive funding are assessed against project criteria and ranked on merit. They must meet both Western CMA's natural resource management targets and the objectives of our funding partners. Not all eligible applications are funded, as there is often more demand than funds available.

The Western CMA continues to improve its application and assessment processes to ensure the best projects are funded. Changing the incentives program to a two year program and increasing the frequency of Training and Communities Activities funding are examples of the flexibility and responsiveness of the organisation.

On-ground Works

On-ground works undertaken to achieve catchment management targets

Note: Budgets are indicative only and may be modified as projects progress.

Land and Vegetation

Feral goat strategy

Overgrazing by an unmanaged feral goat population is the major factor influencing groundcover over the majority of the Catchment, predetermining the success of most other land management activities.

Projects to manage total grazing pressure emanating from feral goats dominate landholder proposals for incentive funding. The issue is capitalised by an active feral goat harvest industry and poor recognition of the broadscale environmental impact resulting from the uncontrolled grazing by these animals.

This project involves developing background information on the feral goat problem to guide a more strategic implementation of on-ground management measures, as well as informing land managers, policy makers and the public of the impact of the issue.

Current status (as at 30 June 2011):

Five components of this project were contracted to expert providers:

- A literature review of feral goat ecology, impact and control measures
- A review of the policy context of feral goat management
- A review of the feral goat harvest industry and implications for natural resource management in the Western Catchment
- Processing and analysis of feral goat population data already collected through a Kangaroo Management Program
- Modelling of the economics of grazing enterprises based on feral goat harvesting in comparison with those where total grazing pressure management systems are in place.

The reports on these components have been completed and will be formatted for delivery to the public via the Western CMA website.

Total project budget: \$80,000.



Overgrazing by an unmanaged feral goat population is a major factor influencing groundcover in the Western Catchment.

On-ground Works

Landscape management

Specialist rangeland rehabilitation services are not commercially available within the Catchment despite knowledge gained from comprehensive research programs conducted during previous decades.

There is strong demand from landholders for specific advice and design information on scald reclamation, gully stabilisation, infrastructure design and the rehabilitation of perennial pastures. This project is re-establishing land rehabilitation skills within the Catchment, providing access to both specialised equipment and an advisory service.

Current status (as at 30 June 2011):

- Safety assessments and recommendations on OH&S aspects of specialist rehabilitation equipment (including “crocodiles”, a contour furrower and vehicle mounted surveying equipment) were obtained in order to implement safe working practices for CMA-owned implements. This equipment is loaned out to landholders and robust operating documentation is necessary to limit accident risks.

- Six workshops attended by approximately 70 landholders were held throughout the Catchment to provide training on the control of gully erosion. An expert provider demonstrated techniques suitable for implementation using station earthmoving equipment. The workshops raised new awareness of widespread erosion issues affecting water flow and groundcover.
- Waterponding and waterspreading works were surveyed for construction on 386 hectares during the period. Preliminary assessments were conducted on 17 properties in developing rehabilitation projects for the 2011-13 incentives round.

Total project budget: \$160,000.

Erosion control grader workshops were held in six locations across the Western Catchment involving more than 70 landholders.



On-ground Works



Brad Voss from Voss Consulting inspects a treated mesquite plant after more than 23,820 ha of infestations were chemically treated to the north of Broken Hill.

Weed control programs

Western CMA has taken a partnership approach to weed control in the Catchment. This includes small-scale projects with local weed authorities to control discrete infestations of athel pine, African boxthorn and parkinsonia. On a larger scale, mesquite has been addressed in the far west of the Catchment through collaboration with Livestock Health and Pest Authorities, landholders and specialised contractors.

A partnership approach has been established with the South Australian Arid Lands NRM Board through Caring for our Country to address athel pine in ephemeral streams in the Western Catchment.

The Hudson Pear Taskforce is coordinating treatment and monitoring of infestations of this cactus on 60,000 hectares in the Lightning Ridge area, a public awareness campaign and investigations into use of biological control of the weed. The Hudson Pear Taskforce comprises a range of partners including local landholders, miners, farming groups, the Castlereagh Macquarie County Council, Walgett Shire Council, four government agencies and the Western CMA.

Current status (as at 30 June 2011):

- A total of 23,820 hectares of mesquite infestations were treated with a chemical application in the 2010-11 spraying season.
- Despite the high-summer rainfalls, an area 38 km long and 43 km wide spanning six properties to the north of Broken Hill was surveyed to identify strategic areas for treatment to reduce the spread and extent of mesquite infestations.
- A questionnaire was distributed to approximately 100 landholders seeking to update information on the distribution of Hudson pear. Results so far have indicated a wider infestation than previously recorded.

Total project investment: \$405,000 for 2009-11.

Rivers and groundwater

Aquatic habitat - demonstration reach from Brewarrina to Bourke

This is a joint initiative between the Western CMA and Industry and Investment NSW (formerly the NSW Department of Primary Industries) to improve the aquatic habitat in the Barwon-Darling River from Brewarrina to Bourke. Native fish populations will be protected and encouraged by improving passage and habitat within the river system through re-snagging, fish ladder installation, discouraging carp populations, improving feed sources and increasing riverbank stability.

Current status (as at 30 June 2011):

- Following the finalisation of all approvals and the appointment of a contractor, the construction of a rock-ramp fishway at the Brewarrina weir was delayed by high-river levels.
- Construction activity began in July 2011.

Total project budget: \$2.5 million over three years.

On-ground Works

Biodiversity

High Conservation Value Areas

During 2009-11 a total of \$1.5 million was committed to 20 land managers who are managing 16,185 hectares for conservation under the High Conservation Value incentives program.

The program includes 3,000 hectares of malleefowl habitat, protection of the endangered plants, showy indigo and lancewood as well as conservation of the Little Thigabillas (a series of low hills forming part of an Aboriginal creation story).

The community interest in this program continues to grow with an increasing diversity of projects being implemented across the Catchment.

Total project investment: \$1.5 million for 2009-11.

Enterprise Based Conservation in the Western Catchment

This project provides the incentive resources and administration to implement the Enterprise-based Conservation model of developing conservation as an enterprise option for pastoralists across the rangelands.

Despite the development of a funding structure and business plan, prepared through the Develop Conservation Industry project, the Western CMA has yet to attract further

funds to commit to new Enterprise Based Conservation projects in 2010-2011 and so continues to seek resources for the project. Inquiries from interested landholders in the Western Catchment are received regularly by the CMA.

Nine landholders within the NSW Western Division are managing a total of 60,000 hectares for conservation products rather than agriculture until at least 2023 under the Enterprise Based Conservation program.

The program provides grants for landholders to actively manage part or all of their property for specific conservation goals. These grants also provide income offsets for the project area for the life of the contract.

This is a joint project with the Lachlan and Lower Murray-Darling CMAs. Six properties are located within the Western Catchment. Landholders participating in this program and the WEST 2000 Plus' Enterprise Based Conservation program, which has been in operation since 2004, hold annual workshops to exchange ideas and learn from each other.

Total project budget: \$4.3 million across the NSW Western Division.

The mallee fowl attempts to repair her nest, while the fox takes a break from digging to reach her eggs.



On-ground Works



Western Innovators participants: Ashley McMurtrie of Gilgunnia Station, John and Anne Crossing of Glenace Station, Michael Rosser of Argyle Station and Sue Hanson of Bloodwood Station.

Community

Cultural heritage

This project establishes mechanisms that raise awareness, increase knowledge, understanding, motivation, engagement, commitment and confidence within the Aboriginal community to achieve sustainable natural resource management.

Current status (as at 30 June 2011):

The Western CMA Aboriginal Reference Advisory Group (ARAG) met four times during the year, providing advice to the CMA Board. The ARAG is continuing its work to develop a model for capturing and maintaining Indigenous land management knowledge.

During the 2010-11 reporting period extensive promotion was undertaken of the nineteen documentaries which were made as part of the Through our Eyes program. The films feature Elders and knowledge-holders from the Ngemba, Kamilaroi and Euahlayi language groups. They document the land management practices and social, spiritual and cultural knowledge that enabled their people to care for the country for tens of thousands of years.

- Since its launch more than 1,000 copies of the DVD have been requested by groups and individuals, from every Australian state and territory and from six overseas countries. The DVDs have been distributed to all schools, councils, tourist information centres and other relevant organisations in the Western Catchment.

- In late March 2011, the documentaries were uploaded to YouTube, which made them readily available to an international audience. During April 2011, the documentaries were viewed 526 times. This equates to each documentary being viewed 29 times or once every day.

Total project budget for 2010-11: \$45,517.

Western Innovators Program

The Western Innovators Program provides an opportunity for landholders to draw on the skills and knowledge of innovative land managers in the Western Catchment through a coaching program.

The activity supports land managers to implement innovative grazing systems and methods that will lead to long-term sustainable change. The program targets participant landholders wishing to adopt positive changes in their enterprises but lacking experience in the implementation of new approaches. Innovative landholder mentors engaged by the program visit participants on their properties, conduct farm walks and provide ongoing support in the adoption of management tools.

Current status (as at 30 June 2011):

- A coaching specialist was contracted to assist with project start up documentation, training and induction prior to the appointment of a project officer.
- Three mentors have been appointed to the program with five participants engaged.

Total project expenditure for 2010-11: \$59,517

On-ground Works

Australian Rangeland Society Conference, September 2010

Western CMA took a lead role in the staging of the national biennial Australian Rangeland Society Conference in Bourke, attracting approximately 220 delegates.

The conference is the only national event focusing solely on natural resource management in rangelands. CMA staff contributed significantly to the organising committee and lead field tours to local sites of scientific and technical interest. Conference organisers had a strong commitment to presenting a program that engaged both the landholder and scientific communities, resulting in a good response from delegates.

Current status (as at 30 June 2011):

- The conference drew delegates from NSW, interstate, the USA and Argentina. Feedback from the delegates confirmed that presentations and venues were of a high standard, resulting in an overall very positive appraisal for the event.

Total project budget for 2010-11: \$30,000.

Community education and support

This project establishes mechanisms that raise awareness, increase knowledge, understanding, motivation, engagement, commitment and confidence within the community to achieve sustainable natural resource management.

Current status (as at 30 June 2011):

This is an ongoing project. Eight staff members have been employed. During 2010-11, three rounds of the Training and Communities Activities funding program were held. During the period, \$114,362 was committed to 27 community groups and landholders who participated in various natural resource management training activities and events.

The Western CMA participated in 40 public events and in total, natural resource management information was provided to approximately 2,185 people. Western CMA staff directly facilitated 22 workshops, field days, school education days and field trips as well as taking a significant role in organising the Australian Rangeland Society Conference and field tours.



Delegates of the Australian Rangeland Society Conference took part in a field tour of Dijoje Station near Cobar.

Financial Statements

STATEMENT BY BOARD MEMBERS

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

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

- (a) The accompanying financial statements exhibit a true and fair view of the financial position of the Western Catchment Management Authority as at 30 June 2011, and its financial performance for the year then ended.
- (b) The financial statements have been prepared in accordance with:
 - The applicable Australian Accounting Standards, which include Australian Accounting Interpretations and other mandatory professional reporting requirements; and
 - The requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and the Treasurer's Directions.
- (c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

For and on behalf of the Board



Mr Rory Treweeke
Chairman



Diana Hoffman
Board Member

Dated: 13 October 2011

Financial Statements



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Western Catchment Management Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Western Catchment Management Authority (the Authority), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 30 June 2011, and of its financial performance for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

The Board's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Financial Statements

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

My opinion does *not* provide assurance:

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

Independence

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

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



M T Spriggins
Director, Financial Audit Services

17 October 2011
SYDNEY

Financial Statements

Start of audited financial statements

Statement of comprehensive income for the year ended 30 June 2011

	NOTE	Actual 2011 \$'000	Actual 2010 \$'000
Revenue			
Revenue	3	6,814	6,859
Other income	4	558	660
Total revenue		7,372	7,519
Expenses			
Personnel services expenses	5	3,066	2,844
Other operating expenses	5	2,097	1,700
Depreciation	5	9	14
Grants & subsidies	5	2,206	2,735
Total expenses		7,378	7,293
(DEFICIT) SURPLUS FOR THE YEAR		(6)	226
Other Comprehensive Income for the year			
		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(6)	226

The above statement of comprehensive income is to be read in conjunction with the attached notes.

Financial Statements

Statement of financial position as at 30 June 2011

	NOTE	Actual 2011 \$'000	Actual 2010 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	4,574	4,598
Receivables	7	162	113
Total current assets		4,736	4,711
Non-current assets			
Plant and equipment	8	7	26
Total non-current assets		7	26
Total assets		4,743	4,737
LIABILITIES			
Current liabilities			
Borrowings	9	26	-
Payables	10	730	771
Provisions	11	416	389
Total Current Liabilities		1,172	1,160
Non-current liabilities			
Provisions	11	3	3
Total non-current liabilities		3	3
Total liabilities		1,175	1,163
Net assets		3,568	3,574
EQUITY			
Accumulated Funds		3,568	3,574
Total equity		3,568	3,574

The above statement of financial position is to be read in conjunction with the attached notes.

Financial Statements

Statement of changes in equity for the year ended 30 June 2011

	Accumulated Funds \$'000	Total \$'000
Balance as at 1 July 2010	3,574	3,574
(Deficit) for the year	(6)	(6)
Other comprehensive income for the year	-	-
Balance as at 30 June 2011	3,568	3,568
Balance as at 1 July 2009	3,348	3,348
Surplus for the year	226	226
Other comprehensive income for the year	-	-
Balance as at 30 June 2010	3,574	3,574

The above statement of changes in equity is to be read in conjunction with the attached notes.

Financial Statements

Statement of cash flows for the year ended 30 June 2011

	NOTE	2011 \$'000	2010 \$'000
Cash flows from operating activities			
Receipts from customers & government		7,358	8,088
Payments to suppliers		(5,478)	(4,771)
		1,880	3,317
Grants and subsidies paid		(2,206)	(2,735)
Interest received		276	210
Net cash flows from operating activities	12	(50)	792
Net (decrease) / increase in cash and cash equivalents			
		(50)	792
Opening cash and cash equivalents		4,598	3,806
Closing cash and cash equivalents	6 & 9	4,548	4,598

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 1 - REPORTING ENTITY

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

- (a) to establish Authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels;
- (b) to provide for proper natural resource planning at a catchment level;
- (c) to ensure that decisions about natural resources take into account appropriate catchment issues;
- (d) to require decisions taken at a catchment level to take into account State-wide standards and to involve the Natural Resources Commission in catchment planning where appropriate;
- (e) to involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise;
- (f) to ensure the proper management of natural resources in the social, economic and environmental interests of the State;
- (g) to apply sound scientific knowledge to achieve a fully functioning and productive landscape; and
- (h) to provide a framework for financial assistance and incentives to landholders in connection with natural resource management.

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

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

These financial statements have been authorised for issue by the Board of the Authority on 13 October 2011.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

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

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

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

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

(b) Statement of compliance

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

(c) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgement

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

Key judgements are disclosed as part of accounting policies notes.

(ii) Significant accounting estimates and assumptions

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

(d) Revenue recognition

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

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

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

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

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

(e) Insurance

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

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

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

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

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

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

(g) Acquisition of assets

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

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

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

(h) Capitalisation thresholds

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

(i) Revaluation of property, plant and equipment

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

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

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

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

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

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

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

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

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

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

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

(j) Impairment of property, plant and equipment

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

(k) Depreciation of property, plant and equipment

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

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

The following depreciation rates were applied in 2010/11 and 2009/10:

Plant and equipment	6.67%-25%
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Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

(l) Major inspection costs

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

(m) Restoration costs

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

(n) Maintenance

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

(o) Investments

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

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

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

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

(p) Impairment of financial assets

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

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

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

(q) **Derecognition of financial assets and financial liabilities**

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers the financial asset:

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

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

(r) **Other assets**

Other assets are recognised on a cost basis.

(s) **Receivables**

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

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

(t) **Liabilities**

(i) **Payables**

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

(ii) **Personnel Services**

(a) Personnel services

The Authority does not employ staff but utilises the personnel services of the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS) upon the NSW Government Administrative Order of 4th April 2011. Prior to the Administration Order the personnel services were supplied by the Department of Environment, Climate Change and Water (DECCW). The costs of personnel services in respect of wages and salaries, superannuation, annual leave, long service leave, and for sick leave are recognised when it is probable that settlement will be required and they are capable of being measured reliably.

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

Provisions made in respect of employee benefits which do not fall due within 12 months are measured at the present value of the estimated future cash outflows to be made by the Authority in respect of services provided by employees up to reporting date.

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

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

(b) Defined contribution plans

Contribution to a defined contribution funds, such as Basic Benefit and First State Super, are expensed when incurred. It is calculated as a percentage of the employees' salary. In 2009/10 and 2010/11, 9% was contributed.

(c) Long service leave and defined benefits superannuation

The Authority has no liability for long service leave and defined benefit superannuation. Personnel services are acquired from the Department of Trade and Investment, Regional Infrastructure and Services upon the NSW Government Administrative Order of 4th April 2011. Prior to this by the Department of Environment, Climate Change and Water and the liability of these items has been assumed by the Crown Entity.

(iii) Provision for restoration of leased premises

A provision for restoring leased premises has not been recognised as the amount is not significant.

(u) Assistance provided by other organisations no cost to the CMA

The maintenance of the Authority's accounting records and provision of corporate services (excluding IT services) were provided by the Department of Finance and Services, (formerly Department of Services, Technology and Administration) and the Department of Trade and Investment, Regional Infrastructure and Services, (formerly within the Department of Environment, Climate Change and Water) under the provisions of the Corporate Services, Service Level Agreement. Some agreed services were provided by "ServiceFirst" on a cost recovery basis.

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

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

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

(v) Comparative information

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

(w) New Australian accounting standards issued but not effective

In the current year the Authority has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policies notes in the financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting period. In accordance with the NSW Treasury mandate (TC 10/08), the Authority did not early adopt any of these accounting standards and interpretations that are not yet effective.

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

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

NOTE 3 - REVENUE

	2011 \$'000	2010 \$'000
Contributions received from:		
Joint State/Commonwealth contributions (i)	3,956	4,077
Operating grant funding	2,586	2,550
Other contributions (ii)	272	232
	6,814	6,859

(i) Contributions were received from the Department of Premier and Cabinet, Office of Environment and Heritage, (formerly Department of Environment, Climate Change and Water), towards achieving pre-negotiated natural resources management outcomes.

(ii) Other contributions were received for specific agreed works towards achieving natural resources management outcomes.

NOTE 4 - OTHER INCOME

Interest	276	210
Liability assumed by the Crown	115	105
Other	167	345
	558	660

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 5 - EXPENSES

	2011 \$'000	2010 \$'000
Personnel services expenses		
Salaries and wages (including recreation leave)	2,548	2,346
Staff on-costs	518	498
	3,066	2,844
Other operating expenses		
Auditors remuneration (i)	11	15
Board Member's remuneration (ii)	175	177
Board Member's and Committees costs	31	35
Contractors	242	227
Bad Debts	-	33
Loss on disposal of assets	10	-
Fees for services	149	139
Insurance	6	7
Accommodation and related expenses	308	356
Stores, materials and minor equipment	400	216
Plant/vehicle expenses	281	243
Travel	215	156
Other	269	96
	2,097	1,700
Depreciation	9	14
Grants and subsidies	2,206	2,735
Total	7,378	7,293

(i) Audit fee to The Audit Office of New South Wales for audit of financial statement. The auditors received no other benefits.

(ii) Board members received no other benefits.

NOTE 6 - CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Current assets – Cash and Cash equivalents

Cash at bank and on hand	3	2,188
NSW Treasury Corporation – HourGlass cash facility	4,571	2,410
	4,574	4,598

These funds are required to be spent to achieve specific natural resource outcomes under funding agreements and arrangements.

Also refer to Note 12 and 15.

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 7 - CURRENT ASSETS - RECEIVABLES

	2011 \$'000	2010 \$'000
Accounts receivable	32	51
Less: Allowance for impairment	-	(33)
Goods & Services Tax recoverable	120	93
Accrued income	10	1
Other amounts receivable		1
Also refer to Note 15.	162	113

Allowance for impairment:

Opening balance	-	-
Decrease/(Increase) in allowance	-	(33)
Closing balance	-	(33)

NOTE 8 - NON-CURRENT ASSETS - PLANT AND EQUIPMENT

	Plant & Equipment \$'000	Total \$'000
At 1 July 2010		
Gross carrying amount	87	87
Accumulated depreciation	(61)	(61)
Net carrying amount	26	26
At 30 June 2011		
Gross carrying amount	71	71
Accumulated depreciation	(64)	(64)
Net carrying amount	7	7

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

Reconciliation

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

Year ended 30 June 2011	Plant & Equipment \$'000	Total \$'000
Net carrying amount at start of year	26	26
Net Disposals	(10)	(10)
Depreciation expense	(9)	(9)
Net carrying amount at end of year	7	7

At 1 July 2009	Plant & Equipment \$'000	Total \$'000
Gross carrying amount	87	87
Accumulated depreciation	(47)	(47)
Net carrying amount	40	40

At 30 June 2010	Plant & Equipment \$'000	Total \$'000
Gross carrying amount	87	87
Accumulated depreciation	(61)	(61)
Net carrying amount	26	26

Reconciliation

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

Year ended 30 June 2010	Plant & Equipment \$'000	Total \$'000
Net carrying amount at start of year	40	40
Depreciation expense	(14)	(14)
Net carrying amount at end of year	26	26

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 9 - CURRENT LIABILITIES - BORROWINGS

	2011 \$'000	2010 \$'000
Bank overdraft at year end	26	-
	26	-

This overdraft is due to unpresented cheques at year end. Refer to note 6 for other cash investments in NSW Treasury Corporation.

NOTE 10 - CURRENT LIABILITIES - PAYABLES

	2011 \$'000	2010 \$'000
Accrued personnel services	45	35
Creditors	191	266
Accruals	122	38
Other	372	432
	730	771

Also refer to Note 15.

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

NOTE 11 - CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

	2011 \$'000	2010 \$'000
Personnel services and related on-costs		
Personnel services provision	314	297
On-costs	105	95
Aggregate personnel services and related on-costs	419	392
Provisions – current	416	389
Provisions – non current	3	3
	419	392

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 12 - NOTES TO THE STATEMENT OF CASH FLOWS

Cash

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

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

	2011	2010
	\$'000	\$'000
Cash and cash equivalents – Note 6	4,574	4,598
Less Overdraft - Note 9	(26)	-
Closing cash and cash equivalents (per Statement of cash flows)	4,548	4,598

Reconciliation of (deficit) for the year to net cash flows from operating activities.

	2011	2010
	\$'000	\$'000
(Deficit) / Surplus for the year	(6)	226
Depreciation	9	14
Net loss on sale of non-current assets	10	-
(Increase) / Decrease in receivables	(49)	446
(Decrease) / Increase in payables and provisions	(14)	106
Net cash flows from operating activities	(50)	792

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 13 - COMMITMENTS FOR EXPENDITURE

	2011 \$'000	2010 \$'000
(a) Operating lease commitments		
Aggregate operating lease commitments for office accommodation & motor vehicles. Contracted but not provided for at balance date, payable:		
Not later than one year	171	121
Later than one year and not later than 5 years	203	201
Later than 5 years	-	-
Total	374	322

The commitments above include GST of \$33,060 (2010: \$29,283), expected to be recoverable from the Australian Taxation Office.

	2011 \$'000	2010 \$'000
(b) Natural resources investment projects commitments		
Aggregate commitments under contract for projects to deliver agreed natural resource outcomes. Contracted but not provided for at balance date, payable:		
Not later than one year	821	2,396
Later than one year and not later than 5 years	14	11
Later than 5 years	-	-
Total	835	2,407

The commitments above include GST of \$75,862 (2010: \$218,776), expected to be recoverable from the Australian Taxation Office.

(d) Finance lease commitments

The Authority did not have any finance lease payable commitments at balance date. (2010: \$Nil)

NOTE 14 - CONTINGENT LIABILITIES/ASSETS

The Catchment Management Authorities are presently arbitrating with ServiceFirst over cost recovery of Information Communications and Technology ICT charges. Western CMA has included \$89,386 for IT charges for the 2010-11 accounts. These costs may vary as a result of the arbitration.

Apart from these matters the Authority is not aware of any other material contingent liabilities. There are no known contingent assets at balance date.

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

NOTE 15 - FINANCIAL INSTRUMENTS

The Authority's principal financial instruments are outlined below. These financial instruments arise directly from the Authority's operations or are required to finance the Authority's operations. The Authority does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Authority's main risks arising from financial instruments are outlined below, together with the Authority's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial statement.

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

a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2011	2010
			\$'000	\$'000
Cash and cash equivalents	6&9	N/A	4,548	4,598
Receivables ¹	7	Loans and receivables (at amortised cost)	42	20
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2011	2010
			\$'000	\$'000
Payables ²	10	Financial liabilities measured at amortised cost	730	771

Notes

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

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

b) Credit risk

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

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

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

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

(i) Cash and cash equivalents

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

(ii) Receivables - trade debtors

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

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2011: \$24,936 2010: \$14,584) and not less than 1 month past due (2011: \$1,650 2010: \$581) are not considered impaired and together these represent 84% of the total trade debtors (2010: 29%). Most of the Authority's debtors have a good credit rating. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The credit risk is the carrying amount (net of any allowance for impairment). The carrying amount approximates net fair value. Sales are made on 30 day terms. No interest is earned on trade debtors.

	Total ^{1,2} (\$'000)	Past due but not impaired (\$'000) ^{1,2}	Considered impaired (\$'000) ^{1,2}
2011			
< 3 months overdue	2	2	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	5	5	-
2010			
< 3 months overdue	-	-	-
3 months – 6 months overdue	36	-	36
> 6 months overdue	-	-	-

1. Each column in the table reports 'gross receivables'; 2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB7 and excludes receivables that are not past due and not 'impaired'. Therefore, the total will not reconcile to the receivables total recognised in the statement of financial position.

(iii) Other financial assets

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

Deposits at 30 June 2011 were earning an average interest rate of 4.75% (2010: 4.50%), while over the period the average interest rate was 5.37% (2010: 3.63%).

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

c) Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and expenditure.

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. The rate of interest applied during the year was Nil% (2010: Nil%).

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

2011	Weighted Average Effective Int. Rate	Nominal Amount	Interest Rate Exposure		Maturity Dates		
			Fixed Interest rate	Variable Interest rate	< 1 year	1-5 years	> 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables:							
Accrued salaries and wages	N/A	45	-	-	45	-	-
Creditors and accruals	N/A	685	-	-	685	-	-
		730	-	-	730	-	-
2010							
Payables:							
Accrued salaries and wages	N/A	35	-	-	35	-	-
Creditors and accruals	N/A	736	-	-	736	-	-
		771	-	-	771	-	-

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

d) Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at balance date. The analysis is performed on the same basis for 2010. The analysis assumes that all other variables remain constant.

e) Interest rate risk

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

	\$'000				
	Carrying amount	-1%		+1%	
		Profit	Equity	Profit	Equity
2011					
<i>Financial assets</i>					
Cash and cash equivalents	4,548	(45)	(45)	45	45
Receivables	42	-	-	-	-
<i>Financial liabilities</i>					
Payables	730	-	-	-	-
2010					
<i>Financial assets</i>					
Cash and cash equivalents	4,598	(46)	(46)	46	46
Receivables	20	-	-	-	-
<i>Financial liabilities</i>					
Payables	771	-	-	-	-

Financial Statements

Notes to and forming part of the financial statements for the year ended 30 June 2011

f) Other price risk

Exposure to 'other price risk' primarily arises through the investment in the TCorp Hour Glass Investment facilities, which are held for strategic rather than trading purposes. The Authority has no direct equity investments. The Authority holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment Horizon	2011	2010
			\$'000	\$'000
Cash Facility	Cash, Money market instruments	Up to 2 years	4,571	2,410

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

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

The Authority uses Level 2 hierarchy for the Hour Glass Investment Cash Facility as the prices are observable, however, no active market exists for the facilities as they are only accessible to government agencies. Investment in the Hour Glass facilities limits Authority's exposure to risk, as it allows diversification across a pool of funds, with different investment horizons and a mix of investments.

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

	Impact on profit/loss		
	Change in unit price	2011 \$'000	2010 \$'000
Hour Glass Investment Cash Facility	+1%	46	24
	-1%	(46)	(24)

g) Fair value

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

The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value, because of the short-term nature of many of the financial instruments.

NOTE 16 - AFTER BALANCE DATE EVENTS

There are no significant events subsequent to balance date.

End of audited financial statements

Appendices

Budgets

Recurrent funds have been approved for 2011-12 by NSW Treasury, with the total recurrent funds being equal to \$2,744,000. Current program funding is according to the 2011-12 Investment Program.

Consultants

There were no consultants engaged by Western CMA for the 2010-11 period.

Consumer Response

There were no official complaints received during the reporting period.

Credit Card Certification

Subject to meeting Departmental requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases. The Department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. The corporate card guidelines satisfy the requirements of the revised Treasurer's directions TD 205.01-205.08, which are based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditures are monitored for compliance with guidelines on a transaction basis and usage was considered to comply with best practice guidelines. No late payment fees were incurred because of corporate card usage.

Disability Plans

The Department of Primary Industries (DPI) is the host employer for CMAs. DPI's personnel policies and practices extend in coverage to all CMAs. These policies and practices include disability plans.

Equal Employment Opportunity (EEO)*

DPI's personnel policies extend in coverage to all CMAs. These policies and practices include EEO.

* The NSW Annual Reporting Regulations provide that small agencies with less than 200 fulltime equivalent officers need only report on a triennial basis.

Government Information (Public Access) Act 2009

The Western CMA has adopted and implemented all facets of the GIPA Act. Information and instructions are provided on the Western CMA website for the public to utilise, including a publications page which has been reviewed and approved by the Office of Information Commissioner. There were no requests for information made under the GIPA Act in 2010-11.

Human Resources

Staff Numbers

	June 2009	June 2010	June 2011
Permanent Staff	16	16	17
Temporary Staff	17	14	17
Total	33	30	35

Exceptional movement in wages, salaries or allowances

There were no exceptional movements in wages, salaries or allowances in the 2010-11 reporting period.

Personnel Policies and Practices

Employment operational guidelines and procedures

- Alcohol and drugs in the workplace
- District team leaders
- Code of conduct
- Loss of driver's licence
- Recruitment approvals reference table
- Recruitment approval – flowchart of process for CMAs

Leave management operational guidelines and procedures

- Recreation leave
- Excess time travelled
- Working outside core hours
- Leave in lieu
- Excessive recreation leave

Respectful workplaces operational guidelines and procedures

- Respectful workplace policy

Termination operational guidelines and procedures

- Exit procedures and template
- Employee termination checklist

Work and development operational guidelines and procedures

- Work and development system guidelines

Clothing (uniform) operational guidelines and procedures

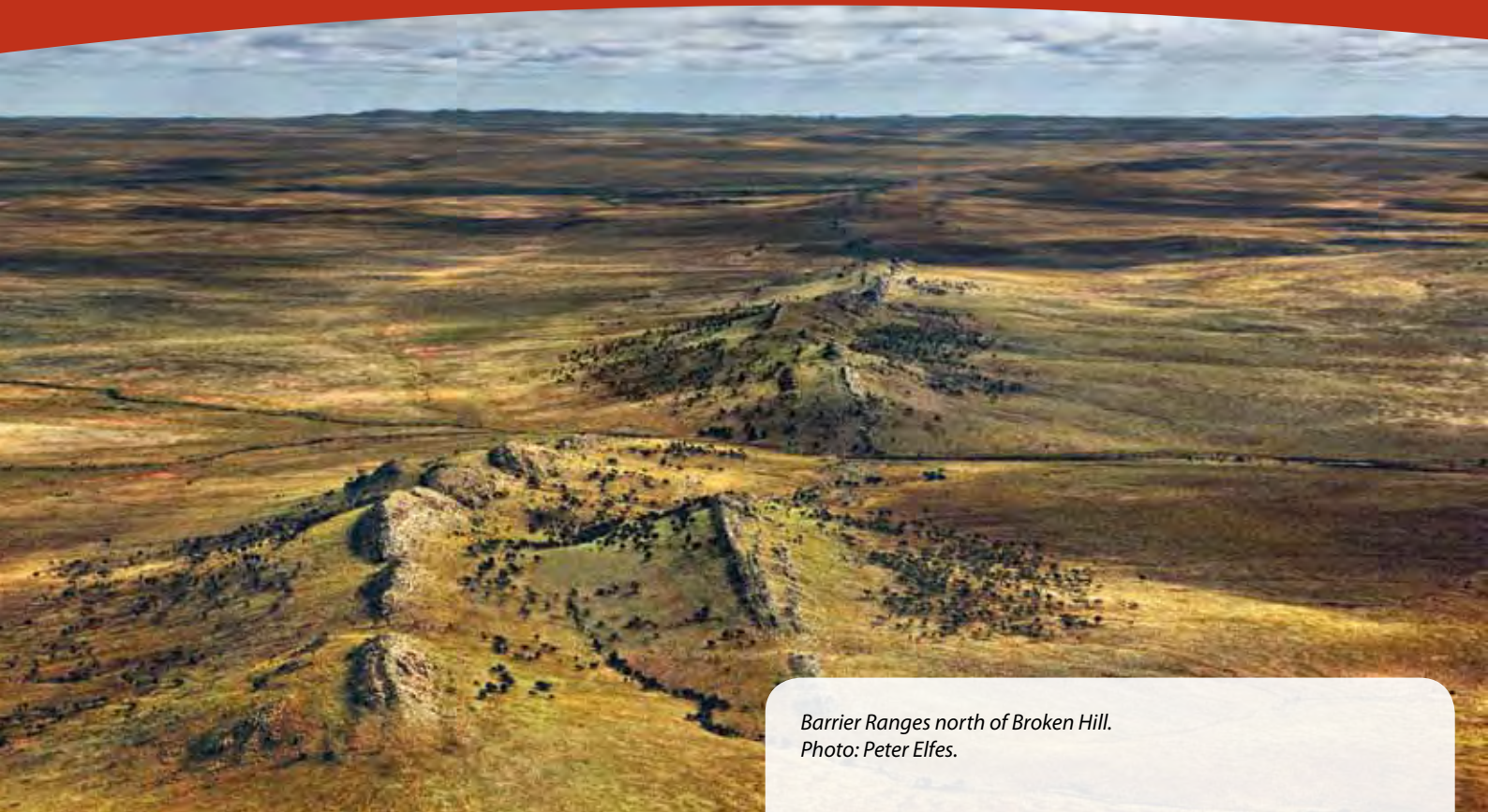
- Uniform supplied to new employees

Industrial Relations Policies and Practices

Employment operational guidelines and procedures

- Structural reform template No. 1 – general advice and HR contacts
- Structural reform template No. 2 - managing excess employees
- Identified and targeted positions policy

Appendices



*Barrier Ranges north of Broken Hill.
Photo: Peter Elfes.*

Internal Audit and Risk Management Attestation for 2010-11

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

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

<i>Ministerially Determined Departure</i>	<i>Reason for Departure and Description of Practicable Alternative Measures Implemented</i>
An Audit and Risk Committee has been established.	<p>All thirteen Catchment Management Authorities are covered by a comprehensive CMA Corporate Governance Manual, which has been prepared with the assistance of the Internal Audit Bureau. A copy of this Manual can be provided to Treasury upon request.</p> <p>The basis for this exception from the core requirements is two-fold. Firstly, Catchment Management Authorities operate as independent organisations governed by boards separate to the host department (formerly the Department of Environment, Climate Change and Water) now Department of Trade and Investment.</p>
The Audit and Risk Committee has an independent chair and a majority of independent members. The Audit and Risk Committee has at least three members, and no more than five members.	
The Audit and Risk Committee has a Charter consistent with the content of the 'model charter'.	
An enterprise risk management process that is appropriate to the department or statutory body has been established and maintained. The enterprise risk management process is consistent with the current Australian/New Zealand Standards (AS/NZS) on risk management.	

Appendices

<i>Ministerially Determined Departure</i>	<i>Reason for Departure and Description of Practicable Alternative Measures Implemented</i>
<p>The operation of the Internal Audit function is consistent with IIA International Standards for the Professional Practice of Internal Audit. In addition, the following requirements must be met:</p> <p>a) the Chief Audit Executive has implemented a risk based audit methodology for assessing and responding to audit findings, and this approach has been endorsed by the Audit and Risk Committee</p> <p>b) the Chief Audit Executive has ensured a risk rating has been provided on every audit finding and those audit findings considered by the Chief Audit Executive to be the most significant have been reviewed by the Audit and Risk Committee</p> <p>c) the Chief Audit Executive has recommended a course of action for every audit finding, and these actions have been referred to operational management for response</p> <p>d) the department head or governing board of the statutory body has ensured that operational management has prepared an 'agreed action plan' for every internal audit</p> <p>e) the department head or governing board of the statutory body has ensured that operational management has reported and tracked the implementation of 'agreed action plans' to both the Audit and Risk Committee and the department head or governing board of the statutory body to ensure all agreed actions are implemented within agreed timeframes.</p>	<p>The existence of independent audit committees reporting to statutory boards is an important feature of good corporate governance and we are seeking to maintain internal audit and risk committee arrangements independent of the host agency committee.</p> <p>Secondly, application of the new Policy would place a significant material financial burden on the CMA's operating budget.</p> <p>Based on the remuneration rates for independent Chairs under the prequalification scheme, and the minimum requirement for the number of independent Board members, the cost would be a minimum of \$12,000 plus additional \$1,200 in sitting fees for each day that the audit committee meets per CMA, or in excess of \$156,000 across all the CMAs.</p> <p>CMAs have sought exception from all or some of the core requirements by writing to the Portfolio Minister.</p>

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

During the financial year ending 30 June 2011, the CMA did not meet the core requirements of NSW Treasury *Internal Audit and Risk Management Policy for the NSW Public Sector – TPP 09-5* (implemented in Treasury Circular NSW TC 09/08). A submission was made seeking an exception from the Minister within the terms of this Policy. The portfolio Minister at the time indicated support for an exception from the core requirements of the Policy, but the Government entered caretaker mode before formal completion of the process."

In accordance with a resolution of the Governing Board of the Statutory Body.



Rory Treweeke
Chairman, Western Catchment Management Authority
Date: 14 October 2011

Statutory Body Contact Officer:
Ken Harrison
General Manager, Western CMA
02 6841 2740 or 0428 289204

Appendices



In February 2011 Lake Woytchugga filled for the first time in 10 years, assisted by an improved culvert erected by Central Darling Shire and funded by the Western CMA. Photo: Peter Elfes.

Investment Performance

Western CMA funds are invested with the Treasury Corporation. The hourglass cash facility had an average interest rate of 5.37%, outperforming the average interest rate benchmark (4.98%) by .39% for the reporting period 1 July 2010 to 30 June 2011.

The total with equivalents at 30 June 2011 \$4,570,932.72

Fair Value Sensitivity Data for Disclosures under Accounting Standard AASB7

	Sensitivity +/- 1% 2011	Sensitivity +/- 1% 2010
Hourglass cash facility	\$45,709.32	\$24,107.52

Legal Change / Legislation

In carrying out its role, Catchment Management Authorities operate under the following NSW Legislation:

- *Catchment Management Authorities Act 2003 No 104*
- *Public Finance and Audit Act 1983*
- *Public Finance and Audit Act Regulation 2000*
- *Public Sector Management Act 1988*
- *Annual Reports Act (Statutory Bodies) 1984*
- *Annual Reports (Statutory Bodies) Regulation 2000*
- *Native Vegetation Act 2003 No 103*
- *Native Vegetation Conservation Act 1997 No 133*
- *Soil Conservation Act 1938 No 10*
- *Threatened Species Conservation Act 1995*

Multicultural Policies and Services Program*

DPI is the host employer for the CMAs. DPI's personnel policies and practices extend in coverage to all CMAs. These policies and practices include multicultural policies and services plans and strategies.

* The NSW Annual Reporting Regulations provide that small agencies with less than 200 fulltime equivalent officers need only report on a triennial basis.

Occupational Health and Safety *

DPI is the host employer for the CMAs. DPI's personnel policies and practices extend in coverage to all CMAs. These policies and practices include occupational health and safety (OH&S) policies. The Board of the Western CMA adopted DPI's OH&S policies as listed on the intranet.

The Western CMA is overhauling its OH&S policies and procedures to more closely align with DPI's established processes, including the establishment of an OH&S committee and OH&S training.

OH&S Policies adopted by the board during the reporting period include:

- Alcohol and drugs in the workplace policy
- Injury management and workers' compensation policy and procedures

Western CMA recorded one incident during the 2010-11 reporting period involving a single vehicle rollover. An investigation was undertaken and changes made to operating procedures.

The Western CMA has provided each field officer with boots, hats and sunglasses to OH&S standards and provided satellite phones and EPIRBs to officers who work in remote locations.

* The NSW Annual Reporting Regulations provide that small agencies with less than 200 fulltime equivalent officers need only report on a triennial basis.

Appendices

Payment of Accounts

Quarterly Schedule of Accounts Payable - Aged analysis at the end of each quarter

Quarter	Current (ie within due date) \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$	More than 90 days overdue \$
September quarter	2,524	2,621	0	0	804
December quarter	20,196	12,149	0	0	0
March quarter	18,399	0	121	0	0
June quarter	172,948	17,678	325	0	0

Accounts paid on time within each quarter

Quarter	Total accounts paid on time			Total amount paid \$
	Target %	Actual %	\$	
September quarter	90	82	1,028,157	1,192,644
December quarter	90	85	381,356	543,782
March quarter	90	88	648,327	830,201
June quarter	90	85	1,431,637	1,998,360

Notes on above table:

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

Comments

Initiatives to improve payment performance include:

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

Performance and numbers of Executive Officers

General Manager:	Daryl Green
Date Appointed:	8 June 2004
Performance Review:	August 2009
Remuneration Package:	\$143,654

Privacy and Personal Information Protection Act 1998 (PPIPA)

In the 2010-11 reporting period, there were no requests for access to documents, no applications for an internal review and no complaints under the *Privacy and Personal Information Protection Act 1998*. As required under the Act, DPI has a Privacy Management Plan governing the collection, retention, accuracy, use and disclosure of personal information, including rights of access and correction.

Promotion

Western CMA's Operations Manager, Russell Grant along with two Western Catchment land managers attended the ninth International Rangeland Congress in Argentina to hear first hand the technological advances and research results in rangeland management at a cost of \$18,230.

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Research and Development

The Western CMA invests in research specifically in order to improve management and investment decisions. It is not typically a research body, nor does it fund basic research. Current research focuses on:

- Scoping what information already exists to ensure gaps in knowledge are identified
- Establishing the current status of issues within the Catchment
- Identifying and mapping areas of high priority for targeted management
- Developing best management practice guidelines.

During the reporting period, the Western CMA commissioned several evaluations into projects, as outlined below.

Evaluation Report on the CAP Capacity Building Program

The Western CMA CAP outlines a series of NRM targets to be achieved over the life of the plan covering themes such as:

- Land and vegetation
- Rivers and groundwater
- Biodiversity
- Community.

A significant portion of investment for the Western CMA CAP comes from the Australian Government's Caring for our Country Program (CFOC). The 2010-11 financial year was the second year of a four-year program funded under CFOC. This funding aims to contribute to specific CFOC priorities and targets related to improving the NRM knowledge and skills of land managers and community. These objectives are also consistent with the CMA's CAP. Two specific projects established by the Western CMA to contribute to CFOC targets were the focus of the evaluation:

- **Pasture to Pocket (P2P) project**
A series of regional workshops delivered by an external training provider focussing on grazing management for the retention of groundcover.
- **Training and Community Activities (TACA) project**
A targeted low investment and low risk incentives program for individuals or organisations that want to undertake NRM-related training, conduct an awareness raising event or purchase relevant resources specific related to CAP.

Evaluation of Weeds of National Significance Management Program

Western CMA commissioned an independent evaluation of the Weeds of National Significance (WONS) Management Program. The purpose of the evaluation was to fulfil the Monitoring, Evaluation, Reporting and Improvement (MERI) requirements of the CFOC project. The evaluation included three projects:

1. The management of mesquite within the Broken Hill district involved a combination of on-ground spraying of mesquite (using a contract sprayer across multiple properties), a landholder survey to establish mesquite extent, mapping of mesquite extent and treatment areas, and several capacity building activities, (including a field day and information sheets).
2. The management of athel pine in and around the township of Bourke. This involved on-ground treatment of individual stands of athel pine.
3. The management of parkinsonia in the vicinity of Mungindi. This involved a combination of on-ground treatment of parkinsonia and several capacity building activities (i.e. a field day and information sheet).

Evaluation of the Critical Aquatic Habitat Program for Invasive Species

An independent evaluation was commissioned into Western CMAs Critical Aquatic Habitat Program, which includes a range of projects in aquatic ecosystems of high ecological value, addressing threats that can feasibly be mitigated. Including the following five projects:

- Managing Hudson pear in the vicinity of the Narran Lakes system
- Managing feral pigs in the vicinity of the Narran Lakes system
- Awareness raised by land managers in identification and control of invasive weeds in the Brewarrina to Bourke reach of the Barwon-Darling River.
- Managing feral pigs in the vicinity of Brewarrina to Bourke reach of the Barwon-Darling River
- Riparian area managed for weeds in the Brewarrina to Bourke reach of the Barwon-Darling River.

Appendices



In 2011 the sixth annual Russel Harland Memorial Scholarship was awarded to Isobel Colson of Forest Reefs, near Orange, who is completing a Bachelor of Environmental Science (Honours) at Charles Sturt University, Thurgoona campus.

Risk Management and Insurance Activities

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

The Department of Finance and Services (ServiceFirst), organises insurance cover for CMAs during the reporting period. This involved CMAs participating in the NSW Treasury Managed Funds self-insurance scheme that provides workers compensation, legal liability, motor vehicles, property and miscellaneous cover. One of the conditions of this insurance coverage is a requirement to place a high priority on the implementation of sound risk management practices.

Time for Payment of Accounts

There was no penalty interest paid during the reporting period.

Waste

The Western CMA has implemented the Government's Waste Reduction and Purchasing Policy (WRAPP) including the following measures taken to:

Reduce generation of waste, by:

- encouraging staff to use electronic, rather than printed, documents where appropriate, thereby reducing paper and toner cartridge waste, in particular extensive use of email and web-based provision of information
- setting 'two-sided' as the default for all printed documents
- accurately estimating print-run requirements in document production
- displaying signage reminding staff to conserve water and electricity in appropriate locations, such as bathrooms and kitchens
- encouraging 'car-pooling' for transport to events, thereby reducing fuel use and wear and tear on vehicles
- recovering resources, through the recycling of toner cartridges rather than their replacement, and use recycled material.

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Glossary

ANZECC	Australian and New Zealand Environment Conservation Council
ARAG	Aboriginal Reference Advisory Group
ATSIC	Aboriginal and Torres Strait Islander Commission
CAP	Catchment Action Plan
CFOC	Caring for our Country
CMA	Catchment Management Authority
CMB	Catchment Management Board
DPI	Department of Primary Industry
EEO	Equal Employment Opportunity
INS	Invasive Native Scrub
NPWS	National Parks and Wildlife Service
NRC	Natural Resources Commission
NRM	Natural Resources Management
NVRIG	Native Vegetation Reform Implementation Group
OEH	Office of Environment and Heritage
OH&S	Occupational Health & Safety
PVP	Property Vegetation Plans
SAP	System Application Products
WRAPP	Waste Reduction and Purchasing Policy

Office contact details

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Core office hours for all offices are 8.30 am – 4.30 pm.



**Catchment Management
Authority**
Western



CARING
FOR
OUR
COUNTRY

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