



The Honourable Phil Koperberg, MP
Minister for Climate Change, Environment and Water
Level 25
59-61 Goulburn Street
SYDNEY NSW 2000

30 October 2007

Dear Minister,

We 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 2006 - 30 June 2007.

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 "R Treweeke".

Rory Treweeke
Chairperson, Western CMA

A handwritten signature in black ink, appearing to read "R M Hams".

Max Hams
Member, Western CMA

1. About This Document

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.

100 copies printed;
Production cost is \$3,196.60 (inc GST).
This report is available on the following website: www.western.cma.nsw.gov.au

Photo Acknowledgements

All images in this Report have been provided by the Western Catchment Management Authority.

2. Acronyms

AIP	Annual Implementation Program
ANZECC	Australia and New Zealand Environment Conservation Council
ARAG	Aboriginal Reference Advisory Group
CAP	Catchment Action Plan
CAR	Comprehensive, Adequate and Representative principles
CMA	Catchment Management Authority
CMB	Catchment Management Board
CSSP	Community Stream Sampling Program
DNR	Department of Natural Resources
DEC	Department of Environment and Conservation
DECC	Department of Environment and Climate Change
DPI	Department of Primary Industries
EBC	Enterprise Based Conservation
EC	Electrical Conductivity
ESA	Environmentally Significant Area
FOI	Freedom of Information
GAB	Great Artesian Basin
GABAG	Great Artesian Basin Advisory Group
GABCC	Great Artesian Basin Coordinating Committee
GIS	Geographic Information System
HCV	High Conservation Value
IS	Investment Strategy
JSC	Joint Steering Committee
MDBC	Murray Darling Basin Commission
MDBC CAC	Murray Darling Basin Commission – Community Advisory Committee
NAIDOC	National Aborigines and Islanders Day Observance Committee
NAP	National Action Plan for Salinity and Water Quality
NHT	Natural Heritage Trust
NLP	National Landcare Program
NRC	Natural Resources Commission
NSWVCA	New South Wales Vegetation Classification and Assessment
NVRIG	Native Vegetation Reform Implementation Group
OH&S	Occupational Health and Safety
PVP	Property Vegetation Plans
RLPB	Rural Lands Protection Board
SAP	System Application Products
TMF	Treasury Managed Funds
WCP	Western Catchment Plan
WRAPP	Waste Reduction And Purchasing Policy

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Executive Summary

4 Executive Summary



4.1 Establishment of Catchment Management Authorities

The NSW Government established 13 Catchment Management Authorities (CMAs) across the State in 2004 as part of broad natural resource management reforms. This new approach to natural resource management resulted from recommendations in October 2003 by the Native Vegetation Reform Implementation Group (NVRIG) chaired by the Right Honourable Ian Sinclair AC.

NVRIG was formed to identify the ways to improve the management of native vegetation in NSW. NVRIG considered the environmental, economic and social impact of current and previous land management policies and regulations. It then recommended a comprehensive suite of reforms to ensure a viable and sustainable State for current and future generations. The NSW Government welcomed the NVRIG report and used the recommendations as a basis for sweeping natural resource management reform in NSW.

The Authorities are established under the *Catchment Management Authorities Act 2003*, which came into force on 23 January 2004. CMAs cover the following areas of the State:

- Border Rivers-Gwydir;
- Central West;
- Hawkesbury-Nepean;
- Hunter-Central Rivers;
- Lachlan;
- Lower Murray Darling;
- Murray;

- Murrumbidgee;
- Namoi;
- Northern Rivers;
- Southern Rivers;
- Sydney Metropolitan; and
- Western.

CMAs are statutory authorities, with responsible and accountable Boards that report directly to the Minister for Climate Change, Environment and Water. Each CMA Board consists of a Chairperson and up to six Board Members with all appointments being skill and merit based.

While CMAs are an initiative of the NSW Government to manage natural resources they build on work previously undertaken by the Catchment Management Boards (CMBs) and Regional Vegetation Committees. They have integrated the Catchment Blueprints developed by the CMBs and endorsed by the NSW and Commonwealth Governments, into the approved Catchment Action Plans (CAP).

4.2 The Western Catchment

The Western Catchment is the largest in NSW, covering 230,000km² or 29 per cent of the State, with a population of approximately 18,000. 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.

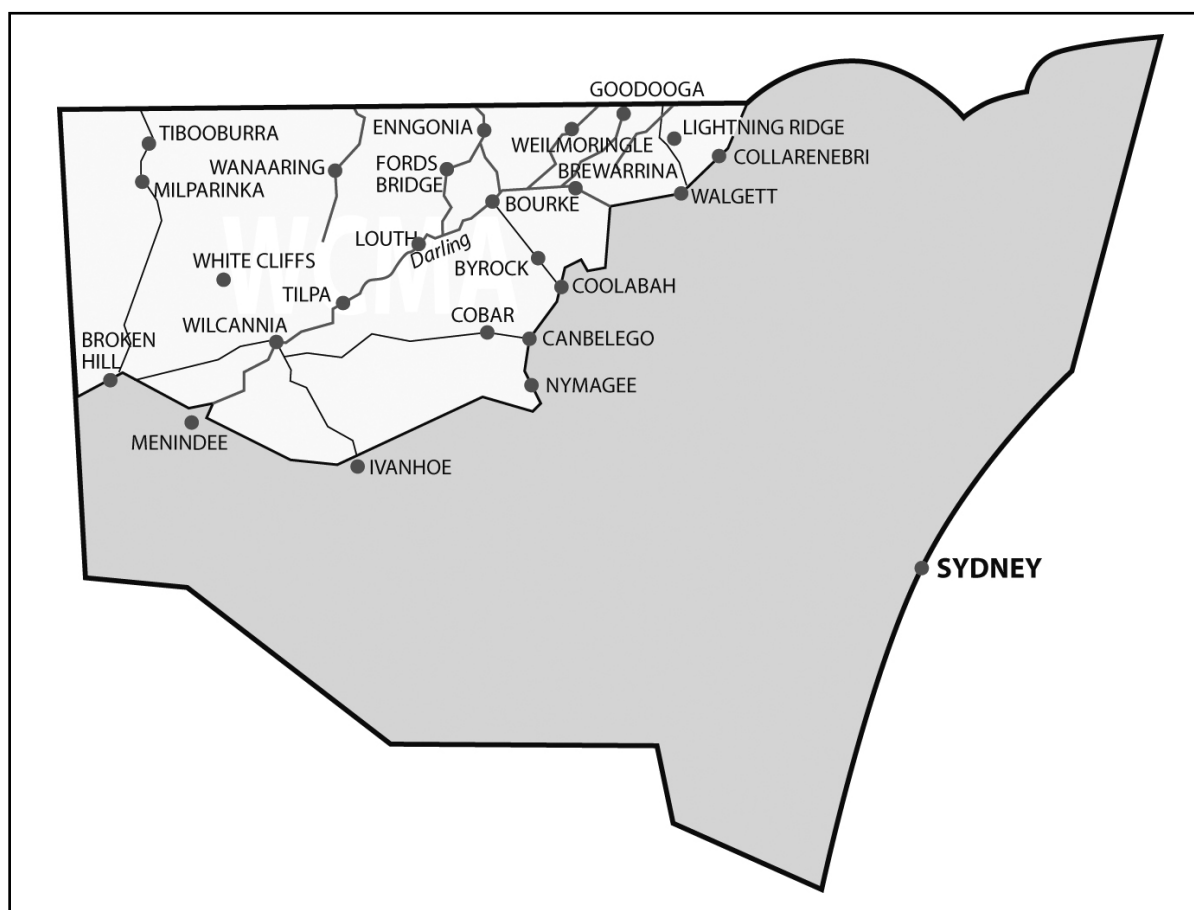
Bourke, Brewarrina, Cobar, Lightning Ridge, Walgett and Broken Hill are the major service centres (with the latter two located just outside

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 often with poor soil 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, native vegetation includes open woodlands, timbered areas, chenopod shrub lands and native pastures. Managing invasive native scrub is a major challenge. Although native vegetation, it is symptomatic of a landscape out of balance. It out-competes native pasture and results 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 watertable vastly exceeds the volume of fresh surface water resources. The Great Artesian Basin (GAB) underlies much of the northern part of the Western Catchment area.



4.3 The Role of the Catchment Management Authorities

Catchment Management Authorities were established to engage regional communities in the key natural resource management issues facing their catchments. They are the primary vehicle for the delivery of incentive programs funded by both the State and Australian Governments to achieve restoration and improvements in the natural resources of the State.

The specific functions of CMAs as described in section 15 of the *Catchment Management Authorities Act 2003* are:

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

More broadly the responsibilities of the CMAs can be described as:

Plans:

- integration of existing catchment, water, native vegetation and other natural resource management plans into a Catchment Action Plan (CAP);

- manage community involvement in preparation of water sharing and groundwater plans; and
- linkage of Catchment Action Plans with Local Environmental Planning activities of Local Government to produce compatible outcomes.

On-ground works:

- on-ground works – e.g. river rehabilitation, native vegetation management, salinity programs and projects; and
- Section 10 projects *Soil Conservation Act 1938*.

Community education and support:

- provision of advice and support to stakeholders and community;
- Aboriginal consultation on CAPs, natural resource programs and investment strategies;
- provision of community education and capacity building; and
- technical advice on vegetation and habitat management, soil and land management, riparian management and other natural resource management issues.

Investment:

- implementation of:
 - CAPs;
 - development of investment strategies;
 - native vegetation management fund;
 - approved National Action Plan for Salinity and Water Quality (NAP) and Natural Heritage Trust 2 (NHT2) programs;
 - Section 10 programs *Soil Conservation Act 1938*; and
- delivery of incentives through Property Vegetation Plans (PVPs) and other mechanisms.

Property Vegetation Plans/ vegetation agreements:

- certify PVPs for establishing continuing uses and delivery of incentive payments; and
- assessment of all vegetation agreements under the *Native Vegetation Act 2003* including PVPs for land clearing agreements.

Corporate Support

During 2006-07 the CMAs corporate support services (including financial management, human resources, accommodation, legal services, information technology and fleet management) were provided by the Department of Natural Resources (DNR) and are now provided by the Department of Environment and Climate Change (DECC) and Department of Commerce Corporate Shared Services under Service Level Agreements. Service Level Agreements signed off under Department of Natural Resources are now in the process of being re-negotiated with DECC and Department of Commerce.

The Vision

The Western CMA has evaluated the existing Vision Statement developed by the preceding Catchment Management Board and considers it still relevant to the current Western Catchment Plan.

To this effect, the vision remains:

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

4.4 Office Contact Details

Principal Office

Cobar

62 Marshall Street
PO Box 307, Cobar NSW 2835
Phone: 02 6836 1575
Fax: 02 6836 2988

Freecall no: 1800 032 101

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

Other offices

Bourke

21 Mitchell Street
PO Box 342, Bourke NSW 2840
Phone: 02 6872 2144
Fax: 02 6872 2993

Walgett

89 Wee Waa Street
PO Box 248, Walgett NSW 2832
Phone: 02 6828 0110
Fax: 02 6828 1741

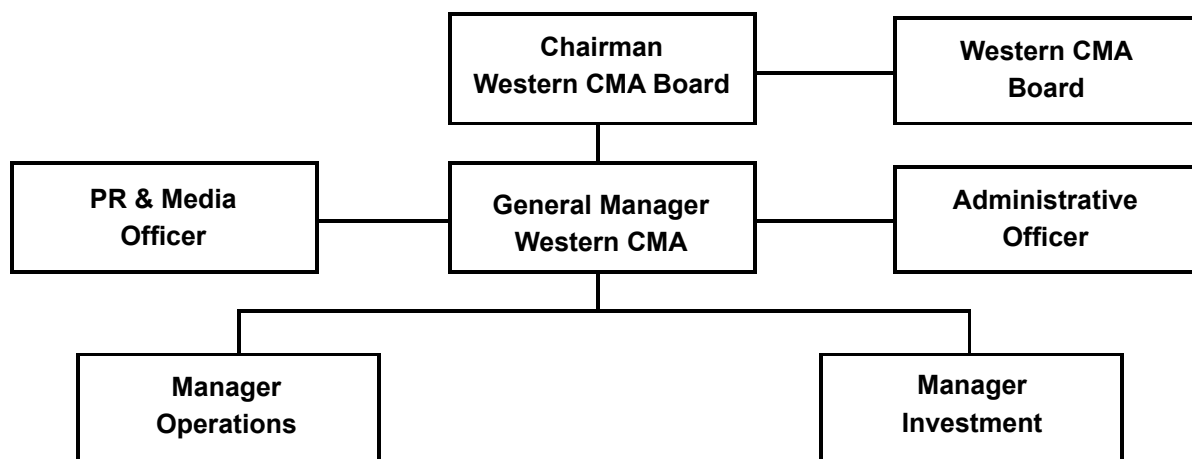
Broken Hill

32 Sulphide Street
PO Box 692, Broken Hill NSW 2880
Phone: 08 8082 5200
Fax: 08 8087 2314

Dubbo

45 Wingewarra Street
PO Box 1840, Dubbo NSW 2830
Phone: 02 6883 3000
Fax: 02 6883 3099

4.5 Management Structure



Gundabooka National Park.



Strategic Planning

5. Strategic Planning

5.1 Board Members

The Western CMA is run by a management board, made up of six Western Catchment residents, all of whom have extensive experience in natural resource management. The Chairperson is Rory Treweek and the board members are Max Hams, Sam Jeffries, Justin McClure, Jenny McLellan and Andrew Mosely.

In October 2007, Max and Jenny will retire from the Western CMA Board. Both Jenny and Max have been involved in natural resource management in the Western Catchment for many years and their dedication and commitment has been greatly appreciated. At June 2007, applications for their replacements were being assessed.

Rory Treweek, Chair

Rory lives with his wife, Joan, on their station near Lightning Ridge in north western NSW. Rory has been Chair of the Western CMA since February 2004. Rory



has a Bachelor of Laws (LLB) and was the Independent Chair of the Barwon-Darling River Management Committee, NSW representative on the Community Reference Group for the Condamine-Balonne Water Resource Plan and a member of WEST 2000 Plus Board of Management.

Max Hams

Max has been a board member since 1989 when the board was formerly known as the Western Catchment Management Committee. Max and his wife,



Judith, live and work on their property near Broken Hill. Together, they are interested in all aspects of natural resource management but particularly invasive scrub control and have successfully ripped approximately 20,000 rabbit warrens on their property. Max is the Chair of the Broken Hill Rural Lands Protection Board.

Sam Jeffries

Sam is a member of the Moorawarri Aboriginal people and lives in Brewarrina. Sam has been a member of the Murdi Paaki Regional Council for 15 years



and has been the Chair for the past nine years. He has been elected Chair of the Murdi Paaki Regional Assembly. He is the Deputy Chair of the Indigenous Land Corporation, a Panel Member of the Aboriginal Trust Fund Repayment Scheme, and has been the Chair of the Barwon-Darling Alliance for the past eight years.

Justin McClure

Justin lives and works on his 60,000 hectare grazing property near Tilpa with his wife, Julie, and their children. Justin and Julie pursue a



dynamic lifestyle combining their grazing property operations with their passion for tourism. Justin and Julie's 'Kallara Station' hosts the Coolabah Lodge and Fishermen's Lodge as well as camping and caravan sites.

Jenny McLellan

Jenny lives on her pastoral and dryland agriculture station near Brewarrina and regularly travels the



State representing the far west. Jenny was previously Chair of the Western Catchment Management Committee and Western Catchment Management Board, past President of the Western Division Group of Shires Association, member of NSW Shires Executive, member of the Murray Darling Basin Community Advisory Council, Barwon-Darling River Management Committee, member of WEST 2000 and WEST 2000 Plus and past National President, Isolated Children's Parents Association. In addition to her role on the Western CMA Board, Jenny is the Chair of the Western Lands Advisory Council and Councillor on the Brewarrina Shire Council. In 2002, The Year of the Outback, Jenny received an Order of a Member of Australia (AM) for services to Local Government, natural resource management and community services to rural and remote people across Australia.

Andrew Mosely

Andrew 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, boer goats, cattle and cropping. Andrew has a Bachelor in Science majoring in Wool & Pastoral Science, from the University of NSW. Andrew was runner-up in the NSW Young Farmer of the Year Award in 2004. Megan holds a Certificate and Diploma in Agriculture with Merit from Tocal Agricultural College and was runner-up in the NSW Rural Women's Award in 2003.

5.2 Update on Catchment Action Plan

The Western CMA finalised the development of its Catchment Action Plan throughout 2006-07.

In June 2006, a revised Plan was submitted to the Natural Resources Commission (NRC) for review after several modifications had been made to the Plan following earlier recommendations from the NRC. The Plan was then forwarded to the Minister for approval.

The Catchment Action Plan was approved by the Minister. However, approval was dependent on the commitment of the Western CMA to deal with several conditions, which were based on recommendations from the NRC to the Minister. The conditions focused on the Western CMA giving particular attention to improving its business systems, knowledge management processes, collaboration protocols, risk management, monitoring and evaluation and priority setting

frameworks. The Western CMA will submit a report to the NRC on a six-monthly basis to outline the progress it has made against each of these actions.

The approved Catchment Plan is expected to go to print before the end of 2007. Future

decisions regarding the timing for revising the existing Catchment Plan will be made by the NRC, and will be dependent on the progress of implementation by each CMA. It is unlikely that the Minister will request a revised Plan prior to June 2009.

5.3 Update on Catchment Management Strategies

Summary of Incoming Natural Resource Funding

Activity	Source of Funds	Amount 05/06
2003-04 Investment Strategy: Incentives Program	NAP	\$500
2003-04 Investment Strategy: Aquatic Habitat Improvement	NAP	\$400,000
2003-04 Investment Strategy: Monitoring and Evaluation	NAP	\$50,000
2003-04 Investment Strategy: Wetlands identified and protected	NAP	\$46,000
2003-04 Investment Strategy: Riparian zone management	NAP	\$97,000
2003-04 Investment Strategy: Research coordination and development	NAP/NHT	\$10,000
2003-04 Investment Strategy: Cap and Pipe the Bores	NAP	\$35,000
NHT Regional Competitive: Enterprise Based Conservation	NHT	\$181,000
NHT Regional Competitive: The Next Steps. Land management options after capping and piping the bores	NHT	\$200,000
Interim Priority Project: Biodiversity conservation framework	NHT	\$22,500
Western Regional Facilitators 202006-08	NAP	\$53,550
National Landcare Program 2005-06	NLP	\$200,000
National Landcare Program: Landcare Coordinator	NLP	\$48,250
2004-07 Investment Strategy: Landscape Management	NAP/NHT/SSP	\$1,266,218
2004-07 Investment Strategy: Pests	NAP/NHT/SSP	\$359,218
2004-07 Investment Strategy: Ground Water Management	NAP	\$143,073

Note: Major expenditure has been made from periodically received investment strategy funds held by the Western CMA. In late June 2007 the Western CMA also received quarantined funds of \$5,369,000 for expenditure in 2007-08.

Investment Strategy

The Western CMA has continued to roll out programs pursuant to the 2004-07 Investment Strategy (IS), as approved by the Joint Steering Committee (JSC) in early 2005. The successive Investment Strategy is the 2006-08 IS (with the first year overlapping the last year of the 2004-07 IS). It has recently been approved by the Joint Steering Committee. However, the contract with the Western CMA is yet to be signed.

Programs identified within the 2006-08 Investment Strategy will continue to increase the effort on existing activities identified in the previous IS and in doing so the Western CMA will continue to make progress towards achieving Catchment Plan Targets.

The Western CMA provided an indicative budget to the Australian Government for the 2008-09 IS based on the previous year's funding averages. However, negotiations with CMAs for program funding will not take place until the future funding structure has been confirmed within the Australian Government.

Annual Implementation Program

An Annual Implementation Program (AIP) for the period July 2007 to June 2008 was completed by the Western CMA in April 2007. However, due to an unexpected budget cap being placed on the Western CMA by NSW Treasury the AIP was reviewed and re-submitted for approval. The AIP details all works anticipated to be undertaken in the 12 month period, the funding sources and matching contributions from State Government agencies.



'Bird on a Wire' by Sheree Bamforth, Cobar. Winner, Open Black and White section of the 2006 Life and Light of the Western Catchment photographic competition.

5.4 Summary of Funds Granted

Summary of Funds Granted to Non Government Bodies

2003-04 Investment Strategy: Projects

Research coordination and development	Contractor (1)	Training/Education/ Sponsorship/ Research	\$19,904
Water quality and salinity	Contractor (1)	Training/Education/ Sponsorship/ Research	\$69,750
Sustainable grazing best management practice	Landholder (1)	On-Ground Works	\$14,508
Wetlands identified and protected	Contractor (1)	Training/Education/ Sponsorship/ Research	\$87,491
Aquatic habitat improvement	Community Group (1)	Training/Education/ Sponsorship/ Research	\$3,000
Riparian zone management	Contractor (2)	Training/Education/ Sponsorship/ Research	\$71,181

2004-07 Investment Strategy: Incentives Program

Sustainable Agriculture	Landholder (18)	On-Ground Works	\$255,137
	Contractors (1)	Training/Education/ Sponsorship/ Research	\$49,000
	Community Group (1)	On-Ground Works	\$13,447
Native Pasture	Landholders (73)	On-Ground Works	\$1,666,556
	Community Group (3)	On-Ground Works	\$191,918
	Contractor (1)	Training/Education/ Sponsorship/ Research	\$7,144
	Education/ School/ University (1)	Training/Education/ Sponsorship/ Research	\$5,000
Pests	Landholders (23)	On-Ground Works	\$513,994
	Community Groups (4)	On-Ground Works	\$200,556
	Education/ School/ University (1)	On-Ground Works	\$6,650
Aquatic Habitat	Landholder (27)	On-Ground Works	\$657,319
Water Quality	Landholders (15)	On-Ground Works	\$490,022
High Value Ecological Communities	Landholders (1)	On-Ground Works	\$42,794

2004-07 Investment Strategy: Projects

Community Education and Support	Education/School/ University (3)	On-Ground Works	\$5,966
	Education/School/ University (2)	Training/Education/ Sponsorship/ Research	\$7,500
	Community Group (1)	Training/Education/ Sponsorship/ Research	\$2,400
Monitoring and Evaluation	Contractors (1)	Training/Education/ Sponsorship/ Research	\$5,000
Aquatic Habitat	Contractors (1)	Training/Education/ Sponsorship/ Research	\$57,500
	Education/School/ University (3)	Training/Education/ Sponsorship/ Research	\$298,500

Interim Priority Projects

Location and significance of saline inflows in the Barwon Darling	Contractors (1)	Training/Education/ Sponsorship/ Research	\$24,717
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NHT Regional Competitive Projects

The Next Steps: Land management options after capping & piping the bores	Contractors (1)	Training/Education/ Sponsorship/ Research	\$28,690
	Education/School/ University (1)	Training/Education/ Sponsorship/ Research	\$28,860

National Landcare Program

2003-04 Projects	Contractors (1)	Training/Education/ Sponsorship/ Research	\$20,000
	Landholders (3)	On-Ground Works	\$20,931
2004-05 Projects	Community Group (1)	Training/Education/ Sponsorship/ Research	\$10,000
	Community Groups (3)	On-Ground Works	\$35,876
2005-06 Projects	Community Groups (3)	On-Ground Works	\$72,964
	Landholder (10)	On-Ground Works	\$90,260

Summary of Funds Granted to Government Bodies

2003-04 Investment Strategy: Projects

High conservation value areas	Dept. of Environment and Conservation/Dept. of Environment and Climate Change	Training/Education/ Sponsorship/ Research	\$10,000
Cap and Pipe the Bores	Dept. of Natural Resources	On-Ground Works	\$70,000
Sustainable farming best management practice	Dept. of Primary Industries	Training/Education/ Sponsorship/ Research	\$86,250
Aquatic habitat improvement	Dept. of Primary Industries	On-Ground Works	\$439,091
	Central Darling Shire Council	On-Ground Works	\$2,500

2004-07 Investment Strategy: Incentives Program

Pests	Castlereagh Macquarie County Council	On-Ground Works	\$54,000
High Value Ecological Communities	Walgett Shire Council	On-Ground Works	\$667

2004-07 Investment Strategy: Projects

Community Education and Support	Central Darling Shire Council	On-Ground Works	\$1,000
Sustainable Agriculture	Dept. of Primary Industries	Training/Education/ Sponsorship/ Research	\$90,000
Aquatic Habitat	Dept. of Primary Industries	On-Ground Works	\$80,000
Ground Water Management	Dept. of Natural Resources	On-Ground Works	\$64,974

Interim Priority Projects

Developing a framework for biodiversity conservation	Dept. of Environment and Conservation/Dept. of Environment and Climate Change	Training/Education/ Sponsorship/ Research	\$90,000
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On-ground Works

6. On-ground Works



6.1 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 Catchment Management Authority's Management 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 per cent).

Management Targets

- Sustainable Agriculture Management practice carried out by 50 per cent 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 per

cent of relevant monitoring sites by 2016.

- Salinity in the Barwon-Darling at Wilcannia less than 800EC for 80 per cent of the time as measured on a daily basis and less than 350EC for 50 per cent of the time by the year 2016.

Management Targets

- Habitat improvement actions implemented on 20 per cent 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 per cent of the time at key town use sites by 2016.
- Water Sharing Plans implemented for all priority rivers and streams by 2010.
- 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 per cent of the area will be managed for conservation within 10 years of Catchment Plan approval and 25 per cent within 25 years of Catchment Plan approval.

Management Targets

- Ecological communities of high conservation value (including those

associated with 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 Indigenous 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.

Incentives Program

\$2.02 million was allocated to 52 land managers through the Western CMA's 2006 incentive program. A further \$5.3 million was allocated in the 2007 incentive program.

The funding went towards projects which meet the CMA's six natural resource management targets: sustainable agriculture; riverine habitat; pest management; high value ecological communities; native pasture recovery; and water quality.

The Western CMA continues to improve its application and assessment processes to ensure the best projects are funded.

As well as improving natural resources, the incentives program injects much needed cash into communities affected by prolonged drought.



Photo by Annette Turner 2005.

6.2 On-ground Works Undertaken To Achieve Catchment Management Targets

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

The Western Catchment Management Authority's on-ground works are:

Land and Vegetation

Sustainable Grazing Best Management Practice

This project will establish a framework for pastoralists to align their grazing management systems with current best management principles. The development of formal industry accreditation is problematic due to the diverse nature of rangeland grazing enterprises. Progress towards best practice will be achieved through the delivery of grazing management training and the development of a series of fact sheets defining key management principles. On-ground works and training that progress sustainable grazing practices will be given a high priority for incentive funding from the Western CMA.

Current Status (as at 1 July 2007):

A tender for the development of a series of fact sheets documenting best practice rangeland grazing principles has been advertised. A series of two-day grazing management workshops to be delivered at seven locations within the Catchment are scheduled for September-October 2007.

Total Project Budget: \$175,000

Sustainable Farming Best Management Practice

This project will develop best management guidelines for sustainable farming in the Western Catchment. Landholders meeting these guidelines will be given priority for incentive funds to implement on-ground work or to reach accreditation.

Current Status (as at 1 July 2007):

The Department of Primary Industries has been contracted to benchmark the impact of cropping history and practices, on soil physical and chemical properties in order to assist with the development of cropping Best Management Principles for the Catchment.

Total Project Budget: \$235,000

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 and the rehabilitation of perennial pastures. This project will re-establish land rehabilitation skills within the Catchment, providing access to specialised equipment and an advisory service.

Current Status (as at 1 July 2007):

A rangeland rehabilitation officer has been recruited to this project. Difficulties in the acquisition of specialist survey equipment have delayed the commencement of field projects and it is anticipated that on-ground works will commence in November 2007.

Total Project Budget: \$160,000

Sustainable Agriculture

Management Target

Sustainable agriculture management practice carried out by 50 per cent of landholders by 2016.

\$68,900 was committed to seven applicants to encourage sustainable agriculture. In addition to training courses undertaken by local landholders, two seeding machines have been converted to direct drill, resulting in 2,720 hectares of cropping land converted to no-till agriculture.

Case study – Training for Barrier Range landholders

Work Undertaken

David Tongway taught Landscape Function Analysis to 15 Barrier Range landholders.

Training provides a tool to

- help people better manage their land;
- assess land health;
- collect data on landscape changes;
- examine soil condition, the basis for plant growth;
- assess the outcomes of their actions; and
- prioritise future action.



David Tongway instructing members of the Barrier Area Rangecare Group.

Native Pasture Recovery

Management Target

Maintain or rehabilitate one million hectares of native pasture vegetation communities by 2016.

In 2006-07 \$1.1 million was committed to 20 applicants for native pasture recovery. Land managers will use fencing, trapyards, saltbush plantings and other strategies to encourage native pasture on a total of 1,725km², which is roughly the same area as the Paroo-Darling National Park.

Case Study - Bohda Aboriginal Pastoral Company

Work Undertaken

Members of the Bohda Aboriginal Pastoral Company have planted 300,000 Old Man

Saltbush seedlings to rehabilitate scalded country over 1,070 hectares. They hosted a field day to inform people of their progress in September 2006.

Benefits

- reintroducing native species;
- rehabilitating scalded country by increasing groundcover;
- minimising further erosion from wind and water runoff;
- establishing other groundcover species;
- cultivating plants with high drought tolerance; and
- boosting productivity of grazing stock.

The Field Day

- attracted 40 people;
- reviewed the planting program; and
- provided a tour of the planting, including the 38,000 seedlings planted by hand.



Rex Skuthorpe, Bohda Aboriginal Pastoral Company.

Water Quality

Management Target

Water Quality and salinity levels meeting ANZECC drinking water and recreational use criteria for greater than 95 per cent of the time at key town use sites by 2016.

\$272,400 was committed to ten applicants to undertake works to improve water quality, including the protection of 6,635 hectares of wetlands.

Case study – Fencing the Narran

Work Undertaken

Doug Caley of Bangate Station near Lightning Ridge is fencing 13km of the Narran River.

Benefits

- protecting 800 hectares of riverbank vegetation;
- creating a vegetation corridor 100-300 metres wide;
- controlling stock movement around the river;
- encouraging groundcover;
- reducing soil erosion;
- reducing silting in the river;
- increasing soil stability;
- improving soil health; and
- improving water quality.

Other works

Control of Tiger Pear weed on 60 hectares of the property.



The Next Steps Post Cap & Pipe The Bores Project

Capping a Great Artesian Basin (GAB) bore and piping of bore drains is a major shift in natural resource management for a landholder. This period of high change is an opportunity for the land manager to adjust management techniques and property infrastructure to deliver business goals and natural resource management objectives. This project works closely with landholders to facilitate and provide options in making this natural resource management shift. Property planning, technical advice and incentive support for management changes are integral parts of the project.

The second facet of the project is to develop guidelines to assist landholders in mound spring management. Mound springs are high value ecological communities and often require protection.

This is an integrated project covering the themes of Land and Vegetation, Rivers and Groundwater, and Biodiversity.

Current Status (as at 1 July 2007):

The Next Steps Project has facilitated the development of a strong working relationship between the Cap & Pipe Team and Western CMA staff. Three Cap & Pipe Groups have undertaken intensive property planning activities in this period. As a result of the interactions of Western CMA staff and Cap & Pipe Team members, property planning will be an ongoing key-stone activity in the Cap & Pipe process.

The Next Steps Project provided grazing management training for 19 staff from the Cap & Pipe Team and Western CMA staff. This training gave staff exposure to possible future livestock production systems and demonstrated the link between water infrastructure, grazing management strategies and land condition. The future demands on cape & pipe systems are now a greater consideration in system design specifications.

The Great Artesian Basin Coordinating Committee and the Next Steps project have collaborated to increase awareness of the Great Artesian Basin and artesian springs by developing a DVD on a wide range of aspects of the Great Artesian Basin. Filming was undertaken in three states and the DVD is expected to be released in late 2007.

Artesian spring research has continued with experimental design and preliminary surveys being undertaken. This study will quantify the nature and significance of vegetation remaining on artesian springs and quantify the impact of excluding grazing from artesian springs. This knowledge will be used to develop appropriate management strategies which balance production with the Aboriginal cultural significance and the environmental values of the sites.

Total Project Budget: \$750,000

Feral Pig Control in Brewarrina, Bourke and Walgett

Developed from direct consultation with a range of stakeholders including Rural Lands Protection Boards, the Department of Primary Industries, the Department of Environment and Conservation and landholder/community input, this project is implementing a three stage process of feral pig control. All works will be carried out on a strategic basis within the Walgett, Brewarrina and Bourke RLPB areas and will involve aerial shooting, trapping and baiting feral pigs in priority sites as well as extensive monitoring by landholders over a 10 year period.

Current Status (as at July 2007):

The contract has been let, the steering committee has met three times, baits and traps are being distributed and the first aerial shoot has been scheduled.

Total Project Budget \$250,000

Pest Management

Management Target

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.

\$330,800 was committed to 12 land managers for pest management. Works to control feral goats, pigs and rabbits will be undertaken on an area of 25,000km², which is double the size of all National Parks, Nature Reserves, Historic Sites and Aboriginal Areas in the Western Division combined.

Case Study - Hudson Pear Taskforce

Work Undertaken

The Hudson Pear Taskforce is spraying Hudson Pear infestations over 60,000 hectares and undertaking a public awareness campaign.

The Taskforce represents:

- local landholders;
- Castlereagh Macquarie County Council;
- Walgett Shire Council;

- Grawin-Glengarry Sheepyards Miners' Association;
- Lightning Ridge Miners' Association;
- Walgett RLPB;
- National Parks and Wildlife Service;
- Department of Primary Industries;
- NSW Farmers Association;
- Department of Lands;
- Department of Environment and Climate Change; and
- Western CMA.

Benefits

- stopping the spread of the noxious weed;
- protecting the floodplain from infestation following flooding;
- reducing injuries to wildlife and stock caused by its spines;
- allowing native vegetation to regenerate; and
- encouraging the variety of plant and animal life in the Catchment.

Investment

\$260,000



Gary Davies of the Grawin-Glengarry Sheepyards Miners' Association and Daryl Green of the Western CMA inspect treated Hudson Pear.

Broadscale Projects

The Western CMA has undertaken broad-scale projects that are beyond the scope of individuals and are essential for the health of the Catchment. This has involved coordinating activities with other CMAs, government agencies, local government and other organisations.

Case study – Brewarrina to Bourke River Reach Project

The Western CMA contracted the Department of Primary Industries to develop a 'demonstration reach' between Brewarrina and Bourke.

A demonstration reach is a section of the river which requires on-ground works to improve native fish habitat. Once completed the rehabilitation and protection works will demonstrate what is required to ensure the long-term sustainability of native fish stocks in freshwater rivers.

Work Undertaken

- a comprehensive survey of river condition to identify priority areas for the rehabilitation component of the project;
- fishtagging program commenced to gather baseline data for future comparisons; and
- consultants commissioned to design a fishway for Bourke Weir.

Benefits

- a valuable educational tool;
- a tangible example of what can be achieved;
- improving water quality;
- improving riverbank soil stability;
- improving riverbank vegetation; and
- encouraging native fish stocks.



Darling River at Bourke.

Rivers and Groundwater

Aquatic Habitat - Demonstration Reach from Brewarrina to Bourke

Over \$2 million will be spent in three years in a joint initiative between the Western Catchment Management Authority and the Department of Primary Industries (DPI) 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 fish ladder installation, resnagging, discouraging carp populations, improving feed sources and increased riverbank stability.

Current Status (as at 1 July 2007):

The DPI has progressed this project through a range of activities. The mapping of snags through the river reach has been completed to identify priority sites for resnagging and sources of appropriate timber have been located. Future monitoring requirements have been addressed through the establishment of a fish tagging program to assess the future response of fish populations to the rehabilitation works and riparian condition has been assessed at 22 sites. A riparian management incentive program has been launched, but uptake by landholders has been relatively slow. Plans are underway to showcase river rehabilitation techniques on the river adjacent to the Back of Bourke Centre including resnagging and bank revegetation.

Unfortunately the original rock ramp fishway proposal for the downstream side of the Brewarrina Weir has been abandoned due to concerns about the potential risk for cultural values from construction works. A complete redesign was necessary and is now underway.

A consultant has been engaged to assess and design options for a fishway at the Bourke Weir.

Total Project Budget: \$2.5 million

Aquatic Habitat – Wilcannia River Rehabilitation Project

The Western CMA has initiated planning for riverine rehabilitation works in the reaches of the Darling River in the vicinity of Wilcannia. In this area, the river environs remain in fairly good condition and there are good opportunities to engage the community in rehabilitation activities.

Current Status (as at 1 July 2007):

In December 2006, a community consultative meeting identified high priority actions for the river at Wilcannia. Firstly, there was unanimous support for the reinstatement of rockbars originally cleared by the paddle-steamer industry in the nineteenth century. The meeting also identified as priorities an investigation of options for monitoring, education, native vegetation regeneration, native fish habitat restoration and fish restocking. Since then, Western CMA staff have progressed the design and approvals process for the reinstatement of 10-Mile Point Rocks, a major rockbar south of Wilcannia. The DPI Aquatic Habitat Unit has been engaged to undertake an assessment of 60 km of the river channel environs to identify priority riverine habitat restoration tasks.

Current Project Budget: \$27,500

Accelerate Cap and Pipe the Bores

This project will assist landholders in the Western Catchment who have Great Artesian Basin bores and/or bore drains on their property to form groups and use the Cap and Pipe the Bores Program funding to save water and improve property infrastructure.

Current Status (as at 1 July 2007):

The budget for this project is being delivered through specific incentives that will be distributed through the existing Cap and Pipe the Bores Committee for on-going improvements to Great Artesian Basin bores. The extra incentives are to be used to

increase the implementation of capping and piping in the Western sections of the Great Artesian Basin.

Total Project Budget: approx. \$1 million

Identifying The Location and Significance Of Saline (Salt) Flows

As the Barwon-Darling River travels through the Western Catchment it crosses groundwater flows that may have high salt content. This project is designed to identify these areas and quantify the level of salt flowing into the river system. From this project, options can be developed and examined to treat or minimise the high salt flows impacting on the river's water quality.

Current Status (as at 1 July 2007):

The Department of Natural Resources was unable to proceed with this project. To take advantage of the prolonged cessation of flow in the river due to dry conditions, digital aerial photography was acquired over its length within the Catchment. Residual waterholes identified by this photography are likely sites of saline water ingress and these have been sampled and tested for salinity. A report is being prepared.

Total Project Budget: \$38,400

Stock Watering Points

This project promotes the use of alternative stock watering points away from river areas to enhance the riparian vegetation community. Alternative stock watering points alone, without fencing, can significantly decrease stock use of the riverine area, and in turn, improve riparian vegetation condition.

Current Status (as at 1 July 2007):

The project is complete. A handbook, "Management of stock and waterways in the Western Catchment", which details off-stream watering system design considerations has

been published. The ability to host field days has been hampered by drought conditions at demonstration sites.

Total Project Budget: \$352,600

Community Stream Sampling Program

The Community Stream Sampling Program (CSSP) seeks to improve community understanding of the major river systems: the Darling, Culgoa, Birrie, Warrego and Paroo Rivers and their tributaries within the Western Catchment. It operates through awareness raising and community monitoring activities along local waterways. CSSP is the only monitoring program in the region actively engaging a broad sector of the community in water quality and catchment health issues. One full-time staff member and other staff support and coordinate the CSSP in the Western CMA region. Program activities are funded by the Bureau of Rural Sciences.

Current Status (as at 1 July 2007):

While the CSSP has been successful in recruiting sites for community stream sampling, the absence of river flow has been an obstacle to the implementation of monitoring. Flows were recorded in the northern-most reaches late in the period which permitted some sampling to occur. The program participated successfully in several community events including "Clean Up Australia Day" at Wilcannia and "My Bokhara Day" at Goodooga.

A signage program focusing on water quality issues at key sites along the Barwon-Darling River is under development. It is envisaged that the signage will comprise a trail extending from Mungindi to Wilcannia presenting issues at key locations along the river. This will be implemented in early 2008.

Total Project Budget: \$40,000

Broadscale Projects

The Western CMA has undertaken broad-scale projects that are beyond the scope of individuals and are essential for the health of the Catchment. This has involved coordinating activities with other CMAs, government agencies, local government and other organisations.

Case study – Aerial mapping of the Darling

Work Undertaken

The Western CMA took advantage of drought conditions to undertake an aerial photographic survey of the Darling River to provide information about river features usually hidden by water.

The Photographs

- cover 1,500 river kilometres;
- show objects as small as 25cm;
- are assigned their corresponding GPS coordinate;
- cover an area of 1.6km x 1.2km;
- are computer stitched to form a seamless photographic record;

- map features that impact on water quality and salinity;
- map natural inflows, major waterholes and snags;
- enable the CMA to better manage salinity;
- indicate which areas have adequate fish protection; and
- identify which areas need to be protected and improved.

Once in a lifetime opportunity

- the Darling was this dry back in the early 1890s'
- scores of paddleboats were trapped'
- the Jane Eliza was stranded for 2.5 years between Louth and Tilpa'
- it holds the record for the longest and shortest journey between Wentworth and Bourke'
- it took three years to travel from Wentworth to Bourke' and
- once the drought broke, it took three weeks to return!

Investment

\$30,000



Darling River, Wilcannia area.

Environmentally Significant Areas

Management Target

Ecological communities of high conservation values (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.

The Western CMA offered \$405,000 to landholders interested in actively managing them for conservation. The funding round generated considerable interest throughout the Catchment and at June 2007 the Western CMA was assessing applications.

Environmentally Significant Areas

- include uncommon vegetation;
- include uncommon landscapes;
- include mound springs;

- include wetlands;
- include river corridors;
- are rare and irreplaceable;
- need to be well-managed; and
- are eligible for funding if managed for conservation.

Benefits

- maintaining or enhancing the area's natural values;
- protecting rare and irreplaceable areas;
- increasing biodiversity;
- increasing the diversity of habitats;
- improving soil health;
- improving water quality; and
- controlling feral animals.

Investment

\$405,000



Wetlands improve water quality downstream and increase the health of connected ecosystems.

Biodiversity

High Conservation Value Areas

The Western CMA contracted the Department of Environment and Climate Change to identify high conservation value areas in the Western Catchment. The final product will be a description and map of the targeted zones. Identification will be conducted via community consultation, review of literature and compilation of existing knowledge. The project will also deliver management options for the specific areas and an incentive mechanism to engage land managers in the protection of these valuable areas.

Current Status (as at 1 July 2007):

Work is underway on this project with completion expected in late 2007. This project will deliver identified areas of high conservation value. In addition, a targeted incentive round has been conducted within the Catchment and negotiations are underway with landholders to deliver on-ground works with some projects already underway.

Total Project Budget: \$620,000

Conservation Land-use Agreements

This project establishes a framework for a land manager to enter into a voluntary conservation agreement with the Western CMA.

Management criteria will be developed, along with an appropriate cost sharing mechanism to address various situations. The framework will be developed with the community to identify which on-ground works are most effective and landholders needs in order to manage an area for conservation in conjunction with production enterprises.

Current Status (as at 1 July 2007):

A variation request has been submitted to the Joint Steering Committee to enable project funds to be incorporated into the ongoing Enterprise Based Conservation Scheme.

Total Project Budget: \$87,000

Develop Conservation Industry

This project focuses on turning conservation into a viable economic enterprise and alternate landuse for landholders in the Western Catchment. An economic framework will be developed where landholders receive a reasonable return for managing land for conservation. The actual rates of return and requirements for management will be determined by this project.

Current Status (as at 1 July 2007):

Expressions of interest in developing a financial model for funding conservation land use have been sought through national advertising. Responses are being evaluated by the project steering committee.

Total Project Budget: \$68,000

Enterprise Based Conservation in the Western Division Rangelands

This project provides the resources to implement the model developed under the Develop Conservation Industry project. It provides the incentive and administration to deliver enterprise based conservation into the rangelands of Australia. It provides a financial outcome for landholders to manage land for specific conservation goals as a viable alternative to traditional grazing enterprises.

Current Status (as at 1 July 2007):

Fourteen proposals were submitted by landholders through an expression of interest process in early 2007. Following their assessment, contracts are being prepared to fund six of the nine eligible projects. The successful projects will result in the exclusion of grazing by domestic stock and management of 47,300 hectares for conservation outcomes for 15 years.

Total Project Budget: \$2.3 million (over Western Division of NSW)

Riverine Habitat Improvement

Management Target

Habitat improvement actions implemented on 20 per cent of identified priority areas of stream, floodplain, wetland and riparian areas by 2016.

\$239,200 was awarded to seven applicants for riverine habitat improvements. 59 off-river watering points have been installed to stop stock accessing waterways and 170km of waterway has been fenced: equivalent to the distance by road between Mungindi and Walgett, or between Sydney and Newcastle.

Case study – Tarrion Creek Rehabilitation

Work Undertaken

Mac George and his family, of Tarrion Station near Brewarrina, have fenced eight km of the

Tarrion Creek and installed five off-river stock watering points. Added to 7.5km of existing fencing, the Creek is now entirely fenced and stock completely excluded.

Benefits

- protecting 460 ha of riverbank vegetation;
- excluding stock from the creek;
- encouraging native vegetation;
- reducing total grazing pressure;
- reducing soil erosion;
- reducing silting in the river;
- increasing soil stability and health; and
- improving water quality.

Other works

- control of Bathurst and Noogoora Burr and African Boxthorn; and
- control of feral animals.



Mac and June George with their granddaughters, Sarah and Holly McDonell.

Community Education

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.

Work Undertaken

The Western CMA attended 23 public events during the 2006-07 year, providing natural resource management information to more than 1,000 people.



Western CMA staffer, Leah Arnold, addresses Cobar students.

Events included

- "My Bokhara River" Day, Goodooga community;
- Bourke Show;
- Brewarrina Show;
- Broken Hill Ag Fair;
- Broken Hill Schools Expo;
- Cobar Show;
- Cobar RLPB Field Day;
- Dohne Day, Glenhope Station, Cobar;
- Hungerford Field Day;
- Kilfera Field Day, Ivanhoe;
- Local Government Shires Association Water Forum, Broken Hill;
- Mitchell Grass Field Day, Fairlands Station, Walgett;
- PVP Demonstration – Tindarey Station, Cobar;
- PVP Demonstration – Landsdowne Station, Louth;
- Saltbush Field Day, Willoring Station, Goodooga;
- Sponsored three landholders' attendance at Australian Rangelands Society Conference;
- St. John's Catholic School Bazaar, Cobar;
- Walgett Show;
- Wanaaring Wild Goat Muster;
- Western Division Group of the Shires Association Annual Conference;
- Western Division Council of NSW Farmers meetings and Annual Conference;
- YAAMA Festival, Bourke; and
- Young Farmers Forum, Broken Hill.

Cultural Heritage

Management Target

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.

Work Undertaken

The Western Catchment Aboriginal Reference Advisory Group (ARAG) was formed in September 2006.

The Group

- consists of 19 members representing the majority of Aboriginal language groups and communities with large Aboriginal populations;
- was formed as the Western CMA is committed to ensuring that decisions affecting the long-term sustainability of the environment are compatible with Aboriginal culture and values;
- provide valuable advice to the Board of the Western CMA; and
- formally coordinate the input of Aboriginal communities into natural resource management planning activities in the Western Catchment.



Western Catchment ARAG members at their Tibooburra meeting. Back: Norman Hall, Bill Riley, Ben Flick, Roger Hartnett, Guy Gibbs. Front: Max Williams, Alma Bates-Hannah, Bonnie Blair.

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 1 July 2007):

The Western CMA Aboriginal Reference Advisory Group (ARAG) was established in September 2006. The ARAG advises the Western CMA Board on how to ensure that decisions affecting the long-term sustainability of the environment are compatible with Aboriginal cultural values. The Reference Group includes Aboriginal representation from 12 communities within the Catchment: Lightning Ridge, Walgett, Brewarrina, Goodooga, Bourke, Cobar, Tibooburra, Weilmoringle, Broken Hill, Wilcannia, Enngonia, and Collarenebri.

Representatives were nominated following an extensive media and awareness campaign and each is endorsed by their local Aboriginal Lands Council. Four meetings were held in the reporting period. The Group provides ongoing input and guidance into relevant areas of the Western CMA Catchment Action Plan and Investment Strategy.

The Group has established Terms of Reference and a Memorandum of Understanding with the Western CMA. They have provided Aboriginal cultural and heritage input into major Western CMA projects, including reviewing draft reports for Wetlands and Riparian projects.

Total Project Budget: \$270,000

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 1 July 2007):

Ongoing. 7.5 staff members have been employed.

Total Project Budget: \$1.3 million

Research Coordination and Development

This project aims to direct future research within the Catchment in terms of meeting the knowledge needs of the community and the Board to progress natural resource management in line with the Western Catchment Plan. Due to the integrated nature of the Western Catchment Plan, research requirements need to be targeted against Catchment and Management Targets whilst satisfying social, economic, cultural and environmental dimensions.

Current Status (as at 1 July 2007):

Actions required in this sub-project are to develop an integrated adaptive research framework and identify research needs for the Western Catchment. A workshop was held in August 2006, where landholders, scientists and Aboriginal community representatives were invited to identify their ideas on what research and knowledge products need to be developed. A number of research ideas were nominated. However, the main message from the workshop was that the Western CMA needs to conduct a knowledge needs analysis before embarking on research.

The Western CMA management team will form a sub-committee made up of members from the Research & Knowledge Workshop held in August 2006. This sub-committee will develop an integrated adaptive research framework and identify research needs for the Western Catchment using the data collected by the Information Products Officer and from the Research & Knowledge Workshop.

Total Project Budget: \$20,000

Native Vegetation Management

CMA's are responsible for the administration of 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 provided native vegetation management advice and developed Property Vegetation Plans (PVPs) with landholders.

In 2006-07 the Western CMA produced 20 PVPs covering a total area of over 450,000 hectares.

The PVPs enable invasive native scrub to be managed and therefore encourage native vegetation, maintain a balanced landscape and protect the variety of plant and animal life in the rangelands in an area that is equivalent to the size of New York City, and larger than the Paroo-Darling National Park.

In 2006-07, Western CMA staff provided major input into the review of the Environmental Outcomes Assessment Methodology for invasive native scrub. The CMA staff also played an important role in implementing the recommended changes. The implementation of the changes has better enabled management of invasive native scrub for the maintenance and rehabilitation of native perennial grasses.

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.



Invasive native scrub leads to bare and eroded soil and reduced biodiversity.

Investing In People

One way that the Western CMA invests in the future of the Catchment is The Russel Harland Memorial Scholarship.

It is awarded each year to a university student who displays strong personal, community and educational commitment to rural or regional areas and particularly the Western Catchment.

The scholarship is named in memory of Russel Harland, a stalwart of natural resources management in the Western Catchment, who passed away suddenly at the age of 44 in November 2002.



Case study – Russel Harland Memorial Scholarship

The 2007 Russel Harland Memorial Scholarship was awarded to Jenny Sandow, who is completing a Bachelor of Environmental Studies at Adelaide University.

Jenny and her family live on Pimpara Lake Station near Milparinka (200km north of Broken Hill).

Jenny displays a strong personal and professional commitment to natural resource management. She is looking forward to investing what she has learnt at university into her local community and the larger Western District.

Now in the second year of her degree, she enjoys returning home during holidays to help out on the property and is particularly interested in soil health and water supply management.

Jennifer will receive \$5,000 per year for the final two years of her three-year degree. She will complete at least four weeks paid work for the Western CMA in 2007.

Once she has completed her studies, she will work with the Western CMA for at least one year, at a location to be negotiated.

Information Products for Sustainable Land Management

This project aims to provide high quality information projects to aid the education and support of the Western Catchment community. Information products will be produced by Western CMA staff and supplied by commercial companies.

Current Status (as at 1 July 2007):

An Information Products Officer has been employed and is currently working through each of the Western CMA district offices, collecting and recording key information on all printed material in each office. The database will then be used as baseline data for new or existing research for the Western Catchment. All information collated through this project will be reconfigured to be used as a web-based resource. A consultant has been engaged to deliver this outcome.

Total Project Budget: \$ 116,800

Monitoring and Evaluation

This project is developing a Monitoring, Evaluation and Reporting Plan for the Western CMA. It will ensure that a framework is in place to monitor the appropriateness, efficiency and effectiveness both at the Catchment Plan scale and at the projects level.

Current Status (as at 1 July 2007):

A draft Monitoring and Evaluation Plan has been developed for the Western CMA and will be finalised prior to June 2008.



Brian Paggett of Winrae Station near Barrington, with Western CMA staffer, Greg Mills.



Financial Statements

7. Financial Statements

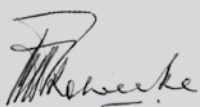
STATEMENT BY BOARD MEMBERS

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

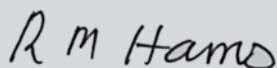
Pursuant to the Public Finance and Audit Act, 1983, we declare that in our opinion:

- a. The accompanying financial report exhibits a true and fair view of the financial position of the Western Catchment Management Authority as at 30 June 2007, and transactions for the year ended.
- b. The report has been prepared in accordance with:
 - Applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
 - Other Authoritative pronouncements of the Australia Accounting Standards Board; and
 - The requirements of the Public Finance and Audit Act, 1983 and Regulation 2005.
- c. There are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.

For and on behalf of the Board



Mr Rory Treweek
Chairman



Mr Max Hams
Board Member

Dated: 18th October 2007



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 report of the Western Catchment Management Authority (the Authority), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expense, and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Authority as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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 they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- 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 are not compromised in their role by the possibility of losing clients or income.

A handwritten signature in black ink, reading "M T Spriggins". The signature is written in a cursive, flowing style.

M T Spriggins
Director, Financial Audit Services

24 October 2007
SYDNEY

Western Catchment Management Authority

Start of audited financial report

Income Statement for the year ended 30 June 2007

	NOTE	2007 \$'000	2006 \$'000
Revenue			
Revenue	2	11,390	10,538
Other Income	3	687	559
Total Revenue		12,077	11,097
Expenses			
Personnel Services expenses	4	2,732	2,139
Other operating expenses	4	1,871	1,529
Depreciation	4	8	6
Grants & subsidies	4	6,182	1,594
Total Expenses		10,793	5,268
SURPLUS FOR THE YEAR		1,284	5,829

The accompanying notes form part of this financial report.

Western Catchment Management Authority

Statement of recognised Income and Expense for the year ended 30 June 2007

	NOTE	2007 \$'000	2006 \$'000
Income and Expense Recognised Directly in Equity		-	-
Surplus for the year	10	1,284	5,829
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR		1,284	5,829

The accompanying notes form part of this financial report.

Western Catchment Management Authority

BALANCE SHEET as at 30 June 2007

	NOTE	2007 \$'000	2006 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	12,010	9,181
Receivables	6	634	190
Total Current Assets		12,644	9,371
Non-Current Assets			
Plant and equipment	7	25	29
Total Non-Current Assets		25	29
Total Assets		12,669	9,400
LIABILITIES			
Current Liabilities			
Payables	8	2,249	386
Provisions	9	330	237
Total Current Liabilities		2,579	623
Non-Current Liabilities			
Provisions	9	29	-
Total Non-Current Liabilities		29	-
Total Liabilities		2,608	623
Net Assets		10,061	8,777
EQUITY			
Retained Surplus	10	10,061	8,777
Total Equity		10,061	8,777

The accompanying notes form part of this financial report.

Western Catchment Management Authority

Cash Flow Statement for the year ended 30 June 2007

	NOTE	2007 \$'000	2006 \$'000
Cash Flows from Operating Activities			
Receipts from customers & Government (including GST)		11,757	10,896
Payments to suppliers (including GST)		(2,598)	(4,105)
		9,159	6,791
Grants and subsidies paid		(6,801)	(1,594)
Interest received		475	449
Net Cash Flows from Operating Activities	11	2,833	5,646
Cash Flows from Investing Activities			
Purchase of property, plant & equipment		(10)	(20)
Proceeds from sale of plant and equipment		6	-
Net Cash Flows from Investing Activities		(4)	(20)
Net Increase in Cash and Cash Equivalents		2,829	5,626
Opening cash and cash equivalents		9,181	3,555
Closing Cash and Cash Equivalents	5	12,010	9,181

The accompanying notes form part of this financial report.

Western Catchment Management Authority

Notes to and forming part of the financial report for the year ended 30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) 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:

- (i) to establish authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels,
- (ii) to provide for proper natural resource planning at a catchment level,
- (iii) to ensure that decisions about natural resources take into account appropriate catchment issues,
- (iv) 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,
- (v) to involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise,
- (vi) to ensure the proper management of natural resources in the social, economic and environmental interests of the State,
- (vii) to apply sound scientific knowledge to achieve a fully functioning and productive landscape, and
- (viii) to provide a framework for financial assistance and incentives to landholders in connection with natural resource management.

The Authority is a Statutory Body and separate reporting entity. There are no other entities under its control.

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

This financial report has been authorised for issue by the Board of the Authority on 18th October 2007.

(b) Basis of Preparation

The Authority's financial report is a general purpose financial report which has been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian equivalents to International Reporting Standards (AIFRS)),
- other Authoritative pronouncements of the Australian Accounting Standards Board, and
- the requirements of the Public Finance and Audit Act 1983 and Regulation 2005.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimates made by management are disclosed in the relevant notes to the financial statements.

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

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

(c) Expenditure on restoration of accommodation leases

Expenditure to return leased accommodation to their original condition has not been included as it is immaterial to the operating results.

(d) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income 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*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

(e) Personnel Services

(i) Personnel Services

Personnel Services liabilities in respect to salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

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.

(ii) Long service leave and Defined Benefit Superannuation

The Authority has no liability for long service leave and defined benefit superannuation as personnel services are acquired from the Department of Environment and Climate Change (for the period 27 April 2007 to 30 June 2007) and previously the Department of Natural Resources (for the period 29 August 2005 to 26 April 2007) and previously the Department of Infrastructure, Planning and Natural Resources (for the period 1 July 2005 to 28 August 2005). The liability of these items has been assumed by the Crown Entity.

(f) Insurance

The Authority's insurance activities are conducted through the NSW Treasury Managed Fund (TMF) Scheme of self-insurance for government agencies. The expense (premium) is determined by the fund manager based on past experience.

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

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

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

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

(h) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by 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 during the year, 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.

(i) 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.

(j) 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 assets fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

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

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

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

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net assets accounts

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

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.

(k) 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.

(l) 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. Land is not a depreciable asset.

Depreciation rates used, on a straight line basis, are

Buildings	3%
Motor vehicles	15%
Plant & equipment	
Computer equipment	25%
Others	12%

(m) Maintenance

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

(n) 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 Operating Statement when impaired, derecognised or through the amortisation process.

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

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

(o) Comparative Information

Comparative figures have had minor changes made to them due to a change in the categorisation of operating expenses and revenue.

(p) Other assets

Other assets are recognised on a cost basis.

(q) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts, including interest. 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.

(r) Assistance provided by other organisations free of charge

The maintenance of the Authority's accounting record and provision of corporate services was provided by the Department of Natural Resources (until 26th April 2007) and is currently provided by the Department of Environment and Climate Change free of charge. In addition other organisations, including community groups, provide in kind assistance free of charge. It is not possible to estimate the fair value of services received free of charge.

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

2. REVENUE

	2007 \$'000	2006 \$'000
Contributions received from:		
Joint State/Commonwealth Contributions (i)	8,481	7,085
Operating grant funding	2,477	2,449
Other contributions	394	1,004
Catchment contributions (ii)	38	-
	11,390	10,538

- (i) The Department of Environment and Climate Change was established by Administrative Order on 27 April 2007. Prior to that date the contributions were received from the Department of Natural Resources.

3. OTHER INCOME

Interest	475	448
Gain (loss) on disposal for consideration of property, plant & equipment	2	-
Other	210	111
	687	559

4. EXPENSES

Personnel Services expenses		
Salaries & wages (including recreation leave)	2,306	1,870
Staff on-costs	426	269
	2,732	2,139
Other operating expenses		
Auditors remuneration (i)	8	6
Board Member's remuneration (ii)	150	149
Board Member's and Committees costs	22	7
Consultancy Fees	215	39
Contractors	50	57
Fees for services	379	384
Insurance	10	13
Accommodation and related expenses	221	206
Stores, Materials and Minor Equipment	215	223
Plant/Vehicle expenses	263	188
Travel	175	145
Other	163	112
	1,871	1,529
Depreciation	8	6
Grants and subsidies	6,182	1,594
Total	10,793	5,268

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

- (i) Audit fee to The Audit Office of New South Wales for audit of the financial statements.
The auditors received no other benefits.
- (ii) Board members received no other benefits.

5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2007 \$'000	2006 \$'000
Current Assets – Cash & Cash Equivalents		
Cash at bank and on hand	2,880	1,822
NSW Treasury Corporation – HourGlass Cash Facility	9,130	7,359
Bank term deposits	-	-
	12,010	9,181

Included in the cash and cash equivalents is \$8.223 million (2006 - \$7.653 million) which is a Restricted Asset. These funds are required to be spent to achieve specific natural resource outcomes under funding agreements and arrangements.

6. CURRENT ASSETS - RECEIVABLES

Accounts receivable	456	102
Goods & Services Tax recoverable	172	14
Accrued income	1	50
Other amounts receivable	5	24
	634	190

Debts written off during the period amounted to nil.

7. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Plant & Equipment \$'000	Total \$'000
At 1 July 2006		
Gross carrying amount	47	47
Accumulated depreciation and impairment	(18)	(18)
Net carrying amount	29	29
At 30 June 2007		
Gross carrying amount	44	44
Accumulated depreciation and impairment	(19)	(19)
Net carrying amount	25	25

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

Reconciliation

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

Year ended 30 June 2007	Plant & Equipment \$'000	Total \$'000
Net carrying amount at start of year	29	29
Additions	10	10
Disposals	(6)	(6)
Depreciation expense	(8)	(8)
Net carrying amount at end of year	25	25

Year ended 30 June 2006	Plant & Equipment \$'000	Total \$'000
Net carrying amount at start of year	15	15
Additions	20	20
Disposals	-	-
Depreciation expense	(6)	(6)
Net carrying amount at end of year	29	29

8. CURRENT LIABILITIES - PAYABLES

	2007 \$'000	2006 \$'000
Accrued Personnel Services	7	7
Creditors	440	80
Accruals	112	287
Other	1,690	12
	2,249	386

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

9. CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

	2007 \$'000	2006 \$'000
Personnel Services and related on-costs		
Personnel services provision	303	236
On-costs	56	1
Aggregate personnel services and related on-costs	<u>359</u>	<u>237</u>
Provisions – current	357	237
Provisions – non-current	2	-
	<u>359</u>	<u>237</u>

Included in Provisions – current is \$nil (2006 - \$0.100 million) expected to be payable later than 12 months.

10. CHANGES IN EQUITY

	Retained Surplus		Total equity	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Balance at the beginning of the financial year	8,777	2,948	8,777	2,948
Surplus for the year	1,284	5,829	1,284	5,829
Balance at the end of the financial year	<u>10,061</u>	<u>8,777</u>	<u>10,103</u>	<u>8,777</u>

11. NOTE TO CASH FLOW STATEMENT

Cash

For the purpose of the Cash Flow Statement, cash includes cash on hand and cash at bank. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the Balance Sheet in Note 5.

Reconciliation of surplus for the year to net cash flows from operating activities

	2007 \$'000	2006 \$'000
Surplus for the year	1,284	5,829
Depreciation	8	6
Net (loss) / gain on sale of non-current assets	2	(28)
(Increase) / decrease in receivables	(466)	(17)
Increase / (decrease) in payables and provisions	2,005	(144)
Net cash flows from Operating Activities	<u>2,833</u>	<u>5,646</u>

Notes to and forming part of the financial report
for the year ended 30 June 2007

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

13. CONTINGENT ASSETS

The Authority has commitments to receive funding from the NSW and Commonwealth Governments subject to the achievement of natural Resource milestones.

	2007 \$'000	2006 \$'000
Funding contracted but not provided for at balance date, receivable:		
Not later than one year	13,079	8,218
Later than one year and not later than 5 years	-	8,010
Later than 5 years		
	13,079	16,228

14. CONTINGENT LIABILITIES

The Authority is not aware of any material contingent liability (2006: nil).

15. FINANCIAL INSTRUMENTS

The Authority's principal financial instruments are outlined below. These arise directly from the Authority's operations or are required to finance these operations. The Authority does not enter into or trade financial instruments for speculative purposes nor does it use financial derivatives. Classes of instruments are recorded at cost and are carried at net fair value.

(a) Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate adjusted for a management fee to Treasury.

The Authority has funds in TCorp's Hour-Glass Investment facilities. The Authority's investments are represented by a number of units in managed investment within the facilities. Each facility has different investment horizons and comprises a mix of asset classes appropriate to the investment horizon. Tcorp appoints and monitors fund managers and establishes and monitors the application of appropriate investment guidelines. All funds are held in the Cash Facility.

These investments are generally able to be redeemed with up to five business days notice (dependent upon the facility). The value of the investments held can decrease as well as increase depending upon market conditions. The value of the investments represents the Authority's share of the underlying assets of the facility and is stated at net fair value.

(b) Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, 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. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on receivables. The carrying amount approximates net fair value.

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

(c) Bank overdraft

The Authority does not have any bank overdraft facility.

(d) Trade creditors and accruals

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. No interest payments were awarded during the year (nil in 2006). The carrying amount approximates net fair value.

(e) Interest Rate Risk

	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	More than 5 years	Non Interest Bearing	Total Carrying Amount as per the Balance Sheet
30 June 2007	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash	6.06	2,878	-	-	-	2	2,880
Hour Glass Investments			-	-	-	-	-
Cash Facility	6.41	9,130	-	-	-	-	9,130
Term Deposits		-	-	-	-	-	-
Receivables		-	-	-	-	634	634
Total Financial Assets		12,008	-	-	-	636	12,644
Financial Liabilities							
Payables		-	-	-	-	2,249	2,249
Total Financial Liabilities		-	-	-	-	2,249	2,249

	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	More than 5 years	Non Interest Bearing	Total Carrying Amount as per the Balance Sheet
30 June 2006	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash	5.42	1,822	-	-	-	-	1,822
Hour Glass Investments		-	-	-	-	-	-
Cash Facility	5.68	7,359	-	-	-	-	7,359
Term Deposits		-	-	-	-	-	-
Receivables		-	-	-	-	190	190
Total Financial Assets		9,181	-	-	-	190	9,371
Financial Liabilities							
Payables		-	-	-	-	386	386
Total Financial Liabilities		-	-	-	-	386	386

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

(f) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contractor/or financial position failing to discharge a financial obligation thereunder. The Authority's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Balance Sheet.

16. AFTER BALANCE DATE EVENTS

There are no known events that would impact on the state of affairs of the Authority or have a material impact on the financial report.

17. EARLY ADOPTION OF STANDARDS

AASB 108 review

At the date of authorisation of the financial report, the following Standards and Interpretations were on issue but not yet effective:

AASB 7 'Financial Instruments: Disclosures' and consequential amendments to other accounting standards resulting from its issue.	Effective for annual reporting periods beginning on or after 1 January 2007.
AASB 8 'Operating Segments' and consequential amendments to other accounting standards resulting from its issue.	Effective for annual reporting periods beginning on or after 1 January 2007.
AASB 101 'Presentation of Financial Statements' – revised standard.	Effective for annual reporting periods beginning on or after 1 January 2007.
Interpretation 10 'Interim Financial Reporting and Impairment'.	Effective for annual reporting periods beginning on or after 1 November 2006.
Interpretation 11 'Group and Treasury Share Transactions and consequential amendments to other accounting standards resulting from its issue.	Effective for annual reporting periods beginning on or after 1 March 2007.
Interpretation 12 'Service Concession Arrangements' and consequential amendments to other accounting standards resulting from its issue.	Effective for annual reporting periods beginning on or after 1 January 2008.

Early adoption of new or revised Accounting Standards/Interpretation.

The following Australian Accounting Standards/Interpretations have been mandated by NSW Treasury not to adopt early in this financial report;

- AASB 7 & AASB 2005-10 regarding financial instrument disclosures;
- AASB 8 & AASB 2007-3 regarding operating segments;
- AASB 101 (Oct 2006) regarding presentation of financial statements;
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs;
- AASB 1049 regarding the general government sector and GFS/GAAP convergence;
- AASB 2007-4 regarding Australian additions to and deletions from IFRSs;
- AASB 2007-5 regarding inventories held for distribution by not-for profit entities;
- Interpretation 4 (Feb 2007) regarding determining whether an arrangement contains a lease;

Western Catchment Management Authority

Notes to and forming part of the financial report
for the year ended 30 June 2007

- Interpretation 10 regarding interim financial reporting;
- Interpretation 11 & AASB 2007-1 regarding group and treasury share transactions;
- Interpretation 12 & AASB 2007-2 regarding service concession arrangements;
- Interpretation 129 (Feb 2007) regarding service concession disclosures

End of audited financial report

8. Appendices

A. Research and Development

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

Current research focuses on the following:

- 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; and
- developing best management practice guidelines.

During 2006-07 several projects were finalised or were nearing completion, which fit into one of the categories mentioned above. These are:

Research and Knowledge Workshop

This project aims to direct future research within the Catchment in terms of meeting the knowledge needs of the community and the Board to progress natural resource management in line with the Western Catchment Plan (WCP). Due to the integrated nature of the WCP, research requirements need to be targeted against Catchment and Management Targets whilst satisfying social, economic, cultural and environmental dimensions.

Actions required in this sub-project are to develop an integrated adaptive research framework and identify research needs for the Western Catchment. A workshop was held in August 2006, where landholders, scientists and Aboriginal community representatives were invited to put forward their ideas on what research and knowledge products need to be developed. A number of research ideas were put forward, but the main message from the workshop was that the Western CMA needs to conduct a knowledge needs analysis, before embarking on research.

An Information Products Officer has been employed and is currently working through each of the Western CMA district offices, collecting and recording key information on all printed material in each office. The database will then be used for things such as baseline data for new or existing research for the Western Catchment.

The Western CMA management team will also be forming a sub-committee made up of members from the Research & Knowledge workshop held in August 2006. This sub-committee will develop an integrated adaptive research framework and identify research needs for the Western Catchment using the data collected by the Information Products Officer and from the Research & Knowledge Workshop.

Riparian Mapping and Prioritisation for Future Management – The Barwon-Darling River

Consultants were engaged to assess the condition of the riparian zone of the Barwon-Darling River and subsequently prioritise areas for future management. The assessment was based on a range of natural features within each river reach (e.g. vegetation condition, wetland complexity, river bank stability and erosion) and the level of threat affecting each reach from infrastructure, water storages, cultivation and scald development.

The consultants identified areas that are in good condition and need to be protected, as well as areas of high value that are currently in poor condition but could be restored. This assessment will help the Western CMA to prioritise funding for areas where the benefits can be maximised.

A similar project is now being completed for the Qld/NSW intersecting streams (i.e. the Paroo, Warrego, Cuttaburra, Culgoa, Birrie, Bokhara, Narran, Moonie and Lower Bogan Rivers).

Identification and Protection of Important Wetlands

Consultants were engaged to develop a prioritisation process for investing in wetlands for conservation management, including an initial survey of 114 wetlands across the Catchment.

Each wetland, including those identified by interested landholders, was assessed on a number of biophysical values (such as vegetation/habitat condition, wetland size, base-flow modification, and wetting and drying cycles) as well as cultural significance. This assessment produced a preliminary list of priority wetlands for conservation management, as well as a framework for ongoing assessment as new opportunities arise.

This was the first time a project of this nature had been attempted in the Australian rangelands and developing the methodology was a challenge that required considerable Western CMA and agency steering. The cultural heritage component has been based primarily on archaeological significance due to concerns regarding the quality of consultation with the Aboriginal Reference Advisory Group (ARAG), by the sub-consultant and also due to the ARAG being in the initial stages of its formation.

As at June 2007, the project was being finalised and will provide a quality base for directing wetland conservation investment. The deliverables include a report on how to use the assessment methodology, an initial inventory, a wetland assessment training manual, and a GIS layer indicating priorities. The project is designed to accommodate further assessment on wetlands that were not identified through community involvement and assessment. It is recommended that wetlands of known value, such as those listed on the Australian Directory of Important Wetlands, and wetlands opportunistically identified by both interested landholders and the Aboriginal community be assessed in the future.

Identification of High Conservation Value Areas

The NSW Department of Environment and Climate Change (DECC) has been engaged to assist the Western CMA in prioritising areas for investment based on various conservation values. Initially, the project was to provide direction solely on investing in high conservation value (HCV) areas as part of the Environmentally Significant Areas (ESA) Program. However, due to synergies in the literature and data review stage, the project will now also add value to the Enterprise Based Conservation Program, considering Comprehensive, Adequate and Representative (CAR) Principles for broad-scale conservation.

The project will deliver a spatial product predicting the location of HCV and CAR values including:

- Endangered Ecological Communities/ Commonwealth Threatened EECs;
- NSW Vegetation Classification and Assessment plant communities with a relatively high threat status (critically endangered, endangered and vulnerable)
- plant communities/land systems under-represented in reserves;
- rare or restricted plant communities (included as part of threat rating under two);
- areas of high value from the Aboriginal community's perspective;
- areas with clusters of land systems in close and repeated proximity ('ecotone packing' as an index of habitat diversity);
- land systems with internal diversity (large number of land units);
- run-on areas;
- land systems with rare, sensitive or threatened geodiversity such as landforms or rock types;
- isolated occurrences of populations or ecological communities;
- areas relatively remote from artificial watering points;
- areas adjacent to and improving the representation of under-reserved vegetation communities in existing reserves; and
- areas known or likely to support threatened species populations.

Following the predictive process, expert knowledge will be used to identify areas where significant values are located which need protecting. This is within the parameters of the original brief, however, it was considered that this process alone would not adequately identify conservation values as there has been a significant decline in field research in the Western Catchment in the past 20 years. The known and predictive processes are designed to complement each other.

Future Projects

Several projects have been established for completion throughout 2007-08. The projects are outlined below.

Lower Balonne Floodplain Research Projects

In 2006, the Western CMA commissioned a scoping study to collate existing knowledge about the Lower-Balonne Floodplain, with particular emphasis on the hydrology, environment and socio-economics of the region. In doing so, knowledge gaps were identified and recommendations for future research proposed. The study highlighted a significant lack of knowledge relating to the environment of the Lower-Balonne Floodplain, specifically in relation to how the rivers and floodplain function.

As a result, the University of Canberra has been engaged by the Western CMA to undertake three research projects in the Lower-Balonne Floodplain area. These projects will aim to fill the knowledge gap and subsequently help to inform future management decisions regarding land use and water sharing.

Below is a description of the three research projects:

1. Assess the condition and determine the influence of salinity and land use on floodplain vegetation in the catchments under the management jurisdiction of the Western CMA.
2. Establish relationships between flow, water quality and aquatic biota in rivers on the Lower-Balonne Floodplain.
3. Assess the chemistry of the soil profile to determine how water quality, flows and the rates of sedimentation have changed over the past 200 years.

Managing Rangeland Vegetation with Fire

Research points toward a change in fire regimes (particularly a decline in the incidence of fire) as a major factor contributing to the global phenomenon of the thickening and spread of native woody species (locally termed invasive native scrub) on semi-arid rangelands. Whilst this evidence suggests that a reintroduction of burning may be a useful approach to managing invasive scrub, for various reasons it has not been widely adopted on properties in Western NSW. However, fire is becoming more attractive as the cost of other treatments rise. Additionally, improved control of grazing pressure now implemented on many western properties opens more options to manage fuel loads and burn when seasonal conditions permit.

The Western CMA has entered a partnership with DECC to host a project reviewing the role of fire in managing rangeland vegetation. This project aims to understand the success factors for using fire in controlling invasive scrub.

The project has three main tasks:

1. To work with landholders to document their knowledge and to provide case studies on the use of fire for managing invasive native scrub, including the identification of barriers to its use;
2. To review regional and global scientific information on the management of rangeland vegetation with fire. Substantial research on the use of fire in western NSW already exists. However, there is a growing body of information on this issue at national and global levels;
3. To produce information for landholders on best management principles for managing rangeland vegetation with fire, combining the case studies and the review of scientific research.

Wetlands on Farms

Following on from the "Identification and Protection of Important Wetlands" project, the NSW Department of Primary Industries is drafting wetland management plans on 15 of the best wetlands in the Western Catchment, as identified by the project. The Western CMA has funded an officer to do this as part of the DPI Wetlands On Farms Program, with the officer working on Best Management Practice guidelines and complementing this with plans of management.

Landholders who receive negotiated plans of management will be in a good position to receive funding from the Western CMA for conservation management. It is important to recognise that conservation management of wetlands may still include grazing. These plans will recognise the importance of both the conservation and productive value of wetlands and to develop strategies for grazing and conservation to coexist.

B. Staff Statistics

Following is a summary of staff employed by the Western CMA as at 30 June 2007:

Category	1/7/2006 to 30/6/2007
Permanent (recurrently funded)	16
Temporary (program funded)	16
TOTAL	32

C. NSW Government Action Plan For Women

The NSW Government is strongly committed to a whole of government approach to the principles of equity, access, rights and participation for women. The Government continues to build on achievements to remove obstacles to women's full participation in society. This recognises that in some areas of social, political and economic life, women

have different experiences and needs than men. The NSW Government Action Plan provides a mechanism for leadership and management of coordinated strategies across government agencies.

The Catchment Management Authorities are committed to the aims and objectives of the NSW Government Action Plan for Women.

The Western CMA employed 18 female staff (56 per cent) during the 2006-07 financial year and one female served on the Western CMA Board. In addition, there were two females employed at the Broken Hill office who were jointly employed under a service level agreement between DNR and Western CMA.

During the 2006-07 period, the Department of Natural Resources (DNR) provided general corporate support and was the host employer for the CMAs and their staff. The DNR has since been abolished and those roles were transferred to the newly formed Department of Environment and Climate Change (DECC).

D. Consultants Engaged

Between 1 July 2006 and 30 June 2007 the Western CMA engaged two consultants to undertake work valued at \$214,741.82

- Jennifer Hale: Riparian Study \$69,750
- Peter Bacon: Wetlands Study \$144,992.

E. Equal Employment Opportunity

As the Department of Natural Resources was the host employer for the CMAs, DNRs personnel policies and practices extend in coverage to all CMAs. These policies and practices include:

- Industrial relations;
- Equal Employment Opportunity;
- Disability Plans;
- Ethnic Affairs Priorities Statements; and
- Occupational Health and Safety.

The Western CMA employed four Aboriginal Officers during the financial year. The ratio of Indigenous to non-Indigenous employees is 1:8. There are more female than male Western CMA employees (18 women and 14 men). The Western CMA has employed two people from non-English speaking backgrounds.

F. Land Disposal

Not applicable.

G. Promotion

Brochures

- Western CMA corporate brochure
- Incentives 2007 brochure
- Environmentally Significant Areas brochure
- Enterprise Based Conservation brochure
- Catchment Management Authorities Annual Report 2005-2006
- Western CMA Annual Achievements Report 2005-2006

Fact Sheets

- *Riparian Zone Management Project – Barwon-Darling River System (Aboriginal Community Awareness)*
- *Photo-point & Step-point Monitoring*
- *NHT Priority Pest Report - Final Report to Western CMA*

Other printed material

- Pencils – with logo and slogan, as giveaways.
- Pens – with logo and slogan, as giveaways.
- Rulers – with logo and slogan, as giveaways.
- Drink coolers – with logo and slogan, as giveaways.
- Enviro-shopping bags – with logo and slogan, as giveaways.

- “Where do I belong?” sticker activity set (A3 page, full colour, professionally printed and die cut).
- Life size cut-out stands/posters. Images displayed successful Incentive Funding applicants and included details of what on-ground works they would do with their funding (displayed at Ag Shows/Field Days).
- Posters for trade stands - “Catchment Themes” – highlights the four Catchment themes and the management targets that aim to achieve the catchment targets.

Public Events

The following public events were attended:

- “My Bokhara River” Day, Goodooga community;
- Bourke Show;
- Brewarrina Show;
- Broken Hill Ag Fair;
- Broken Hill Schools Expo;
- Cobar Show;
- Cobar RLPB Field Day;
- Dohne Day, Glenhope Station, Cobar;
- Hungerford Field Day;
- Kilfera Field Day, Ivanhoe;
- Local Government Shires Association Water Forum, Broken Hill;
- Mitchell Grass Field Day, Fairlands Station, Walgett;
- PVP Demonstration – Tindarey Station, Cobar;
- PVP Demonstration – Landsdowne Station, Louth;
- Saltbush Field Day, Willoring Station, Goodooga;
- Sponsored three landholders’ attendance at Australian Rangelands Society Conference;
- St. John’s Catholic School Bazaar, Cobar;
- Walgett Show;
- Wanaaring Wild Goat Muster;
- Western Division Group of the Shires Association Annual Conference;
- Western Division Council of NSW Farmers meetings and Annual Conference;

- YAAMA Festival, Bourke; and
- Young Farmers Forum, Broken Hill.

Activities

- Photo competition posters/brochures printed in-house (A4 x 200 and A0 x 1 for field day stand).
- NRM Bingo (staff were encouraged to play this game with children that came to Ag Show/Field Day stands. The game was also in show bags for children to take away).
- Environmental Education Program – developed by the Western CMA and Buckwaroon Catchment Landcare Group and delivered to the Cobar Primary School Year 6 class. The program delivered an in-school activities day and excursion to a local property. Topics covered included erosion, plant identification, climate, soils and property planning.

Cobar Public School and Cobar High School

Content of presentation was on water quality and why we do it, native vegetation and Aboriginal history and land use in Australia. Presentation was given in the form of physical objects (Aboriginal and early European), a slide show of rivers and water and a question/answer period of all issues discussed. This was a part of NAIDOC week.

Wanaaring Family Day

School students were present. Western CMA staff provided a brief talk about water and vegetation on the Paroo River.

Wanaaring Primary School

Field trip which focused on water testing procedures and why we test water (EC, temp, turbidity and Ph), native vegetation within the area and how to identify various trees, shrubs and grasses.

Handouts were provided in the form of stick-on posters, matching up animals to different trees.

Enngonia Family Day

Students were present. Western CMA staff provided a brief talk on water and vegetation on the Warrego River.

Bourke High School

Provided a presentation to students in Year 12 science class on water quality and testing parameters.

Corporate Communication

New staff supplied with uniforms to wear at public events.

New staff supplied with name badges.

New staff supplied with business cards.

The Western CMA website is updated regularly and information is provided electronically wherever practical.

The Western CMA intranet site is updated regularly and information is provided electronically wherever practical.

Russel Harland Memorial Scholarship

The inaugural Russel Harland Memorial Scholarship was awarded to Matthew Goulton in June 2006, who is completing a Bachelor of Applied Science at Charles Sturt University. The Scholarship is awarded to a university student who displays strong personal community and educational commitment to rural or regional areas and particularly the Western Catchment. Matthew will receive \$5,000 per year for the final two years of his three-year degree. He completed at least four weeks paid work for the Western CMA in 2006-07. Once he has completed his studies, he will work with the Western CMA for at least one year, at a location to be negotiated.

The 2007 Russel Harland Scholarship recipient was Jenny Sandow of Pimpara Lake Station, north of Broken Hill. Jenny is completing a Bachelor of Environmental Studies at Adelaide University (see page 39).

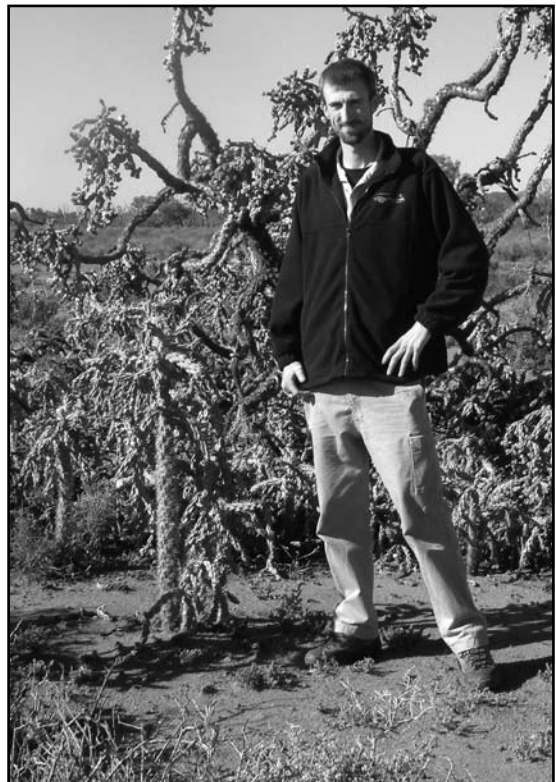
H. Consumer Response

No official complaints were received during the reporting period.

I. Legislation

In carrying out its role, the 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; and*
- *Soil Conservation Act 1938 No 10.*



Russel Harland Memorial Scholarship recipient, Matt Goulton, mapping cacti in the Broken Hill area.

J. Quarterly Summary of Accounts Payable

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	0	101,987	113,841	94,051	0
December	0	13,978	16,506	502	0
March	0	255	2,686	0	225
June	321,106	109,473	88	1,716	11,339

Accounts paid on time within each quarter

Total Accounts Paid on Time				
Quarter	Target %	Actual %	\$	Total Amount Paid \$
September	90	79	1,075,127	1,527,995
December	90	63	724,028	1,461,198
March	90	74	767,314	1,137,160
June	90	81	2,116,944	2,443,024

Notes on above table:

- Per centage of accounts paid on time is based on SAP Payment Analysis Report, which compares vendor masterfile payment terms, invoice document date and payment document date to determine if the payment was made on time, and if not, how many days it was late. The dollar value is the actual dollar value of the documents in each column (i.e. paid on time, not paid on time), so the per centage is based on documents, not dollar value.
- Use of extra resources to ensure smooth workflow during peak periods.
- Improved compliance with the tax system by vendors and staff.

Business process re-engineering of SAP Accounts Payable Module has been developed through the SAP Strategic Development Program which commenced in early 2005 to ensure that the standard best practice SAP functionality is utilised and that the guiding principles of the Government's Corporate Shared Services Reform Agenda are followed.

Comments:

Initiatives to improve payment performance include:

- Tightened controls to ensure correct data entry of payment terms and invoice dates in SAP.
- Prioritising vouchers as they are received in Financial Operations so invoices due for payment first, are processed first.

K. Risk Management

Effective risk management is a core management requirement. Risk management is considered at all levels of Western CMA operations in the normal course of all activities.

DNR organised insurance cover to the CMAs during the reporting period. This involved CMAs participating in the NSW Treasury Managed Funds (TMF) 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.

An external risk management auditor was commissioned to conduct reviews of all CMAs in August 2005. A generic risk profile has been considered by the Western CMA and plans are in place to develop a Western CMA Risk Management Strategy during this reporting year.

L. Occupational Health and Safety

The Board of the Western CMA has adopted DNR's OH&S Policies as listed on the intranet. The Western CMA has coordinated a joint committee with DNR across the catchment and departmental region, given the similarity of operational functions and work environment. Given departmental reforms, this arrangement is under review.

This approach has been ratified by the DNR OH&S Coordinator.

There have not been any significant OH&S incidents this year. The Western CMA has provided each field officer with boots, hats and sunglasses to OH&S standards.

M. Waste

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

(a) 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; and
- encouraging 'car-pooling' for transport to events, thereby reducing fuel use and wear and tear on vehicles.

(b) Resource recovery, through the recycling of toner cartridges, rather than their replacement; and

(c) The use of recycled material, by:

- encouraging staff to reuse single-sided paper as drafts, notebooks, etc.;
- the supply to all staff members of an individual recycling bin for paper recycling;
- delivering shredded newspapers to local vets surgeries; and
- the supply of recycling bins in office kitchens/tea-rooms to encourage recycling of containers, such as glass bottles, aluminium cans, PET, etc.

N. Electronic Service Delivery

The Western CMA provides information electronically where possible.

The Western CMA internet site is maintained regularly as is the Western CMA intranet site.

O. Disclosure of Controlled Entities

Not applicable.

P. Investment Management Performance

Western CMA funds invested with the Treasury Corporation – Hourglass Facility had an average interest rate of 5.7 per cent. The total at 30 June 2007 was \$9,129,798.

Q. Privacy

In the 2006-07 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, DNR has a Privacy Management Plan governing the collection, retention, accuracy, use and disclosure of personal information, including rights of access and correction.

R. Credit Card Certification

Western CMA has three corporate credit cards. The Western CMA complies with DNR's corporate credit card policies, which represent best practice in accordance with

Treasury and the Auditor General's guidelines. Corporate card expenditures are monitored for compliance with the guidelines on a transaction basis. The Director General has, in accordance with the Treasurer's directions, reviewed the certification report on corporate card usage by officers of DNR. Corporate credit card usage was considered to comply with best practice guidelines.

Western CMA incurred no late payment fees as a result of corporate card usage.

S. Government Energy Management Performance

The Western CMA has adopted the Energy Management Policy and Practices of DNR. The Western CMA considers reducing greenhouse gas emissions a priority by choosing energy efficient infrastructure and assets where possible and promoting energy conservation among staff and stakeholders.

T. Freedom Of Information

The Western CMA has reviewed Freedom Of Information (FOI) procedures and appointed a specific FOI Officer. One application was received during the reporting period. Due process was followed and the information was provided accordingly.

U. Budget Forecast

2007-08

Recurrent funds have been approved for 2007-08 by NSW Treasury, with the total recurrent funds being equal to \$2,548,000. Current program funding is according to the 2006-2008 approved Investment Strategy.

V. Performance and numbers of executive officers

General Manager: Daryl Green
 Date appointed: 8 June 2004
 Performance Review: August 2006
 Remuneration Package: \$127,708

W. Code of Conduct

The DNR Code of Conduct was adopted when the CMAs were established in 2003. All Western CMA Board Members and staff were required to declare any potential conflicts of interest (including nil returns).



'Bee' by Jamie Sloan, Cobar. Winner, Open Colour section of the 2006 Life and Light of the Western Catchment photographic competition.



'Lighting Up' by Paul Seager, Broken Hill. Staff selection, Open Colour section of the the 2006 Life and Light of the Western Catchment photographic competition.