



Catchment Management
Authority
Hunter–Central Rivers



HUNTER-CENTRAL RIVERS CATCHMENT MANAGEMENT AUTHORITY

2012-13 ANNUAL REPORT



Catchment Management Authority Hunter-Central Rivers

The Hon. Andrew Stoner, MP

Deputy Premier
Minister for Trade and Investment
Minister for Regional Infrastructure and Services
Level 30
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

The Hon. Katrina Hodgkinson, MP

Minister for Primary Industries
Minister for Small Business
Level 30
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Deputy Premier and Minister,

Re: 2012-13 Annual Report for the Hunter-Central Rivers Catchment Management Authority

We have great pleasure in presenting the Annual Report of the Hunter-Central Rivers Catchment Management Authority for the financial year, 1 July 2012 - 30 June 2013, for submission to Parliament.

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

This report details the activities and achievements of our organisation and includes the relevant statutory and financial information for the Hunter-Central Rivers Catchment Management Authority.

Yours faithfully


Susan Hooke
Chair
Hunter-Central Rivers Catchment Management Authority

Arthur Burns
Board member

29 October 2013

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1. The Hunter-Central Rivers Catchment Management Authority

Section 1: The Hunter-Central Rivers Catchment Management Authority

Our Direction - From the Chair



The year 2012-13 has been one of change and exciting challenges. In October 2012 we welcomed Minister Hodgkinson's announcement of the creation of Local Land Services to take effect from 1 January 2014. Our CMA, with modified boundaries, will come together with Department of Primary Industries Agriculture Extension staff and Livestock Health and Pest Authority staff and operations to form Hunter Local Land Services (LLS), to provide more efficient and effective services to our partners and landholders.

The CMA's challenge was to fulfil its current obligations and at the same time prepare for its future. I am pleased to say that with enormous support from my fellow board members, Arthur Burns, Julia Imrie, John Weate, Jane Smith, Jeff Jansson and Ted Laurie, from our General Manager, Fiona Marshall and her staff, we achieved both goals. We also received great support from our Hunter Community Reference Group, Central Coast Community Reference Group, Aboriginal Cultural Environment Network – CMA Partnership Committee,

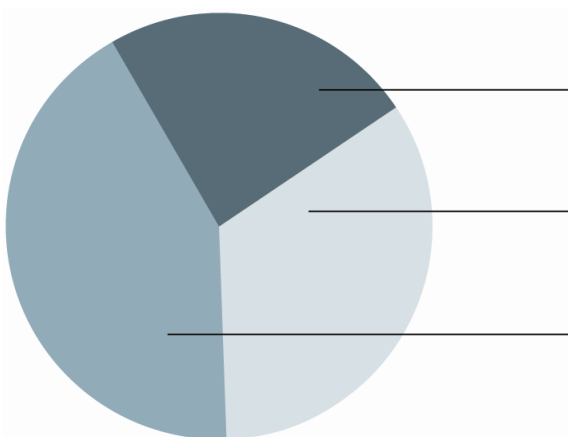
Hexham and Kooragang Wetland Rehabilitation Projects Committee, and the Newcastle Catchment Management Forum.

We continued to work with our valued partners, including sustainable farmers, local governments, Landcare, Aboriginal and community groups, government departments and other agencies, local business owners, mining companies, water utilities, schools, universities, Tocal College, and welfare groups.

The Board keeps in touch with our partners by holding our meetings at different locations within our region. We inspect projects, receive briefings from local government councillors and staff, and invite partners and landholders to meet with us informally to exchange views. Our performance highlights below illustrate just some of the achievements of our work program. The balance of this annual report indicates the scope of our commitment.

In 2012-13 we commenced identifying the issues to be addressed to ensure a smooth transition to LLS. Our strong connections with the diverse partners who form our community have assisted us in preparing for the future. We have also been greatly assisted by Minister Hodgkinson, the Department of Primary Industries and the Natural Resources Commission.

In April 2013, the terms of two long standing board members, Jane Smith and John Weate, came to an end. Both had served the Hunter-Central Rivers CMA with distinction. We look forward to a future which will provide great opportunities to work with our existing partners and form new relationships.



Total expenditure 2012-13: \$19,811,000

Recurrent NSW Government funds
\$4,837,000 (24%)

Caring for our Country,
Catchment Action NSW
\$6,656,000 (34%)

Other sources (includes Hunter
Catchment Contributions,
Environmental Trust, Xstrata Coal
Corporate Social Involvement,
Recreation Fishing Trust and interest on
investments)
\$8,318,000 (42%)

1. The Hunter-Central Rivers Catchment Management Authority

2012-13 Performance Highlights

Investing in our natural resources

- Invested \$19,811,000 into improving the health of catchments in the Hunter-Central Rivers region
- Completed the upgrade of the Hunter-Central Rivers Catchment Action Plan, which was approved by the Minister for Primary Industries in April 2013
- Obtained approval to open the final two floodgates on Ironbark Creek to achieve tidal inundation target of 700 hectares in Hexham Swamp
- Developed 18 incentive Property Vegetation Plans: eight protecting 767 hectares in perpetuity and nine protecting 865 hectares for 15 years
- Completed on-ground works to rehabilitate 1.3 hectares of the Upper Ironbark Creek catchment with \$31,000 being invested in projects with professional bush regenerators on private land
- 11.8 hectares of Lower Hunter Valley Dry Rainforest restored across four private properties in Mount View in the Lower Hunter, part of a conservation corridor that supports 65 threatened species or vegetation communities

Sustainable Agriculture and Aquaculture

- Finalised a 3-year \$300,000 Caring for our Country (CFOC) funded project in the Upper Manning catchment, supporting 10 graziers to trial strategies to improve soil biology and increase soil carbon on their properties
- Completed a 12-month CFOC-funded project worth \$156,000 to support landholders in the Upper Manning with installation of innovative watering systems and electric fencing for management of steep lands and targeting emerging weeds in the upper catchment, in partnership with Gloucester Council
- Conducted soil testing and monitoring on pasture cropping trials on 12 properties around Merriwa and Moonan, as part of a CFOC funded project to establish best practice pasture cropping techniques for Upper Hunter producers
- Invested \$618,000 in 7 projects supporting sustainable grazing and biodiversity in the Wybong catchment, in partnership with Xstrata, as part of the Wybong Catchment Health Improvement Program
- Partnered with OceanWatch Australia to support 30 oyster farmers to implement works identified in an industry Environmental Management System, including replacing tar-coated and treated timber infrastructure with low-impact alternatives

Partnerships

- Invested \$494,000 in 38 on ground projects to improve water quality management in the Tuggerah Lakes Catchment, in partnership with Wyong Shire Council and the Australian Government
- Planned the 2013 NSW Landcare and Catchment Management Forum in partnership with the Landcare community and other community care groups
- Partnered with WetlandCare Australia to develop, adopt, implement and audit an Environmental Management System for five nursery operations in the Hunter and Port Stephens areas
- Supported 80 groups and organisations in undertaking more than 60 activities to reduce marine debris, resulting in the removal of approximately 29.7 tonnes of debris from 220 kilometres of estuarine and marine shorelines

1. The Hunter-Central Rivers Catchment Management Authority

- Trained and employed Aboriginal workers to conduct marine debris clean ups and surveys on Lake Macquarie, in partnership with Lake Macquarie City Council and Bahtabah Local Aboriginal Land Council
- Engaged Aboriginal Land Management teams through Taree Indigenous Development & Employment Ltd (TIDE) to work with landholders to control emerging weeds and plant a 3 km long wildlife corridor in the Upper Manning catchment as part of a CFOC-funded Sustainable Agriculture project

Community

- Supported 13 schools in the Hunter region to conduct seasonal monitoring of local bushland areas through the VegWatch program
- Engaged 12,691 participants in water quality monitoring through the Waterwatch program
- Awarded 3 scholarships to Aboriginal students undertaking studies in natural resource management
- Supported 59 teachers from schools in the Hunter and Lower North Coast with cultural awareness training to improve their confidence in connecting with local Aboriginal communities
- Produced the CMA's first smartphone app, featuring historic photos and narrative from the 1949 and 1955 floods in Maitland, to improve community awareness and preparedness for flooding in the lower Hunter Valley

Staff and Board

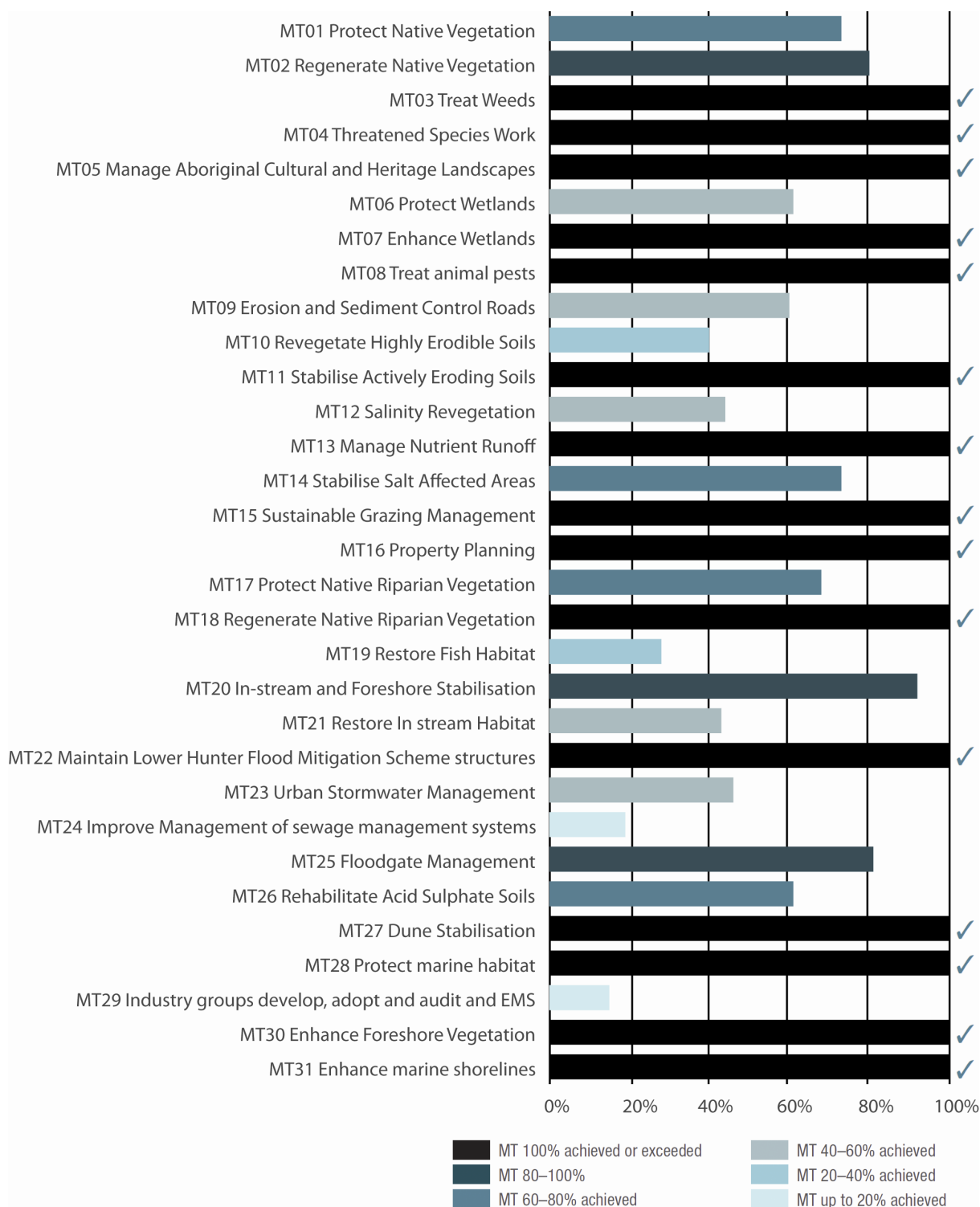
- Conducted an independent review of the CMA's performance against the *Performance Excellence Guide for Regional Natural Resource Management Organisations, Second Edition, 2008* to identify organisational strengths and opportunities for improvement
- Held an annual staff training forum for CMA staff to obtain staff input on the development of the upgrade of the CMA's Catchment Action Plan, to brief them on the change management process leading into Local Land Services, and to celebrate CMA achievements

1. The Hunter-Central Rivers Catchment Management Authority

Our progress in 2012-13

The CMA's activities are guided by the Catchment Action Plan (CAP), a ten year plan to 2015 for CMA investment in protecting and improving the natural resources of the Hunter-Central Rivers region. The CMA's progress in achieving the 31 Management Targets of the CAP is outlined below. The CAP was upgraded in 2012-13 but investment for this year was delivered against targets in the 2006-2015 CAP.

Percentage of CMA Management Targets achieved by the end of June 2013



1. The Hunter-Central Rivers Catchment Management Authority

About us

Our foundation

Decades of planning and community effort precede the formation of the Hunter-Central Rivers Catchment Management Authority (CMA). Founded on the work of the Central Coast and Lower North Coast Catchment Management Boards and the Hunter Catchment Management Trust, the CMA's responsibility is to work with the community, government and industry to ensure a sustainable future for our catchments. The Hunter-Central Rivers CMA was established, along with 12 others across NSW, in January 2004 as a statutory authority with a Board that reports directly to the Minister for Primary Industries.

Our vision

Our vision at the Hunter-Central Rivers CMA is to achieve: 'healthy and productive catchments through the ecologically sustainable management of our natural resources and environment for the benefit of present and future communities.'

Our values

At the CMA we value:

- integrity
- achievement
- accountability
- partnerships and
- innovation

Our function

The specific functions of CMAs, as described in Section 15 of the *NSW Catchment Management Authorities Act 2003*, are to:

- develop Catchment Action Plans (CAP) and ensure delivery through annual implementation programs
- provide loans, grants, subsidies or other financial assistance for catchment activities
- enter contracts or do any work for the purposes of catchment activities
- assist landholders to achieve the objectives of the CAP
- provide educational and training courses and materials in connection with NRM and
- exercise any other function relating to NRM as prescribed by the regulations

NSW Legislation under which we operate

Annual Reports (Statutory Bodies) Act 1984

Annual Reports (Statutory Bodies) Regulation 2010

Catchment Management Authorities Act 2003

Government Information (Public Access) Act 2009

Government Information (Public Access) Regulation 2009

Catchment Management Authorities (Hunter Central Rivers) Regulation 2010

Native Vegetation Act 2003

1. The Hunter-Central Rivers Catchment Management Authority

Native Vegetation Regulation 2005

Privacy and Personal Protection Act 1998

Privacy and Personal Information Protection Regulation 2005

Protection of the Environment Operations Act 1997

Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Amendment Regulation 2009

Public Finance and Audit Act 1983

Public Finance and Audit Regulation 2010

Public Sector Employment and Management Act 2002

Public Sector Employment and Management Regulation 2009

Soil Conservation Act 1938

Water Management Act 2000

Workers Compensation Regulation 2010

Work Health and Safety Act 2011

Work Health and Safety Regulation 2011

Our people

In 2012-13 the CMA operated with a Chair, 6 board members and 57 staff (some part-time) working across the region to deliver a diverse range of programs and activities. Further information on our Board and staff is provided in Section 6.

1. The Hunter-Central Rivers Catchment Management Authority

Our region



Region

The Hunter-Central Rivers region covers 37 000 km² on the east coast of NSW. It extends from Taree in the north to Gosford and the coastal waterways of the Central Coast in the south, and from Newcastle in the east to the Merriwa Plateau and Great Dividing Range in the west. The CMA's area of operation also includes 1500 km² of marine area, three nautical miles offshore to the NSW state limit.

Community

According to the Australian Bureau of Statistics' population data (2012)¹, approximately 1.26 million people live in the Hunter-Central Rivers region. Our community includes rural and residential landholders, community groups, businesses and government agencies living and operating in the Hunter-Central Rivers catchments.

Electorates

The region has 17 State Electorates, 10 Federal Electorates, 21 Local Government Areas, 5 regional Aboriginal Land Councils and 15 Local Aboriginal Land Councils.

Climate and rainfall

The region has a subtropical climate with a mild temperature on the coast. Temperatures are higher inland and the tendency for frost increases with distance from the coast. Snow can fall in winter on the Barrington Tops. Rainfall tends to be highest in coastal areas (1400 mm) and the Barrington Tops and decreases inland (700 mm).

1. The Hunter-Central Rivers Catchment Management Authority

Vegetation and waterways

The vegetation ranges from estuarine wetlands and mangrove forests, rainforests and freshwater wetlands to open grasslands, woodlands and eucalypt forests. The region encompasses the Manning, Karuah and Hunter rivers and the lakes of Wallis Lakes, Myall Lakes, Port Stephens, Lake Macquarie, Tuggerah Lakes, Budgewoi Lake, Lake Munmorah and Brisbane Waters.

Catchment use

The region supports a diversity of land use that rely on natural resources, including coal mining, power generation, forestry, fishing, tourism and recreation and a wide range of agricultural industries. Residential and commercial development dominates the coastal fringe and the region is also home to the world's largest coal export port in Newcastle.

Culture and heritage

There are many cultural and heritage values in the region significant to both Aboriginal and non-Aboriginal people. These values range from archaeological evidence and historic buildings to landscape features such as mountains and river systems.

1. Australian Bureau of Statistics Regional Population Growth, Australia, 2012 (catalogue number 3218)

1. The Hunter-Central Rivers Catchment Management Authority

Priorities for the year ahead - from the General Manager



2012-13 has been a time of considerable change for the CMA and the year ahead promises even greater change, with the organisation providing natural resource management and agricultural extension advice from July to December 2013 as we transition to the new organisation of Hunter Local Land Services (LLS).

With this change, parts of the Upper Manning and the Local Government areas of Gosford and Wyong and Mid Western (including Bylong and Wollar) will move to other Local Land Services regions.

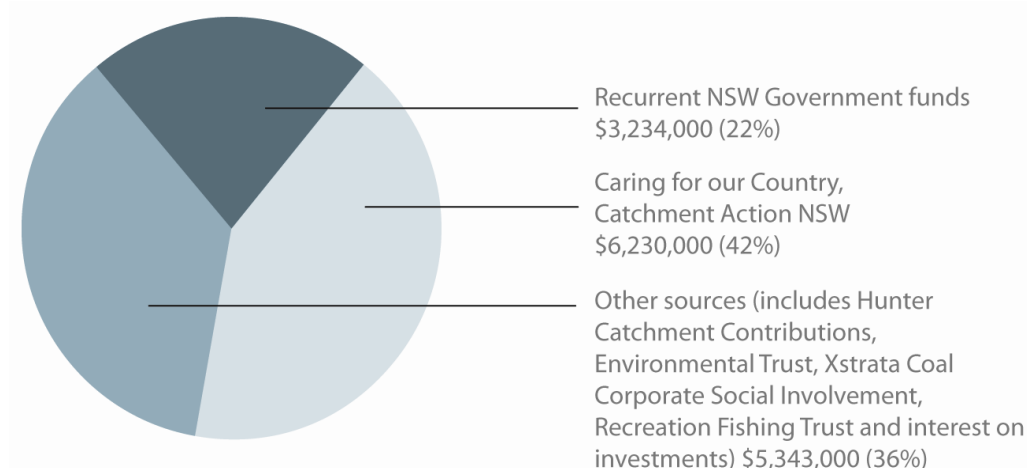
Local Land Services Board members appointed by the Minister and staff will be in place by the end of the 2013 calendar year, ready for the commencement of Local Land Services on 1 January 2014.

Delivery of investment in 2013-14 will be against the new and upgraded Catchment Action Plan (CAP) and its strategies and targets. This will be regarded as an investment transition year, whilst the CMA works with its partners to develop a four year CAP Implementation Plan to take effect from the 2014-15 financial year. The CAP will also be adjusted to take into account the new Local Land Services boundaries. It is envisaged that it will provide the natural resource management strategic direction for the new Local Land Services until the Hunter LLS can develop its own strategic plan incorporating all of its roles.

Through the Australian Government's Biodiversity fund, which is part of the former Clean Energy Futures program, the CMA was successful in obtaining funding up to June 2017. A project manager has been appointed and work is well underway to improve landscape connectivity and resilience to the potential impacts of climate change, through partnerships with landholders, particularly around key natural assets. Activities will include the protection, enhancement and establishment of native habitat.

Caring for our Country funds have been provided to NSW for the 2013-14 year only and future funding and priorities will be dependent on an audit of the CMA/LLS delivery of 2013-14 funds and the priorities and programs of the new Australian Government.

Expenditure budget 2013-14 – total \$14,807,000



1. The Hunter-Central Rivers Catchment Management Authority

Priorities for the year ahead - from the General Manager (continued)...

Delivery of our Xstrata corporate funding in the Wybong catchment in the Upper Hunter, for on-ground catchment activities and awareness and training events, will continue with completion of the project due by April 2015.

With the roll out of the new *Native Vegetation Regulation 2013* significant resources will be required to raise awareness within the community of changes to the legislation, new Codes of Practice and the implications for land managers.

Considerable effort has gone into working with a community based committee this year to organise and deliver the 2013 State Landcare and Catchment Management Forum, held in September 2013.

The CMA was required to make significant savings in its 2012-13 budget and meet salary caps, which resulted in substantial changes to the CMA's permanent staffing structure, while still ensuring the delivery of the new Catchment Action Plan and meeting the business requirements of the transition organisation, CMA and Agriculture, and the new Local Land Services.

Investment in staff training and information will be required in the coming year to upskill staff in the new roles in emergency management and biosecurity.

Recruitment of temporary positions will be required in 2013-14 to align with the new priorities and targets of our investors, the upgraded CAP and budgets. Changes in corporate services and policies and procedures will also take place as the LLS Boards are appointed and the new LLS structure is put into place.

2. Our natural resources and environment

Section 2: Our natural resources and environment

NSW 2021 Plan

Goal 22: Protect our natural environment

2021 TARGET

- Protect and restore priority land, vegetation and water habitat by managing weeds and pests, protecting and conserving land, biodiversity and native vegetation and protecting rivers, wetlands and coastal environments.

CMA Activities

The CMA's current Catchment Action Plan includes 31 Management Targets that specify activities, including on-ground works the CMA will invest in to help protect our natural environment. For ease of reporting, Management Targets are grouped into natural resource management themes of biodiversity, water and land. However, it is important to remember that Management Target activities are inter-connected and can have multiple benefits across all natural resource management themes. For example, fencing vegetation along a riverbank can improve our biodiversity, water quality and land. In addition capacity building and awareness is incorporated in all Management Targets.

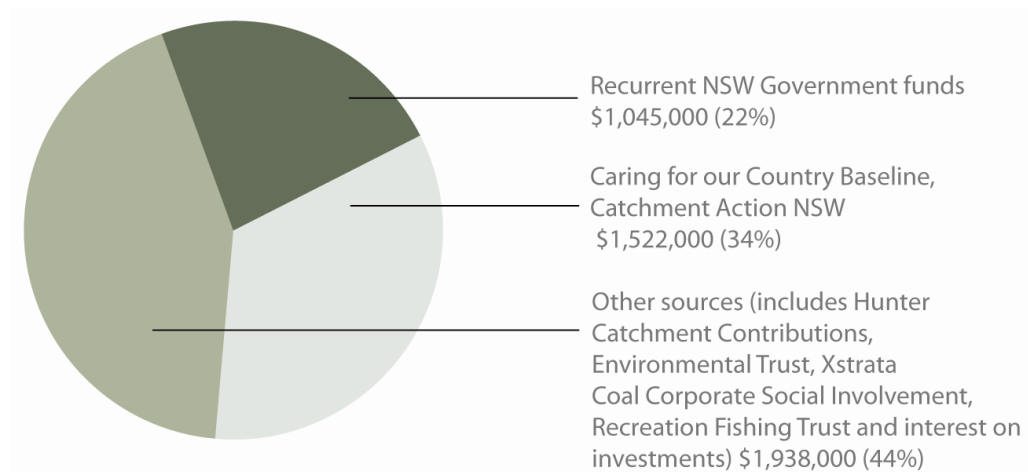
Biodiversity

Biodiversity is the variety of life. Ecosystems that are rich in biodiversity have environmental, social, economic and cultural benefits and the more diverse these systems are the better they are able to recover from or adapt to external stresses such as climate change and increased pressure from development.

The unique biodiversity of the Hunter-Central Rivers region is threatened by vegetation clearing, unsustainable land use, pests and weeds, degradation of wetlands and development pressure. Through the CAP, the CMA coordinates hundreds of projects aimed at easing these pressures and maintaining and improving biodiversity across the region. These actions also help to improve aquatic health, preserve our soils, or protect and improve our marine and estuarine environments.

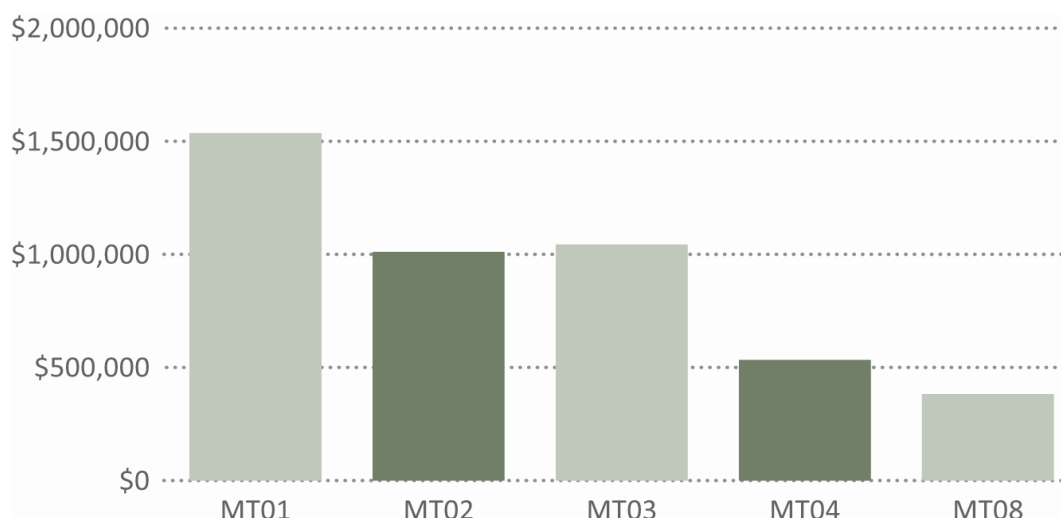
Local government also prepares submissions on major development proposals, to support the objectives of the Catchment Action Plan and protect the biodiversity of the region.

CMA expenditure in 2012-13 that enhanced biodiversity (total investment \$4.5 million)



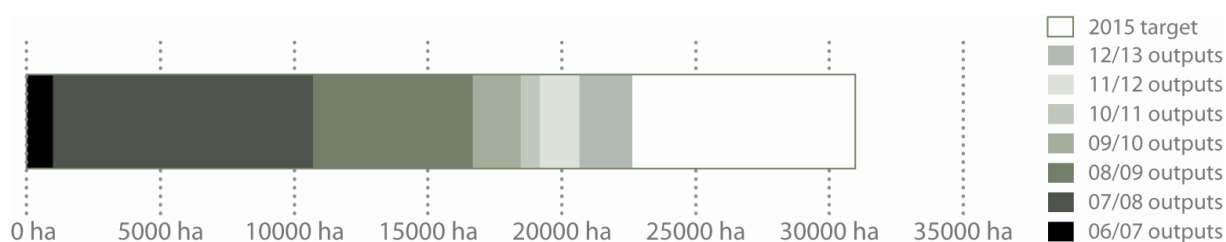
2. Our natural resources and environment

2012-13 Expenditure per management target relating to biodiversity



Management Target results for biodiversity

Management Target 01: Protect an additional 31,000 hectares of native vegetation
(MT 73% achieved by end of June 2013)

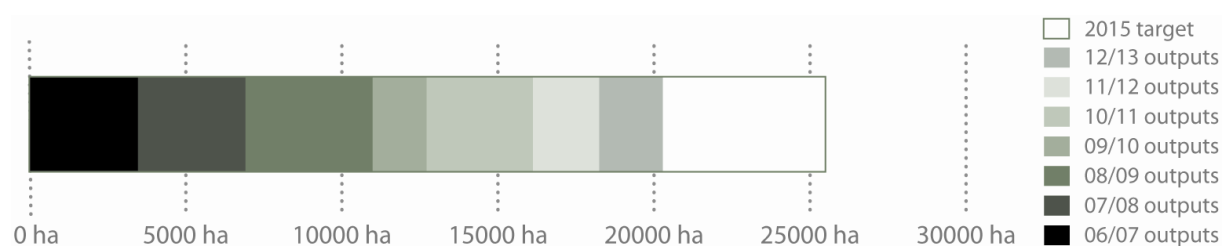


During 2012-13 the CMA invested in the protection and regeneration of Regionally Significant Vegetation in rare and endangered communities, wetlands, over cleared landscapes and key regional habitats and corridors.

The CMA also invested Australian Government Caring for our Country funding in protecting native vegetation within Hunter and Great Lakes coastal hotspots, the Hunter Estuary and Myall Lakes Ramsar sites, Littoral Rainforests, Grassy Box Woodlands and habitat for vulnerable species listed under the *Environmental Protection and Biodiversity Conservation Act*.

Approximately 1,898 hectares of native vegetation were protected in 2012-13 through the CMA's market based landholder Incentives Program and its Partnership Program with local government, state agencies and non-government organisations. Eighteen landholders entered into Property Vegetation Plans (PVPs) with the CMA, to provide long term protection and management of regionally significant native vegetation. PVPs are voluntary agreements, which are registered on the title of the land to manage native vegetation for conservation purposes for a minimum of fifteen years, some in perpetuity.

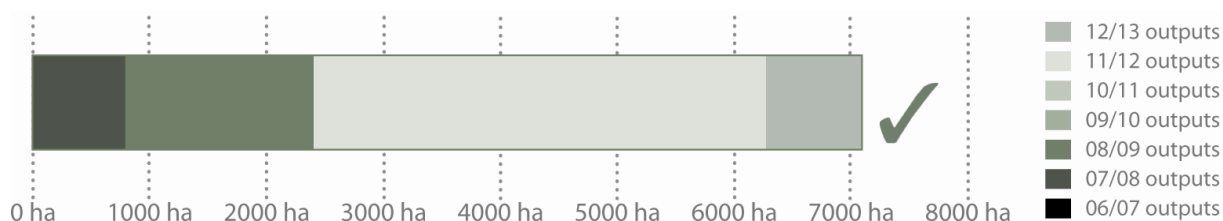
Management Target 02: Regenerate 25,500 hectares of native vegetation
(MT 80% achieved by the end of June 2013)



2. Our natural resources and environment

The CMA worked with a range of landholders during 2012-13 to regenerate 2,029 hectares of native vegetation. This was achieved through a number of targeted programs, including the Small Projects program, which provided funding for private and public land managers to undertake small scale natural resource management (NRM) activities. In 2012-13 the CMA engaged 32 landholders and community groups through small projects resulting in 40 hectares of native vegetation regenerated. The remainder of the native regeneration work was delivered through the CMA's Partnership Program, incentive PVPs, and various Hunter Catchment Contribution funded projects. All CMA on-ground projects are aimed at securing long term NRM outcomes and all CMA agreements require long term maintenance to be carried out.

Management Target 03: Treat 2,400 hectares of weed affected lands (MT exceeded, however an additional 828 hectares treated in 2012-13)

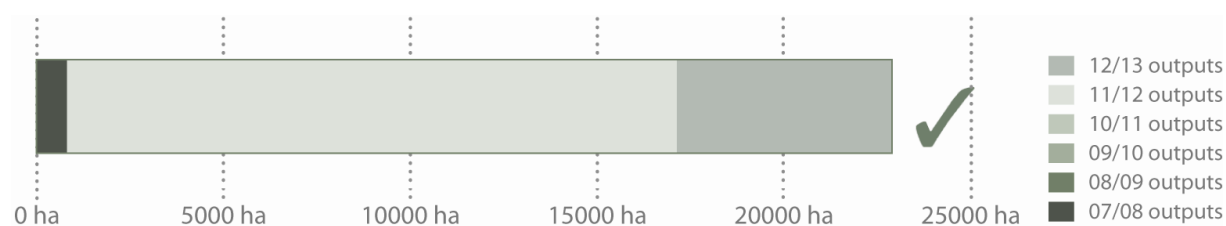


The CMA continues to experience strong demand from landholders and land managers to undertake weed management activities on public and private land. In 2012-13 the CMA invested in treating weeds on 828 hectares of land through the CMA's market-based Incentives Program and with local government, non-government organisations and weed authorities through its Partnership Program. Although the CMA has exceeded this Management Target, the CMA continues to invest in on-ground activities that deliver on the Australian Government's Caring for our Country priorities, including Weeds of National Significance, weeds impacting on the Great Lakes and Hunter Coastal Hotspots, the Hunter Estuary and Myall Lakes Ramsar sites and World Heritage Areas.

Aboriginal Land Management Teams and community groups have been actively involved in projects treating weeds across the region. At least eight of the CMA's Small Projects were delivered by Aboriginal Land Management Teams, which provided social and economic benefits to these local businesses and communities.

The CMA has also held a range of educational field days on weed management across the region.

Management Target 04: Implement priority recovery actions on 800 ha (MT exceeded)

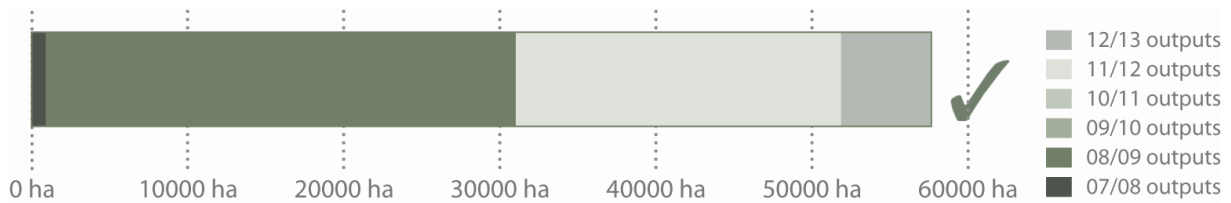


The implementation of a Fox Threat Abatement Plan across the region in 2007-08 enabled the CMA to exceed the delivery of this Management Target, however the CMA continues to invest in threatened species work through its Partnership Program with agencies, local government and non-government organisations. Investment was targeted towards implementing actions from Threatened Species Recovery Plans. Projects included partnerships with the NSW National Parks & Wildlife Service (NPWS) to regenerate saltmarsh at Pelican Island on the Central Coast and to control Bitou Bush and foxes in Booti Booti National Park near Forster.

2. Our natural resources and environment

Management Target 08: Treat Animal pests over 31,000 ha

(MT exceeded, however an additional 5,828 hectares treated in 2012-13)



In addition to the project with NPWS in Booti Booti National Park, the CMA also partnered with the Office of Environment and Heritage to control pests in the Barrington Tops National Park. Although the CMA has exceeded in delivery on this Management Target, it continues to invest in high priority pest animal control projects through the Partnership Program and the market based Incentives Program. Seventeen private landholders assisted in delivering this Management Target by implementing pest animal control plans over 1,800 hectares of private lands.

2. Our natural resources and environment

Water

Improving aquatic health

Rivers and creeks are vital living ecosystems that carry water from catchments into estuaries and oceans. They support thousands of species of fish, frogs, aquatic plants and insects, while yielding water for drinking, agriculture, industry and recreation.

Many of our region's rivers, creeks and wetlands are seriously degraded by human activities including clearing of vegetation, removal of large woody debris, construction of in-stream barriers such as culverts, causeways, fords and floodgates, and river and groundwater extraction and regulation. Actions coordinated by the CMA, through the CAP, are improving water quality and fish passage, revegetating steep lands in the upper catchments, increasing riparian vegetation, and improving aquatic habitat. The flow on benefits of these actions will improve biodiversity, preserve soils and protect and improve marine and estuarine environments.

Enhancing estuaries

Estuaries are places of transition where water from the land meets and mixes with the open sea. They are generally found at the end of rivers and may be large systems, like the Myall Lakes, or small systems like Belmont Lagoon. Estuaries are often referred to as the 'nurseries of the sea' because they are the breeding grounds for many fish, crustaceans, and other marine life. They contain diverse ecosystems that support vegetation, wildlife, and the coastal food chain. The estuaries of the Hunter-Central Rivers region are under threat from urban and industrial development, loss of foreshore vegetation, boating, flood mitigation and climate change. Through the CAP, the CMA is improving the health of our estuaries by protecting and enhancing wetlands, better managing stormwater and nutrient run-off, improving foreshore and riparian vegetation and increasing tidal flushing.

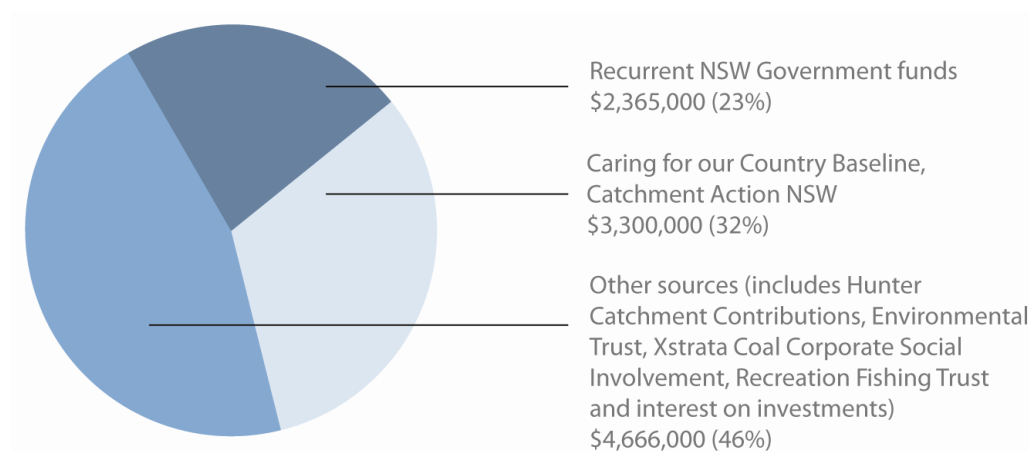
Protecting marine areas

Our coasts and oceans are of vital importance to our community and economy. The region's 150,000 ha of marine waters and 354 km of ocean shorelines support a vast array of biodiversity, and are a focal point for recreation and tourism.

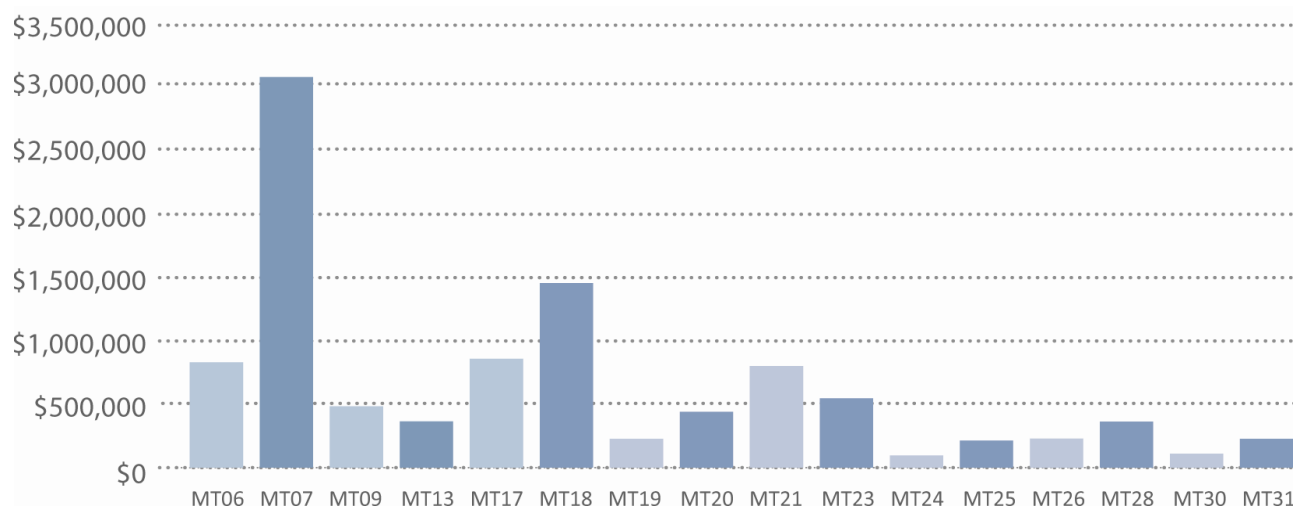
With 85% of the region's population living on the coastal fringe, the pressure on these marine resources is enormous. Urban development, over-fishing, habitat degradation and the introduction of aquatic pests have taken their toll on the marine environments of the Hunter-Central Rivers region. Through the CAP, the CMA is relieving these pressures by protecting marine habitats, improving land management in the catchments that feed the estuaries, protecting and enhancing wetlands, improving stormwater runoff and better managing floodgates.

2. Our natural resources and environment

CMA expenditure in 2012-13 that enhanced water quality and management (total investment \$10.3 million)

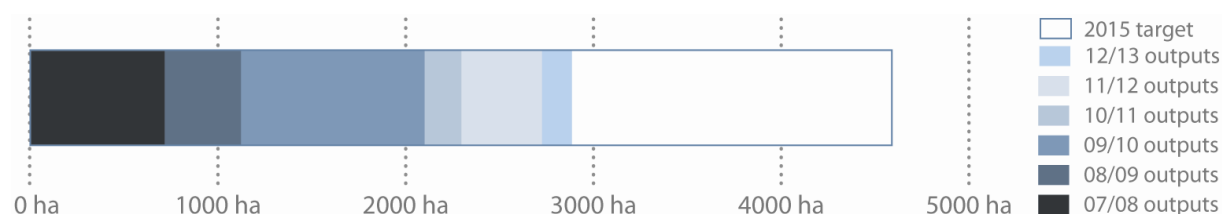


2012-13 Expenditure per management target relating to water



Management Target results for water

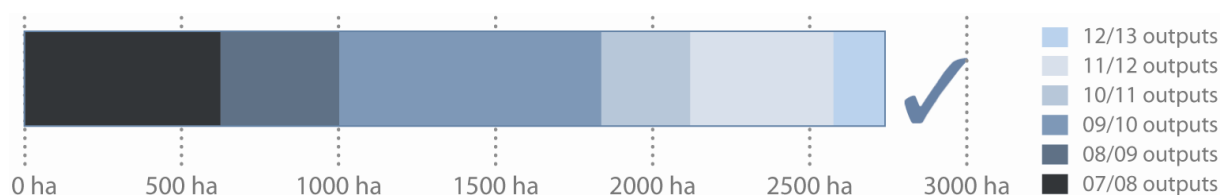
Management Target 06: Protect an additional 4,600 hectares of wetlands (61% of MT achieved by the end of June 2013)



The CMA delivered on this Management Target in 2012-13 by protecting an additional 95 hectares of wetlands through the CMA's Partnership Program and market based Incentives Program. Protection of wetlands has been achieved through registering Property Vegetation Plans on title, or acquiring important wetlands and transferring to the National Parks estate. The CMA partnered with Great Lakes Council during 2012-13 to acquire one wetland as part of the Wallis Lakes Wetland Strategy. The CMA also entered into a 15 year PVP in 2011-12 with a private landholder in the Great Lakes Coastal Hotspot site to protect 103 ha of private wetland, which was funded over two years.

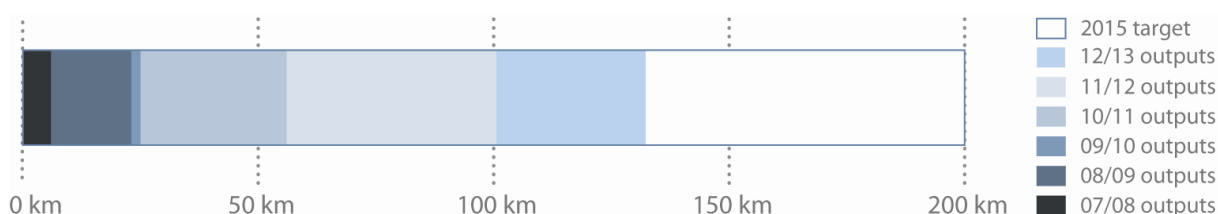
2. Our natural resources and environment

Management Target 07: Enhance 2,600 hectares of wetlands (100% MT achieved by end of June 2013)



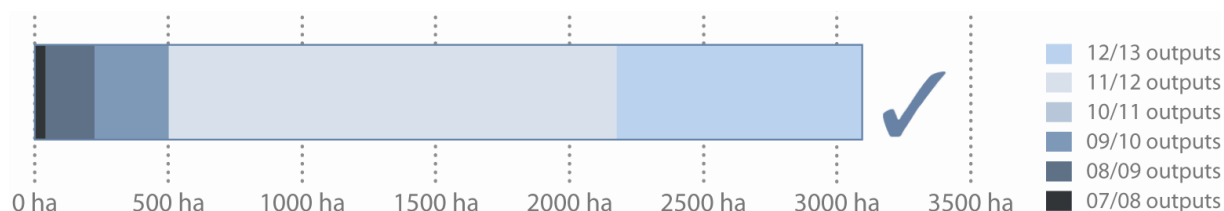
The enhancement of wetlands was largely achieved through works associated with the protection of wetlands under Management Target 06. The CMA partnered with the Office of Environment and Heritage for three projects through the CMA's Partnership Program to enhance wetlands. Enhancement works included fencing, weeding, pest control, revegetation, improved grazing management, or grazing exclusion, and managing water flows.

Management Target 09: Manage 200 kilometres of roads that affect sensitive areas using current best practice erosion and sediment control (60% of MT achieved by the end of June 2013)



The CMA managed an additional 19 kilometres of roads in 2012-13 through partnerships with three local councils. The CMA partnered with the Office of Environment and Heritage for an erosion and sediment control project in the Great Lakes National Parks area that managed 12 kilometres of roads.

Management Target 13: Improve nutrient management on 500 hectares of land (MT exceeded, however an additional 617 hectares treated in 2012-13)

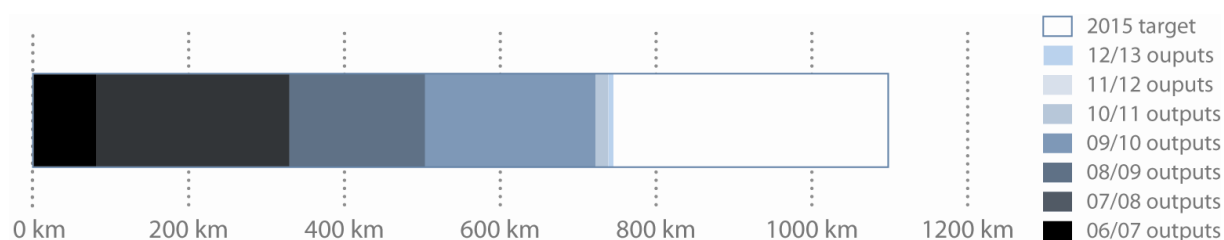


The CMA's Integrated Land Management Program enabled improved nutrient management on 917 hectares of land through a combination of training and incentives to facilitate land management change for private landholders.

The Integrated Land Management Program in 2012-13 engaged a range of training providers to deliver courses for landholders about managing nutrients on their land, property planning and grazing management. Landholders who completed the training were then eligible to access CMA incentives to implement on-ground works on their properties. Activities funded through these programs included soil erosion control works, excluding stock from waterways, improved nutrient management on dairy farms, and planting vegetation buffers along water courses.

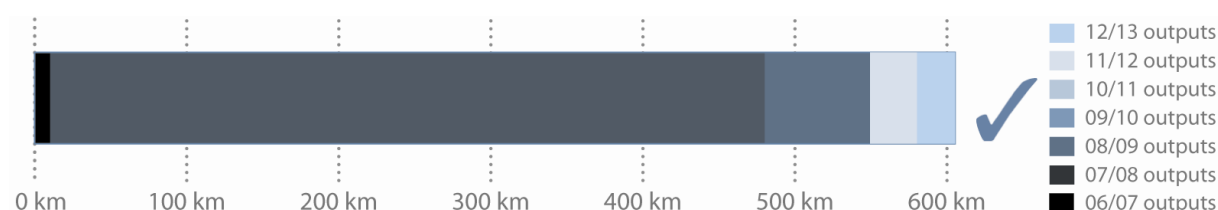
2. Our natural resources and environment

Management Target 17: Protect an additional 1,100 kilometres of native riparian vegetation (67% of MT achieved by the end of June 2013)



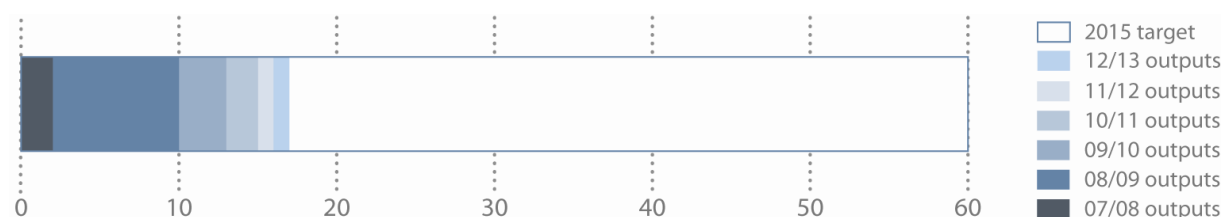
The CMA protected five kilometres of native riparian vegetation in 2012-13 through two Property Vegetation Plans on private land. The plans were identified through the CMA's market based Incentives Program and will provide long-term protection of riparian areas on these properties for at least 15 years.

Management Target 18: Regenerate 550 km of degraded native riparian vegetation (MT exceeded, however an additional 25 km regenerated in 2012-13)



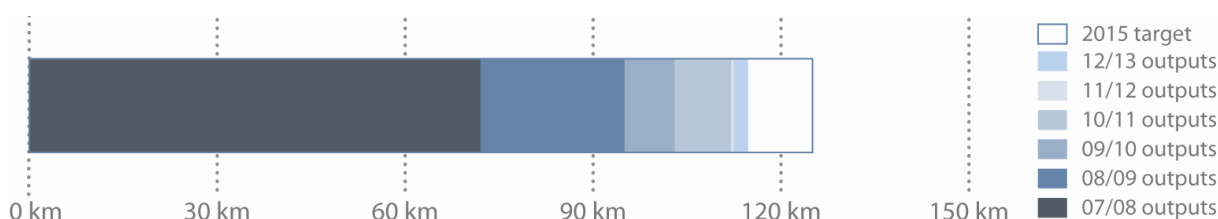
The CMA works with landholders to rehabilitate native riparian vegetation through a market based Incentives Program and Partnership Program. Projects delivering on this Management Target were developed as Property Vegetation Plans or small projects and included activities such as fencing to exclude livestock, weed management, revegetation and installation of alternative stock water supply.

Management Target 19: Restore native fish passage to 60 instream barriers (28% of MT achieved by the end of June 2013)



In 2012-13 the CMA restored fish passage through the removal or modification of one fish barrier through a partnership with NSW Department of Primary Industries, Fisheries (DPI). Barriers removed or modified include weirs, floodgates and road crossings. DPI have identified and prioritised fish barriers that require modification across the CMA region, through a number of studies including the weirs review, floodgate audits and road crossing assessments. Due to the high costs associated with modifying fish barriers and the detailed planning and consultation phase, these projects have been difficult to complete within a one year timeframe. The CMA intends to continue the program in future years, addressing sites on the priority list as funds become available.

Management Target 20: Stabilise 125 kilometres of unstable or degraded stream channels and estuarine shorelines (92% of MT achieved by the end of June 2013)

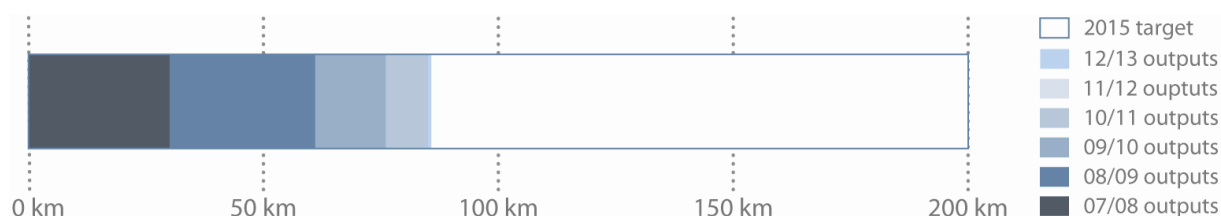


2. Our natural resources and environment

The CMA is on track to deliver this Management Target by the end of 2015 and did not implement any major projects in 2012-13, however the CMA did continue to offer technical advice on management activities such as rock toe-protection along channels, streambank stabilisation and bed control structures to reduce erosion.

The CMA also invested in the finalisation of Riverstyles™ mapping for the entire CMA region. The information generated from this mapping will assist the CMA in prioritising future investment in stabilising stream channels.

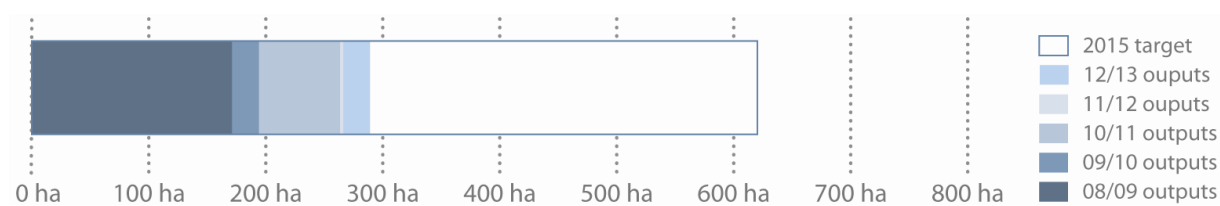
Management Target 21: Improve habitat to 200 km of stream channels (43% of MT achieved by the end of June 2013)



The CMA continues to improve habitat within stream channels in priority streams through a partnership with the NSW Department of Primary Industries Fisheries (DPI). The works undertaken in partnership with DPI include the re-introduction of large woody debris in stream channels, rehabilitation of channel beds and banks and revegetation activities.

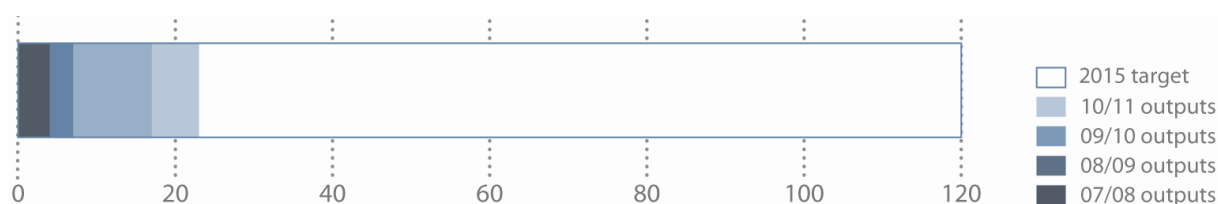
Riverstyles™ mapping for the CMA region will assist the CMA in prioritising future investment in improving stream habitat.

Management Target 23: Retrofit 620 hectares of existing urban developed areas with current best practice urban stormwater management (43% of MT achieved by the end of June 2013)



The CMA has partnered with City of Newcastle Council to install bio-retention trenches and sediment control devices in urban areas. The works were priority actions identified to improve water quality in the Hunter Coastal Hotspots identified in the Australian Government's Caring for our Country initiative.

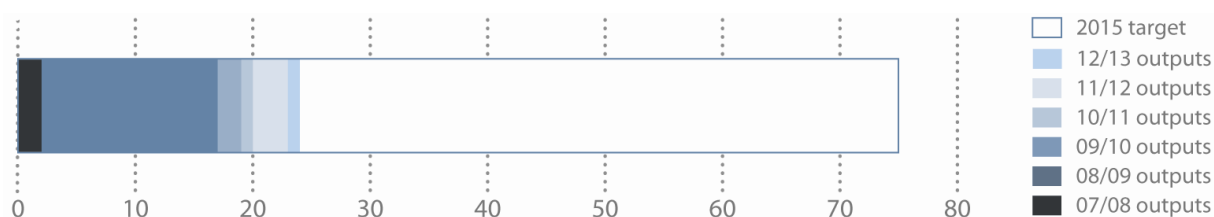
Management Target 24: Improve the management of 120 sewage management systems (19% of MT achieved by the end of June 2013)



In 2012-13 the CMA developed partnerships with councils in the Hunter to improve sewage management systems. Works are continuing in 2012-13 to improve these systems, including a 40 year old system at the Hunter Wetlands Centre, which has potential to pollute Ironbark Creek. CMA investment is targeted to improving sewage management systems in environmentally sensitive areas, including wetlands and creeks.

2. Our natural resources and environment

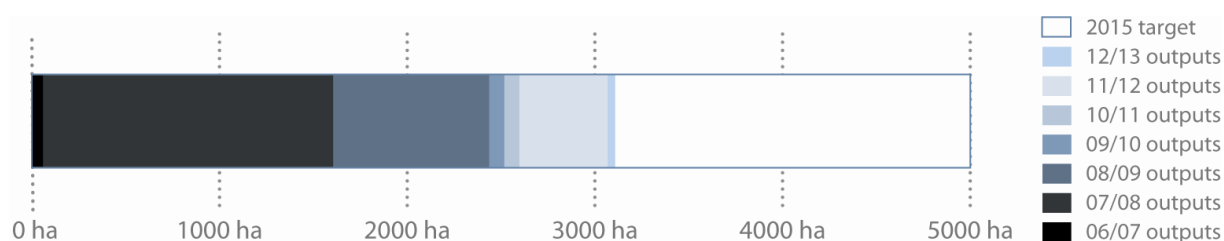
Management Target 25: Manage 75 estuarine floodgates to increase tidal movement (81% of MT achieved by the end of June 2013)



Extensive monitoring in Hexham Swamp continued as part of the Hexham Swamp Rehabilitation Project. One floodgate was opened on Ironbark Creek in December 2008, the second and third floodgates were opened in 2009, and a further three floodgates opened in September 2011. Extensive monitoring has been carried out and findings were submitted to the Department of Planning in November 2012 to progress to the second phase of the third stage of the project.

An additional floodgate project was undertaken with the NSW National Parks and Wildlife Service at Tomago Wetlands, to modify floodgates, culverts and levee banks to manipulate the hydrology of the wetland for improved environmental outcomes.

Management Target 26: Treat an additional 5000 hectares of acid sulfate soils (61% of MT achieved by the end of June 2013)



The CMA treated an additional 38 hectares of acid sulfate soils in 2012-13. A two year project with the NSW National Parks and Wildlife Service to rehabilitate the Tomago Wetlands also resulted in treatment of 62 hectares of acid sulfate soils through changing the hydrology of the site using floodgates, culverts and levee banks.

Management Target 28: Protect an additional 21,000 ha of priority marine habitat (MT exceeded)

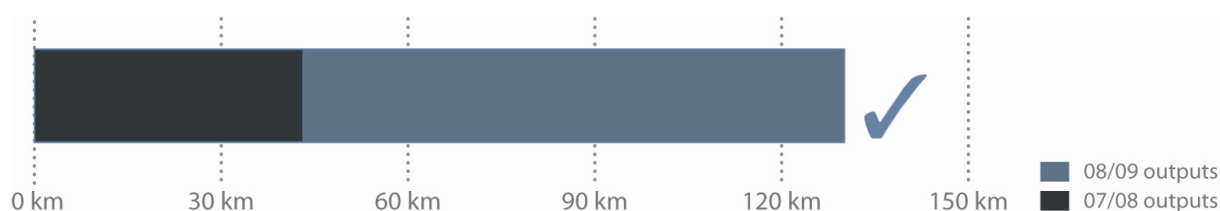


The Port Stephens Great Lakes Marine Park, protecting 20,000 hectares, was established in 2006 and largely enabled the CMA to achieve this Management Target of protecting marine habitat. Due to this Management Target being exceeded in delivery the CMA did not allocate additional funds for works in 2012-13. However, the CMA has made significant investment in research to improve knowledge of distribution and habitat requirements of threatened marine species including the Black Cod and Great White Shark.

The CMA continued its marine education program, as part of the Marine Discovery Series, across the region to help our communities better understand and manage our marine environment.

2. Our natural resources and environment

Management Target 30: Enhance 130 km of vegetation along coastal lake shorelines (MT exceeded)



The CMA has exceeded this Management Target for enhancing vegetation on coastal lake foreshores and as a result there was no direct on-ground funding for this target in 2012-13. There were, however, outcomes delivered indirectly through the delivery of other Management Targets.

The CMA also supported community groups and networks in 2012-13 revegetating and rehabilitating vegetation along coastal foreshores, managing WRACK (floating detached leaves of seagrass and algae), and promoting the values of these areas through educational activities.

Management Target 31: Enhance 250 kilometres of marine shorelines (MT exceeded)



The CMA delivered this Management Target largely through the Coastal Zone Local Government Engagement and Capacity Building Program in 2007-08 and did not make additional funding available in 2012-13.

The CMA continued its successful engagement of coastal communities managing marine shorelines by supporting local governments to implement a range of projects, with funding from the Australian Government's Caring for Our Country initiative and the NSW Government's Catchment Action NSW. These projects include the delivery of four community *Project Aware on the Coast* courses on marine ecology, the coordination of *Marine Discovery Series* public lectures, and installation of interpretive signage to communicate community on-ground coastal enhancement projects.

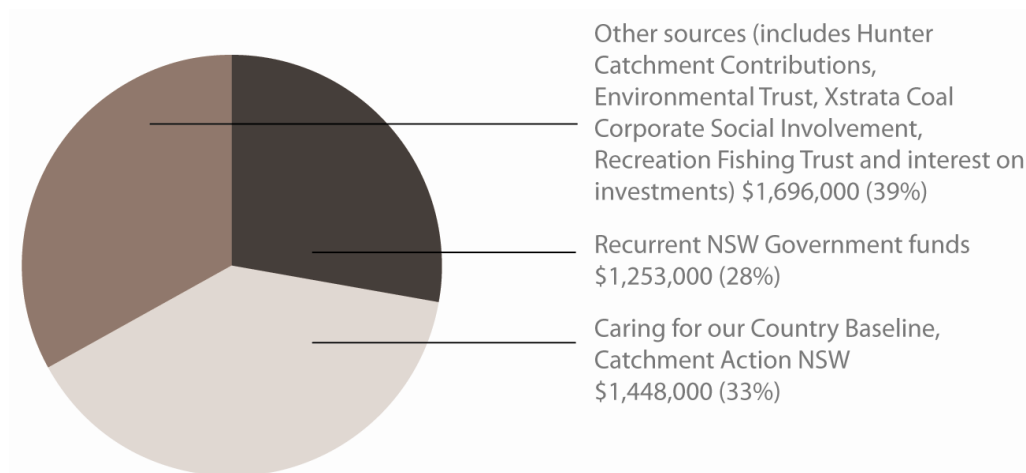
2. Our natural resources and environment

Land

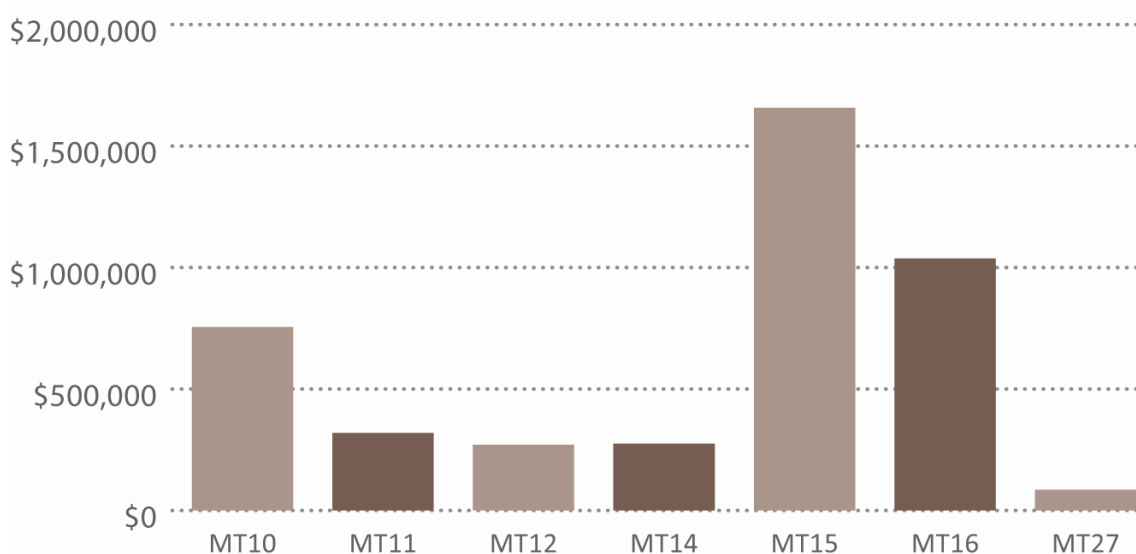
Healthy soils and land are fundamental to the production of our water, food and timber resources. They also deliver vital services such as filtering pollutants, absorbing water to reduce flooding and degrading organic waste. The fragile soils of the Hunter-Central Rivers region are easily degraded and are under increasing pressure from vegetation clearing and loss of groundcover, dryland salinity, poor road maintenance, extractive industries and extended periods of drought.

Through the Catchment Action Plan, the CMA is maintaining and improving the condition of the region's soils by investing in actions that improve soil health, minimise erosion, and better manage areas of acid sulfate soils and dryland salinity. Many of these actions are also improving aquatic health, safeguarding biodiversity and protecting and improving our marine and estuarine environments.

CMA expenditure in 2012-13 that improved land (total investment \$4.4 million)



2012-13 Expenditure per management target relating to land



2. Our natural resources and environment

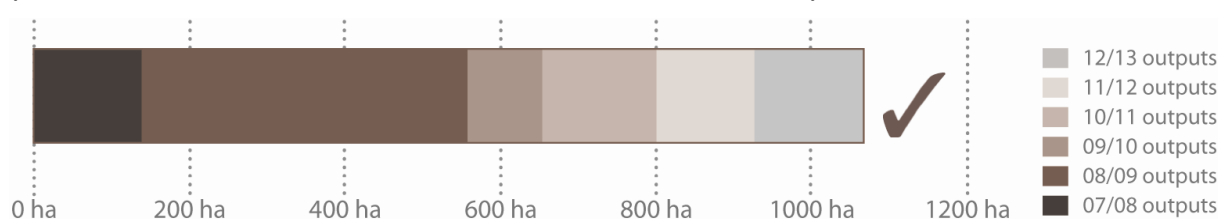
Management Target results for land

Management Target 10: Revegetate 8,400 hectares of highly erodible soils (40% of MT achieved by the end of June 2013)



The CMA has revegetated an additional 476 hectares of highly erodible soils through a range of projects secured through the CMA's market based Incentives Program and Coastal Community Engagement Program. Property Vegetation Plans that involved regenerating native vegetation on steep land (>18 degree slope) make up a major component of the delivery in 2012-13, as these projects will improve groundcover, reduce runoff of sediment and result in long-term improvements in water quality. The CMA signed up three PVPs for 476 ha with private landholders in 2012-13 that contributed to this target.

Management Target 11: Stabilise 800 hectares of actively eroding soils (MT exceeded, however an additional 141 hectares stabilised in 2012-13)



The CMA exceeded the delivery of this Management Target in previous years and therefore did not allocate additional funding in 2012-13 for on-ground projects. The CMA continued to offer technical advice on stock exclusion, gully control structures, gully shaping, construction of diversion banks and flumes. Many of the soil rehabilitation projects in the Hunter used recycled organic mulch and soil conditioner to assist in groundcover establishment for erosion control.

The stabilisation of actively eroding soils has been achieved through the CMA's competitive cost sharing Soils and Salinity Incentives Program. Under this program the CMA takes an active role in managing the earthworks components of these projects due to the technically complex and costly nature of the works.

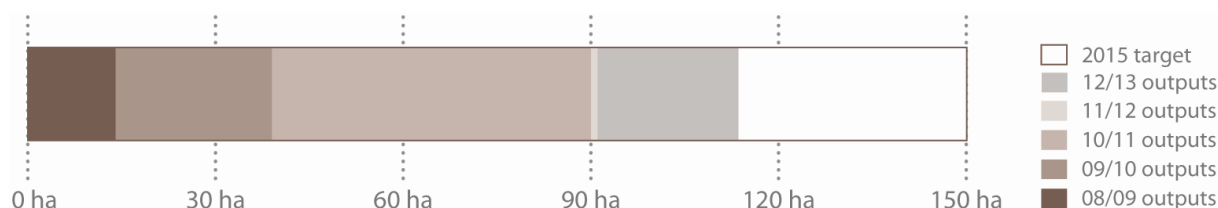
Management Target 12: Revegetate 1,200 hectares of salinity recharge areas with deep rooted vegetation (44% of MT achieved by the end of June 2013)



Activities to revegetate salinity recharge areas have been delivered in partnership with landholders in the Hunter Valley through the CMA's Soils and Salinity Program. The program enables the CMA to manage the design and implementation of major earthworks that are often associated with these types of projects. Landholders are required to maintain the projects and undertake some of the activities themselves, such as revegetation, fencing and grazing management and maintain the project for at least 10 years. Projects are developed in known salinity recharge areas, often in conjunction with stabilising salinity affected areas.

2. Our natural resources and environment

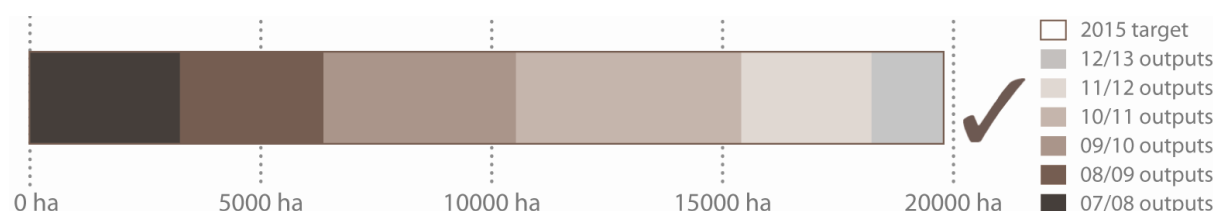
Management Target 14 - Stabilise 150 hectares of salt affected areas (73% of MT achieved by the end of June 2013)



The CMA has undertaken projects on three properties in 2012-13 in salt affected areas in the Hunter Valley through the CMA's competitive cost sharing Soils and Salinity Program.

Projects that deliver on this Management Target have a significant monitoring component to inform adaptive management at these sites and respond to local salinity processes and the influence on these of climate variability.

Management Target 15: Implement sustainable grazing management practices on an additional 19,000 ha of grazing land (MT exceeded, however sustainable grazing management practices implemented on an additional 1,554 hectares in 2012-13)



The CMA engaged training providers, including the Department of Primary Industries, to run sustainable grazing courses for landholders. Landholders also participated in educational field days on pasture cropping and sustainable grazing. The CMA also invested Caring for our Country funding in training to improve sustainable practices, which is a priority target for the Australian Government. Landholders who completed training in 2012-13, or in previous years, were eligible to apply for small grants through the CMA's Sustainable Agriculture program and its market based Incentives Program to improve grazing management on their properties.

The CMA also offers a sustainable farming program for improving sustainable grazing practices on large properties. In 2012-13 the CMA funded seven landholders to undertake sustainable grazing practices on more than 1,554 hectares of land in the Upper Hunter and Manning catchments. Activities undertaken include rotational grazing, no till farming, off stream stock watering systems, internal fencing, laneways and creek crossings, and regeneration of buffer zones along waterways.

Management Target 16: Develop and implement property plans for an additional 25,000 ha (MT exceeded, however an additional 1,398 hectares managed in 2012-13)



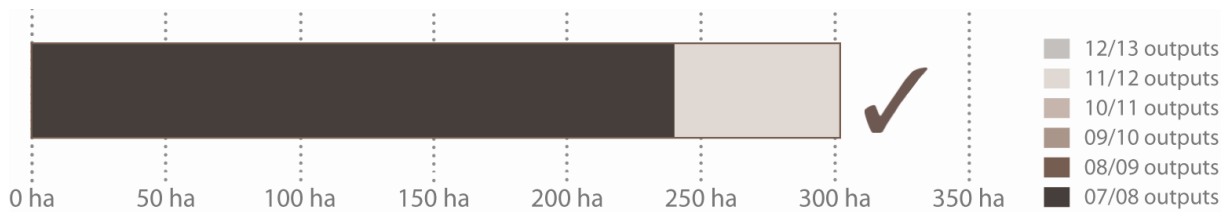
In 2012-13 the CMA engaged training providers, including the Department of Primary Industries, to provide landholders and various agricultural enterprises with training in property planning. The CMA targeted areas that met the Australian Government's Caring for our Country priorities for improving sustainable practices.

Landholders who completed relevant training were also eligible to apply for small grants through the Sustainable Agriculture Program or the market based Incentives Program to implement improved property planning and natural resource management works. Works undertaken through this program in 2012-13

2. Our natural resources and environment

included nutrient management, fencing and revegetation of watercourses, improved grazing management and water supply infrastructure to facilitate land management change.

Management Target 27: Revegetate 240 hectares of degraded dune systems (MT exceeded)



This Management Target was largely delivered in 2007-08 through several coastal native vegetation enhancement projects funded through the Natural Heritage Trust. The CMA continues to invest in this Management Target through the Communities Caring for our Catchment Program and the Partnerships Program.

2. Our natural resources and environment

Research and development projects

The CMA uses a database referred to as NREMSS (Natural Resources and Environment Management Support System) to document all projects, manage contract milestones and report monitoring and evaluation outcomes. While many of these projects include research and development components, specific projects aimed at addressing identified knowledge gaps and opportunities for innovation are listed below.

Project	Description	2012-13 expenditure
Evaluating Large Woody Debris	Engaging Andrew Brooks from Griffith University to undertake evaluation of past riverworks in reducing sediment input into the Hunter River and gauge the likely lifespan of Engineered Log Jam (ELJ) assets. This research will be used to inform the future direction of riverworks by ensuring ELJ designs are robust, cost-effective and providing the desired level of improved aquatic habitat. The report will outline the status and condition of ELJ assets in the Hunter and will include a detailed investigation of the relationship between riparian vegetation and the stability of LWD sites.	\$25,575
Juvenile White Shark – Acoustic Monitoring	Tag at least 20 protected juvenile white sharks in the Port Stephens area and monitor the movement of these sharks in the region and along the east coast of Australia.	\$25,000
Juvenile White Shark – Aerial survey	Undertake a 12-month aerial survey of juvenile white sharks in the Port Stephens region, combining data with acoustic tracking to build a more accurate picture of numbers to assess recovery of the population.	\$21,500
Evaluation of Hunter–Central Rivers Soil Landscape Mapping (Stage 2)	Implement recommendations of Stage One of the soil mapping audit to produce spatial soils datasets in suitable format for CMA programs.	\$35,000

2. Our natural resources and environment

Activities in the Hunter funded by Hunter Catchment Contributions

Catchment Contributions have been collected in the Hunter since 1950 when the Hunter Valley Conservation Trust was established for investing in protecting and managing the health of catchments in the Hunter Valley.

In 2012-13, ratepayers in the Hunter Catchment paid a contribution of 0.0111 cents per dollar of land value, which is an average of \$25 per rate notice. In 2012-13 approximately \$3.68 million was collected to fund activities in the Hunter region.

Hunter Catchment Contributions also allow the CMA to leverage other sources of investment from NSW and local government, industry and community groups. Hunter Catchment Contributions are invested in projects in the Hunter Catchment that contribute to the Management Targets of the CMA's Catchment Action Plan. The following activities were funded through Hunter Catchment Contributions in 2012-13.

Wetland and Threatened Species Protection and Enhancement Program

Kooragang Wetland Rehabilitation Project in the Hunter River Estuary

Linkages to national and international wetland restoration projects:

- Continued affiliation with Kushiro Wetlands and Kushiro International Wetlands Centre
- Continued listing with the Global Restoration Network as one of the top 25 restoration projects in Australasia

Mass plantings and plant propagation results:

- Propagated native plants from locally collected seed and planted 4,319 plants in the Hunter River Estuary in 2012-13
- Total plants planted over lifetime of project estimated to be approximately 180,000
- Restored floodplain rainforest and riparian woodland corridor continued to be expanded, enhanced and maintained

Enhanced volunteer involvement

- 12,176 volunteer hours in 2012-13, valued at \$365,280
- 11 monthly planting days conducted in addition to daily restoration and education activities
- 5 volunteer training workshops conducted for improved WHS and technical expertise
- Products produced by volunteers (e.g. *Plum Pine Poster*, *Butterflies and Bushland Book*, artworks and hand drawn cards) raise funds to support volunteer activities

Habitat improvements

- Four grant projects completed: riverbank stabilisation, riparian zone and floodplain rainforest/woodland restoration, and shorebird habitat enhancement funded by Estuary Management Program (EMP); and Informed and Engaged Volunteers project funded by Caring for our Country Community Action Grant.
- Six grants in progress: monitoring restoration works in a tidal creek and shorebird habitat (Stages 1 and 2), riparian restoration for bank stabilisation and biodiversity, bank protection survey and design, and conservation and rehabilitation masterplan for the Hunter Estuary all funded by EMP; Adaptive action for protecting threatened habitats project funded by Environmental Trust.
- Completed REF and public consultation to protect Green and Golden Bell Frog habitat and maintain saltmarsh and tidal flows in Dead Mangrove Creek, with support from Australian Government Caring for our Country Hotspot program.

2. Our natural resources and environment

- Partnered with City of Newcastle Council to implement priority initiatives including riparian restoration, river bank stabilisation and landscape concept plan for riparian zone restoration and access management at Stockton Sandspit.
- Continued to manage wetland and pasture areas for specific biological objectives through City Farm:
 - Holistically managed grazing of up to 102 head of cattle to manage kikuyu biomass and enhance soil condition for rehabilitation activities;
 - City Farm used as a demonstration site for sustainable agriculture techniques including holistic management, farm forestry, permaculture and community gardens;
 - On-going water quality and saltmarsh monitoring; and communication and education.

Events

- Held the second annual *Welcome Shorebirds* community event at Stockton Sandspit in November 2012 to celebrate migratory shorebird visitation in the Hunter River Estuary during summer

Heritage

- Held *Back to the River Festival* at Ash Island in April 2013
- Continued to manage the Schoolmasters House, restored by the Kooragang Wetland Rehabilitation Project, as a visitor information centre and administrative office.
- Continued to maintain Milhams Farmhouse ruins as part of City Farm and as a link to the agricultural past of Ash Island.
- Compiled oral and written histories to document historical land use practices of the estuary and provide a context for current restoration activities.

Hexham Swamp

- Obtained approval for phase two of stage three of the Hexham Swamp inundation program from the Department of Planning.
- Continued monitoring of stage three of the inundation program revealed an increase in bird species diversity and abundance and vegetation change and no water quality issues.
- Maintained constructed works at Hexham Swamp to ensure they are operating within design parameters and commenced further minor works to minimize impacts on private lands adjacent to the project area.

Hunter Vegetation Projects

- Completed a pilot mapping program for African Olive using high resolution ADS40 imagery.
- Commenced a trial of steep land restoration methods on 0.5ha site at Goorangoola, near Singleton

Coordinated weeds management

- The CMA contributed to the control of environmental weeds in the Hunter catchment through:
 - the continuation of a Partnership Project with Maitland City Council to treat African Olive on private land in the Luskintyre area, where remnant vegetation is being impacted and threatened;
 - the treatment of 5ha of African Olive in Endangered Ecological Communities in the Goorangoola Catchment, near Singleton; and
 - a Partnership Project with Maitland City Council to treat 8km of Wallis Creek infested by Honey Locust.

2. Our natural resources and environment

Flood Mitigation and Riparian Management Program

Hunter Riverworks

- The CMA engages Soil Conservation Service (SCS) to implement the Riverworks maintenance program, to stabilise, revegetate and rehabilitate degraded or unstable beds and banks of rivers and streams in the Upper Hunter. Works undertaken in 2012-13 included areas upstream of Muswellbrook at *Coolmore* and upstream of Parkville at *Cressfield*.
- Willows and poplars were removed at a number of Riverworks sites and areas revegetated with native species. Gully and bed stabilisation was completed and piles were removed from old riverworks sites that were no longer functioning.
- A review of Engineered Log Jam (ELJ) projects over the past 5 years was carried out to assess effectiveness and strategic value for future program design.

Hunter Valley Flood Mitigation (HVFM) maintenance

- Infrastructure within the HVFM scheme was maintained in partnership with the Office of Environment and Heritage (OEH), as required under the *Water Management Act 2000*, to reduce flood risks to people, property and infrastructure.
- In 2012-13 all 420 flood mitigation structures were maintained by OEH through activities such as slashing, weed spraying and routine maintenance. These activities contributed to CAP Management Target 22 - Maintain Lower Hunter Valley Flood Mitigation structures.

Hunter Valley flood mitigation construction

Hunter Asset Management System

- Continued development of an asset management system for Hunter Riverworks and HVFM, in conjunction with OEH and SCS.
- Completed Stage 2 of Hinton spillway rehabilitation, which experienced its first flood within one week of commissioning.

Priority Sub-catchment Projects

Newcastle Catchment Management Forum and activities

- Completed stage 2 of riparian rehabilitation on six private urban properties in upper Ironbark Creek Catchment
- Completed native vegetation rehabilitation works with the City of Newcastle Council on Nereida Close and Justin Parade
- Provided sponsorship to nine community groups in the Newcastle region to support their activities
- Completed a catchment crawl, creek naming community sessions, urban wildlife discovery series and other capacity building events with the City of Newcastle Council and other partners to engage the community in natural resource management

Goorangoola Catchment

- Completed a three-year NSW Environmental Trust funded project in the Goorangoola catchment to restore habitat for the threatened Southern Purple Spotted Gudgeon. Through the project, over 1.8km of creek fencing was installed, 3,444 native tubestock planted, and weeds controlled to protect and enhance 10.53 ha of riparian habitat, including several significant refuge pool areas on seven properties.

2. Our natural resources and environment

On-ground Works Incentives Programs

- The Hunter On-Ground Initiative (HOGI) scheme provided assistance to three landholders to address vegetation and riparian management priorities in the CAP through the Incentives and Partnership Programs.
- Ten small projects were funded through Hunter Catchment Contributions throughout the Hunter.
- Funds were also distributed through the CMA Partnerships Program and included partnerships with:
 - NSW National Parks and Wildlife Service for stage 2 of improvement of migratory bird habitat at Kooragang Dykes; and
 - Upper Hunter Shire Council to upgrade or replace 20 On Site Sewer Management Systems (OSSMS) that impact waterways in the Upper Hunter Shire Council area. The project has had slow uptake from residents and has been expanded to include a number of additional villages within the Shire.

Hunter technical staff (working on above and technical projects)

- Suitably qualified and experienced staff employed by the CMA provide technical advice to landholders in the development of Hunter-funded and externally-funded projects.

Hunter Education

- The CMA continues to support Tocal Field Days, which is a major agricultural field day attracting around 25,000 visitors each year.
- Preparing the community for flood events continues to be a focus of the Flood Education Program, with events being coordinated and information being distributed to the lower Hunter community.
- The Hunter Education Project Officer provides support to other CMA staff in planning field days and community events, promoting projects and developing case studies for the CMA website and local media.

Further information on the CMA's community education program is featured in the following pages.

3. Our community

Section 3: Our community

NSW 2021 Plan

Goal 23: Increase opportunities for people to look after their own neighbourhoods and environments

2021 TARGET

Increase the devolution of decision making, funding and control to groups and individuals for local environmental and community activities, including:

- Catchment Management
- Landcare

Goal 24: Make it easier for people to be involved in their communities

2021 TARGET:

- Increase volunteering and community participation

Goal 31: Improve government transparency by increasing access to government information

2021 TARGETS

- Increase the public availability of government information
- Up-to-date information about government services

Goal 32: Involve the community in decision making on government policy, services and projects

2021 TARGET:

- Increased proportion of people who feel able to have a say on issues that are important to them
- Increase visits to government websites and the number of submissions received from the community

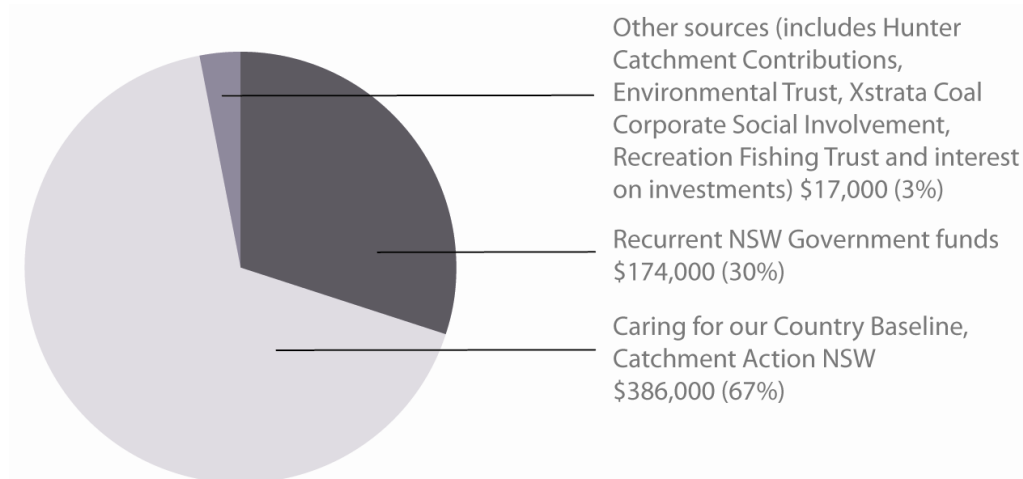
CMA Activities

The CMA's Catchment Action Plan includes 31 Management Targets that specify activities, including on-ground works, which the CMA will invest in to help protect our natural environment. Communication and education activities are also implemented to complement on-ground works and help build the capacity of communities to get actively involved in looking after their environment. The CMA also has a number of other programs to help engage the community in decision making. These activities and programs are listed in this section.

3. Our community

Informing and involving our community

CMA expenditure in 2012-13 that supported our community (total investment \$577,600)



Each year, the CMA's Community Education Team plans communication and education activities that help build the capacity of the community to implement on-ground works linked to the Management Targets listed in the Catchment Action Plan. Capacity building includes any activity that ultimately improves the community's capacity to take action and includes:

- Raising awareness and providing information through communication;
- Encouraging people to become actively engaged, by facilitating and supporting the sharing of knowledge and ideas;
- Encouraging people to become actively involved in learning new skills, acquiring new perspectives and changing behaviour through education and training.

To help plan appropriate education and capacity building activities to meet the needs of the community, the CMA's Community Education Team works closely with other CMA staff and the community to identify potential projects. These projects are delivered by CMA staff in partnership with community groups, landholders, councils and government agencies.

The projects below highlight some of the achievements of the CMA's Community Education Team in 2012-13. As well as these projects, the CMA was committed to providing information to the community through the media with Education Officers preparing 83 media stories resulting in 223 printed articles. This represents a 70% increase in media coverage since June 2012.

Stories from our catchments

A major initiative of 2012-13 was the production of a series of digital stories about natural resource management on the Central Coast. Funding sourced through the Australian Government's Caring for our Country initiative, in partnership with Wyong Shire Council, was invested in the production of eight videos about landholder projects in the Tuggerah Lakes Catchment. These stories, which have been produced on DVD and shared via YouTube and the CMA website, show what individuals can achieve on their properties and in their local landscapes with the support of organisations such as the Catchment Management Authority.

In addition to this, four digital stories were produced, with the assistance of Department of Primary Industries - Fisheries and the Great Lakes Port Stephens Marine Authority, to promote awareness of the need to protect rare and threatened marine species in our region, including soft coral, marine turtles, black cod and white sharks.

3. Our community

Granting sponsorship program

The CMA has a sponsorship policy and program, which provides funding of up to \$1500 (on a rolling basis) for land managers and community groups to access, for communication, capacity building and education activities. Groups interested in applying for funds complete a simple two-page application form, which is assessed in accordance with CMA business procedures. In 2012-13 the CMA sponsored 26 individual projects to a total value of \$38,000. This program has helped groups deliver field days, community events, develop education programs, restore endangered ecological vegetation communities and improve water quality. The sponsorship program will continue in 2013-14.

Network Support Program

In 2012-13 the CMA continued the Community Network Support program to provide financial support for administrative, capacity building and education activities for community networks to help implement the Catchment Action Plan. Through this program \$90,900 was provided to ten community networks on a competitive basis. These networks represented community and Landcare groups from all three landscapes within the Hunter-Central Rivers region and three were from Aboriginal organisations. Each recipient group was required to submit a written report and to present to the Board on how the funds helped them deliver their annual activities and support implementation of the CAP.

Communities Caring for Catchments

In 2012-13 the CMA invested in the Communities Caring for Catchments program to provide support to local government and non-government organisations to undertake projects which integrate capacity building and education activities with on-ground works consistent with the Catchment Action Plan. Through this program \$374,577 was provided to eight groups through a competitive process.

See Appendix 3 for funds granted to non-government community organisations.

Marine education

Uncovering the mysteries of the marine environment and engaging the community in its conservation continues to be an important focus of the CMA's education program. As well as producing four digital stories on marine species, the CMA continued to work in partnership with local councils, universities and community groups to deliver the Marine Discovery Series. The Marine Discovery Series connects marine scientists with the community through a series of dynamic and highly visual presentations on topics such as underwater habitats, marine species, climate change and sea birds. The CMA supported 11 events in 2012-13 attracting over 500 people. A highlight of the series was showcasing sustainable seafood.

Social media and online communications

As well as publishing information weekly via its website, the CMA also launched a Facebook page for its Marine Discovery program. Information was posted on this page and other relevant pages about upcoming marine events.

Education Officers also developed posted videos to the CMA's YouTube channel (www.youtube.com/hcrcma), and published photos on the CMA's Flickr site (www.flickr.com/hcrcma).

The CMA also worked with local historian Peter Bogan to develop the *Flood Walk* smart phone app. The app contains a self-guided walk featuring a series of historical photos and a recorded narrative about historical flood events in Maitland.

Champions of the Catchments Awards

The CMA, in partnership with the Hunter Region Landcare Network, coordinated the biennial Champions of the Catchments Awards to showcase the achievements of Landcarers in the Hunter-Central Rivers Region.

3. Our community

Landcare encompasses all care groups and individuals and awards \$500 prize money in nine categories. The winners of the 2013 Champions of the Catchments Regional Awards were:

- Helen McClelland from Abermain won the Individual Landcare Legend award, while Jenny Castles from Wallsend was Highly Commended in this category;
- The Gloucester Project's Tucker Patch won the Innovation in Sustainable Farm Practices award and James Armstrong from Cassilis and Bill and Anne McPhee from Gundy won Achievement Awards in this category;
- Brisbane Waters Secondary College won the Coastcare award. Trees in Newcastle were Highly Commended and Take 3 won the Achievement Award in this category;
- Equilibrium Future Solutions won the Landcare Community Group Innovation award, with Budgewoi Beach Dunecare, Shortland to Wallsend Landcare and Tilligerry Habitat all receiving Achievement Awards;
- Thornton Public School won the Junior Landcare Team award; and
- The City of Newcastle won the *Local Government Landcare Partnership* award.

Total Field Days

The CMA has supported Total Field Days for nine years and is a member of the Total Field Days Association. Total Field Days is a major agricultural event held in the first weekend of May and attracts around 25,000 people over three days. Sustainable natural resource management is a feature of the field days with exhibitors providing information and advice on managing our land to be more productive and sustainable.

The CMA also supports Hunter community groups to exhibit at the field days by providing a site free of charge. Hunter community groups were invited to apply for free sites at the 2013 event. This year the successful groups were EarthCare Park, Hunter Region Landcare Network, Trees In Newcastle, Australian Plant Society, Hunter Region Botanic Gardens, Native Animal Trust Fund, Hunter Biodynamic Group, Hunter Farm Forestry Network, Hunter Wetlands Centre, WetlandCare Australia, and Great Eastern Ranges Initiative - Hunter Valley.

The CMA also attends the field days and provides information and presentations to the community on CMA activities such as sustainable land management, native vegetation and improving water quality.

Government Information

In 2011, as part of providing information to the community, organisations needed to comply with the *Government Information (Public Access) Act* by developing a publications guide for websites and a process where the community could access information under a Formal Access Request. Information provided includes a disclosure log, a list of documents tabled in parliament, policy documents and a register of government contracts.

A business procedure was developed and reviewed in 2011 to ensure the CMA was proactive in the release of information, providing information in hard copy and via the CMA website. One of our requirements is to disclose on our website any contracts over \$150,000. The CMA sought advice from the Office of the Information Commissioner and gained an exemption under section 27 of the Act to withhold this personal information from the contracts list, to protect the personal privacy and security of CMA clients.

During the 2012-13 year, no formal access applications were received and processed. No access applications have been refused.

Responding to our community

The CMA has a register which records the written compliments and complaints received. This helps the CMA identify what services have been well received and what actions can be implemented to improve delivery of information to the community in the coming year.

3. Our community

In 2012-13 the CMA received 21 compliments on a variety of CMA activities including community workshops, field days and presentations and assistance provided by CMA staff to CMA clients.

In 2012-13 the CMA received five complaints. Three were in relation to issues relating to drainage from owners of properties on Marsden Street, Shortland on the edge of Hexham Swamp. These were responded to by the Program Manager - Hunter and Catchment Coordinator - Lower Hunter and are being managed and monitored through the CMA's Hexham Swamp Rehabilitation Project.

The fourth was in relation to the time taken from application to contract acceptance from a landholder participating in the Wybong Catchment Health Improvement Project. The landholder was contacted by the Acting Catchment Coordinator – Upper Hunter, and the problems are being progressively resolved.

The fifth complaint was received in May 2013 from a CMA client in the Cessnock LGA who was unhappy about erosion stabilisation works carried out by the CMA on his property in October 2012, which were affected by heavy rains a short time after works were completed. A Ministerial response to this letter was drafted.

Assisting Landcare

The CMA was the host of the 2013 Landcare and Catchment Management Forum in Newcastle from 3-5 September 2013. In 2012-13 the CMA held ten meetings of the Community Group Steering Committee, set up to help plan all aspects of the forum. This committee had representatives from Landcare, community groups, Aboriginal organisations and government agencies whose advice proved vital to the success of the Forum. The CMA provided \$30 000 in direct funding for the forum, as well as staff and in-kind contributions and delivered sponsorship worth \$6,000 to assist Landcarers to attend.

The CMA helped deliver the State Landcare Business Plan by providing funds totalling \$15,093 to support three Landcare/community groups to conduct training in plant identification, enabling change and soil microbiology, respectively.

The CMA gained access to Commonwealth funding of \$1,100 to subsidise the attendance of two Landcare members in the region to the National Landcare Conference in Sydney on 3-5 September 2012.

Community decision making

The CMA has four Community Reference Groups, which were established to help the CMA keep in touch with the needs of local communities and to provide advice to the Board and CMA staff. These groups include the Hunter Community Reference Group, Central Coast Community Reference Group, Hexham and Kooragang Wetland Rehabilitation Committee and Newcastle Catchment Management Forum.

Community Reference Groups are Board sub-committees and are chaired by a CMA Board member and supported by CMA staff. Community Reference Groups provide valuable links between the CMA and the broader community and facilitate community involvement in protecting and managing their local environment.

The main role of the Community Reference Groups is to advise the CMA Board on priority issues within their catchment areas, and to act as a conduit for the exchange of information between the CMA and the broader community. They also have a role in providing advice to the CMA on the implementation of the Catchment Action Plan (CAP) and the Annual Implementation Program (AIP) and, in the case of the Hunter CRG, on the budget for funds raised by Hunter Catchment Contributions.

The Central Coast Community Reference Group

There are currently 11 community members on the Central Coast Group as well as three members representing local government. The group was chaired jointly by two Board members Jane Smith and Jeff Jansson up to cessation of Ms Smith's appointment to the Board in April 2013 (for a full list of members see Appendix 4).

The Central Coast Community Reference Group (CCCRG) met three times in 2012-13. At each meeting, the Group was given detailed updates on CMA activities on the Central Coast.

The group was given detailed presentations on the preparation of the revised Catchment Action Plan and took part in workshops to assist its development. The CCCRG expressed strong support for the whole of government

3. Our community

approach to natural resource management embodied in the CAP. Members attended public briefings on the CAP on the Central Coast and seven CCCRG members joined with 11 Hunter Community Reference Group Members at a special workshop held at Tocal on 27 August 2012. The outcomes of this workshop were incorporated in the CAP.

During the year the CCCRG Members took part in two field inspections: one to view CMA and council works in the Lake Macquarie area and the other to view three sites associated with the Tuggerah Lakes Project. The group also discussed the CMA's communication and education programs and were briefed on the establishment of Local Land Services.

The Hunter Community Reference Group

There are currently 10 community members on the Hunter Community Reference Group (HCRG) as well as four local government representatives. The Hunter group is chaired jointly by two CMA Board members - Julia Imrie and Arthur Burns (for a full list of members see Appendix 4).

The Hunter Community Reference Group met twice in 2012-13. At each meeting the members took part in field trips to view CMA activities in the Hunter catchment.

The group was given detailed presentations on the preparation of the revised Catchment Action Plan and took part in workshops to assist its development. The group nominated three Members to attend the CAP public workshop at Maitland and four to attend the workshop at Muswellbrook. In addition, 11 HCRG Members joined seven CCCRG members at a special workshop on the CAP held at Tocal on 27 August 2012.

The HCRG received detailed briefings and provided advice to the Board on the Hunter Catchment Contributions budget. These funds are directed to the construction and maintenance of flood mitigation structures and to a range of community programs.

The field inspections undertaken by the group included a tour of project sites in the Dungog area and a visit to the Goorangoola Creek Threatened Species Habitat Rehabilitation Project.

The Hexham Swamp and Kooragang Wetland Rehabilitation Committee

This committee is jointly chaired with the National Parks and Wildlife Service. The committee serves a dual purpose of meeting the conditions of consent for approval through the Environmental Planning and Assessment Act 1979 of the Hexham Swamp Rehabilitation Project (HSRP) and guiding the Kooragang Wetland Rehabilitation Project.

In 2012-13 the committee visited Hexham Swamp and reviewed reports on the progress of the HSRP on issues such as vegetation change, water quality and level and avian fauna.

The Newcastle Catchment Management Forum

The forum contributed \$31,000 to private landholders and professional bush regenerators to rehabilitate 1.3 hectares of the Upper Ironbark Creek catchment. These works on private land complement creek rehabilitation works being undertaken in partnership with City of Newcastle Council on public reserves.

The forum provided \$42,300 towards Council projects at Nereida Close and Justin Parade as well as a comprehensive education program.

The Newcastle Community Groups Sponsorship Program continued, with grants of up to \$1500 distributed to nine community groups for essential items such as safety gear, equipment and tools to assist community groups.

3. Our community

Volunteering in our region through Waterwatch and VegWatch

Waterwatch is a community water quality and catchment education program aimed at empowering participants to volunteer and protect their local environment to improve catchment health.

The Hunter-Central Rivers CMA supports the largest Waterwatch program in NSW, with four Waterwatch Coordinators employed to cover the three landscape areas of Central Coast, Hunter Region and Manning-Great Lakes.

The success of the Waterwatch program in this CMA region is largely dependent on support from the CMA, and partners including NSW Department of Education and Communities, local water authorities, and non-government organisations.

The main achievements in Waterwatch for 2012-13 include the following.

- Waterwatch Coordinators interacted directly with 12,691 individuals in our region;
- 50 Waterwatch training workshops were held, involving 898 participants;
- 104 presentations and displays were delivered at events such as Catchment Crawls, Stormwater Scampers, Tocal Field Days, Planet Savers, and Phosphorous Awareness Days
- Hunter Region Waterwatch has been supporting school teachers in implementing Sustainability Education in their classrooms to integrate it as part of their school culture. Teachers are encouraged to think outside the square and actively look for opportunities where the environment can be part of their class teaching and learning programs.

Special projects coordinated through the Waterwatch program, include Catchment Crawls, Stormwater Brochure Competitions and Binless and Brave campaigns, which have been great vehicles for improving understanding about local catchment issues. Working directly with school teachers, local landholders and community groups has seen the program continue to grow.

VegWatch, offered by the CMA as a companion program to Waterwatch, provides resources and activities to help landholders, schools and community groups monitor the health of local bushland areas.

In 2012-13, 13 schools in the Hunter region were introduced to the VegWatch program and have committed to seasonal monitoring of their local bushland areas, with a particular focus on soil, birds or invertebrates. In total 395 students, 26 teachers and 3 parents participated in the VegWatch program in 2012-13.

3. Our community

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4. Involving Aboriginal communities

Section 4: Involving Aboriginal communities

NSW 2021 Plan

Goal 26: Fostering opportunity and partnership with Aboriginal people

2021 TARGET

- Increase the number of Aboriginal communities the state government is partnering with to improve local outcomes

Support Aboriginal culture, country and identity

CMA Activities

The CMA's Catchment Action Plan includes 31 Management Targets that specify activities, including on-ground works that the CMA will invest in to help protect our natural environment. One of the CMA's Management Targets is about managing culturally significant landscapes, which includes promoting cultural identity, looking at training opportunities for Aboriginal Land Management Teams and university students and assisting Aboriginal groups to implement projects to improve their land. These activities, which also contribute to the NSW 2021 Plan are listed in this section of the Annual Report.

Supporting and engaging Aboriginal Communities

The CMA established an Aboriginal Cultural and Environment Network (ACEN) in August 2005 to provide advice and recommendations to the CMA Board about protecting culturally significant landscapes and engaging the Aboriginal community.

In 2012-13 the Hunter-Central Rivers Aboriginal Cultural and Environmental Network (ACEN) – Catchment Management Authority Partnership Committee held three meetings throughout the region. The ACEN Committee is co-chaired by CMA Board Chair Susan Hooke and Aboriginal community member Mick Leon. The former co-chair, John Weate's Board term ended during the year and was replaced by Susan Hooke.

In 2012-13 ACEN meetings were attended by Barry Bungie, Dave Feeney, Mick Leon, Aleshia Lonsdale, Tom Miller, Sarah Neal, Warranha Ngumbaay, Andrew Smith, Deborah Swan, Dawn Townsend and Toby Whaleboat.

The major achievements for the ACEN Committee in 2012-13 include the following:

- Awarding ACEN scholarships of \$5,000 each to three Aboriginal University students studying in a natural resource management field of study;
- Overseeing the CMA's ongoing commitment to undertaking Aboriginal cultural heritage assessments and investigations of high-risk project areas on both public and private property;
- Developing the CMA's Aboriginal Cultural Heritage Protocols and Procedures Manual for On-Ground Works for use by CMA staff who are managing on-ground projects;
- Collaborating with CMA staff in the upgrade of the CMA's Catchment Action Plan;
- Reviewing the types of activities the CMA should invest in to enhance Aboriginal involvement in NRM; and
- Drafted Cultural Heritage Protocols for the CMA.

In relation to CMA investment in Aboriginal outcomes and projects, the CMA continues to encourage its project partners (including local and state government, non-government organisations and individual landholders) to

4. Involving Aboriginal communities

engage Aboriginal Land Management Teams to implement a range of on-ground works. The CMA recognises that this also contributes to a broad range of other socio-economic benefits for Aboriginal people.

The 2012-13 CMA Incentives Program supported a number of projects submitted by Aboriginal groups or people, projects that supported Aboriginal Cultural Heritage outcomes, or provided employment through Aboriginal Land Management Teams.

The CMA employed three Aboriginal officers who are committed to supporting Aboriginal culture, country and identity. The CMA's Catchment Officer (Aboriginal Communities) provides advice to CMA staff on strategies and policies on Aboriginal NRM issues and provides executive support to the ACEN Committee. Aboriginal Community Support Officers provide support and expertise to Aboriginal groups, CMA staff and external organisations involved in natural resource management projects.

In June 2013 the CMA conducted a series of teacher workshops, in partnership with the Department of Education and Communities and local Aboriginal land councils and elders, to improve teachers' confidence in working with local Aboriginal communities to create meaningful cultural and environmental content and learning opportunities for their students.

A total of 60 teachers attended the three workshops, which were held at Tocal, Muswellbrook and Taree, with some positive relationships formed between the teachers and Aboriginal community members.

5. Preparing for floods

Section 5: Preparing for floods

NSW 2021 Plan

Goal 28: Ensure NSW is ready to deal with major emergencies and natural disasters

2021 TARGET

- Increase the number of floodplain risk management plans available to support emergency management planning.

CMA Activities

The Hunter-Central Rivers CMA has a unique role in flood mitigation and preparedness as compared to other NSW CMAs. Approximately \$1 million per year from Hunter Catchment Contributions is allocated to maintenance of the Hunter Valley Flood Mitigation Scheme. The CMA also recognises the importance of community awareness and preparedness in mitigating the impact of flood events and therefore has delivered a flood education program in the lower Hunter in partnership with the State Emergency Service since 2005.

Minimising flood risk

The Hunter Valley Flood Mitigation Scheme

The Hunter Valley Flood Mitigation Scheme is valued at over \$700 million and is jointly managed by the NSW and local governments under the *Water Management Act (2000)*. The Hunter-Central Rivers CMA provides 25% of the funding through Hunter Catchment Contributions to maintain the scheme to a high standard. The Office of Environment and Heritage manages the construction and maintenance, and the on-ground works are contracted to Soil Conservation Service. The scheme requires on-going funding to maintain 160km of levees, 4 kilometres of spillways, 245 floodgate structures, 120 kilometres of flood drains, and 270 kilometres of streambank stabilisation works and extensive riparian vegetation plantings. Although these works cannot prevent flooding, they can help reduce the impact of floods on the lives and livelihood of people living on the Hunter's floodplain.

Helping the community prepare for floods

The Hunter-Central Rivers Catchment Management Authority (CMA) and the State Emergency Service (SES) have been working in partnership since 2005 to develop and implement a Community Flood Education Strategy for Maitland. The need for such a project had long been recognised, with community surveys showing a general misconception of the level of protection afforded by the Lower Hunter flood mitigation scheme, and a lack of awareness and understanding of flooding in the Maitland area.

2012-13 activities:

- Supported local flood historian and survivor Peter Bogan in running four *Walk & Talk* flood tours around various parts of Maitland
- Produced a smart phone app, called *Flood Walk*, based on one of Peter Bogan's popular *Walk & Talk* flood tours
- Conducted tours of the Maitland floodways for five groups
- Commemorated the anniversary of the 1955 flood at Maitland Town Hall with a photographic display and invitation to the community to share their stories

5. Preparing for floods

- Produced a DVD, called *Memories Come Flooding Back*, featuring short clips of flood survivor interviews, also featured on the CMA's YouTube channel
- Distributed FloodSafe information packs in partnership with the SES
- Displayed flood photos and FloodSafe information at Tocal Field Days 2013

6. Managing our business

Section 6: Managing our business

NSW 2021 Plan

Goal 30: Restore trust in state and local government as a service provider

2021 TARGET

- Promote integrity and accountability in the public sector.
- Increase customer satisfaction with government services.
- Improve innovation within the public sector.

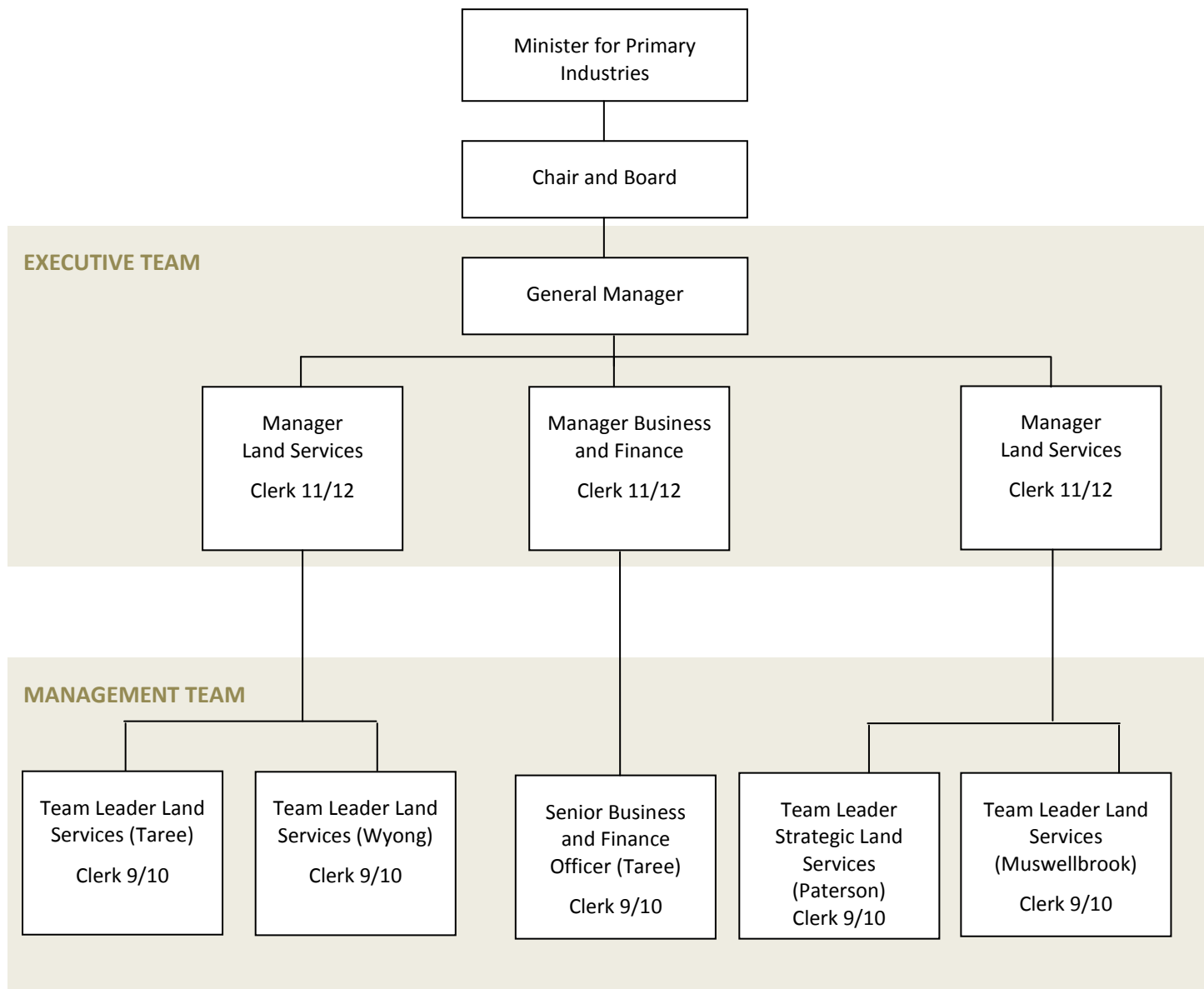
CMA Activities

The Hunter-Central Rivers CMA is committed to providing organisational and service efficiency to our community, government and the environment. As a state government organisation we have a responsibility to implement our responsibilities under NSW legislation and provide an efficient service to the community. Activities that help us achieve this are listed in this section of the Annual Report, which also contribute to the NSW 2021 Plan.

6. Managing our business

Our organisational structure

Chart current as at 30 June 2013



Note: A complete organisational chart is included in Appendix 5.

6. Managing our business

Our Board

As independent statutory authorities, CMAs are governed by a Board appointed under the *Catchment Management Authorities Act 2003*. The CMA Board acts on behalf of the Minister for Primary Industries in overseeing and governing the CMA. The Board's role includes determining the CMA's strategic direction, identifying the core value and ethical framework, developing key objectives and performance measures. A critical element of this role is responsibility for financial operations and budgeting to ensure the CMA achieves its strategic objectives.

The Board has seven key areas of focus:

- Strategic leadership
- Monitoring and evaluating performance
- Participation in the selection of a preferred General Manager candidate
- Accountability and financial management
- Risk management
- Corporate governance and ethics
- Stakeholder engagement and relationships

The Board consists of a Chair and six members, and reports directly to the Minister through the Chair. The Board is made up of people who have combined skills and knowledge in areas such as primary production, community leadership and biodiversity conservation. Board members reside in the Hunter-Central Rivers region and are appointed by the Minister for up to three years.

Board members remain in close contact with the Chair and are able to review and discuss their role and performance on a continual basis. The Board holds a strategic planning workshop in February each year to set the CMA's strategic direction, review performance and develop improvements to governance and policy and procedures.

In addition to the CMA Board meetings, which occur every even month, the following Board sub-committees have also been established:

- The **Strategic Investment Committee**, which meets on alternate months to Board meetings and reviews and develops procedures for prioritising investment in projects, management of incentive programs and allocation of funds;
- The **Systems Audit Committee**, which meets at the same time as the Strategic Investment Committee and reviews business practices and governance in line with the Natural Resource Commission standard; and
- The **Finance and Audit Committee**, which meets at least quarterly to review the CMA's financial processes, risk matrix and performance.

Current Board members

Chair, Susan Hooke

Susan brings a diversity of experience to her role as Chair. As Special Counsel with a large city law firm she has experience advising large corporations and government departments. She has served as a director on Commonwealth statutory enterprises and as director and chair of Queenwood School for Girls at Mosman.

For many years Susan and her husband Frank, have been running a cattle property at Gloucester where they have introduced sustainable farming practices, which have increased their groundcover, enabled them to fence off their creek, and at the same time doubled their carrying capacity. Susan and Frank run field days for local farmers, Landcarers and high school agricultural students.

Susan is also a Graduate of the Australian Institute of Company Directors and a qualified mediator. She is the Chairs' Council representative for New South Wales on the National Natural Resource Management Working

6. Managing our business

Group. Locally she chairs the Environmental Water Advisory Group for the Hunter and Paterson Rivers and co-chairs the CMA's Aboriginal Cultural Environment Network. Susan considers one of her highlights this year to be seeing the many wonderful submissions by Landcarers to the CMA's Champions of the Catchment Awards.

Deputy Chair, Arthur Burns

Arthur has over 30 years' experience in agriculture, managing his family dairy farm near Singleton and being involved in numerous rural committees. Arthur is currently involved with the NSW Irrigators Council, Hunter Valley Water User's Association and the NSW Farmers Association. He is chair of the CMA's Finance and Audit Committee and co-chair of the Hunter Community Reference Group and he also represents the CMA on the Hunter Salinity Trading Scheme, State Water Coastal Valleys Customer Service Committee and the Flood Management Association. Arthur has a Diploma in Agriculture.

Julia Imrie

Julia has worked in the environmental science, education and land management fields for over 25 years and co-chairs the CMA's Hunter Community Reference Group. She has a property on the Goulburn River where she operates an eco-tourism and native timber furniture business with her husband. Julia has an environmental science degree, a graduate diploma in water resource management and is currently studying for a PhD through the Australian National University researching surface-groundwater interaction in the Goulburn River.

Jeff Jansson

Jeff has been involved in numerous local committees, including Lake Macquarie Landcare and the Lake Macquarie Estuary and Coastal Management committee. Jeff has a background in environmental/natural resource management and led the Lake Macquarie Improvement Project, which won the Theiss National Riverprize in 2008.

Jeff has held senior positions in local government and has experience in policy, planning, development and management. Jeff chairs the Systems Audit Committee and co-chairs the CMA's Central Coast Community Reference Group. Jeff has a commerce degree, a Graduate Diploma in Urban and Regional Planning, a Masters Degree in Environmental Science and is a Graduate of the Australian Institute of Company Directors.

Ted Laurie

Ted is a 5th generation farmer from the Gloucester area and has managed his grazing property for over 20 years. With experience in livestock grazing management, beef cattle genetics and selection, Ted has worked with Landcare groups, the Agricultural show society and agriculture students to promote sustainable and profitable land use practices. Ted is a member of NSW Farmers.

Former Board members

John Weate

John has been a councillor on Great Lakes Shire Council since 1991. He is executive officer of Great Lakes Community Resources, a not-for-profit community development association that develops and creates employment and training opportunities for disadvantaged unemployed. John is Chair of the CMA's Strategic Investment Committee and Co-chair of the Aboriginal Cultural Environment Network. John also has a Bachelor of Science Degree and a Masters of Business Administration.

Jane Smith

Jane has worked in natural resource management for many years and has experience in the areas of engaging communities, environmental education, water resource management and on-ground rehabilitation. She was a founding member in 1997 of the Community Environment Network and has served as the Network's Executive Officer since 2001. Jane was instrumental in setting up the CMA's Central Coast Community Reference Group, which she Co-chairs'. Jane has a Bachelor of Mathematics Degree, a Graduate Diploma in Education and Masters of Scientific Studies.

6. Managing our business

Board appointment and attendance

	Term of appointment (up to 3 years, can be reappointed)	Board Meetings	Strategic Planning Workshop	Strategic Investment Committee	Systems Audit Committee	Finance and Audit Committee
Current Board members						
Susan Hooke	Until Dec 2013	6/6	1/1	5/5	5/5	4/4
Arthur Burns	Until Dec 2013	4/6	1/1	4/5*	4/5*	4/4
Julia Imrie	Until Dec 2013	6/6	1/1	5/5	5/5	2/4
Jeff Jansson	Until Dec 2013	5/6	1/1	5/5	5/5	4/4
Ted Laurie	Until Dec 2013	6/6	1/1	5/5	5/5	4/4
Former Board members						
John Weate	Until April 2013	4/5	1/1	2/4	2/4	1/4
Jane Smith	Until April 2013	5/5	1/1	3/4	4/4	NA

* Arthur Burns did not attend the SIC/SAC meeting in May 2013 as his term expired in April 2013 and he was reappointed following the meeting.

Our executive team

The operational activities of the CMA are led by a General Manager and an executive team, which meets monthly to discuss operational performance, delivery of key programs, risks to delivery, staffing and budgeting issues and implementation of the Catchment Action Plan. Monthly meetings are held to review key performance indicators and identify any issues or risks to CMA programs being delivered. The executive is also responsible for:

- ensuring that the organisation conducts its operations and activities in compliance with legal, regulatory and CMA policy, controls and standards;
- leading and managing operations and activities to ensure that Strategic Objectives, CAP and investor targets are met;
- providing oversight of the budget and ensuring that available resources are utilized effectively to maximize outputs and outcomes; and
- reporting progress to the Board.

Members of the executive team also meet with Team Leaders from each landscape on a monthly basis as part of the CMA's management team to determine the delivery of key programs across the region. The management team is responsible for ensuring that the objectives, policies, strategies and plans are adopted and implemented at the landscape level.

The CMA also has five theme teams (aquatic health, biodiversity, soil and land, estuary and marine and capacity building and education) which include technical specialists from the CMA staff. External expertise is utilised when required. These theme teams meet periodically to review innovations and technical information relevant to their theme, to review progress on CMA programs and to promote a consistent approach to monitoring and evaluation.

In 2012-13 the executive team:

- Conducted an independent review of the CMA's performance against the *Performance Excellence Guide for Regional Natural Resource Management Organisations, Second Edition, 2008* to identify organisational strengths and opportunities to improve organisational practices as the CMA transitions into Local Land Services;
- Held a staff training forum in November 2012, which incorporated staff input on the development of the upgrade of the CMA's Catchment Action Plan, a briefing on the change management process leading into Local Land Services and a celebration of CMA achievements;
- Continued the executive coaching program commenced in 2011-12 to support team members in being efficient and effective in their roles and improving organisational practices; and
- Finalised the CMA's Strategic Plan for staff consultation.

6. Managing our business

CMA executive team members

General Manager, Fiona Marshall

Fiona commenced work with the CMA in October 2004 as the Business Manager (Investment) and was appointed General Manager in 2009. Fiona previously worked with a number of state government organisations in natural resource management roles. Fiona's qualifications include Bachelor of Arts (Honours) in Physical Geography, Graduate Diploma in Library and Information Science and she is a Graduate of Australian Institute of Company Directors.

Manager Land Services, Glenn Lyons

Glenn joined the CMA in 2006, working previously in natural resource management roles with state government organisations in the Hunter and other locations around NSW. Glenn's experience covers areas such as native vegetation, riparian, soil and salinity. Glenn's qualifications include a Bachelor of Natural Resources (Honours).

Manager Land Services, Callaghan Cotter

Cal was been part of the CMA management team since 2004. He was the Catchment Coordinator for the Lower Hunter before being appointed to the Manager Land Services in 2013. Cal has almost 20 years experience in Natural Resources Management with NSW Government and consultancies in Ireland. He specialises in strategic planning for Natural Resource Management having being involved in NRM, water and vegetation planning processes. Cal has a Bachelor of Science (Environmental Biology) (Honours).

Manager Business and Finance, Sarah Wallace

Sarah joined the CMA in 2009 in the Business and Finance Officer role, having previously worked with the Murray CMA as the Business Manager. She has also worked previously in a finance role within private industry in an irrigation company. Sarah was appointed the Manager Business and Finance in April 2013. Sarah has a Bachelor of Business and is a Certified Practicing Accountant.

Former CMA executive team members (from July 2012 to April 2013)

Program Manager (Hunter), Dean Chapman

Dean was appointed as the CMA's Central Coast Catchment Coordinator in 2004 and Program Manager (Hunter) in 2008. Prior to his employment with the CMA, Dean worked for the Hunter Catchment Management Trust and various extension and advisory roles within State Government. Dean has a Bachelor of Science Degree (Botany) and Post Graduate Diploma in Natural Resource Management.

Business Manager (Finance), David Fryer

David joined the CMA in 2005, working previously with the health sector and private accounting firms in administration roles. David has an economics degree and is a Chartered Accountant.

Business Manager (Investment), Grant Crabbe

Grant joined the CMA in 2004 as a Regional NRM Facilitator and moved into the Business and Investment team in 2005. Grant took on the Business Manager Investment role in early 2010. Prior to the CMA, Grant worked in Water Policy and Rivercare Planning. Grant's qualifications include a Bachelor of Environmental Science and a Masters of Business Administration.

Catchment Coordinator (Community and Education), Liane Corocher

Liane joined the CMA in 2005, working previously in community education roles in various state and local government organisations. Liane's qualifications include a Bachelor of Applied Science Degree (Systems Agriculture), Master of Environmental Education and Advanced Diploma in Conservation and Land Management.

6. Managing our business

Our staff

Human Resources

The CMA staff includes technical and skills based teams located within the four landscapes of the Hunter-Central Rivers region. A highly motivated and skilled workforce provides the organisation with a strong capacity to deliver high quality projects and services to implement our Catchment Action Plan within a complex operating environment.

In 2012-13 the CMA operated with 57 staff (some part-time) working across the region to deliver a diverse range of services. Our staff included: 13 recurrent funded permanent positions, 13 Hunter Catchment Contribution funded positions (including 8 permanent positions), 23.8 project positions and one person on secondment from the Department of Education and Training (see Appendix 5 for a detailed organisation chart). The CMA supports flexible working conditions including job sharing and part-time arrangements.

The CMA aims to provide a safe and stimulating work environment and innovation and ongoing learning and professional development are encouraged. In 2012-13 CMA staff attended a range of training courses and conferences to update and expand their knowledge, skills and networks. All training and conferences staff attended were within Australia.

Personnel Policies and procedures

The Department of Primary Industries is the host employer of the CMA. As per the *Public Sector Employment and Management Act 2002* and regulations, the CMA has a Code of Conduct and Ethics which is adhered to by Board members, staff and CMA sub-committee members.

In addition to our Code of Conduct and Ethics, Hunter-Central Rivers CMA culture is underpinned by values of integrity, achievement, accountability, partnerships and innovation.

The CMA also follows guidelines in relation to the Privacy and Personal Protection Act 1998 and the Government Information (Public Access) Act 2009, and aims to demonstrate openness, accountability and transparency in decision making processes and information. We ensure for example that all client and staff details are kept confidential, permission is sought to use photographs of community members and the CMA provides detailed information on its website.

Equal Employment Opportunities

The Hunter-Central Rivers CMA is an equal opportunity employer and values diversity in its workforce. In 2012-13 the CMA continued to address EEO principles through staff recruitment process and ensured all CMA sub-committees had appropriate gender and cultural composition. The CMA also employed three Aboriginal staff (5% of total staff).

6. Managing our business

Classification of CMA staff as at 30 June 2013

	2012-13				2011-12				2010-11			
	M	F	A	D	M	F	A	D	M	F	A	D
Senior officer		1				1				1		
Clerk Gr 11/12	2	1			2				2			
Clerk Gr 10/11					2				2			
Clerk Gr 9/10	3	1			5	1			4	2		
Clerk Gr 7/8	6	10	1		10	6	1		10	4	1	
Clerk Gr 6/7	10	8			10	9			9	7		
Clerk Gr 5/6		2										
Clerk Gr 4/5	5	7	2		5	9	2		4	9	2	
Clerk Gr 3/4												
Clerk Gr 2/3		1				2				2		
Other		1				2			1	1		
Total	26	32	3	0	34	30	3	0	32	26	3	0

M = Male; F=Female; A=Aboriginal; D=Disabled

Note: There were vacant positions at various grade levels as at 30 June, see organisational chart at Appendix 5.

Table A: Trends in the representation of EEO Groups
(Information provided by the Department of Premier and Cabinet)

EEO Group	Benchmark/Target	2013	2012	2011
Women	50%	51.6%	47.1%	43.5%
Aboriginal People and Torres Strait Islanders	2.6%	7.3%	11.0%	15.8%
People whose First Language Spoken as a Child was not English	19.0%	0.0%	11.0%	12.8%
People with a Disability	N/A	2.3%	10.2%	10.0%
People with a Disability Requiring Work-Related Adjustment	1.5%	0.0%	0.0%	0.0%

Table B: Trends in the Distribution of EEO Groups
(Information provided by the Department of Premier and Cabinet)

EEO Group	Benchmark/Target	2013	2012	2011
Women	100	93	90	92
Aboriginal People and Torres Strait Islanders	100	N/A	N/A	N/A
People whose First Language Spoken as a Child was not English	100	N/A	N/A	N/A

6. Managing our business

People with a Disability	100	N/A	N/A	N/A
People with a Disability Requiring Work-Related Adjustment	100	N/A	N/A	N/A

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Disability Plans

The Catchment Management Authority continues to develop our Disability Services Plan to ensure we meet our requirements under the *Disability Services Act 1993*. Our staff and visitors have access to disabled toilets and parking at all offices except Muswellbrook. Our principal office at Tocal has wheelchair access to all areas.

Multicultural Policies and Services Program

As a NSW Government agency, the Hunter-Central Rivers CMA is guided by the principles of multiculturalism and aims to advance the goals of the NSW Government's *Multicultural Advantage 2012-2015*.

These principles are embedded within the CMA's Community Engagement and Communication Policies and Business Procedures, which underpin a flexible but targeted approach to planning community events, capacity building programs, consultation, and other activities to ensure the needs of ethnically, culturally and linguistically diverse communities are addressed.

Some of the major actions the CMA has implemented in recent years:

- Using the CMA's community engagement business procedure to develop communication plans at the beginning of major CMA projects, and making use of resources such as the CRC's *Multicultural Planning: A resource for practitioners* to ensure the diverse needs of our communities are identified and addressed when implementing natural resource management activities;
- Holding community workshops across the region to consult on the upgrade of the CMA's Catchment Action Plan and providing opportunities for diverse stakeholders to have their say on natural assets of value to them and their communities for social, cultural, ecological or economic reasons;
- Using a variety of methods to engage local communities in CMA programs, including community events in various locations across the region, public meetings, online surveys, and social media;
- Promoting the diversity of voices and stories from our communities through CMA publications and on our website;
- Building strong relationships between local Aboriginal and non-Aboriginal communities through the CMA's Aboriginal Cultural Environmental Network. For example, in 2012-13, as a partnership with the Department of Education and Communities and local Aboriginal land councils and elders, 60 school teachers were brought together with local Aboriginal community members for a series of workshops to improve teachers' confidence in creating meaningful cultural content and learning opportunities for their students;
- Providing opportunities for people from culturally diverse communities to meet others and participate in volunteer activities through the Kooragang Wetland Rehabilitation Project. An example of this is the community gardens on Ash Island, which provides a space for international students from the University of Newcastle to grow fruit and vegetables from their home country for cooking and sharing; and
- Ensuring merit-based recruitment practices are employed and interpreter services and special needs are accommodated.

6. Managing our business

Workplace Health and Safety

The CMA is committed to providing healthy and safe workplaces for all Board members, employees, volunteers, visitors and contractors. The CMA has a Workplace Health and Safety Committee comprising five employee-elected representatives and a nominated management representative. The committee is critical in identifying and controlling factors affecting health and safety in the workplace, conducting regular safety inspections and responding to staff with safety concerns. The committee met three times in 2012-13 to consider, coordinate and resolve workplace safety issues.

When the new *Work Health and Safety Act* (2011) came into effect on January 1 2012, the CMA developed a standard *On-ground Works Safety Risk Assessment* to meet its obligations under the WHS framework to landholders and contractors carrying out CMA-funded on-ground works. All landholders and contractors are required to jointly undertake a risk assessment of all on-ground works in CMA-funded projects to minimise the risk of injury during implementation.

All Safety Alerts, Critical Risk Controls and Fact Sheets for specific WHS risks released by the Department of Trade & Investment have been distributed to CMA staff in a timely manner.

CMA staff members have been consulted on the requirements of the *Work Health and Safety Act* in relation to consultation and communication and have determined that the current WHS committee, consisting of a representative from each CMA office and a management representative, be retained.

In 2012-13 the CMA recorded no lost-time injuries.

Sustainability

The CMA continues to demonstrate its commitment to environmental sustainability, through practices that minimise our impact on the environment and contribute to the NSW Government's Waste Reduction and Purchasing Policy and sustainability targets. Measures include minimising the use of vehicles through car-pooling and teleconferencing, monitoring waste, purchasing recycled products where possible and educating staff on minimising our impact at regular staff meetings.

Waste

Part of minimising our impact is implementing the NSW Government's Waste Reduction and Purchasing Policy (1997), which relates to paper products, office consumables, vegetation and landscaping material and construction and demolition material.

The WRAPP requires agencies to reduce the generation of waste, resource recovery or waste reuse and recycling, and using recycled materials. Key initiatives the CMA has continued in 2012-13 are:

1. Reducing the generation of waste (waste avoidance and minimisation)
 - Encouraging double-sided printing to reduce paper use
 - Making notepads from recycled paper for use by staff
2. Resource recovery (waste reuse and recycling)
 - Returning all toner cartridges to the manufacturers for recycling
 - Providing discarded packaging and small containers to local community groups for children's craft activities
 - Staff taking recyclable plastic and glass containers home from the office for recycling (a recycling service is not available at the CMA's principal office)
 - Installing a compost bin to recycle organic waste
3. The use of recycled material (purchase of recycled-content materials)
 - Purchasing 100% recycled paper and using soy-based inks for publications (where possible).

6. Managing our business

Energy Use

The CMA is regularly reviewing energy usage with a view to reducing costs and environmental impact. More efficient use of motor vehicles has resulted in the fleet being reduced by one vehicle and a focus on procuring more efficient vehicles.

Corporate Governance

The CMA's governing practices are underpinned by Australian and NSW legislation, regulations, policies, procedures, systems and processes to ensure accountability, transparency, impartiality, confidentiality and consistency.

The CMA operates under the Corporate Governance Manual and Finance Policy Manual for NSW Catchment Management Authorities. The Corporate Governance Manual also reflects standards developed by the Natural Resources Commission. This is currently under review as part of the transition to Local Land Services.

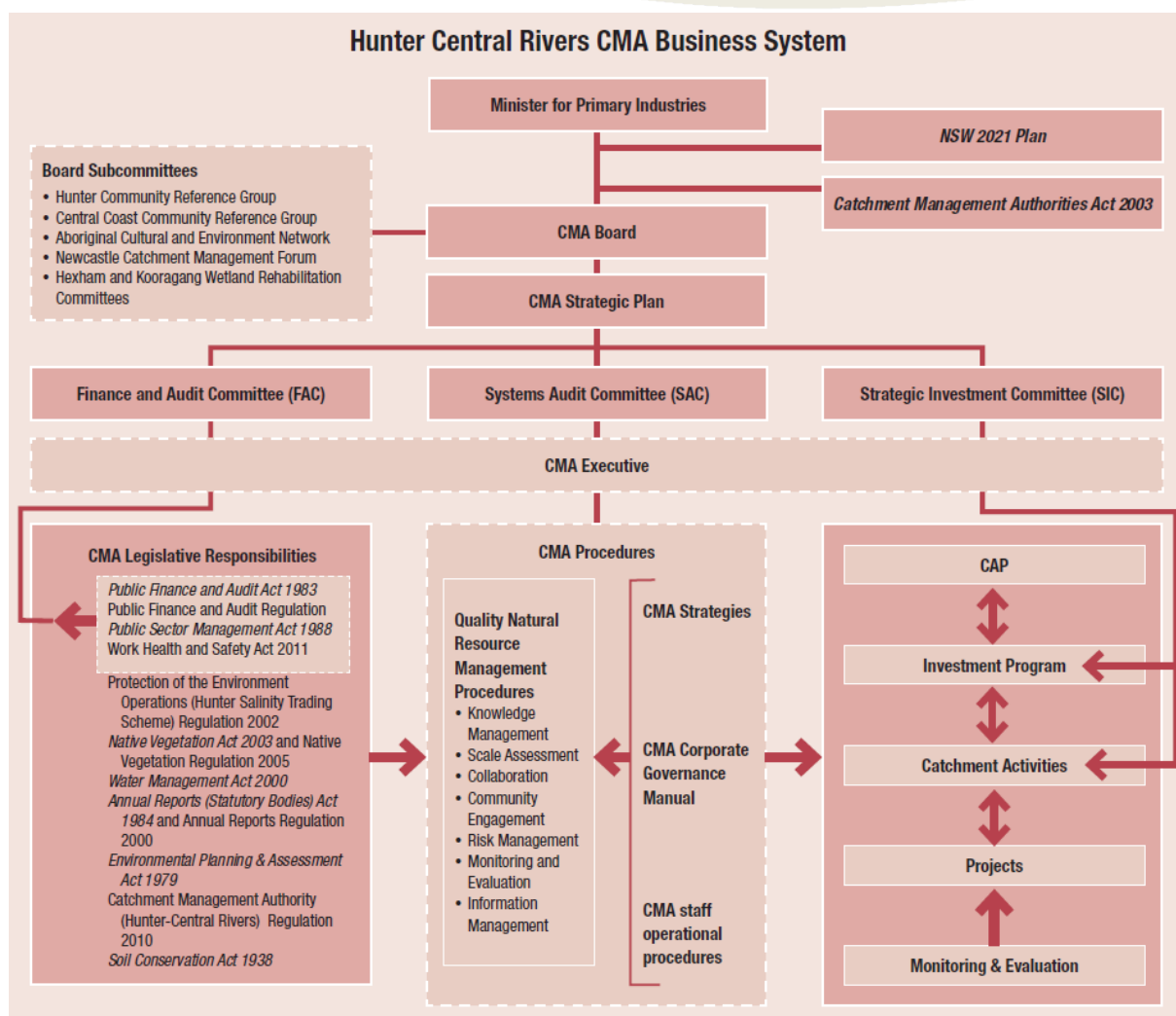
The CMA has developed a number of business procedures which govern how CMA staff do business. These procedures were developed in line with guidelines from the Natural Resources Commission and are reviewed annually. The CMA currently has 31 business procedures covering:

- Publications, communications and engagement
- Granting and seeking sponsorship
- Procurement and investment
- Board and staff protocols
- Audits
- Correspondence
- Code of Conduct and Ethics
- Document control
- Information management
- Knowledge management
- Monitoring, evaluation and reporting
- Risk management
- Property Vegetation Plans

Our business system

Implementing the Catchment Action Plan and Annual Investment Program, is achieved by developing detailed project plans which are approved by the General Manager. Managers then work with CMA staff to develop work plans to ensure projects are implemented effectively and within time. The CMA is continually evaluating and reviewing its project delivery, to improve project plans and workplans. The flow chart below shows the context within which the CMA does business and the various policies, procedures and plans that influence this.

6. Managing our business



Payment of Accounts

Strategic Financial Services are provided to the CMA by the NSW Department of Trade, Investment, Regional Infrastructure and Services. ServiceFirst is responsible for the CMA's accounts management and manages accounts by ensuring all contracts and payments are entered into a computerised accounting system, with payments processed once milestones are completed (see Appendix 6 for payment of account information).

Payment by corporate card

Subject to meeting departmental requirements the CMA's Chair and General Manager are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The Department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. The corporate card guidelines and procedures satisfy the requirements of the revised Treasurers Directions TD 205.01-205.08 and were based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditure is monitored for compliance with guidelines on a transaction basis with usage considered to comply with best practice guidelines. As a fraud prevention measure, the Business Manager (Finance) has final approval of expenditure and confirms usage was compliant.

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

6. Managing our business

Minimising our risk

The CMA has developed a risk management plan to identify risks that could affect the normal operations and implementation of the CAP and prepare procedures to mitigate these risks. This plan and associated procedures are regularly updated to ensure risks are identified, prioritised and managed.

The Risk Management Policy is also incorporated in the CMA Corporate Governance and Financial Management Manual. The NSW Treasury has carried out a risk management review of the Hunter-Central Rivers CMA and applied a submission rating of five – ‘submission good with minimal opportunities for improvement identified’ – and inherent risk management rating of low.

Managers are responsible for applying risk management strategies in their areas of responsibility to ensure risk management is considered at all levels of the CMA’s operations. Internal audit reviews are undertaken to ensure the CMA is complying with these procedures.

Appendix 7 provides more information about the CMA’s risk management activities and internal audit and risk management policy attestation.

6. Managing our business

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7. Financial Statements

Section 7: Financial Statements

For the financial year ended 30 June 2013

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STATEMENT BY BOARD MEMBERS

Hunter Central Rivers Catchment Management Authority

STATEMENT BY BOARD MEMBERS

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

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

- (a) The accompanying financial statements exhibit a true and fair view of the financial position of the Hunter-Central Rivers Catchment Management Authority as at 30 June 2013, and its financial performance for the year then ended.
- (b) The financial statements have been prepared in accordance with:
 - The applicable Australian Accounting Standards, which include Australian Accounting Interpretations and other mandatory professional reporting requirements; and
 - The requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and the Treasurer's Directions.
 - The Financial reporting directions published in the Financial Reporting Code for NSW Government Sector Entities or issued by the Treasurer.
- (c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

For and on behalf of the Board



Susan Hooke
Chair



Arthur Burns
Board Member

Dated: 11th October 2013

INDEPENDENT AUDITOR'S REPORT



t: 9275 7209
ref: D1334628/1289

Ms Fiona Marshall
General Manager
Hunter Central Rivers Catchment Management Authority
Private Bag 2010
PATERSON NSW 2421

21 October 2013

Dear Ms Marshall

STATUTORY AUDIT REPORT

for the year ended 30 June 2013

Hunter Central Rivers Catchment Management Authority

I have audited the financial statements of Hunter Central Rivers Catchment Management Authority (the Authority) as required by the *Public Finance and Audit Act 1983* (the Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2013, and details matters I found during my audit that are relevant to you in your role as one of those charged with the governance of the Authority. The Act requires that I send this report to the Authority, the Minister and the Treasurer.

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

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. It is not designed to identify and report all matters you may find of governance interest. Therefore, other governance matters may exist, which have not been reported to you.

My audit is continuous. If I identify further significant matters, I will report these to you immediately.

Audit Result

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

Governance Matters

No significant matters have been identified in relation to the governance of the Authority.

Misstatements in the Financial Statements

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

7. Financial Statements

Compliance with Legislative Requirements

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

Quality and Timeliness of Financial Reporting

Treasury Circular TC 13/01 'Mandatory early close procedures for 2013' required the Authority to prepare certain aspects of the financial statements before year-end and provide the outcomes to the audit team. The Authority was required to submit its year-end information to Treasury and its financial statements to audit 29 July 2013.

The Authority completed the mandatory early close procedures set out in the Circular and supplied the outcomes to the Audit Office within the specified timeframe. The Authority also submitted financial information to Treasury and the financial statements and supporting working papers to the Audit Office by the due dates. We endorse this activity and recommend the agency continue to identify ways to meet an earlier reporting timetable.

Auditor-General's Report to Parliament

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

Acknowledgment

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

Yours sincerely



Aaron Green
Director, Financial Audit Services

7. Financial Statements

Start of audited financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	Actual 2013 \$'000	Budget 2013 \$'000	Actual 2012 \$'000
REVENUE				
Grants and Contributions	3, 2(w)	17,533	9,452	16,597
Investment Income	4	286	270	364
Other income	5	768	4,236	502
Total revenue		18,587	13,958	17,463
EXPENSES EXCLUDING LOSSES				
Employee related expenses	6	5	4	4
Personnel services expenses	6	7,621	-	6,006
Other operating expenses	6	5,701	8,498	6,106
Depreciation and amortisation	6	69	81	78
Grants & subsidies	6	6,415	6,656	4,385
Total expenses excluding losses		19,811	15,239	16,579
Other gains / (losses)	7	28	-	(5)
NET RESULT		(1,196)	(1,281)	879
Other Comprehensive Income				
Net increase in property, plant and equipment revaluation		480	-	-
Total other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME		(716)	(1,281)	879

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

7. Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	NOTES	Actual 2013 \$'000	Budget 2013 \$'000	Actual 2012 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	8	6,292	7,971	7,800
Receivables	9	2,513	1,341	2,293
Biological assets	10	11	87	54
Total current assets		8,816	9,399	10,147
Non-current assets				
<i>Property, plant and equipment</i>				
Land & Buildings	11	4,425	3,951	3,991
Motor Vehicles	11	-	-	-
Plant and Equipment	11	59	59	74
Total Property, plant and equipment		4,484	4,010	4,065
Intangibles	12	911	895	896
Biological assets	10	65	-	-
Total non-current assets		5,460	4,905	4,961
Total assets		14,276	14,304	15,108
LIABILITIES				
Current liabilities				
Payables	13	5,167	5,611	5,238
Provisions	14	686	650	723
Total Current Liabilities		5,853	6,261	5,961
Non-current liabilities				
Provisions	14	60	65	68
Total non-current liabilities		60	65	68
Total liabilities		5,913	6,326	6,029
Net assets		8,363	7,978	9,079
EQUITY				
Accumulated funds		7,830	7,925	9,026
Asset revaluation surplus		533	53	53
Total equity		8,363	7,978	9,079

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

7. Financial Statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Asset Revaluation Surplus \$'000	Accumulated Funds \$'000	Total \$'000
Balance as at 1 July 2012	9,026	53	9,079
Net result for the year	(1,196)	-	(1,196)
Other comprehensive income	-	480	480
Balance as at 30 June 2013	7,830	533	8,363
Balance as at 1 July 2011	8,147	53	8,200
Net result for the year	879	-	879
Other comprehensive income	-	-	-
Balance as at 30 June 2012	9,026	53	9,079

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

7. Financial Statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	Actual 2013 \$'000	Budget 2013 \$'000	Actual 2012 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(5)	(4)	(4)
Personnel services expenses		(6,531)	-	(5,635)
Grants and subsidies		(6,415)	(6,656)	(4,385)
Other		(7,353)	(8,160)	(7,698)
Total payments		(20,304)	(14,820)	(17,722)
Receipts				
Grants and contributions		17,533	9,122	15,278
Interest		286	270	375
Other		1,000	4,236	1,778
Total receipts		18,819	13,628	17,431
Net cash flows from operating activities	16	(1,485)	(1,192)	(291)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property, plant and equipment and intangibles		(23)	(23)	(96)
Net cash flows from investing activities		(23)	(23)	(96)
Net (decrease) in cash and cash equivalents		(1,508)	(1,215)	(387)
Opening cash and cash equivalents		7,800	9,186	8,187
Closing cash and cash equivalents	8	6,292	7,971	7,800

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1 - REPORTING ENTITY

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

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

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

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

These financial statements have been authorised for issue by the Board of the Authority on 11th October 2013.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

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

- The applicable Australian Accounting Standards, which include Australian Accounting Interpretations and other mandatory professional reporting requirements;
- The requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions.
- The Financial reporting directions published in the Financial Reporting Code for NSW Government Sector Entities or issued by the Treasurer.

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

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

7. Financial Statements

(b) Statement of compliance

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

(c) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgement

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

Key judgements are disclosed as part of accounting policies notes.

(i) Significant accounting estimates and assumptions

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

(d) Revenue recognition

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

- (i) Contributions from Government and other bodies are generally recognised as income when the agency obtains control or the right to receive the contributions. Control over contributions is normally obtained upon the receipt of cash.
- (ii) Catchment Contributions are based on land values and the rateable value attached to that land. Revenue for the year is recognised based on the rate notices for the applicable financial year's contributions.
- (iii) 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.
- (iv) 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).
- (v) Investment Income: Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(e) Insurance

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

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

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

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

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

7. Financial Statements

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

(g) Acquisition of assets

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

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

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

(h) Capitalisation thresholds

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

(i) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-01) (as amended by NSWTC 12/05 and NSWTC 10/07). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

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

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

The Authority revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation of land and buildings was completed on 30 June 2009 and was based on an independent valuation.

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

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

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

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

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

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directly to the revaluation surplus.

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 revaluation surplus in respect of that asset is transferred to accumulated funds.

(j) Impairment of property, plant and equipment

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

(k) Depreciation of property, plant and equipment

Depreciation is provided for on a straight line basis for all depreciable assets, as detailed below, so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority. All material separately identifiable components of assets are depreciated over their shorter useful lives.

Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Land is not a depreciable asset.

The following depreciation rates were applied in 2012/13 and 2011/12:

Buildings	3% & 4%
Leasehold Improvements	life of lease agreement
Motor Vehicles	15% & 20%
Plant and equipment:	
Computer equipment	20%
Other plant and equipment	6.67%-20%

(l) Major inspection costs

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

(m) Restoration costs

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

(n) Maintenance

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

(o) Intangibles and Investments

The Authority recognises intangible assets only if it is probable that future economic benefits will flow to the Authority and the cost of the asset can be measured reliably.

Easements acquired by the Authority from landholders are capitalised on acquisition and are carried at historical cost because it is unlikely that an active market in easements exists to allow for fair value measurement. As the easements are a perpetual right, the easements are not amortised. The Authority assesses whether the easements are impaired at least annually. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

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

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

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

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

(p) Impairment of financial assets

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

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

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

(q) Derecognition of financial assets and financial liabilities

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

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

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

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(r) Other assets

Other assets are recognised on a cost basis.

(s) Receivables

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

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

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(t) Biological assets

Biological assets are measured on initial recognition and at each reporting date at fair value less estimated point-of-sale costs, or reasonable estimates of the fair value less estimated point-of-sale costs.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs of a biological asset is included in net result for the period in which it arises.

(u) Liabilities

(i) Payables

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

(ii) Personnel Services

(a) Personnel services

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

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

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

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

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

(b) Defined contribution plans

Contribution to a defined contribution funds, such as Basic Benefit and First State Super, are expensed when incurred. It is calculated as a percentage of the employees' salary. In 2011/12 and 2012/13, 9% was contributed.

(c) Long service leave and defined benefits superannuation

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

(iii) Provision for restoration of leased premises

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

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

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

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

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

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

(w) Budgeted Amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts. Refer to Note 15.

(x) Comparative information

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

(y) New Australian accounting standards issued but not effective

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

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting period. In accordance with the NSW Treasury mandate (TC 12/04), the Authority did not early adopt any of these accounting standards and interpretations that are not yet effective.

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

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

(z) Going concern basis of accounting

The Authority's financial statements have been prepared on the going concern basis, which assumes that all assets, rights and obligations will be discharged in the normal course of business.

On 27 June 2013, the NSW Government passed the Local Land Services Act 2013.

Under this Act, the functions of the Catchment Management Authorities, Livestock Health and Pest Authorities and the advisory service of the Department of Primary Industries will be assumed by new Local Land Services ("LLS") from 1 January 2014. This involves repealing the Catchment Management Authorities Act 2003, which will abolish the Authority in its current form on 31 December 2013.

Based on the current boundaries of the Authority and the new LLS boundaries, the functions of the Authority would be assumed by Riverina LLS, Murray LLS, Western LLS and Southeast LLS. It is expected that the assets and liabilities of the Authority will continue to be discharged in the normal course of business, by the Authority and Riverina LLS, Murray LLS, Western LLS and Southeast LLS. The financial statements have been prepared on this basis.

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NOTE 3 – GRANTS AND CONTRIBUTIONS

	2013 \$'000	2012 \$'000
Contributions received from:		
Joint State/Commonwealth contributions (i)	6,083	6,083
Operating grant funding (i)	4,047	3,203
<i>Other contributions (ii)</i>	3,715	3,731
Catchment contributions (iii)	3,688	3,580
	17,533	16,597

- (i) Contributions were received from the Department of Trade and Investment, Regional Infrastructure and Services, towards achieving pre-negotiated natural resources management outcomes.
- (ii) Other contributions were received for specific agreed works towards achieving natural resources management outcomes.
- (iii) Land holders within the Hunter catchment are levied in accordance with Section 33 and Schedule 4 of the *Catchment Management Authorities Act 2003* for natural resource management activities within the Hunter Catchment.

NOTE 4 – INVESTMENT INCOME

	2013 \$'000	2012 \$'000
Interest – CMA operating bank account	66	77
Interest – NSW TCorp Investment account	220	287
	286	364

NOTE 5 - OTHER INCOME

	2013 \$'000	2012 \$'000
Cattle sales	5	49
Office rental income	39	67
Other	20	54
The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities.		
Liability assumed by the crown – Long service leave	594	282
– Superannuation	107	47
– Payroll tax	3	3
	768	502

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NOTE 6 – EXPENSES excluding losses

	2013 \$'000	2012 \$'000
Employee related expenses		
Contractors and other short term staff	5	4
	5	4
Personnel services expenses		
Salaries and wages (including recreation leave)	6,167	4,904
Staff on-costs	1,454	1,102
	7,621	6,006
Other operating expenses		
Auditors remuneration (i)	18	17
Board Member's remuneration (ii)	149	162
Board Member's and Committees costs	29	44
Fees for services	3,841	4,332
Insurance	12	12
Operating lease expenses	396	396
Accommodation and related expenses	315	271
Stores, materials and minor equipment	433	307
Plant/vehicle expenses	140	153
Travel	52	89
Advertising	20	60
Other	296	263
	5,701	6,106
Depreciation and Amortisation expense	69	78
Grants and subsidies		
Caring for our Country	1,899	1,954
Catchment Action NSW	2,007	899
Hunter Catchment Contributions	537	135
Caring for our Country Contestable	944	636
Industry	358	330
Other	670	431
	6,415	4,385
Total expenses excluded losses	19,811	16,579

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

NOTE 7 – GAIN/LOSSES

	2013 \$'000	2012 \$'000
Gain/(loss) on fair value of biological assets	28	(5)
	28	(5)

NOTE 8 - CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Current assets – Cash and cash equivalents	2013 \$'000	2012 \$'000
Cash at bank and on hand	2,331	2,293
NSW Treasury Corporation – HourGlass cash facility	2,996	4,588
Bank term deposits	965	919
	6,292	7,800

Also refer to Note 16 and Note 19.

NOTE 9 - CURRENT ASSETS - RECEIVABLES

	2013 \$'000	2012 \$'000
Accounts receivable	886	668
Goods & Services Tax recoverable	464	424
Accrued income	1,163	1,201
Other amounts receivable	-	-
	2,513	2,293

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 19.

NOTE 10 - CURRENT ASSETS – BIOLOGICAL ASSETS

	2013 \$'000	2012 \$'000
Cattle – 91 head (2012 – 75 head) – at fair value, less estimated point-of-sale expenses	76	54
Cattle – Current	11	54
Cattle – Non-current	65	-
	76	54

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Reconciliation of Biological assets		
Opening balance	54	63
Cattle purchases	-	45
Cattle sales	(6)	(49)
(Loss) / gain arising from change in fair value, less estimated point-of-sale expenses	28	(5)
Closing balance	76	54

NOTE 11 - NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings \$'000	Motor Vehicles \$'000	Plant & Equipment \$'000	Total \$'000
At 1 July 2012 – fair value				
Gross carrying amount	4,256	296	454	5,006
Accumulated depreciation and amortisation	(265)	(296)	(380)	(941)
Net carrying amount	3,991	-	74	4,065
At 30 June 2013 – fair value				
Gross carrying amount	4,726	296	454	5,476
Accumulated depreciation and amortisation	(301)	(296)	(395)	(992)
Net carrying amount	4,425	-	59	4,484

Reconciliation

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

	Land and Buildings \$'000	Motor Vehicles \$'000	Plant & Equipment \$'000	Total \$'000
Year ended 30 June 2013				
Net carrying amount at start of year	3,991	-	74	4,065
Additions	-	-	8	8
Revaluation	480	-	-	480
Depreciation and amortisation expense	(46)	-	(23)	(69)
Net carrying amount at end of year	4,425	-	59	4,484

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	Land and Buildings \$'000	Motor Vehicles \$'000	Plant & Equipment \$'000	Total \$'000
At 1 July 2011 – fair value				
Gross carrying amount	4,256	296	445	4,997
Accumulated depreciation and amortisation	(213)	(295)	(371)	(879)
Net carrying amount	4,043	1	74	4,118
At 30 June 2012 – fair value				
Gross carrying amount	4,256	296	454	5,006
Accumulated depreciation and amortisation	(265)	(296)	(380)	(941)
Net carrying amount	3,991	-	74	4,065

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

	Land and Buildings \$'000	Motor Vehicles \$'000	Plant & Equipment \$'000	Total \$'000
Year ended 30 June 2012				
Net carrying amount at start of year	4,043	1	74	4,118
Additions	-	-	25	25
Depreciation and amortisation expense	(52)	(1)	(25)	(78)
Net carrying amount at end of year	3,991	-	74	4,065

NOTE 12 - INTANGIBLES

	2013 \$'000	2012 \$'000
Easements at cost	911	896
Less impairment – refer to Note 2(o)	-	-
Net carrying amount	911	896

Reconciliation

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

	2013 \$'000	2012 \$'000
Net carrying amount at start of year	896	825
Additions	15	71
Net carrying amount at end of year	911	896

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NOTE 13 - CURRENT LIABILITIES - PAYABLES

	2013 \$'000	2012 \$'000
Accrued personnel services	526	104
Creditors	432	306
Accruals	687	1,906
Other	3,522	2,922
	5,167	5,238

All payables are expected to be paid in the next 12 months. Details regarding credit risk, liquidity risk and market risk, including the maturity analysis of the above payables, are disclosed in Note 19.

NOTE 14 - CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

	2013 \$'000	2012 \$'000
Personnel services and related on-costs		
Personnel services provision	415	455
On-costs	283	279
Aggregate personnel services and related on-costs	698	734
Restoration of lease premises	48	57
Total provisions	746	791
Provisions – current	686	723
Provisions – non current	60	68
Total provisions	746	791

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

Movement in provisions (other than employee benefits)

	2013 \$'000	2012 \$'000
Provision for leased premises		
Carrying amount at beginning of the financial year	57	57
Net Present Value adjustment	(9)	-
Carrying amount at end of financial year	48	57

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NOTE 15 – BUDGET REVIEW

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

In this table below the Actual and Budget figures have been realigned on a more consistent basis. The Statement of Comprehensive Income for the year ended 30 June 2013 would then look as follows. Actual figures are aligned with Treasury Budget and variances explained:

	Actual \$'000	Budget \$'000	Variance \$'000	Explanation
REVENUE				
Grants & contributions (Treasury allocated funds)				
Recurrent operating	4,047	3,039	1,008	Voluntary redundancies as part of approved change management plan
NSW Catchment Action	2,729	2,729	0	
Commonwealth Caring for our Country	3,231	3,354	(123)	Unspent funds due to contracts unperformed
Long service leave & superannuation	705	330	375	Long service leave as part of voluntary redundancy process
Investment Income				
Interest on bank and TCorp	286	270	16	
Other revenues				
Other revenues and contributions	7,589	4,236	3,353	Additional funding obtained by Authority from external sources other than Treasury
TOTAL REVENUE	18,587	13,958	4,629	
EXPENSES				
Employee related expenses				
Contractors & short term staff	2	5	(3)	
Other operating expenses				
Personnel services	5,348	3,958	1,390	Voluntary Redundancies as part of approved change management plan. Increase in expenditure as a result of the additional funding received.
Other operating	7,557	4,540	3,017	
Depreciation	69	81	(12)	
Grants & Subsidies (Treasury investment funding)				
Personnel services	2,274	2,200	74	
Other operating	4,561	4,455	106	

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TOTAL EXPENSES	19,811	15,239	4,572
Other Gains	28	0	28
NET RESULT	(1,196)	(1,281)	85

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

Net result

The net result of \$85,000 under budget was attributed to the Authority under spending additional funding grants received during the 2012/13 financial year.

The Authority generated an extra \$3.4m of additional revenue in 2012/13 which mainly comprised of \$500,000 for Wybong catchment health improvement project, \$1.4m from Office of Environment and Heritage for floodplain management work, and \$1.3m for Commonwealth Caring for our Country contestable funding.

Assets and liabilities

There were no significant variances in assets and liabilities.

Cash flows

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

NOTE 16 - NOTES TO THE STATEMENT OF CASH FLOWS

Cash

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

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

	2013 \$'000	2012 \$'000
Cash and cash equivalents – Note 8	6,292	7,800
Closing cash and cash equivalents (per Statement of cash flows)	6,292	7,800

Reconciliation of cash flows from operating activities to net result.

	2013 \$'000	2012 \$'000
Net cash used on operating activities	(1,485)	(291)
Depreciation and amortisation	(69)	(78)
Gain/loss on biological assets	28	-
Increase / (Decrease) receivables	220	844
(Decrease) Biological Assets	(6)	(5)
(Increase) / Decrease in payables and provisions	116	409

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Net result	(1,196)	879
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The Authority operates on a multi-year investment strategy, consequently the net result for any one financial year should not be viewed in isolation.

NOTE 17- COMMITMENTS FOR EXPENDITURE

	2013 \$'000	2012 \$'000
(a) Operating lease commitments		
Aggregate operating lease commitments for office accommodation, motor vehicles and office equipment. Contracted but not provided for at balance date payable:		
Not later than one year	208	228
Later than one year and not later than 5 years	157	232
Later than 5 years		-
Total	365	460

The commitments above include GST of \$33,345 (2012: \$41,617) expected to be recoverable from the Australian Taxation Office.

The Authority has a 25 year lease, which expires on 18 July 2022, with the C B Alexander Foundation at a nominal rental for land on which the administrative building is constructed.

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

	2013 \$'000	2012 \$'000
(b) Natural resources investment projects commitments		
Aggregate commitments under contract for projects to deliver agreed natural resource outcomes. Contracted but not provided for at balance date, payable:		
Not later than one year	292	5,511
Later than one year and not later than 5 years	55	-
Later than 5 years		-
Total	347	5,511

The commitments above include GST of \$30,199 (2012: \$240,292), expected to be recoverable from the Australian Taxation Office.

(c) Finance lease commitments

The Authority did not have any finance lease payable commitments at balance date.

NOTE 18 - CONTINGENT LIABILITIES/ASSETS

The Authority is not aware of any other material contingent liabilities.

There are no known contingent assets at balance date.

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NOTE 19 - FINANCIAL INSTRUMENTS

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

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

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

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2013	2012
			\$'000	\$'000
Cash and cash equivalents	8	N/A	6,292	7,800
Receivables ¹	9	Loans and receivables (at amortised cost)	2,049	1,870
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2013	2012
			\$'000	\$'000
Payables ²	13	Financial liabilities measured at amortised cost	5,167	5,238

Notes

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

(b) Credit risk

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

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

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

(i) Cash and cash equivalents

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

(ii) Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to

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collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2013: \$886,001 Nil; 2012: \$648,550) and not less than 1 month past due (2013: \$Nil; 2012: \$19,250) are not considered impaired and together these represent 100% of the total trade debtors (2012: 100%). Most of the Authority's debtors have a good credit rating.

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

	Total ^{1,2} (\$'000)	Past due but not impaired (\$'000) ^{1,2}	Considered impaired (\$'000) ^{1,2}
2013			
< 3 months overdue	-	-	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	-	-	-
2012			
< 3 months overdue	-	-	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	-	-	-

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

(iii) Other financial assets

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

Deposits at 30 June 2013 were earning an average interest rate of 4.12% (2012: 3.96%), while over the period the weighted average interest rate was 3.97% (2012: 4.90%). None of these assets are past due or impaired.

(c) Liquidity risk

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

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the

7. Financial Statements

specified period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was Nil% (2013: Nil%).

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

	Weighted Average Effective Int. Rate	Nominal Amount	Interest Rate Exposure		Maturity Dates		
			Fixed Interest rate	Variable Interest rate	< 1 year	1-5 years	> 5 years
2013		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables:							
Accrued salaries, wages and on-costs	N/A	526			526		
Creditors and accruals	N/A	4,641			4,641		
		5,167			4,167		
2012							
Payables:							
Accrued salaries, wages and on-costs	N/A	104	-	-	104	-	-
Creditors and accruals	N/A	5,134	-	-	5,134	-	-
		5,238	-	-	5,238	-	-

(d) Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at statement of financial position date. The analysis is performed on the same basis for 2012. The analysis assumes that all other variables remain constant.

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(e) Interest rate risk

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

	Carrying amount	-1% Profit \$'000	Equity \$'000	+1% Profit \$'000	Equity \$'000
2013					
<i>Financial assets</i>					
Cash and cash equivalents	6,292	(63)	(63)	63	63
Receivables	2,049				
<i>Financial liabilities</i>					
Payables	5,167				
2012					
<i>Financial assets</i>					
Cash and cash equivalents	7,800	(78)	(78)	78	78
Receivables	1,870	-	-	-	-
<i>Financial liabilities</i>					
Payables	5,238	-	-	-	-

(f) Other price risk

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

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

Facility	Investment Sectors	Investment Horizon	2013 \$'000	2012 \$'000
Cash Facility	Cash, Money market instruments	Up to 2 years	2,996	4,588

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

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

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

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

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

	Impact on profit/loss		
	Change in unit price	2013 \$'000	2012 \$'000
Hour Glass Investment Cash Facility	+1%	30	46
	-1%	(30)	(46)

(g) Fair value

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

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

NOTE 20 - AFTER BALANCE DATE EVENTS

The Hunter-Central Rivers Catchment Management Authority is in negotiations with the National Parks and Wildlife Service regarding the proposed transfer of land in the Hexham Swamp. This land is valued at \$3,707,109 in the accounts of Hunter-Central Rivers Catchment Management Authority and the compensation for the transfer has not been finalised at this stage.

There are no other significant events subsequent to balance date.

End of audited financial statements

7. Financial Statements

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2. CMA CAP Management Targets to be achieved by 2015
3. Funds invested in non-government community organisations
4. CMA sub-committee members
5. Organisation chart
6. Payment of accounts
7. Risk Management
8. Investment performance
9. Performance of senior officer
10. Consultants engaged

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Appendix 1: Compliance checklist

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Appendix 2: CMA CAP Management Targets to be achieved by 2015

- 1 Protect an additional 31,000 ha of native vegetation
- 2 Regenerate 25,500 ha of native vegetation
- 3 Treat 2400 ha of weed affected lands
- 4 Implement priority recovery actions on 800 ha
- 5 Manage an additional 52,000 ha of landscapes having physical, cultural or spiritual significance to Aboriginal people
- 6 Protect an additional 4,600 ha of wetlands
- 7 Enhance 2600 ha of wetlands
- 8 Treat animal pests over 31,000 ha
- 9 Manage 200 km of roads that affect sensitive areas using current best practice erosion and sediment control
- 10 Revegetate 8400 ha of highly erodible soils
- 11 Stabilise 800 ha of actively eroding soils
- 12 Revegetate 1200 ha of salinity recharge areas with deep rooted vegetation
- 13 Improve nutrient management on 500 ha of land
- 14 Stabilise 150 ha of salt affected areas
- 15 Implement sustainable grazing management practices on an additional 19,000 ha of grazing land
- 16 Develop and implement property plans for an additional 25,000 ha
- 17 Protect an additional 1100 km of native riparian vegetation
- 18 Regenerate 550 km of degraded native riparian vegetation
- 19 Restore fish passage to 60 instream barriers
- 20 Stabilise 125 km of unstable or degraded stream channels and estuarine shorelines
- 21 Improve habitat to 200 km of stream channels
- 22 Maintain 420 Lower Hunter Valley Flood Mitigation Scheme structures
- 23 Retrofit 620 ha of existing developed areas with current best practice urban stormwater management
- 24 Improve the management of 120 sewage management systems
- 25 Manage 75 estuarine floodgates to increase tidal movement
- 26 Treat an additional 5000 ha of acid sulfate soils
- 27 Revegetate 240 ha of degraded dune systems
- 28 Protect an additional 21,000 ha of priority marine habitat
- 29 60 industry groups develop, adopt and audit an Environmental Management System
- 30 Enhance 130 km of vegetation along coastal lake shorelines
- 31 Enhance 250 km of marine shorelines

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Appendix 3: Funds invested in non-government community organisations

Name of group	Amount	Project and outcomes
Bahtabah Local Aboriginal Land Council	\$10,000	Assessment, mapping, and treatment of weed affected areas within Bahtabah Local Aboriginal Land Council, employing Bahtabah Aboriginal Green Teams; Six workshops on Aboriginal Cultural heritage site awareness training.
Brisbane Water Secondary College P&C	\$17,000	Umina Campus habitat protection
Central Coast Marine Discovery Centre	\$10,000	Establish marine discovery bushcare group, create displays, undertake weed removal, and increase coastal community participation.
Central Coast Marine Discovery Centre	\$1,500	Distribution of Bush Stone Curlew booklet to the local community
Central Coast Marine Discovery Centre Inc	\$28,711	Bush-stone curlew census and habitat rehabilitation
Cessnock Landcare	\$1,500	Regeneration of bushland adjoining Baddeley Park and communicating project outcomes to the local community
Combined Hunter Underwater Group	\$10,000	Undertaking a series of underwater marine debris surveys and clean ups, following Australian Marine Debris Initiative methodologies. Survey data will be collected and added to the national database.
Community Environment Network	\$12,000	Support for Macmasters Beach Surf Club to engage youth organisations in marine debris clean-up activities in Brisbane Water and promote the successful project model to other surf clubs.
Community Environment Network Inc	\$10,000	Support for a number of local biodiversity programs and training on water quality monitoring, land management, on-ground rehabilitation, weed ID and removal, and threatened species.
Community Environment Network Inc	\$37,266	Gorokan stormwater retrofit and catchment education project
Doo-Wa-Kee Culture and Heritage Unit	\$10,000	Supporting 10 Aboriginal women to attend the 2nd NSW/ACT Aboriginal Women's Network State Conference in September 2012 at Quambone in the Macquarie Marshes, NSW.
Environment Institute of Australia and New Zealand	\$1,000	Sponsorship of the annual conference of the Environment Institute of Australia and New Zealand, including a field trip to coal mines in the Hunter Valley.
Equilibrium Future Solutions	\$1,500	Sponsorship of a community open day to invite local residents to learn about sustainability and the community garden.
Gresford District Landcare	\$800	Sponsorship of the Gresford Landcare annual field trip and dinner
Hunter Dairy Development Group	\$75,500	Supporting Hunter dairy farms to improve water and biodiversity by addressing nutrient hotspots on farms.
Hunter Region Botanic Gardens	\$1,498	Production of a mobile display of native plants of the Hunter region

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Hunter Wetlands Centre Australia	\$10,000	Support for the release programs of reptiles, bats, mammals and freckled duck; creation of habitat for the Australasian Bittern; and Erosion Control Plan for Canoe Channel.
Hunter Wetlands Centre Australia	\$63,500	Understory regeneration, pest control and management actions at HWCA
Hunter Wetlands Centre Australia	\$1,500	Conducting marine debris clean ups of local creeks that can be accessed via canoe; collate data and develop strategy for engaging stakeholders to work on Source Reduction Plans.
Killabakh and Lower Cedar Party Landcare	\$1,450	Signage for a local riparian regeneration site to promote community awareness
Manning Environmental Educators Group	\$1,500	Support for a teacher in-service day to train teachers in sustainability, Aboriginal culture and natural resource management.
Manning Landcare	\$9,400	Capacity building activities on nutrient management, sustainable grazing and off stream watering, dung beetles, internal fencing techniques.
Manning Landcare	\$12,600	Developing and implementing Whole Farm Plans to demonstrate and monitor sustainable farming practices and local bush tucker plants.
McMasters Beach Surf Life Saving Club	\$1,500	Conducting marine clean up and education events with local schools and youth organisations
Merewether Landcare	\$1,500	Sponsorship of two working bees and a marketing campaign to attract new volunteers to the group
Midwaste Regional Waste Group	\$1,500	Series of 'waste as art' community workshops culminating in production of sculptures made from marine debris
Mount Vincent Landcare	\$1,450	Installation of interpretive signage on Bow Wow Gorge, sustainable farming and biodiversity corridors
Obelisk Hill Landcare	\$1,185	Rehabilitation of Obelisk Hill and training of volunteers in bush regeneration, using professional bush regenerators
Ocean and Coastal Care Initiatives	\$1,500	Sponsorship of the Whale Dreamers Festival
Ocean and Coastal Care Initiatives	\$1,500	Delivery of marine education activities across the Central Coast, including for school talks, four rock pool walks and one marine debris clean up event
Ocean and Coastal Care Initiatives	\$50,000	Deliver four 'CoastAWARE' community education and engagement courses, in Great Lakes, Hunter Estuary, Port Stephens and Central Coast and support participants with undertaking marine debris surveys and clean-ups.
Pacific Palms Community Association	\$1,500	Installation of a public water refill station at Smiths Lake Shopping precinct and promotion among local businesses
Pacific Palms Surf Life Saving Club	\$1,500	Installation of public water refill station at the Pacific Palms Surf Life Saving Club (with the assistance of Great Lakes Council)
Take 3	\$1,500	Visiting early childhood centres/preschools to research and develop at least 10 educational resource kits about marine debris
Take 3	\$1,500	Develop educational resources on marine debris presentation for four primary schools in the Hunter

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		River estuary area
The Gloucester Project	\$1,500	Communicating research conducted through The Gloucester Project within the local community
Tilligerry Community Organisation	\$1,500	Sponsorship of the Tilligerry Water Festival in November 2012.
Trees in Newcastle	\$1,500	Attendance of ten staff and volunteers at two Australian Association of Bush Regenerators Plant Identification Workshops held in Sydney.
Trees In Newcastle Inc	\$10,000	Development of web and print communication materials and a series of bush regeneration workshops and community events.
Wetland Environmental Education Centre	\$975	Sponsor primary students to attend the Eco-Youth Forum in Sydney
Wetlandcare Australia	\$9,900	Support for administration of Wetlandcare Australia activities and community engagement.
WetlandCare Australia	\$1,500	Sponsorship of a Hunter RAMSAR forum at the Hunter Wetland Centre in November 2012 to communicate outcomes of the international RAMSAR forum.
Worimi Local Aboriginal Land Council	\$10,000	Supporting 10 Aboriginal women from various communities to attend the 2nd NSW/ACT Aboriginal Women's Network State Conference in September 2012 at Quambone in the Macquarie Marshes, NSW.
Worimi Local Aboriginal Land Council	\$25,000	Conduct marine debris clean up activities in the Hunter Estuary and integrate educational activities
Wycare Inc	\$10,000	Support a series of community workshops on weeds, coastal erosion and wetlands, and field trips to local landcare sites.
Total	\$466,235	

Appendix 4: CMA sub-committee members

Hunter Community Reference Group

Julia Imrie (Co-chair)	CMA Board member
Arthur Burns (Co-chair)	CMA Board member
Linda Gant	Community member
Stephen Thatcher	Community member
Noel Jupp	Community member
Tony Hegarty	Community member
Peter Bogan	Community member
Louise Duff	Community member
Jon Novoselac	Community member
Ivan Adlem	Community member
Judy Boyden	Community member
Cr Wayne Bedggood	Upper Hunter Shire Council
Cr Therese Doyle	Newcastle City Council
Cr Christine Phelps	Muswellbrook Shire Council
Cr Paul Le Mottee	Port Stephens Shire Council

Central Coast Community Reference Group

Jeff Jansson (Co-chair)	CMA Board member
Jane Smith (Co-chair) (up to April 2013)	CMA Board member
Mark Snell	Community member
Cathy Stubbs	Community member
Phil Conacher	Community member
Greg Wright	Community member
Avril Lockton	Community member
Neil Rose	Community member
Tamsin Martin	Community member
Tony Powell	Community member
Christina Woolcock	Community member
John Asquith	Community member
Helen Monks	Community member
Cr Bob Graham	Wyong Shire Council
Vanessa McCann (alt)	Wyong Shire Council
Anne Stewart	Gosford City Council
Cr Barry Johnston	Lake Macquarie City Council
Cr Brian Adamthwaite (alt)	Lake Macquarie City Council

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Aboriginal Cultural Environment Network – CMA Partnership Committee

John Weate (Co-chair)	CMA Board member
Aug and Nov	
Susan Hooke (Co-chair)	CMA Board member
Mick Leon (Co-chair)	Community member
Rhonda Ward	Community member
Aleshia Lonsdale	Community member
Warranha Ngumbaay	Community member
Mick Green	Community member
Steve Talbot	Community member
Tom Miller	Community member
Noel Dates	Community member
Dawn Townsend	Community member
David Feeney	Community member
Martin Feeney	Community member
Barry Bungie	Community member

Newcastle Catchment Management Forum

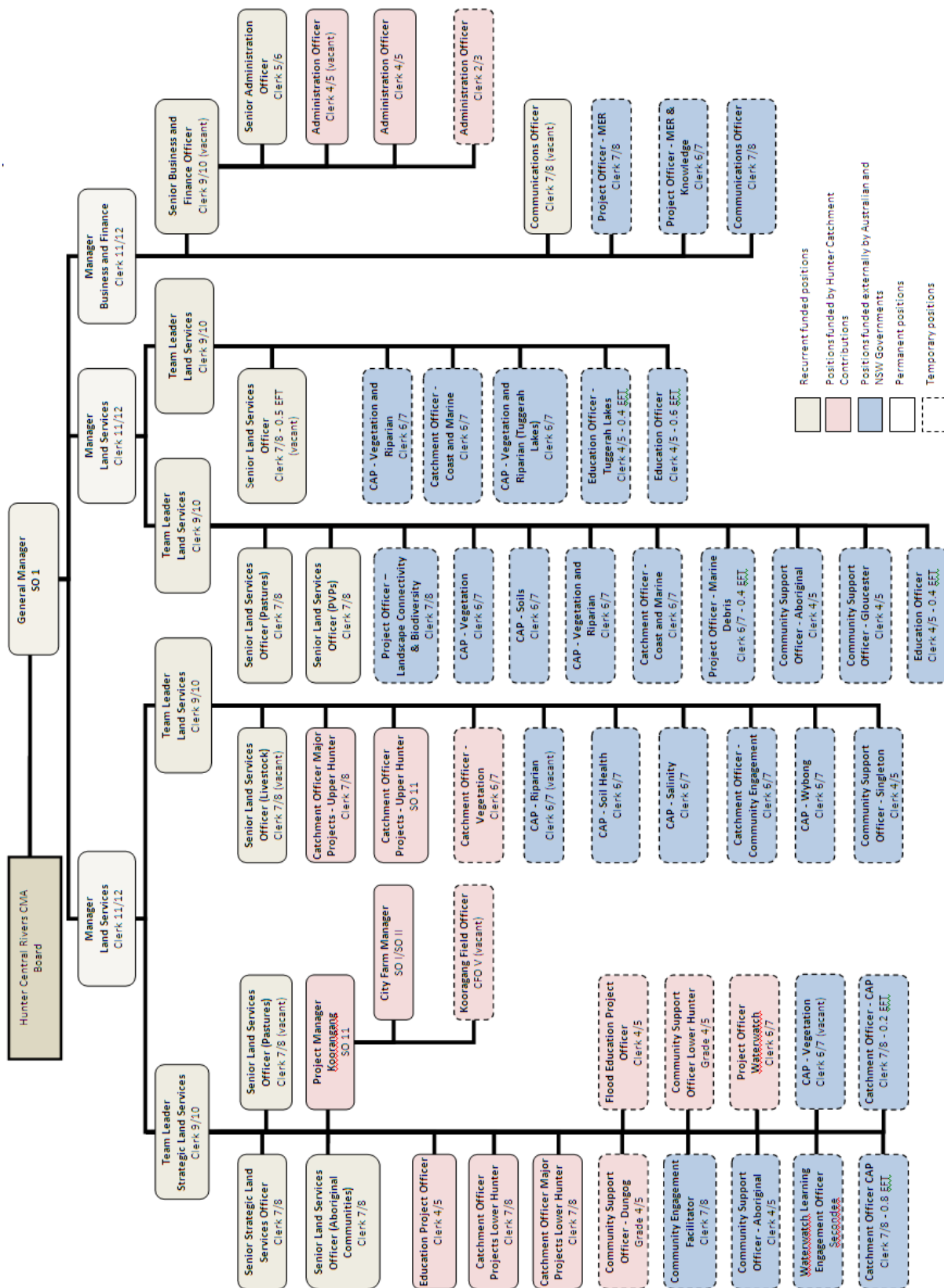
Fiona Marshall (Chair)	HCRCMA (General Manager)
Callaghan Cotter	HCRCMA
Jenny Weingott	HCRCMA
Jenny Castles	Community member
John Fitter	Community member
David Ralston-Smith	Community member
Julia Irwin	Hunter Water Corporation
Karenne Jurd	The City of Newcastle
Michael Osborne	The City of Newcastle
Robert Denton	Lake Macquarie City Council
Emma Graham	Lake Macquarie City Council
Jenny Robinson	Community member
Mark Mignanelli	Community member
Louise Duff	Community member
Deon van Rensburg	NSW National Parks and Wildlife Service

Hexham and Kooragang Wetland Rehabilitation Projects Committee

Tom Bagnat (Co-chair)	NSW National Parks and Wildlife Service
Fiona Marshall (Co-chair)	HCRCMA (General Manager)
Sonia Horney	Member for Wallsend
Craig Baumann	Member for Port Stephens
Kirsty Munro	The City of Newcastle
Peggy Svoboda	HCRCMA
Rob Henderson	HCRCMA
Amanda Hyde	HCRCMA
Paul Trute	Hunter Wetlands Centre Australia
Jenny Castles	Community member
John Fitter	Community member
Dennis Hirst	Community member
Ann Lindsey	Community member
Brian Purdue	Community member
Rodney Hardwick	The City of Newcastle
Michael Osborne	The City of Newcastle
Sharon Molloy	Office of Environment and Heritage
John Simpson	Hunter Water Corporation
Ric Slatter	Office of Environment and Heritage
Deon Van Rensburg	NSW National Parks and Wildlife Service
Kylie Russell	Department of Primary Industries

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Appendix 5: Organisation chart as at 30 June 2013



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Appendix 6: Payment of accounts

Aged Analysis at the end of each quarter

Quarter	Current (within due)	< 30 days overdue	30-60 days overdue	61-90 days overdue	90 + days overdue
All suppliers					
September	29,177	0	139	0	27
December	11,596	0	8,642	332	27
March	18,229	0	2,427	248	676
June	431,541	0	275	550	0
Small Business suppliers					
September	0	0	0	0	0
December	0	0	0	0	0
March	0	0	0	0	0
June	0	0	0	0	0

Accounts due or paid within each quarter

Measure	September	December	March	June
All suppliers				
Invoices due for payment	549	429	411	489
Invoices paid on time	547	406	399	478
Actual percentage of invoices paid on time (based on number of invoices)	99.64%	94.64%	97.08%	97.75%
Dollar amount of accounts due for payment	2,610,200	1,000,539	1,336,986	1,076,219
Dollar amount of accounts paid on time	2,610,071	983,422	1,321,618	1,071,634
Actual percentage of accounts paid on time (based on \$)	99.99%	98.29%	98.85%	99.57%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0
Small Business supplies				
Number of accounts due for payment	0	0	0	0
Number of accounts paid on time	0	0	0	0
Actual percentage of accounts paid on time (based on number of accounts)	0.00%	0.00%	0.00%	0.00%
Dollar amount of accounts due for payment	0	0	0	0

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Dollar amount of accounts paid on time	0	0	0	0
Actual percentage of accounts paid on time (based on \$)	0.00%	0.00%	0.00%	0.00%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

Appendix 7: Risk Management

Management of CMA business also includes the maintenance of appropriate risk management and insurance strategies. The CMA participates in the NSW Treasury Managed Fund self-insurance scheme which provides workers compensation, legal liability, motor vehicles, property and miscellaneous cover. A condition of this insurance cover is that a high priority be placed on the implementation of sound risk management practices.

Internal Audit and Risk Management Policy attestation

Internal Audit and Risk Management Statement for the 2012-13 Financial Year for the Hunter-Central Rivers Catchment Management Authority

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

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

MINISTERIALLY DETERMINED DEPARTURE	REASON FOR DEPARTURE AND DESCRIPTION OF PRACTICABLE ALTERNATIVE MEASURES IMPLEMENTED
An Internal Audit function has been established and maintained.	All thirteen Catchment Management Authorities are covered by a comprehensive Corporate Governance Manual, which has been prepared with the assistance of the Internal Audit Bureau. A copy of this Manual will be provided to Treasury upon request for assessment purposes. The basis for this exception from the core requirements is that the Catchment Management Authorities operate as independent organisations governed by boards separate to the Department of Trade & Investment, Regional Infrastructure and Services (DTIRIS). The existence of independent audit committees reporting to statutory boards is an important feature of good corporate governance and we are seeking to maintain internal audit and risk committee arrangements independent of the
An Audit and Risk Committee has been established.	
The Audit and Risk Committee has an independent chair and a majority of independent members. The Audit and Risk Committee has at least three members, and no more than five members.	
The Audit and Risk Committee has a Charter consistent with the content of the 'model charter'.	
An enterprise risk management process that is appropriate to the department or statutory body has been established and maintained. The enterprise risk management process is	

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consistent with the current Australian/New Zealand Standards (AS/NZS) on risk management.

The operation of the Internal Audit function is consistent with IIA International Standards for the Professional Practice of Internal Audit. In addition, the following requirements must be met:

- a) the Chief Audit Executive has implemented a risk based audit methodology for assessing and responding to audit findings, and this approach has been endorsed by the Audit and Risk Committee
 - b) the Chief Audit Executive has ensured a risk rating has been provided on every audit finding and those audit findings considered by the Chief Audit Executive to be the most significant have been reviewed by the Audit and Risk Committee
 - c) the Chief Audit Executive has recommended a course of action for every audit finding, and these actions have been referred to operational management for response
 - d) the department head or governing board of the statutory body has ensured that operational management has prepared an 'agreed action plan' for every internal audit
 - e) the department head or governing board of the statutory body has ensured that operational management has reported and tracked the implementation of 'agreed action plans' to both the Audit and Risk Committee and the department head or governing board of the statutory body to ensure all agreed actions are implemented within agreed timeframes.
-

These processes, including the practicable alternative measures implemented, provide a level of assurance that enables the senior management of the Hunter-Central Rivers Catchment Management Authority to understand, manage and satisfactorily control risk exposures.

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

Susan Hooke

Chair

25 October 2013

DTIRIS committee.

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

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

The Portfolio Minister granted the exception from compliance with the terms of the policy for the 2012/13 financial year.

The Hunter-Central Rivers Catchment Management Authority has an independent member on its Finance and Audit Committee and at least two Board members with recognised independent qualifications.

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Appendix 8: Consultants engaged

No consultants were engaged in 2012-13.

Appendix 9: Investment performance

The Hunter-Central Rivers CMA had \$965,000 invested in bank and building society term deposits (average interest rate of 3.6% for year) and \$2,996,000 invested in Treasury Corporation – Hourglass Facility (average interest rate of 3.7% for year) at 30 June 2013. The CMA carefully considers security, diversification and the interest rate prior to each investment.

Appendix 10: Performance of Senior Officer (not Senior Executive Service)

Name:	Fiona Marshall
Position:	General Manager
Commencement in position:	26 October 2009
Remuneration package:	\$150,926

Fiona Marshall is the first female to be appointed to the position of General Manager

Personal highlights

- Attracting corporate investment in CAP activities
- Aboriginal scholarship program in place
- CAP upgrade completed and approved by Minister
- Provide support and briefings to Chair and Board
- Completed executive and leadership training for Executive and Management Teams
- Development of Strategic Plan with Executive and Management Team, although this was not progressed after Local Land Services announcement

Key result area 1: Regional leader in Natural Resource Management

- Developed an upgraded Catchment Action Plan as a whole-of-government and community plan.
- Maintained strategic partnerships with government and community.
- Annual Investment Program developed and approved by the Minister.

Key result area 2: Engaging the regional community in NRM

- Existing partnerships maintained and strengthened.
- Actively develop new partnerships which deliver on CAP implementation.
- Opportunities for community partnerships maximised.
- Coordination and delivery of 2013 State Landcare and Catchment Management Forum
- Increased use of social and visual media in education and awareness activities

Key result area 3: Delivering excellence in corporate governance

- Policies and decisions implemented in accordance with Board directions.
- Delivery of programs in line with CMA Code of Conduct and Ethics and CMA business procedures.

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- Financial and audit operations of the CMA effectively monitored.
- Coordinated Organisational Performance Review and identified areas for improvement
- Completion of 5 year Caring For our Country program and Catchment Action NSW Program by June 2013

Key results area 4: Securing organisational viability

- Securing long-term investment from a diverse range of sources.
- Being adaptive, flexible and innovative with delivery of programs.
- Being valued by our regional community and government investors.
- Undertake change management process and recruitment of permanent staff in transition to Local Land Services.

Front cover photograph: Masseys Creek
(photo taken by CMA staff member
Jane Dickinson).



**Catchment Management
Authority**
Hunter–Central Rivers

Contact us

Principal office

Tocal, near Paterson
(on land leased from Tocal Agricultural Centre)
Open 9.00 am to 5.00 pm Monday to Friday
816 Tocal Road (Private Bag 2010) Paterson NSW 2421
Phone: (02) 4930 1030
Fax: (02) 4930 1013
Email: hcr@cma.nsw.gov.au
Website: www.hcr.cma.nsw.gov.au

Service delivery centres

Wyong

Unit 3/ 34–36 Pacific Hwy, Wyong NSW 2259
Phone: (02) 4352 5100

Muswellbrook

Level 2/160 Bridge Street (PO Box 297),
Muswellbrook NSW 2333
Phone: (02) 6542 4444

Taree

98 Victoria Street (PO Box 440) Taree NSW 2430
Phone: (02) 6551 8994

For more information on the
Kooragang Wetland Rehabilitation Project phone
(02) 4964 9308.

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