

WEST GIPPSLAND CATCHMENT MANAGEMENT AUTHORITY

Annual Report

2025-26

West Gippsland
Catchment Management Authority

Winner
of the 35th National Banksia Sustainability Awards

VICTORIA
State Government



ACKNOWLEDGEMENT

We acknowledge and pay our respects to the Traditional Owners of the region, the Gunaikurnai, the Bunurong, the Boonwurrung and the Wurundjeri Woi Wurrung peoples, their rich culture and spiritual connection to Country. We also acknowledge the responsibility of First Peoples to care for Country and pay respects to Elders, past, present and emerging.

ISSN 1836-0629
© State of Victoria, West Gippsland Catchment Management Authority 2026.

This publication is copyright. No part may be reproduced by any process except in accordance with the provisions of the *Copyright Act 1968*.

Photo credits:
Cover: Corner Inlet from the sky.
This page: Landcare in action on the Avon River, Gunaikurnai Country.
Inset: GLaWAC smoking ceremony.



Working across one of Australia's most diverse natural resource regions, we partner with Traditional Owners, communities, landholders, government and industry to deliver lasting outcomes for our landscapes, waterways and communities.

Contents

Report overview 2
- Chair and CEO report 2
- Responsible Body Declaration 6
- 2025-26 Highlights 6
- Challenges 10
- Summary of financial results 15

About the West Gippsland region 16
- The West Gippsland region and the environment we work in 17

Catchment condition and management 19
- 2025-26 catchment condition update 22
- 2025-26 management summary 24

Regulatory services 31

Our organisation 32
- Our purpose and vision 32
- Our work 33
- Our principles and values 33
- Our organisation and Board 34
- Board members 36
- Organisational structure 43

Our people 44
- Supporting our people to be their best 44

Good governance 48
- Report against Corporate Plan targets 48
- Community inclusion 50
- Other disclosures 51

Financial Review 63
- Declaration in the Financial Statements 66

Appendix 1 – Disclosure index 94

Appendix 2 – Management Assessment supporting details 96

Report overview

Chair and CEO report

The past year delivered meaningful results for the region, demonstrating the important role of West Gippsland CMA in protecting and enhancing our natural environment.

Working across one of Australia's most diverse natural resource regions, we partner with Traditional Owners, communities, landholders, government and industry to deliver lasting outcomes for our landscapes, waterways and communities. Supported by a skilled Board and dedicated team, we remain focused on building the long-term health and resilience of West Gippsland.

The region continues to face significant challenges, including climate change, biodiversity decline and the transition of the energy sector. While climatic conditions remain variable, our focus remains on helping landholders and communities protect natural assets and build resilient landscapes.

We acknowledge the Victorian and Australian Governments for their support, enabling the delivery of high-quality projects across land, water, biodiversity, Traditional Owner partnerships and community outcomes. Built on nearly 30 years of coordinated catchment management, our strong partnerships and regional delivery continue to maximise the value of this investment. As the Regional Catchment Strategy (RCS) reminds us, Catchment Health – Gippsland's Wealth.

This year marked significant progress in delivering the Environmental Contribution Levy Tranche 6 (EC6) and Natural Heritage Trust (NHT) programs. As a Regional Delivery Partner, we continued to implement programs that strengthen our long-term focus on Corner Inlet, Alpine Peatlands and Traditional Owner partnerships, while also contributing to efforts to prevent the extinction of the Eastern Hooded Plover.



Team standing on new Heart Morass Watering Infrastructure Gunaikurnai Country.



Mangroves, Corner Inlet.

During the year, we celebrated 20 years of environmental watering in Carran Carran (Thomson) and 25 years of the Sustainable Irrigation Program in the Macalister Irrigation District, reflecting the value of long-term investment and partnerships. Key achievements included new environmental watering infrastructure in the Lower Latrobe Wetlands and progress on the Maffra Fishway, helping reconnect waterways, improve water use and support ecosystem health.

Landcare and other delivery partners continue to play a vital role in these programs. In the year ahead, we look forward to celebrating 40 years of Landcare in West Gippsland, recognising the lasting impact of community-led action and strong partnerships.

Strong governance and clear direction remain central to our success. This year, we delivered 96% of actions in our Annual Operational Plan, translating the priorities of the RCS into on-ground outcomes. Four years into implementation, the Strategy continues to guide investment and collaborative action across West Gippsland.

In late 2025, three new directors joined the Board. Their leadership, together with our Aboriginal Delegate and Youth Associate Director, continues to strengthen governance and community representation.

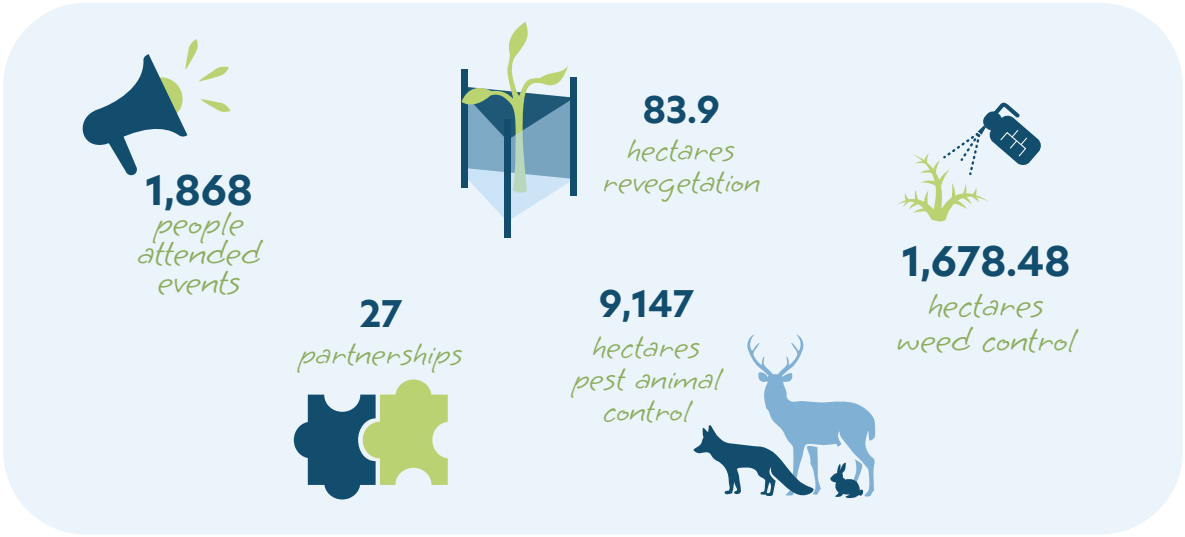
The Board remains focused on delivering the priorities of our Strategic Plan and this year made significant progress on its commitment to First Peoples. Integral to this was the establishment of our First Peoples Self-Determination Committee, an initiative to help embed Traditional Owner aspirations and objectives into our operations and decision-making. Building upon trusted partnerships across the region, this work together with cultural competency training for staff and Board, further strengthens our shared journey to support Traditional Owner self-determination.

We progressed the renewal of the West Gippsland Regional Waterway Strategy (RWS), working with our Stakeholder Project Steering Committee and key partners to refine the vision, priorities and long-term outcomes. We look forward to broader community involvement in the coming year.

Providing statutory advice remains an important CMA function. During the year, we processed 1,019 planning permit referrals and flood advice requests, helping councils and other decision-makers to make informed land-use decisions that support community resilience and effective floodplain management.

Our success is built on strong partnerships with the organisations, communities and individuals helping to protect and enhance West Gippsland's natural resources. Under the umbrella of Vic Catchments, Victoria's Catchment Management Authorities and Melbourne Water continue to collaborate, creating efficiencies and advocating for integrated catchment management.

Notable outputs delivered throughout the year include:



The Gippsland Environmental Agencies (GEA) forum remains an important platform for regional collaboration, bringing together 14 agencies to align priorities and maximise collective impact. We were proud to complete our third year chairing the forum and supporting the shared Executive Officer role.

Our Board and staff also continued to strengthen community connections through our Community Engagement Network, visiting sites across the catchment to learn about and celebrate on-ground achievements.

As we approach 30 years of operation, we thank Traditional Owners, community members, partner organisations, staff and Board for their contribution to our achievements this year. Together, we will continue strengthening the resilience of our natural systems and ensuring West Gippsland remains a healthy, productive and thriving region for future generations.



Belinda Nave
Chair
28 September 2026



Martin Fuller
CEO
28 September 2026



Corner Inlet Connections partners.

Responsible Body Declaration

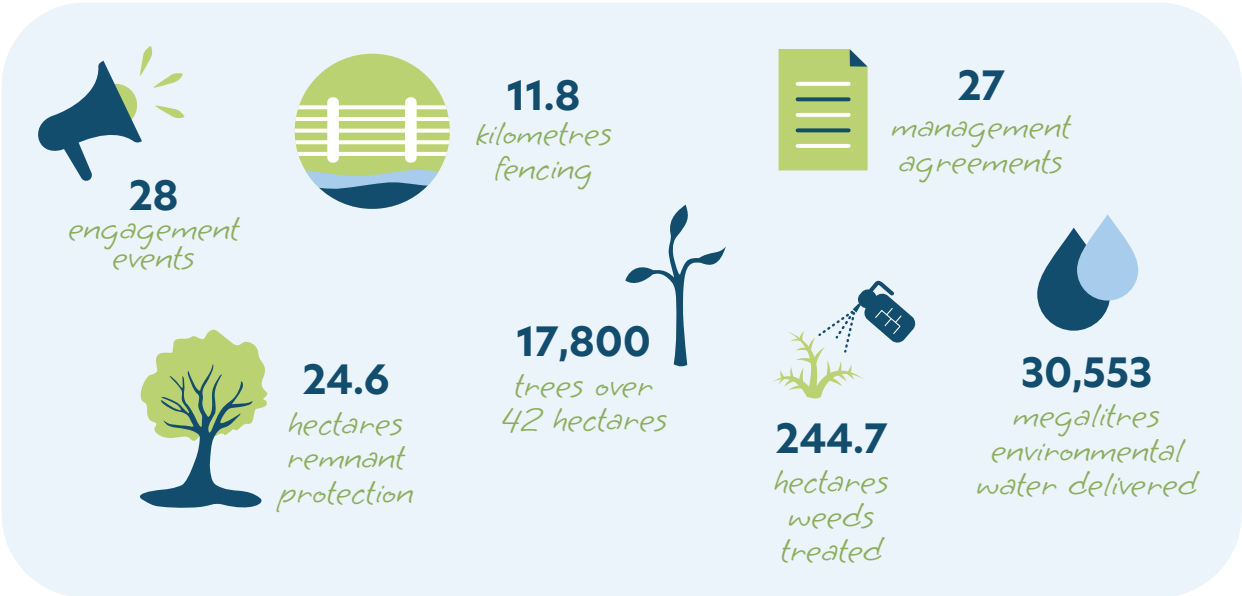
In accordance with the *Financial Management Act 1994*, I am pleased to present the West Gippsland Catchment Management Authority's Annual Report for the year ending 30 June 2026.

Belinda Nave
Chairperson
West Gippsland Catchment Management Authority
28 September 2026

2025-26 Highlights

Delivering Water for Victoria priorities

We are extremely proud of our work to deliver on the priorities in Water for Victoria. We have made significant progress again this year:



This work will help reduce the amount of sediment and nutrients entering rivers and streams. In addition, we have continued our partnerships with Landcare groups, Traditional Owners and recreational angling groups.

Regional Landcare and community events

As part of the Victorian Landcare Grants, successful Landcare and community events were held throughout the year focusing on different projects and audiences.

14.2
kilometres fencing over 50.3 hectares



62,450
trees over 41 hectares



25
hectares weeds treated



Sustainable Irrigation Program

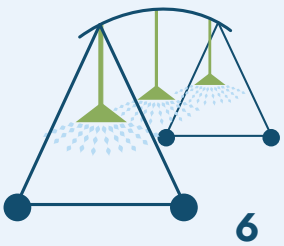
The Lake Wellington Land and Water Management Plan was finalised in 2019 and provides a 10-year vision for sustainable irrigation and water management in the Lake Wellington catchment.

This year was the second of the four-year EC6 Sustainable Irrigation Program (SIP) which provides extension, education and technical support to the Macalister Irrigation District irrigation farming community, implements the Gippsland Irrigation Development Guidelines and implements the irrigation efficiency incentives program.

In 2025-26 the SIP program delivered:



8
new irrigation farm plans providing the foundation for irrigation efficiency upgrades across an area 950 hectares



6
new demonstration sites showcasing the benefits of new and innovative irrigation and nutrient management techniques

Panel of Regional Delivery Partners

In 2023, West Gippsland CMA was appointed to the Australian Government's Panel of Regional Delivery Partners of Environmental Protection, Sustainable Agriculture and Natural Resource Management Services.

As a result, the CMA was contracted to deliver a number of projects including:

- Corner Inlet Connections.
- Toward Zero Extinctions: targeted effort to protect the Eastern Hooded Plover in West Gippsland.
- Climate Smart Farmers in West Gippsland.

In addition to these projects, the program supports the Sustainable Agricultural Facilitator (SAF) position and our Indigenous Partnership Program.

In 2025-26, these projects delivered:



Through this program we continue the important partnership with Bunurong Land Council Aboriginal Corporation (BLCAC).



BirdLife Australia team and volunteers monitoring Hooded Plovers.

Water for the environment

Water for the environment plays an important role in improving the health of rivers and wetlands in Gippsland.

- This year, a total of nearly 29,000 megalitres of water for the environment was released into the Carran Carran (Thomson) and Wirn wirndook Yeerung (Macalister) rivers. Due to conditions, no water was delivered to Durt'Yowan (Latrobe River).
- This water is critical for native plants, fish, and other animals. These flows can move sediment and nutrients through rivers, connect habitats and improve water quality.

Kugerungmome/Powlett River and Tarwin Catchment Partnerships Project

Across 2025-26 the Kugerungmome/Powlett River Partnerships Project continued and the Tarwin Integrated Catchment Management Partnership Project began.

- As part of the Kugerungmome/Powlett project, we partnered with Bass Coast Landcare Network, Trust for Nature, Parks Victoria, Bunurong Land Council Aboriginal Corporation and BirdLife Australia, to undertake fox control and riparian vegetation protection and enhancement.
- As part of the Tarwin Integrated Catchment Management Partnership Project, we partnered with South Gippsland Landcare, South Gippsland Water, Prom Coast BioLinks, Parks Victoria, HVP, DEECA, South Gippsland Shire Council and Traditional Owners to collaboratively develop the Tarwin Strategic Directions Statement and agree on a number of high priority projects.

Challenges

Climate change

Climate change and variability is having clear and ongoing impact on our catchments and natural systems. It is a key challenge and one that will drive and influence our organisation's priorities and activities. We will continue to embed and consolidate planning and impact scenario thinking into the work we do, including the renewal of the Regional Waterway Strategy which commenced in 2025-26. This will be particularly relevant to coastal inundation, extreme events and water availability.

To help understand and better prepare for the impacts of climate change on the natural environment, we have:

- Developed a Regional Natural Resource Management (NRM) Climate Change Strategy.
- Undertaken planning to understand the risk and potential impact of extreme weather events on Threatened Species and Communities, Ramsar sites and agriculture assets in collaboration with our partner organisations through funding from the Australian Government.
- Continued to build the CMA's capacity in planning for climate change by undertaking a series of learning workshops to apply adaptation pathways planning into regional decision making.
- Continued the Sustainable Agriculture Facilitator role (funded by the Australian Government) with an increasing focus on climate smart approaches to agriculture, including drought, in partnership with Food and Fibre Gippsland.

Victorian CMAs continued to jointly fund a statewide Climate Change Coordinator role, providing a coordinated approach to climate change adaptation and mitigation across the CMA network. The role strengthens collaboration, builds capability, supports strategic projects, facilitates knowledge exchange, and ensures CMAs have a collective voice in policy and program development.

During 2025-26, the coordinator facilitated four Victorian CMA Climate Change Forums, bringing together CMA representatives to share knowledge, explore emerging opportunities, and strengthen collaboration. Forums featured presentations from leading organisations including ClimateWorks Centre, Canopy Economics, World Wildlife Fund, the Conservation Ecology Centre, the University of Tasmania and DEECA, helping CMA staff stay informed about the latest climate science, policy and practical adaptation approaches.

The role also supported sector-wide learning through regular climate change updates and targeted information sharing, enabling CMA staff to access relevant research, funding opportunities, policy developments and project insights. This ongoing knowledge exchange helps build climate capability and ensures CMAs remain at the forefront of climate adaptation practice.

CMA input into major policy and program initiatives was coordinated. Submissions were prepared on behalf of Victorian CMAs to DEECA's Water Sector Emissions Transition Plan and the Commonwealth Australian Carbon Credit Unit (ACCU) Scheme review. Ongoing engagement with DEECA was undertaken on the evaluation of existing Adaptation Action Plans and development of the next generation of plans, ensuring CMA expertise and regional perspectives informed decision-making.

The statewide climate change function continued to represent CMAs through relevant Communities of Practice and strategic partnerships, strengthening relationships with government agencies, research organisations and sector stakeholders, while identifying opportunities for collaboration and investment.

Delivery of the Water Cycle Adaptation Action Program (WCAAP), supported by $1.95 million in DEECA funding, remained a major focus. Five priority adaptation projects, with a combined value of $1.15 million, commenced across the state. The program also delivered the Adaptation Pathways Roadshow, which upskilled almost 200 CMA staff and catchment partners in adaptation planning, generated practical adaptation pathways and strengthened capability to respond to future climate risks.

Changing demographics and visitation

Demographics in the region continue to change with an increase in absentee farmers, ageing landowners and urban-based farmers. The impact of COVID-19 on demographics has largely dissipated, however West Gippsland continues to see an increase in tree- and sea-changers. This means we need to continue to evolve our approaches to engage landholders and support best practices to protect and improve the region's land and water resources. This also creates opportunities to recruit new people to assist in protecting, enhancing and acting as advocates for the region's natural assets.

Rural land use

Increased population growth and urbanisation of rural land continues as people move away from the city to the coast and countryside. This not only changes the demographics of the area but also shows increasing changes in rural land use.

Volunteer uncertainty

The changing demographics of an ageing population may produce more, or fewer, volunteers and the region will need to meet these recruitment and retention challenges in the coming years. The role of Landcare and WaterWatch needs to be understood in this context as they offer the potential to evolve to meet contemporary and innovative approaches to participating in NRM.

Increased expectations

There continues to be an increase in demand and expectations from individuals and communities wanting to undertake catchment improvement works. Whilst this enthusiasm and willingness is positive, having sufficient resources to support this demand is a challenge.

Industry transition

Industry transition continues to gain momentum. The closure of the Hazelwood power station, along with an evolving timber, gas and renewables industry, will present unique challenges in relation to land and water management in the coming years.

The region is also experiencing an increase in large-scale, corporate-owned agricultural enterprises (e.g. horticultural and dairy sectors). Whilst there has been an upturn in milk production, farmers are taking a conservative approach to operating their businesses and prioritising stability over expansion as labour and weather challenges continue. This may affect some landholders' ability to engage in environmental restoration activities. Through established relationships and linkages, West Gippsland CMA is well-positioned to assist in this transition.

Initiatives and projects

We plan and implement initiatives around two key planning and delivery frameworks. Our strategic focus is guided by a Board-endorsed five-year Strategic Plan. Supporting and activating this is our Corporate Plan that provides an annual depiction of programs, initiatives, and projects developed and funded by both the Victorian and Australian governments. These all contribute to the Corporate Plan objectives specifically relating to Natural Resource Management – to manage the region under a 'whole of catchment' model and improve the region's priority landscapes. Key documents such as the Regional Catchment Strategy and the Regional Waterway Strategy support government policy and legislation and help guide funding.

All documents available at wgcma.vic.gov.au

Delivering for the catchment

This was the second year of the Victorian Water Program Investment (EC6) funding agreement. The percentage complete for these projects is based upon the annual progress toward the overall four-year program. EC6 delivers state and regional priorities such as Water for Victoria, the Regional Catchment Strategy, Regional Waterway Strategy and Our Catchments, Our Communities.

This was the third year of the suite of regional delivery projects funded by the Australian Government under the Regional Delivery Partners Panel (RDP). Three key projects include the Corner Inlet Connections, Toward Zero Extinctions: Eastern Hooded Plover protection and Sustainable Agriculture. In addition to these projects, the funding also supported the Sustainable Agricultural Facilitator position and our Indigenous Partnership Program as part of Regional Capacity Services.

Table 1: Key projects delivered in 2025-26.

Funding source	Project Name	Percentage complete
Australian Government funding	Corner Inlet Connections (5-year project)	50
	Toward Zero Extinctions: targeted effort to protect the Eastern Hooded Plover in West Gippsland (5-year project)	50
	Sustainable Agriculture (5-year project)	50
	Regional Capacity Services (5-year project)	50
	Sustainable Agricultural Facilitator (5-year project)	50
Victorian Water Program Investment Framework (EC6)	WGCMA Statutory Functions – Floodplain and waterway protection	50
	Caretaker of Waterway Health	50
	Flagship Waterway – Corner Inlet	50
	Flagship Waterway – Mid Thomson River	50
	Protecting Pristine Headwaters of the Victorian Alps and Strzelecki Ranges	50
	WGCMA Strategic Floodplain Management Implementation	50

Funding source	Project Name	Percentage complete
Victorian Water Program Investment Framework (EC6)	Estuaries and Inlets of the Bunurong to the Mullungdung Coast	50
	Corner Inlet Ramsar Coordination	50
	West Gippsland Our Catchments, Our Communities	50
	Managing Environmental Water - Delivery and Community Engagement	50
	Sustainable Irrigation in WGCMA	50
Other state-based funding	Regional Landcare Coordination in West Gippsland	100
	Victorian Landcare Grants in West Gippsland 2024-25	100

Projects achieved in 2025-26

Environmental works

9,147 *hectares pest animal control*



1,678 *hectares weeds control*



2.5 *hectares of earthworks*



84 *hectares vegetation controlled*



Management works



12 *water regimes*

Structural works

28 *kilometres fencing*



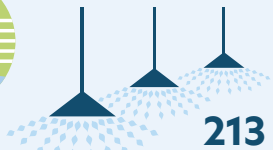
7 *waterway structures*



10 *monitoring structures*



213 *hectares irrigation infrastructure*



Planning and regulation

36 *information management systems*



174 *publications*



27 *partnerships*



456 *management agreements*



38 *plans*



1,487 *approval and advice*



88 *assessments*



Table 2: Outputs achieved in 2025-26.

Category	Output	Unit of Measure	2025 -26	2024 -25	2023 -24	2022 -23	2021 -22	2020 -21	2019 -20	2018 -19	2017 -18
Structural works	Water storage	Number	-	11	14	12	-	14	39	29	29
	Irrigation infrastructure	Hectares	213	142	767	48	27	604	236	552	638
	Waterway structure	Number	7	3	7	5	5	2	2	-	1
	Terrestrial structure	Number	-	-	0	0	-	-	0	-	3
	Monitoring structure	Number	10	6	14	155	43	11	13	13	13
	Road	Kilometres	-	-	4	0	1	4	-	-	-
	Fence	Kilometres	28	21	73	55	27	23	42	69	91
Environmental works	Vegetation	Hectares	84	204	305	170	55	103	151	198	292
	Weed control	Hectares	1,678	1,194	1,404	2,160	1,247	732	2,442	1,444	1,334
	Pest animal control	Hectares	9,147	31,084	691	1,221	42,784	43,461	74,797	6,869	17,445
	Earthworks	Hectares	2	6	22	9	32	1	72	72	2
Management services	Agricultural Practices	Number	-	-	1	30	1	-	-	-	-
	Grazing	Number	-	1	-	-	-	-	-	-	-
	Water regimes	Number	12	15	11	8	8	12	20	21	21
Planning and regulation	Approval and advice	Number	1,487	1,130	1,507	1,266	1,585	1,312	1,639	1,345	872
	Management agreement	Number	456	12	96	73	75	10	63	53	55
	Assessment	Number	88	536	751	756	751	581	691	568	474
	Engagement event	Participants	1,868	2,330	1,291	2,401	2,182	2,762	3,639	5,169	2,360
	Information management system	Number	36	2	2	2	-	3	3	3	-
	Partnership	Number	27	44	48	44	43	37	56	53	36
	Plan	Number	38	11	56	78	76	50	89	149	129
	Publication	Number	174	173	144	175	171	125	117	118	122

Summary of financial results

West Gippsland CMA recorded a net result from transactions of $1.113 million in 2025-26, an increase of $0.813 million compared with the $0.300 million surplus reported in 2024-25. This outcome was primarily driven by higher revenue, particularly an increase in income from government, which rose by 31.7 per cent from $8.612 million to $11.343 million. Total income from transactions increased by 28.6 per cent to $13.940 million, while total expenses increased by 21.7 per cent to $12.826 million.

The net result for the period was a surplus of $1.277 million, compared with a surplus of $0.382 million in the previous year. The surplus primarily reflects funding received for projects that will be delivered in future years, with expenditure to occur in accordance with project plans and consistent with relevant funding agreements.

Net cash flows from operating activities were positive at $1.059 million. This represents a decrease from the operating cash inflow of $4.684 million recorded in 2024-25, reflecting the timing of receipts and payments associated with operational and project activities.

The Authority's financial position remained sound, with total assets increasing by 4.8 per cent to $31.970 million at 30 June 2026. At the same time, total liabilities decreased by 6.7 per cent from $13.689 million to $12.768 million, strengthening the Authority's overall net asset position.

Overall, the 2025-26 financial results indicate a strong operating performance, supported by increased government funding, growth in total income and a reduction in liabilities, while maintaining positive operating cash flows and a stable balance sheet.

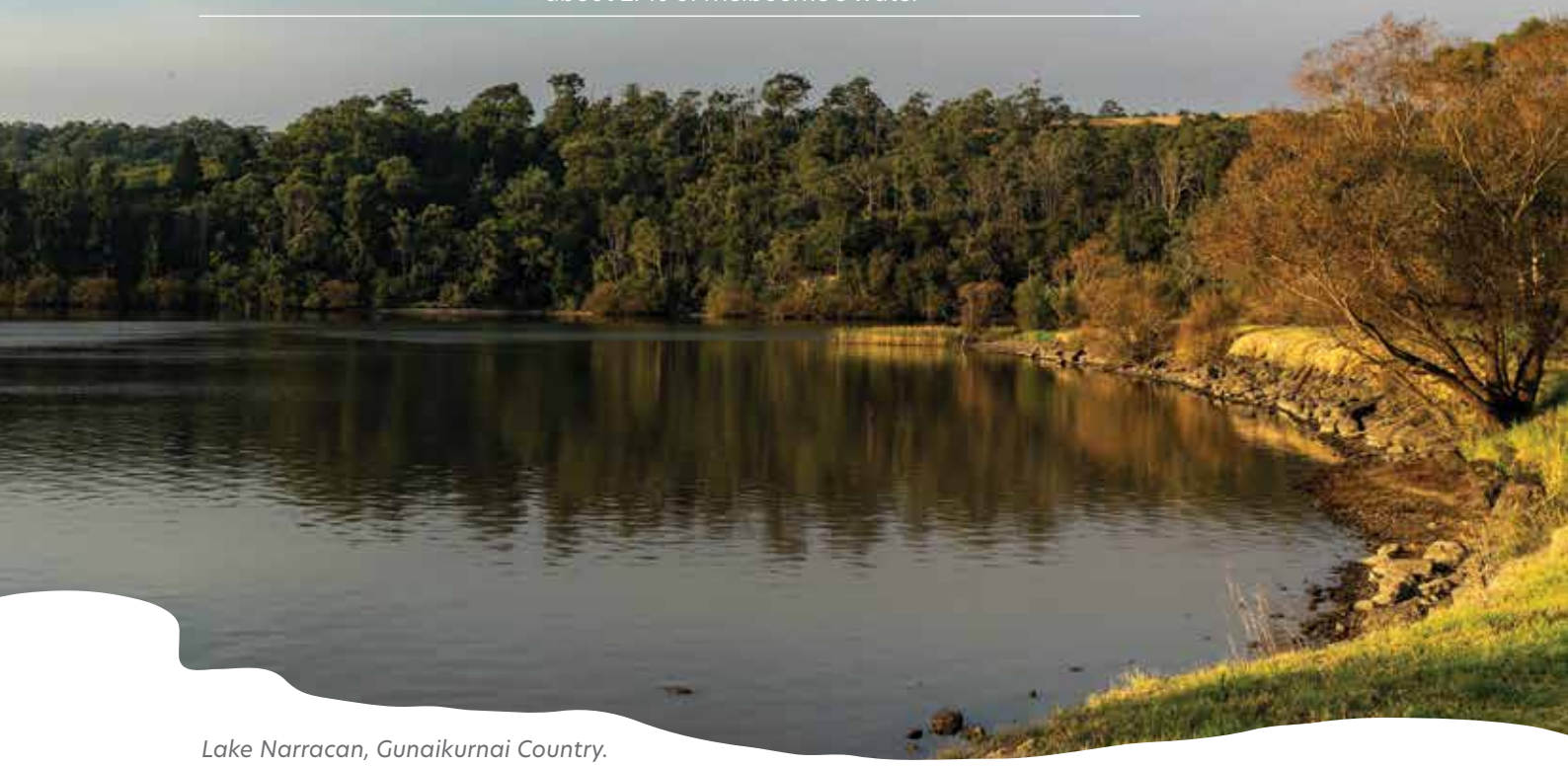
Table 3: Five-year financial summary.

Five-year financial summary	2025-26	2024-25	2023-24	2022-23	2021-22
	$'000	$'000	$'000	$'000	$'000
Income from government	11,343	8,612	10,158	10,316	15,559
Total income from transactions	13,940	10,839	12,581	12,255	16,680
Total expenses from transactions	12,826	10,539	13,334	13,118	11,428
Net result from transactions	1,113	300	(753)	(862)	5,252
Net result for the period	1,277	382	(672)	(639)	5,411
Net cash flow from operating activities	**1,059**	**4,684**	**2,856**	**4,333**	5,938
Total assets	**31,970**	**30,517**	**26,708**	**24,567**	**20,102**
Total liabilities	**12,768**	**13,689**	**10,263**	**7,488**	**2,383**

About the West Gippsland region

The region at a glance

Total land area	19,639 km^2
Population	200,000 approx.
Tenure	46% Public land and 54% Private land
River Basins	Latrobe, Thomson and South Gippsland
Traditional Owners	Gunaikurnai, Bunurong, Boonwurrung and Wurrundjeri Woi Wurrung Peoples
Largest contributors to the regional economy	Construction, mining, manufacturing, forestry, agriculture, fishing, food-related and utilities sectors
Largest employment sectors	Healthcare, social assistance and retail trade
Wetlands of international importance	Gippsland Lakes and Corner Inlet Ramsar Sites
The region provides	• 23% of Australia's milk production • significant beef and sheep products • most of Victoria's electricity and gas (offshore) • about 27% of Melbourne's water



Lake Narracan, Gunaikurnai Country.

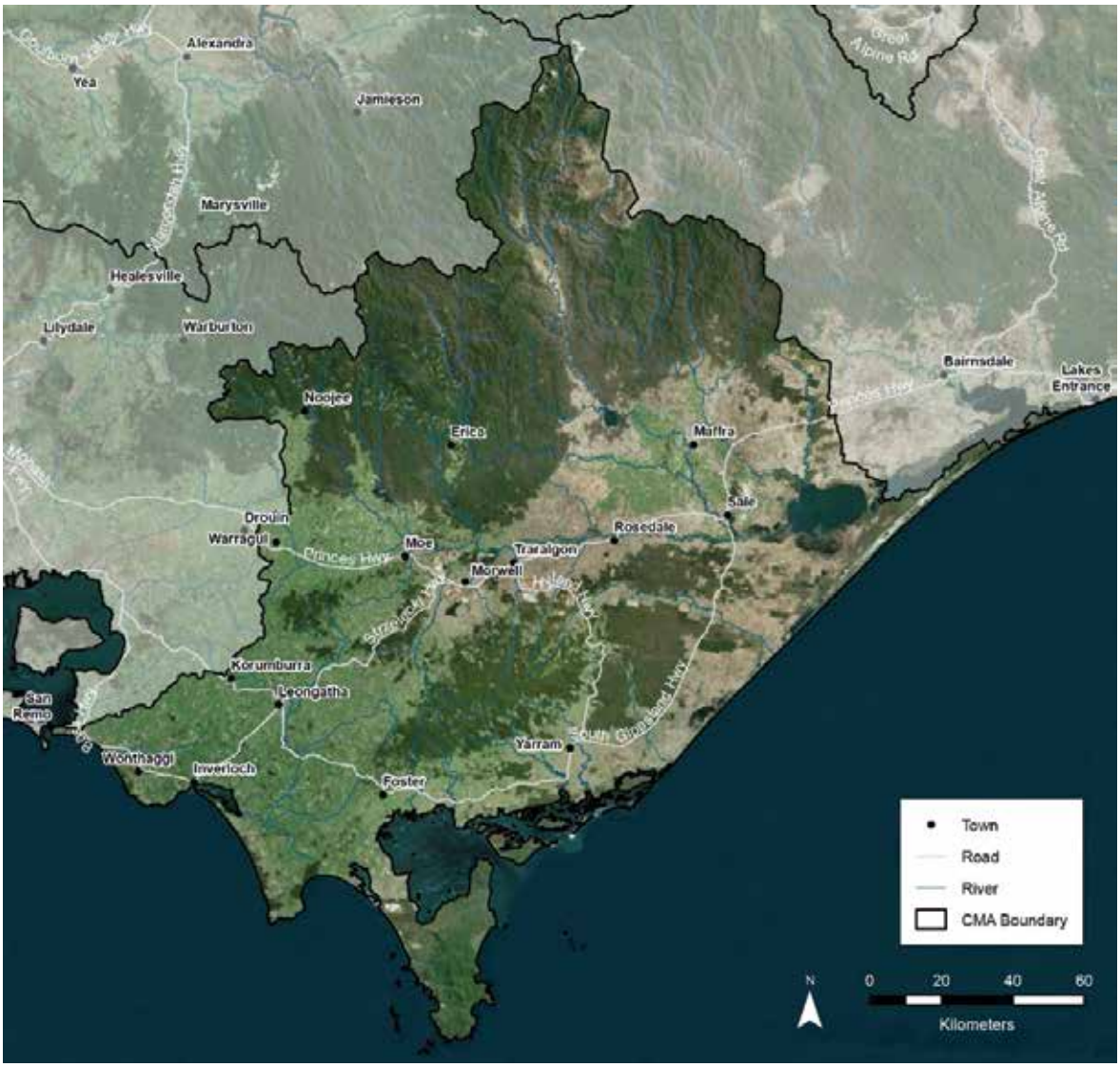


Figure 1: West Gippsland region.

The West Gippsland region and the environment we work in

The West Gippsland CMA region extends across west, south and central Gippsland, from Warragul and San Remo in the west to the Gippsland Lakes in the east, and from the Great Dividing Range in the north to Wilsons Promontory in the south. The region extends into marine waters out to three nautical miles, which marks the state of Victoria's jurisdictional limit.

The region covers an area of 19,639 square kilometres (including marine environment) and accounts for almost 8% of Victoria's total land area with a population of more than 200,000 people. Unlike regions with a single major city, the West Gippsland population is dispersed between several regional centres in the vicinity of the Princes, South Gippsland, Strzelecki, Hyland and Bass Highways. The region includes parts of seven municipalities: all of Latrobe City; substantial parts of Wellington, Baw Baw and South Gippsland shires; a well-populated portion of Bass Coast shire; and sparsely populated areas of Mansfield and East Gippsland shires.

The region is expected to experience population growth of approximately 20% by 2036, particularly the western part of the region with its proximity to the peri urban fringe of Melbourne. However, the population is also expected to continue to age and decline in most rural areas of the catchment. This is being accompanied by a continuing shift of services into the larger regional centres.

The Gunaikurnai peoples and the Kulin peoples are the traditional custodians of the Country covered by this region. Gunaikurnai Country extends east from the coast near Wilsons Promontory, up to Mount Baw Baw and across a large part of East Gippsland. Tribes of the Gunaikurnai include the Brataualung in South Gippsland, the Brabralung and Brayakaulung in Central Gippsland, and the Tatungalung around the Gippsland Lakes. Kulin Country extends westwards from Gunaikurnai Country and includes Bunurong in the southwest and the Wurundjeri Woi Wurrung and Taungurung in the hills to the north.

The West Gippsland region is rich in natural resources and supplies water, electricity, gas, oil, saw logs, pulpwood, agricultural products, and tourism opportunities to people both within and beyond the region's boundaries.

The estimated Gross Regional Product of the region is more than $2.5 billion and Total Regional Output, including production of intermediate goods and services, is estimated at over $9 billion. Major sectors, as defined by the Australian Bureau of Statistics, include manufacturing, electricity, gas and water, agriculture, forestry and fishing, and property and business services. The agriculture, forestry and fishing sectors and the electricity, gas and water sectors are important employers in our region.

Dairying accounts for half of the agricultural production and beef another quarter. Wool, lamb, horticultural produce, and a variety of other enterprises make up the remainder. The region provides a significant proportion of the state's electricity and gas, including water for Melbourne, and has provided two thirds of Australia's total oil production. Private plantation and public forestry industries and tourism are also significant.

A major long-term industry transition is also underway in the Latrobe Valley with the closure of the Hazelwood mine and power plant, and the closure of the coal-fired power stations Yallourn in 2028 and Loy Yang in 2035. This transition is expected to have a large impact on the local economy affecting local jobs and businesses.



Carran Carran (Thomson River) Gunaikurnai Country.

Catchment condition and management

Since 2022, CMAs have worked collectively to develop an approach to enable a consistent statewide reporting framework that links regional outcomes and activity (management) to the high level policy outcomes of the Victorian and Australian Government.

This section, which uses the consistent statewide reporting framework, meets West Gippsland CMA obligations under the *Catchment and Land Protection Act 1994*, that 'each Catchment Management Authority must include in its report of operations prepared under Part 7 of the *Financial Management Act 1994,* a report on the condition and management of land and water resources in its region and the carrying out of its functions'.



Annual catchment condition and management reporting

This section provides a summary assessment of the condition and management of the region's environment and a reflection on the likely impact of annual scale actions, events, and observed change within the previous year. A key purpose of monitoring changes in the operating context is to help identify opportunities for adapting and changing the way we manage the environment.

The report is structured in line with the statewide outcome framework that links the regional outcomes sought by catchment communities to the high-level policy outcomes of the Victorian and Australian Governments. These are outlined in each Regional Catchment Strategy rcs.vic.gov.au.

In 2025-26 reporting has a focus on catchment management ratings. The 2022-23 catchment condition ratings have been adopted and provided here for completeness, with an update to be undertaken in 2027 to align with the availability of data for condition indicators and the formal evaluation needs of the Regional Catchment Strategy.

How to interpret this report

The assessment is based on a set of statewide indicators outlined in the RCS outcomes framework, augmented with regionally specific indicators that have been selected based on criteria including availability and quality of data, and the linkages back to regional and policy outcomes.

This report provides a summary assessment for condition and management indicators at a theme level (water, biodiversity, land, coast and marine, communities and integrated catchment management).

The management assessment for each theme assesses the delivery of CMA programs and activities. Reporting on management indicators is undertaken annually.

Reporting on catchment condition indicators is undertaken less frequently, reflecting the timeframes to observe changes in the natural environment and the availability of the supporting data. The 2025-26 annual report includes the 2022-23 condition ratings and an update on factors that may have influenced catchment condition over the preceding year.

As much as possible, the reporting format attempts to provide a transparent path between the evidence and the assessment. It is not a definitive assessment but an assessment at a point in time, based on the best available evidence.

Condition ratings

An overall condition rating for each theme is provided based on the 2022-23 Catchment Condition Report. CMAs assigned overall condition ratings at this time based on a set of condition indicators for each theme and consideration of other influencing factors. The assessment incorporated available science, expert advice and other evidence. The annual update aims to provide an overview of the factors that may have influenced catchment condition over the preceding year or any new information relating to catchment condition that will inform future assessments.

Condition rating	Description
GOOD	The condition is classified as good.
MODERATE	The condition is classified as moderate.
POOR	The condition is classified as poor.
NOT APPLICABLE	A condition rating is not applicable for this indicator.

Management ratings

Management ratings are presented in summary form for each theme and are assessed by comparing the delivered activities for the financial year against the funded activities for the financial year. The table presents results based on the number of indicators assessed as meeting each category (Above expectations, Met expectations, Below expectations or Not applicable) with the total number of indicators assessed in each theme also provided.

The overall management rating for each theme has been assigned by considering the individual indicator ratings and other influencing factors. The management summary text provides a rationale for the ratings including commentary on factors influencing the delivery of CMA programs such as climate, natural events, organisational capacity and socio-economic factors.

Management rating	Description
ABOVE EXPECTATIONS ★★★	Delivery of activities and programs associated with this indicator is assessed as above expectations for the 12-month period (i.e. majority of activities delivered /targets met or exceeded).
MET EXPECTATIONS ★★	Delivery of activities and programs associated with this indicator is assessed as having met expectations for the 12-month period (i.e. the majority of activities delivered/targets were met or almost achieved).
BELOW EXPECTATIONS ★	Delivery of activities and programs associated with this indicator is assessed as below expectations for the 12-month period (i.e. some critical activities/targets not delivered, or the majority of activities/targets not delivered) .
NOT APPLICABLE	A management rating is not applicable for this indicator.
UNKNOWN	The rating for this indicator is not known and/or assessable.

2022-2023 Catchment condition rating.

2022-23 CONDITION RATING					
Water	Land	Coast and Marine	Biodiversity	Community	Integrated Catchment Management
Good	**Moderate**	**Moderate**	**Moderate**	**Moderate**	**Not applicable**

2025-26 catchment condition update

Water

The 2025 Victorian Wetland Condition Assessment found West Gippsland's inland natural wetlands were mostly in good condition, with 75% of wetland area rated excellent/good and 5% poor.

Results were consistent across the Latrobe (80%), Thomson (70%) and South Gippsland (73%) basins.

Key pressures include localised hydrological change, vegetation decline and intensive Gippsland Plain land use.

Environmental water monitoring undertaken in 2025-26 recorded encouraging outcomes, with eDNA detecting threatened Flinders pygmy perch at all sampled sites and Dwarf galaxias in Flynn Creek.

Fish monitoring in the Thomson and Macalister confirmed Australian grayling recruitment and the presence of Tupong above the Horseshoe bend fishway on the Thomson. Waterbird monitoring confirmed breeding of Little Pied Cormorants and Australasian Darters at Dowd Morass.

Land

West Gippsland experienced variable 2025–26 conditions, with near-average rainfall alongside dry, hot periods and wet events.

These shifts increased land asset condition risks by reducing groundcover and raising erosion risk during dry phases, then creating waterlogging, soil structure damage and nutrient loss during wetter periods.

Monitoring indicates salinity risk in the Macalister Irrigation District appears to have eased during 2025, with drier conditions lowering groundwater levels and water tables, although continued monitoring is needed to confirm longer-term trends.

Coast and Marine

In 2025-26, Assessment of Corner Inlet Ramsar Limits of Acceptable Change for waterbird abundance, breeding and threatened species found that LAC were largely met, however some migratory shorebird species, including Bar-tailed Godwit, Curlew Sandpiper, Eastern Curlew and Red Knot, did not meet species-specific abundance thresholds.

Invasive Spartina infestations continue to be reduced in priority management areas, particularly Shallow Inlet where eradication is progressing, and in priority shorebird habitat and boating channel areas within Anderson Inlet.

Between 2020 and 2025, the Cape-to-Cape Resilience Project found ongoing Inverloch erosion is driven by natural coastal processes, including sediment transport, wave action and shoreline realignment. These studies have informed long-term responses to coastal hazards and climate change impacts.

Biodiversity

The Biodiversity theme condition was last assessed in 2022-23 as Moderate. There is no further update to provide in 2025-26.

Community

West Gippsland communities continue to demonstrate resilience despite ongoing environmental, economic and social change.

Agricultural communities in particular are adapting to increasing pressures associated with climate variability, changing land use, workforce and succession challenges, and regional economic transition.

Community-led natural resource management remains a key regional strength, with Landcare networks, volunteers, landholders and citizen science programs working collaboratively to enhance environmental outcomes, build local capacity and strengthen social connections across the region.

Integrated Catchment Management.

The Integrated Catchment Management theme was not assessed seperately rather it was included as part of the Community theme in 2022-23.

2025-26 Catchment management rating.

2025-26 Management rating (no. Indicators assessed as meeting each category)						
Theme	**Not applicable**	**Below expectations**	**Met expectations**	**Above expectations**	**Total no. indicators assessed**	**Overall rating**
Water	0	1	1	3	5	Above expectations
Land	0	1	0	2	3	Met expectations
Coast and Marine	0	0	2	1	3	Met expectations
Biodiversity	0	0	1	0	1	Met expectations
Community	0	0	0	2	2	Above expectations
Integrated Catchment Management	0	0	1	0	1	Met expectations

2025-26 management summary

The following summaries describe management delivery against selected indicators for each theme. They should be read alongside the rating tables, which identify which indicators were used in the assessment. Appendix 1 sets out the rubric used to guide the assessment.

Water

Water was assessed overall as Above expectations 4/5 indicators Met or Above expectations, 1 indicator (troughs) was assessed as Below expectations, however, is only a minor component of the program and did not affect overall performance.

The following program highlights were achieved:

- Environmental water was delivered to the Thomson and Macalister rivers, supported by advisory groups, planning input and monitoring.
- On-ground works were delivered in the Thomson River, Agnes River, Corner Inlet tributaries, and headwaters of the Victorian Alps and Strzelecki Ranges.
- Infrastructure works were progressed at Maffra Weir and Lower Latrobe wetlands to improve environmental water and fish passage outcomes. Statutory functions delivered timely advice and responded to referrals, permits and planning scheme amendments. The CMA continued renewal of the regional waterway strategy, working with regional partners to identify outcomes and priorities.

Indicator name	Used in this assessment?	Rating	Comment
WATER			
Extent of protected or improved riparian land (ha)	No	Not applicable	Output based indicators used instead of this overarching indicator
Fence (km)	Yes	Met expectations	82% of target (excluding OCOC)
Water storage - trough (no.)	Yes	Below expectations	0% of overall target. Target was 1 trough
Vegetation (ha)	Yes	Above expectations	180% of target (excluding OCOC)
Weed control woody (ha)	Yes	Above expectations	365% of target (excluding OCOC)
Number of Management Agreements (perpetual or non-perpetual)	Yes	Above expectations	150% of target (including OCOC)
Environmental flow compliance	No	Not applicable	Not regularly reported by WGCMA
Overall Rating	Above expectations		



Bird monitoring, Sale Common, Gunaikurnai Country.

Land

Land was assessed overall as Met expectations (2/3 indicators Above expectations). The number of assessments was below expectations reflecting a change in priority for the extension program with extension effort directed to hosting an irrigation expo which attracted strong interest from irrigators (reflected in the Community management assessment).

The Sustainable Irrigation Program continued to deliver strong outcomes. In addition to the irrigation expo, key achievements included completion of irrigation farm plans, demonstration sites, extension support and irrigation development referral enquiries.

Key achievements included:

- Completion of irrigation farm plans, demonstration sites, extension support and irrigation development referral enquiries.
- Monitoring continued across approximately 200 groundwater bores.
- The program is progressing nutrient, drainage and salinity management initiatives to protect the Gippsland Lakes while supporting a productive and resilient irrigation sector.
- The NLP Climate Smart Agriculture project exceeded targets improving effluent management across 101 ha as well as delivering extension and engagement with landholders.



Sustainable Irrigation team and landholder, Gunaikurnai Country.

Indicator name	Used in this assessment?	Rating	Comment
LAND			
Area of improved Agricultural Practices (ha)	Yes	Above expectations	[NLP FertSMART], 101 ha compared with 46 ha target (219% of target)
Number of Assessments	Yes	Below expectations	20/50 assessments delivered 2025-26 (40% of target)
Number of Property Plans	Yes	Above expectations	[SIP] 150% of target
Overall Rating	Met expectations		

Coast and Marine

Coast and marine management indicators were assessed overall as Met expectations (2 indicators Met expectations, 1 indicator Above expectations).

Victorian Government funding supported coastal habitats, estuaries and Ramsar wetlands through Ramsar coordination, Spartina control across Anderson and Shallow inlets, and regulation of artificial estuary openings.

- NLP Corner Inlet work delivered large-scale Spartina control, protection of saltmarsh communities, fox control, bird monitoring and site prioritisation.
- The NLP Hooded Plover project protected breeding habitat through nest structures, fox control, awareness raising and monitoring. In addition to its role as Ramsar site coordinator for Corner Inlet, we have continued to support the efforts of the Gippsland Lakes Coordinating Committee.

Indicator name	Used in this assessment?	Rating	Comment
COAST AND MARINE			
Vegetation (ha)	No	Not applicable	
Pest herbivore and predator control (ha)	Yes	Above expectations	Pest animal control delivered across 9,000ha 251% of target
Weed control (ha)	Yes	Met expectations	Non-woody 106% of target Woody 45% of target (below expectations)
Additional area of permanent protection through CMA programs (ha)	No	Not applicable	No covenant programs planned in 2025-26
Fence (km)	Yes	Met expectations	104% of target. Additional indicator relevant to NLP saltmarsh protection
Overall Rating	Met expectations		



Spartina control program is yielding significant results.

Biodiversity

Biodiversity was assessed as Met expectations, for the 1 indicator assessed, based on deliverables through the NLP Climate Smart Agriculture project (not assessed elsewhere).

This project established:



Other biodiversity-related outcomes, including weed control, pest herbivore control and predator control, are reported under the Coast and Marine theme.

Indicator name	Used in this assessment?	Rating	Comment
BIODIVERSITY			
Vegetation (ha)	No	Not applicable	Reported in the Water theme
Pest herbivore and predator control (ha)	No	Not applicable	Reported in the Coast and Marine theme
Additional area of permanent protection through CMA programs (ha)	No	Not applicable	No covenant programs planned in 2025-26
Management agreement (ha)	Yes	Met expectations	Additional indicator - Exclusion of stock from biodiversity areas [NLP] 110% of the target
Overall Rating	Met expectations		



Kugerungmome Powlett River Partnerships project partners, Bunurong Country.



Landcare Forum.

Community

Community management indicators were assessed overall as Above expectations (2/2 indicators Above expectations).

Community engagement across West Gippsland strengthened stewardship of land, waterways, coasts and catchments through workshops, field trips, citizen science, advisory groups and on-ground projects.

Highlights included strong participation in planning workshops, volunteer monitoring programs, environmental water engagement initiatives, an irrigation expo and cultural and stewardship-focused activities.

Grant programs had strong demand, with $337,350 allocated for Victorian Landcare Grants and $369,721 for Australian Government farm fencing grants. Across the two programs, grants were awarded to 82 projects.

Indicator name	Used in this assessment?	Rating	Comment
COMMUNITY			
Number of formal partnership agreements with Traditional Owners / First Nations	No	Not applicable	Reported in the Water theme
Number of participants in Engagement Events	Yes	Above expectations	Reported in the Coast and Marine theme
Number of Volunteers in CMA programs	No	Not applicable	No covenant programs planned in 2025-26
Total quantum of grants awarded ($)	Yes	Above expectations	Additional indicator - Exclusion of stock from biodiversity areas [NLP] 110% of the target
Overall Rating	Above expectations		

Integrated Catchment Management

The Integrated Catchment Management (ICM) partnership indicator was assessed as Met expectations. Partnerships remain central to our work. At a regional level, the focus included Traditional Owner engagement, Landcare collaboration, cultural awareness training, and coordinated catchment stewardship initiatives.

Funding for the Kugerungmome and Tarwin Integrated Catchment Management projects strengthened collaborative catchment management in South Gippsland through strategic planning, Traditional Owner partnerships and community stewardship.

- Kugerungmome progressed into delivery.
- The Tarwin project established foundations for long-term investment through a strategic directions statement, partnership arrangements and leveraged funding for priority projects.

Indicator name	Used in this assessment?	Rating	Comment
Number of partnerships	Yes	Met expectations	Some projects with targets did not deliver in full against them. Other projects with no targets did deliver. Overall – WGCMA continues to deliver a strong partnership approach.



Together for the Tarwin project partners.

Regulatory services

West Gippsland CMA is responsible for regulatory activities for waterways, floodplains and rural drainage. We also contribute to strategic planning across the region including participating in planning scheme amendments and improving the understanding of flood behaviour by developing flood studies.



376
planning permit referrals responded to in an average response time of 15.7 days



117
Works on Waterway permits in an average response time of 13.3 days

526
requests answered for advice regarding flooding, drainage, annual use limits, whole farm plans and Southern Rural Water enquiries in an average response time of 14.7 days.



Highlights across the year:

We continued to support DEECA in the ongoing development and refinement of the FloodZoom planning system and also assisted them with expert user input to improve the system use. Significant and ongoing work was completed to update the flood intelligence data that drives both the planning and emergency management modules.

We collaborated with DEECA and councils through the Gippsland Integrated Water Management Forum. The CMA actively participated in the Inverloch Regional and Strategic Partnership which developed the final Cape to Cape Resilience Plan to address the erosion occurring along Inverloch Surf Beach.

Significant progress was made during 2025-26 to produce and update flood information for the West Gippsland region. We partnered with Latrobe City to progress flood studies for Waterhole Creek in Morwell and Narracan Creek in Moe. The Narracan Creek Flood Study has identified a significant flood mitigation option that could lead to approximately 150 properties in Moe being protected from the 1% Annual Exceedance Probability (AEP) flood. We partnered with South Gippsland Shire to start a Local Coastal Hazard Assessment for Waratah Bay and Shallow Inlet.

The West Gippsland Floodplain Management Strategy was completed in 2017. We developed the strategy on behalf of key local stakeholders such as the SES, local government, and the community. The strategy identified the significant flood risks across the region, analysed the mitigation options, and determined priority actions to be implemented over the lifetime of the strategy. Implementation of the strategy continued during 2025-26, with 15 actions completed and another 21 of the 60 current actions underway. The remaining actions are scheduled to commence in coming years or are awaiting suitable funding opportunities.

East Gippsland Catchment

We continued to provide floodplain management and works on waterways services on a contractual basis to East Gippsland CMA. We responded to 84 planning permit referrals and a further 145 flood advice and Southern Rural Water enquiries on their behalf. We also issued 64 works on waterways permits.

Our organisation

Our purpose and vision

We coordinate the integrated management of land and water resources within the region. We aim to achieve ecologically and economically sustainable development of natural resource-based industries, protection of land and water resources, and conservation of natural and cultural heritage. We have done this since 1997 by working with communities, industries, and government agencies to protect and enhance the condition of the region's natural resource assets.

We exist to implement integrated catchment management to improve the region and its catchments.

What we do makes a difference.

Our vision

A healthy catchment, valued and cared for by the community, that underpins the environmental, social, cultural and economic wealth of the region.

Strategic areas of focus

To achieve our vision, we have selected four strategic areas of focus. This platform will guide the scope of our work to protect and improve our priority landscapes. Our approach to this work is guided by our values.



Partnerships and relationships
Working together



First Peoples self determination
Change together



Communicating for the catchment
Inspiring action



Organisational capacity
The best we can be

Our work

We work with our partners and stakeholders to protect and repair the health and extent of the natural resources that remain in our catchment. We do this through meaningful partnerships and relationships with agencies and the community, founded on trust, respect, and common goals.

We achieve these outcomes through positive, highly energised staff that are appropriately supported by Board, management, policies, procedures and systems. We ensure our investors are satisfied by responsibly managing risks and challenges.

Our principles and values

- We collaborate and support each other and our partners by acting with integrity, empathy and passion to protect and enhance the region's catchments.

- We ensure all activities we undertake are relevant, transparent, accountable, and reliable. In undertaking our activities, we will act with integrity, fairness, and credibility. We will share knowledge and information, be prepared to accept change, and seek to continuously improve the activities in which we are involved.

- We value and encourage participation of the community and other key stakeholders.

- We are committed to integrated catchment management and targeted investment that is focused on long-term outcomes for our region.

- Our partners and alliances are of the utmost importance to our operation and the development and implementation of the integrated catchment management priorities and plans.

- We look to operate in an environment that is based on mutual respect, open communication, sharing of success, and the acknowledgement of achievements.

Our organisation and Board

The state government established ten CMAs on 1 July 1997 following a statewide review of catchment management structures. We were established to provide integrated management of land and water resources within the region.

The Board

We are governed by a skills-based Board appointed by the Minister/s who administer the *Catchment and Land Protection Act 1994* (CaLP Act). Our responsibilities include strategic and policy direction for the integrated management of land, biodiversity, and water through south, central, and west Gippsland. We operate under the legislative base of many Acts.

The main Acts are the *Catchment and Land Protection Act 1994* (CaLP), *Water Act 1989*, *Financial Management Act 1994*, *Audit Act 1994*, *Freedom of Information Act 1982, Privacy and Data Protection Act 2014*, and the *Public Administration Act 2004*.

The *CaLP Act 1994* and the *Water Act 1989* define our main purposes as follows:

- To set up a framework for the integrated management and protection of the catchment.
- To encourage community participation in the management of land and water resources.
- To set up a system of controls on noxious weeds and pest animals.

The Board also has a Charter which is in line with DEECA's Governance Guidelines for Statutory Authorities which was formally adopted in June 2005. Details of our Board members are available on pages 36-40.

The relevant Ministers have issued us with a Statement of Obligations under the *CaLP Act 1994* and *Water Act 1989*. The Minister for Water has also issued a Letter of Expectation on which we are delivering. These documents are a key part of the framework that guides the function and activity of our organisation.

Within this framework, one of our primary roles is engaging with the community to develop and implement the Regional Catchment Strategy (RCS). The RCS is a framework for integrated land and water management in the region. It outlines the priority issues for the region through broad consultation with our community and other stakeholders.

The RCS is the overarching strategy for the development, management, and conservation of land and water resources in the region and is formally reviewed every six years.

Within this context, we are responsible for developing annual regional investment priorities within the Department's Victorian Water Program Investment Framework. The board sets priorities in consultation with Victorian and Australian government investors, with regional agency stakeholders, and through our community engagement and partnerships framework. The annual investment package is endorsed by the relevant Ministers. Funds then become available for all successful projects.

Community Engagement Network (CEN)

The Community Engagement Network is a sub-committee of the West Gippsland CMA Board, including directors Jenny O'Sullivan (Chair) and Glenys Watts. The CEN provides an important link between the CMA and the community by sharing information, identifying local issues and opportunities, and helping to inform our work.

The CEN charter outlines the purpose of the forum to:

- Exchange Natural Resource Management (NRM) information.
- Identify community NRM needs, issues and barriers to participation.
- Provide community perspective into strategies, plans and projects.
- Strengthen our profile and reputation in the community through advocacy of NRM issues, solutions, and our activities.

The 17 members of the CEN were chosen by a Board appointed panel, based on diversity, geographic spread and strong community links.

During 2025-26, the CEN met on three occasions and participated in field trips and workshops, including the Regional Waterway Strategy renewal.

We have further involved our CEN members by:

- Inviting them to various webinars.
- Sharing information via email including Catchment Snapshot e-news, Victorian Environmental Water Holder updates and our Gippslandscapes podcasts.
- Supporting the sharing of information between members.

Community Engagement Network members

Fiona Pfeil, Sale	Barry Rogers, Warragul	Chris Gittins, Fish Creek
David Sutton, Inverloch	Evan De Gooyer, Korumburra	Ellen Peters, Drouin
Graham Ross, Warragul	James Stranger, Traralgon	Dale Yeats, Traralgon
Jessica Obersby, Churchill	Emilie Lafrank, Tynong	Jessica Tong, Woolamai
Callum Reynolds, Coongulla	Nicki Jennings, Sale	Nicole Creaser, Korumburra
Deanne Smith, Nilma North	Phoebe Hicks, Trafalgar	

Board members

Belinda Nave (Chair)

1 July 2025 - 30 June 2026 (Deputy Chair: 1 July 2025 - 30 September 2025, Chair: 1 October - 30 June 2026)

Belinda was appointed to the Board on 1 October 2017. In the last financial year, she attended all 8 Board meetings.

Belinda is an experienced Non Executive Director and AICD graduate with qualifications in marine and environmental science. Based in Gippsland, she brings strong local insight informed by more than 25 years of experience in environmental planning, natural resource management and primary production. She has led high profile strategic projects in the water sector across both public and private organisations.

Her governance strengths span strategy, risk and culture, guided by a contemporary leadership approach. Belinda is passionate about healthy waterways and securing a sustainable water future that supports both ecological systems and community wellbeing.

Susan Anderson (Deputy Chair)

1 July 2025 - 30 June 2026 (Deputy Chair: 18 December 2025 - 30 June 2026)

Susan was appointed to the Board on 1 October 2021. In the last financial year, she attended all 8 Board meetings.

Susan is a primary producer of beef cattle in Bunyip and has conservation qualifications and experience in beef and dairy farm renovation and management.

From 2015 to 2021 Susan was a Board member of the Port Phillip and Westernport Catchment Management Authority and was deputy chair from 2018. She has extensive Landcare and community contacts in the Westernport catchment and is a life member and president of the Bunyip Landcare Group.

Susan is a member of Landcare Victoria's Members' Council and of the Longwarry-Koo Wee Rup Flood Protection District Advisory Committee and a committee member of the Cardinia Environment Coalition.

Abbey Argus-Smith (Youth Associate Director)

1 July 2025 - 30 June 2026

Abbey was appointed to the Board in October 2024. In the last financial year, she attended 7 of the 8 Board meetings.

Abbey grew up in both dairy and beef farms throughout Gippsland and developed a passion for sustainability and conservation so went on to complete her studies in Environmental Science and Environment and Society. She now works in the Ecological consulting industry and is committed to using her professional skills and knowledge to achieve positive environmental outcomes in conjunction with supporting community needs.

Abbey has advocated for her local community through tackling wicked problems such as sand bank erosion and aquatic habitat loss. She plans on using her background and skill set to represent today's youth and inspire a sustainable future.

Russell Dow (Independent Aboriginal Delegate)

1 July 2025 - 30 June 2026

Russell was appointed to the Board on 1 June 2024. In the last financial year, he attended 6 of the 8 Board meetings.

Russell Dow, GunaiKurnai, lives in West Gippsland and has 20 years of experience across various industries.

He started his career at 19, spending nine years in facilities management, followed by four years in transport and logistics. For the past seven years, Russell has been with GLaWAC, where he focuses on joint management. His diverse background equips Russell with a unique perspective and a strong skill set to drive effective operational strategies.

Russell is passionate about continuous improvement and delivering results that benefit our community and organisation.

Nicole Griffin

1 October 2025 - 30 June 2026

Nicole was appointed to the Board on 1 October 2025. In the last financial year, she has attended 6 of the 6 Board meetings she was eligible to attend.

Nicole Griffin has a background in the local water industry having worked at Gippsland Water for five years as the General Manager of Business Development and then the General Manager of Assets and Agriculture. Nicole also spent over three years at Southern Rural Water as the General Manager for Assets and Infrastructure prior to her current role as Director for Agribusiness for the SunRice Group where she has been for nearly four years.

Nicole has a passion for agriculture and the environment and believes that a healthy environment results in increased profits for farmers and the best outcomes for the catchment and community.

She holds a Bachelor of Applied Science (Systems Agriculture) and a Graduate Diploma in Environmental Management. She is a graduate of the Australian Institute of Company Director and has previously been a Director at Quantum Support Services for four years.

Richard McAllister

1 October 2025 - 30 June 2026

Richard was appointed to the Board on 1 October 2025. In the last financial year, he attended 6 of the 6 Board meetings he was eligible to attend.

Richard is a civil and environmental engineer with more than 30 years' experience across water management, environmental regulation, and infrastructure delivery, spanning Commonwealth and Territory governments, the private sector, and international organisations.

He held the Commonwealth statutory position of Supervising Scientist (2013–2015), leading a world-renowned research institute into the environmental impacts of mining, and served as Director of Science for the Northern Territory's Hydraulic Fracturing Taskforce.

His technical expertise covers surface and groundwater hydrology, geotechnical engineering, and environmental management, complemented by deep experience in stakeholder engagement with Indigenous communities, government, industry, and the research sector.

Richard is Director of IndoPacific Consultancy Services, an Adjunct Research Associate at Charles Darwin University, and Deputy Chair of Engineers Australia's Gippsland Regional Committee.

A South Gippsland resident, he lives at Fish Creek.

Shelley McGuiness

1 July 2025 - 30 June 2026

Shelley was appointed to the Board on 1 October 2019. In the last financial year, she attended 8 of the 8 Board meetings.

Shelley has over 25 years' experience in the land and water management sector including roles in research, extension, and policy.

Shelley holds a Bachelor of Agricultural Science (Honours) and is a Sessional Member of Planning Panels Victoria. Previously, she was a Director of Coliban Water and a member of the AICD.

Jodie Mason

1 July 2025 - 30 September 2025

Jodie was appointed to the Board on 1 October 2017. In the last financial year, she attended 2 of the 2 Board meetings she was eligible to attend.

Jodie has qualifications in forest science, business management and company directorship, and over 30 years' professional experience in forest management, environmental auditing, research program management and industry engagement. She has worked in operational and consulting roles across the public and private sectors throughout Australia and internationally.

Jodie is a past Board member of Australian Forestry Standard Ltd, a current Board member of the Tasmanian Forest Practices Authority and is a Graduate of the Australian Institute of Company Directors (AICD).

Jodie's term expired on 30 September 2025.

Nicholas Murray

1 July 2025 - 30 June 2026

Nick was appointed to the Board on 1 October 2019. In the last financial year, he attended 7 of the 8 Board meetings.

Nick holds an undergraduate degree in education, post graduate qualifications in Management and Occupational Health and Safety and is a graduate of the AICD.

Nick has worked in the public and private sectors and has extensive Board experience with for-profit, not-for-profit and member-based entities.

He is currently a member of the Gippsland Lakes Coordinating Committee and former member of the Gippsland Lakes Ministerial Advisory Committee.

Nick is an experienced Chief Executive Officer and, prior to retirement from full time work, was CEO of Gippsland Ports from 2008 - 2018. Nick is currently principal of a boutique consultancy practice providing services to a range of public and private sector clients.

He has a strong belief that positive conservation outcomes can be achieved through, and in conjunction with, sustainable regional development.

Jenny O'Sullivan

1 July 2025 - 30 June 2026

Jenny was appointed to the Board on 1 October 2023. In the last financial year, she attended 7 of the 8 Board meetings.

Jenny and her husband run a 664 hectare (1,500 Dry Sheep Equivalent) beef and sheep property in South Gippsland. She has worked with rural communities and industries to build the capacity of people, build resilience and enhance wellbeing and embrace innovation and best practice in agriculture and natural resource management.

Jenny is passionate about sustainable agriculture, rural communities, the environment and the red meat industry.

Jenny's contribution to agriculture, the environment and community has been recognised with numerous awards over the years including the West Gippsland CMA Lyrebird award.

Mikaela Power

1 July 2025 - 30 September 2025 (Chair: 1 July 2025 - 30 September 2025)

Mikaela was appointed to the Board on 27 October 2015. In the last financial year, she attended 2 of the 2 Board meetings she was eligible to attend.

Mikaela holds qualifications in arts, education, business and company directorship. She has worked in the public and private sectors in Gippsland, Melbourne and internationally and now works at Federation University. Mikaela was a Baw Baw Shire Councillor from 2012-2022, serving as Mayor and Deputy Mayor during this time. She was Deputy Chair of the Periurban Group of Rural Councils and chaired the West Gippsland Library Board for four years. Her community involvement includes Landcare, education, sport and the arts.

Mikaela's term expired on 30 September 2025.

Brian Stevens

1 July 2025 - 30 September 2025

Brian was appointed to the Board on 1 October 2021. In the last financial year, he attended 2 of the 2 Board meetings he was eligible to attend.

Brian is a proud Gunai man, originating from East Gippsland with a deep understanding and strong connection to his cultural heritage, identity and community. He has worked to support Aboriginal people and communities by leading and shaping government policy and strategies that focus on Aboriginal health, leadership and economic development.

With over 35 plus years' experience in various Aboriginal leadership roles, Brian has contributed to the development of government policy and systems as well as corporate and business planning, change management, program design, evaluation and reporting.

As a democratically elected representative for the South East Region of the First Peoples' Assembly of Victoria, Brian contributed to the development of Victoria's historic Treaty framework.

Brian is an experienced Board member; he has led the development of community organisations and various programs and a Board member of the Barrithbarrith Gathering Place. He is an Alumni of the Melbourne Business School, MURRA Indigenous Business program, a qualified and accredited coach and facilitator, trained in conflict management, adult education and training and completed the Australian Institute of Company Directors Training.

Brian's term expired on 30 September 2025.

Glenys Watts

1 October 2025 - 30 June 2026

Glenys was appointed to the Board on 1 October 2025. In the last financial year, she attended 5 of the 6 Board meetings she was eligible to attend.

Glenys is a proud Gunaikurnai Elder whose leadership and community influence spans more than 30 years. She has dedicated her life to volunteering, driving improvements in economic development, health, and the social and emotional wellbeing of her community. She was part of the negotiation team that secured Federal Court recognition of Gunaikurnai connection to Country and Native Title.

She has completed the Australian Institute of Company Directors training and serves as Chair of the Traditional Owner Land Management Board, guiding the protection and care of traditional lands and waterways.

Glenys is committed to truth telling, cultural preservation, and strengthening Gunaikurnai identity. Through her work with the Gunaikurnai Land and Waters Aboriginal Corporation, she supports cultural knowledge, protects Country and waterways, and creates opportunities for Gippsland community members to engage in cultural practice and growth.



Farmers Paul and Jenny O'Sullivan and West Gippsland CMA staff member, Sam Shannon at the "Down to Earth Farm" field day.

Board membership of committees

During 2025-26, Board members participated in the following committees:

Audit and Risk Committee

- Shelley McGuiness, Belinda Nave and Jenny O'Sullivan (1 Jul 2025 - 23 Nov 2025)
- Susan Anderson, Jenny O'Sullivan and Richard McAllister (24 Nov 2025 - 30 Jun 2026)

Remuneration Committee

- Mikaela Power (Chair), Brian Stevens and Susan Anderson (1 Jul 2025 - 30 Sep 2025)
- Belinda Nave (Chair), Nick Murray and Shelley McGuiness (24 Nov 2025 - 30 Jun 2026)

Corporate Committee

- Jodie Mason (Chair), Belinda Nave and Nick Murray (1 Jul 2025 - 30 Sep 2025)
- Nick Murray (Chair), Shelley McGuiness and Nicole Griffin (24 Nov 2025 - 30 Jun 2026)

Landcare

- Susan Anderson (Chair), Shelley McGuiness and Jenny O'Sullivan (1 Jul 2025 - 23 Nov 2025)
- Susan Anderson (Chair), Nicole Griffin (24 Nov 2025 - 30 Jun 2026)

Supporting First Peoples Self Determination Committee

- Glenys Watts (Chair), Russell Dow (18 Dec 2025 - 30 Jun 2026)

Regional Waterway Strategy Renewal Steering Committee

- Belinda Nave (Chair)

Gippsland Lakes Coordinating Committee

- Nicholas Murray (member) (Oct 2025 – 30 Jun 2026)

Audit and Risk Committee

The main responsibilities of the Audit and Risk Committee are to:

- Review and report independently to the Board on the annual report and all other financial information and reports.
- Help the Board review the effectiveness of the organisation's internal control environment covering:
  - effectiveness and efficiency of operations
  - reliability of financial reporting
  - compliance with applicable laws and regulations and
  - determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors.
- Maintain effective communication with external auditors.
- Consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised.
- Oversee the effective operation of the risk management framework.

Independent members of the Audit and Risk Committee in 2025-26 were:

- Andrea Buckland (Chairperson) and Sarah Heath

Table 4: Audit and Risk Committee membership and meeting attendance 2025-26.

Name	Term	Attended	Eligible to Attend
Andrea Buckland* Chairperson	1 Jul 2025 - 30 Jun 2026	4	4
Sarah Heath*	1 Jul 2025 - 30 Jun 2026	3	4
Jenny O'Sullivan	1 Jul 2025 - 30 Jun 2026	4	4
Belinda Nave	1 Jul 2025 - 23 Nov 2025	2	2
Shelley McGuiness	1 Jul 2025 - 23 Nov 2025	2	2
Susan Anderson	24 Nov 2025 - 30 Jun 2026	2	2
Richard McAllister	24 Nov 2025 - 30 Jun 2026	2	2

** independent member*

Internal audit plan

Audits have been undertaken in accordance with the internal audit plan. This plan was developed in consultation with the internal auditor and the risk and audit committee. Reviews carried out this year were:

- Victoria Protective Data Standards (VPDSS) - Partial (7 Standards)
- Risk Management

Organisational structure

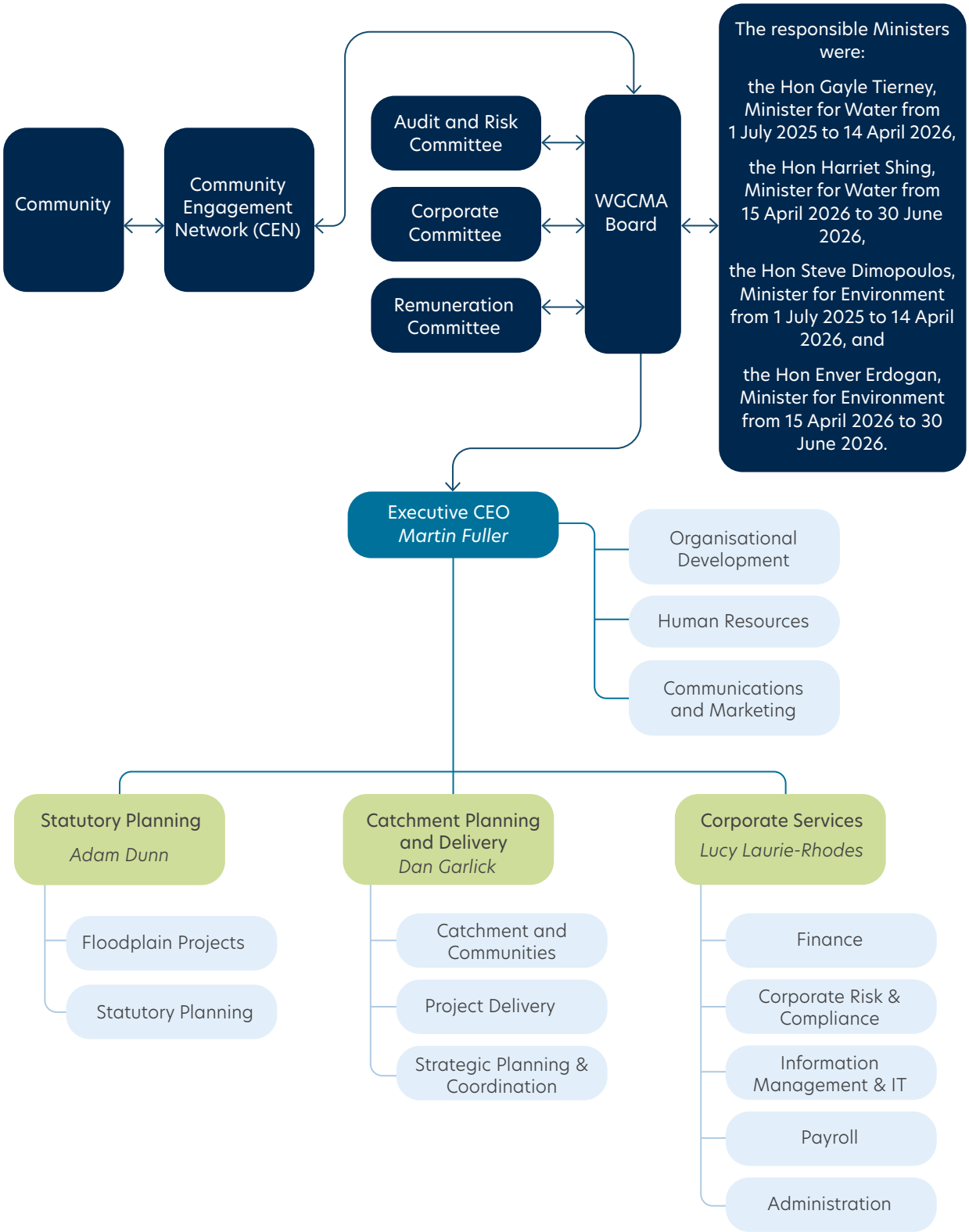


Figure 2: West Gippsland CMA's organisational structure 2025-26.

Our people

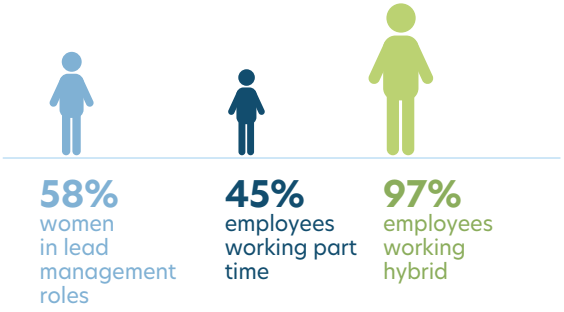
Supporting our people to be their best

Developing and maintaining a high-functioning, well-supported and appropriately resourced team is critical in our campaign to improve the resilience and adaptability of the West Gippsland region.

We are committed to nurturing a workplace culture that provides a stimulating and fulfilling employee experience to secure and retain the best people at all levels of leadership and governance in order to achieve our vision and goals.

Current snapshot of our workforce

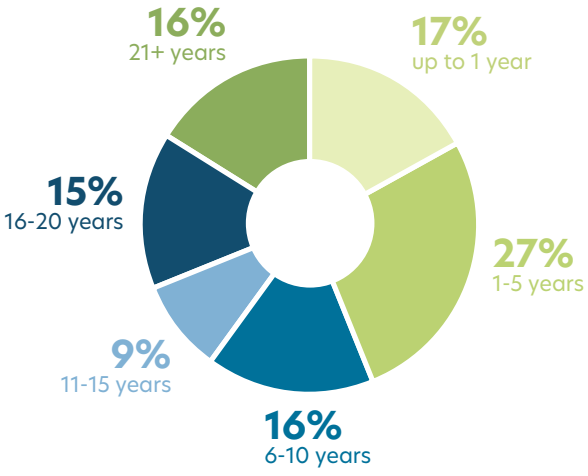




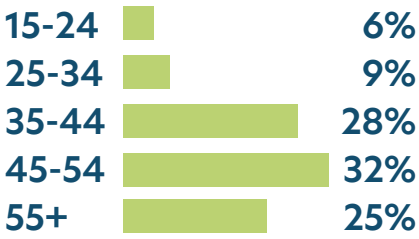
Gender comparison



Employee years of service



Employee age profiles





Water team on site visit.

Health, safety & wellbeing

We are dedicated to providing and maintaining a safe, healthy and supportive workplace for our employees, contractors, volunteers and visitors. We recognise that work health and safety is a shared responsibility of the Board, management and employees, and is fundamental to achieving our organisational objectives.

Occupational Health and Safety (OH&S) Committee

The OH&S Committee meets quarterly to focus on and review key topics to prioritise the safety of our workforce, enhance safety leadership capabilities and to improve our safety culture and safety data collection, compliance, and reporting.

During 2025-26:

- A key focus was strengthening psychological health and safety across our team. This involved exploring the factors that influence employee wellbeing, including the impacts of hybrid work arrangements and evolving ways of working.
- We transitioned to electronic based recording of OH&S matters to better understand potential psychosocial risks and identify opportunities to support a healthy, safe and sustainable workplace for all team members.

Throughout 2025-26 we had 6 hazards/incidents reported, representing 16 incidents per 100 FTEs. There was one report made to the Victorian Workcover Authority with no lost time incurred.

Table 5: OH&S five-year summary.

	2025 -26	2024 -25	2023 -24	2022 -23	2021 -22
Reported hazards/incidents (i)	6	13	14	5	6
Lost time standard claims	Nil	Nil	Nil	Nil	Nil
Average cost per claim	Nil	Nil	Nil	Nil	Nil
Training events	4	4	2	2	2

(i) Includes hazards, near misses, and incidents (including motor vehicle incidents).

Learning and Development

The need for future-ready skills and capabilities has never been more important. That's why we are dedicated to building a resilient, adaptable workforce capable of delivering our strategic vision. Through targeted learning initiatives and professional development opportunities, we equip our people with the skills, knowledge and confidence to contribute to the CMA's long term success.

During 2025-26:

- We improved our learning management system for a better user experience and accessibility to training. These improvements contributed to an employee compliance training completion rate of almost 90% across key mandatory areas, including information and cyber security, workplace health and safety, risk management, and psychological health and safety.
- We invested in the growth and development of our people by facilitating a range of tailored professional development and leadership opportunities. These experiences strengthened individual capability, supported career progression and helped build leadership capacity across the organisation.

Developing leaders

We continued to empower our leaders to create an environment where all our people can thrive, innovate and contribute to our collective success.

- In 2025-26 we strengthened our leadership capability by launching our Leadership Program. The program builds leadership capability and capacity by developing empowered leaders and managers who model people leadership, management and supervision skills and behaviours.

Diversity and inclusion

We are driven to foster a safe, inclusive workplace where our people feel empowered to bring their authentic selves to work. This commitment is fundamental to creating a positive employee experience, strengthening organisational capability, and enabling us to better support our communities.

- During the year, we deployed year two of our Diversity and Inclusion Plan 2024-2028. This provides a clear framework for advancing diversity, equity and inclusion across the organisation.
- We continued to recognise and celebrate significant dates for our diverse employee groups through a range of events and activities. These initiatives promote understanding, respect and belonging, while celebrating the diversity of perspectives, experiences and backgrounds that enrich our workplace.

Employment and Conduct Principles

West Gippsland CMA is committed to applying merit and equity principles when appointing staff. The selection process ensures applications are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

Workforce data

All employees, except executives and senior managers, are covered by the West Gippsland Catchment Management Authority Enterprise Agreement 2024.

Employees have been correctly classified in workforce data collections.

Table 6: Headcount and FTE (Full-time Equivalent) during the last pay period in June of each year.

	2025-26	2025-26	2024-25	2024-25
Classification	Number (headcount)	FTE	Number (headcount)	FTE
Executives	1	1	1	1
Senior Managers	3	2.6	3	3
Administration and Operational Staff	40	33.2	38	30.8
Total	**44**	**36.8**	**42**	**34.8**

Notes

(a) Excluded from workforce data include employees on leave without pay (including unpaid parental leave) or absent on secondment, external contractors/consultants and temporary staff employed by employment agencies.

(b) Executives refers to employees classified as Executives under the Victorian Public Sector executive employment framework. For the Authority, this category comprises the Chief Executive Officer position, which meets the applicable executive work value requirements.

(c) Senior Managers refers to employees who are members of the Executive Leadership Team but are not classified as Executives under the Victorian Public Sector executive employment framework. These positions are responsible for organisational leadership, governance, strategic decision-making, and the delivery of corporate or operational outcomes.

(d) Administration and operational staff refers to all other employees of the Authority who are not classified as Executives or Senior Managers. This category includes professional, technical, project, field-based, administrative and support roles involved in delivering the Authority's services, programs and corporate functions.

Good governance

Report against Corporate Plan targets

Projects we undertake are developed through the Victorian Water Program Investment Framework and National Landcare Program processes and lodged with the Victorian and Australian governments. Once endorsed by government, our staff and Board develop an Annual Action Plan which is actively monitored throughout the year by the Executive and Board.

To ensure we can report to the Minister against governance requirements, key performance indicators have been included in this report that will complement the outcomes required in our investment plans. These are detailed below.

Table 7: Corporate Plan targets and achievements.

Performance area	Performance target	Achievement
Business management and governance	Submit annually, a Board performance assessment report according to any guidelines issued.	Compliant with guidelines issued.
	A risk management strategy/plan approved by the Board and being implemented.	Plan is approved by the Board and is being implemented.
	100% of the CMA's policies reviewed and approved by the Board every three financial years.	100% of relevant policies reviewed.
	Full compliance with all applicable Standing Directions under the Financial Management Compliance Framework Checklist.	Full compliance was achieved.
Regional planning and coordination	A regional catchment strategy (RCS) approved by the Minister.	Approved and being implemented.
	A regional waterways strategy (RWS) approved by the Minister.	Approved and being implemented.
	A regional floodplain strategy (RFS) approved by the Board.	Approved and being implemented.
	Land and water management plans (LWMP) in designated irrigation areas (or equivalent) approved by the Board.	Approved and being implemented.
	A stakeholder and community engagement framework/plan approved by the Board.	Approved and being implemented.
	A regional Landcare support plan approved by the Board.	Approved and being implemented.

Performance area	Performance target	Achievement
Regional delivery	Progress with implementation of the RCS and any major sub-strategies is reviewed by the Board annually.	RCS program reviewed and reported to Board.
	Projects/activities to implement the RCS are delivered and reported according to associated funding agreements.	Approved projects and activities are being delivered and reported according to associated funding agreements.
	Projects/activities to implement the regional floodplain management strategy delivered and reported according to associated funding agreements.	Approved projects and activities are being delivered and reported according to associated funding agreements.
	Projects/activities to implement Land Water Management Plan (LWMP) are delivered and reported according to associated funding agreements.	Approved projects and activities are being delivered and reported according.
Statutory functions under part 10 of the Water Act	90% of statutory requirements (permits, referrals, advice and licences) associated with waterway and floodplain management are responded to within the prescribed period.	Achieved.
Statutory functions under part 11 of the Water Act	90% of statutory requirements (permits, referrals, advice and licences) associated irrigation management are responded to within the prescribed period.	Achieved.

In addition to the performance areas and indicators outlined above, we monitor our progress against our five-year Corporate Strategic Plan 2024-2029 and the Key Areas of Focus outlined on page 32. This is done through an annually approved Action Plan which cascades down through staff work plans and is reported quarterly to the Board. For 2025-26, a 96% delivery was achieved for the Action Plan.

Community inclusion

Multicultural Victoria Act 2004

Our support for cultural diversity and the involvement of women, youth, and Aboriginal and/or Torres Strait Islander communities took a variety of forms this year.

The GLaWAC RAP area covers approximately 80% of the West Gippsland region. The BLCAC RAP area covers approximately 7.5% of the area.

We have a Memorandum of Understanding (MoU) with both GLaWAC and BLCAC. These outline how we will work with each group, with the focus of the MoU ensuring that each corporation is involved from the beginning of all projects in their relevant Registered Aboriginal Party (RAP) areas. The MoU has remained a priority in all projects and programs within their areas.

We meet bi-monthly with each corporation to develop and plan projects as well as monitor MoU implementation. The Traditional Owner section of our Regional Catchment Strategy 2021-2027 guides our work together.

Throughout the year we have been involved in mentoring GLaWAC Cultural Water staff, GLaWAC Rangers and Aboriginal trainees in other NRM agencies. This work is now a target in our plan for the coming five years. To date training/mentoring has taken place in:

- Project planning
- Water quality monitoring
- Wetland habitats
- Data collection.

Working with youth

An Associate Director (Youth) was appointed in 2024-25 and continued to add value through the reporting period.

Involving women

- Nine members of our Board identify as female.
- Nine of the 17 CEN members identify as female.
- Of our 44 employees, 55% identify as female.
- In our team, 58% of lead management roles are held by women.

Workforce Inclusion policy

We are working towards creating a balanced working environment, where equal opportunity and diversity are valued and reflects the communities we serve, consistent with the *Gender Equality Act 2020*.

- Across the year, we deployed year two of our Diversity and Inclusion Plan 2024-2028. A key focus was strengthening psychological health and safety across our team. This involved exploring the factors that influence employee wellbeing, including the impacts of hybrid work arrangements and evolving ways of working.

Table 8: Inclusion measures and progress 2023-26.

Diversity and Inclusion Plan Initiative	Measure	Actual progress for 2025-26	Actual progress for 2024-25	Actual progress for 2023-24
Promote the availability of flexible work arrangements	Number of staff with flexible work arrangements	100% of staff	100% of staff	100% of staff

Note: reported as a percentage against headcount figure.

Other disclosures

Manner of establishment and relevant Minister

West Gippsland Catchment Management Authority is established under the *Catchment and Land Protection Act 1994*. The Act is jointly and severally administered by the Minister for Water and the Minister for Environment

The responsible Ministers were:

- the Hon Gayle Tierney, Minister for Water from 1 July 2025 to 14 April 2026,
- the Hon Harriet Shing, Minister for Water from 15 April 2026 to 30 June 2026,
- the Hon Steve Dimopoulos, Minister for Environment from 1 July 2025 to 14 April 2026, and
- the Hon Enver Erdogan, Minister for Environment from 15 April 2026 to 30 June 2026.

Local Jobs First Act 2003

The *Local Jobs First Act 2003* (the Act) establishes the Local Jobs First scheme which is set out in the Act, the regulations and the Local Jobs First Policy. The Local Jobs First Policy comprises the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG).

West Gippsland CMA is required to apply the Local Jobs First policy as required to regional projects worth more than $1 million, statewide or Metropolitan Melbourne worth at least $3 million, or other projects with a lower budget declared by the Minister as a standard or strategic project.

MPSG applies to all construction projects valued at $20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP-applicable projects respectively where contracts have been entered prior to 15 August 2018.

During 2025-26, the Authority did not commence any contracts under which the *Local Jobs First Act 2003* would apply.

Government advertising expenditure

West Gippsland CMA's government campaign expenditure in the 2025-26 reporting period did not exceed $100,000.

Consultancy expenditure

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

In 2025-26, there were two consultancies where the total fees payable to the consultant was $10,000 or greater.

The total expenditure incurred during 2025-26 in relation to these consultancies is $77,420 (excluding GST).

Details of the individual consultancies are outlined below:

Consultant	Purpose of Consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure 2025-26 (excl. GST)	Future Expenditure (excl. GST)
Natural Capital and Climate	Powlett ALM Business Case	06/03/2026	01/12/2026	$134,840	$67,420	$67,420
Deliberate Impact	Facilitation Services	09/06/2026	09/06/2026	$10,000	$10,000	nil

Details of consultancies under $10,000

In 2025-26, there were six consultancies engaged during the year where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2025-26 in relation to these consultancies was $2,900 (excl. GST).

Information and Communication Technology expenditure

For the 2025-26 reporting period, West Gippsland CMA had a total ICT expenditure of $761,429 with the details shown below:

Table 9: BAU Expenditure 2025-26.

All operational ICT expenditure	ICT Expenditure related to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure (Total)	**Non-Business As Usual (non-BAU) ICT expenditure** (Total = Operational expenditure and Capital expenditure)	**Operational expenditure**	**Capital expenditure**
$743,411	$18,018	$18,018	$0

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

Disclosure of major contracts

The Authority did not award any major contracts (valued at $10 million or more) during 2025-26.

Reviews and studies

During 2025-26, there were 2 reviews and studies undertaken which were not commercially sensitive with total cost of $24,300. Details of individual reviews and studies are outlined below:

				$ thousand		
Name of the review	**Reasons for review/study**	**Terms of reference/scope**	**Anticipated outcomes**	**Estimated cost for the year (excl. GST)**	**Final cost if completed (excl. GST)**	**Publicly available (Y/N) and URL**
Internal Audit – Risk Management	To assess whether West Gippsland CMA's risk management framework, governance arrangements and risk culture are aligned with ISO 31000:2018 and support effective identification, assessment and management of strategic and operational risk.	Review of risk culture and awareness, risk management strategy and organisational context, governance integration, implementation of risk management processes, risk monitoring and reporting practices, and alignment of WGCMA's risk profile with organisational objectives. Included a risk awareness survey of staff to assess risk culture and identify improvement opportunities.	Improved organisational risk maturity, strengthened governance and enhanced alignment of risk management processes with ISO 31000:2018 and better practice.	$10,800	$10,800	No
Internal Audit – VPDSS (Partial – 7 Standards)	To assess West Gippsland CMA's implementation of key Victorian Protective Data Security Standards and provide assurance over information and data security practices.	Assessment of compliance with seven VPDSS standards: Information Security Management Framework, Information Security Value, Information Security Risk Management, Information Security Incident Management, Business Continuity and Disaster Recovery, Personnel Security and Physical Security. Review included governance arrangements, accountabilities, awareness activities, policies, procedures & internal controls supporting info security.	Strengthened internal control environment. Improved information security governance, enhanced compliance with VPDSS requirements and identification of opportunities to strengthen protective data security controls and practices.	$13,500	$13,500	No

Note: Table does not include reviews or studies that may be Commercial-in-Confidence or commercially sensitive or where the release may be detrimental to Government operations (e.g. by pre-empting the finalisation of policy decisions prior to their announcement by Government).

Freedom of Information

The *Freedom of Information Act 1982* (the Act) allows the public a right of access to documents held by us. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers, and other bodies subject to the Act.

An applicant has the right to apply for access to documents held by the Authority. This comprises documents both created by the Authority or supplied to the Authority by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings, and videotapes. Information about the type of material produced by the Authority is available on the Authority's website under its Part II Information Statement.

The Act allows the Authority to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to the Authority in-confidence and information that is confidential under another Act.

Under the Act, the FOI processing time for requests received is 30 calendar days. However, when external consultation is required under s29, 29A, 31, 31A, 33, 34 or 35, a 15 day automatic extension applies. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

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

Making a request

Freedom of Information (FOI) requests can be lodged online at www.foi.vic.gov.au. An application fee of $33.60 applies from 1 July 2026. Access charges may also be payable if the document pool is large, and the search for material time consuming.

Access to documents can also be obtained through a written request to our FOI officer, as detailed in s17 of the *Freedom of Information Act 1982*.

When making an FOI request, applicants should ensure requests are in writing and clearly identify what types of material/documents are being sought and should be accompanied by the application fee to be a valid request.

Requests for documents in possession of the West Gippsland Catchment Management Authority (WGCMA) should be directed to:

Lucy Laurie-Rhodes, Executive Manager – Corporate Services
West Gippsland Catchment Management Authority
PO Box 1374, Traralgon VIC 3844

Email westgippy@wgcma.vic.gov.au

FOI statistics/timeliness

During 2025-26, West Gippsland CMA received one valid FOI application, which was from the general public.

The Authority made one FOI decision during the 12 months for 30 June 2026, which was made within the statutory time period and granted access to documents in full. The average time taken to finalise requests in 2025-26 was 23 days.

During 2025-26, no requests were subject to complaint/internal review by OVIC.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act, and ovic.vic.gov.au.

Building Act 1983 compliance

West Gippsland CMA owns two depot buildings located in Maffra and Cowwarr and each complies with the building and maintenance provisions of the *Building Act 1983*.

Appropriately qualified consultants and contractors are engaged for all proposed works on land controlled by the CMA and we ensure their work and services comply with current building standards. All such consultants and contractors are expected to have appropriate mechanisms in place to ensure compliance with the building and maintenance provisions of the *Building Act 1983*, Building Regulations 2018 and the National Construction Code.

Appropriately qualified consultants and contractors are engaged for mandatory testing of emergency and exit lighting in accordance with relevant standards for monthly, quarterly and bi-annual inspections, preventive routine maintenance of mechanical services and all fire service audits.

In 2025-26:

Number of major works projects undertaken (>$50,000)	0
Number of building permits, occupancy permits or certificate of final inspection issues in relation to buildings owned	0 building permits 0 occupancy permits 0 certificates of occupancy
Number of emergency orders and building orders issued in relation to buildings	0 emergency orders 0 building orders
Number of buildings that have been brought into conformity with building standards during the year	0 buildings brought into conformity

Competitive neutrality policy

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest.

Government businesses are required to set a competitively neutral price, which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The Authority ensures that Victoria fulfils its requirements on competitive neutrality reporting principles as required under the *Competition Principles Agreement and Competition and Infrastructure Reform Agreement*.

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Authority does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Authority will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is subject of the disclosure to the extent it is legally possible.



Heart Morass Gunaikurnai Country.

Reporting Procedures

West Gippsland Catchment Management Authority is not able to receive public interest disclosures.

You can make a public interest disclosure about West Gippsland Catchment Management Authority or its Board members, officers or employees by contacting the Independent Broad-based Anti-corruption Commission (IBAC):

Level 1, North Tower 459 Collins Street
Melbourne, Victoria 3000

W: ibac.vic.gov.au

T: 1300 735 135

E: See the website above for the secure email disclosure process, which also provides for anonymous disclosures.

Further Information

The Public Interest Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the Authority or any of its employees and/or officers, are available on the Authority's website.

Table 10: Disclosures under the Public Interest Disclosures Act 2012.

	2025-26 number	2024-25 number
The number of disclosures made by an individual to the Authority and notified to the Independent Broad-based Anti-corruption Commission		
Assessable disclosures	0	0

Disclosure of Emergency Procurement

During 2025-26, West Gippsland Catchment Management Authority did not activate its Emergency Procurement Plan.

Disclosure of Procurement Complaints

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), the Authority must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

West Gippsland Catchment Management Authority received no complaints through its procurement complaints management system in 2025-26.

Reporting of Environmental Data

West Gippsland CMA is committed to reducing the environmental impact of its operations, both through the reduction of carbon emissions, as well as the implementation of sustainability practices within its operations.

Under FRD 24 Reporting of environmental data by government entities, we are required to report various environmental indicators, as illustrated in the below table. All operations and activities of the West Gippsland CMA are included within the organisational boundary for this reporting period.

Table 11: FRD 24 Reporting of environmental data by government entities.

EL1 - Total electricity consumption segmented by source:	2025-26 MW Hrs	2024-25 MW Hrs	2023-24 MW Hrs
Purchased	48.1	48.1	59.3
Not directly purchased	0.0	0.0	0.0
Self-generated	84.7	43.7	128.5
TOTAL	**132.8**	**91.8**	**187.8**

EL4 - Total electricity offsets segmented by offset type:	2025-26 MW Hrs	2024-25 MW Hrs	2023-24 MW Hrs
LGC's voluntarily retired by the entity	0.0	0.0	0.0
LGC's voluntarily retired on the entity's behalf	0.0	0.0	0.0
GreenPower	48.1	48.1	59.3
Renewable Power Percentage	n/a	n/a	n/a
TOTAL	**48.1**	**48.1**	**59.3**

T2 - Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category	2025-26	2024-25	2023-24
Road Vehicles:			
Petrol - (no.)	4	3	1
Petrol - (%)	17%	13%	5%
Diesel/biodiesel - (no.)	20	20	21
Diesel/biodiesel - (%)	83%	87%	95%
TOTAL Road Vehicles - (no.)	**24**	**23**	**22**
TOTAL Road Vehicles - (%)	**100%**	**100%**	**100%**
Non-road Vehicles:			
Petrol - (no.)	0	0	0
Petrol - (%)	0%	0	0%
Diesel/biodiesel - (no.)	3	3	3
Diesel/biodiesel - (%)	100%	100%	100%
TOTAL Non-road Vehicles - (no.)	**3**	**3**	**3**
TOTAL Non-road Vehicles - (%)	**100%**	**100%**	**100%**

B3 - NABERS Energy ratings of newly completed/occupied entity-owned office buildings and substantial tenancy fit-outs	2025-26	2024-25	2023-24
	N/A	N/A	N/A



Sustainable Irrigation Expo, Sale Gunaikurnai Country.

Social Procurement Framework

West Gippsland CMA is fully committed to supporting the Government's directions under the Social Procurement Framework (SPF) and we recognise that we play a role in advancing social and sustainable outcomes for Victorians.

First developed in 2019, the Authority's Social Procurement Strategy enables a strategic, agency-wide approach to how we will deliver social and sustainable outcomes through our procurement in accordance with the Social Procurement Framework and beyond.

In the strategy, the Authority prioritises three SPF objectives – detailed in the table below along with their associated reporting metrics. These SPF objectives were chosen due to their high degree of alignment with the Authority's strategic direction and values as well as being best positioned to advance our identified social procurement opportunities.

Table 12: SPF Objectives and reporting framework.

Objective Prioritised	Outcome Sought	SPF Reporting Metric
Sustainable Victorian social enterprises and Aboriginal business sectors	Purchasing from Victorian Aboriginal businesses	• Number of Victorian Aboriginal Businesses engaged • Total expenditure with Victorian Aboriginal Businesses, expressed both in dollar terms and as a percentage of total procurement
Opportunities for Victorians with a disability	Purchasing from Victorian social enterprises and Australian Disability Enterprises	• Number of disability enterprises engaged • Total expenditure with disability enterprises
Sustainable Victorian Regions	Job readiness and employment for people in regions with entrenched disadvantage	• Total expenditure with suppliers with business addresses within Deciles 1 & 2 within Victoria

The following details West Gippsland CMA's 2025-26 aggregate expenditure with identified Social Benefit suppliers.

Table 13: WGCMA aggregate expenditure with identified Social Benefit suppliers – 2025-26.

Area of Social Benefit	No.	Value ($) (GST ex.)	% Total Spend
Total Expenditure	305	$5,301,352	100.00%
Social benefit suppliers	3	$54,123	1.02%
Objective: Opportunities for Victorian Aboriginal people Outcome: Purchasing from Victorian Aboriginal businesses			
Aboriginal businesses engaged	1	$48,041	0.90%
Objective: Opportunities for Victorians with disability Outcome: Purchasing from Victorian social enterprises and Australian Disability Enterprises			
Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged	1	$543	0.01%
Objective: Opportunities for Victorian Priority Jobseekers Outcome: Purchasing from Victorian social enterprises led by a mission for job readiness and employment of Victorian Priority Jobseekers			
Victorian social enterprises engaged	0	$0	0.09%
Objective: Opportunities for disadvantaged Victorians Outcome: Purchasing from Victorian social enterprises			
Victorian social enterprises engaged	2	$6,082	0.11%
Victorian Aboriginal businesses engaged	1	$48,041	0.90%

Note: This data is gathered utilising the Victorian Government's ABN Wash Tool, which only includes registered social enterprises, and Aboriginal businesses registered through Supply Nation or Kinaway.

Social procurement

During the 2025-26 financial year, West Gippsland CMA continued to strengthen its commitment to the Victorian Government's Social Procurement Framework through the following initiatives:

Engagement with Social Benefit Suppliers

The Authority continued to identify opportunities to engage suppliers that deliver social value outcomes, including Aboriginal businesses, social enterprises and other recognised social benefit suppliers, where these opportunities aligned with operational requirements and procurement objectives.

Sustainable Procurement Practices

Environmental sustainability considerations were incorporated into procurement decision-making processes, including the consideration of suppliers' environmental practices, resource efficiency measures and initiatives that support reduced environmental impacts.

Support for Local and Regional Suppliers

The Authority prioritised engagement with local and regional suppliers where appropriate, supporting local economic participation and contributing to employment and business opportunities within the West Gippsland region.

Embedding Social Procurement in Practice

West Gippsland Catchment Management Authority continued to embed the principles of the Victorian Social Procurement Framework into procurement and contract management processes. Consideration of social, economic and environmental outcomes was incorporated into relevant procurement activities to support broader community benefits alongside value for money.

Leveraging State Purchase Contracts

The Authority implemented procurement via State Purchase Contracts across the organisation, delivering value for money, continuity of supply and services, reduced risk, and enhanced delivery of social, economic, and environmental outcomes.

Statement of availability of other information

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the Authority and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

- Details of publications produced by the Authority about itself, and how these can be obtained.
- A general statement on industrial relations within the Authority.
- A list of the Authority's major committees, the purposes of each committee, and the extent to which the purposes have been achieved.
- Details of major promotional, public relations and marketing activities undertaken by the Authority to develop community awareness of the agency and its services.
- Details of major research and development activities undertaken by the Authority.
- A statement that declarations of pecuniary interests have been duly completed by all relevant officers and Board members of the Authority.

The information is available on request from:

West Gippsland Catchment Management Authority

T: 1300 094 262

E: mailto: lucyl@wgcma.vic.gov.au

Additional information included in the annual report

Details in respect of the following items have been included in West Gippsland Catchment Management Authority's annual report, on the pages indicated below:

- Assessments and measures undertaken to improve the occupational health and safety of employees (on page 45)
- Details of any major external reviews carried out on the Authority (on page 53)
- Details of consultancies and contractors, including services provided (on page 52)

The following information is not relevant to West Gippsland Catchment Management Authority for the reasons set out below:

- A declaration of shares held by senior officers (West Gippsland Catchment Management Authority has no share capital and therefore no shares have been issued).
- Details of overseas visits undertaken (No overseas work-related travel was undertaken during 2025-26).
- Details of changes in prices, fees, charges, rates and levies charged (The Authority does not levy prices, fees, charges, rates or levies in the ordinary course of its operations).

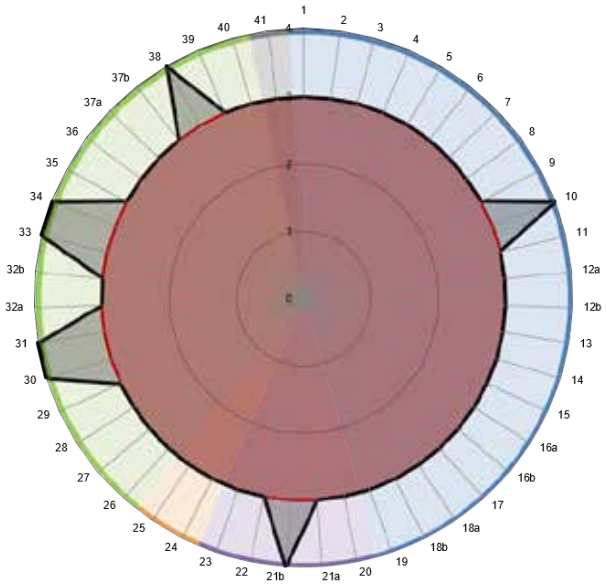
DataVic Access policy

Consistent with the DataVic Access policy issued by the Victorian Government in 2012, the information included in this annual report will be available at data.vic.gov.au in electronic readable format.

Asset Management Accountability Framework (AMAF) maturity assessment

The following sections summarise the Authority's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. The requirements can be found on the DTF website (www.dtf.vic.gov.au).

The WGCMA's target maturity rating is "competence", meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Target

Overall

Legend

Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

Figure 3: AMAF Maturity Assessment Diagram

Leadership and Accountability (Requirements 1-19)

The Authority has met or exceeded its target maturity under all requirements under this category.

Planning (Requirements 20-23)

The Authority has met or exceeded its target maturity under all requirements under this category.

Acquisition (Requirements 24 and 25)

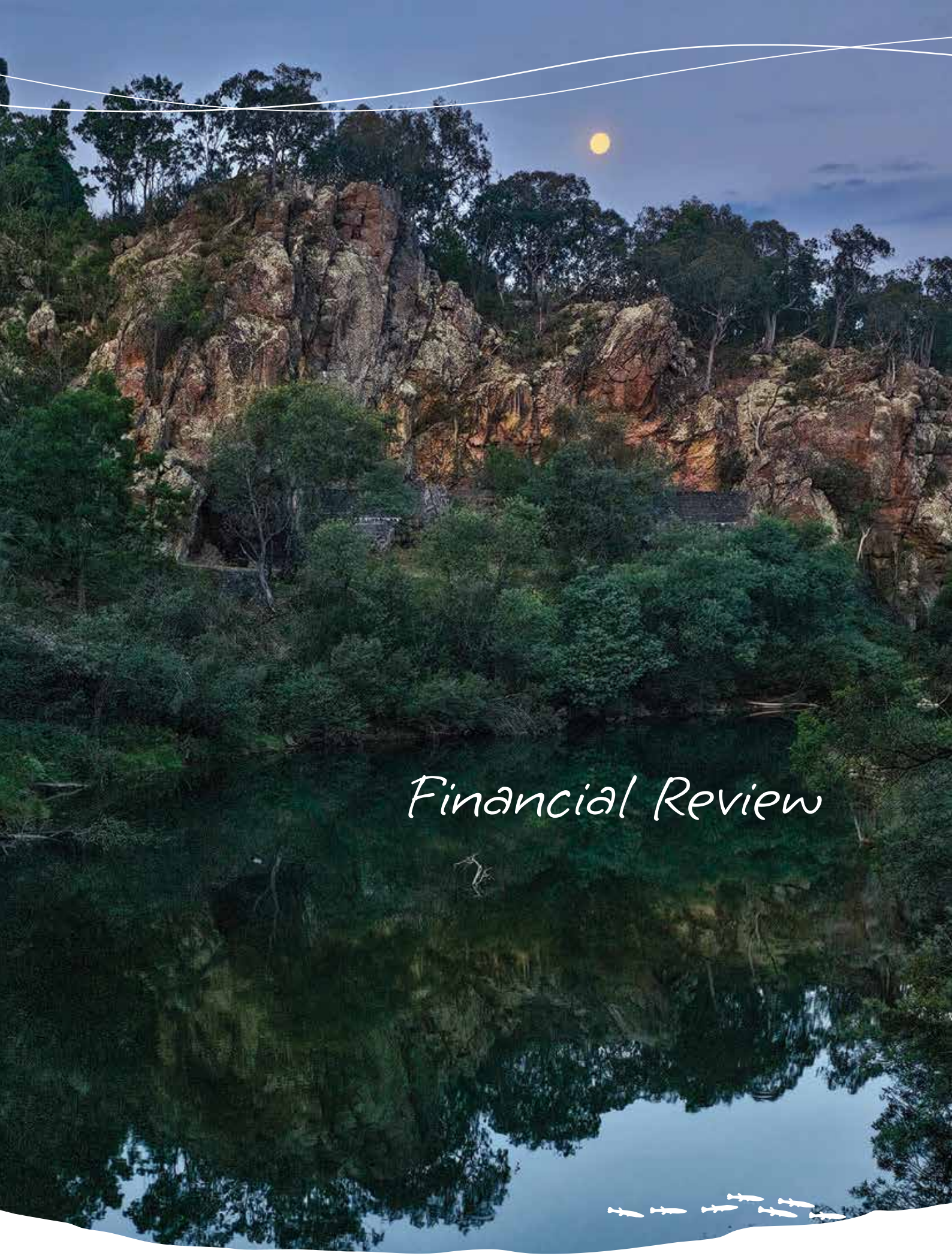
The Authority has met its target maturity under all requirements under this category.

Operation (Requirements 26-40)

The Authority has met or exceeded its target maturity under all requirements under this category.

Disposal (Requirement 41)

The Authority has met its target maturity under all requirements under this category.



Financial Review

Sunset Wirn wirndook Yeerung (Macalister River) Gunaikurnai Country by Iryna MacMillan.

West Gippsland Catchment Management Authority Financial Management Compliance Attestation Statement

I, Belinda Nave, Chairperson of the West Gippsland Catchment Management Authority, on behalf of the Responsible Body, certify that the West Gippsland Catchment Management Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



Belinda Nave

28 September 2026

Significant changes in financial position

Our financial position has had no major change to base programs compared to previous years and cash on hand committed to projects and other activities remains available into the future.

Major changes or factors affecting performance

There were no changes or factors which affected our performance during the reporting period.

Subsequent events affecting future operations

There were no events occurring after balance date which may significantly affect our operations in subsequent reporting periods.

How this report is structured

The West Gippsland Catchment Management Authority (the Authority) has presented its audited general purpose financial statements for the financial year ended 30 June 2026 in the following structure to provide users with information about the Authority's stewardship of resources entrusted to it.

Financial statements

Comprehensive operating statement
Balance sheet
Cash flow statement
Statement of changes in equity

Notes the the Financial Statements

1. About this report
The basis on which the financial statements have been prepared and compliance with reporting regulations.

2. Funding delivery of our services
Income recognised in respect of Government contributions and other income sources
- 2.1 Income from transactions

3. The cost of delivering services
Operating expenses of the Authority
- 3.1 Employee expenses
- 3.2 Materials, maintenance, grants and consultancies
- 3.3 Contractors
- 3.4 Other operating expenses

4. Key assets available to support service delivery
Land, buildings, works assets, equipment, and motor vehicles
- 4.1 Property, plant and equipment

5. Other assets and liabilities
Other key assets and liabilities
- 5.1 Receivables
- 5.2 Payables
- 5.3 Contract Liabilities

6. How we financed our operations
Borrowings, Cash flow information, Leases, commitments for expenditure and carry forward project funding
- 6.1 Borrowings
- 6.2 Leases
- 6.3 Cash flow information and balances
- 6.4 Commitments for expenditure
- 6.5 Carry forward project funding

7. Financial instruments, contingencies and valuation judgements
Financial risk management, contingent assets and liabilities as well as fair value determination
- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

8. Other disclosures
Additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report
- 8.1 Ex gratia expenses
- 8.2 Other economic flows included in net result
- 8.3 Changes in accounting policy
- 8.4 Responsible persons
- 8.5 Remuneration of executive officers
- 8.6 Related parties
- 8.7 Remuneration of auditors
- 8.8 Subsequent events

Declaration in the Financial Statements

The attached financial statements for the West Gippsland Catchment Management Authority (the Authority) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and financial position of the Authority at 30 June 2026.

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

We authorise the attached financial statements for issue on 24 August 2026.



Belinda Nave
Chairperson



Martin Fuller
CEO and Accountable Officer



Lucy Laurie-Rhodes
Chief Finance & Accounting Officer

Comprehensive Operating Statement

For the financial year ended 30 June 2026

	Notes	2026 $	2025 $
Income from transactions			
Government contributions	2.1.1	11,343,086	8,611,535
Interest	2.1.2	1,189,625	1,076,588
Other income	2.1.3	1,407,025	1,150,536
Total income from transactions		**13,939,736**	**10,838,658**
Expenses from transactions			
Employee expenses	3.1.1	5,819,284	5,297,907
Depreciation and amortisation	4.1.3	727,435	746,513
Materials, maintenance, grants and consultancies	3.2	1,375,322	1,103,758
Contractors	3.3	4,054,098	2,613,742
Interest expense on lease liabilities	6.1.2	33,426	29,763
Other operating expenses	3.4	816,928	747,377
Total expenses from transactions		**12,826,493**	**10,539,058**
Net result from transactions (net operating balance)		**1,113,243**	**299,600**
Other economic flows included in net result			
Net gain/(loss) on non-financial assets (ii)	8.2	164,083	82,740
Net result		**1,277,326**	**382,340**
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	4.1	1,096,634	-
Comprehensive result		**2,373,960**	**382,340**

The accompanying notes form part of these financial statements.

Note:
(i) This format is aligned to *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.
(ii) Net gain/(loss) on non-financial assets includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

Balance Sheet

As at 30 June 2026

	Notes	2026 $	2025 $
Assets			
Financial assets			
Cash and deposits	6.3	28,272,581	27,827,660
Receivables	5.1	232,829	86,517
Total financial assets		**28,505,410**	**27,914,178**
Non-financial assets			
Property, plant and equipment	4.1	3,344,798	2,495,213
Intangible assets		3,131	-
Other non-financial assets		116,784	107,265
Total non-financial assets		**3,464,713**	**2,602,479**
Total assets		**31,970,123**	**30,516,656**
Liabilities			
Payables	5.2	314,769	551,393
Contract Liabilities	5.3	10,342,160	10,825,600
Borrowings	6.1	472,609	767,300
Employee related provisions	3.1.2	1,638,803	1,544,541
Total liabilities		**12,768,341**	**13,688,834**
Net assets		**19,201,782**	**16,827,822**
Equity			
Accumulated surplus/(deficit)		349,365	349,365
Physical asset revaluation surplus		1,629,762	533,128
Committed funds reserve		8,861,213	7,583,887
Contributed capital		8,361,442	8,361,442
Net worth		**19,201,782**	**16,827,822**

The accompanying notes form part of these financial statements.

Note:
(i) This format is aligned to *AASB 1049 Whole of Government and General Government Sector Financial Reporting.*

Cash Flow Statement

For the financial year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from operating activities			
Receipts			
Receipts from government		11,129,817	12,400,895
Interest received		1,189,625	1,076,588
Goods and services tax received from the ATO (ii)		367,081	333,955
Other receipts		1,196,789	941,059
Total receipts		**13,883,312**	**14,752,497**
Payments			
Payments to suppliers and employees		(12,790,840)	(10,039,126)
Interest and other costs of finance paid		(33,426)	(29,763)
Total payments		**(12,824,266)**	**(10,068,889)**
Net cash flows from / (used in) operating activities		**1,059,046**	**4,683,608**
Cash flows from investing activities			
Purchases of non-financial assets		(618,852)	(378,220)
Proceeds from the sale of non-financial assets		286,317	143,452
Net cash flows from / (used in) investing activities		**(332,535)**	**(234,768)**
Cash Flows from Financing Activities			
Repayment of principal portion of lease liabilities (iii)		(281,590)	(276,204)
Net cash flows from / (used in) financing activities		**(281,590)**	**(276,204)**
Net increase / (decrease) in cash and cash equivalents		**444,921**	**4,172,636**
Cash and cash equivalents at the beginning of the financial year		27,827,660	23,655,024
Cash and cash equivalents at end of financial year	6.3	**28,272,581**	**27,827,660**

The accompanying notes form part of these financial statements.

Notes:
(i) This format is aligned to *AASB 1049 Whole of Government and General Government Sector Financial Reporting.*
(ii) GST received from the Australian Taxation Office is presented on a net basis.
(iii) The Authority has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.

Statement of Changes in Equity

For the financial year ended 30 June 2026

	Accumulated surplus	Physical asset revaluation surplus	Committed funds reserve	Contributed capital	Total
	$	$	$	$	$
Balance at 1 July 2024	349,365	533,128	7,201,546	8,361,442	16,445,482
Net result for the year	382,340	-	-	-	382,340
Transfers to/(from) reserves (ii)	(382,340)	-	382,340	-	-
Balance at 30 June 2025	**349,365**	**533,128**	**7,583,887**	**8,361,442**	**16,827,822**
Net result for the year	1,277,326	-	-	-	1,277,326
Other comprehensive income for the year	-	1,096,634	-	-	1,096,634
Transfers to/(from) reserves (ii)	(1,277,326)	-	1,277,326	-	-
Balance at 30 June 2026	**349,365**	**1,629,762**	**8,861,213**	**8,361,442**	**19,201,782**

The accompanying notes form part of these financial statements.

Note:
(i) This format is aligned to *AASB 1049 Whole of Government and General Government Sector Financial Reporting.*
(ii) The amounts transferred from accumulated surplus to committed funds reserve consists of carry forward project funding that has been set aside for the purpose of funding specific projects (Note 6.5).The Committed funds reserve has been established to recognise that the Authority receives funding for programs in advance of the program works taking place. The Authority is committed to expending these funds in accordance with its Corporate Plan in succeeding years. At the end of the financial year any Accumulated Funds which represents unexpended program funding, has been transferred to the reserve.

Notes to the Financial Statements

For the financial year ended 30 June 2026

1. ABOUT THIS REPORT

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

Its principal address is: West Gippsland Catchment Management Authority
16 Hotham Street
Traralgon, VIC 3844

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

Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060)* and *Financial Reporting Direction 101 Application of Tiers of Australian Accounting Standards* (FRD 101).

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

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

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

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

- determining whether the performance obligations are sufficiently specific so as to determine whether the arrangement is within the scope of AASB 15 or AASB 1058 (Note 2.1);
- the timing of satisfaction of performance obligations (Note 2.1);
- determining transaction price and amounts allocated to performance obligations (Note 2.1);
- contract liabilities (Note 5.3);
- lease terms (Note 6.2);
- fair value measurements of assets and liabilities (Note 7.3).

Rounding

Unless otherwise stated, amounts in the report have been rounded to the nearest dollar. Figures in the financial report may not equate due to rounding.

Compliance Information

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

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

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The Authority's overall objective is for the co-ordinated control of natural resource management within the broader catchments of West Gippsland. The role of the Authority is to ensure effective implementation of the Regional Catchment Strategy. Associated with this role, the Authority carries out strategic planning and advises Government.

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

2.1 Income from transactions

Significant judgement: Grants Contributions

The Authority has determined that all grant income is recognised as income of not-for-profit entities in accordance with *AASB 1058 Income of Not-for-Profit Entities*, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue in accordance with *AASB 15 Revenue from Contracts with Customers*. If revenue is recognised under AASB15, the Authority also applies judgement in determining the transaction price and amounts allocated to performance obligations, the appropriate method for measuring progress towards satisfaction of performance obligations and the timing of revenue recognition for projects recognised over time. These judgements affect the amount of revenue recognised during the reporting period and the measurement of contract liabilities at reporting date.

2.1.1 Government contributions

	2026 $	2025 $
Income recognised as income of not-for-profit entities under AASB 1058		
State Government		
Catchment Planning	5,295,094	3,801,262
Sustainable Irrigation	1,206,000	1,120,000
River Health	896,455	819,024
Floodplain Management	100,000	242,500
Other State Funding	772,850	1,302,259
	8,270,399	**7,285,045**
Commonwealth Government		
National Landcare Program	1,589,247	1,085,949
	1,589,247	**1,085,949**
Income recognised as revenue from contracts with customers under AASB 15		
State Government		
Other State Funding	1,483,440	240,540
	1,483,440	**240,540**
Total Government contributions	**11,343,086**	**8,611,535**

Government contributions recognised under AASB 1058

The Authority has determined that the income of not-for-profit entities in the table above is recognised under *AASB 1058 Income of Not-for-Profit Entities* on the basis that it has been earned under arrangements that are either not enforceable or linked to sufficiently specific performance obligations.

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

- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contracts with Customers*;
- a lease liability in accordance with *AASB 16 Leases*;
- a financial instrument, in accordance with *AASB 9 Financial Instruments*; or
- a provision, in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets.*

Government contributions recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. Revenue is recognised when the Authority satisfies the performance obligation by providing the relevant services. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

2.1.2 Interest income

	2026 $	2025 $
Interest Income	**1,189,625**	**1,076,588**

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

2.1.3 Other income

	2026 $	2025 $
Partnership Contributions	1,075,472	830,885
Employee Contributions	212,221	235,622
Rental Income	119,332	84,029
Total other income	**1,407,025**	**1,150,536**

Partnership contributions consists of funds received from organisations as partners in major projects, and are recognised as income on receipt as they do not contain sufficiently specific performance obligations, and are disclosed in the comprehensive operating statement as other income.

Employee contributions include staff contributions towards the private use of motor vehicles.

Rental Income from leasing of surplus office spaces, which are operating leases, are recognised on a straight line basis over the lease term.

All other income is recognised when the right to receive payment is established.

3. THE COST OF DELIVERING SERVICES

Introduction

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

3.1 Employee expenses

3.1.1 Employee expenses in the comprehensive operating statement

	2026 $	2025 $
Salaries & wages	5,174,881	4,779,504
Termination benefits	71,066	-
Defined contribution superannuation expense	559,289	504,818
Defined benefit superannuation expense	14,048	13,585
Total employee expenses	**5,819,283**	**5,297,907**

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

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Authority is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

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

3.1.2 Employee benefits in the balance sheet

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

	2026 $	2025 $
Current provisions:		
Annual Leave	360,945	348,703
Time in lieu and RDO	35,973	25,726
Long service leave	969,437	932,799
Provision for on-costs	196,276	158,152
Total current provisions for employee benefits	**1,562,631**	**1,465,381**
Non-current provisions:		
Employee benefits	66,329	70,799
On-costs	9,843	8,362
Total non-current provisions for employee benefits	**76,172**	**79,161**
Total provisions for employee benefits and on-costs	**1,638,803**	**1,544,541**

Wages and salaries and annual leave:

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Authority does not have an unconditional right to defer settlement of these liabilities for at least 12 months after the end of the reporting period.

Annual leave balances of less than 6 weeks are measured at the undiscounted amount expected to be paid, whilst balances above 6 weeks are measured as the present value of the estimated future cash outflows to be made by the entity.

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

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

Long service leave (LSL):
Regardless of the expected timing of settlement, unconditional LSL is classified as a current liability because the Authority does not have an unconditional right to defer the settlement of these liabilities.

Unconditional LSL liability amounts expected to be wholly settled within 12 months are measured at the nominal value. Unconditional LSL liability amounts that are not expected to be wholly settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Authority.

Unconditional LSL represents long service leave entitlements accrued for employees with more than 7 years of continuous service.

Conditional LSL is classified as a non-current liability and measured as the present value of the estimated future cash outflows to be made by the Authority.

Any gain or loss following revaluation of the present value of the non-current LSL liability is recognised as a transaction.

3.2 Materials, maintenance, grants and consultancies

	2026 $	2025 $
Materials	124,348	144,196
Repairs and maintenance	81,518	83,439
Grants paid	697,573	500,563
Computer software and support	391,563	365,436
Consultants	80,320	10,124
Total materials, maintenance, grants, and consultancies	**1,375,322**	**1,103,758**

Grants are recognised in the period in which they are paid or payable.

Materials, maintenance and consultancies are recognised as an expense in the reporting period in which they are incurred.

3.3 Contractors

	2026 $	2025 $
Contractors	**4,054,098**	**2,613,742**

The increase in contractor expenditure reflects the higher level of project delivery undertaken during the year.

Contractor expenses are recognised as an expense in the reporting period in which they are incurred.

3.4 Other operating expenses

	Notes	2026 $	2025 $
Fleet expenses		187,530	181,883
Office expenses		99,703	95,063
Other expenses		80,194	50,316
Audit Costs	8.7	68,300	62,378
Fares and accommodation		67,761	48,312
Education, training, conferences and seminars		66,099	40,082
Insurance		58,175	55,316
Staff Costs		54,397	42,154
Telephones and mobile data		48,064	43,896
Meeting expenses		46,508	47,388
Lease expenses	6.2.2	22,064	21,486
Minor Equipment		18,132	59,101
		816,928	**747,377**

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

4. KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

Introduction

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

4.1 Property, plant and equipment

	Gross carrying amount		Accumulated Depreciation		Net carrying amount	
	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Land at fair value	1,140,000	462,000	-	-	1,140,000	462,000
Buildings at fair value	485,000	281,241	-	(14,062)	485,000	267,178
Right-of-use Buildings at Cost	1,148,242	1,176,215	(719,559)	(449,998)	428,683	726,218
Works assets at fair value	300,000	151,000	-	(30,200)	300,000	120,800
Plant and equipment at fair value	261,584	264,422	(206,259)	(201,626)	55,325	62,796
Office furniture and equipment at fair value	661,346	791,960	(449,012)	(550,794)	212,334	241,166
Motor vehicles at fair value	1,327,173	1,309,078	(603,717)	(694,023)	723,455	615,055
Net carrying amount	**5,323,345**	**4,435,917**	**(1,978,548)**	**(1,940,703)**	**3,344,797**	**2,495,213**

Initial recognition

Except for Right-of-use (ROU) assets, items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Initial recognition of ROU assets is included at Note 4.1.1.

Items with a cost or value in excess of $1,000, or in the case of ICT equipment in excess of $200, and a useful life of more than one year are recognised as an asset. All other assets acquired are expensed.

Subsequent measurement

Except for Right-of-use (ROU) assets, property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Subsequent measurement of ROU assets is included at Note 4.1.1.

Non-specialised land is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extend that the CSO adjustment is also equally applicable to market participants.

Non-specialised buildings and works assets are valued using the current replacement cost method.

Revaluation of property, plant and equipment

Non-financial physical assets are revalued at fair value every five years in accordance with the Government purpose classifications defined in Financial Reporting Direction 103 *Non-Financial Physical Assets* (FRD 103). The Valuer-General Victoria (VGV) is the Government's independent valuation agency and is used by the Authority to conduct these scheduled revaluations.

Revaluations may occur more frequently if fair value assessments indicate material changes in values. In such instances, interim managerial revaluations are undertaken in accordance with the requirements of FRD 103.

The Authority in conjunction with VGV, monitors changes in the fair value of each asset class through relevant data sources, in order to determine whether a revaluation is required.

The Authority's assets relating to land and buildings were independently valued by the VGV as at 30 June 2026.

At 30 June 2025 a fair value assessment was undertaken in accordance with FRD 103 on the Authority's building assets with no further adjustment required.

Note 7.3 includes additional information in connection with fair value determination of property, plant and equipment.

Accounting for revaluation movements - land and buildings

Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Revaluation increases or decreases arise from differences between an asset's carrying value and its fair value.

Revaluation increases and decreases relating to individual assets in a class of PPE, are offset against other assets in that class but are not offset against assets in different classes. An asset revaluation surplus is not transferred to accumulated funds on the de-recognition of the related asset.

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

Revaluation decrements are recognised immediately as an expense, except to the extent that a credit balance exists in the asset revaluation reserve applicable to the same class of assets, in which case the decrement is debited directly to the asset revaluation reserve.

4.1.1 Total right-of-use assets: buildings

This note explores right-of-use assets, a subset of the Authority's total assets, where right-of-use assets represent the Authority's right to use an underlying asset for the lease term.

	Buildings at cost value $
Opening Balance - 1 July 2025	726,218
Additions	-
Right-of-use adjustment (i)	(13,101)
Disposals	-
Depreciation	(284,434)
Closing Balance - 30 June 2026	**428,684**

Note:

(i) This adjustment relates to an decrease in the carrying amount of right-of-use lease asset and liability due to a prior year adjustment recognised in the current financial year.

Right-of-use asset acquired by lessees - Initial measurement

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

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

Right-of-use asset - Subsequent measurement

Right-of-use assets are subsequently measured at cost (2025: fair value) less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability. The Authority depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment of right-of-use assets is determined and accounted for in accordance with *AASB 136 Impairment of Assets.* Refer to Note 8.3 for information relating to the change in accounting policy for subsequent measurement for market leases that became applicable this financial year.

Right-of-use asset - Impairement

The Authority has assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

4.1.2 Depreciation and amortisation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Land is the exception to this rule.

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

Asset	Useful Life
Buildings	20 - 25 years
Buildings - right-of-use	2 - 10 years
Works assets	20 years
Plant and equipment	3 - 20 years
Office furniture & equipment	3 - 10 years
Motor vehicles	4 years

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Impairment
The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement,* with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

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

	Land at fair value $	Buildings $	Works assets at fair value $	Plant and equipment at fair value $	Office furniture and equipment at fair value $	Motor vehicles at fair value $	Total $
2026							
Opening balance	**462,000**	**993,396**	**120,800**	**62,796**	**241,166**	**615,055**	**2,495,213**
Additions	-	-	-	1,273	82,014	532,315	**615,602**
Disposals	-	-	-	-	(44)	(122,190)	**(122,234)**
ROU adjustment	-	(13,101)	-	-	-	-	**(13,101)**
Revaluation (i)	678,000	231,884	186,750	-	-	-	**1,096,634**
Depreciation (ii)	-	(298,496)	(7,550)	(8,744)	(110,802)	(301,724)	**(727,316)**
Closing balance	**1,140,000**	**913,683**	**300,000**	**55,325**	**212,334**	**723,456**	**3,344,798**

Note:
(i) An independent valuation of the Authority's land, buildings and works assets was performed by the Valuer-General Victoria as at 30 June 2026.
(ii) Depreciation excludes amortisation of intangible assets (2026: $119), resulting in total depreciation and amortisation expense of $727,435 as disclosed in the Comprehensive Operating Statement.

5. OTHER ASSETS AND LIABILITIES

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

5.1 Receivables

	2026 $	2025 $
Contractual		
Trade receivables	170,500	47,797
Other receivables	4,000	4,000
	174,500	51,797
Statutory		
GST input tax credits recoverable	58,329	34,720
	58,329	34,720
Total receivables	**232,829**	**86,517**
Represented by:		
Current Receivables	228,829	82,517
Non-Current Receivables	4,000	4,000

Receivables consist of:

- Contractual receivables, which are classified as financial instruments and categorised as 'financial assets at amortised cost'. Subsequent to initial measurement they are measured at amortised cost less any impairment; and
- Statutory receivables, which do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes.

Details about the Authority's impairment policies, and the calculation of the loss allowance are set out in Note 7.1.

5.2 Payables

	2026 $	2025 $
Contractual		
Trade payables	83,467	291,815
Accrued expenses	197,089	234,074
	280,557	525,889
Statutory		
FBT accrual	7,517	4,810
Superannuation	15,011	11,487
Payroll Tax	11,685	9,207
	34,213	25,504
Total payables	**314,770**	**551,393**
Represented by:		
Current Payables	314,770	551,393

Payables consist of:

- Contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid; and
- Statutory payables, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days.

5.3 Contract liabilities

Significant judgement: Contract Liabilities
In applying *AASB 15 Revenue from Contracts with Customers*, the Authority has made significant judgements that affect the recognition and measurement of contract liabilities (Note 2.1).

	2026 $	2025 $
Contract liabilities		
Current contract liabilities	5,429,160	6,912,600
Non-current contract liabilities	4,913,000	3,913,000
Total contract liabilities	**10,342,160**	**10,825,600**

Contract liabilities include consideration received in advance for two projects funded by State Government contributions.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by the Authority during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Authority.

This section includes disclosures of balances that are financial instruments, such as cash balances. Note 7.1 provides additional, specific financial instrument disclosures.

6.1 Borrowings

	Notes	2026 $	2025 $
Current borrowings			
Lease Liabilities (i)	6.2	309,931	293,977
Total current borrowings		309,931	293,977
Non-current borrowings			
Lease Liabilities (i)	6.2	162,678	473,323
Total non-current borrowings		162,678	473,323
Total Borrowings		472,609	767,300

Note:
(i) Secured by assets leased. Lease liabilities are effectively secured as the right to the lease assets revert to the lessor in the event of default.

6.1.1 Maturity Analysis of borrowings

				Maturity dates				
	Weighted average interest rate (%)	Carrying Amount $	Nominal Amount $	Less than 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	5+ years $
2026								
Lease Liabilities	4.3%	472,609	487,456	26,539	79,617	216,831	164,469	-
Total		472,609	487,456	26,539	79,617	216,831	164,469	-
2025								
Lease Liabilities	4.6%	767,300	800,385	25,836	77,509	211,085	485,955	-
Total		767,300	800,385	25,836	77,509	211,085	485,955	-

Borrowings refer to interest bearing lease liabilities.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost and recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

6.1.2 Interest Expense

	2026 $	2025 $
Interest expense on lease liabilities	33,426	29,763
Total Interest Expense	33,426	29,763

Interest expense is recognised in the period in which it is incurred.

6.2 Leases

Significant judgement: Lease Terms
In determining the lease term, the Authority considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

The Authority leases various properties. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Rental contracts are typically for fixed periods of between 1 to 5 years, with extension options of between 1 to 10 years typically available.

Leases with a contract term of 1 year and a value of less than $10,000 are either short-term and/or leases of low value and are recognised on a straight-line basis. The Authority has elected not to recognise right-of-use assets and lease liabilities for these leases.

As at 30 June 2026, the Authority has committed to short term leases and the total commitment at that date was $456 (Note 6.4).

Leases at significantly below-market terms and conditions

The Authority entered into a 10-year lease for the use of crown land. The lease contract specifies a lease payment of $1. The leased land must be used by the Authority for a River Diversion Channel and Water Regulating Gates, Dowd Morass Wetland. This land accounts for a small portion of similar assets used by the Authority in delivering this project to the Department of Energy, Environment and Climate Action and therefore it does not have a significant impact on the Authority's operations.

6.2.1 Right-of-use assets

Right-of-use assets are presented in Note 4.1.1.

6.2.2 Expense recognised for short-term leases

The following amounts are recognised as expense relating to short-term leases.

	2026 $	2025 $
Expenses relating to short term leases	22,064	21,486
Total Amount recognised as an expense	**22,064**	**21,486**

The Authority has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss included in “other operating expenses” (see note 3.4) on a straight-line basis over the lease term.

6.2.3 Recognition and measurement of leases as a lessee

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

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

Lease Liability - Initial Measurement

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

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

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

Lease Liability - Subsequent Measurement

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

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

Below market /Peppercorn Leases

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the Authority to further its objectives, are initially and subsequently measured at cost.

Presentation of right-of-use assets and lease liabilities

Lease liabilities are presented as borrowings in the balance sheet.

Future lease payments

	Minimum future lease payments	
	2026	2025
	$	$
Not longer than 1 year	322,987	314,430
Longer than 1 year but not longer than 5 years	164,469	485,955
Longer than 5 years	-	-
Minimum future lease payments (i)	**487,456**	**800,385**
Less future finance charges	(14,847)	(33,085)
Present value of minimum lease payments	**472,609**	**767,300**

Note:
(i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

6.3 Cash flow information and balances

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

The authority's bank accounts are held in the Central Banking System (CBS) under the *Standing Directions 2018*.

	2026	2025
Cash and deposits disclosed in the balance sheet:	$	$
Deposits at call	28,272,581	27,827,660
Balance as per cash flow statement (i)	**28,272,581**	**27,827,660**

Note:
(i) Cash and deposits bear variable interest rate with a weighted-average interest rate of 4.01% during the 2025-26 year (2024-25: 4.33%).

6.4 Commitments for expenditure

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

6.4.1 Total commitments payable

Operating commitments payable	2026 $	2025 $
Less than 1 year	456	15,782
1 to 5 years	-	-
5 years or more	-	-
Total commitments (inclusive of GST)	**456**	**15,782**

The 2024-25 and 2025-26 operating lease commitments relate to an office lease with a term of 12 months. The contract does not allow the Authority to purchase the facilities after the lease ends, but the Authority has the option to renew the lease at the end of the lease term. Short-term operating lease payments are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term. The leased asset is not recognised in the balance sheet.

6.5 Carry forward project funding

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

The projects funded by the State and Commonwealth Governments can be undertaken over multiple financial years and funding is received at various stages of the project life based on contractual agreements. At the end of the financial year there are some projects that have not reached completion but will be completed within the contractual terms in future financial periods. At balance date the Authority has cash and cash equivalents that will be utilised to complete these projects in future financial years.

The Committed funds reserve has been established to recognise that the Authority receives funding for programs in advance of the program works taking place. The Authority is committed to expending these funds in accordance with its Corporate Plan in succeeding years. At the end of the financial year any Accumulated Funds which represents unexpended program funding, has been transferred to the reserve.

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

It is often necessary for the Authority to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Authority relate mainly to fair value determination.

7.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Statutory receivables and payables (FBT, GST etc) are not considered financial instruments.

Categories of financial instruments

Financial assets are measured at amortised cost if they are held by the Authority to collect contractual cash flows, the contractual terms give rise to cash flows that are solely payments of principal and interest, and if they are not designated as fair value through net result. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, these financial assets are measured at amortised cost using the effective interest method less any impairment. The financial assets at amortised cost category includes cash and deposits, and trade and other receivables (excluding statutory receivables).

A financial asset is derecognised when the rights to receive cash flows from the asset have expired, the risks and rewards of the asset have been transferred, or the Authority has transferred the control of the asset.

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

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

Contractual receivables at amortised cost

The Authority has a low expected loss rate due to the majority of funding being sourced from State and Federal government.

The expected loss rate for the year ending 30 June 2026 has been calculated at 0%, (2025: 0%) and as such no loss allowance has been recognised.

7.1.1 Financial instruments - Net gain/(loss) on financial instruments by category

	Carrying Amount	Net gain/loss	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
	$	$	$	$	$
2026					
Financial assets at amortised cost					
Cash and Deposits	28,272,581	-	1,189,625	-	-
Trade receivables (i)	174,500	-	-	-	-
Write-Offs	-	-	-	-	-
Total financial assets at amortised cost	**28,447,081**	**-**	**1,189,625**	**-**	**-**
Financial Liabilities at amortised cost					
Trade Payables(i)	280,557	-	-	-	-
Borrowings					
Lease Liabilities	472,609	-	33,426	-	-
Total contractual financial liabilities	**753,166**	**-**	**33,426**	**-**	**-**

Note:
(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

	Carrying Amount	Net gain/loss	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
	$	$	$	$	$
2025					
Financial assets at amortised cost					
Cash and Deposits	27,827,660	-	1,076,588	-	-
Trade receivables (i)	51,797	-	-	-	-
Write-Offs	-	-	-	-	-
Total financial assets at amortised cost	**27,879,458**	**-**	**1,076,588**	**-**	**-**
Financial Liabilities at amortised cost					
Trade Payables (i)	525,889	-	-	-	-
Borrowings					
Lease Liabilities	767,300	-	29,763	-	-
Total contractual financial liabilities	**1,293,189**	**-**	**29,763**	**-**	**-**

Note:
(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.2 Contingent assets and contingent liabilities

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

	2026 $	2025 $
Contingent assets		
As at 30 June 2026, the Authority has no known contingent assets.	-	-
Contingent liabilities		
Guarantees for loans to other entities (i)	26,500	26,500

(i) The amount disclosed is the nominal amount of the underlying loan that is guaranteed by the Authority. The Authority has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts at 30 June 2026.

7.3 Fair value determination

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

The Authority's property, plant and equipment are carried at fair value, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model.

7.3.1 Fair value hierarchy

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

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

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

The Valuer General Victoria (VGV) is the Authority's independent valuation agency. In conjunction with VGV, the Authority monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

Non-specialised land is fair valued in accordance with level 2 categorisation. Specialised land, buildings, work assets, plant and equipment, office furniture and motor vehicles are fair valued as level 3.

There have been no transfers between levels during the period.

Non-specialised land & non-specialised buildings

Non-specialised land is valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value, and are classified as Level 2 fair value measurements.

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

Right-of-use non-specialised buildings are valued as per the requirements of *AASB 16 Leases.* This is detailed further in Note 4.1.1.

For non-specialised land and non-specialised buildings (excluding right-of use-assets), an independent valuation was performed by the Valuer-General Victoria (VGV) to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre was applied to the subject asset. The effective date of the valuation was 30 June 2026.

Specialised land

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs in nature, specialised land is classified as Level 3 assets.

An independent valuation of the Authority's specialised land was performed by the VGV using the market approach adjusted for CSO. The effective date of the valuation was 30 June 2026.

Works assets

Works assets represent an owned Quarry, which is valued using the market approach.

An independent valuation of the Authority's works assets was performed by the VGV to determine the fair value using the market approach, with an effective date of 30 June 2026. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre was applied to the subject asset.

Motor vehicles

Motor vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Authority who set relevant depreciation rates during use to reflect the utilisation of the motor vehicles.

Plant and equipment and Office furniture and equipment

Plant and equipment and office furniture and equipment is held at fair value. When plant and equipment or office furniture and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2026.

Description of significant unobservable inputs to Level 3 valuations

Asset Class	Valuation technique	Significant unobservable inputs
Specialised land	Market/Direct comparison approach adjusted for unobservable inputs	Community Service Obligation (CSO) allowance
Plant and equipment	Current replacement cost	Cost per unit Useful life of plant and equipment
Office furniture and equipment	Current replacement cost	Cost per unit Useful life of office furniture and equipment
Motor vehicles	Current replacement cost	Cost per unit Useful life of vehicles

8. OTHER DISCLOSURES

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

8.1 Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

The Authority had no ex gratia expenses for the year ending 30 June 2026 (2025: $0).

8.2 Other economic flows included in net result

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

	2026 $	2025 $
Net gain/(loss) on disposal of non-financial assets		
Proceeds from sale of non-financial assets	286,317	143,452
Less written down value	(122,234)	(60,711)
Total net gain/(loss) on disposal of non-financial assets	**164,083**	**82,740**

8.3 Changes in accounting policy

8.3.1 Right-of-use assets
The Authority has made a change in accounting policy to change the measurement basis from the revaluation model to the cost model for the subsequent measurement of right-of-use assets arising from market leases, in accordance with the updated requirements under FRD 104.

Previously, the Authority had measured all right-of-use assets arising from market leases using the revaluation model under AASB 13. Following the change in accounting policy, the Authority will measure all right-of-use assets using the cost model. Right-of-use assets measured using the cost model are held at cost less accumulated depreciation and impairment and any adjustments for remeasurement of lease liability. Periodic revaluations are not required; however, the cost model requires annual impairment assessments in accordance with AASB 136.

Upon adoption of the cost model, the Authority has applied a modified retrospective approach. The approach takes the right-of-use asset's carrying amounts recorded under the revaluation model as at 30 June 2025 as the right-of-use asset's opening balances on application of the cost model.

Accordingly, the comparative information presented is not restated and is reported at the previously determined fair value.

Impacts of financial statements
On transition to the cost model there was no impact on the Authority's financial statements. No impairment was identified by the Authority for the right-of-use asset held as at 30 June 2026.

8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

The names of the persons who were responsible persons of the Authority at any time during the financial year were:

The Hon. Gayle Tierney	Minister for Water	1 Jul 2025 to 14 Apr 2026
The Hon Harriet Shing MP	Minister for Water	15 Apr 2026 to 30 Jun 2026
The Hon. Steve Dimopolous	Minister for Environment	1 Jul 2025 to 14 Apr 2026
The Hon. Enver Erdogan MP	Minister for Environment	15 Apr 2026 to 30 Jun 2026
Martin Fuller	CEO	1 Jul 2025 to 30 Jun 2026
Mikaela Power	Chair	1 Jul 2025 to 30 Sep 2025
Belinda Nave	Deputy Chair	1 Jul 2025 to 30 Sep 2025
Belinda Nave	Chair	1 Oct 2025 to 30 Jun 2026
Susan Anderson	Board Member	1 Jul 2025 to 17 Dec 2025
Susan Anderson	Deputy Chair	18 Dec 2025 to 30 Jun 2026
Shelley McGuinness	Board Member	1 Jul 2025 to 30 Jun 2026
Nicholas Murray	Board Member	1 Jul 2025 to 30 Jun 2026
Jennifer O'Sullivan	Board Member	1 Jul 2025 to 30 Jun 2026
Jodie Mason	Board Member	1 Jul 2025 to 30 Sep 2025
Brian Stevens	Board Member	1 Jul 2025 to 30 Sep 2025
Nicole Griffin	Board Member	1 Oct 2025 to 30 Jun 2026
Richard McAllister	Board Member	1 Oct 2025 to 30 Jun 2026
Glenys Watts	Board Member	1 Oct 2025 to 30 Jun 2026

Remuneration of responsible persons

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

Income band	2026	2025
$0–$9,999	3	0
$10,000–$19,999	7	6
$20,000-$29,999	0	1
$30,000-$39,999	1	1
$280,000-$289,999	1	1
Total number of Responsible persons	**12**	**9**
Total Remuneration $	**447,941**	**441,014**

8.5 Remuneration of executive officers

The Authority did not have any executive officers, other than the CEO, to whom the Victorian Government's Public Entity Executive Remuneration (PEER) Policy applies. The CEO is an accountable officer and therefore disclosed under Note 8.4.

8.6 Related parties

Related parties of the Authority include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

The Authority is a wholly owned and controlled entity of the state of Victoria. During the 2026 financial year, the Authority received significant funding from the following government-related entities:

Entity	Nature of Transaction/s	Payments received 2026 $	Funding Receivable at 30 June 2026 $
Department of Energy, Environment and Climate Action	Service Level Agreements and Lease Agreement	9,272,399	-
East Gippsland Catchment Management Authority	Service Level Agreements and Shared Services	681,619	93,500
Wimmera Catchment Management Authority	Service Level Agreements and Shared Services	139,191	-

During the 2025 financial year, the Authority received significant funding from the following government-related entities:

Entity	Nature of Transaction/s	Payments received 2025 $	Funding Receivable at 30 June 2025 $
Department of Energy, Environment and Climate Action	Service Level Agreements and Lease Agreement	11,204,045	-
East Gippsland Catchment Management Authority	Service Level Agreements and Shared Services	532,585	-
Wimmera Catchment Management Authority	Service Level Agreements and Shared Services	131,686	-

During the 2026 financial year, the Authority made significant payments to the following government-related entities:

Entity	Nature of Transaction/s	Payments made 2026 $	Payable at 30 June 2026 $
Trust for Nature	Reimbursement of expenditure and Service Supply Agreements	135,975	-
Goulburn Broken Catchment Management Authority	Reimbursement of expenditure and Service Supply Agreements	28,412	59,352

During the 2025 financial year, the Authority made significant payments to the following government-related entities:

Entity	Nature of Transaction/s	Payments made 2025 $	Payable at 30 June 2025 $
Department of Energy, Environment and Climate Action	Reimbursement of expenditure and Service Supply Agreements	149,730	23,998
Goulburn Broken Catchment Management Authority	Reimbursement of expenditure and Service Supply Agreements	126,337	-

Key management personnel (KMP)

Key management personnel of the Authority includes all responsible persons as listed in Note 8.4, and all members of the executive management team which includes:

Adam Dunn	Executive Manager - Statutory Planning
Dan Garlick	Executive Manager - Catchment Planning and Delivery
Lucy Laurie-Rhodes	Executive Manager - Corporate Services

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Ministers' remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

Compensation of key management personnel	2026 $	2025 $
Total	964,909	938,926

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

There were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.7 Remuneration of auditors

	2026 $	2025 $
Victorian Auditor-General's Office		
Audit or review of the financial statements	44,000	31,800
Internal Audit Providers		
Internal audit services	24,300	30,578
Total remuneration of auditors	**68,300**	**62,378**

8.8 Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the Authority in future financial years.

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of West Gippsland Catchment Management Authority

Opinion	I have audited the financial report of West Gippsland Catchment Management Authority (the authority) which comprises the: • balance sheet as at 30 June 2026 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cashflow statement for the year then ended • notes to the financial statements, including material accounting policy information • declaration in the financial statements. In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards - Simplified Disclosures.
Basis for opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's responsibilities for the audit of the financial report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the *Financial Management Act 1994,* and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

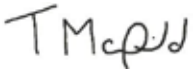
Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
1 September 2026

Timothy Maxfield
as delegate for the Auditor-General of Victoria

Appendix 1 – Disclosure index

West Gippsland Catchment Management Authority's Annual Report 2025-26 is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to help identify compliance with each of the statutory disclosure requirements.

Report of Operations		
Legislation	Requirement	Page
Charter and Purpose		
FRD 22	Manner of establishment and the relevant Ministers	51
FRD 22	Purpose, functions, powers, and duties	32
FRD 22	Key initiatives and projects	12-13
FRD 22	Nature and range of services provided	32
Management and Structure		
FRD 22	Organisational structure	43
CALP 19B	Annual Catchment Condition and Management Report	19-31
Financial and Other Information		
FRD 10	Disclosure index	94
FRD 12	Disclosure of major contracts	53
FRD 22	Employment and conduct principles	47
FRD 22	Workforce inclusion policy	50-51
FRD 22	Occupational health and safety policy	45
FRD 22	Summary of financial results for the year	15
FRD 22	Five-year financial summary	15
FRD 22	Summary operational and budgetary objectives including performance	15, 48-49
FRD 22	Significant changes in financial position for the year	64
FRD 22	Major changes or factors affecting performance	64
FRD 22	Subsequent events	64, 91
FRD 22	Application and operation of *Freedom of Information Act 1982*	54-55
FRD 22	Compliance with building and maintenance provisions of *Building Act 1983*	55
FRD 22	Statement on National Competition Policy	56
FRD 22	Application and operation of the *Public Interest Disclosure Act 2012*	56-57
FRD 22	Details of consultancies over $10,000	52
FRD 22	Details of consultancies under $10,000	52
FRD 22	Disclosure of government advertising expenditure	51
FRD 22	Disclosure of ICT expenditure	52
FRD 22	Disclosure of review and study expenses	53
FRD 22	Statement of availability of other information	61
FRD 22	Disclosure of Procurement Complaints	57
FRD 22	Disclosure of Emergency Procurement	57

Report of Operations		
Legislation	Disclosure	Page
Financial and Other Information		
FRD 22	Social Procurement Framework	59-61
FRD 22	Social procurement activities	60-61
FRD 24	Reporting of office-based environmental impacts	58
FRD 25	Local Jobs First	51
FRD 29	Workforce data disclosures	47
Compliance Attestation and Declaration		
SD 5.1.4	Attestation for Compliance with Ministerial Standing Direction	64
SD 5.2.3	Declaration in report of operations	64
Financial Statements		
Declarations		
SD 5.2.2	Declaration in financial statements	66
Other Requirements Under Standing Directions 5.2		
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	65-91
SD 5.2.1(a)	Compliance with Standing Directions	65-91
SD 5.2.1(b)	Compliance with Model Financial Report	65-91
Other Disclosures as required by FRD's in Notes to the Financial Statements		
FRD 11	Disclosure of ex-gratia expenses	88
FRD 21	Disclosure of Responsible Persons, Executive Officers and other personnel (Contractors with Significant Management Responsibilities) in the Financial Report	89, 91
FRD 103	Non-financial physical assets	76-78
FRD 110	Cash flow statements	69
FRD 112	Defined benefits superannuation obligations	74
FRD 114	Financial instruments – general government entities and public non-financial corporations	79-80
Legislation		
Freedom of information Act 1982		
Building Act 1983		
Public Interest Disclosure Act 2012		
Local Jobs Act 2003		
DataVic Access Policy 2012		
Financial Management Act 1994		
CALP Act 1994		

Appendix 2 – Management Assessment supporting details

- Assessment applied to selected Victorian Government and Australian Government projects aligned to WGCMA Corporate Plan.
- Annual targets summarised and reported against using Power BI.
- Rubrics below have guided Management Rating unless otherwise indicated.

Condition Report Template Rubric

Management rating	Description	WGCMA Rubric for applying ratings Actual versus Target (%)
Above expectations	Delivery of activities and programs associated with this indicator is assessed as above expectations for the 12-month period (i.e. majority of activities delivered /targets met or exceeded).	>125%
Met expectations	Delivery of activities and programs associated with this indicator is assessed as having met expectations for the 12-month period (i.e. the majority of activities delivered/targets were met or almost achieved).	75% target – 125% target
Below expectations	Delivery of activities and programs associated with this indicator is assessed as below expectations for the 12-month period (i.e. some critical activities/targets not delivered, or the majority of activities/targets not delivered).	<75% target
Not applicable	A management rating is not applicable for this indicator.	-
Unknown	The rating for this indicator is not known and/ or assessable.	-



Durt'Yowan (Latrobe River) and Carran Carran (Thomson River) Confluence at Sunset Gunaikurnai Country by Paula Walland.



Traralgon Office
16 Hotham Street
Traralgon VIC 3844

Leongatha Office
Corner Young & Bair Streets
Leongatha VIC 3953

T: 1300 094 262
PO Box 1374, Traralgon 3844
E: westgippy@wgcma.vic.gov.au

West Gippsland
Catchment Management Authority

VICTORIA
State Government