

Annual Report

2024–2025



EAST GIPPSLAND
CATCHMENT
MANAGEMENT
AUTHORITY



Acknowledgements



We acknowledge the Traditional Owners and First Nations people of East Gippsland and recognise their continuing connection to Country, Culture and Community. We pay our respects to Elders past and present.

“The artwork featured was commissioned by the East Gippsland Catchment Management Authority and was proudly painted by local Gunaikurnai man, Bradley Brown. The artwork is of this Country, East Gippsland and the people and conversations we have to preserve them for the next generation. It's about the river systems that flow through this area, the mountains and landscape leading to the sea”.



Cover Photo:

Gary and Marion Dawson from Nicholson River Landcare Group.
Photo supplied by East Gippsland CMA.

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PART 1

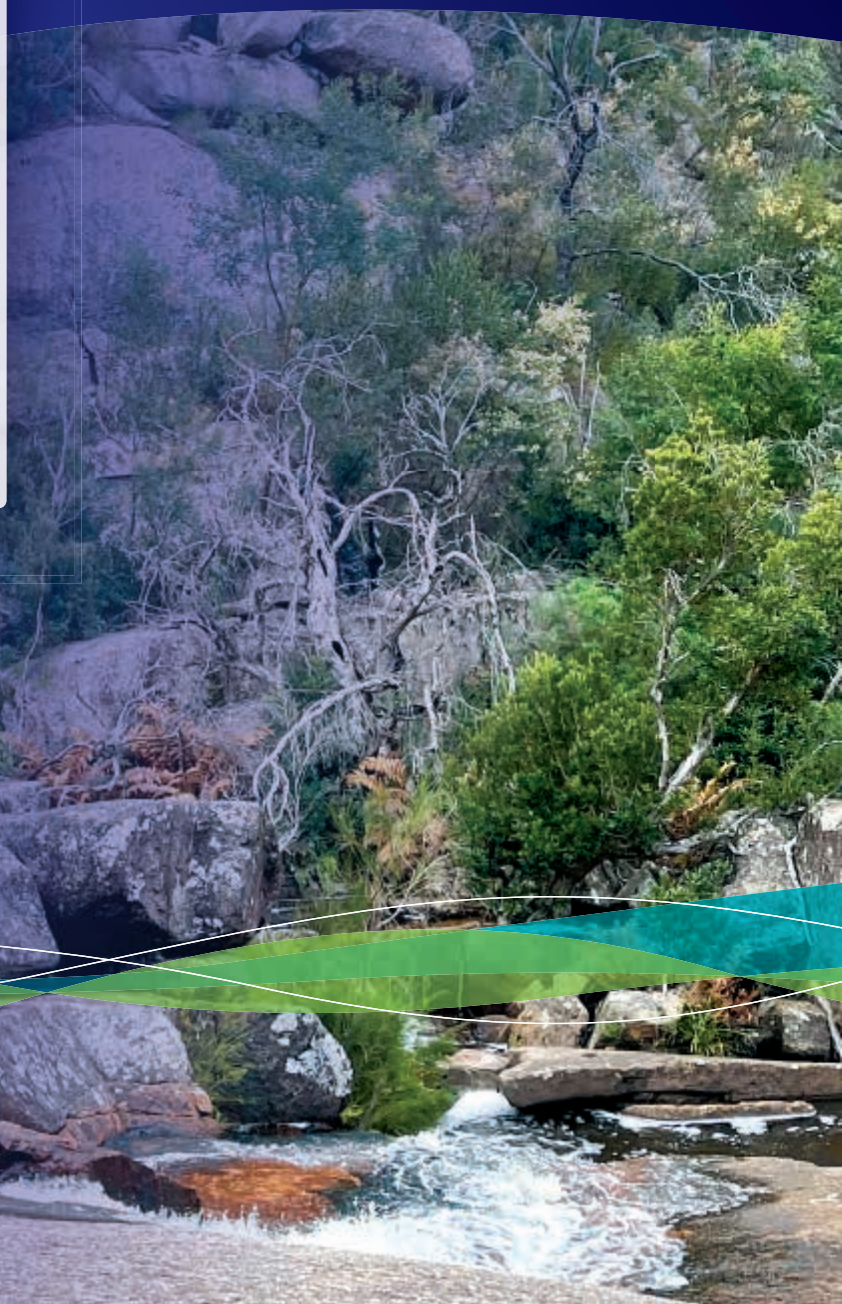
Year in review

Responsible body declaration

In accordance with the *Financial Management Act 1994* (FMA), I am pleased to present East Gippsland Catchment Management Authority's Annual Report for the year ending 30 June 2025.



Stephen Angus
Chairperson
East Gippsland Catchment Management Authority
13 October 2025



Chair's report

On behalf of the Board, I am pleased to present the 2024/25 Annual Report for the East Gippsland Catchment Management Authority (the Authority). I would like to thank our employees, agency partners, Traditional Owners and First Peoples, community groups and individuals for continuing to support each other.

This year the Authority has focussed on supporting collaborative leadership models to deliver quality work with partner agencies, Traditional Owners and First Peoples, community and landholders.

The key highlights for each of the Authority's priority areas is described below.

Climate change

The Authority is on track to achieve net zero emissions by the end of 2025.

The Authority has continued to work in partnership with community and partners to progress climate adaptation projects across the region. This has included delivering the Gippsland Lakes Room to Move project; Flagship waterways and monitoring programs; and the renewal of the estuary opening protocols.

Waterway and catchment health

The Authority has continued to deliver quality projects in partnership with landholders, community and partner agencies. Highlights for this year have included completing the bushfire recovery program, supporting community through several floods and engaging with community to update the estuary opening protocols.

Sustainable agriculture

The Authority continues to support collaborative leadership models to deliver sustainable agriculture programs. This includes coordinating the TopSoils3 program, Sustainable Agriculture Facilitator, Carbon Outreach program and the CSIRO soil monitoring program for East Gippsland.

Community engagement and partnerships

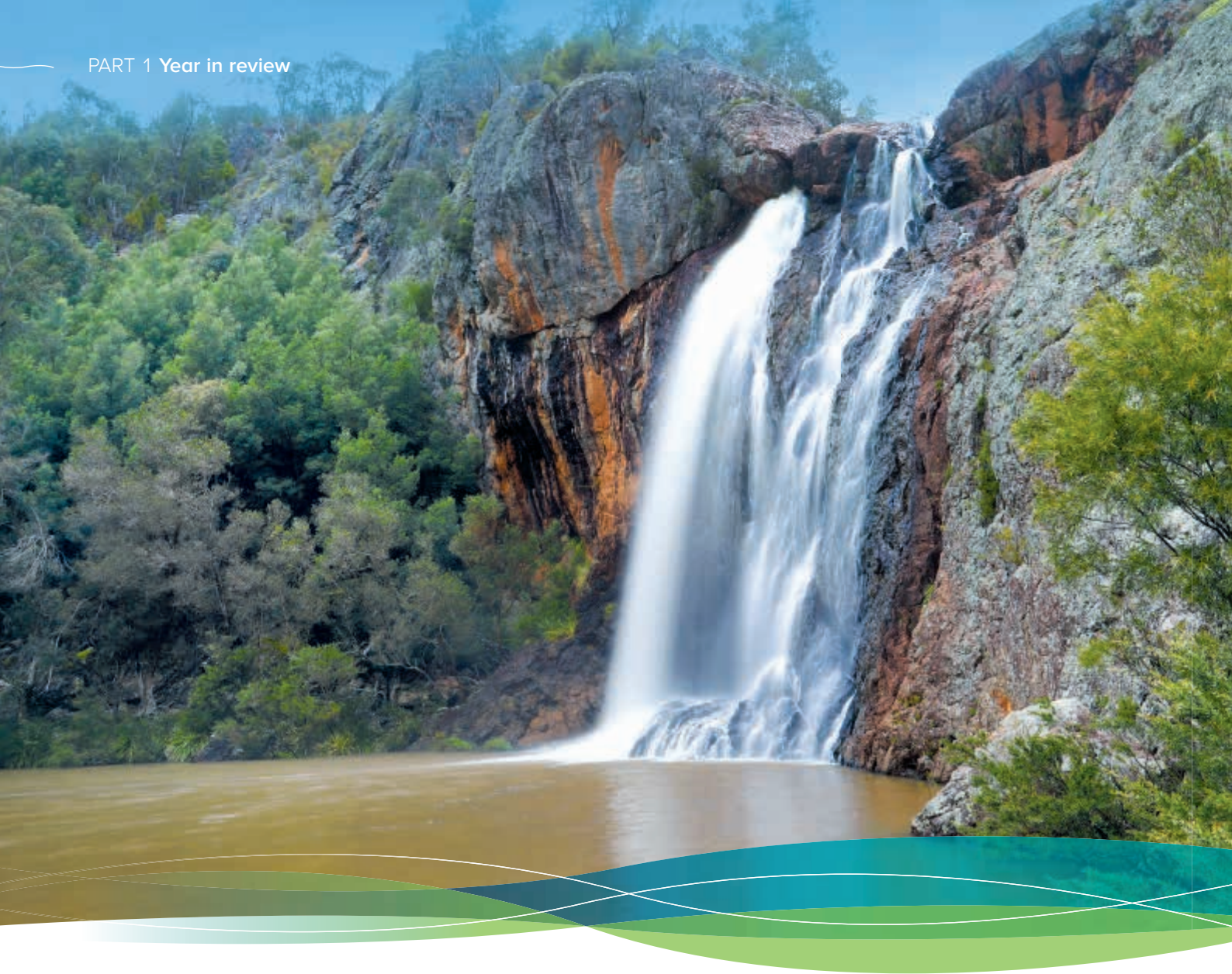
Community engagement and partnerships continue to be the highest priority for the Authority. This year the Authority engaged with over 7,400 participants. People were engaged through one-on-one discussions, community events and meetings.

This year the Authority ran Catchment Connections, a school program involving 188 students and teachers. Now in its third year, Catchment Connections is an interactive environmental education program designed to deepen students' understanding of catchment health. This year, we partnered with Black Snake Productions and their display of threatened native wildlife found in East Gippsland, alongside the East Gippsland Art Gallery, to deliver a unique learning experience. Students spent an hour learning about the Authority's role, its partners, and key projects – while engaging directly with live animals including Green and Golden Bell Frogs, a Fruit Bat, and an Eastern Quoll, making the session both educational and highly interactive. Following the wildlife demonstrations, students turned their attention to art, decorating their own threatened species and, in some cases, decorating the same species they got to see and touch during the wildlife demonstrations.

Recognise and support Traditional Owners and First Nations People, their Cultural values and Inclusion

The Authority continues to strengthen support for Traditional Owners and First Peoples' self-determination. This has included engagement to deliver a range of projects, working together to develop the Gippsland Lakes and Natural Heritage Trust programs; and renewing the Regional Waterway Strategy.

Continued...



Recognise recreational values

The Authority continues to work closely with recreational user groups to help shape regional priorities and actions. Examples of this throughout the year have included working closely with local angling clubs with the Fish Habitat projects; engagement with various groups in the update of the estuary opening protocols; and the renewal of the Regional Waterway Strategy.

Resilient and liveable regions and places

Integrated Water Management (IWM) continues to go from strength to strength across the region. The Authority continues to play an integral part in the coordination of the program, including chairing the IWM Forum. The Bairnsdale recycled network plan is complete; recycled water pipeline in south Bairnsdale is complete; the Lakes Entrance IWM Plan is nearing completion; and the Bairnsdale recycled water Class A facility is in progress.

People, leadership and culture

Our People Matter survey results were the best they have ever been for the Authority. This included a 79% response rate, and the top ten results at 100%. The Authority continues to strengthen the leadership and culture in the organisation and this is evident.

Stephen Angus
Chairperson
East Gippsland Catchment Management Authority



Vision, mission and values

Purpose

Promote collaborative management of the land, water, and sea country resources in the region; and promote community awareness and understanding of the importance of sustainable use, conservation, and rehabilitation of East Gippsland's catchments.

Vision

"Leaders in integrated catchment management, partnering with our communities to enhance East Gippsland's landscapes, biodiversity and cultural values."

Values

The Authority maintains the values defined in the Public Administration Act 2004., s. 7.

Manner of establishment and relevant Minister/s

The East Gippsland Catchment Management Authority is established under the Catchment and Land Protection Act 1994 (CaLP Act). The Act is jointly and severally administered by the Minister for Water and the Minister for Environment.

The responsible Ministers were:

The Hon. Harriet Shing, Minister for Water from 1 July 2024 to 18 December 2024, and the Hon. Gayle Tierney, Minister for Water from 19 December 2024 to 30 June 2025.

The Hon. Steve Dimopoulos, Minister for the Environment from 1 July 2024 to 30 June 2025.

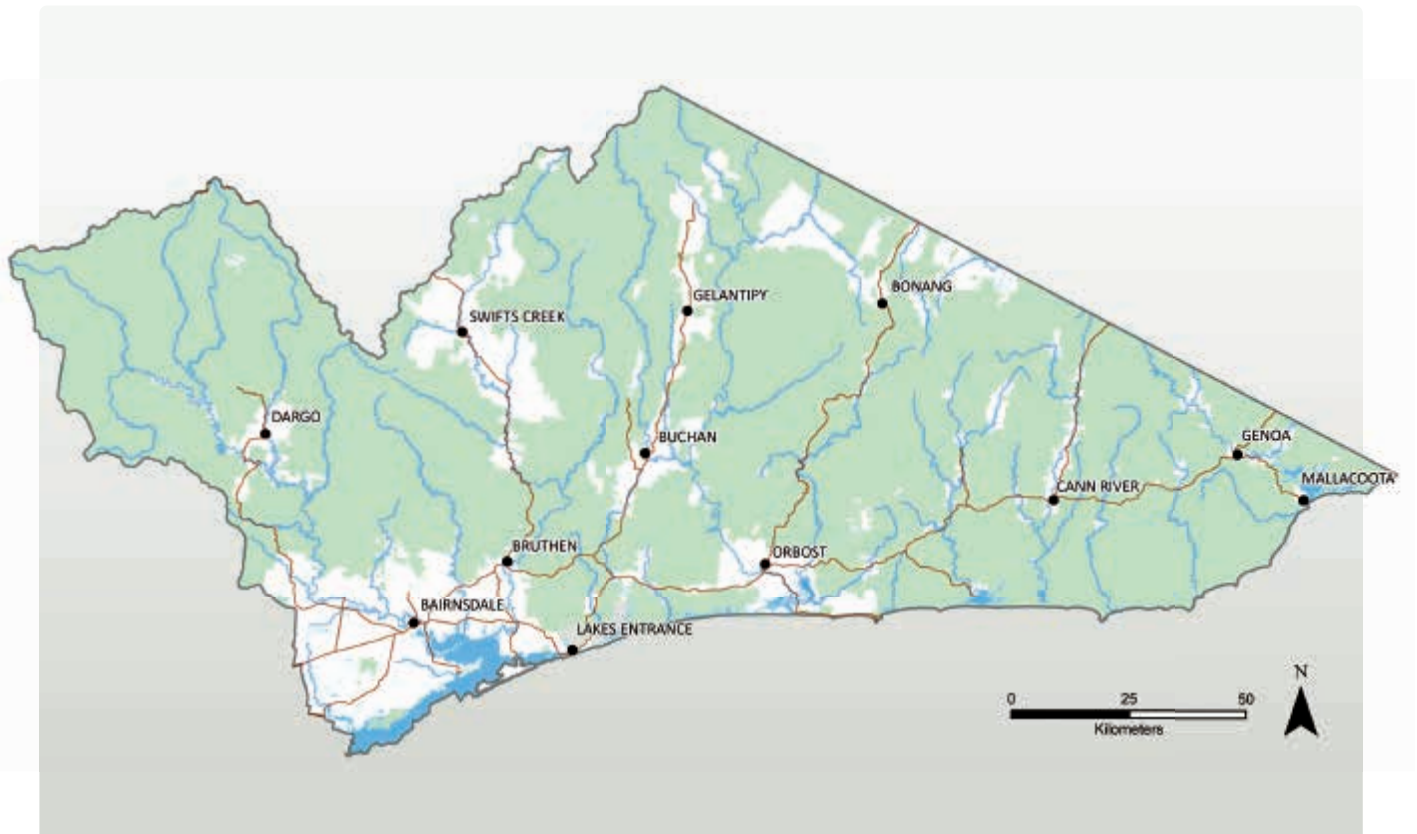
Nature and range of services provided

The Authority is a government statutory authority with legislated functions for planning and delivering waterway management programs and leadership and co-ordination of integrated catchment management across the region, in partnership with Traditional Owners and First Peoples, agencies and the community.

The Authority leads development and co-ordinates implementation of the East Gippsland Regional Catchment Strategy (RCS) in close collaboration with Traditional Owners and First Peoples, partner agencies and the community. The East Gippsland RCS was approved in December 2022 and provides the overarching strategy for managing natural resources, including land, biodiversity, waterways and coasts across East Gippsland.

The Authority's customers and key stakeholders include Traditional Owners and First Peoples, local landholders, community groups, partner agencies, regional organisations, State and Federal Government.

The East Gippsland region covers 2.2 million hectares of land, lakes and coastal waters in eastern Victoria. Approximately 83% of the region is in public ownership, mainly as state forests, national and coastal parks, and marine national parks, and virtually all of this retains extensive native vegetation cover. East Gippsland is the only place on mainland Australia where such continuity of natural ecosystems, from the alps to the sea, still exists.



Objectives, functions, powers and duties

The Authority's major functions, powers and duties under its governing legislation are described below.

Catchment and Land Protection Act 1994

Responsibilities under the CaLP Act include:

- Develop a regional catchment strategy for the region and co-ordinate and monitor its implementation.
- Promote the cooperation of those involved in the management of land and water resources in the region.
- Provide advice to the Minister on regional priorities for activities and resource allocation to those involved in the management of land and water resources in the region.
- Provide advice on matters relating to catchment management and land protection and resource condition.

The Authority helps build government and community cooperation in maintaining our natural resources and promotes community awareness and understanding of the importance of land and water resources, their sustainable use and issues relating to catchment management.

The Authority disseminates government policy and information to the community of East Gippsland and acts as a conduit for government investment into the region for natural resource management (NRM) activities and projects.

Water Act 1989

Responsibilities under the Water Act include provision of all waterway and floodplain-related service delivery including:

On-ground waterway health works

The *Water Act 1989* Statement of Obligations establishes the Authority as caretaker for waterway health in East Gippsland. This means planning and delivering on-ground works designed to maintain or improve the health of our waterways.

Water statutory functions

The Authority is responsible for preparing a regional waterway strategy for the region, in collaboration with Traditional Owners and First Peoples, agency partners and communities.

The Authority is also responsible for providing advice and information for strategic and statutory planning issues on floodplains. The Authority also issues works on waterways permits and provides advice and information on other waterway health related issues and input to strategies and plans being developed by other agencies and stakeholders.

Community engagement

The Authority helps build government and community cooperation in maintaining and improving the health of our waterways and educates the public about any aspect of waterway management.





Achievements

This section of the report includes annual achievements; operational performance; projects aligned to the regional outcomes in the corporate plan; and program outputs and key initiatives.

EGCMA Strategic Priorities

The strategic plan presents the intent of the Authority and delivers on the expectations of the Authority, namely the Victorian Government's policy framework including the Ministerial Statement of Expectations and the Authority's objectives, functions, powers and duties.

Strategic goals of the Authority as described in the Authority's Corporate Plan 2024/25 - 2028/29:

Priority Area	Proposed Outcome	Measure	Achievement
Climate change	Provide services that mitigate against, and assist with the adaptation to climate change, and we will reduce emissions aligned with government targets.	EGCMA net zero emissions plan and target. Collaborative partnerships with shared climate initiatives.	EGCMA net zero emission plan completed and the target to be net zero by the end of 2025 is on track. Several major climate adaption projects underway with partners, including Gippsland Lakes Room to Move, flagship waterways and updating the estuary opening protocols.
Waterway and Catchment Health	Lead the delivery of programs that improve the health of priority waterways and catchments.	EGCMA Annual Report. Catchment Condition reporting. Case studies and supporting documents. Implementation of Regional Catchment Strategy, Regional Waterway Strategy and Gippsland Lakes Ramsar Site Management Plan.	Annual catchment condition report completed as per the guidelines. Ongoing media and communications on waterway health program and working together with community and partner agencies. All plans and strategies are current, and implementation of priority actions are all underway.
Sustainable Agriculture	Deliver services and programs that prepare and support the agricultural sector for climate change and a more resilient and sustainable future.	Collaborative partnerships with shared agricultural outcomes. Several programs and projects supported to deliver shared agricultural outcomes.	Collaborative partnership projects include TopSoils3, carbon outreach program, sustainable agriculture facilitator, drought planning and programs, and CSIRO soil monitoring program.
Community Engagement and Partnerships	Customer and community focussed with all our work, engaging with people and developing partnerships broadly.	EGCMA Engagement Strategy. Communications Plans and Customer Relationship Management database maintained.	Engagement strategy current and implementation plan fully achieved. Plans and databases maintained. Community engagement and partnerships at the centre of all we do.

Continued...



Priority Area	Proposed Outcome	Measure	Achievement
Recognise and support First Nations Peoples, their Cultural Values and Inclusion	Work in partnership with First Nations Peoples to promote and foster self-determination and healthy Country.	EGCMA Engagement Strategy. EGCMA Annual Report. Catchment Partnerships Agreement.	Engagement strategy current and implementation plan fully achieved. Gippsland Catchment Partnership Agreement remains current and implemented through Gippsland Environment Agencies (GEA). Strategy and program design and delivery in partnership with Traditional Owners and First Peoples.
Recognise Recreational Values	Create value for the liveability and economic benefit of the community through recreation and the visitor economy in all our projects.	EGCMA Annual Report. EGCMA Engagement Strategy. Collaborative partnerships with shared recreational outcomes.	Engagement strategy current and implementation plan fully achieved. Recreational groups engaged through project delivery, the renewal of the RWS and the update of the estuary protocols.
Resilient and Liveable Regions and Places	Actively contribute to the health of our communities through the provision of waterway and catchment health services and programs.	IWM Forum Chair. EGCMA Engagement Strategy. Communities supported to adapt to changing environmental conditions.	IWM forum chair position maintained. Engagement strategy current and implementation plan fully achieved. Further work undertaken on working with partners on emergency preparedness, response and recovery.
People, Leadership and Culture	Reflect the diverse needs of the community as an employer of choice with outstanding people who are working safely with a strong outward facing culture.	People Matter Survey. Workforce data. Safety Management Systems. Risk Management Framework.	People Matter survey completed with improved results. OHS management system reviewed, and organisational culture continues to improve. Risk management framework current and approved annually.
Improved Performance	Continually improving our services, delivery and processes. Being transparent and accountable to community and government.	Customer Relationship Management database maintained. EGCMA Annual Report.	Database maintained, with over 7,400 participants engaged throughout the year.

Operational performance

The functions of the Authority in 2024/25 were delivered through four programs that aligned to the organisational structure of the Authority and both Victorian and Australian Government policy and investment priorities. The following

section of the report provides a summary of achievements related to the 2024/25 Corporate Plan program theme outputs, outcome indicators and regional measures for each of the four programs.

Waterway Health This program aims to work in partnership with landholders and agencies to maintain or improve the health of priority waterways and catchments so that they can support environmental, social, cultural and economic values.			
Project	2024/25 Investment	2024/25 Expected Output	% Complete
Environmental Water The project will support the role of a dedicated Environmental Water Officer with a specific focus on environmental water related issues, projects and community engagement.	\$236,000	0.6 FTE EW Officer 2 Community Engagement Events 1 Assessment (Snowy monitoring)	All 100%
Victorian Estuary Resilience and Hazard Risk Reduction Project This project will improve the estuary monitoring capability to better understand long term changes in estuary dynamics through the establishment of monitoring infrastructure and subsequent analysis of real time and historical estuary data.	\$115,000	4 Monitoring Structures 1 Ecological Assessment 1 Written Publication	All 100%
Integrated Catchment Management Deliver integrated catchment management outcomes across East Gippsland through the implementation of key priorities identified in the East Gippsland RCS.	\$375,000	2 Vegetation – Native 10 Weed Control - Non woody* 20 Assessment – Property 10 Engagement Event – Meeting 2 Partnership – Agency 10 Partnership – Mixed 1 Plan - Management	All 100% apart from Non woody weed control
Increasing Fish Habitat This project will include the installation of fish habitat structures into the Gippsland Lakes and rivers flowing into the Lakes.	\$110,000	15 Fish habitat structures 50 Additional logs to existing habitat structures	Project rescheduled for early 2025/26
Statutory Functions – Planning, Assessment and Approvals Meet the responsibilities in the Water Act and the Statement of Obligations for CMA's, including floodplain referrals and recommendations; and monitoring condition of waterways, wetlands, and floodplains.	\$913,000	125 Approval and Advice 60 Approval and Advice 1 Partnership, Agency	100%
Building Resilient Waterways Program Maintain and protect the health of the riparian areas of priority waterways across the region, including waterways recovering from fires, floods, and storms.	\$413,000	2 Water Storage – Tank* 1.5 Fence* 3.5 Vegetation – Native 30.5 Weed Control - Non woody 120.5 Weed Control – Woody 1.5 Grazing – Riparian 2 Management Agreement - Binding (non-perpetual) 41 Assessment – Property 41 Engagement Event – Meeting 8 Partnership – Agency 23 Partnership – Mixed 3 Plan - Management	All 100% apart from Water Tanks and Fence

Continued...

Project	2024/25 Investment	2024/25 Expected Output	% Complete
Flagship Waterway – Mitchell Rehabilitation works along the lower Mitchell to transition the waterway from a willow dominated river, to a resilient water with a native vegetation corridor.	\$194,000	2 Vegetation – Native 25 Weed Control - Non woody 10 Assessment - Ecological 20 Assessment – Property 20 Engagement Event – Meeting 2 Partnership – Agency 10 Partnership – Mixed 1 Plan - Management	All 100%
Flagship Waterway – Cann Continue to improve the resilience and resistance of the river to improve the bed and bank stability and native vegetation corridor.	\$127,000	3 Vegetation – Native 10 Weed Control - Non woody 10 Assessment - Ecological 10 Assessment – Property 10 Engagement Event – Meeting 1 Partnership – Agency 10 Partnership – Mixed 1 Plan - Management	All 100%
Floodplain Management Maintain and strengthen partnerships to implement the Regional Floodplain Management Strategy.	\$200,000	2 Plans – Management 6 Partnerships – Agency 4 Engagement Event - Meeting	All 100%
Bushfire Recovery Program Undertake recovery program of works to reduce weed infestations, improve water quality, stabilise riverbanks following bushfires and floods.	\$1,100,000	2 Vegetation – Native 10 Weed Control - Non woody 127 Weed Control – Woody 10 Assessment – Property 10 Engagement Event – Meeting 1 Partnership – Agency 10 Partnership – Mixed 1 Plan - Management	All 100%

Biodiversity

This program aims to work in partnership with agencies and community to maintain or improve the health of terrestrial species, including plants and animals. The main areas of focus for this year include the Red Gum Plains, Gippsland Lakes, Alpine Peatlands and South East Coastal Ranges.

Project	2024/25 Investment	2024/25 Expected Output	% Complete
Red Gum Plains This project seeks to improve the condition of the Redgum Woodlands and Seasonal Herbaceous Wetland Threatened ecological communities.	\$52,000	40 ha Weed control 0.5 ha Revegetation 8 Habitat condition assessment 8 Identifying location of potential sites 1 First Nations Australian Cultural Practices (cultural assessments) 1 Weed distribution survey	All 100%
South East Coastal Ranges This project seeks to improve the condition of threatened ecological communities within the South East Coastal Ranges priority place by applying landscape-scale pest plant and animal control.	\$1,267,000	220 ha Weed control 8 ha Revegetation 744 ha Controlling pest animals 30 Habitat condition assessment surveys 6 Identifying location of potential sites 0.25 ha Controlling access 1 Community stakeholder engagement events 2 Synthesising baseline datasets	All 100%

Gippsland Lakes

This program aims to work in partnership with agencies and community to maintain or improve the health of the Gippsland Lakes, and catchment area. The program also includes coordination and implementation of the Gippsland Lakes Ramsar Site Management Plan.

Project	2024/25 Investment	2024/25 Expected Output	% Complete
Gippsland Lakes Program (State) This project will deliver a program of works designed to improve the health of the Gippsland Lakes and contribute towards achieving the long-term outcomes of the Gippsland Lakes Ramsar Site Management Plan.	\$700,000	4 Engagement Events (Partners) 8 Partnerships 3 Plans* 1 Community Engagement Event 1 Written Publication 1 Audio Publication 1 Visual Publication	All 100% apart from 3 plans yet to be completed
Gippsland Lakes Ramsar Site Management This project will facilitate the coordination of management of the Gippsland Lakes Ramsar site, including the implementation of priority actions, monitoring and evaluation projects.	\$140,000	0.5 FTE Ramsar Officer 4 Engagement Events (Partners) 6 Partnerships 1 Plan* 1 Information Management System (database) 1 Assessment (Surface Water)	All 100% apart from 1 plan yet to be completed
Gippsland Lakes Program (NHT) This project will see 4ha of critical bird breeding and feeding habitat be restored along the Gippsland Lakes, it will also ensure the data captured for key species within the lakes (frogs, birds, saltmarsh and seagrass habitats) will continue, to assist in the application of management actions for the Gippsland Lakes system.	\$853,000	2 ha Habitat augmentation (sand renourishment) 1 First Nations Cultural practices (Cultural assessment) 25 Fauna surveys (birds and frogs) 4 Water quality surveys 6 Synthesising baseline datasets 2 Identifying location of potential sites 2 Flora survey (saltmarsh)	All 100%



Sustainable Agriculture

This program aims to work with agencies, community, and landholders to maintain or improve the health of agricultural land across East Gippsland.

Project	2024/25 Investment	2024/25 Expected Output	% Complete
Sustainable Agriculture Facilitator (SAF) The role of the SAF is to engage and inform the agricultural community about innovative practices and government policies, facilitate partnerships, assist in project development and funding opportunities, and support sustainable agriculture projects enhancing productivity, profitability, and sustainability.	\$166,000	1 Employment of SAF (1FTE) 1 Training program for SAF	All 100%
State-wide Carbon Outreach Program In collaboration with the Victorian CMAs, support Victorian farmers to transition to a low carbon future.	\$62,000	0.2 FTE employment 2 Assessments 1 Plan – Management 1 Training program 4 Partnerships – Agencies 4 Engagement events	All 100%
Climate Smart Agricultural Program (TopSoils3) The TopSoils3 program is a multi-partner project aimed at enhancing soil health and farm profitability through farmer-led focus groups and demonstration sites across East Gippsland.	\$484,000	13 Communication Materials 12 Engagement Events 60 Skills and Knowledge Surveys completed 218 Soil Tests	All 100%

Corporate Governance

This program is to support CMA collaboration and improve governance and compliance across the CMA sector. The program is a support enabler to ensure appropriate levels of governance and compliance are embedded in all activities of the Authority.





Key initiatives and projects

The following section highlights the opportunities and challenges the Authority focussed on during 2024/25.

Bushfire recovery and prevention

The Bushfire Recovery Program, Phases 1 and 2 are now complete. Phase 2 Bushfire Recovery Program concluded in June 2025, delivering \$4.4 million in on-ground works across the region. The program focused on targeted weed control along riparian corridors impacted by the 2019–20 bushfires, prioritising the treatment of emerging infestations that threaten waterway health.

Delivered in partnership with landholders, community groups, and regional agencies, the program treated over 2,000 hectares of woody weeds, hosted multiple community engagement events, and completed works across all East Gippsland catchments.

The program's success was underpinned by a coordinated effort involving EGCMA staff and contractors, supported by a comprehensive engagement strategy and the appointment of a dedicated monitoring coordinator.

Supporting self-determination of Traditional Owners and First Peoples in East Gippsland

The Authority continues to strengthen relationships with Traditional Owners and First Peoples, some of the highlights for 2024/25 include:

- GLaWAC involved in the design and delivery of the NHT and Gippsland Lakes programs.
- GLaWAC, Ngarigo – Monero and Bidwell-Maap involved in the development of the renewal of the Regional Waterway Strategy.
- Working with Bidwell–Maap to develop an NRM works crew.
- Continued to support Moogji Aboriginal NRM works crew in the growing and planting of native plants and delivering essential waterway health works along the Snowy and Cann Rivers.

All Authority employees and the Board have completed Cultural Awareness Training with GLaWAC; and the Chair and CEO have had briefings on state and local Treaty. The Authority is completely committed to supporting self-determination and we will do all that we can to support Traditional Owners and First Peoples to thrive.



Mitchell River Rehabilitation

The EGCMA's major priority and focus for the 2024/25 year has been the rehabilitation of the lower Mitchell River. This year the program has worked closely with the Traditional Owners, GLaWAC, to support the journey of self-determination; employ local contractors; involve farmers and the community to control willows and weeds; phase out stock grazing along the bank of the river; plant native vegetation; and improve access for community to undertake recreation activities and enjoy the river.

Improving environmental condition of the Talikatoor (Gippsland Lakes)

The Gippsland Lakes are a series of coastal lagoons and fringing wetlands that cover approximately 60,000 hectares. They are fed by five major rivers spread across a catchment of over 20,000 square kilometres connected to the ocean at Lakes Entrance. The Gippsland Lakes are part of the Traditional Lands and Waters of the Gunaikurnai People, who have cared for Country for tens of thousands of years. The current and future environmental, social, cultural and economic impacts of the Gippsland Lakes are considered as part of the greater management of the lakes.

This year we saw the Environmental Contribution Tranche 5 funding closed out. The program has been delivered in a collaborative effort with 22 partners and community groups delivering 48 projects across the Gippsland Lakes catchment. Some of the highlights from the program included Joint Management partners, GLaWAC and Parks

Victoria working together to deliver a pest plant and animal control program across the Gippsland Lakes Coastal Park. Through this program, partners combined efforts to achieve 1,400 hectares of weed control and 10,000 hectares of introduced herbivore and predator control.

Similarly, Parks Victoria, Gippsland Ports, EGCMA and Birdlife Australia worked together to complete 6 hectares of sand renourishment across Horries Spit, Crescent Island and Albifrons Islands in the Gippsland Lakes. This activity resulted in increased shoreline habitat to support breeding activities of several threatened bird species including Little and Fairy Terns.

Capacity to deliver services

The Authority relies heavily on state and federal government funding to maintain capacity to deliver its planned programs and statutory functions. In the current environment of constrained budgets and increasing costs, it is a challenge to maintain capacity to deliver meaningful programs.

The Authority is working with other CMAs to develop initiatives to deliver efficiencies through shared services where it is appropriate and sustainable. Examples of this throughout the year includes sharing of employees and resources, maintaining regional roundtable discussions and seeking opportunities to work more closely together to create efficiencies in training and development and systems and processes.

Annual Catchment Condition and Management Report

This section of the annual report provides an assessment of the condition and management of the region's environment, and a reflection on the likely effect of management actions, environmental factors, and the observed change within the year, and over the previous three years. A key purpose of monitoring changes in our 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 state-wide outcomes 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 RCS across the state and can be found here (<https://eastgippsland.rcs.vic.gov.au/this-strategy/strategy-mer/>).

In 2024/25, reporting has focussed on assessing the Authority's contribution to the management of land and water resources. Given the time often required for management actions to demonstrate sustained environmental change, reporting on condition indicators will be undertaken as part of the final review of the RCS.

How to interpret this report

The assessment below is based on a set of state-wide 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.

Three types of indicators make up catchment condition and management reporting. These are: contextual, management, and condition.

- Contextual indicators help to identify how external environmental factors may have influenced program delivery and environmental condition.
- Condition indicators provide a rating that is based on the current state of the theme, including representative assets and pressures. The assessment is based on available science and expert advice as well as evidence gained during the preceding year.
- Management indicators provide a rating that is based on the delivery of planned activities and targets relevant to the theme.

Reporting on management and contextual indicators is undertaken annually.

Reporting on condition indicators is undertaken less frequently, reflecting the timeframes to observe changes in the natural environment and the availability of the supporting data. The 2024/25 annual report includes a summary rating for catchment condition building on previous years' assessments.



An assessment of the trend for each of them is also made. This represents the trajectory over a 6-year timeframe and reflects change in condition over the short to medium term. The trend is assessed against the direction required to contribute to the achievement of regional outcomes. A summary of the ratings used in the assessment and a description of the categories applied to each of these is provided in the tables below.

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.

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)
Satisfactory	Delivery of activities and programs associated with this indicator is assessed as satisfactory for the 12-month period (i.e. targets for some activities were not achieved or the majority were 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.

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

6 Year condition trend	Description
 Positive	The condition is moving in a positive direction over the short to medium term pending ongoing management and environmental impacts.
 Neutral	The condition is in a neutral state over the short to medium term and is considered stable pending ongoing management and environmental impacts.
 Concerned	The condition is cause for concern over the short to medium term and will continue to decline pending ongoing management and environmental impacts.





2024–25 Catchment condition and management report

Regional catchment condition and management summary.

Theme	Condition		Management	Summary Comment
	Condition Rating	Trend	Management Rating	
Water	Moderate	➡ Neutral	Above expectations	Recovery of waterways following the 2019/20 bushfires has now slowed. The impacts of sequential flood events over the past 3 years are now being observed in river behaviour and riparian vegetation communities. With closer to average rainfall and river flows observed during 2024, our rivers have largely remained stable, however key risks are being monitored and investigated. During 2024 the second highest levels of inundation across the region since 2000 were observed. Our wetlands continue to move through wetting and drying cycles to support a range of important terrestrial and aquatic species.
Land	Good	➡ Neutral	Satisfactory	The area of exposed soil has remained below average and has reduced since 2023. Soil moisture levels in 2024 remained about average. Improved land management practices, driven by engagement with landholders and collaboration and knowledge sharing, and increased vegetation growth (the highest since 2000) has contributed to this. Community led groups continue to increase their influence and leadership in agricultural and land management practice across the region.
Coast and Marine	Good	➡ Neutral	Satisfactory	The coast of East Gippsland remains in good condition, with little change. With closer to average rainfall and river flows across 2024 estuaries across the region continue to open and close to the ocean, largely through natural processes and cycles. The impacts of a changing climate are starting to be observed in the duration and frequency of these cycles. Only a single estuary required artificial intervention to open across the year, with 2 natural openings also occurring. The Gippsland Lakes continue to support significant ecological and cultural values, however recent extreme weather events over the last 5 years have impacted water quality and some aquatic species. The lakes continue to be recognised as a Wetland of International Importance and maintain key ecological values, and the ongoing collaborative partnerships and program funding provided continues to support maintenance and improvements of these values.



Theme	Condition		Management	Summary Comment
	Condition Rating	Trend	Management Rating	
Biodiversity	Moderate	 Neutral	Above expectations	The ecological communities across the region continue to recover following the 2019/20 Black Summer fires. The rate of vegetation growth has increased again this year and is again the highest since 2000. Investment has now been secured for multiple biodiversity focussed programs with on-ground delivery now underway. This year has seen the commencement of large-scale projects focussed on threatened species and threatened ecological communities across East Gippsland.
Community	Moderate	 Neutral	Above expectations	Extreme natural events have continued to impact communities, with ongoing impacts and disruption to infrastructure, tourism and primary production. The Authority and our partner agencies continue to provide support to communities through providing grants and advice, health support programs, and hosting events and school programs. The community continues to work together and support each other and the resilience in communities across the region has continued to grow.
Integrated Catchment Management	Moderate	 Neutral	Satisfactory	East Gippsland is known for its leadership in ICM. There are collaborative groups and forums at all levels, state, regional and local, working together to achieve catchment-wide outcomes. A highlight for this year has been the renewal and approval of the Gippsland Lakes Ramsar Site Management Plan. The plan was developed in a collaborative fashion with the wide range of community, government and non-government partners involved in caring for the Gippsland Lakes Ramsar Site. A national priority, the Ramsar site is complex and requires cooperation from partners and shared outcomes to ensure the effective management of key current and future threats.

Contextual information

Annual Rainfall	Description
This indicator looks at the annual rainfall. Rainfall and the timing of rainfall will impact on agricultural production and water quality.	Although rainfall total was average, it was often inconsistent in timing and intensity. River flows were also about average throughout the year, with metrics showing that inundation levels of wetlands and floodplains increased from last year and were again the second highest since 2000. Source: Australia's Environment – 2024 Report Card
Exposed Soil	Description
This indicator looks at the percentage of unprotected soil.	The exposed soil for East Gippsland was less than 2.5% and has been maintained below average for the year (2024). Vegetation growth increased from 2023 and was again the highest since 2000. Source: Australia's Environment – 2024 Report Card
Natural / Extreme Events	Description
This section reports on notable natural or extreme events that have taken place in the region.	A range of waterways experienced minor or moderate flooding at times throughout the year in response to isolated intense rainfall events. These types of events, particularly if subsequent events occur over a short time period, have the potential to reduce the resilience and condition of rivers and streams. The legacy impacts of widespread bushfires from 2019/20 continue to be observed in declining water quality following intense rainfall in affected catchments. Source: EGCMA data
Overall – Environmental Score	Description
This section reports on the overall environmental condition expressed between 0 and 10 relative to previous years.	East Gippsland's overall environmental score (out of 10) was 7.6, up from 6.5 in 2023. The score is calculated as the average of the ranking of component scores for inundation and streamflow, vegetation growth, leaf area, soil protection and tree cover, and the number of hot days. Source: Australia's Environment – 2024 Report Card



Highlights for the implementation of the RCS for the 2024/25 year

Water

Funding for a new four-year program of works (EC6) 2024–2028 has been secured. On-ground works including pest plant control, revegetation, stabilisation works, and fencing have now commenced. Phase 2 of the Bushfire Recovery Program has been successfully completed. Efforts have focused on woody weed control (primarily willows) across fire affected catchments to protect recovering waterways. The improvement of native fish habitat in the Gippsland Lakes and tributaries has continued with 65 pieces of timber placed in waterways to create new, or enhance existing, fish habitat structures.

Coasts and marine

The Gippsland Lakes program continued its success, with over 40 partner agencies and community groups working together to achieve environmental outcomes across the Gippsland Lakes and its catchment. Along with wide range of on- ground works completed by regional partners and community groups, programs to monitor, water quality, saltmarsh and seagrass distribution, frog and bird populations, as well as the critically endangered Burrnun Dolphin, were all completed. This helps to build our knowledge of the current condition of the lakes ecosystem. The results of this monitoring are compiled in the latest Gippsland Lakes Environment Report.

Biodiversity

Collaboration with regional and interstate partners has commenced through the implementation of the South East Coastal Ranges project. Funded by the Federal Government Saving Native Species program, it is one of Australia's 20 Priority Places listed in the Threatened Species Action Plan 2022–2032. This project will improve

the condition of threatened ecological communities across the landscape in the east of our region. Coordinated pest plant and animal programs have already completed 220ha of weed control, 740ha of pest animal control and 8 ha of revegetation work.

Communities

The Authority continues to strengthen partnerships and work with Traditional Owners and First Peoples. This year we have continued to work with GLaWAC on implementation of biodiversity, waterway health and Gippsland Lakes projects. We have continued our journey with the Ngarigo Monero, and Bidwell-Maap First Peoples groups, to find opportunities to progress the aspirations and priorities for Country and community.

We have continued to support community interest through funding 25 grants to 20 different community groups, including Landcare, Angling Clubs and Friends Of groups.

Land

This year the sustainable agriculture program has focussed on building the capacity and capability of landholders across the region through implementation of the TopSoils program across the region. The focus of events has been improving and retaining ground cover, carbon farming, providing mental health support and building partnerships to share and learn from each other. Our Sustainable Landcare Facilitator position was funded throughout the 2024/25 financial year to facilitate regional events and support regional agricultural partnerships. This year the focus has been on supporting Women in Agriculture and supporting Small Property owners across the region.





Five year financial summary

	2024/25 ('000)	2023/24 ('000)	2022/23 ('000)	2021/22 ('000)	2020/21 ('000)
Operating Revenue					
Victorian Government	7,732	8,435	9,132	9,115	10,276
Commonwealth Government	3,210	646	1,211	1,198	2,176
Other revenue	1,041	1,196	1,246	1,036	663
Total Operating Revenue	11,983	10,277	11,589	11,349	13,115
Operating Expenses					
Governance and Corporate	1,973	1,891	1,823	1,692	1,519
Project Expenditure	8,052	10,351	12,608	8,345	8,555
Total Operating Expenses	10,025	12,242	14,431	10,037	10,074
Total Assets	14,766	10,685	13,289	16,096	15,284
Total Liabilities	3,142	1,009	1,697	1,733	2,243

Current year financial review

The Authority is financially sound, with adequate provisions in place to fulfil its obligations to staff and replacement of plant and equipment. Sufficient resources are allocated to deliver the Corporate Plan objectives for 2024/25.

Significant changes in financial position

There were no significant changes to our financial position during the reporting period.

Significant changes or factors affecting performance

A concerted effort to deliver on a backlog of operational activity has been made during 2024/25. Even with multiple extreme events, the Authority has managed to deliver the programs as expected. The Authority has met its obligations to keep government informed through regular reporting.



Disclosure of grants and transfer payments

The Authority has provided grants to partners in natural resource management including community groups and organisations in the East Gippsland region. Grants were provided in 2024/25 for the purposes of supporting the administration of Landcare groups and implementing on-ground natural resource management projects.

Total grants paid during the 2024/25 year were \$1.07 million.

The following grant amounts were paid:

Recipient	Amount
Not-for-profit organisations	\$530,617
Landholders	\$58,708
Partner Agencies	\$475,915

Subsequent events

There were no events occurring after balance date which may significantly affect the Authority's operations in subsequent reporting periods.

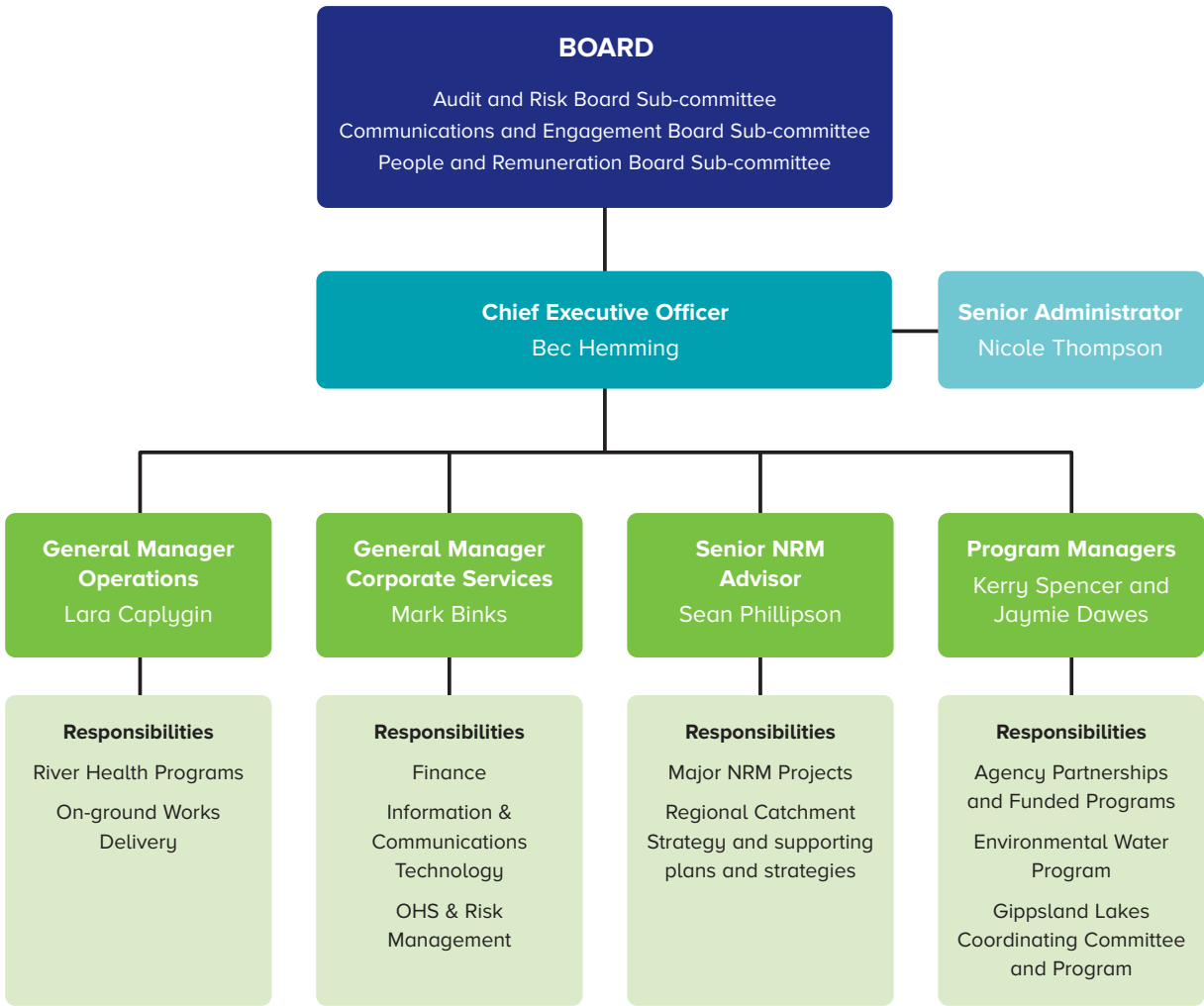


PART 2

Governance and organisational structure



Organisational structure



Governing Board

The Board is responsible for:

- The strategic planning of the Authority.
- Deciding the policies of the Authority.
- The management of the affairs of the Authority, including ensuring the performance of the functions and the carrying out of the duties of the Authority.

The Board may exercise the powers of the Authority.

Each Board of an Authority, in performing its functions, exercising its powers and carrying out its duties, must act in a proper and efficient manner.

Board Member	Term of Appointment	Meeting Attendance
Mr Ewan Waller (Chairperson)	27/10/2015 – 30/09/2025 01/05/2020 – 30/09/2025	6 of 6
Ms Frances MacLennan	01/10/2017 – 30/09/2025	6 of 6
Ms Claire Miller	01/10/2017 – 30/09/2025	5 of 6
Ms Glenys Watts	27/10/2015 – 30/09/2025	4 of 6
Ms Merrilyn Woodhouse	01/10/2019 – 30/09/2027	5 of 6
Ms Kate Commins	01/07/2020 – 30/09/2027	6 of 6
Mr Stephen Angus	01/10/2021 – 30/09/2025	6 of 6
Ms Jessica Knight	01/10/2023 – 30/09/2027	5 of 5
Mr Daniel Rodaughan (Independent Aboriginal Delegate)	11/06/2024 – 11/06/2026	5 of 6
Ms Caitlin Berecny (Associate Board Member)	22/07/2024 – 21/07/2026	4 of 6

Board committees

The following committees report to the Board.

Audit and Risk Committee membership and roles

During 2024/25 the Committee consisted of the following Board members who are not involved in the day-to-day management of the Authority:

Mr Stephen Angus	(all of 2024–2025)
Ms Merrilyn Woodhouse	(all of 2024–2025)
Ms Jessica Knight	(all of 2024–2025)
Mr Ewan Waller	(Ex-Officio Member)

The Committee is responsible for overseeing financial and organisational performance, risk management, OH & S, and monitoring legislative and regulative compliance.

Meetings are held not less than quarterly.

The Committee also included external members:

Ms Thelma Hutchison	(all of 2024–2025)
Mr Craig Nisbit	(commenced Nov 2024–2025)

Audit and Risk Board Sub-Committee membership and meeting attendance 2024–2025.

Name	Term	Attended	Eligible to attend
Mr Stephen Angus (Convenor)	1 July 2024 to 30 June 2025	4	5
Ms Merrilyn Woodhouse	1 July 2024 to 30 June 2025	5	5
Ms Jessica Knight	1 July 2024 to 30 June 2025	3	3
Ms Thelma Hutchison	1 July 2024 to 30 June 2025	5	5
Mr Craig Nisbit	4 November 2024 to 30 June 2025	3	3

Board committees

Communications and Engagement Board Sub-committee

The Committee consisted of the following Board members:

Ms Frances MacLennan	(all of 2024 - 2025)
Ms Glenys Watts	(all of 2024 - 2025)
Ms Kate Commins	(all of 2024 - 2025)
Mr Ewan Waller	(Ex-Officio Member)

The Committee also included an external member:

Ms Lauren Carey	(all of 2024 - 2025)
Ms Mandi Davidson	(commencing 1 May 2025)

The Committee's primary responsibility is to oversee and advise the Board on matters of Authority communications and engagement. In fulfilling its responsibilities, the Committee will advise the Board of opportunities to improve the performance of the Authority.

People and Remuneration Board Sub-committee

The Committee consists of the following Board members:

Mr Ewan Waller	(all of 2024 - 2025)
Ms Claire Miller	(all of 2024 - 2025)
Ms Kate Commins	(all of 2024 - 2025)

The key function of the Committee is to make recommendations to the Board on matters relating to the remuneration and performance monitoring of the CEO and oversee the Authority's human resources function.



PART 3

Workforce data



Public sector values and employment principles

The *Public Administration Act 2004* (PA Act) specifies several employment principles that must be observed by public sector organisations and their employees in addition to the Victorian Public Sector Commission Code of Conduct for Victorian Public Sector Employees.

The Authority has policies and procedures that are consistent with both the employment and conduct principles and which provide for fair treatment and the early resolution of workplace issues. The Authority has advised its employees on how to avoid conflict of interest, how to respond to offers of gifts and how it deals with grievances in the workplace.

The Authority is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

In addition, the Authority has applied the public sector employment principles and public sector values in the following ways:

- 1 Development and implementation of Plans, Policies and Procedures that support a fair and equitable workplace for employees, including:
 - Equal Opportunity Procedure.
 - Human Resources Policy.
 - Recruitment and Selection Procedure.
 - Discipline Procedure.
 - Grievance Procedure.
 - Human Resources Procedure.
 - Gifts, Benefits and Hospitality Policy and Procedure.
 - Inclusion and Diversity Implementation Plan 2023.
- 2 Development of workplace values and behaviours based on the public sector values and the inclusion of these in the Annual Employee Review and Plan Procedure.

Occupational health and safety

The safety of Authority employees and our contractors is our highest priority and one of our core values. The Occupational Health and Safety (OHS) management system underpins our policy which aims to build a culture that provides a working environment, resources and support to make safety, health and wellbeing everyone's responsibility.

During the 2024/25 financial year, management and the OHS Committee in consultation with stakeholders, implemented the annual OHS Action Plan. Initiatives have included updating Authority policies and procedures, reviewing and updating contractor OHS standards and working with the other CMAs to improve OHS across the sector.

A highlight for the year has been the development and delivery of the Psychosocial Action Plan. As part of this, a suite of training to support the development of psychosocial and psychological safety among staff was delivered.

The Authority's performance in OHS demonstrates a commitment to achieving best practice with a focus on continuous improvement and recognising that health and safety contributes to overall organisational and business success through a reduction in workplace injuries and ill health.

For the 2024/25 financial year, the Authority had 12 incidents and 8 hazards reported.

There was one lost time injury for the reporting period.

	2024/25	2023/24	2022/23
Incidents			
Contractor time lost to injuries/accidents (days)	0	0	1
Contractor incident notifications	5	3	2
Staff time lost to injuries/accidents (days)	1	0	0
Staff hazard/incident notifications	14	28	24
Incidents reported to WorkSafe	0	0	0
Work Cover claims	0	0	0
Average cost per claim	0	0	0

A culture of safety awareness for all staff begins at induction and continues throughout the duration of employment, via formal accredited training programs, robust project management practices including project audits, contractor performance reviews, incident and hazard reporting and promoting an ongoing commitment to continuous improvement in OHS.



Workforce data

On 30 June 2025, the Authority employed 27 staff (24.7 full time equivalent), compared to 31 staff (28.5 full time equivalent) on 30 June 2024. The Authority's workforce numbers have remained fairly consistent between the two years.

Employees have been correctly classified in workforce data collections.

The breakdown of staff for the Authority at the end of 2024/25 compared to 2023/24 is as follows:

Staff	2024/25		2023/24	
	Number (headcount)	FTE	Number (headcount)	FTE
Chief Executive Officer	1	1	1	1
Senior Managers	2	1.8	4	3.4
Corporate Services staff (including hosted employees)	8	7.3	9	9.3
Program staff	16	14.6	17	14.8
Total	27	24.7	31	28.5

Notes

- All figures reflect employment levels during the last full pay period in June of each year.
- The figures exclude casuals and external contractors/consultants.
- The figures include staff who are employed in ongoing and fixed term positions.
- The Chief Executive Officer is engaged on a standard executive contract.
- Senior Managers report directly to the Chief Executive Officer.
- FTE means "Full Time Equivalent".



Workforce inclusion policy

The Authority’s Inclusion and Diversity Plan 2023 continues to follow and strengthen the Authority’s commitment to Aboriginal participation; Psychological Health and Safety in the Workplace; Secondment and Learning opportunities; Young People; and the Values and Behaviours which guide the organisation.

The Key Target Areas Actions within the Plan are focussed on strengthening and building existing strategies and policies while still aligning with the Government’s focus. In addition,

the Authority’s Traditional Owner and First Peoples Partnership Policy supports Aboriginal self-determination by working together in partnership with Aboriginal people to establish a framework that provides for the consideration of Aboriginal interests in relation to all activities undertaken by the Authority.

The Authority’s progress in these areas is outlined below:

Diversity and Inclusion Plan 2023	Progress in 2024/25	Progress in 2023/24
Workforce participation measured by gender	Senior Manager level: Male: 40% / Female: 60% Middle management: Male: 25% / Female: 75% Youth employed (24 and under): 0	Senior Manager level: Male: 40% / Female: 60% Middle management: Male: 25% / Female: 75% Youth employed (24 and under): 0
Target Actions	1. Continue to remove the name and gender of candidates from initial job application assessments to prevent discrimination, stereotyping and potential hidden bias. 2. Underpinned by the Authority’s merit-based appointments approach, continue to ensure the Authority is able to support and facilitate equity in succession planning, recruitment and employment.	
Implement the Authority’s Social Procurement Strategy	Number of contracts and onground projects awarded to suppliers who are Victorian Aboriginal businesses – 24% Number of grants awarded who involve Traditional Owners in their delivery – 4%	Number of contracts and onground projects awarded to suppliers who are Victorian Aboriginal businesses – 14% Number of grants awarded who involve Traditional Owners in their delivery – 13%

PART 4

Other disclosures



Local Jobs First

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

The Authority is required to apply the Local Job First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria. 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.

Projects Commenced – Local Jobs First Standard

During 2024/25, the Authority commenced no Local Jobs First Standard projects.

Projects Completed – Local Jobs First Standard

During 2024/25, the Authority completed no Local Jobs First Standard project.

Reporting requirements – all projects

During 2024/25, no businesses prepared a Local Industry Development Plan (LIDP) for Authority tenders.

Reporting requirements – grants

There were no grants provided during 2024/25 that corresponded with the registration and issue of an Interaction Reference Number.

Social procurement

The Authority is committed to supporting the Government’s directions under the Social Procurement Framework (SPF) and we recognise that we play a key role in advancing social and sustainable outcomes for Victorians.

The Authority operates with a Social Procurement Strategy to guide our approach to the delivery of social outcomes via our procurement.

The Authority’s overall social procurement activities for 2024/25 are:

Social Procurement activities 2024/25	No.	Value \$ direct spend (excl. GST)	% Total Spend
Number of social benefit suppliers engaged during the reporting period	2	\$195,310	3.1%
Total procurement of mainstream suppliers engaged that have made social procurement commitments in their contracts with the Victorian Government.	0	-	-
Total number of contracts that include social procurement commitments	0	-	-

In the Strategy, the Authority has prioritised three SPF objectives detailed in the tables below with their associated reporting metrics:

SPF Objective: Opportunities for Victorian Aboriginal people	
SPF Outcome	SPF Reporting Metrics
Employment of Victorian Aboriginal people by suppliers to the Victorian Government.	Number of contracts awarded to suppliers who are Victorian Aboriginal businesses.

SPF Objective: Supporting Safe and Fair Work Practices	
SPF Outcome	SPF Reporting Metrics
Purchasing from suppliers that comply with industrial relations laws and promote secure employment.	Number of Authority contracted suppliers that attest to compliance with the Workplace Self-Assessment Checklist and Industrial Relations Declaration of Compliance (for procurements over \$50,000).

SPF Objective: Sustainable Victorian Social Enterprises and Aboriginal business sectors	
SPF Outcome	SPF Reporting Metrics
Purchasing from Victorian social enterprises and Aboriginal businesses.	Number of contracts awarded to suppliers who are Victorian Aboriginal businesses.

Achievements to date include:

- Operates with a Social Procurement Strategy.
- Commenced implementation and measurement of targets.
- Updated our Procurement Procedure to align with our Social Procurement Strategy.
- Supported the development of the regional Aboriginal Workforce Strategy.

Activities

To address the Opportunities for Victorian Aboriginal People and Sustainable Victorian Social Enterprises and Aboriginal business sectors' objectives the Authority

tracks the number of projects local Aboriginal businesses complete for the Authority as a part of its onground works program (water and catchments). In addition, the Authority has a Traditional Owner and First Peoples Partnership Policy. The Policy notes that the Authority is committed to developing and maintaining constructive working relationships with Traditional Owners and First Peoples and organisations in the delivery of all Natural Resource Management (NRM) initiatives.

To address the Supporting Safe and Fair Work Practices objective, the Authority includes the Self-Assessment Checklist and Industrial Relations Declaration of Compliance in RFQs and RFTs above \$50,000.

Case Study

Day out with GLaWAC

The Authority had a great day out with the GLaWAC NRM crew, joining them in planting and caring for Country at the Buchan pile fields site in May 2025.

The pile fields were designed to slow water during high flow events, preventing bank erosion and assisting in stabilising the riverbed.

Among the approximately 1,000 plants planted is the threatened Buchan Blue wattle, a species found only in a small patch near Buchan.

All native vegetation species, once established, will help protect the riverbanks, give shade and shelter for native animal species, homes for bugs and other critters and will do the work of the timber pile fields in supporting the riverbanks.

GLaWAC is a Registered Aboriginal Party that represents the Gunaikurnai people. When the Authority engages the GLaWAC NRM crew we are supporting our Social Procurement objectives of employment of Victorian Aboriginal people by suppliers to the Victorian Government and purchasing from Victorian social enterprises and Aboriginal businesses.



Government advertising expenditure

The Authority’s expenditure in the 2024/25 reporting period on government campaign expenditure was nil.

Consultancy expenditure

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

In 2024/25 there were 11 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2024/25 in relation to these consultancies was \$480,074 (excl. GST). Details of individual consultancies can be viewed at www.egcma.com.au

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

In 2024/25 there were 14 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2024/25 in relation to these consultancies was \$74,227 (excl. GST).

Reviews and studies expenditure

In 2024/25, there were no reviews or studies undertaken.

Information and Communication Technology (ICT) expenditure

For the 2024/25 reporting period, the Authority had a total ICT expenditure of \$675,576 (excl. GST) with the details shown below:

Business as Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure (Total = Operational expenditure and Capital expenditure)	Non-BAU ICT expenditure • Operational expenditure (Opex)	Non-BAU ICT expenditure • Capital expenditure (Capex)
\$484,932	\$190,644	\$18,678	\$171,966

Disclosure of major contracts

The Authority did not award any major contracts (valued at \$10M or more) during 2024/25.

Freedom of Information

The *Freedom of Information Act 1982* (the Act) allows the public a right of access to documents held by the Authority. 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 a 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.

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.

Under the Act the Freedom of Information (FOI) processing time for requests received is 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days in consultation with the applicant. With the applicant's agreement this may occur any number of times. 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

FOI requests can be lodged online at www.foi.vic.gov.au. An application fee of \$33.60 applies. Access charges may also be payable if the document pool is large, or the search for material is time consuming.

Access to documents can also be obtained through a written request to the Authority, 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.

Requests for documents in the possession of the Authority should be addressed to:

The FOI Officer

East Gippsland Catchment Management Authority
PO Box 1012, Bairnsdale, VIC 3875
Phone: 03 5150 1184
Email: FOI@egcma.com.au

FOI statistics/timeliness

During 2024/25, the Authority received no applications.

During 2024/25, no requests were subject to a 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 Freedom of Information – Office of the Victorian Information Commissioner



Compliance with *Building Act 1993*

The Authority owns and operates three regional depots in Bairnsdale, Orbest and Genoa.

The Authority complies with the Building Act 1993, the Building Regulations 2006 and associated statutory requirements and amendments. Either an Occupancy Permit or a Certificate of Final Inspection is obtained for new facilities or for upgrades to existing facilities endorsed by a Registered Building Surveyor Practitioner.

The Authority did not commence or complete any major projects or works on buildings owned by it that were greater than \$50,000 in 2024/25.

There have been no cases of registered building practitioners becoming deregistered following work on buildings owned by the Authority.

Competitive neutrality policy

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. The Authority continues to implement and apply this principle in its business undertakings.

Where appropriate, competitively neutral price adjustments have been made from July 1, 1997.

Public Interest Disclosures Act 2012

The Public Interest Disclosures Act 2012 (PID Act) enables people to make disclosures about improper conduct by public officers and public bodies.

The Authority is a “public body” for the purposes of the PID Act.

What is a public interest disclosure?

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public officer or a public body.

‘Improper or corrupt conduct’ involves substantial mismanagement of public resources; risk to public health or safety or the environment; or corruption.

‘Detrimental action’ is action taken against a person in reprisal for making a public interest disclosure.

How do I make a public interest disclosure?

You can make a public interest disclosure about the Authority or its Board members, officers or employees by contacting Independent Broad-Based Anti-Corruption Commission IBAC (details below).

The Authority is not able to receive public interest disclosures. No disclosures were made against the Authority.

The Authority has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about the Authority, its Board members, officers or employees. You can access the Authority’s procedures on its website at egcma.com.au/legislation/.

IBAC Victoria

Level 1, North Tower, 459 Collins Street, Melbourne VIC 3000
Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001
Phone: 1300 735 135
Internet: www.ibac.vic.gov.au
Email: A secure email disclosure process is available on IBAC’s website.

Emergency procurement disclosure

In 2024/25 the Authority did not need to activate Emergency Procurement on any occasion in accordance with the requirements of government policy and

accompanying guidelines, resulting in nil spending for emergency procurements.

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.

The Authority did not receive any formal complaints through its procurement complaints management system in 2024/25.

Environmental reporting

The Authority is committed to environmental sustainability in its operations. Sustainability and greenhouse gas emissions reduction form core parts of the Authority's corporate strategy. The Authority supports the Victorian public sector in adopting new technology that lowers emissions and increases environmental sustainability.

During 2024/25, the Authority shifted its head office in Bairnsdale to leased office space at 75 Macleod Street, Bairnsdale and operates three depots across the region – Bairnsdale, Orbost and Genoa.

Collaborative Regional and Statewide Environmental Impacts

The Authority chairs the Regional Climate Change Collective which aims to provide coordinated leadership and alignment across multiple agencies within East Gippsland. This group is designed to coordinate and achieve success with sustainable climate actions between agencies within the region. Authority staff also attend the quarterly Victorian CMAs Climate Change Forum with aims to maintain an overview of all CMA climate change efforts and positions, to exchange knowledge among CMAs, and to support and influence policy and program design.

Electricity Production and Consumption

The Authority has finalised its Net Zero Roadmap which includes cost-effective and efficient strategies to achieve net zero emissions by 2025. This includes generating and supplying solar power from our depot in Bairnsdale, and purchasing green energy or carbon offset schemes.

Transportation

The Authority's fleet consists of 11 vehicles essential to its roles and responsibilities in the management of land, biodiversity, and water resources in the region. The Authority is planning to transition to 100% zero emissions vehicles for its vehicle fleet within the next 10 years, consistent with the Victorian Government's commitment as a signatory to the COP26 declaration on accelerating the transition to 100% zero emissions vehicles.

Environmentally Sustainable Design in new buildings and infrastructure

During 2024/25 the Authority did not undertake any new office accommodation or any substantial tenancy fit out that would trigger a National Australian Built Environment Rating System (NABERS) rating change.

Electricity Production and Consumption Indicator	2024/25	2023/24	2022/23
EL1 – Total Electricity Consumption (MWh)			
Purchased Electricity - Consolidated	5.5	4.9	4.3
Depots	3.6	3.4	2.9
MacLeod Street offices ^(a)	1.9	1.5	1.4
EL4 - Total electricity offsets (MWh)	5.5	4.9	4.3
Greenpower ^(b)	5.5	4.9	4.3

Notes

(a) Macleod St Offices. Data is taken directly from energy supplier invoices.

(b) 100% Green Power at all CMA Offices and Depots.

Transportation Indicator	2024/25	%	2023/24	%	2022/23	%
T2 - Number and proportion of Vehicles						
Passenger Vehicles	11	100	12	100	14	100
Petrol	4	36	2	16	2	14
Diesel/Biodiesel	7	64	10	84	12	86



Statement of availability of other information

Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the Authority and are available (in full) on request, subject to the provisions of the FOI Act:

- a) Details of publications produced by the Authority about itself, and how these can be obtained.
- b) Details of any major external reviews carried out on the Authority.
- c) Details of major research and development activities undertaken by the Authority.
- d) Details of major promotional, public relations and marketing activities undertaken by the Authority to develop community awareness of the entity and its services; and
- e) Details of changes in prices, fees, charges, rates and levies charged.

The information is available on request from:

Chief Executive Officer

East Gippsland Catchment Management Authority

Phone: 03 5152 1184

Email: reception@egcma.com.au

Additional information included in annual report

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

- f) Assessments and measures undertaken to improve the occupational health and safety of employees (page 29).
- g) A list of the Authority's major committees; the purposes of each committee; and the extent to which the purposes have been achieved (page 26).
- h) A statement of completion of declarations of pecuniary interests by relevant officers is not included.

Information that is not applicable to the Authority

The following information is not relevant to the Authority for the reasons set out below:

- i) A declaration of shares held by senior officers (no shares have ever been issued in the Authority's name).
- j) Details of overseas visits undertaken (no Board members or senior executives took overseas work-related trips).
- k) Statement of industrial relations within the Authority.



Financial Management Compliance Attestation Statement

I, Stephen Angus, on behalf of the Responsible Body, certify that the East Gippsland Catchment Management Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a series of loops and a long horizontal stroke.

Stephen Angus
Chairperson
East Gippsland Catchment Management Authority
13 October 2025

PART 5

Financial Statements 2024–2025



Independent Auditor's Report

To the Board of East Gippsland Catchment Management Authority

Opinion	I have audited the financial report of East Gippsland Catchment Management Authority (the authority) which comprises the: • balance sheet as at 30 June 2025 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including 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 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Australian Accounting Standards – Simplified Disclosures.
Basis for opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's responsibilities for the audit of the financial report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants (including Independence Standards)</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. 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 <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. 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.

Auditor's responsibilities for the audit of the financial report

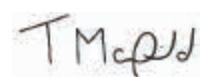
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and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

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

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

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

MELBOURNE
13 October 2025



Timothy Maxfield
as delegate for the Auditor-General of Victoria

How this report is structured

The East Gippsland Catchment Management Authority (the Authority) has presented its audited general purpose financial statements for the financial year ended 30 June 2025 in the following structure to provide users with information about the Authority's stewardship of resource entrusted to it.

Financial statements

Comprehensive operating statement

Balance sheet

Cash flow statement

Statement of changes in equity

Notes to the financial statements

1. About this report

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

2. Funding delivery of our services

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, grants and consultancies

3.3 Other operating expenses

4. Key assets available to support output 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 assets and liabilities

6. How we financed our operations

Borrowings, Cash flow information, Leases, commitments for expenditure and carry forward project funding

6.1 Borrowings - leases

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 Responsible persons
- 8.4 Remuneration of executive officers
- 8.5 Related parties
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Economic dependancy

Declaration in the Financial Statements

The attached financial statements for the East 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, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of the Authority at 30 June 2025.

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 8 October 2025.



Stephen Angus
Chairperson



Rebecca Hemming
CEO and Accountable Officer



Mark Binks
Chief Finance & Accounting Officer

COMPREHENSIVE OPERATING STATEMENT

for the financial year ended 30 June 2025

	Notes	2025 \$	2024 \$
Income from transactions			
Government contributions	2.1.1	10,941,333	9,080,281
Interest		431,907	459,108
Other income	2.1.2	609,049	737,589
Total income from transactions		11,982,289	10,276,978
Expenses from transactions			
Employee expenses	3.1.1	3,739,453	3,695,900
Depreciation and amortisation		190,305	188,045
Materials, grants and consultancies	3.2	1,795,686	4,652,401
Contractors		3,108,886	2,673,652
Interest expense on lease liabilities	6.1.1	18,815	
Other operating expenses	3.3	1,171,652	1,031,724
Total expenses from transactions		10,024,797	12,241,722
Net result from transactions (net operating balance)		1,957,492	(1,964,744)
Other economic flows included in net result			
Net gain / (loss) on non-financial assets (ii)	8.2	(9,225)	48,310
Net result		1,948,267	(1,916,434)
Other economic flows - other comprehensive income Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus		-	-
Comprehensive result		1,948,267	(1,916,434)

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 2025

	Notes	2025 \$	2024 \$
Assets			
Financial assets			
Cash and deposits	6.3	9,616,539	8,775,269
Receivables	5.1	315,012	122,595
Contract assets	5.3	2,121,082	215,815
Total financial assets		12,052,633	9,113,679
Non-financial assets			
Property, plant and equipment	4.1	2,677,292	1,526,272
Intangible assets		4,185	13,069
Other non-financial assets		32,056	32,275
Total non-financial assets		2,713,533	1,571,616
Total assets		14,766,166	10,685,295
Liabilities			
Payables	5.2	1,656,401	313,217
Contract liabilities	5.3	-	63,200
Borrowings	6.1	904,415	-
Employee related provisions	3.1.2	580,811	632,606
Total liabilities		3,141,627	1,009,023
Net assets		11,624,539	9,676,272
Equity			
Accumulated surplus		3,381,060	1,432,793
Physical asset revaluation surplus		1,256,113	1,256,113
Contributed capital		6,987,366	6,987,366
Net worth		11,624,539	9,676,272

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 year ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts			
Receipts from government		9,009,782	9,146,173
Interest received		431,907	459,108
Goods and services tax received from the ATO (ii)		-	621,337
Other receipts		639,657	724,151
Total receipts		10,081,346	10,950,769
Payments			
Payments to suppliers and employees		(8,347,549)	(13,124,569)
Goods and services tax paid to the ATO (ii)		(449,901)	-
Interest and other costs of finance paid		(18,815)	-
Total payments		(8,816,265)	(13,124,569)
Net cash flows from / (used in) operating activities		1,265,081	(2,173,800)
Cash flows from investing activities			
Purchases of non-financial assets		(506,452)	(76,172)
Proceeds from the sale of non-financial assets		116,626	83,451
Net cash (outflow) / inflow from investing activities		(389,826)	7,279
Cash Flows from Financing Activities			
Repayment of principal portion of lease liabilities (iii)		(33,985)	-
Net cash used in financing activities		(33,985)	-
Net increase / (decrease) in cash and cash equivalents		841,270	(2,166,521)
Cash and cash equivalents at the beginning of the financial year		8,775,269	10,941,790
Cash and cash equivalents at end of financial year	6.3	9,616,539	8,775,269

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 2025

	Accumulated surplus	Physical asset revaluation surplus	Contributed capital	Total
	\$	\$	\$	\$
Balance at 1 July 2023	3,349,227	1,256,113	6,987,366	11,592,706
Net result for the year	(1,916,434)	-	-	(1,916,434)
Balance at 30 June 2024	<u>1,432,793</u>	<u>1,256,113</u>	<u>6,987,366</u>	<u>9,676,272</u>
Net result for the year	1,948,267	-	-	1,948,267
Balance at 30 June 2025	<u>3,381,060</u>	<u>1,256,113</u>	<u>6,987,366</u>	<u>11,624,539</u>

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*

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

1. ABOUT THIS REPORT

The East 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: East Gippsland Catchment Management Authority
75 Macleod Street
Bairnsdale VIC 3875

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).

The Authority is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. The Authority's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As the Authority is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

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

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

Accounting policies are selected and applied in a manner which ensures 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.

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

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 the application of 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);
- employee benefit provisions (Note 3.1.2);
- determining whether the lease arrangement is in substance short-term arrangement (Note 6.2);
- lease terms (Note 6.2); and
- 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). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

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 East 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 from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*.

2.1.1 Government contributions

	2025 \$	2024 \$
Income recognised as income of not-for-profit entities under AASB 1058		
State Government		
River Health/ Healthy Waterways	2,478,870	4,163,000
Our Catchments, Our Communities	375,000	576,000
Catchment Planning/Corporate Governance	638,000	615,000
Second Generation Landcare	518,274	525,001
Water Statutory Functions	896,416	853,000
Bushfire Recovery	1,100,000	1,100,000
Flood Recovery	1,000,000	-
Floodplain Management	100,000	100,000
Coastal and Estuarine Risk Mitigation Program	115,000	152,500
Other State Funding	510,000	350,000
	7,731,560	8,434,501
Income recognised as revenue from contracts with customers under AASB 15		
Commonwealth Government		
National Landcare Program / National Heritage Trust	3,209,773	645,780
	3,209,773	645,780
Total Government contributions	10,941,333	9,080,281

Grants recognised under AASB 1058

The Authority has determined that the grant income included in the table above under AASB 1058 *Income of Not-for-Profit Entities* has been earned under arrangements that are either not enforceable and/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 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 Assts.*

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations are satisfied but not yet billed, a contract asset is recorded (refer Note 5.3).

Grants 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 Other income

	2025	2024
	\$	\$
Partnership contributions	117,119	73,406
Hosted entity services	453,028	473,369
Secondment reimbursements	-	134,127
Employee contributions	38,902	56,686
Total other income	609,049	737,588

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.

Hosted Services consists of funds received for providing payroll and other services to external organisations. Amounts received include reimbursement of salary paid and payment for services provided. This revenue is recognised at a point in time when the expenses are incurred by the entity and invoiced to the Hosted entity. These organisations include Gunaikurnai Traditional Owners Land Management Board and Southern Farming Systems. These funds are received with specific performance obligations as per AASB15.

Secondment reimbursements occur when Authority employees have taken up temporary positions with another entity and this entity have been invoiced for the recovery of salaries and on-costs relating to the secondment. These arrangements have formal agreements and have specific performance obligations as per AASB15.

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

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 association with the provision of services are recorded.

3.1 Employee expenses

3.1.1 Employee benefits in the comprehensive operating statement

	2025	2024
	\$	\$
Salaries & wages	2,830,139	2,779,929
Annual leave	269,173	246,037
Long service leave	25,530	49,380
Other leave	142,989	161,265
Superannuation	372,172	345,446
Other employee expenses	99,450	113,843
Total employee benefit expenses	3,739,453	3,695,900

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

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of 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

Significant judgement: Employee benefit provisions

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

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.

	2025	2024
	\$	\$
Current provisions:		
Annual leave	154,865	182,520
Time in lieu and RDO	31,417	35,204
Long service leave	316,000	337,994
Provision for on-costs	70,319	71,418
Total current provisions for employee benefits	572,601	627,136
Non-current provisions:		
Employee benefits	7,202	4,819
On-costs	1,008	651
Total non-current provisions for employee benefits	8,210	5,470
Total provisions for employee benefits and on-costs	580,811	632,606

Wages and salaries and annual leave:

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

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

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

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, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.2 Materials, grants and consultancies

	2025	2024
	\$	\$
Materials	179,555	256,420
Grants paid	1,068,830	3,661,261
Consultants	547,301	734,720
Total materials, grants, and consultancies (i)	1,795,686	4,652,401

(i) The \$1,795,686 in total expenditure on materials, grants and consultancies in 2025 is attributable to a number of factors including a movement away from providing grants and engaging consultants to a more hands-on Contractor engagement approach

Grant expenses are contributions of the Authorities resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services). Grants are recognised in the period in which they are paid or payable.

Materials and consultants are recognised as an expense in the reporting period in which they are incurred.

3.3 Other operating expenses

	2025	2024
	\$	\$
Computer software and support	312,501	236,766
Education and training	63,303	73,963
Fuels and lubricants	35,442	55,371
Insurance	60,298	53,150
Telephones and mobile data	40,255	29,893
Subscriptions and publications	63,913	34,561
Advertising	16,393	15,811
Repairs and maintenance	100,303	59,749
Fares and accomodation	21,752	38,991
Rental / Hire	315,000	307,321
Promotions and public relations	19,053	19,402
Meeting expenses	24,940	15,315
Audit costs	48,738	49,650
Other expenses	49,761	41,781
	1,171,652	1,031,724

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. All other supplies and services are recognised as an expense in the reporting period in which they are incurred.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

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

4.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Land	742,000	742,000	-	-	742,000	742,000
Buildings (i)	1,451,756	432,402	(112,347)	(127,147)	1,339,409	305,255
Information technology assets	520,276	348,310	(313,732)	(280,959)	206,544	67,351
Plant and equipment	156,413	150,267	(123,277)	(119,559)	33,136	30,708
Office furniture and equipment	92,148	50,895	(43,287)	(36,697)	48,861	14,198
Motor vehicles	486,866	551,994	(179,524)	(185,234)	307,342	366,760
Net carrying amount	3,449,459	2,275,868	(772,167)	(749,596)	2,677,292	1,526,272

(i) Buildings depreciation in 2024-25 includes right-of-use (ROU) depreciation for the lease of 75 Maceod St Bairnsdale which began in January 2025.

Initial recognition

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

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

Subsequent measurement

Property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment.

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 extent 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 2021 and a management revaluation of buildings was carried out as at June 2023.

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 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.

	Gross carrying amount 2025	Accumulated depreciation 2025	Net carrying amount 2025	Gross carrying amount 2024	Accumulated depreciation 2024	Net carrying amount 2024
	\$	\$	\$	\$	\$	\$
Right-of-use Buildings	941,600	(47,080)	894,520	88,742	(79,063)	9,679
Net carrying amount	941,600	(47,080)	894,520	88,742	(79,063)	9,679

	Buildings at fair value \$
Opening balance - 1 July 2024	9,679
Additions	941,600
Depreciation	(56,759)
Closing balance - 30 June 2025	894,520

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

The authority entered into a lease for offices at 75 Macleod St Bairnsdale commencing on 1st January 2025 for a 5 (5+5) year period. This lease has been taken up as a right of use asset and will be depreciated over the term of the lease.

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.

Specialised buildings and works assets are valued using the current replacement cost method.

Right-of-use asset - Subsequent measurement

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

As per the requirements of FRD103 *Non-Financial Physical Assets*, right-of-use assets are subject to revaluation to Fair Value, whereby management undertake an assessment to determine whether the current lease payments under the contract approximate current market rentals for equivalent properties that would be paid in the current environment.

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

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, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

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 years
Buildings - right-of-use	10 years (Term of Lease)
Information technology	3-5 years
Plant and equipment	10-15 years
Office furniture and equipment	10-15 years
Motor vehicles	7-8 years
Intangible assets	5 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.

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	Buildings	Information Technology assets	Plant and equipment	Office furniture and equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
2024-25							
Opening balance	742,000	305,255	67,351	30,708	14,198	366,760	1,526,272
Additions	-	1,108,096	171,966	6,146	41,254	120,591	1,448,053
Disposals	-	-	-	-	-	(115,612)	(115,612)
Depreciation	-	(73,942)	(32,773)	(3,718)	(6,591)	(64,397)	(181,421)
Closing balance	742,000	1,339,409	206,544	33,136	48,861	307,342	2,677,292

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Significant judgement: Accrued revenue, contract liabilities and accrued expenses

Performance obligations in contracts are normally stipulated in the contract with customers and the obligations are satisfied when the service obligations have been completed. For example the supply of goods and services or upon completion of service. Whilst payment is due on the completion of the obligation or service.

5.1 Receivables

	2025 \$	2024 \$
Receivables		
Contractual		
Trade receivables	314,532	28,064
	<u>314,532</u>	<u>28,064</u>
Statutory		
Superannuation	480	-
GST input tax credits recoverable	-	94,531
	<u>480</u>	<u>94,531</u>
Total receivables	<u>315,012</u>	<u>122,595</u>
Represented by:		
Current receivables	315,012	122,595
Non-current receivables	-	-

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

	2025	2024
	\$	\$
Contractual		
Trade payables	166,029	156,439
Accrued expenses	1,314,984	88,501
	<u>1,481,013</u>	<u>244,940</u>
Statutory		
FBT accrual	-	11,241
PAYG withholding tax	53,046	57,036
GST payable	122,342	-
	<u>175,388</u>	<u>68,277</u>
Total payables	<u><u>1,656,401</u></u>	<u><u>313,217</u></u>
<i>Represented by:</i>		
Current payables	1,656,401	313,217

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 assets and liabilities

	2025	2024
	\$	\$
Contract assets		
National Heritage Trust program - funding owed to authority at balance date	2,121,082	215,815
Total current contract assets	<u><u>2,121,082</u></u>	<u><u>215,815</u></u>
	2025	2024
	\$	\$
Contract liabilities		
National Heritage Trust program - expenses owed to suppliers at balance date	-	63,200
Total current contract assets	<u><u>-</u></u>	<u><u>63,200</u></u>

Contract assets relating to funding owing to authority at balance date

The funding owed to the authority at balance date relates to consideration for work completed but not billed or invoiced as at the reporting date. The contract asset is transferred to receivables when the rights become unconditional and when the authority issues an invoice to the customer.

Contract liabilities relating to contract payments not paid at balance date

Funding received in the reporting period, but the performance obligations are outstanding at balance date.

The amount owed to the authority suppliers at balance date relates to consideration for work completed but not invoiced as at the reporting date. The contract liabilities is transferred to payables when the rights become unconditional and when the authority settles outstanding invoices.

Contract asset reconciliation

The following table shows how much of the revenue recognised in the current reporting period relates to carried forward contract assets and how much relates to performance obligations that were satisfied in a prior year.

Contract asset reconciliation	2025	2024
	\$	\$
Balance at beginning of financial year	215,815	543,475
Amount settled during the current year that was included in the balance at the beginning of the period	(215,815)	(543,475)
Revenue recognised in current year under AASB15 which had not been received as at balance day	2,121,082	215,815
Balance at end of financial year	<u>2,121,082</u>	<u>215,815</u>
Contract liability reconciliation	2025	2024
	\$	\$
Balance at beginning of financial year	63,200	324,968
Payments made in the reporting period for the completion of performance obligations	(63,200)	(324,968)
Payments owed for performance obligations completed yet to be paid	-	63,200
Balance at end of financial year	<u>-</u>	<u>63,200</u>

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. Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

6.1 Borrowings - Leases

As at June 2024, the Authority had no borrowings as a lease for its office accommodation at 574 Main St Bairnsdale had expired on 30 June 2023. The Authority still occupied this property under a one year agreement with a second year option.

As at June 2025, the Authority had borrowings for a lease for its office accommodation at 75 Macleod St Bairnsdale. The lease commenced 1 January 2025 and is for term of 5 years, with an option to extend for a further 5 years. The lease liabilities are based on a 10 year period.

	Notes	2025 \$	2024 \$
Current borrowings			
Lease liabilities (i)	6.2	99,840	-
Total current borrowings		99,840	-
Non-current borrowings			
Lease liabilities (i)	6.2	804,575	-
Total non-current borrowings		804,575	-
Total borrowings		904,415	-

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 Interest expense

	2025 \$	2024 \$
Interest expense on lease liabilities	18,815	-
Total interest expense	18,815	-

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 one property. 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 up to extension options 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 2025, the Authority has not committed to short term leases and the total commitment at that date was \$0 (Note 6.4)

6.2.1 Right-of-use assets

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

6.2.2 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 take 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.

Presentation of right-of-use assets and lease liabilities

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

Future lease payments

	Minimum future lease payments (a)	
	2025	2024
	\$	\$
Not longer than 1 year	97,920	-
Longer than 1 year but not longer than 5 years	432,446	-
Longer than 5 years	574,246	-
Minimum future lease payments	1,104,612	-
Less future finance charges	(200,197)	-
Present value of minimum lease payments	904,415	-

Note:

(a) 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*.

	2025	2024
Cash and deposits disclosed in the balance sheet (a):	\$	\$
Cash on hand	99	400
Cash at bank	9,616,440	8,774,869
Balance as per cash flow statement	9,616,539	8,775,269

Note:

(a) Cash and deposits bear variable interest rate with a weighted-average interest rate of 4.70% during the 2024-25 year.

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

	2025	2024
Operating commitments payable	\$	\$
Less than 1 year	320,005	331,758
1 to 5 years	-	-
5 years or more	-	-
Total commitments (inclusive of GST)	320,005	331,758

The other commitments payable includes a contract for the provision of Information Technology services for the provision of shared services provided by government partners.

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 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.

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 and financial liabilities are recognised in the Balance Sheet when the authority becomes party to the contractual provisions of the financial instrument. The authority's financial assets are classified at initial recognition and subsequently measured at amortised cost or fair value through profit or loss. The classification of financial asset receivables at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

The authority has the following categories of financial instruments:

- Cash and deposits
- Trade and other receivables
- Payables
- Lease liabilities.

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

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 majority of funding sourced from State and Federal government.

The expected loss rate for the year ending 30 June 2025 has been calculated at 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 \$
2024-25					
Financial assets at amortised cost					
Cash and deposits	9,616,539	-	431,907	-	-
Contract assets	2,121,082	-	-	-	-
Trade receivables ^(a)	314,532	-	-	-	-
Total financial assets at amortised cost	12,052,153	-	431,907	-	-
Financial Liabilities at amortised cost					
Trade payables ^(a)	1,481,013	-	-	-	-
Lease liabilities	904,415	-	18,815	-	-
Total contractual financial liabilities	2,385,428	-	18,815	-	-

Note:

(a) 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 \$
2023-24					
Financial assets at amortised cost					
Cash and deposits	8,775,269	-	-	-	-
Contract assets	215,815	-	-	-	-
Trade receivables ^(a)	28,064	-	-	-	-
Total financial assets at amortised cost	9,019,148	-	-	-	-
Financial Liabilities at amortised cost					
Trade payables ^(a)	244,940	-	-	-	-
Contract liabilities	63,200	-	-	-	-
Total contractual financial liabilities	308,140	-	-	-	-

Note:

(a) 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.

There were no contingent assets or liabilities in 2025 or 2024.

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.

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.

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

Non-specialised land is the only level 2 non-financial physical assets and all other non-financial physical assets are categorised as level 3.

There have been no transfers between levels during the period.

Non-specialised land and 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 6.2. Carrying amount has been compared to market indices to ensure value represents fair value.

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 in accordance with FRD 103 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 2021. A managerial revaluation of buildings at June 2023 resulted in a upward revaluation of \$34,660.

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 would be classified as Level 3 assets.

An independent valuation of the Authority's specialised land was performed by the Valuer-General Victoria using the market approach adjusted for CSO. The effective date of the valuation was 30 June 2021.

Motor vehicles

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

Plant and equipment, information technology assets and office furniture and equipment

Plant and equipment, information technology assets and office furniture and equipment is held at fair value. When plant and equipment, information technology assets 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 2025.

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

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Non-specialised buildings	Current replacement cost VGV indexation factors	Direct cost per square metre Useful life of non-specialised buildings
Plant and equipment, information technology and office furniture and equipment	Current replacement cost	Cost per unit Useful life of plant 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 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 2025 (2024: \$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.

	2025	2024
	\$	\$
Net gain/(loss) on disposal of non-financial assets		
Proceeds from sale of non-financial assets	106,387	83,451
Less written down value	(115,612)	(35,141)
Total net gain / (loss) on disposal of non-financial assets	(9,225)	48,310

8.3 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. Harriet Shing MP	Minister for Water	1 Jul 2024 to 19 Dec 2024
The Hon. Gayle Tierney MP	Minister for Water	20 Dec 2024 to 30 Jun 2025
The Hon. Lily D'Ambrosio MP	Minister for Climate Action	1 Jul 2024 to 30 June 2025
The Hon. Steve Dimopoulos MP	Minister for Environment	1 Jul 2024 to 30 June 2025
Ewan Waller	Chair	1 Jul 2024 to 30 June 2025
Rebecca Hemming	CEO	1 Jul 2024 to 30 June 2025
Kate Commins	Board Member	1 Jul 2024 to 30 June 2025
Glenys Watts	Board Member	1 Jul 2024 to 30 June 2025
Claire Miller	Board Member	1 Jul 2024 to 30 June 2025
Francis MacLennan	Board Member	1 Jul 2024 to 30 June 2025
Merrilyn Woodhouse	Board Member	1 Jul 2024 to 30 June 2025
Stephen Angus	Board Member	1 Jul 2024 to 30 June 2025
Jessica Knight	Board Member	1 Jul 2024 to 30 June 2025

Remuneration

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

Income band	2025	2024
\$0–\$9,999	0	1
\$10,000–\$19,999	7	7
\$20,000–\$29,999	0	0
\$30,000–\$39,999	1	1
\$40,000–\$49,999	0	1
\$190,000–\$199,999	0	1
\$200,000–\$209,999	1	0
Total number of responsible persons	9	11
Total remuneration \$	349,321	389,646

8.4 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.

8.5 Related parties

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

- all key management personnel and their close family members 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

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

Funding received

Entity	Nature of transaction/s	2025 \$	2024 \$
Department of Energy, Environment and Climate Action	Service Level Agreements	7,519,993	7,982,299
Gunaikurnai Traditional Owners Land Management Board	Service Level Agreements	380,481	433,725

As at the balance date the following amounts were owed government related entities to the Authority:

Entity	Nature of transaction/s	2025 \$	2024 \$
Department of Energy, Environment and Climate Action	Service Level Agreements	3,433	-
Gunaikurnai Traditional Owners Land Management Board	Service Level Agreements	-	26,473

The funding received was government contributions for specific activities undertaken by the Authority in the ordinary course of its business.

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

Payments made

Entity	Nature of transaction/s	2025 \$	2024 \$
Department of Energy, Environment and Climate Action	Service Supply Agreement	560,410	556,727
West Gippsland Catchment Management Authority	Service Supply Agreement	585,844	794,152
Parks Victoria	Service Supply Agreement	-	590,000

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. 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 KMPs	2025	2024
	\$	\$
Total (i)	741,515	752,143

Note:

(i) Note that KMP's are also reported in the disclosure of remuneration of executive officers (Note 8.4).

There were no significant related party transactions or balances that involved key management personnel, their close family members and their personal business interest.

8.6 Remuneration of auditors

	2025	2024
	\$	\$
Victorian Auditor-General's Office for audit of financial statements	23,900	23,000
Total auditors' remuneration	23,900	23,000

8.7 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.

8.8 Economic dependency

The Authority is dependant on the Department of Energy Environment and Climate Action (DEECA) for the majority of its revenue used to operate the entity. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support the Authority.

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List of used acronyms/abbreviations

Acronym	Description/Meaning
BAU	Business as Usual
CMAs	Catchment Management Authorities
DEECA	Department of Energy, Environment and Climate Action
EC6	Environmental Contribution Levy Tranche 6 (State Government funding)
EGCMA	East Gippsland Catchment Management Authority
FOI	Freedom of Information
FOI ACT	<i>Freedom of Information Act 1982</i>
GLaWAC	Gunaikurnai Land and Waters Aboriginal Corporation
Ha or ha	Hectare
IBAC	Independent Broad-based Anti-corruption Commission
ICM	Integrated Catchment Management
ICT	Information and Communication Technology
IWM	Integrated Water Management
MPSG	Major Project Skills Guarantee
No.	Number
NRM	Natural Resource Management
OHS	Occupational Health and Safety
RCS	East Gippsland Regional Catchment Strategy
SPF	Social Procurement Framework
The Authority	East Gippsland Catchment Management Authority
VIPP	Victorian Industry Participation Policy

Notes

[illegible]



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