



ANNUAL REPORT

2021/22

About this Report

The Goulburn-Murray Water Annual Report 2021/22 describes our activities between 1 July 2021 and 30 June 2022 to ensure that we meet customers' needs, our regulatory obligations, maintain our asset base, and achieve our vision of "delivering for our region and our future."

As a part of Goulburn-Murray Water's commitment to sustainability a limited number of copies of this report will be printed. An online version is available at www.gmwater.com.au, or can be accessed by calling GMW on 1800 013 357 8.30am to 4.30pm, Monday to Friday.

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Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present Goulburn-Murray Rural Water Corporation's Annual Report for the year ending 30 June 2022.



Diane James AM

Chairman

Goulburn-Murray Water

7th September 2022

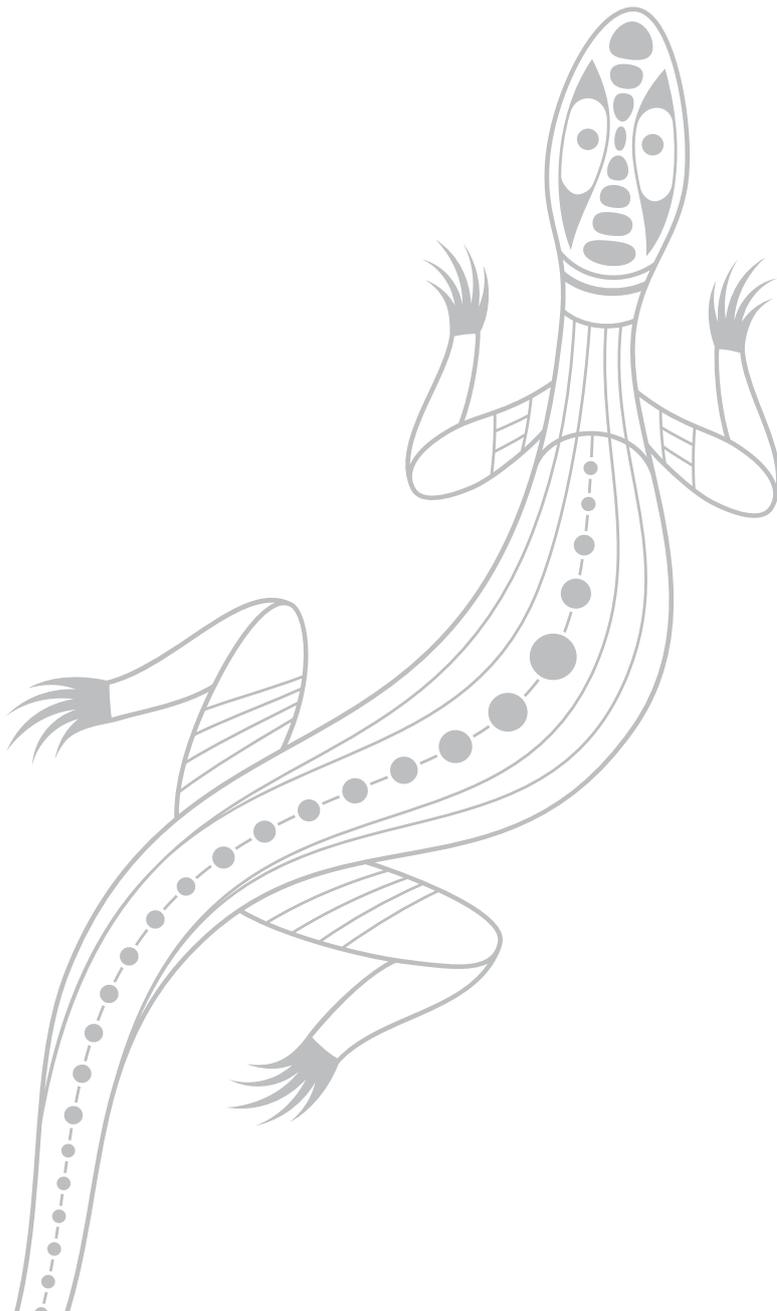
Acknowledgement of Country

Goulburn-Murray Water acknowledges the Aboriginal and Torres Strait Islander communities of Victoria and pays respect to their Elders past, present and emerging.

We acknowledge Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and as the proud representatives of the world's oldest, living culture.

We recognise the Yorta Yorta Nation and the Dja Dja Wurrung, Taungurung and Gunaikurnai Clans, as the Registered Aboriginal Parties within the Goulburn-Murray Water Service Region and acknowledge their rights as the Traditional Owners of lands and waters, as outlined in their Agreements with the State of Victoria. We also acknowledge the insight, contributions and value the Traditional Owner communities add to the management of those lands and waters.

We also recognise the rich cultural connections all First Peoples have across our region, as Traditional Custodians of lands and waters and the importance of those to all our communities.



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Chair's and Managing Director's Report

For Goulburn-Murray Water (GMW), 2021/22 has been a year of considerable progress that promises an even better future for the business and the region. This year, almost 13,500 of our customers received a portion of water recovered from the Connections Project, as either water shares or financial benefit, as a result of the Irrigators' Share Distribution Project.

The GMW Water Efficiency Project (WEP) has continued to modernise our gravity irrigation network, complementing the work completed by the Connections Project. We have now reached the halfway point of the WEP, with 8GL of the 15.9GL total water savings being delivered to date. The WEP is expected to improve irrigation standards for more than 1000 customers.

In addition to the WEP, 170 additional customers benefitted from the completion of the Mitiamo Pipeline in July 2021. The successful completion of this project means that these customers now have a more reliable water supply that is delivered via efficient pipeline infrastructure.

We have continued to create efficiencies in our business through continuous improvement activities. Some examples of these efficiencies include our increasingly data-driven approach to asset management, proactive maintenance programs (e.g. weed control), use of new lithium battery technology, research into minimising regulator gate movement to prolong asset life whilst maintaining customer service, investigating the use of further site based technology to support our storage operations and a range of process improvements. Our customers have benefited from this approach as we were generally able to limit our 2022/23 price increases to 2 per cent despite CPI increasing by 5.1 per cent.

We are not only looking to improve the sustainability of our business, but of the environment too. We joined the Victorian Murray Floodplain Restoration Project (VMFRP) in 2019 to partner with several other organisations to help deliver much needed water back into high-value floodplains along the Murray River. While the VMFRP is in its planning phases, we have partnered with catchment management authorities to deliver on projects that will increase fish passage.

We have committed to accelerating our carbon emission reduction targets to allow us to reach net-zero carbon emissions by 2035, 15 years earlier than previously planned. In the past year, we have taken steps towards this goal. For example, once operational, the Mitiamo Pump Station solar and battery installation will save almost 3,200 tonnes of CO₂ equivalent greenhouse gas emissions over the next 25 years. This solar and battery combination has the potential to produce broader benefits across the network, while also confirming our commitment to reduce our carbon footprint.

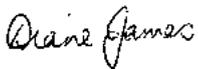
Protecting the environment is crucial from a cultural perspective as well as a resource one. The 68,000 square kilometres we manage has been part of Traditional Owner culture for more than 60,000 years. Our vision is to have meaningful relationships with Traditional Owners that delivers shared benefits upon this land. In 2021/22, we took two considerable steps towards this vision: developing our Reconciliation Strategy and continuing our role as plan champion of the Goulburn Murray Region Prosperity Plan. The Reconciliation Strategy and Goulburn Murray Region Prosperity Plan complement each other in empowering Traditional Owners through various means such as self-determination and increased career pathways. These are in their early phases but have great potential to support future prosperity for Traditional Owners and the region.

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While it has been great to see more staff return to the office, we still live under the cloud of COVID-19 and have to continually adapt to the challenges it presents. It has been heartening to see that despite these challenges, our staff continue to display our values of excellence, honesty, accountability, courage and caring. The past few years could have seen us stray from these values but they have instead become ingrained in the organisation. We thank our staff for their hard work and dedication throughout the year.

One of the main challenges of the pandemic has been engaging with customers. As we commence work on our 2024 Pricing Submission, we will be increasingly seeking feedback from our customers to ensure we are the best GMW we can be. We always appreciate the candour and respect with which our customers engage with us. We look forward to new challenges and achievements next year and further strengthening relationships with all our customer and key stakeholders, ensuring the ongoing success of our business.

We would like to acknowledge our Directors for their contribution to the governance of GMW. We also extend our thanks to the former Minister for Water Lisa Neville MP, current Minister for Water Harriet Shing MP for their support throughout 2021/22.



Diane James AM
CHAIRMAN



Charmaine Quick
MANAGING DIRECTOR

Vision and Values

Vision

Goulburn-Murray Water's vision of **'Delivering for our region and our future'** recognises the significant contribution we make to the prosperity of our region. We do this by providing affordable rural water services to our customers.

We take pride in knowing that we are custodians of the infrastructure and services that form such an integral component of economic activity in our region.

Our five Strategic Outcomes, listed below, reflect our corporate aspirations:

- Safe, skilled, engaged people
- Satisfied customers, trusting partners
- Innovation, data and technology driven services
- Sustainable business, viable customers
- Water security and other water values are recognised.

Values

Core values are essential and enduring principles of an organisation; our values build our culture and provide a guide for employees to measure their actions and behaviours. Accordingly, GMW and our employees have embraced the following organisational values that guide our culture:



Excellence

We pursue quality, innovation and continuous improvement in everything we do.



Honesty

We are truthful and transparent in all our dealings and communications.



Accountability

We take responsibility and ensure we follow through on all our commitments.



Courage

We take considered risks and step forward with conviction into a new future.



Caring

We look out for each other and demonstrate genuine empathy for our customers.

Manner of Establishment and the relevant Minister/s

Goulburn-Murray Water is established under the *Water Act 1989* (the Act). The responsible Minister for the period from 1 July 2021 to 26 June 2022 was Minister for Water Lisa Neville. Minister Neville was succeeded by Harriet Shing, who was the Minister for Water for the period 27 June 2022 to 30 June 2022. Richard Wynne acted as Minister for Water from 1 July 2021 to 22 August 2021.

Nature and Range of Services Provided

Goulburn-Murray Water's functions are focussed on:

Delivering water services to our region including:

- providing water storage and delivery services in northern Victoria as the Minister's appointed storage manager
- providing water to our customers within agreed service standards
- managing customer accounts, including fees and charges
- monitoring compliance and appropriate usage of water allocation
- acting as the Minister's delegate for licensing groundwater and surface water diversions and private dams, and for functions related to water shares, allocation and water use in regulated systems.

Monitoring the quality of our water by:

- monitoring salinity and algae levels for public safety and irrigation use
- ensuring developments (proposed planning applications) do not affect the quality and/or quantity of water.

Building and maintaining infrastructure to:

- support water storage and delivery in compliance with the Australian National Committee on Large Dams (ANCOLD) guidelines and for our NSW storage, Yarrawonga Weir, Dam Safety NSW
- deliver on the Victorian and Commonwealth Governments' commitment to modernise and maintain water delivery infrastructure to improve water delivery efficiency
- provide drainage services with GMW drains to remove excess runoff.

Managing our water supply by:

- allocating available resources in accordance with the Victorian Entitlements Framework as the northern Victorian Resource Manager, making seasonal determinations for all northern Victorian declared water systems
- providing water registry services for water trading
- planning for the future to safeguard and maximise the diminishing water resource
- supporting government policy development and implementation regarding water resource management.

Supporting strong and vibrant communities by:

- informing and engaging the community on water resource management, including resource availability, general operations and emergencies, including flood safety
- educating the community in better use of water for improved sustainability
- facilitating recreational use on and around our lakes and reservoirs
- providing feedback to governments on their policies and the impacts on the diverse needs of our community.

Meeting legislative and reporting requirements by:

- complying with legislative requirements under the Act and other relevant governing legislation
- ensuring zero tolerance on unauthorised water take
- meeting reporting obligations to government in accordance with statutory requirements
- setting prices to collect revenue for GMW's prescribed and complementary services
- complying with the regulator's requirements for setting water prices.

Objectives, Functions, Powers and Duties

About us

Goulburn-Murray Water is Australia's largest rural water corporation. We manage, store and deliver water through approximately 10,000 km of delivery and drainage infrastructure to more than 25,000 active customers in northern Victoria. We manage 24 water storages that can hold approximately 11,400 GL of water and also have responsibility for managing more than 100,000 hectares of public land surrounding our storages.

We manage water related services in a region of 68,000 square kilometres, bordered by the Great Dividing Range in the south and the River Murray in the north, stretching from Corryong in the east down river to Nyah. This area supports diverse agricultural commodities including dairy, cropping, horticulture, beef and sheep.

Goulburn-Murray Water is a statutory Corporation constituted by ministerial order under the provisions of the Act. An Independent Board of Directors (the Board) governs GMW. The Board operates under part 6 of the Act and reports annually to the Minister for Water and the Treasurer.

We are ultimately accountable to the Minister for Water and have functions and powers under the Act to provide, manage and operate an irrigation district (pursuant to section 221 of the Act), a water district (pursuant to section 163 of the Act) and a waterway management district (pursuant to section 189 of the Act).

Goulburn-Murray Water is the northern Victorian Resource Manager appointed by the Minister for Water and is responsible for making the seasonal determination for all northern Victorian declared water systems. We are a partner in the Victorian Water Register, which manages more than \$7 billion of water entitlements and over \$300 million in water share and allocation trade for Victoria.

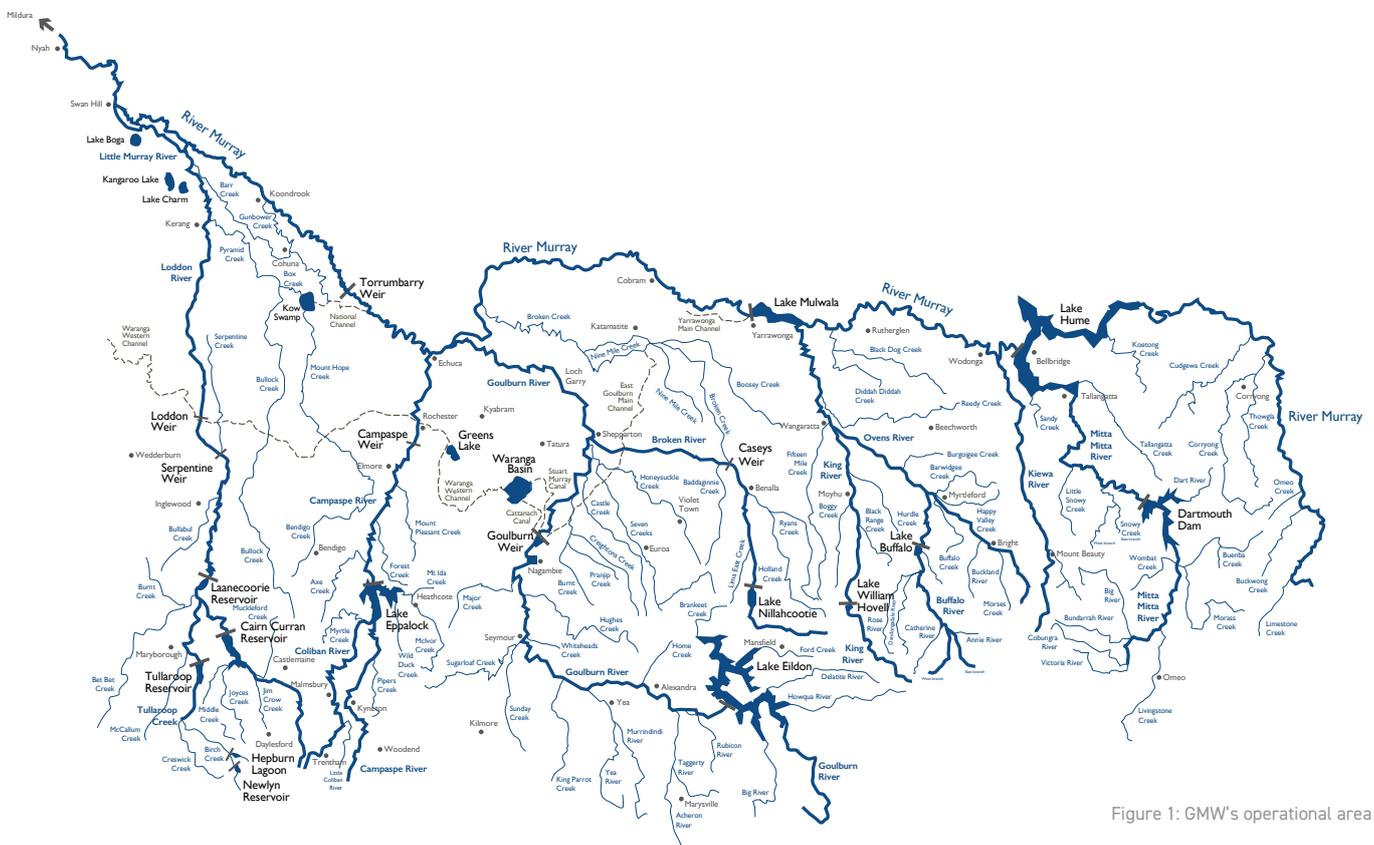


Figure 1: GMW's operational area

We are Victoria's largest inland boating authority and manage boating and recreational activities across the majority of our storages. In addition, we service and supply a diverse range of Urban Water Authorities, Environmental Water Holders, Catchment Management Authorities (CMA) and the Murray-Darling Basin Authority (MDBA).

Goulburn-Murray Water maintains recreational infrastructure and services at 24 storages, managing safe boating access at 16 of these. To varying degrees, all the dams managed by GMW are available to the public for recreational use such as boating, fishing and swimming. The complementary services portfolio includes 724 houseboat licences, over 50 public boat ramps, 673 occupational licenses, 245 agricultural licences, 12 caravan park leases and 61 community/club leases. The 85 recreation reserves located around GMW and MDBA storages are funded by GMW, the MDBA and partly or fully by local government.

Following the successful completion of the Connections Project in October 2020, we received Victorian and Commonwealth Government funding to complete the Water Efficiency Project (WEP). This project commenced in 2021 and will provide further water recovery, channel rationalisation and modernisation opportunities within the Goulburn-Murray Irrigation District (GMID). To date the WEP is on track and has achieved 8 GL of its forecasted 15.9 GL water savings, consistent with agreed milestones.

We have partnered with the CMAs to deliver multiple environmental projects including construction of the Koondrook fishways and design of the Taylor's Creek fishway on behalf of the North Central CMA and are currently in the design phase of Tea Garden Weir fishway on behalf of the North East CMA. These partnerships have used our expertise in engineering, procurement and construction management services and will result in ongoing environmental benefits.

Functions and Powers

Goulburn-Murray Water has functions and powers under the Act to provide, manage and operate:

- irrigation districts
- water districts
- waterway management districts.

We also have responsibilities as a delegate or appointee of the Minister for Water and the Water Registrar pursuant to the *Water Act 1989* and the *Murray-Darling Basin Act 1993*:

- for licensing activities (unregulated streams, groundwater, works on waterways, water use) and approval of water share and allocation applications
- as storage manager and resource manager for all declared water systems in northern Victoria
- as Victoria's relevant water authority (constructing authority) for the MDBA
- for recording certain water share dealings.

Statutory Planning

In 2021/22, 2,165 planning applications were referred to GMW including 22 Planning Scheme Amendment submissions. Under the *Planning and Environment Act 1987*, GMW must respond to matters referred within 28 days or within the time period determined by the relevant council.

The GMW Statutory Planning section is also involved in developing Domestic Wastewater Management Plans for councils largely within Declared Special Water Supply Catchment Areas across regional Victoria. Within our area of jurisdiction, 20 councils have developed Domestic Wastewater Management Plans over recent years. During 2021/22, GMW continued to work with councils to develop and update the plans where required.

Coronavirus (COVID-19)

The impacts of the global coronavirus (COVID-19) pandemic are ongoing. The impacts have challenged us all to respond and adjust to a rapidly evolving situation. Aligned with the advice of the Victorian Government, GMW maintains measures for the health and safety of our people, customers and community whilst effectively maintaining the provision of critical services.

In 2021/22 we successfully operated in a state of "COVID normal", facing the challenges of the ongoing pandemic in the following ways:

- we followed Victorian Government guidelines to work remotely where possible, but designed a new Flexible Work Policy to support an adaptable approach to return to work
- our operations teams continued to monitor the network and associated infrastructure while working within "COVID-safe" protocols

- payment terms to our suppliers were maintained at a five-day term in line with Victorian Government guidelines
- our board transitioned to in-person meetings, while our board committees continued with online briefings and meetings to ensure continuity of effective governance
- maintained an Incident Management Team who monitored ongoing COVID-19 related developments and government guidance
- peer support and the Employee Assistance Program (EAP) were maintained and promoted for our staff to access if required throughout and beyond the Victorian COVID-19 lockdowns.

Delivery Share Review

Goulburn-Murray Water completed all assigned actions arising from the 2018 Delivery Share Review. The key achievements included:

- providing additional information to customers about delivery shares and related topics, including the need to seek new delivery shares through market mechanisms
- completing investigations and case studies on conditions to alter delivery services to align customer requirements and strategic infrastructure plans
- integrating data and mapping tools to align with channel-by-channel investment plans, customer information requirements, other mapping projects conducted with partner agencies and support for the agriculture redevelopment coordination initiative.

Share of Connections Stage 1 Water Savings

Goulburn-Murray Water supported the Department of Environment Land Water and Planning (DELWP) to distribute water shares to irrigators in October 2021 arising from Stage 1 of the Connections Project. Almost 13,500 of our customers benefited from the irrigators share distribution (ISD) project, through receiving either water shares or financial benefit.

In October 2021, the project provided eligible irrigators who hold 0.25 ML/day or more of delivery share approximately 4ML of high reliability water shares and around 2ML of low reliability water shares for every 1 ML/day of delivery share held. Almost 7000 irrigators who held more than 0.25ML/day of delivery share on

October 1, 2021 received the high and low reliability water shares and associated seasonal allocation, for use during the irrigation season. Whilst more than 6000 customers with less than 0.25ML/day of delivery share received an equivalent credit on their water bill in July 2022.

The distribution of the Irrigators Share means more water for irrigators to use for their farming operations across northern Victoria. It is an important investment in the future productivity of the Goulburn-Murray Irrigation District, providing confidence to farming families and businesses when planning for the season as well as the agricultural sector and attracting investment into the region. An enormous amount of work was undertaken to deliver this project, including confirming the details of more than 13,000 customers.

Basin Plan

The water savings projects managed by GMW, including the Connections Project, WEP and the Mitiamo Pipeline continued to recover water towards Victoria's Murray-Darling Basin Plan targets through infrastructure upgrades. The Connections Project has contributed 433 GL Long term average annual yield (LTAAY) which has been shared between the environment, irrigators, Melbourne water retailers and Traditional Owners. The Mitiamo Pipeline is forecast to contribute 1 GL to water recovery targets, subject to auditing and verification, and the WEP is forecast to contribute a further 15.9 GL.

Under the Sustainable Diversion Limit Adjustment Mechanism, GMW is supporting environmental works and measures coordinated through the Victorian Murray Floodplain Restoration Project. The project is currently progressing through the technical studies and environmental effects statement process.

Goulburn-Murray Water supported the Victorian Government to implement interim changes to water trade and use from the Goulburn inter-valley trade account including tagged use during 2021/22. Although there was limited demand to deliver water from the Goulburn inter-valley trade account during the season, GMW implemented interim operating rules to protect the environmental values of the lower Goulburn River. In addition, GMW commenced the delivery of the 'Enhancing the Operations of the Lower Goulburn River Project'. This project is a key action from the Regulatory Impact Statement and explores the feasibility of relocating private pumping infrastructure from within the River Channel.

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Strategic Plan

In 2021/22 we worked to cement and implement the 12 board approved strategies that help us to achieve our five strategic outcomes, and in turn GMW's vision - **'Delivering for our region and our future'**. Progress on implementing these strategies enabled us to provide clear direction and alignment of organisational resources. The strategic framework, illustrated below, demonstrates the alignment of our Strategic Outcomes with the board approved strategies.



Figure 2: Strategy Framework

People and Culture Strategy

Our People and Culture Strategy 2024 provides the blueprint for GMW to provide a safe, inspiring and diverse workplace where learning is encouraged and people are supported. We successfully implemented the second year of this strategy, fostering the well-established foundations of leadership, talent management and culture to build organisational capability and

achieve a high performance learning culture. Key achievements related to this strategy in 2021/22 include:

- completed negotiations and signed a new enterprise agreement
- continued leadership development programs
- implementing workplace diversity groups (including the all abilities, empowering women in water and pride networks) and developing the gender equity action plan
- career mapping and identifying critical roles.

Safety and Wellbeing Strategy

Our *GMW Safety and Wellbeing Strategy 2024* addresses our strategic risk "GMW does not provide a safe environment for our employees, contractors and public." The strategy identifies programs of work and activities to ensure that we have a safety and wellbeing program that supports the needs of both individuals and our business. This strategy recognises that training, consultation and implementation require flexibility and focusses on the important areas of personal safety, asset safety and safety systems and processes. The second year of the strategy was successful, with the following initiatives completed in 2021/22:

- developed and released the 10 fatal risk procedures
- developing and implementing a wellbeing program
- developed a contractor safety management lifecycle program.

Customers and Stakeholders Strategy

In December 2021 the Board approved our new *Customers and Stakeholders Strategy 2024*. This strategy articulates our aspiration for strong relationships with our customers and stakeholders. We aim to build and maintain these relationships through high levels of trust and customer satisfaction. Implementing this strategy will support our strategic outcome of "satisfied customers, trusting partners." While this strategy is in its infancy, key achievements completed in 2021/22 include:

- partnering with regional leaders and stakeholders, including DELWP, CMAs and local councils to support initiatives such as the Agricultural Redevelopment Project and the 'Hort-Connections' event
- exploring new methods of interacting with our customers such as introduction of the podcast "talking water" and increased social media presence
- beginning engagement with customers and stakeholders for GMW's service plans leading into the 2024 pricing submission
- continuing development of GMW's website enhancement project.

Service Strategy

Our *GMW Service Strategy 2024* guides individual service plan development that will provide future direction for each of our prescribed services. Aligned to resilience principles, our service plans were developed in consultation with customers and stakeholders and will support the 2024 pricing submission. The second year of the service strategy saw continued customer engagement and understanding of the key service challenges for our gravity irrigation, diversions and drainage customers. Key achievements in 2021/22 include:

- identifying the key service initiatives for our major prescribed services
- integrating customer engagement outcomes into service planning for our gravity irrigation, diversions and drainage customers
- initiating service planning for the pumped districts, bulk water and water districts.

Digital Strategy

Our *GMW Digital Strategy 2020 - 2024* guides our future development directions and technology usage to deliver a simple, smart and seamless experience for both internal and external customers. This strategy aligns with our strategic outcome of "innovation, data and technology driven services." The strategy allows us to transform and optimise our digital systems and networks to better meet the growing needs and expectations of customers, stakeholders and staff. Key achievements of this strategy in 2021/22 include

- joining forces with Goulburn Valley Water, local computer technological companies and the Greater Shepparton Lighthouse Project to supply more than 100 second hand laptops to disadvantaged residents across the Shepparton region
- a future state architecture plan developed
- the asset management system enhancement project initiated
- commencing work on the development of the GMW intranet and website
- commencing work on implementing an improved human resources system
- beginning invoice matching and accounts payable process improvements.

Cyber Security Strategy

Our *GMW Cyber Security Strategy 2024* outlines GMW's guiding principles, objectives and priorities to ensure we maintain and improve cyber security, while prioritising the areas of highest risk. This risk based approach allows GMW to constantly update priorities and remain vigilant to cyber threats. Key achievements of this strategy in 2021/22 include:

- implementing a new security access control tool to enhance password management for IT personnel
- continuing cyber security awareness training across the organisation
- completing our security architecture standard.

Asset Management Strategy

Our *GMW Asset Management Strategy 2024* provides GMW's plan for improving our asset management through targeted actions in ten asset management focus areas. This strategy enables us to chart a sustainable investment profile to meet service challenges today and in the future. Key achievements in 2021/22 include:

- maintenance improvement plan progressed
- priority asset management plans developed
- documentation of a comprehensive Dam Safety Management System

Financial Sustainability Strategy

Our *GMW Financial Sustainability Strategy 2020 - 2024* provides the framework for the financially sustainable and affordable services to our customers. We will achieve financial sustainability by managing financial risk, having commercially skilled staff and providing customers and stakeholders with appropriate financial information to support transparency. Key achievements in 2021/22 include:

- implementing the procurement improvement plan
- implementing the integrated debt recovery program
- completing the account simplification project
- completing the review of the financial system structure.

Water Resources Strategy

Our *GMW Water Resources Strategy 2024* presents our plan for future water availability management and its links to our services using the skills of our people and sound science. Combined with using technology and communications, we will develop the GMW services needed for our region and our future. Key achievements in 2021/22 include:

- identifying how changing customer practices affect services
- engaging with external stakeholders on maximising water availability
- developing the GMW Climate Change Risk Assessment.

Environment Strategy

Our *Environment Strategy 2024* affirms our commitment to minimising the negative environmental effects of our operations. By focussing on the four pillars of environmental leadership, biodiversity, energy and waste, this strategy defines the roadmap for managing and developing work programs designed to embed and improve our environmental practices. Key achievements in 2021/22 include:

- planning for rooftop solar at the Casey St office in Tatura
- developing an environmental reporting framework
- starting to develop an industrial waste improvement plan for our depots.

Reconciliation Strategy

We acknowledge Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and the proud representatives of the world's oldest, living culture. We also acknowledge our organisation is coming from a relatively low knowledge base and we have a lot to learn from Traditional Owners. Our *Reconciliation Strategy 2024* provides a roadmap for GMW's active contribution to continued reconciliation and fostering meaningful relationships with the Traditional Owners of the land within the GMW region, the Yorta Yorta, Dja Dja Wurrung, Taungurung and Gunaikurnai people. Key achievements in 2021/22 include:

- partnering to deliver the Goulburn Murray Regional Prosperity Plan (GMRPP)
- working with the Algabonyah Business Development Unit of the Kaiela Institute, facilitated through the GMRPP to realise procurement opportunities

- Working with Dja Dja Wurrung and Taungurung in relation to their Land Use Activity Agreements, building relationships and developing processes to ensure their success
- Providing training to relevant staff on Land Use Activity Agreements and other matters relating to the land rights of Traditional Owners, and engaging with Traditional Owners to learn more about self-determination and how we can support their aspiration for this
- Working with Department of Premier and Cabinet, DELWP and Yota Yota on the Ghow Swamp Protection Declaration Order.

Land and on-Water Strategy

Our *Land and on-Water Strategy* identifies how we will use partnerships to deliver on our obligations to recognise recreational values to support the health, wellbeing and social fabric of regional communities. It also provides guidance for maintaining financial sustainability and the safe enjoyment of our land and on-water services. Key achievements in 2021/22 include:

- accurately recording land and on-water assets in our asset management system (Maximo)
- identifying priority land and on-water projects
- commenced public safety assessments at our water storage sites
- commenced the land and on-water service plan
- consideration of commercial properties for the Land and On-Water portfolio.

Performance Reporting – Non-Financial

This annual report evaluates our performance against our corporate priorities and our progress towards the activities and deliverables of the organisation as explained in our 2021/22 Corporate Plan. This report describes how GMW is delivering on our commitments to government and regulatory authorities, our customers, staff and communities.

Performance against the Minister's Letter of Expectations Key Performance Indicators

Goulburn-Murray Water is focused on meeting the requirements of the Minister's Letter of Expectations. The information on the following pages provides GMW's performance against the key performance indicators relevant to the priority areas set out in Water for Victoria. Appendix C contains detailed information on measures and definitions as described in the Minister's Letter of Expectations.

Climate Change

Climate change is a critical challenge affecting both our environment and our communities. We are committed to minimising our environmental impacts and mitigating climate change through implementing emissions reduction and adaptation strategies and actions. In 2022, GMW developed a Climate Change Risk Assessment, which outlined risks that may arise from projected climate change and identified key actions that could be implemented in the short to medium future to build our resilience to climate change.

Emissions Reductions

Goulburn-Murray Water currently has very low emissions when compared to most other Victorian water corporations. We have a unique emissions profile as the majority of our water is delivered through gravity irrigation systems. As we modify and upgrade our water delivery infrastructure we will monitor changes to emissions and identify the responses necessary to achieve our target.

We have a program to ensure emissions continue to reduce in line with our emission reduction pledge. We have pledged to reduce CO₂ emissions to 10,400 tonnes by July 2025. This represents a 20 per cent reduction on the five-year average up to 2015/16. In 2021/22 we participated in the DELWP led review of the Statement of Obligations (Emissions Reporting). Through this process, GMW has committed to reduce CO₂ emissions to zero by 2035 through continuous renewable energy initiatives.

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In 2021/22 our interim target reduction was 11,239 tonnes of CO₂ emissions while the total of CO₂ emissions for the year was 10,641 tonnes. Increased use of video conferencing, introduction of solar panels and batteries on the Mitiamo pipeline pump station and reduced corporate travel contributed to exceeding the target for total net greenhouse gas emission for 2021/22. In the coming year we plan to install roof top solar at our Casey St office to further reduce our total emissions.

Climate Adaptation

Goulburn-Murray Water applies the recommendation from Guidelines for Assessing the Impact of Climate Change on Water Supplies in Victoria (DELWP, 2016) to our storage inflow statistics, seasonal determination outlooks, public engagement and longer term research planning for surface water and groundwater resources. In 2021/22, all outlooks for seasonal determinations used climate-adjusted data to ensure resource availability was not overstated.

Goulburn-Murray Water developed water resources and environment strategies in 2020/21. These strategies combined address the challenges of climate change and more variable water availability amid changing demand characteristics. The GMW Climate Change Adaptation Action Plan is underway and

is being guided by the water resources strategy, the Climate Change Risk Assessment and the Victorian Water System Adaptation Action Plan.

Customer and Community Outcomes

Customer Satisfaction

Customers and the community are central to GMW, so we aim to deliver our services in a way that best meets and reflects our customers' needs. We surveyed a representative sample of our customers in October 2021. The results of the survey indicated year on year increase in the categories of value for money, GMW reputation and trust in GMW while the overall customer satisfaction level was 60 per cent. We use the information and feedback collected through the survey to identify further opportunities to enhance our services.

Table 1 outlines a typical annual rural bill for different GMW customer groups in 2020/21 and 2021/22. While this indicates an increase in prices equivalent to CPI (1.1%) for some of our customers, the increase is consistent with our reduction in revenue requirements of \$64 million over the 2020-2024 pricing submission period. The pumped irrigation customer groups have seen a slight decrease in the typical bill, this is due to the decrease in the Infrastructure Access Fee.

C1.6 Rural Bills	Area/District	2020/21	2021/22
C1.6.1 Total rural bill gravity irrigation ¹ (100 ML irrigation customer)	Gravity Irrigation – Goulburn System	\$6,517	\$6,606
	Gravity Irrigation - Murray System	\$6,652	\$6,750
C1.6.2 Total rural bill pumped irrigation ² (100 ML irrigation customer)	Nyah	\$8,592	\$8,588
	Tresco	\$8,270	\$8,185
	Woorinen	\$7,868	\$7,716
C1.6.3 Total rural bill domestic and stock supply ³ (2 ML stock and domestic customer)	Normanville	\$2,112	\$2,123
	Tungamah	\$1,643	\$1,616
	East Loddon	\$984	\$845
	East Loddon (North)	\$976	\$1014
	West Loddon	\$831	\$844
	Mitiamo	N/A	\$1,966

Table 1: Total rural bill for 2021/22 compared with 2020/21

¹ Calculated based on a medium sized customer. Drainage charges are not included.

² Calculated based on a medium sized customer. Drainage charges are not included.

³ Calculated based on a small sized customer. Drainage charges are not included.

Customer and Community Engagement

In 2021/22, GMW engaged with customers about their present and future expectations of our prescribed services. This engagement informed opportunities for improvement that can be analysed and modelled and included in our 2024 pricing submission. The method of engagement was a mixed approach including online feedback via Your Say @ GMW to establish customer issues and opportunities, focus groups to explore key themes and workshops to collaboratively determine issues that should be addressed and opportunities that should be explored in the next regulatory period.

Water for Aboriginal Cultural, Spiritual and Economic Values

Engaging with Aboriginal Communities

Goulburn-Murray Water values the ongoing contribution of the Traditional Owners of our region. Efforts continue to engage with these communities to achieve mutual benefits through recognising and supporting Aboriginal cultural values and economic inclusion in the water sector.

Our *Reconciliation Strategy 2024* was developed in 2020/21. This document recognises that our organisation is progressing from an area of low knowledge, and is focussing on establishing a strong foundation for successful relationships with recognised Aboriginal parties. We aim to achieve this through reflecting on our past and learning from Aboriginal communities and Traditional Owners.

Goulburn-Murray Water is a champion of the Goulburn Murray Region Prosperity Plan (GMRPP), developed collaboratively and lead by the Yorta Yorta People, to restore, re-establish and sustain a thriving and integrated Yorta Yorta and First Nations economy. We have committed to amplify the plan within our sphere of influence and advocate for its wider acceptance in the region. In addition to championing the plan, we are supporting the GMRPP to deliver on its goals by collaborating with procurement and employment initiatives.

Engagement of Traditional Owners

Goulburn-Murray Water will continue to build capability and understanding through creating further engagement opportunities with Traditional Owner groups on projects. In 2021/22 GMW has:

- erected signage at Goulburn Weir incorporating language and artwork from the Taungurung People to explain the Taungurung cultural heritage of the area

- consulted with Traditional Owners prior to working on the Gunbower and Koondrook fishways to ensure that the works did not impact areas of cultural significance
- continued to partner with Traditional Owners (and other agencies) to deliver future outcomes for Ghow Swamp.

Recognising Recreational Values

While the majority of GMW's functions are essential rural water services, we also perform a number of complementary services such as providing recreational facilities across our network of storages and waterways, for the economic and social benefit of Victorians. We actively engage with local communities, providing consistent and reliable information for recreational sites and driving successful project deliveries to provide safe, functional and sustainable sites.

GMW has delivered a number of initiatives at storages to maximise the benefits of recreational use, including:

- a shared commitment to implementing the Lake Eildon Masterplan to advance Lake Eildon as a premier destination in Victoria. This was established by a Memorandum of Understanding with the Department of Jobs, Precincts and Regions, DELWP, Murrindindi and Mansfield Shire Councils, Tourism North East, Parks Victoria and the Taungurung Land and Waters Council.
- contributing to the development of the Victorian Boating Facility Design Guidelines with Better Boating Victoria
- participating to the development of new regulations for recreation at water storages, as part of a DELWP working group
- Supporting DELWP in the review and renewal of the regulations governing use and management of houseboats on Lake Eildon
- partnering with Better Boating Victoria, DELWP and the VFA to identify and fund recreational facilities at our storages including the upgrade of the boat ramp at Harrimans Point, Waranga Basin
- working with partner organisations to increase public awareness and safety, most notably Maritime Safety Victoria
- implementing GMW's *Land and on-Water Strategy*.

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Resilient and Liveable Cities and Towns

Integrated Water Management

Goulburn-Murray Water is central to the collective prosperity and wellbeing of communities across northern Victoria. The regional economy depends on our delivering reliable and affordable water supporting agriculture, industry and the environment. We will maintain our region's sustainability and resilience.

GMW is a partner in all the Integrated Water Management (IWM) Forums across the region, including the Goulburn-Broken, Central Highlands, Coliban and North East. Within the Coliban IWM Forum, GMW is the lead agency for the Potential for Managed Aquifer Recharge Project in the Campaspe Valley Project. GMW is also working with Hepburn Shire Council on their integrated water management plan and are a project partner for a range of other projects across all forums.

GMW's ongoing participation means that we provide expertise to optimise the outcomes of water cycle planning and management to achieve environmental, social and economic benefits for our communities.

Payment Management and Hardship

Goulburn-Murray Water understands that the livelihoods of many customers depend on the water services that we provide, hence we want to maximise our customers' ability to pay in ways that best serve customer needs.

We will ensure transparent, fair and equitable debt management principles for our customers, and will continue to improve access to instalment plans and further understand hardship trends. The table below outlines our payment management and hardship figures.

Payment Management	Number of accounts
Number of customers on flexible payment plans at end of the reporting period	361 ⁴
Number of customers awarded hardship grants	0

Table 2: GMW's payment management and hardship accounts for the year 2021/22

Leadership and Culture

The culture of an organisation begins with effective leadership across all levels of the organisation. With transformational leadership and collaboration, we invest in the capabilities of our staff to embed our values and achieve our strategic outcome

of safe, skilled, engaged people. We have demonstrated this by implementing initiatives of our *People and Culture Strategy*, including leadership development training, leadership 360° feedback programs, extensive opportunities for staff to act in more senior roles, succession planning and critical role mapping. We are striving to reflect the needs of our diverse communities and develop strategies and goals that will increase diversity in the workforce and gender equity in senior leadership.

Diversity and Inclusion

The GMW Diversity and Inclusion Plan has a focus on creating engagement to inform an inclusive and diverse organisation. The diversity and inclusion plan focuses on the four pillars of all abilities, all genders and sexualities, all ages and all cultures. In 2021/22 three employee networks were established to support the goals of the plan. These networks, all abilities, empowering women in water and LGBTQI+, are driven by employees and supported throughout the organisation.

In 2021/22 we undertook an in-depth culture survey. The survey reported positive responses to diversity and inclusion questions, including the ability to be your authentic self at work, leadership support for diversity and inclusion, and equal opportunity at GMW.

Our achievements towards our diversity targets during 2021/22 are on page 53.

Board Performance

Goulburn-Murray Water completes an annual board performance review to monitor and improve the Board's effectiveness in leading our organisation. We submitted the review for the 2021/22 reporting period to the Minister for Water in July 2022. The report identified the strengths of the Board and actions for continuous improvement, including opportunities for professional development. Completing the previous year's actions have had a positive result on the Board's ability to lead the organisation. Our board remains committed to achieving successful outcomes for GMW, our customers and key stakeholders.

Goulburn-Murray Water's Board Performance Assessment includes:

- a review of actions from the last assessment
- a review of attendance figures
- a self-assessment questionnaire
- the results of board committee self-assessments.

⁴ This represents 1.1 per cent of our approximate 32,900 accounts.

Health and Safety

Goulburn-Murray Water believes that our people are our greatest asset and considers the safety and wellbeing of our staff, contractors, customers and general public as our highest priority. In 2021/22 we continued to build on our culture of care and accountability by maintaining a focus on developing and implementing health and safety initiatives designed to improve our safety performance. In 2021/22 we completed the development and release of the fatal risks procedures, implemented a contractor safety management system and established the safety committee chairs and Executive Leadership Team (ELT) forum, to allow ELT direct access to “on the ground” safety issues across the organisation.

We are currently planning the next stages of safety and continuous improvement with the ongoing implementation of our 2020-2024 safety strategy. The safety strategy specifically targets both system and behavioural programs which will further improve accountability, engagement, system simplicity and staff wellbeing. Our future focus areas will be on the return to work program, refreshing our wellbeing program, with a greater focus on field staff, injury prevention and mental health and completing safety leadership training for all applicable staff.

Further information on GMW's performance against health and safety indicators is on pages 49.

Financial Sustainability

At GMW, our strategic outcome of “sustainable business, viable customers” demonstrates our knowledge that our organisational stability contributes to our customers' success, and that we must deliver safe and cost-effective water services in a financially sustainable manner.

The 2021/22 financial year marks the second year of the 2020-2024 pricing submission. A \$64 million reduction in revenue requirements over four years has resulted in significant savings for customers, with most receiving a price reduction of about 10 per cent in this first year, increases are consistent with CPI in the second year.

Our strong Current Ratio and low Internal Financing and Gearing Ratios demonstrate our positive, financial position (page 38).

Our performance against the eight financial indicators (F1-F7) is within the Performance Report on page 38 and demonstrates our financial sustainability.

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Performance Against Corporate Plan Objectives

Our 2021/22 Corporate Plan focused on developing and embedding the strategic framework and emerging from transformation as a trusted and sustainable organisation. Table 3 shows how these actions align with GMW's five Strategic Goals, and outlines the progress made throughout 2021/22.

	Key Objectives to be achieved in 2021/22	Achievements during 2021/22	Objective met?
Safe, skilled, engaged people			
1	Implementation of our new Diversity and Inclusion Program including actions out of the Gender Equality Act 2020.	The new Diversity and Inclusion plan was implemented in 2021/22. Actions taken include establishing the empowering women in water, all abilities and LGBTQI+ employee networks.	Yes
2	Commencing implementation of a Human Resources Information System.	Implementation of our Human Resources Information System has commenced	Yes
3	Critical role mapping and succession planning for the Senior Leadership teams followed by the remainder of the business.	Executive Leadership and Senior Leadership teams completed critical role mapping and succession planning in September 2021.	Yes
4	Developing a cyclic safety due diligence program, to ensure GMW continue to meet our legal and regulatory operations.	GMW has reviewed this initiative and to allow for more data capture has extended the timeframe for completion June 2023.	Partially
5	Maturing our focus on fatal risks and staff wellbeing.	The fatal risk program has been developed and released	Yes
6	A focus on safety as part of the procurement process.	The safety in procurement processes has been audited and assessed as complete	Yes
7	Implementation of a wellbeing framework and mental health initiatives.	Wellbeing plan has been completed, approved and implemented	Yes
Satisfied customers, trusting partners			
8	Defining the scope and data requirements for financial and cost modelling.	Data requirements for financial and cost modelling have been developed. These will be used to develop the individual service plans.	Yes
9	Setting the high level goals for each service plan.	High level service goals have been set for all service plans	Yes
10	Commencing the development of scenarios for opex, capex, demand trends and tariffs for each service plan.	Modelling for opex, capex, demand trends and tariffs for service plans has commenced	Yes
11	Engagement for GMW's Service Plans, ensuring activities are customer centric at the heart of our planning and delivery.	Engagement for Service Plans is ongoing and engagement with Customers and stakeholders has occurred.	Yes
12	The creation of a GMW online education portal that will become the one stop shop for information about GMW, what we do and why we do it.	GMW has reviewed this initiative and development of the online portal will follow GMW's website enhancement project. This is scheduled for completion in December 2022	No
13	Building further capability and enhancement of GMW's internal communication and engagement framework including the upskilling and rollout of appropriate training as required	GMW has established an engagement network and has provided various training opportunities to both the customer and stakeholder team as well as other subject matter experts across the business.	Yes

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	Key Objectives to be achieved in 2021/22	Achievements during 2021/22	Objective met?
14	A stronger focus on community and industry events and partnerships.	Partnering with regional leaders and stakeholders, including DELWP, catchment management authorities and local councils to support initiatives such as the Agricultural Redevelopment Project, Goulburn Murray Resilience task force and the 'Hort-Connections" event.	Yes
15	Building a digital media house that involves our customers and stakeholders accessing information about their services at the right time using the right channel.	GMW has reviewed this initiative and will integrate the action with a customer relationship management system.	No
Innovation, data and technology driven services			
16	Develop a digital governance roadmap.	Digital roadmap has been developed	Yes
17	Enhance external digital channels.	Have completed projects like Online Booking system and Billing Improvements. In addition, work on the GMW internet page has commenced and is due for completion December 2022	Yes
18	Asset operation and optimisation, predictive analysis and proactive maintenance.	The market approach for Irrigation Metering trial is progressing well. We expect the field trials to commence by end of calendar year.	Yes
19	Develop dam site monitoring technology efficiencies.	A review of technology enhancement opportunities at our storage sites has been completed. These improvements focus on the automation of data collection activities and operational improvements. Where initiatives are feasible the outcomes of this work will be incorporated into our forward works programs.	Yes
20	Implement a single customer portal.	This initiative has been rolled into the Enhance external digital channels project.	Yes
21	Develop a threat intelligence standard.	GMW has developed a draft threat intelligence standard and it will be approved and implemented by December 2022	Yes
22	Implement a cloud security solution.	GMW has aligned their direction to be Software as a Service. We annually review our cyber security strategy and have implemented security measures such as Ransomware, Data Loss Prevention including protective marking and Security Awareness Training. All this takes into account on-site and cloud solutions.	Yes
23	Implement Wi-Fi intrusion detection.	The Wi-Fi intrusion detection system has been installed.	Yes
23	Develop security playbooks for the organisations security response.	Security Playbooks have been implemented	Yes
Sustainable business, viable customers			
25	Enhancing the use of our Asset Management System.	Review completed. Areas identified which require attention and action to ensure the successful utilisation of the Asset Information System and its Information have been included in the development of the Asset Management Improvement Plan.	Yes

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Key Objectives to be achieved in 2021/22	Achievements during 2021/22	Objective met?	
26	Improve risk based decision making, using assessment tools such as the channel x channel framework and the dams portfolio risk assessment.	Risk based decision making is increasing with integration of both the channel x channel and the dams portfolio risk assessment into the identification and prioritisation of capital works projects.	Yes
27	Update high priority asset management plans.	High priority Asset management Plans have been updated in consultation with Stakeholders.	Yes
28	Continue to implement the Maintenance Improvement Plan.	GMW continues to implement the Maintenance Improvement Plan with highlights from 2021/22 including use of PowerBI to report our maintenance activities, establishment of the flume gate refurbish and reuse program and introduction of a critical spares ordering process.	Yes
29	Conduct a financial trends analysis which will guide the financial forecasts and modelling used for the service plans.	Financial modelling and trends analysis has been completed for phase 1 and 2 service plans, completion of the modelling of the phase 3 service plans is scheduled for completion by December 2022	Yes
30	Review and simplify the financial accounting structure and relevant financial models.	Financial accounting structure has been reviewed for our internal cost allocation processes, against the regulatory requirements and benchmarked against similar agencies. Simplification of some allocation processes will be implemented from July 2022.	Yes
31	Review procurement panels to ensure GMW is achieving the best value for money services.	A panel policy has been implemented and this policy defines when it is appropriate to set up a panel. As a part of the procurement process when a panel expires it is reviewed for appropriateness and to ensure best value for money is achieved.	Yes
Water Security and Other Values are recognised			
32	Finalise a formal climate change risk assessment.	Formal Climate Change Risk Assessment finalised in December 2021	Yes
33	Develop a climate change adaptation action plan for our internal and external operations.	Climate Change Adaptation Action Plan rescheduled to reflect progress and expected completion June 2023.	Partially
34	Engage with policy makers and partners on maximising water availability.	Ongoing action within Groundwater and Streams, River Operations and Water Resources Management	Yes
35	Prepare a GMW compliance plan for enacting the Murray-Darling Basin Compliance Compact and enacting steps to ensure customers are complying with licence and use conditions.	The <i>GMW Compliance Use Strategy</i> and the <i>Compliance and Enforcement Plan</i> were both published and implemented in 2021/22	Yes
36	Review and refresh GMW's environmental management system.	GMW are continuing to refine our environmental management system.	Partially
37	Develop the next phase of our plan to deliver on our Carbon Reduction Pledge.	GMW is on track to achieve the carbon reduction pledge for 2025/26. In 2021/22 We participated in the DELWP revision of the Statement of Obligations (Emissions Reporting).	Yes

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Key Objectives to be achieved in 2021/22	Achievements during 2021/22	Objective met?
38 Investigate and implement environmentally friendly product alternatives (where possible).	GMW is currently trialling more environmentally friendly weed treatment options. We will also incorporate rules within the Waste management procedure to recommend recyclable items are considered as first option prior to purchasing equipment / products by those plan projects or purchase goods	Yes
39 Increase the amount of our consumables that are recycled after use.	GMW is developing means for measuring the consumables that are recycled after use, it is anticipated that this action will be completed by December 2023.	Partially
40 Implement the Reconciliation Action Plan (RAP).	GMW has reviewed this action and rather than completing our Reconciliation Action Plan, this work will be completed within the Reconciliation Strategy.	Partially
41 Actively encourage available First Nations groups to tender for contracts and supply services through our social procurement process.	Through the Goulburn Murray Regional Prosperity Plan (GMRPP), we are working collaboratively with initiatives related to procurement to encourage First Nations groups to tender for contracts and supply services.	Yes
42 Collaborate with Traditional Owner groups to increase their participation in advisory roles.	GMW is currently establishing relationships with Traditional Owner Groups, however we have extended this timeframe until June 2024 to complete more meaningful collaboration. GMW is working with Traditional Owners, and other stakeholders in the Ghow Swamp Land and Operations Collaborative Working Group.	Partially
43 Develop a mechanism and process for including consultation and consideration of Aboriginal values in water planning.	Working with Dja Dja Wurrung and Taungurung in relation to their Land Use Activity Agreements, building relationships and developing processes to ensure their success. We now consider Dja Dja Wurrung and Taungurung as interested parties in all unallocated water applications.	Partially
44 Validate the condition of our land and on-water assets to inform future investment and service needs.	Completed through the collection of field based data and entering this into our Asset Management System	Yes
45 Develop engagement plan for interaction with external stakeholders on funding, general public use and waterway management.	GMW has developed a new land and on-water partnerships approach and stakeholder engagement framework to guide how GMW will engage with stakeholders, recreational users and local communities to deliver a fit for purpose land and on-water offering at its storages for all to enjoy.	Yes
46 Commence engagement with priority partners.	This is an ongoing activity, however new annual meetings with strategic partners will commence at the start of 2023.	Yes

Table 3: Progress against 2021/22 Corporate Plan Objectives

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Performance in Operations

Water Delivery

Goulburn-Murray Water manages water-related services in a region of 68,000 square kilometres, bordered by the Great Dividing Range in the south and the River Murray in the north, stretching from Corryong in the east down river to Nyah. We have more than 25,000 customers in northern Victoria. GMW manages both regulated and unregulated river systems that flow into the Murray and administers groundwater within this area.

Our Customers

Table 4 shows our diverse range of customers. We recognise our various customer segments and demographics and seek to tailor our messaging to meet our customers' needs.

Primary Service Segment	Example customers	Number of Customers ⁵	Annual Water Use in GL ⁶
Irrigation	Horticulture, dairy, mixed farming	11,593	1,072.81
Domestic and stock	Rural residential	9,689	25.51
	Mixed farming		
	Intensive animal industries (e.g. piggeries)		
Environmental watering	Commonwealth and Victorian environmental water holders	2	887.40
Bulk water for urban and rural water supply	Urban water corporations	12	627.35
Water investment	Investment funds	2,754	14.28
	Water share only customers		
	Agriculture corporations		
Flood protection	Protection of land and property in flood protection districts	50	0
Recreation	Houseboat operators	1,263	0.50
	Recreation clubs		
Commercial leasing and Contract Services	Livestock graziers	338	0.42
	Forestry corporations		
	Caravan parks		
	MDBA		
	Local government and catchment management authorities		
	Commercial contracts		
Power generation	Hydroelectric power utilities	1 ⁷	0
Other	Sundry customers	68	0
	Total	25,771	2,628.27

Table 4: Customer numbers by segment

⁵ The customer segments have been identified using a single customer view methodology that groups customers based on their primary need. For example, if a customer accesses a gravity irrigation service and a domestic and stock service, they are classified as in the irrigation segment if their gravity irrigation charges exceed their domestic and stock charges.

⁶ Water use is reported for the 2021/22 period, as at June 2022

⁷ This segment includes hydroelectric power utilities and customers with licenses to divert and return water for purpose of hydro generation

Understanding and Responding to Our Customers' Needs

Delivering what is important to our customers remains core business for GMW. We derive insights from our many customer touchpoints including our Contact Centre, local Customer Service Centres, WaterLINE users and our frontline staff. Contemporary communication channels including Your Say @ GMW, are effective ways to deliver customer engagement, providing forums to listen and collaborate with our customer base on the key issues that affect them.

We are committed to providing our customers, stakeholders and community members with a meaningful way to have input into the future of the Goulburn-Murray region.

Customer Complaints

The number of complaints received in the 2021/22 financial year decreased to 47, from 68 complaints received in 2020/21. In 2021/22, the most common complaint related to diversions (32%). Of these complaints the majority were about the licence renewal application fee for Upper Ovens customers. Of the remaining complaints, 23 per cent related to water delivery – channel leaks and maintenance.

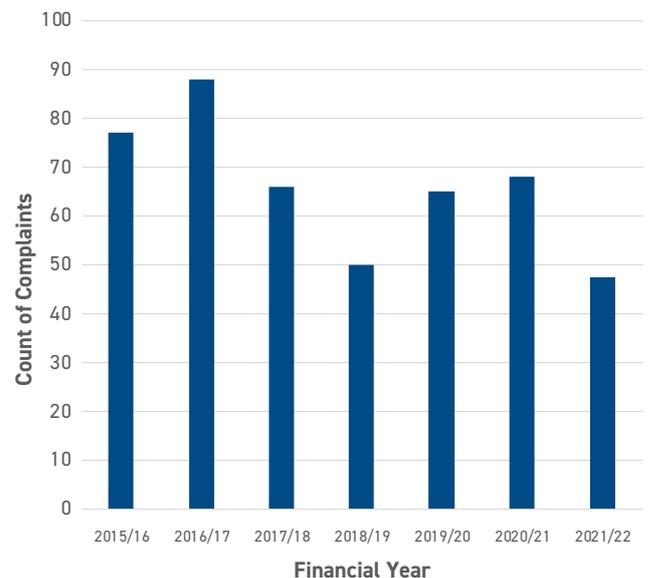


Figure 3: GMW Water Storage and Delivery complaints since 2015/16

Our management of complaints is consistent with the Australian Standard AS ISO 10002:2006, and the Essential Services Commission's Customer Service Code. GMW will:

- provide sufficient resources to adequately manage and investigate all complaints
- encourage and expect employees to actively listen to a customer making a complaint
- resolve the complaint, or make the complainant aware of the progress towards resolving their complaint, within 10 business days
- do our best to provide a resolution that satisfies all parties within the bounds of legislative and policy requirements.

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Deliveries by Service Type

During the 2021/22 irrigation season, GMW delivered a total of 2,636.7 GL of water to our customers. This value is 237.1 GL more than 2020/21. Table 5 describes our deliveries by service type and whilst irrigation deliveries between the years is relatively constant, deliveries to the environment increased significantly.

Service	Total Delivered (ML)	
	2020/21	2021/22
GMID (Total)	988,767	1,066,647
GMID (Irrigation) ⁸	919,998	935,224
GMID (Environment)	59,661	122,743
GMID (Urban) ⁹	9,108	8,680
Pumped Districts (Irrigation)	20,810	18,698
Regulated Diverters (Irrigation) ¹⁰	71,434	68,600
Regulated Diverters (Environment) ¹¹	493,903	683,726
Regulated Diverters (Urban and bulk supply) ¹²	52,360	51,812
Unregulated Diverters	28,030	23,990
Regulated Diverters – River Murray d/s Nyah (Bulk Supply) ¹³	558,466	552,375
Regulated Diverters – River Murray d/s Nyah (Environmental) ¹⁴	38,829	80,939
Regulated Diverters – River Murray d/s Nyah (Urban) ¹⁵	15,394	15,524
Groundwater ¹⁶	95,576	74,370
Total	2,364,569	2,636,680

Table 5: GMW water deliveries based on service type

Water Trading

During the 2021/22 irrigation year, 12,285 trades were processed involving 3,488,740 ML of allocation. Customers managing allocation access the water market through online tools supplying up to date information and allowing online transactions. Customers can also trade allocation with one of the many water brokers who can transact online through the Broker Portal.

This has resulted in a highly active water market, allowing customers to secure allocation when required or participate as a seller. We continue to support water market development and Water Register transformation.

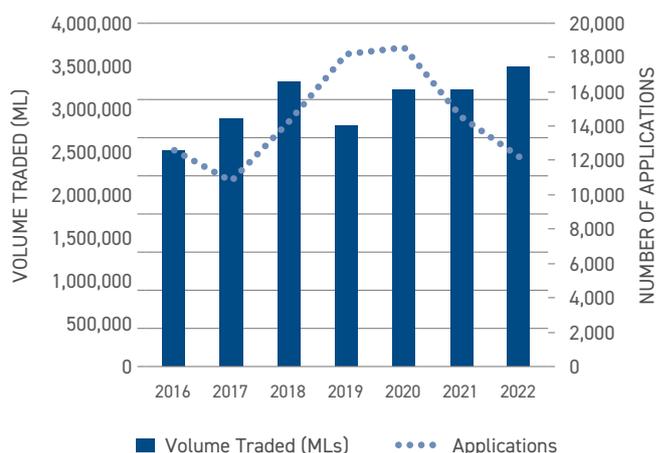


Figure 4: Retail and environmental allocation trades and volumes since 1 July 2015.

Goulburn-Murray Water received 3,101 applications to transfer 190,312 ML of water share throughout the 2021/22 irrigation year representing the greatest number of water shares traded since 2018/19. It is expected that this increase is attributable, at least in part, to the increasing value of Water Share and the availability of water as result of the Irrigators Share Distribution project.

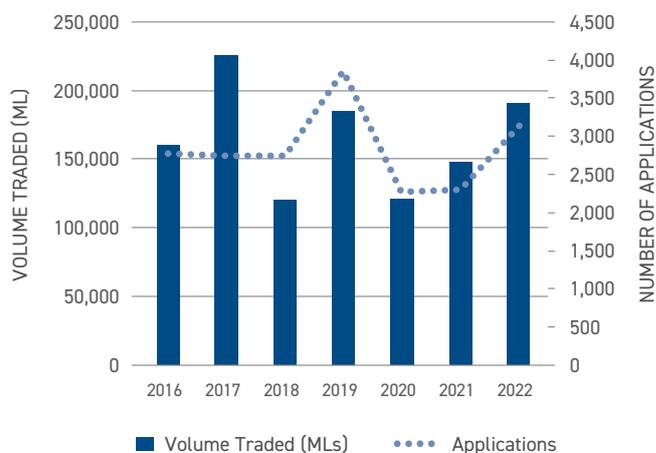


Figure 5: Water share transfers and volumes since 1 July 2015.

⁸ Includes Water Works Districts

⁹ Includes Lower Murray Water urban locations in the GMID

¹⁰ Includes locations on the Murray River u/s of Nyah

¹¹ Includes locations on the Murray River u/s of Nyah

¹² Includes Lower Murray Water urban locations u/s of Nyah

¹³ Bulk supply to Lower Murray Water includes losses, operational volume only

¹⁴ Includes environmental locations on the Murray River d/s of Nyah

¹⁵ Includes Lower Murray Water Urban locations on the Murray River d/s of Nyah

¹⁶ Excludes Shepparton Irrigation Region (SIR) Groundwater Management Area (GMA) estimated usage.

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The Connections Project

The Connections Project (the Project), governed by a dedicated Project Control Group (chaired by Patrick McNamara) with GMW Board oversight, represented an important and fundamental change for irrigated agriculture in the GMID and contributed to the water savings targets for Victoria outlined in the Murray-Darling Basin Plan. More than \$2 billion was invested through the Project to improve the delivery of water to irrigation businesses across the GMID. Focussing on modernising infrastructure and improving service standards while generating water savings, the Project contributed to long-term sustainability of irrigation in the region.

The Project works successfully delivered the water recovery target of 429 GL – long term average annual yield (LTAAY), with the target being exceeded by 4 GL. This additional 4 GL was distributed in the following manner, 2 GL to irrigators as part of the Irrigators Share Distribution project, and 2 GL to the original partners in the project – irrigators, the Victorian Environmental Water Holder (VEWH) and Melbourne retailers.

Both the VEWH and the Melbourne retailers have agreed their additional water will be set aside for Traditional Owners in northern Victoria, a total of 1.36 GL.

Next Steps in 2022/23

Project and GMW staff will focus on closing out complex land dealings, legacy agreements and any remaining environmental obligations.

The Water Efficiency Project

Project Background

The Water Efficiency Project (WEP) is a \$177.5m water recovery project funded by the Commonwealth Government. Following on from the success of the Connections Project, the WEP will recover 15.9 GL LTAAY for the environment, through rationalising and modernising the irrigation supply system throughout the GMID.

Over 1,000 customers will benefit from the WEP, which will treat over 250 km of channel and over 1,000 meters.

Project Developments in 2021/22

The WEP successfully met its first two water savings and assets treated milestones on time and on budget. The project is on track to successfully achieve the remaining milestones in 2022/23.

Notable accomplishments to 30 June 2022 include:

- completing significant construction works including GMW owned pipelines, channel automation, meter

installations, meter rationalisations, channel and structure decommissioning and private reconnection works. These works resulted in the project treating 321 meters and 87.5 km of channel

- engagement with more than 400 landowners
- ongoing certification of the project's management systems to International and Australian Standards for Quality, Environment and Safety (ISO 9001:2015; ISO 14001:2015 and AS 4801:2001).
- 15 reconfiguration plans adopted and gazetted
- a rolling Lost Time Injury Frequency Rate (LTIFR) of 0.0 LTIs per million man hours worked recorded as of 30 June 2022. This compares favourably with the average construction industry LTIFR of 10.7.

Next Steps in 2022/23

The ongoing engagement program through to construction of works will continue during 2022/23. This will allow the project to meet its funding milestones. The works required to achieve these milestones include channel and structure decommissioning, meter rationalisation, meter installation, regulator upgrades, constructing GMW-owned pipelines and private reconnection works.

Project Status, Milestones and Project Completion

The WEP is scheduled for completion over six milestone periods, with the final milestone due in April 2024. The first two of the six project milestones were successfully achieved on schedule and on budget. The project has planned the scope for the remaining milestones in 2022/23, with activity underway to procure and construct the works required to achieve the water savings and asset treatment targets.

Mitiamo Pipeline Project

Project Background

The Mitiamo and District Reticulated Water Supply Business Case (September, 2017) was submitted to the Victorian and Commonwealth Governments seeking funding support for a \$29 million investment to build a reticulated water supply for the Mitiamo region.

Construction of over 350 km of pipeline with 343 tapping points for customers has been completed. The new reticulated water system has been delivering water to customers since July 2021. The Mitiamo Pipeline Project has been successfully completed, on time and on budget.

Project Developments in 2021/22

An innovative project to install a 99 kW solar power system with a battery energy storage system at the site of the storage and pump shed was completed in February 2022.

The benefits of the solar power system include:

- allowing the site to be 'carbon positive' as the expected renewable power generation will exceed the estimated energy requirements over the course of a year
- minimising or potentially eliminating the need to purchase non-renewable energy from the electricity grid as stored energy can be used when insufficient solar power is generated
- demonstrating GMW's use of technology and environmental focus to reduce its carbon footprint.

Next Steps in 2022/23

The Department of Environment, Land, Water and Planning asked the project team to help Parks Victoria to deliver private pipelines and stock troughs to support ecological grazing within the Terrick Terrick National Park.

A delivery strategy has been put in place to deliver these works and the project team will work with Parks Victoria throughout 2022/23 to implement the proposed works.

Water Storage

Goulburn-Murray Water manages 24 storages (including four on behalf of the MDBA and four Victorian Mid-Murray storages) to harvest, store and supply water for irrigation, urban/rural and environmental use in northern Victoria. The 20 Victorian owned storages vary in size, capacity, reliability and consequence category across northern Victoria, and are between 26 and 152 years old. Of these, we operate 15 major storages in accordance with the Australian National Committee on Large Dams (ANCOLD) guidelines and 1 major storage in accordance with Dam Safety NSW regulations.

We maximise harvesting opportunities, and manage stored water efficiently for our customers. The storages provide additional benefits including recreation and public use, support to local tourism, environment and economies and hydropower generation. These are the complementary services provided by GMW.

Bulk Water Operations and Maintenance

During 2021/22, we operated and maintained each of the storages and delivered a number of initiatives to improve the operations and services provided at and around each of these sites. Some of the highlights of the year are summarised below:

- Rock stabilisation works (total project value \$2.3 million) were completed on the primary spillway at Lake Eppalock. This work provided safe operation and maintenance access to the spillway drainage system and promoted the integrity of the spillway by reducing the risk of asset damage in the event of a rock fall.
- Investment in lighting and safety systems continued across the storages.
- On 22 September 2022, a magnitude 5.9 earthquake occurred near the town of Rawson in Victoria. Surveillance activities commenced on all GMW dams immediately following the earthquake, with no resultant damage.
- Comprehensive dam safety inspections (five-yearly) were undertaken at Lake Eildon and Newlyn Reservoir, with no major issues identified.
- Desktop exercises testing the Flood Incident Management Plans and Dam Safety Emergency Plans for all 16 ANCOLD large dams were undertaken during the year.
- In accordance with the ANCOLD guidelines, dam safety design reviews for Mildura Weir, Torrumbarry Weir, Lake Buffalo and Waranga Basin continued throughout the year, and commenced for Yarrawonga Weir and Lake Eppalock. These will review the design and performance of these structures over the last 20 years against current-day design and construction standards.
- We have developed a new GMW Dam Safety Management System, as well as an Operations and Maintenance Plan for Yarrawonga Weir in accordance with Dam Safety NSW requirements.
- We completed a review of the Lake Nillahcootie spillway retaining wall strength, and developed specification and cost estimates for detailed investigations to inform future capital works.
- In June 2022, Mildura Weir was pulled from the River Murray for inspection and maintenance of the trestles, with three swapped out for refurbishment.
- To control invasive weed growth Lake Mulwala was lowered by 5 m during winter 2022.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Water Delivery Services

During the 2021/22 year GMW delivered, operated and maintained services in and around our water delivery networks. Some of the highlights of the year are summarised below:

- We maintained customer service levels despite the impacts of COVID and related restrictions.
- We worked with catchment partners across our region on a range of projects and issues. These included developing the Tullaroop Integrated Catchment Management Plan, continued post fire monitoring and early warning in the north east, responding to hypoxic blackwater inputs and input to catchment strategy reviews.
- We issued 21 blue green algae warnings during the year including at Lake Eildon, Laanecoorie Reservoir, Tullaroop Reservoir and Creek, Newlyn Reservoir, Hepburns Lagoon and backwaters in Lake Nagambie. This was fewer than 2020/21, but the fourth highest number since records began in 2003. Newlyn Reservoir required a blue green algae warning for the first recorded time.
- Goulburn-Murray Water delivered their best ever performance against Water Use Compliance and Enforcement key performance indicators.
- Successfully completed the planned 2021/22 capital works program.
- Winter maintenance works will ensure that the network continues to provide a reliable water supply during the irrigation season.

Water Management

The Minister for Water appointed GMW to be responsible Authority for making seasonal determinations for all declared water systems in northern Victoria. As the northern Victorian Resource Manager, Storage Manager and Delegate of the Minister, GMW delivers water resource and catchment planning services to implement government surface water and groundwater policies and regulations.

Seasonal determinations in 2021/22 opened at low levels before increasing with winter and spring rainfall. All systems reached 100 per cent of high-reliability water shares (HRWS) in mid-October 2021, with the Broken and Bullarook systems achieving 100 per cent of low-reliability water shares (LRWS) at this time. Continued resource improvements in the Murray system led to an initial announcement of 12 per cent LRWS in mid-December 2021, increasing to 72 per cent LRWS in mid-January 2022 and finally 100 per cent LRWS in mid-February 2022. This marked the first time that the Murray system had reached the maximum possible seasonal determination against water shares.

The Goulburn, Campaspe and Loddon systems received useful reserves that will contribute to early season availability in 2022/23.

Seasonal Determinations for Northern Victorian Water Systems

Season	Murray		Broken		Goulburn		Campaspe		Loddon		Bullarook	
	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %
2020/21	100	0	100	100	100	0	100	0	100	0	100	100
2021/22	100	100	100	100	100	0	100	0	100	0	100	100

Table 6: Seasonal Determinations for Northern Victorian Water Systems

Carryover

Northern Victorian water entitlement holders carried over 1,453 GL into the 2021/22 season, approximately 424 GL more than the 2020/21 season.

As northern Victorian Resource Manager, GMW declared a low risk of spill for the Campaspe system on 11 October 2021 and for the Goulburn system on 10 November 2021.

Continued inflows into Lake Hume during 2021/22 meant a low risk of spill was not declared for the Murray system until 10 June 2022. This marked the latest time in a water year that a declaration had been made since the introduction of spillable water accounts in 2009/10. GMW, in its role as Northern Victoria Resource Manager, announced its decision to make a June declaration in April 2022. GMW reasoned that a 10 June declaration—regardless of the actual risk of spill—would give customers with water held in spillable water accounts enough time to manage their allocations holdings before the end of the 2021/22 water year.

The late-season declaration ultimately had little impact on customer allocation plans, as all spillable water accounts had been emptied by 10 June 2022 through ongoing releases by the MDBA to manage the volume in Lake Hume. The total volume deducted from the Murray spillable water accounts during 2021/22 was approximately 643 GL.

No deductions occurred from spillable water accounts in the Goulburn or Campaspe systems.

Groundwater

The majority of northern Victoria received rainfall totals above average for the 2021/22 water year. Improved climatic conditions and high surface water allocations contributed to less reliance on groundwater compared to the preceding three years; total usage in 2021/22 was around 40 per cent of the allocated groundwater entitlement.

In 2021/22, approximately 61 per cent of licensed entitlement¹⁷ was held by customers in three key areas, the Katunga Water Supply Protection Area (WSPA), the Lower Campaspe Valley WSPA and the Mid-Loddon Groundwater Management Area (GMA); these accounted for approximately 74 per cent of the total groundwater use.

Licence entitlement transfers were also down on recent years; approximately 8.8 GL was transferred between licences throughout 2021/22, compared to 9.3 GL in 2020/21.

Groundwater Management Units across the region received maximum allocations in 2021/22, with the exception of the Lower Campaspe Valley WSPA restricted to a 75 per cent allocation, and the Katunga WSPA which had a 70 per cent allocation.

System Efficiency

Modernisation in GMW's irrigation areas has improved the operational efficiency of our channel delivery networks. Total deliveries in the channel networks in 2021/22 were about 82 GL higher than 2020/21. As a result of higher deliveries, system efficiencies increased. Efficiency is a measure of delivery versus diversion into the districts.

The following table shows system efficiencies in 2021/22 compared with the previous two seasons. System efficiency reflects the water delivered (recorded at customers' service points) expressed as a percentage of the water diverted into an irrigation area.

¹⁷ Excludes licensed entitlement held in the SIR GMA

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GMW System Efficiency and Customer Deliveries (ML) within Irrigation Areas

	2019/20		2020/21		2021/22	
	System Efficiency	Customer delivery (ML)	System Efficiency	Customer delivery (ML)	System Efficiency	Customer delivery (ML)
Total ¹⁸	77.9%	595,629	85.8%	993,601	86.2%	1,053,469
Shepparton	85.8%	81,928	87.6%	104,880	90.0%	112,397
Central Goulburn	78.5%	143,830	83.4%	219,498	85.4%	237,676
Rochester	72.5%	63,500	92.8%	129,767	91.4%	141,406
Loddon Valley	76.7%	72,941	86.1%	154,526	88.7%	157,283
Murray Valley ¹⁹	85.3%	87,056	86.6%	153,345	84.5%	151,290
Torrumbarry ²⁰	70.3%	146,373	82.5%	231,584	82.2%	253,418

Table 7: GMW system efficiency and customer deliveries (ML) within irrigation areas.

The overall GMID efficiency was 86.2 per cent in the 2021/22 season, slightly higher than previous irrigation seasons. A number of other factors also influence system efficiency including the start of season channel fill and end of season channel drawdown, operation of local system storages, seasonal weather conditions and local catchment inflows.

Sustainable Resource Management

The sustainability of GMW's surface water and groundwater resources relies on extensive management and monitoring programs across our operating region. We work with partner agencies including the Department of Environment, Land, Water and Planning, the MDBA, CMAs, Parks Victoria, local government authorities and the Department of Jobs, Precincts and Regions through Agriculture Victoria. GMW also contributes to Integrated Water Management Forums across northern Victoria and develops projects in partnerships with regional water corporations including North East Water, Goulburn Valley Water, Coliban Water and Central Highlands Water.

We manage the environmental risks within our area of operation through water quantity and quality monitoring, surface and subsurface drainage operations and salt interception systems. Bulk entitlements are in place for the declared water systems in our area and we apply local management rules to protect surface resources in unregulated streams. Groundwater management plans provide important information and clear operating rules to our customers about the use of groundwater for purposes including irrigation and domestic and stock use.

Our Environment

GMW has a comprehensive process to report and monitor compliance against legal, regulatory and Statement of Obligations requirements. An annual attestation of compliance against these obligations is reported to the Board and Executive Leadership Team.

In the instance we identify a breach we develop an action plan in consultation with the relevant business unit to determine appropriate control measures to mitigate future occurrences. Breaches are reported to the relevant regulatory authorities as required. Goulburn-Murray Water attests that no breaches of our legal, regulatory, or Statement of Obligation requirements came to the corporation's notice during the 2021/22 reporting period.

We fulfilled our obligations under the *Safe Drinking Water Act 2003* and *Safe Drinking Water Regulations 2015*. We monitored blue-green algae and other water quality parameters at key locations to effectively manage and communicate risks to water users and other stakeholders.

We manage our interactions with the environment through our Environmental Management System (EMS). Our EMS is certified to the International Standard for Environmental Management Systems AS/NZ ISO 14001 and has maintained this certification throughout 2021/22. An external third party surveillance audit assessed performance against this standard.

¹⁸ Customer deliveries- irrigation, urban and environmental customer deliveries. Excludes bulk deliveries by irrigation areas.

¹⁹ Excluding deliveries from Lower Broken Creek.

²⁰ Excludes the pumped irrigation districts

Performance Reporting – Financial

GMW Financial Structure

Goulburn-Murray Water disaggregates the activities of the business into two major components. Due to the size and impact on the consolidated business a disaggregated note has been included in the Financial Statements. The two major components are:

1. Water Storage and Delivery – these are the operating activities of GMW which include harvesting, storing and delivering water to customers.
2. Water Savings Projects – these are the activities relating to delivering the Victorian and Commonwealth Governments' irrigation modernisation and renewal program in northern Victoria to achieve water savings. The Water Savings Projects Team operates as a business unit of GMW and results are consolidated.

Operations of the Water Savings Projects are accounted for separately from Water Storage and Delivery operations as required by the Commonwealth and Victoria. This assists in delivering governance, financial and operational accountability for the business. It also prevents cross-subsidy between either GMW's customers or the governments' funding for the project. Approved financial transactions between the Water Storage and Delivery business and the Water Savings Projects business are eliminated in producing GMW's financial statements to avoid double counting of revenue and expenses. Note 2 of the Financial Statements disaggregated information.

Five Year Financial Summary

Summary of Financial Results - Water Storage and Delivery and Water Savings Projects (before internal adjustments)

Summary of Financial Results - Water Storage & Delivery					
	2021/22 ('\$000)	2020/21 ('\$000)	2019/20 ('\$000)	2018/19 ('\$000)	2017/18 ('\$000)
Statement of Profit & Loss for the year ended 30 June - Extract					
Total revenue	160,376	149,436	169,125	185,624	168,259
Expenses excluding interest, depreciation and amortisation	121,635	142,847	139,275	150,218	164,311
Depreciation and amortisation	84,702	98,016	102,676	100,084	100,231
Interest expense	5,732	6,159	7,119	6,930	7,118
Net result before tax	(51,693)	(97,586)	(79,945)	(71,608)	(103,401)
Cash Flow as at 30 June - Extract					
Net cash flow from operating activities	37,018	14,445	36,736	8,801	38,722
Net cash (outflows) from investing activities	(22,696)	(16,294)	(12,819)	(23,603)	(34,946)
Net cash (outflows)/inflow from financing activities	(2,443)	(21,599)	(2,357)	5,665	(1,915)

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Summary of Financial Results - Water Savings Projects					
	2021/22 ('000)	2020/21 ('000)	2019/20 ('000)	2018/19 ('000)	2017/18 ('000)
Statement of Profit or Loss for the year ended 30 June - Extract					
Funding revenue	19,824	43,520	116,268	92,076	63,422
Project costs	35,543	49,184	106,673	100,881	60,322
Other project costs (1)	9,227	10,773	13,135	15,866	18,282
Total Project Expenditure	44,770	59,957	119,808	116,747	78,605
Net result before tax	(24,946)	(16,437)	(3,540)	(24,671)	(15,181)
Cash Flow as at 30 June - Extract					
Net cash flow from operating activities	8,494	(13,043)	(89,610)	(27,247)	54,186
Net cash (outflows) from investing activities	(28,108)	(68,722)	(88,989)	(118,359)	(96,648)
Net cash (outflows)/inflow from financing activities	31,719	30,649	11,715	129,956	101,910
Summary of Financial Results - Total GMW (after internal adjustments)					
Statement of Profit or Loss for the year ended 30 June - Extract					
Total revenue	163,894	184,529	269,406	242,479	211,411
Total expenses	240,533	298,551	352,890	338,757	329,990
Net result before tax	(76,639)	(114,022)	(83,485)	(96,278)	(118,580)
Balance Sheet as at 30 June - Extract					
Current	169,595	132,305	206,508	352,356	376,908
Non-current	4,675,849	4,780,240	4,712,121	4,727,023	4,734,348
Total assets	4,845,444	4,912,546	4,918,629	5,079,379	5,111,256
Current	105,949	71,814	112,161	183,423	253,915
Non-current	530,748	597,159	567,906	610,451	634,354
Total liabilities	636,697	668,973	680,067	793,874	888,268
Cash Flow as at 30 June - Extract					
Net cash flow from operating activities	45,512	1,402	(52,868)	(18,446)	92,908
Net cash (outflows) from investing activities	(50,805)	(85,016)	(101,808)	(141,963)	(131,594)
Net cash (outflows)/inflow from financing activities	29,276	9,050	9,352	135,621	99,995

Table 8: Summary of financial results since 1 July 2017

(1) Includes employee expenses, other operating costs, depreciation and interest.

Current Financial Year Review

2021/22 commenced the second year of our four year regulated pricing period (termed Water Plan 5). This plan supports a significant change program for GMW reflected in favourable price paths for customers and efficiency of operation across the business.

Other highlights include:

- the GMW Annual Report sets out the operational and financial information relating to the business as a whole. This includes the consolidated financial statements for Water Storage and Delivery (WSD) and the Water Savings Projects
- total GMW Revenue of \$163.9 million was lower than the prior year as a result of a decrease in Water Savings Project funding. Water Savings Projects revenue decreased in line with the completion of the Connections Project and decreased expenditure. The Water Storage and Delivery total revenue increased primarily as a result of output funded assets vested during the year from Water Savings Project as the Connections Project comes to a conclusion and assets are transferred to Water Storage and Delivery.
- the Net Result before tax of (\$76.6 million) loss is impacted by \$85.3 million depreciation and amortisation expense which is not fully recovered in the regulatory pricing and revenue setting framework. Since 2006 the Economic regulation of GMW means that it cannot put money aside for future capital works and can only recover the cost of works once they start being used. GMW's regulatory asset base is approximately \$400 million compared to a statutory asset base of \$4.6 billion. GMW does not recognise any regulatory assets or liabilities for differences in forecast regulatory revenue and expenses and actual outcomes.
- year on year comparison of net result is affected by reduced revenue for Water Savings Projects as the Connections Project reaches a conclusion.
- the current COVID-19 pandemic has not significantly impacted GMW's prescribed business or the Water Savings Projects. Despite restrictions that resulted in our workforce having to segregate or work remotely, we have been able to deliver our obligations and the increases in remote working network and communications costs have been offset by reduction in general office expenses.
- GMW continues to support our customers offering hardship, payment arrangements and extensions. These are available to all customers, not only those impacted by COVID-19, bushfires and other natural disasters.

REVENUE (000'S)

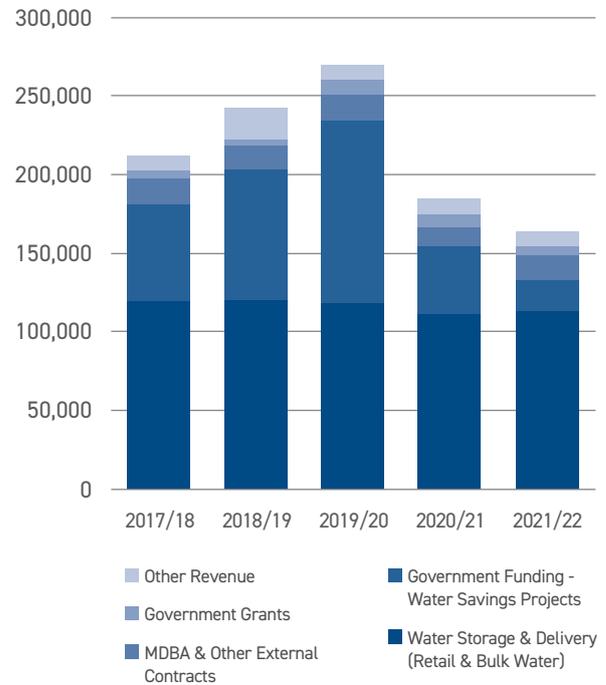


Figure 6: Revenue by source (\$'000s) since 1 July 2017

EXPENDITURE (000'S)



Figure 7: Expenditure breakdown (\$'000s) since 1 July 2017

Significant Changes in Financial Position

For significant changes in financial position please refer to the current year financial review commentary. (Page 34)

Significant Changes or Factors Affecting Performance

For significant changes or factors affecting performance please refer to the current year financial review commentary. (Page 34)

Capital Projects

Goulburn-Murray Water delivered capital works in three main areas: in the normal course of our Water Storage and Delivery business, through the Water Savings Projects and in partnership with external agencies as outlined in the sections below.

The majority of construction activity occurs while the gravity irrigation system is non-operational and occurs in the months either side of 30 June.

None of the capital projects managed by GMW that were completed during the financial year exceeded the disclosure threshold of \$10 million.

Capital Projects Water Storage and Delivery

During 2021/22, GMW delivered customer funded capital projects valued at \$18.3 million, upgrading many water delivery and water storage infrastructure assets. We deliver our works through a mix of direct management with internal resources and outsourcing to regionally-based contractors or specialist contractors based outside regional Victoria.

Some of the major water delivery projects or programs undertaken were:

- gravity irrigation linear upgrade/renewal program
- gravity irrigation structures upgrade/renewal program
- meter upgrade/renewal program
- Cohuna Weir fishway on the Gunbower Creek.

Some of the major water storage projects or programs undertaken were:

- refurbishing the guard rails on the Cattanach Canal and Stuart Murray Canal bridges to enhance the safety of vehicles traversing over the bridges and to maintain the integrity of the assets
- upgrading the Cairn Curran spillway gate hoist brakes and motor heaters, and replacing the limit switch and control panel to the spillway gates at Lake Eildon, thereby promoting reliable operations of the spillway gates at these sites
- repainting the bridge to the outlet tower at Cairn Curran Reservoir, promoting the longevity of the bridge and access to the tower.

Some of the major MDBA asset projects or programs undertaken were (GMW is the State Construction Authority for MDBA):

- rehabilitating the access track to, and an electrical upgrade at, the pump station at Hattah Lakes
- upgrading Dartmouth Telemetry (planning and design ongoing)
- Mildura Merbein Salt Interception Scheme works (construction contract awarded)
- replacing two bridges in the Barr Creek Salt Interception Scheme.

CAPITAL EXPENDITURE (000'S)

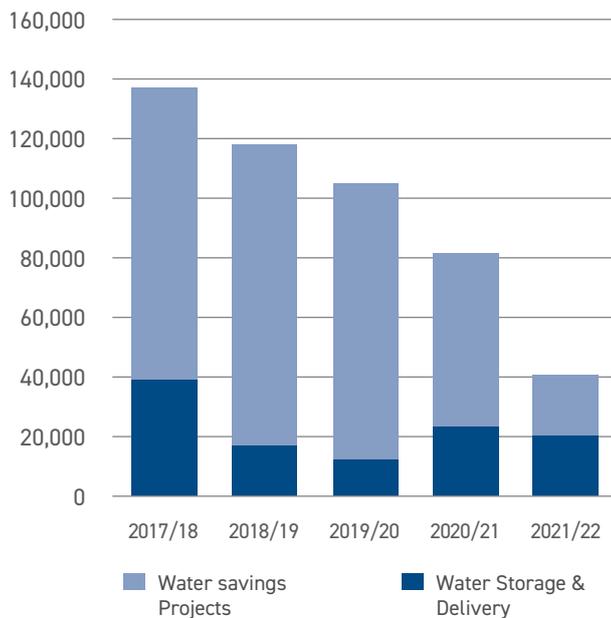


Figure 8: Capital expenditure breakdown between business units (\$'000s) since 1 July 2017

Project Delivery Service for Other Government Entities

Goulburn-Murray Water provides project delivery services, including planning and design, construction, commissioning and handover to local government agencies and catchment management authorities within the GMID.

Some of the major projects delivered or commenced this year include:

- Koondrook fishway (NCCMA) completed
- Taylors Creek Fishway (NCCMA) planning commenced
- Tea Garden Creek Fishway (NECMA) planning commenced
- Harrimans Point boat ramp at Waranga Basin construction was completed with funding by Better Boating Victoria (Dept. of Transport) and GMW
- Replacement of Harriman's Point amenity block at Waranga Basin (Victorian Fisheries Authority via Campaspe Shire Council) was completed
- Aids to Navigation at Waranga Basin, Lake Eppalock & Little Murray Weir - Better Boating Victoria (Dept. of Transport) were installed
- Replacement of amenity block at Tullaroop Reservoir (Victorian Fisheries Authority via Central Goldfields Council) was completed
- Foreshore & boatramp erosion at Lake Hume, Lake Buffalo – Better Boating Victoria (Dept. of Transport) was remediated
- Lake Eppalock effluent/wastewater system project (DELWP) was commenced
- Installation of a shelter and all-abilities double BBQ at the embankment recreation area at Waranga Basin – DELWP
- Installation of car counters across numerous sites to inform usage & future service delivery - DELWP

Capital Projects – Water Savings Projects

The Water Efficiency Project

Capital works for the Water Efficiency Project (WEP) began with regulator replacement in the Shepparton East area in June 2021. During the year, works occurred across the remainder of the GMID and will continue through 2022/23. Major works are generally undertaken during the winter shut down from May to August.

Capital works included:

- meter rationalisation and installation
- pipeline and pump station construction
- channel automation (regulator upgrade/modernisation)
- channel decommissioning

Performance – Water Storage and Delivery

The 2021/22 financial year for Water Storage and Delivery was one where water deliveries were higher than the prior year and recent year average volumes.

The 2021/22 financial year for Water Storage and Delivery was one where continued focus on expenditure control ensured another strong financial performance. This year's net result before tax of (\$51.7 million) loss was \$45.9 million lower than the prior year (\$97.6 million). This is due to reduced expenditure with lower depreciation expenses recorded flowing through from a reduction in net book value of assets compared to last year and fewer assets disposed of as the Connections projects winds up, reducing the expense related to loss on disposal from decommissioning of assets.

Reductions in our controllable operating costs are in line with our approved pricing submission. Labour costs have increased in line with our approved enterprise agreement while operating increases as a result of rises in consumer price indexes have for the most part been absorbed and offset by savings.

Positive operational cash flows of \$37.1 million were achieved compared to \$14.5 million in 2020/21.

Several factors have impacted the operating results including timing of our \$13.4 million payment contribution to the Murray-Darling Basin Authority made in July 2022, the Irrigator Share Distribution, and additional revenue from service charges. While Water Storage and Delivery records a book loss it is important to note the underlying EBITDA and operating cash performance remains strong.

Performance – Water Savings Projects

The Water Savings Project incurred expenses of \$44.8 million in 2021/22. The operating results are most significantly impacted by the timing of Water Savings Project revenue and expenses which present a timing variance year by year. Year on year comparison of the net result is affected by reduced revenue for Water Savings Projects as the Connections Project reaches a conclusion. Overall the project entered the 2020/21 year with a strong cash position due to the funding received ahead of future works programs.

Subsequent Events

There were no events after 30 June 2022 likely to affect GMW's financial performance in a material way.

Performance Report

The following tables represent our performance, comprising both financial and non-financial performance indicators, with reference to performance targets set in GMW's 2021/22 Corporate Plan.

Water Service Performance

KPI Number	Key Performance Indicator	2020/21 Result	2021/22 Result	Variance to prior year	2021/22 Target	Variance to target	Notes
WSR1/C1.4	Gravity: Rural water supply deliveries Number of orders delivered/total number of orders *100	92.8%	93.1%	0.3%	95.0%	-2.0%	
WSR1/C1.4	Pumped: Rural water supply deliveries Number of orders delivered/total number of orders *100	99.5%	99.8%	0.3%	98.0%	1.8%	
C1.5	Water share applications Applications completed within agreed timeframes Number of applications completed/total number of applications * 100	82.0%	97.1%	18.4%	95.0%	2.2%	1
WSR2	Unavailability of Domestic and Stock supply Duration that domestic and stock service is unavailable in excess of on-property storage requirement/length of season * 100	0.0%	0.0%	0.0%	1.5%	-100.0%	2
WSR3	Groundwater supply Number of transfers processed within target period/total number of transfers processed *100	53.1%	53.3%	0.4%	75.0%	-28.9%	3

Table 9: Performance against Water Performance Indicators.

Notes:

1. Improvement in process has resulted in an increase in the number of water share applications completed within the agreed timeframes
2. Domestic and stock supply has been available throughout the reporting period, therefore exceeding the target
3. Finalising applications received prior to 2021/22 has significantly impacted this year's result. Looking at applications received this year GMW completed 80 per cent within the 70-day timeframe.

KPI Number	Key Performance Indicator	2020/21 Result	2021/22 Result	Variance to prior year	2021/22 Target	Variance to target	Notes
CRR2	Billing Complaints No. of complaints per 1,000 customers	0	0	0.0%	0.01	-100.0%	1

Table 10: Performance against customer responsiveness performance indicators.

Notes:

1. GMW continues to engage with customers and improve services and processes to minimise customer complaints. Actual billing complaints were lower than the performance target for 2021/22.

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KPI Number	Key Performance Indicator	2020/21 Result	2021/22 Result	Variance to prior year	2021/22 Target	Variance to target	Notes
E2	Total net emissions greenhouse gases in tonnes CO ₂ equivalent	10,345	10,641	2.9%	11,239	5.3%	1

Table 11: Performance against environmental performance indicators.

Notes:

- The greenhouse gas emissions for 2021/22 were lower than the target limit by greater than 5 per cent. Contributing to this are the modified working arrangements due to COVID 19, with greater use of video conferencing and less corporate travel.

Financial Indicators

KPI Number	Key Performance Indicator	2020-21 Result	2021-22 Result	Variance to prior year	2021-22 Target	Variance to target	Notes
F1	Cash Interest Cover Net operating cash flows before net interest and tax/net interest payments	1.2	9.4	683.3%	0.3	3124.6%	[1]
F2	Gearing Ratio Total debt / total assets*100	1.9%	1.9%	0.0%	2.2%	-12.5%	[2]
F3	Internal Financing Ratio Net operating cash flow less dividends/ net capital expenditure*100	1.6%	89.6%	5332.5%	-6.0%	1596.6%	[3]
F4	Current Ratio Current assets/current liabilities (excluding long term employee provisions and revenue in advance)	4.0	2.9	-27.5%	1.8	58.5%	[4]
F5	Return on Assets Earnings before net interest and tax/average assets*100	-2.2%	-1.5%	33.7%	-2.2%	34.9%	[5]
F6	Return on Equity Net profit after tax/average total equity*100	-2.2%	-0.8%	63.4%	-2.1%	61.3%	[6]
F7	EBITDA Margin Earnings before Interest, Tax, Depreciation and Amortisation/total revenue*100	-5.2%	8.6%	265.9%	2.9%	190.9%	[7]

Table 12: Results against financial performance indicators

Notes:

Performance indicators as mandated in Ministerial Reporting Direction 01 - Performance Reporting (MRD 01) have been marked with their MRD 01 reference numbers. As required by MRD 01 any variances to target or last year of more than 10 per cent for financial performance indicators have been further explained within these notes.

- Cash Interest Cover: positive improvement in the metric from prior year is a result of cash flows from operating activities (before interest) being \$43.0 Mil greater than prior period. A large contributing factor to this improvement in surplus cash flows from operating activities is due to supplier and employee payments relating to the Connections Project decreasing by \$80.6 Mil as the project is nearing completion. This decline in cash outflows was offset partially by a decline in government funding receipts of \$41.5 Mil being received for the Water Efficiency Project. This metric out performed Corporate Plan target due to the Corporate Plan budgeting for deficit cash flows from operating activities. The main cause of this deficit was budgeted cash outflows for Water Savings Project, which were \$58 Mil. Actual cash outflows for Water Savings Project were only \$27 Mil. This variance from budget is due to less expenses being incurred than budgeted for the completion of the Connections Project.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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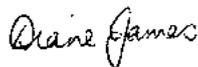
2. Gearing Ratio: remained consistent to previous year at 1.9%. Whilst borrowings (including leases) had declined during the period by \$1.6 Mil, total assets had declined by \$67.0 Mil. The significant portion of this decline is attributable to the reduction in the Net Book Value of infrastructure, property, plant and equipment, which reduced by \$103.8 Mil. Depreciation made up \$81.0 Mil of the decline in NBV. The metric has performed better than the target set in the Corporate Plan due to the corporate plan budgeting for borrowings (including leases) to be at \$105 Mil, where borrowings at year end was actually \$93 Mil. This difference is caused by a \$15 Mil loan repayment, which occurred during the 2021 financial year. Additionally, the Corporate Plan budgeted for \$5.4 Mil in long term borrowings to be drawn down during the 2022 financial year, which were not required.
3. Internal Financing Ratio: This metric has significantly improved on prior year as a result of net cash flows from operating activities increasing by \$44.0 Mil. The metric has performed better than the target set in the Corporate Plan due to the corporate plan budgeting for deficit cash flows from operating activities as well as capital expenditure being \$13.0 Mil greater than actual spend during the period.
4. Current Ratio: this metric has declined compared to prior year due to a reclassification in borrowings from non-current to current as these facilities (\$7.5 Mil in total) are due for payment within the next 12 months. Whilst the metric has declined from prior year, it is still tracking better than the target set in the Corporate Plan. This is predominately due to the positive variation in cash holdings compared to budget being greater than the increase in payables compared to budget.
5. Return on Assets: this metric is negative as GMW reports a net loss before net interest and tax due to the annual depreciation expense, which was \$85 Mil during the reporting period (\$98 Mil in 2021). GMW is regulated and pricing principles restrict GMW from pricing to fully recover statutory depreciation. The metric for 2022 has performed better compared to the target set in the corporate plan and prior year due to the net result before tax being less of a loss (\$76.0 Mil loss for 21/22 compared to \$114.0 Mil loss in prior year and \$116.0 Mil loss in the Corporate Plan).
6. Return on Equity: metric has performed better compared to prior year and the target set in the Corporate Plan due to the net loss after tax being significantly less than the movement in equity during the period. Net loss after tax reduced by \$59.5 Mil compared to prior year and equity reduced by only \$34.8 Mil. A contributing factor to equity declining by less is the capital contributions recognised during the period on assets that have vested through the Water Saving Project (\$34.0 Mil), which is recognised directly in equity. Net profit after tax is negative for the same reasons as reported in Note 5 above.
7. EBITDA Margin: this metric has improved compared to prior year as a result of earnings before interest, tax, depreciation and amortisation (EBITDA) being \$14.0 Mil for the 2022 financial year. This is in contrast to 2021 financial year, where GMW had a EBITDA of (\$9.5 Mil). The key difference between the year on year performance is due to recognised losses on disposal of assets, which was \$23.7 Mil more during the 2021 financial year. As the Connections Project was winding down operations during the 2022 financial year, less assets were being decommissioned as part of the project. This metric has performed better also compared to the target set in the Corporate Plan due to the budgeted EBITDA in the Corporate Plan for 2022 being \$5 Mil.

Certification of Performance Report for 2021/22

We certify that the accompanying Performance Report of Goulburn-Murray Rural Water Corporation in respect of the 2021/22 financial year is presented fairly in accordance with the *Financial Management Act 1994*.

The Performance Report outlines the relevant performance indicators for the financial year as determined by the responsible Minister and as set out in the 2021/22 Corporate Plan, the actual and comparative results achieved for the financial year against predetermined performance targets and these indicators, and an explanation of any significant variance between the actual results and performance targets and/or between the actual results in the current and previous year.

As at the actual date of signing, we are not aware of any circumstances that would render any particulars in the Performance Report to be misleading or inaccurate.



Diane James AM
CHAIRMAN

7th September 2022



Charmaine Quick
MANAGING DIRECTOR

7th September 2022



Michael Gomez
GENERAL MANAGER BUSINESS AND FINANCE

7th September 2022



Independent Auditor's Report

To the Board of the Goulburn-Murray Rural Water Corporation

Opinion	<p>I have audited the accompanying performance report of the Goulburn-Murray Rural Water Corporation (the corporation) for the year ended 30 June 2022, which comprises the:</p> <ul style="list-style-type: none">• financial performance indicators• water performance indicators• customer responsiveness performance indicators• environmental performance indicators• certification of performance report. <p>In my opinion, the performance report of the Goulburn-Murray Rural Water Corporation for the year ended 30 June 2022, presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 7 of the <i>Financial Management Act 1994</i>.</p>
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Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance report in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
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Board's responsibilities for the performance report	<p>The Board is responsible for the preparation and fair presentation of the performance report in accordance with the performance reporting requirements of 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 the performance report that is free from material misstatement, whether due to fraud or error.</p>
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**Auditor's
responsibilities
for the audit of
the
performance
report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance 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 Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

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

- identify and assess the risks of material misstatement of the performance 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 corporation's internal control
- evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying events and results 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
7 September 2022



Paul Martin
as delegate for the Auditor-General of Victoria

Governance and Organisational Structure

Organisational Structure

Goulburn-Murray Water's organisational structure for 2021/22 is as per Figure 9 below.

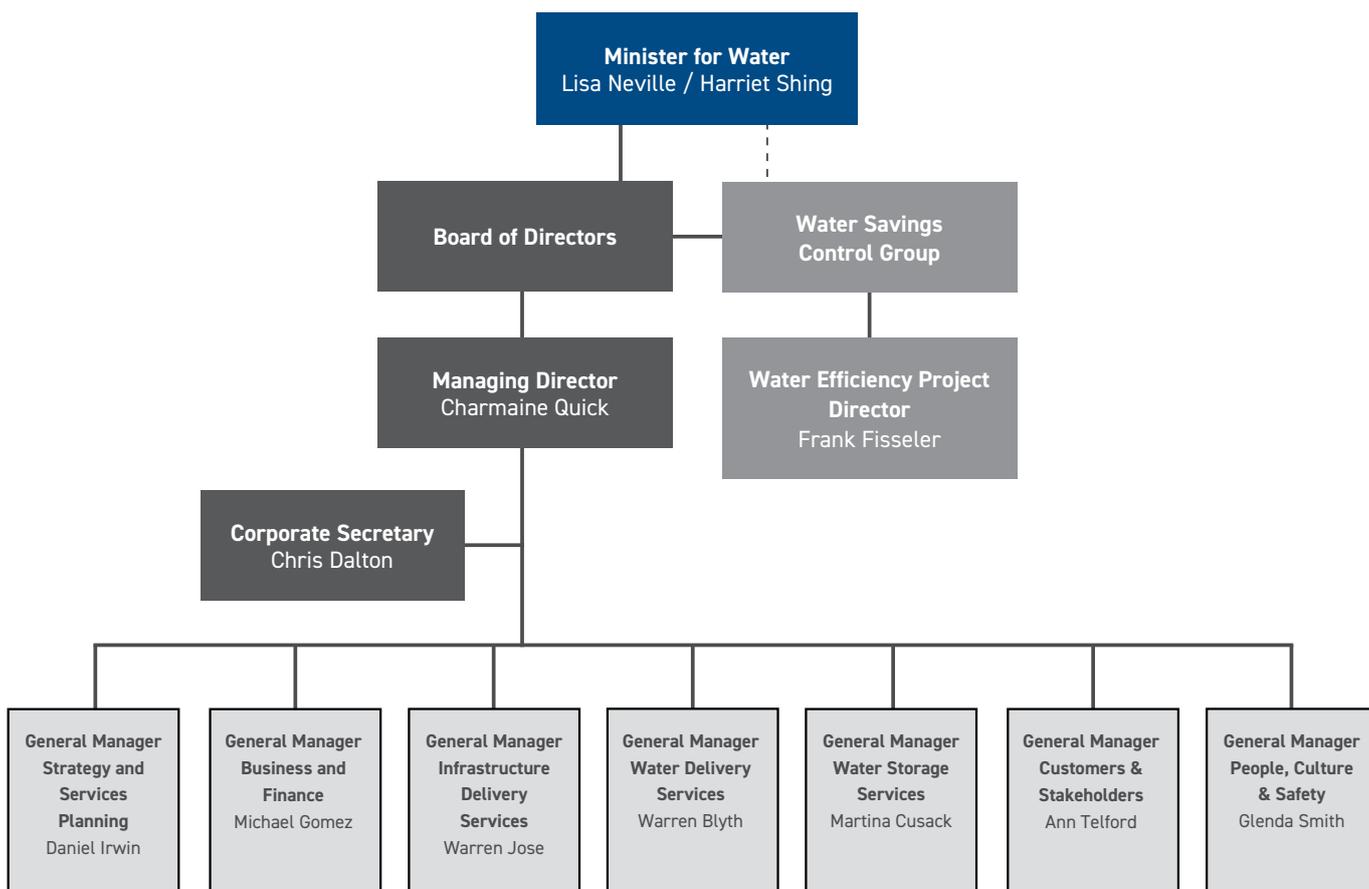


Figure 9: GMW organisational structure 2021/22

Our Business Units

On a practical level, the employees of GMW are divided within functionally separated division and business units, which work collaboratively to achieve our strategic and operational business objectives.

Our front line service providers, the **Water Delivery Services** and **Water Storage Services** teams, are focused on delivering efficient and affordable water services. They are accountable for transparency in cost allocation through their management and operation of storages, pumped and gravity irrigation network and our diversions assets.

The **Customers and Stakeholders** team plans and delivers strategic engagement for our key directional projects. They also provide customer communications and media services, the water trading function, land and licensing services and the customer contact centre.

The **Strategy and Services Planning** team works collaboratively with all business units to develop core business strategies and plans, respond to sector policy matters, and provides the framework and data for managing our assets, information and capital planning process. This team also reports on organisational progress and our strategic and operational risk profile.

Our **Infrastructure Delivery Services** team provides efficient and effective construction and maintenance services for our two operational divisions (Water Delivery Services and Water Storage Services).

Goulburn-Murray Water's **Business and Finance Services** team provides the essential support services to the organisation to ensure that our business operations can function effectively and in accordance with various policies and legislation.

Our **People, Culture and Safety** team partners with the business fostering a learning culture where people are engaged, inspired and supported to take on existing and emerging challenges. Leadership is the greatest attribute for an organisation, its people are the greatest asset and will be treated as such.

The **Corporate Secretariat** supports all of our strategic outcomes by providing effective governance oversight, legal advice, board administration and internal auditing. Corporate Secretariat also co-ordinates GMW's zero tolerance approach to water use compliance and enforcement.

Board of Directors

Independent Directors

The independent non-executive directors for the financial year were:

Diane James AM, Chair

Diane James AM is a business consultant and company director. Her career includes establishing two start-up companies and serving on numerous state and national boards.

Diane is also a former Chair of Southern Rural Water and a former Director of Barwon Water. She was also a founding Director of genU - a national disability, ageing and lifestyle services organisation. Diane was Chair of the Victorian Coastal Council for 12 years.

Diane was awarded a Member of the Order of Australia (AM) in 2011 in recognition of her contribution to the environment and natural resource management.

She is an accredited leadership coach, holds a Graduate Certificate in Innovation and Entrepreneurship and is a Fellow of the Australian Institute of Company Directors.

Margot Henty

Margot Henty has been a principal of an irrigated dairy business at Cohuna for over 30 years. She has a strong understanding of the challenges of water use and management in the Goulburn-Murray region.

Margot is a director of Water Partners Australia, a unique not-for-profit water trading business.

Margot has contributed extensively to regional resource management plans during changing times. These plans include the Torrumbarry Reconfiguration and Asset Modernisation Strategy and the Barr Creek Salinity Management Plan. Margot is currently a member of the Victorian Constraints Measures Consultative Committee.

Margot has a Bachelor of Arts and Graduate Diploma in Education (Geography). MAICD.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Alana Johnson AM

Alana Johnson AM is a rural development specialist and principal of Lurg Cattle Co.

She is Chair of the Victorian Catchment Management Council, Chair of the Victorian Women's Trust, past President of Voices for Indi and founding member of Australian Women in Agriculture.

Alana has served on a range of ministerial advisory committees and statutory and not-for-profit boards. She was named in the inaugural 100 Women of Influence in Australia by the Australian Financial Review and the inaugural 100 Women in Australian Agribusiness by Rural Press, and was the Rural Women's Award Victorian winner and Australian runner up in 2010. Alana was inducted onto the Victorian Honour Roll of Women in 2018.

Alana is a graduate of the Australian Rural Leadership Program and the Australian Institute of Company Directors and holds a Bachelor of Arts and Bachelor of Social Work.

Alana was awarded an Order of Australia (AM) in 2020 in recognition of her service to women through leadership and advisory roles.

Jonathan Koop

Jonathan Koop was appointed a GMW director in October 2017. Jonathan previously served as director of North East Water.

Jonathan owns and manages a 700-hectare grazing and cropping property in north east Victoria (part-time 12 years, full-time since 2010). Previously Jonathan had a career in senior finance positions with Murdoch Books Pty Ltd (2008 to 2011), where he was also Company Secretary, Fairfax Media Ltd (2003 to 2007) and TNT Express (2001 to 2003).

Jonathan has a Bachelor of Economics and is a Chartered Accountant and Graduate of the Australian Institute of Company Directors.

David McKenzie

David McKenzie is a property valuer based in Shepparton, specializing in the valuation of agricultural supply chain assets and water assets. He is regarded as one of the foremost experts in Australia in the analysis of water markets and valuation of water assets.

David has a long history in the Victorian water sector, having served as a director of Goulburn Valley Water for five years, and Chair of North East Water for six years, before joining GMW in 2018. David co-Chairs the GMID Water Leadership Forum, a water policy think tank. David was the inaugural Chair of the Committee for Greater Shepparton.

David also co-Chairs the Goulburn Murray Regional Prosperity Plan for aboriginal economic inclusion. He has sat on multiple advisory groups and panels at both a State and Federal level, in relation to regional development and water policy.

Patrick McNamara, Deputy Chair

Patrick McNamara is an irrigation farmer and customer of GMW at Nagambie. He graduated from Business Studies at RMIT. Patrick McNamara was formerly a member of the Victorian Legislative Assembly representing Benalla. He was Deputy Premier of Victoria from 1992 to 1999 and held several ministerial positions, including Minister for Agriculture and Resources (including water), Minister for Tourism, Minister for Police and Emergency Services and Minister for Corrections.

Patrick was appointed Chair of the Victorian Bushfire Appeal Advisory Panel in early 2020, after chairing the 2009 Bushfire Appeal. He is the Project Control Group Chair for the Connections, Mitiamo Pipeline and Water Efficiency Projects.

Margaret O'Rourke

Margaret O'Rourke is a Councillor with the City of Greater Bendigo and former Mayor (2016-21) and Regional Cities Chair (2017-2021). Margaret is Deputy Chair of Bendigo Kangan Institute and a Fellow of the Australian Institute of Company Directors.

Margaret has held leadership roles in regional, rural and remote communities throughout Australia. Those roles involved telecommunications, economic development, infrastructure investment, sales and customer experience. Margaret is a consultant to industry using her specialist skills in, customer and community engagement, digital economy strategies, telecommunications infrastructure and leadership.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Kris Peach (from 1 October 2021)

Kris Peach has more than 30 years' experience as a finance, accounting, audit and regulatory expert.

She is a former KPMG audit partner and former chair and CEO of the Australian Accounting Standards Board. Kris is an independent member of the Audit and Risk Management Committee of the Victorian Department of Families, Fairness and Housing and a director of Permanent care and Adoptive Families. She is also a director of genU, which is a national disability, ageing and lifestyle services organisation.

Kris Peach is a Fellow of both the Institute of Chartered Accountants Australia and New Zealand and CPA Australia. She has a Master of Business (Accountancy) from the Queensland University of Technology and is a graduate of the Australian Institute of Company Directors.

Dennis Quinn

Dennis Quinn has a background in engineering, marketing and sales management. He operates a small beef farm in North East Victoria.

Dennis's previous roles have included CEO at Engenco Ltd and Managing Director and General Manager of Cummins South Pacific. Dennis has also spent many years in senior positions in large multi-national industrial businesses. These businesses operated both in Australia and the USA in the agricultural and construction sectors.

Dennis has a Master of Arts (Marketing) from Macquarie University, a Bachelor of Engineering (Agr) from the University of Melbourne and is a graduate member of Australian Institute of Company Directors.

Ari Suss (1 July – 30 September 2021)

Ari Suss is CEO of Fox Special Projects which is part of the private family investment arm of the Linfox Group. He joined Fox Special Projects in 2004. Ari is also a director of Avalon Airport Australia.

Between 1999 and 2004 Ari was a senior adviser to former Premier Steve Bracks. During this time, he specialised in policy and advice in the areas of infrastructure development, transport, ports, major projects, multicultural affairs and parliamentary strategy.

Ari also commenced his role as General Manager of the Linfox-owned Australian Automotive Research Centre in 2011. The Centre is a 1,100 hectare vehicle test facility in Anglesea, Victoria.

Ari was appointed a director of Fed Square Pty Ltd in 2018.

Ari has a Master's degree in Public Policy and Management from Monash University. He is a graduate member of the Australian Institute of Company Directors and has completed leadership studies at Harvard Business School.

Executive Director

Charmaine Quick (Managing Director)

Charmaine Quick joined GMW in 2019 with more than two decades of experience in the water industry and a strong history of leading change.

Prior to her appointment at GMW, Charmaine was the Executive General Manager, Service Delivery at Melbourne Water. She is known for her ability to influence and drive change at an organisation level, nationally and internationally for asset management, relationship contract management and customer service.

Charmaine is a long-time Shepparton resident and grew up on the family farm in the Wimmera, which helped her understand the value of water and its importance to the region's communities.

Charmaine's qualifications include Bachelor of Civil Engineering (Melbourne University) and Master of Environmental Science (Monash University). She is also a graduate of the Australian Institute of Company Directors.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Conflicts of Interest

GMW's directors declare their potential and/or actual conflicts of interest (including pecuniary interests):

- in their declaration of interests: directors complete their declarations upon appointment and then review them at least annually
- in a list of standing declarations that is included in the meeting papers for each board and committee meeting
- whenever a matter arises at a board or committee meeting that would constitute an actual conflict of interest: the director is then excluded from the meeting when that matter is discussed and decided upon.

Directors Dennis Quinn, Margot Henty, Patrick McNamara and Jonathan Koop are customers of GMW. Section 110(2)(a) of the Water Act 1989 provides that being a customer of GMW is not a pecuniary interest (conflict of interest) if the director is receiving a service in common with other customers.

Board Meetings

Directors attended the following scheduled meetings:

	Board	Risk, Audit & Finance	People & Culture	Customer & Stakeholder	Service Planning
Margot Henty	8/8			4/4	4/4
Diane James AM	8/8	4/4	4/4	4/4	4/4
Alana Johnson AM	7/8		2/4	4/4	
Jonathan Koop	8/8	4/4			4/4
Patrick McNamara	8/8	4/4			
David McKenzie	8/8		4/4		4/4
Margaret O'Rourke	6/8	1/1	0/3	4/4	
Charmaine Quick	8/8	4/4	4/4	4/4	4/4
Dennis Quinn	7/8	4/4	4/4		4/4
Kris Peach	6/6	3/3		3/3	
Ari Suss	2/2		1/1	1/1	

Table 13: Board member attendance and eligibility from 1 July 2021.

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Board Committees

The Board establishes committees with specific objectives to use directors' time more efficiently. These committees make recommendations to the Board. The Board retains collective responsibility for decision making. The membership of these committees consists of directors.

From 1 July 2021 to 30 June 2022 the following board committees operated:

Committee	Purpose
People and Culture Chair: Dennis Quinn	Oversees GMW's: <ul style="list-style-type: none"> remuneration policy management remuneration diversity policies and initiatives culture management and mitigation of health, safety and wellbeing risks
Customer and Engagement Chair: Alana Johnson AM	Oversees GMW's: <ul style="list-style-type: none"> strategic engagement with our customers and stakeholders performance against our customer service standards
Risk, Audit and Finance Chair: Jonathan Koop	Oversees GMW's: <ul style="list-style-type: none"> financial reporting internal and external audit function risk management and compliance annual budget annual financial statements
Service Planning Chair: David McKenzie	Oversees GMW's: <ul style="list-style-type: none"> development, implementation and review of innovative strategies/programs contribution of strategic asset management planning capital works program and research program development of capital expenditure measures, targets and benchmarks implementation of the Asset Management Accountability Framework (AMAF)

Table 14: GMW Board committees and purpose.

Risk Audit and Finance Committee Membership and Roles

GMW during 2021/22 had a Risk, Audit and Finance Committee. The key responsibilities of this Committee are shown above.

Membership of this Committee consisted of independent members appointed by the Board. The following persons were the independent members of the Committee in 2021/22:

Jonathan Koop	Member (Chair)
Margaret O'Rourke	Member (to 30 September 2021)
Dennis Quinn	Member
Patrick McNamara	Member
Diane James AM	Ex-officio member
Kris Peach	Member (from 1 October 2021)

Table 15: Membership of GMW's Risk, Audit and Finance Committee.

Meetings of the Committee were held quarterly and at any other time on request of a committee member. In 2021/22, the Risk, Audit and Finance Committee met four times.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Water Savings Control Group

The Water Savings Control Group (WSCG) has the overall responsibility for delivering the GMW Murray-Darling Basin (MDB) Efficiency Measures Projects including the Water Efficiency Project and any other project assigned to it by the Minister and/or the GMW Board. The WSCG ensures that the most effective and efficient delivery arrangements are in place for the projects so that they can be delivered in accordance with the funding agreement/s between the Victorian Government and GMW.

Membership of the WSCG during 2021/22 consisted of:

- Patrick McNamara (Chair) (voting member)
- Charmaine Quick
- Campbell Fitzpatrick (voting member)
- Richard Anderson
- Frank Fisseler (Project Director)

Patrick McNamara and Campbell Fitzpatrick are the voting members of the WSCG

Water Services Committees

Water Services Committees are advisory committees to the Board, created under section 122(c) of the *Water Act 1989*. The committees are comprised of customers proposed or voted for and appointed by the Board. There are six gravity irrigation committees, four regional committees and one water district committee.

Occupational Health and Safety

The 2021/22 period saw GMW undergo a surveillance audit against its accredited OH&S Management System ISO45001 standard, by an independent auditor. The results of the audit have not identified any major non-conformances.

GMW has finished introducing its Fatal Risk program which is used to focus on preventing serious harm to its workers. GMW is now focussing on completing a review of the remainder of its Safety Management System which focuses on its high risk activities.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of health and safety employee representative committees	3	4	8	7	5	4	4
Number of lost time injuries for the year	16	16	11	10	9	4	5
Lost Time Injury Frequency Rate (lost time injuries per million hours worked)	11.2	12.8	9.1	9.4	7.08	4.56	5.53
Average Lost Time Rate (average number of days lost per lost time injury)	25.7	6.9	26.1	4.2	43.33	48.15	20.8
Number of reported hazards/incidents for the year per 100 full-time equivalent staff members	15.4	13.5	11.1	20.5	52.5	36.5	40.8
Number of lost time standard claims for the year per 100 full-time equivalent staff members	1.16	0.67	1.72	0.61	0.023	0.008	1.04
Updated: Average cost per claim for the year (including payments to date and an estimate of outstanding claim costs as advised by WorkSafe)	\$112,796	\$61,420	\$28,400	\$26,588	\$51,221	\$147,661	\$34,021

Table 16: Results against occupational health and safety key performance indicators.



Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Rehabilitation and Return to Work

In 2021/22 at GMW there were 10 WorkCover claims submitted, five of them lost time injuries. The five lost time injuries contributed to a total of 104 days. The injuries related to mental health, musculoskeletal and cuts and abrasions. The other work cover claims were injuries which required medical treatment, but the employee did not have to take time off work. All injured workers have returned to full capacity and have no long term health impacts/implications.

The average cost per claim of the 10 WorkCover claims submitted for FY21/22 was \$34,022. This figure is down from last year's average cost claim as less severe injuries were incurred, resulting in less complicated/expensive treatment and being able to actively work with injured staff to assist them to return to work as early as possible.

A majority of workers involved in GMW's return to work program relate to "Non Work" related injuries with musculoskeletal and breaks being the primary causes.

GMW has engaged with an external rehabilitation company IPAR and is currently conducting task analysis based on the core roles and duties identified with the highest physical demands. This program will help us better understand the musculoskeletal demands on our workers and assist in designing work patterns to reduce these risks.

Employment and Conduct Principles

Goulburn-Murray Water has continued to comply with all employment obligations relevant to our business including those within the *Equal Employment Opportunity Act 2010*, the *Public Administration Act 2004* and the *Disability Act 2006*. Consistent with these obligations and in support of GMW's commitment to being a high performing organisation, we are executing the initiatives included in our *People and Culture Strategy* including leadership training and development and HR Information System implementation.

Comparative Workforce Data

Goulburn-Murray Water has implemented some significant changes to the workforce to improve resource alignment to corporate objectives. For many staff, working from home was required during the COVID-19 pandemic and as the Victorian Government restrictions relaxed many staff continued accessing flexible working arrangements.

Goulburn-Murray Water employs a total of 551 staff (figures include full time, part time, casual employees and exclude directors and Chair) equivalent to 532.6 FTE.

The demographic data for GMW's workforce for the period 1 July 2021 – 30 June 2022 is listed below:

Employee Demographics							
	Ongoing Employees				Fixed term and casual		Total
	Number (headcount)	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)
June 2022	448	416	32	437.6	103	95	551
June 2021	470	439	31	461.2	84	78.8	554

Table 17: GMW's workforce data by classification.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Employee Demographics

	June 22				June 21			
	Ongoing		Fixed term and casual		Ongoing		Fixed term and casual	
	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE
Gender								
Male	327	325.7	64	59.6	344	342.7	44	42.3
Female	121	111.9	39	35.4	126	118.6	40	36.5
Age								
< 25	7	7	3	1.2	5	5.0	3	3.0
25 – 34	85	81	13	12.7	86	83.4	13	12.4
35 – 44	111	108.5	22	19.2	118	115.6	21	19.3
45 – 54	145	143.5	21	20.4	154	152.4	18	17.9
55 – 64	95	93	36	34.8	98	96.2	25	24.3
>=65	5	4.6	8	6.7	9	8.7	4	2.0
Classification								
Band A	81	79	16	12.6	79	77.3		6.4
Band B	143	139.5	18	15.8	158	154.9	11	9.2
Band C	95	92.5	25	23.9	101	98.6	20	19.1
Band D	82	79.6	18	17.2	85	83.3	20	19.4
Band E	27	27	10	9.6	26	26.0	9	8.6
Band F	20	20	7	7.0	21	21.0	7	7.0
EO	0	0.0	9	9.0	0	0.0	9	9.0

Table 18: GMW's workforce data by classification, gender and age demographics.

Workforce Inclusion Policy

Goulburn-Murray Water has implemented and actively promotes the following strategies, procedures and policies to our staff that demonstrate we are working towards achieving a balanced workforce:

- *GMW People and Culture Strategy*
- *GMW Diversity and Inclusion Plan*
- *GMW Gifts, Benefits and Hospitality Policy framework*
- *GMW Conflict of Interest Policy*
- *Code of Conduct for Victorian Public Sector Employees*
- *Victorian Charter of Human Rights and Responsibilities*
- *GMW Family Violence Policy*
- *GMW Employee Networks*
- *GMW Consultative Committee*
- *GMW Flexible Work Policy*

We continue to grow our extensive online course library, along with face-to face training and workshops, to ensure that every new and existing employee understands all policies and expected employee workplace behaviours. Flexible working arrangements contribute to a positive, healthy and productive work environment by providing work life balance options to meet the individual needs of employees that still enable the customer needs to be met.

Any employee or candidate can voice any grievance, dispute any decision or give feedback through GMW's dispute resolution processes which allows for escalation points to the General Manager of People Culture and Safety to ensure that all issues are dealt with in a timely manner.

We also provide an Employee Assistance Program (EAP) through Career Money Life (CML), which has a range of quality psychologists and counsellors across northern Victoria as well as a telephone and online counselling services. The service is completely confidential and no identifiable information is passed onto the business. It is also available for the family members of our employees. This is enhanced by an extensive Peer Support Team of trained employees supported by a professional psychologist.

Our diversity targets ensure equitable gender balance, lesbian, gay, bisexual, transgender, intersex, queer and asexual (LGBTIQA+), people with a disability and aboriginal people. This ensures that we are employing people based on merit, treating all employees and candidates fairly and reasonably.

Our current diversity and inclusion targets and performance for 2021/22 are as per below.

GMW diversity and inclusion targets	2021/22 report on GMW diversity and inclusion results
40 per cent either male or female/60 per cent all other gender identity	27 per cent Female
Three per cent of our workforce will identify as Indigenous peoples	1.22 per cent of our workforce currently identify as aboriginal
Eight per cent will identify as LGBTIQA+	3 per cent currently identify as LGBTIQ+
Five per cent of our workforce will identify as having a disability	6.9 per cent of our workforce currently identify as having a disability

Table 19: GMW's progress towards diversity and inclusion targets.

Goulburn-Murray Water adheres to the *Code of Conduct for Victorian Public Sector Employees*, and the *Charter of Human Rights and Responsibilities*; both have been promoted to all staff and made available on our intranet. Mandatory training on the code is delivered to all staff with regular updates.

We actively promote the *Gifts, Benefits and Hospitality Policy* framework and the *Conflict of Interest Policy* through intranet, email and the Corporate Secretariat office.

Executive Officer Data

An Executive Officer (EO) is defined as a person employed as an EO at an annual remuneration rate not less than an EO employed by a department.

The following table discloses the Executives of GMW for 2021/22 and provides a reconciliation of numbers presented between the report of operations and Note 10.3 in the financial statements.

- There are no variations, between the current and previous reporting periods using new Senior Executive classifications.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 10.3 in the Financial Statements lists the actual number of and amount of remuneration paid to EOs over the course of the reporting period. The Financial Statements note does not include the Accountable Officer, nor distinguish between executive levels.

Class	All		Male		Female		Self-described	
	No.	Var	No.	Var	No.	Var	No.	Var
SES 1	1	N/A	0	N/A	1	N/A	0	N/A
SES 2	6	N/A	4	N/A	2	N/A	0	N/A
SES 3	2	N/A	1	N/A	1	N/A	0	N/A
Total	9	N/A	5	N/A	4	N/A	0	N/A

Table 20: Breakdown of EOs into gender and SES level.

Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the *Victorian Industry Participation Policy* (VIPPP) and *Major Project Skills Guarantee* (MPSG) policy, which were previously administered separately. Goulburn-Murray Water is required to apply the *Local Jobs First* policy in all projects valued at more than \$1 million for projects in regional Victoria or more than \$3 million for state wide projects. The MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPPP guidelines will continue to apply to MPSG applicable and VIPPP applicable projects respectively.

The Department of Jobs, Precincts and Regions is responsible for implementing the VIPPP across the Victorian Government on behalf of the Ministers for Regional Development and Industry and Employment. Goulburn-Murray Water has submitted our annual return which forms part of the department's annual report.

Government Advertising Expenditure

Goulburn-Murray Water's expenditure on government campaigns in the 2021/22 reporting period did not exceed \$100,000 (excl. GST).

Consultancy Expenditure

Details of individual consultancies can be viewed at <http://www.gmwater.com.au> under the annual reports section and in Appendix D of this report.

Please note that the number of consultants refers to the number of consultants GMW used, not the number of times GMW used consultants.

Details of Consultancy over \$10,000

In 2021/22, there were three consultancies related to the Water Storage and Delivery business, all in excess of \$10,000. The total expenditure on these consultancies during 2021/22 is \$107,378 (excl. GST). There were six consultancies in excess of \$10,000 related to the Water Savings Project and the total expenditure on these consultancies is \$96,461 (excl. GST). Further details of these consultancies can be found in Appendix D

Details of Consultancy under \$10,000

In 2021/22, there was one consultant in the Water Storage and Delivery business and one consultant to the Water Savings Project under \$10,000. The total expenditure on these consultancies during 2021/22 is \$7,108 (excl. GST).

Information and Communications Technology Expenditure

For the 2021/22 reporting period, GMW's total Information and Communication Technology (ICT) expenditure was \$12.3 million, with the details shown below.

All operational ICT expenditure \$'000	ICT expenditure relating to projects to create or enhance ICT capabilities \$'000			
	Business As Usual (BAU) ICT expenditure	Non Business As Usual	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
(Total)	(non BAU) ICT expenditure	(Total = Operational expenditure and Capital Expenditure)		
10,015	2,315	77	2,238	

Table 21: Information and communication technology expenditure since 1 July 2021

ICT expenditure refers to GMW's costs to provide business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-BAU ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing GMW's current ICT capabilities.

BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Disclosure of Major Contracts

In accordance with the requirements of government policy and accompanying guidelines, GMW has disclosed all contracts greater than \$10 million in value entered into during the financial year ending 30 June 2022. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at www.tenders.vic.gov.au

Contractual details have not been disclosed for contracts where disclosure is exempted under the *Freedom of Information Act 1982* and/or government guidelines.

In 2021/22, GMW renewed a multi-year contract with a total combined value over \$10 million. The relevant contract is for the Water Management System Maintenance and Support Agreement with an initial term of 4 years. This contract was awarded to Rubicon Water.

Freedom of Information Act 1982

The *Freedom of Information Act 1982* allows the public a right of access to documents held by GMW. The purpose of the *Freedom of Information Act 1982* is to extend as far as possible the right of the community to access information held by Victorian Government departments, local councils, ministers and other bodies subject to the *Freedom of Information Act 1982*.

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

The *Freedom of Information Act 1982* allows GMW to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: 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 GMW in-confidence.

From 1 September 2017, the *Freedom of Information Act 1982* was amended to reduce the Freedom of Information (FOI)

processing time for requests received from 45 to 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 GMW, under section 49A of the Freedom of Information Act 1982, 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

Access to documents can be obtained through a written request to GMW's Freedom of Information Officer, as detailed in s17 of the FOI Act.

When making a FOI request, applicants should ensure requests are in writing, and clearly identify what type of material/documents are being sought. An application fee of \$30.60 applies. Access charges may also be payable if the document pool is large, and the search for material is time consuming.

An FOI Application Form can be found on GMW's website at www.gmwater.com.au/about/foi.

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

Freedom of Information Officer
Goulburn-Murray Water
PO Box 165
TATURA VIC 3616

Or, by email to foi@gmwater.com.au

FOI Statistics/Timelines

During 2021/22, GMW received 25 new FOI requests. Of these requests, 14 were from legal practitioners, nine were from the general public, one was from a Minister and one was from a local council.

GMW made 21 FOI decisions during the 12 months ended 30 June 2022. The decisions were as follows:

- 12 granted in full
- 5 granted in part
- 1 denied in full
- 3 no documents
- 11 decisions were made within the statutory 30-day time period
- 6 decisions were made within an extended statutory 30-45-day time period
- 4 decisions were made within 46 to 90 days.

The average time taken to finalise requests in 2021/22 was 24 days.

During 2021/22, one request was subject to a complaint/review by the Office of the Victorian Information Commissioner (OVIC), but did not progress to the Victorian Civil and Administrative Tribunal (VCAT).

Further Information

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

Compliance with the Building Act 1993

GMW owns or controls premises at Tatura, Shepparton, Cobram, Wangaratta, Lake Hume Village, Dartmouth, Buffalo River, Eildon, Kyabram, Rochester, Cohuna, Kerang, Swan Hill, Pyramid Hill, Mildura, Cairn Curran, Laanecoorie, Tullaroop, Eppalock, Waranga Basin, Yarrawonga, Goulburn Weir, Torrumbarry, Lake Nillahcootie and Lake William Hovell, and consequently is required to include a statement on its compliance with the building and maintenance provisions of the *Building Act 1993* in relation to those buildings.

We require appropriately qualified consultants and contractors to be engaged for all proposed works on land controlled by GMW and that their work and services comply with current building standards. All such consultants and contractors are expected to have appropriate mechanisms in place to ensure compliance with the building and maintenance provisions of the Building Act 1993.

For existing buildings, we complete mandatory testing of emergency and exit lighting and lift equipment in accordance with relevant standards, monthly, quarterly and bi-annual inspection and preventive maintenance routine of mechanical services and monthly and annual fire service audits. These inspections inform the works program, which is delivered annually through existing maintenance contracts.

2021/22 Building Matters	Number
Number of major works projects undertaken by GMW (greater than \$50,000)	0
Number of building permits, occupancy permits or certificate of final inspection issued in relation to buildings owned by the entity	0
Number of emergency orders and building orders issued in relation to buildings	0
Number of buildings that have been brought into conformity with building standards during the reporting period:	65%

Table 22: Building matters in 2020/21

Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any advantage arising solely from their government ownership is removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. The competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in service provision. We fulfil our requirements on competitive neutrality reporting as required under the *Competition Principles Agreement* and *Competition and Infrastructure Reform Agreement*.

Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* (PID Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body. Goulburn-Murray Water 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 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.

We do not tolerate improper conduct by employees, or taking reprisals against those who come forward to disclose such conduct. We

- are transparent and accountable in our administrative and management practices
- support making disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Making a Public Interest Disclosure

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

We cannot receive public interest disclosures.

We have established a procedure for protecting persons from detrimental action in reprisal for making a public interest disclosure about GMW, our board members, officers or employees. You can access GMW's procedure on our website at www.gmwater.com.au.

IBAC may be contacted by writing to:

Independent Broad-Based Anti-Corruption Commission (IBAC)
Victoria

GPO Box 24234
MELBOURNE VIC 3001

Or, by telephone on 1300 735 135

Or, online at www.ibac.vic.gov.au

Compliance with the Carers Recognition Act 2012

Goulburn-Murray Water has taken all practical measures to comply with our obligations under the *Carers Recognition Act 2012*. These include considering the care relationships principles set out in the Act when setting policies and providing services and implementing priority actions in the *Victorian Carer Strategy 2018 – 2022*.

This has included enhanced benefits through our 2021 Enterprise Agreement for those employees with permanent care orders and increased access to flexible working. We have also reviewed and enhanced our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act.

We are currently implementing an employee network specifically for those employees who are also carers, to enhance employee awareness and understanding of the care relationship principles.

Compliance with the Disability Act 2006

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

Goulburn-Murray Water has complied with the obligation under the Disability Act to:

- prepare a Disability Action Plan to reduce barriers to access goods, services and facilities
- reduce barriers to a person with a disability obtaining and maintaining employment
- promote inclusion and participation in the community
- achieve tangible changes in attitudes and practices that discriminate against people with a disability.

We continue to celebrate major diversity and inclusion dates and actively participate in many community working groups to enhance diversity and inclusion, not only for our own employees but also our wider community. We also celebrate our diverse workforce through a number of employee led networks that take ownership of goals through their own action plans - sending an important message from our business that everyone is included and valued.

Our 'All Abilities' Network has created a plan with the vision that GMW is an accessible and inclusive employer providing an equal opportunity for full participation by staff of all abilities at all levels. Its goals are positive awareness, services and information, design and infrastructure and advocacy and leadership.

The outcomes are embedded in user experience so that all feel understood, have access to what they need, are included and have their needs considered. Work undertaken during the year as part of the 2021/22 action plan includes raising awareness of both invisible and visible disabilities, an accessibility audit to assess disability access for all across all locations, and significant partnership and contribution to VicWater's WaterAble network. The network has a General Manager as an Executive Sponsor and reports on a regular basis to the Executive Leadership Team and Board.

We continue to assist employees with modified workstations and equipment to enable accessibility and we actively promote diversity and inclusion through our network, recruitment, on-boarding and corporate induction programs. Unconscious bias training provides all hiring managers with the skills to look at the overall capability and not the disability of any employee or potential employee at GMW.

As required by the Disability Act, GMW reports annually on the implementation of its Disability Action Plan in its annual report.

Compliance with the Water Act 1989

There are no additional disclosures required to be made in this annual report under the *Water Act 1989*.

Social Procurement Framework

Goulburn-Murray Water is committed to supporting the Government's directions under the Social Procurement Framework and we recognise that we play a key role in advancing social and sustainable outcomes for Victorians. This commitment is extended through our supply chain where we aim to influence the creation of our collective prosperity and enhance the wellbeing of our communities.

We are striving to develop more sourcing initiatives that contribute to delivering the objectives outlined in *GMW's Social Procurement Strategy*. The priority social procurement objectives outlined in the below table underpin the focus of this strategy. They align with the framework and have been chosen based on their high degree of alignment with GMW's strategic direction and values as well as being best positioned to advance our identified social procurement opportunities.

Objective Prioritised	Outcome Sought	SPF Reporting Metric
Women's equality and safety	Adoption of family violence leave by Victorian Government suppliers	Number and proportion of suppliers that have implemented a Family Violence Leave Policy Number and Proportion of suppliers that have a Gender Equality Policy
Sustainable Victorian social enterprise and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian social enterprises and Aboriginal businesses engaged Total expenditure with Victorian social enterprises and Aboriginal businesses
Sustainable Victorian regions	Job readiness and employment for people in regions with entrenched disadvantage	Number of Victorian suppliers that employ people who live in regions experiencing entrenched disadvantage on Victorian Government contracts Total number of people employed by Victorian Government suppliers working on Victorian Government contracts who live in regions experiencing entrenched disadvantage.

Table 23: Social procurement objectives

Achievements

Sustainable Victorian social enterprise and aboriginal business sector

- heritage and cultural advice using local providers who are owned by or use aboriginal resources
- our stationary supplier provides items developed by aboriginal organisations

Gender, Safety and Fair Work practices

- uniforms are procured from the Workwear Group, a certified member of Ethical Clothing Australia operating under a sound ethical sourcing and anti-modern slavery ethos.

Sustainable Victorian Regions

- GMW spends in excess of \$30 million a year in regional Victoria

Energy

- investing in local renewable energy production which will result in reducing carbon emissions

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Office-based Environmental Impacts

Goulburn-Murray Water recorded emissions of 10,641 tonnes of CO₂, a 296 tonne increase in greenhouse gas emissions over the 2021/22 period compared with 2020/21. This is 598 tonnes under the pledge target of 11,239 tonnes.

Greenhouse Emissions by Source							
CO ₂ e by source (Tonne)	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Energy ²²	8,375	8,233	7,819	8,651	6,501	7,888	8,367
Vehicle Fleet ²³	4,026	3,724	3,720	3,326	3,076	2,457	2,274
Total	12,401	11,957	11,539	11,977	9,577	10,345	10,641

Table 24: Greenhouse emissions by source since 1 July 2015

Performance Indicator	Greenhouse gas emission (Tonnes CO ₂ -e)				Variance (%)	Commentary
	2021/22 Projected Emissions	2021/22 Result				
		Scope 1 emissions	Scope 2 emissions	Total emissions ²⁴		
Water Treatment and Supply	6,168	0	6,592	6,592	6.9	GMW delivered an increase volume of water in 2021/22 than 2020/21 resulting in a greater Scope 2 emissions for water treatment and supply
Wastewater Collection, Treatment and Recycling	0	0	0	0	0	
Transport	2,398	2,274	0	2,274	-5.2	GMW's ongoing fleet management processes, use of videoconferencing facilities and limiting kilometres travelled due to Covid-19 restrictions have contributed to lower emissions
Other (offices, depots and recreational facilities)	1,530	0	1,774	1,774	15.9	While flexible working arrangements were in place for 2021/22, there was greater use of the offices than the previous year. This increased office use is thought to have contributed to higher emissions
Total	10,097	2,274	8,367	10,641	5.4	A slight increase in total emissions has been observed that could be attributed to greater use of offices than 2020/21 and increased emissions related to water delivery.

Table 25: Greenhouse gas emissions by source.

²² Electricity and gas to run offices and depot and deliver water to customers.

²³ Fuel consumed by vehicle fleet

²⁴ Sum of Scope 1 and Scope 2 emissions

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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NET GREENHOUSE GAS EMISSIONS (tCO₂-e)

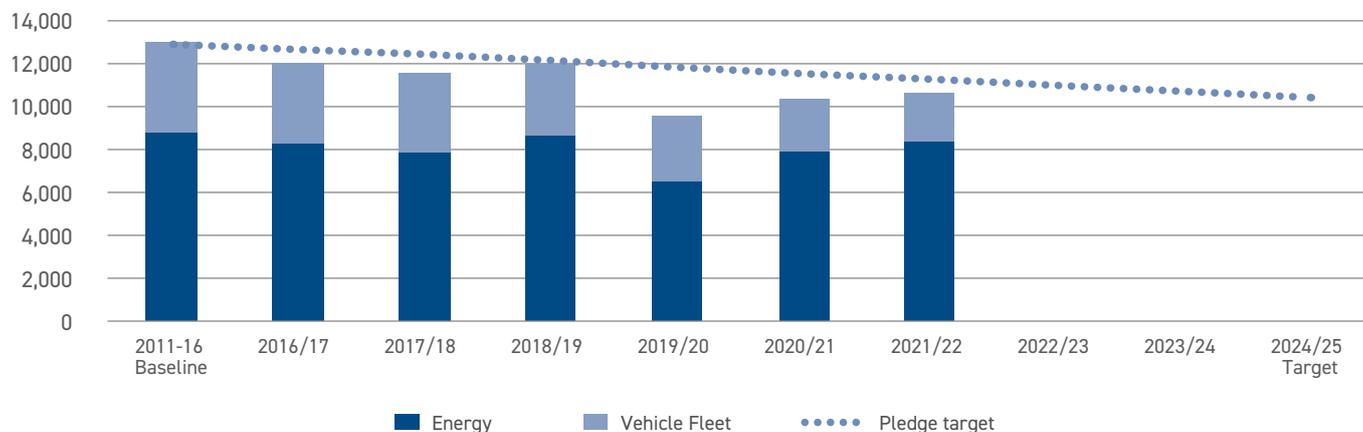


Figure 10: Total greenhouse gas emissions vs target emissions since 2011-16 baseline.

Energy Consumption Reporting

Total electricity use	2020/21 Result (MWh)	2021/22 Result (MWh)	Commentary
Water treatment and supply	6,449	6,867	
Sewerage Collection, Treatment and Recycling	0	0	
Other (office, workshops, depots, etc)	1,597	1,846	
TOTAL	8,046	8,713	

Table 26: Energy consumption by source.

Performance indicator	2020/21 Renewable electricity used (MWh)	2021/22 Renewable electricity used (MWh)	Commentary
Solar	160	659	Solar panels and a battery system were added to the Mitiamo pump site, increasing our solar used in 2021/22.
Hydroelectric	0	0	
Wind	0	0	
Biogas	0	0	
Green power	0	0	
Other	0	0	
TOTAL	160	659	
Percentage renewable electricity	1.99%	7.57%	

Table 27: Energy consumption

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Corporate Water Consumption

Corporate water consumption at GMW's 15 major office locations was 16,128 KL in 2021/22 equating to an office water consumption of 30.25 KL per FTE. This value is more than 2020/21 and could be attributed to staff returning to work from offices following the work from home directions during COVID-19.

Corporate water consumption	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Water consumption (KL)	22,503	24,314	13,351	19,263	19,426	13,309	16,128
Consumption per FTE	29	33	20	31	36	25	30

Table 28: Total water consumption in kilolitres and kilolitre consumption per FTE across major offices.

Compliance with the DataVic Access Policy

Consistent with the *DataVic Access Policy* issued by the Victorian Government in 2012, the information (all data tables and financials) included in this annual report will be available at www.data.vic.gov.au in electronic readable format.

- includes an assessment of the compliance risk of each of its water sources: GMW conducts this assessment before the commencement of the irrigation season for the GMID in August.

Compliance Priorities

Goulburn-Murray Rural Water Corporation completed the following priorities in 2021/2022:

- proactive communication with higher risk customers at the start of the irrigation season
- continued implementation of a proactive communication and engagement plan
- continued implementation of GMW's Metering Action Plan
- implementation of GMW's revised Measuring Water Not by Meter procedure: the revised procedure provides greater clarity on GMW's approach to deemed use customers
- implementation of the Water (Infringements) Regulations 2020: the Water Act 1989 was amended to allow for the issue of Penalty Infringement Notices (PINs) from 1 January 2022. During 2021/22 GMW did not issue any PINs partly due to the reduced amount of Unauthorised Take (UT) and more appropriate use of other compliance tools in the UT matters in the specific cases that occurred from 1 January to 30 June
- developing a trial to require a small number of customers on non-telemetered (local read) meters to enter a meter reading when ordering water: GMW will undertake the trial in 2022/23
- compliance (authorised water officer) training to build the capability of our staff to deliver a zero tolerance approach including additional training to relevant staff
- enhanced internal data reporting systems and capabilities.

Water Use Compliance and Enforcement (WUCE)

Goulburn-Murray Water (GMW) has delegated powers and functions to undertake compliance and enforcement activities under the *Water Act 1989* in relation to:

- licence administration
- take and use of water
- construction of works

Goulburn-Murray Water works closely with the Department of Environment, Land, Water and Planning (DELWP) to review and update compliance and enforcement strategies. Working with DELWP ensures a coordinated, risk-based and consistent State-wide approach to compliance and enforcement.

Goulburn-Murray Water's *Water Use Compliance Strategy*, last amended in November 2021, is available on our website. The strategy:

- is risk-based to ensure that resources are used efficiently to focus on areas with greater compliance risks.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Compliance and Enforcement Actions

Goulburn-Murray Water's compliance and enforcement actions in 2021/22 were:

Compliance Actions – Goulburn-Murray Rural Water Corporation		
	2020/21	2021/22
Total no. of breaches²⁵	4475	1790
No further action required	NR	5
Dismissed (insufficient evidence)	NR	NR
Advisory Letter	582	151
Formal Warning	36	485
Penalty Infringement Notices	NR	0
Notice of Contravention (s.151)	10	8
Notice of Entry (s.133)	0	0
Lockdown (s.141)	1	4
Prosecutions commenced	14	10
Prosecutions finalised	25	13

Table 29: GMW's WUCE actions

Unauthorised Take Performance

In 2021/22 GMW achieved significant reductions in the number of Allocation Bank Accounts (ABA) involved in UT as shown in Table 30:

Year	ABAs					Volume			
	Number	Number in UT	KPI			Volume (ML) of water	Volume (ML) of UT	KPI	
			Target	Actual	Adjusted Actual ²⁶			Target	Actual
2020/21	39,817	4,424	< 3%	11.1%	2.3%	1,631,035	4,388.4	< 1%	0.27%
2021/22	45,070	1700	< 3%	3.8%	2.1%	1,963,900	4,693.3	< 1%	0.24%

Table 30: GMW's WUCE Performance

²⁵ Please note the number of breaches in Table 29 includes deeming (where there is no GMW meter) and UT amounts <1 ML and is higher than the number of ABAs in UT in Table 35 because breaches cover a wider range of offences (e.g. interference with a meter).

²⁶ Adjusted actual in 2021/22 excludes UT amounts < 1 ML (766 ABAs). Adjusted actual in 2020/21 and 2019/20 excludes deeming (where there is no meter) and UT amounts < 1 ML). GMW is partnering with DELWP and other water corporations on the most appropriate KPI methodology.

Energy and Water Ombudsman (Victoria) Limited

Goulburn-Murray Water is a member of the Energy and Water Ombudsman (Victoria) (EWOV) Dispute Resolution Scheme, EWOV provides an independent third-party reconciliation process for resolving complaints by customers of electricity, gas and water service providers in Victoria.

During the 2021/22 financial year, EWOV referred 39 matters to GMW. The nature of these complaints is summarised below:

Type of EWOV complaint	Number
Enquiry	1
Unassisted Referral	4
Assisted Referral	22
Investigation	12
Total	39

Table 31: EWOV complaints, including the Water Efficiency Project.

The Energy and Water Ombudsman (Victoria) may be contacted by writing to:

The Energy and Water Ombudsman (Victoria)
 Replay Paid 469
 MELBOURNE VIC 8060

Or, by telephone on **1800 500 509**

Regional Catchment Strategies

Several new regional catchment strategies were launched during 2021/22. Developed by the Catchment Management Authorities (CMA), the regional catchment strategies belong to the community and establish approaches to protect and improve the health of land, water and biodiversity resources. GMW participated in developing the new strategies and looks forward to working with the CMAs and other partner agencies and groups to achieve planned objectives and outcomes.

Together with the Goulburn Broken CMA, the Taungurung Land and Waters Council (TLaWC) and the Yorta Yorta Nation Aboriginal Corporation (YYNAC), GMW worked with DELWP to finalise the new rules and operating plan for Goulburn to Murray trade. The parties received advice from several groups including a scientific panel to identify long-term rules that will protect the health of the lower Goulburn River while maintaining trade with the Murray system.

Our involvement with the Traditional Owners across our region continued to expand. Goulburn-Murray Water and DELWP maintained dialogue with the TLaWC on the future management of Greens Lake and contributed funds to several Aboriginal Waterways Assessments in the Corop Lakes region. Conversations with the YYNAC about Ghow Swamp operational management continued, and GMW facilitated cultural flows into Kanyapella Basin. Goulburn-Murray Water is actively working with both the TLaWC and the Dja Dja Wurrung team on managing and applying land use activity agreements across Country.

We completed engagement, concept design and formal gazettal for the proposed Murray Valley West Drainage Course Declaration, and expect to commence the obstruction removal program in early 2023. We also progressed plans for drainage works in the vicinity of Waranga Basin.

The Drainage Systems section completed its public groundwater pump project. Funded by the Goulburn Broken CMA, this project applied an adaptive management approach to the public groundwater pump network using extensive data to align pump operation to recent salinity and watertable threats. Over 80 pumps were deactivated under the project findings, which will lead to substantial cost savings for customers. Importantly, these pumps can be reactivated quickly should risks re-emerge.

Victorian Waterway Management Strategy

Regional waterway strategies are single planning documents for river, estuary and wetland management in each catchment management region and drive implementation of the management approach outlined in the *Victorian Waterway Management Strategy*.

Goulburn-Murray Water is involved in implementation activities associated with the regional waterway strategies for the North East, Goulburn Broken and North Central catchment management regions, which all fall within GMW's region. Activities undertaken by GMW include:

- participating in project groups
- funding and implementing water quality monitoring programs
- information and data sharing with CMAs and water corporations
- responding to environmental incidents
- facilitating delivery of environmental water
- participating in waterway strategy reviews.

State Environment Protection Policy (Waters)

The new *Environmental Protection Act 2017* commenced on 1 July 2021 and introduced the General Environmental Duty as a key component of the new environmental regulatory regime. The new act, together with its regulations and the Environmental Reference Standard, replaced much of the *State Environment Protection Policy (Waters)*.

Asset Management Accountability Framework

Goulburn-Murray Water's board attest that we have met the 41 compulsory elements of the Asset Management Accountability Framework. We used the initial data from the independently assessed Asset Management Customer Value project in this maturity assessment. This data is based on the internationally recognised Global Forum on Maintenance and Asset Management and has been updated through a self-assessment (in accordance with Department of Treasury and Finance guidance published in February 2021) where we can recognise improvements resulting from implementing the *GMW Asset Management Strategy 2024*.

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 of the items listed below have been retained by GMW and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

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

Requests for access to GMW documents under the FOI Act can be made by emailing foi@gmwater.com.au

or by sending a request to:

Freedom of Information Officer
Goulburn-Murray Water
PO Box 165
TATURA VIC 3616

[Year in Review](#)[Governance And
Organisational Structure](#)[Workforce Data](#)[Other Disclosures](#)[Financial Statements](#)

Additional Information Included in Annual Report

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

- a. assessments and measures undertaken to improve the occupational health and safety of employees (page 49-54)
- b. a statement on industrial relations within GMW (page 51-54)
- c. a list of GMW's major committees, the purpose of each committee, and the extent to which the purposes have been achieved (page 48-49)
- d. a statement of declarations of pecuniary interests by relevant officers (page 47)

Information that is not applicable to GMW

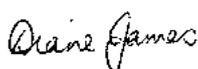
The following information is not relevant to GMW for the reasons set out below

- a. a declaration of shares held by senior officers (no shares have ever been issued in GMW)
- b. details of overseas visits undertaken (no board members or senior executives took overseas work related trips in 2021/22).

Financial Statements 2021/2022

Certification of Financial Management Compliance for 2021-22

I, Diane James, on behalf of the Responsible Body, certify that Goulburn-Murray Rural Water Corporation has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Diane James AM
CHAIRMAN

7th September 2022



Charmaine Quick
MANAGING DIRECTOR

7th September 2022



Michael Gomez
GENERAL MANAGER BUSINESS AND FINANCE

7th September 2022

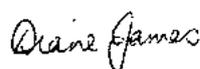
Attestation for Financial Management Compliance

The attached financial statements for Goulburn-Murray Rural Water Corporation have been prepared in accordance with Standing Direction 5.2 of the *Financial Management Act 1994*, interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of comprehensive income, balance sheet, statements of changes in equity, cash flow statements and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of the Corporation as 30 June 2022.

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

We authorise the attached financial statement for issue 24 August 2022.



Diane James AM
CHAIRMAN

7th September 2022



Charmaine Quick
MANAGING DIRECTOR

7th September 2022



Michael Gomez
GENERAL MANAGER BUSINESS AND FINANCE

7th September 2022



Independent Auditor's Report

To the Board of Goulburn-Murray Rural Water Corporation

Opinion	<p>I have audited the financial report of Goulburn-Murray Rural Water Corporation (the corporation) which comprises the:</p> <ul style="list-style-type: none"> • statement of financial position as at 30 June 2022 • 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 significant accounting policies • statutory certification. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the corporation as at 30 June 2022 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 applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>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.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the corporation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards 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.</p> <p>In preparing the financial report, the Board is responsible for assessing the corporation'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.</p>

**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 the 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 corporation'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 corporation'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 corporation 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
7 September 2022



Paul Martin
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

for the period ended 30 June 2022

(\$ thousands)

	Notes	2022	2021
Revenue from operating activities			
Revenue from service and usage charges	3.1.1	113,941	111,405
Government grants	3.2	6,415	8,410
Water Savings Projects ¹	3.2.1	19,722	43,339
Contracting services	3.1.2	14,964	12,018
Other income	3.1.3	8,852	9,357
Total revenue		163,894	184,529
Expenses from operating activities			
Operations, maintenance and administration expense			
Water Storage & Delivery	4.1.1	50,879	48,851
Water Savings Projects ¹	4.1.2	20,660	43,800
Employee Expenses ²	4.2.1	61,129	60,312
Depreciation and amortisation	5.1.2	85,272	98,768
Environmental contribution	9.2	2,577	2,577
Interest expense	7.1.2	5,731	6,159
Loss on disposal	5.1.3	14,285	38,083
Total expenses		240,533	298,551
Net result before tax		(76,639)	(114,022)
Income tax expense/(benefit)	9.1.1	(42,508)	(20,334)
Net result for the year		(34,131)	(93,688)
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Change in asset revaluation reserve	5.1.1	(48,806)	122,838
Income tax related to this change	9.1.2	14,110	(52,645)
Other Comprehensive income, net of income tax		(34,696)	70,193
Total comprehensive result		(68,827)	(23,495)

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

² Employee expenses includes Water Savings Project employee expenses.

The above Comprehensive Operating Statement should be read in conjunction with the accompanying notes

Statement of Financial Position

as at 30 June 2022

(\$ thousands)

	Notes	2022	2021
ASSETS			
Current assets			
Cash and cash equivalents	7.2	123,735	99,751
Irrigators share distribution (ISD) holdings	7.2.2	8,578	-
Receivables	6.1	31,579	28,011
Inventories		3,963	3,248
Prepayments		1,740	1,295
Total current assets		169,595	132,305
Non-current assets			
Receivables	6.1	70	79
Intangible assets	5.2	7,280	8,716
Right-of-use assets	6.3	3,259	2,402
Infrastructure, property, plant and equipment	5.1.1	4,665,240	4,769,043
Total non-current assets		4,675,849	4,780,240
TOTAL ASSETS		4,845,444	4,912,546
LIABILITIES			
Current liabilities			
Payables	6.2	29,948	20,021
Employee benefits	4.2.2	20,538	20,988
Lease liabilities	6.3	1,789	1,347
Borrowings	7.1	10,097	2,443
Contract liabilities	3.3	43,577	27,015
Total current liabilities		105,949	71,814
Non-current liabilities			
Employee benefits	4.2.2	1,437	1,520
Lease liabilities	6.3	1,476	1,088
Borrowings	7.1	80,406	90,503
Deferred tax liabilities	9.1.2	447,429	504,047
Total non-current liabilities		530,748	597,159
TOTAL LIABILITIES		636,697	668,973
NET ASSETS		4,208,747	4,243,573
EQUITY			
Contributed capital	7.3.1	3,079,461	3,045,461
Asset revaluation reserve	5.1.5	1,612,589	1,647,285
Accumulated surplus / (deficit)		(483,303)	(449,172)
TOTAL EQUITY		4,208,747	4,243,573

The above Statement of Financial Position should be read in conjunction with the accompanying notes

Cash Flow Statement

for the period ended 30 June 2022

(\$ thousands)

	Notes	2022	2021
Cash flows from operating activities			
Receipts			
Receipts from customers		138,222	126,480
Receipts from government ¹		29,777	71,330
Interest received		322	212
GST received from ATO		9,225	16,622
Payments			
Payments to suppliers and employees		(123,726)	(204,373)
Interest and other costs of finance paid		(5,731)	(6,292)
Environmental contribution levy		(2,577)	(2,577)
Net cash flow from operating activities	7.2.1	45,512	1,402
Cash flows from investing activities			
Payment for infrastructure, property, plant and equipment		(51,193)	(85,279)
Proceeds from sale of property, plant & equipment		388	263
Net cash (outflow) from investing activities		(50,805)	(85,016)
Cash flows from financing activities			
Capital contributions from Victorian Government		34,000	28,500
Proceeds from / (Repayments) of borrowings		(2,444)	(17,299)
Principal element of lease liability		(2,280)	(2,151)
Net cash inflow/(outflow) from financing activities		29,277	9,050
Net increase in cash and cash equivalents		23,984	(74,563)
Cash and cash equivalents at the beginning of the year		99,751	174,314
Cash and cash equivalents at the end of the year	7.2	123,735	99,751

¹ Receipts from government includes receipts for Water Savings Projects, which incorporates Connections Project, Project and the Commonwealth Funded Water Efficiency Project.

Goods and Services Tax paid to and received from the ATO is presented on a net basis.

The above Cash Flow Statement should be read in conjunction with the accompanying notes

Statement for Changes in Equity for the period ended 30 June 2022

(\$ thousands)

	Notes	Contributed Capital	Asset Revaluation Reserve	Accumulated Surplus /(Deficit)	Total
Balance at 1 July 2020		3,016,955	1,577,091	(355,484)	4,238,562
Total comprehensive income/(loss) for the year	5.1.5	-	70,193	(93,688)	(23,495)
Revaluation Reserve					
Transactions with State of Victoria in its capacity as Owner					
Contributions by owner	7.3.1	28,506	-	-	28,506
Balance at 30 June 2021		3,045,461	1,647,284	(449,172)	4,243,573
Total comprehensive income/(loss) for the year	5.1.5	-	(34,696)	(34,131)	(68,827)
Revaluation Reserve			-		-
Transactions with State of Victoria in its capacity as Owner					
Contributions by owner	7.3.1	34,000	-		34,000
Balance at 30 June 2022		3,079,461	1,612,589	(483,303)	4,208,747

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

Basis of Preparation

The financial report includes separate financial statements for Goulburn Murray Rural Water Corporation (the Corporation or GMW) as an individual reporting entity. This financial report is a general purpose financial report, that consists of a Comprehensive Operating Statement, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and notes accompanying these statements for the period ending 30 June 2022. The general purpose financial report has been prepared in accordance with Australian Accounting Standards (AAS), Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the Financial Management Act 1994 and applicable Ministerial Directions. GMW is a not-for-profit entity for the purpose of preparing the financial statements.

GMW is a statutory Corporation constituted by Ministerial Order under the provisions of the *Water Act 1989*. The principal address is:

Goulburn Murray Water
40 Casey Street
Tatura Vic 3616

Where applicable, those AAS paragraphs applicable to not-for-profit entities have been applied.

The accrual basis of accounting has been applied in the preparation of 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.

The annual financial statements were authorised for issue by the Board on 24/08/2022.

Accounting Policies

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.

Functional and presentation currency

The financial statements are presented in Australian dollars, which is GMW's functional and presentation currency.

Classification between current and non-current

To determine if an asset or liability is current or non-current, GMW considers the time when the asset or liability is expected to be realised or paid. The asset or liability is classified as current if it is expected to be realised or paid within the next twelve months - see 4.2.2 for a variation in relation to employee benefits.

Rounding

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

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for the revaluation of land, buildings and infrastructure.

Accounting estimates

GMW makes judgements, estimates and assumptions about financial information where required. The significant judgements made in the preparation of these financial statements are disclosed in the notes. Estimates and associated assumptions are based on professional judgements based on historical experience and other relevant factors. Actual results may differ from these estimates. Revisions to accounting estimates are made in the period in which the estimate is adjusted. Judgements and assumptions made by management in applying Australian Accounting Standards that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (note 8.3.2)
- estimation of useful lives (note 5.1.2)
- impairment of assets (note 5.1.1)
- employee benefit provisions and actuarial assumptions on likely leave patterns and tenure (4.2.2)
- revenue and identifying performance obligations and their satisfaction (note 3.1)
- deferred tax liability (note 9.1.2)
- for leases, determining whether an arrangement is in substance a short-term arrangement (note 6.3)

COVID-19

The Novel Coronavirus (COVID-19) outbreak first reported in late 2019 is currently having an unprecedented health and economic impact both internationally and domestically. To reduce the spread of the virus, a series of public health measures were imposed across the world and in Australia, including travel restrictions, a nationwide call to work from home and significantly reduced levels of activity in both the economy and community.

In response to the global health pandemic, the Federal and State governments have been providing a number of economic stimulus packages and policies in support of Victorian families and businesses.

The consequential impacts on GMW have included:

- ensuring a strong response and putting provisions in place to continue to provide essential water and drainage services for customers;
- support for employees transitioning to a flexible working arrangement;
- uplifting our IT network capability to support remote working;
- supporting customers experiencing financial difficulties through arrangements such as our hardship program, more time to pay arrangements and payment plans; and
- providing specific leave arrangements for our employees to curb the effects of the snap lockdowns.

• Impact on customers and the financial report

Given that GMW's core focus is the provision of water storage and delivery to irrigation customers the impact on customers has been minimal. Management are continuously reviewing budgets and forecasts while monitoring cash flow requirements and customer payment trends during this period of uncertainty and conclude that the going concern assumption for GMW still remains appropriate.

Assets and liabilities reported in the statement of financial position have not been impacted by COVID-19 and are concluded to be reported at fair value.

• Going concern

No impact is expected on GMW's ability to continue as a going concern.

Regulatory Asset Base

The Net Result before tax of (\$76.6 million) loss is impacted by \$85.3 million depreciation and amortisation expense which is not fully recovered in the regulatory pricing and revenue setting framework. Since 2006 the Economic regulation of GMW means that it cannot put money aside for future capital works and can only recover the cost of works through revenue from our customers when the assets are used. GMW's regulatory asset base is approximately \$400 million.

Disaggregated Information

Introduction

This section provides high level information separating the Water Storage & Delivery business (WSD) from the Water Savings Projects. This segregates the impacts of a limited term project from the ongoing activities of GMW. These business segments are functionally segregated due to the requirement to effectively ring fence Water Savings Projects funding receipts and project expenditure.

The Water Savings Projects encompassing Connections Project, Mitiamo and Water Efficiency Project are funded by the Australian and Victorian Governments. They are limited term projects with a target to achieve water savings. As of October 2020, Connections was successful in its delivery of the 429 GL long-term average annual yield (LTAAY) of water recovery.

Structure

2.1 Disaggregated Revenues & Results

2.2 Disaggregated Assets & Liabilities

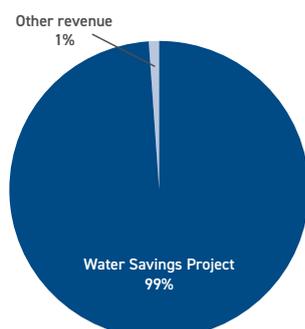
2.1 Disaggregated revenues and results

(\$ thousands)

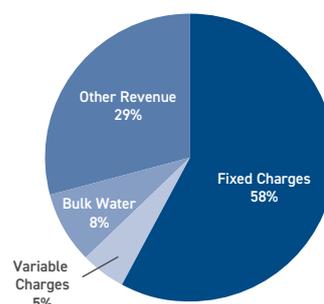
	Revenue		Net result	
	2022	2021	2022	2021
Water Storage & Delivery	160,376	149,433	(51,693)	(97,584)
Water Savings Projects ¹	19,824	43,520	(24,946)	(16,438)
Elimination of internal transactions	(16,306)	(8,424)	-	-
Total	163,894	184,529	(76,639)	(114,022)
Net result before tax			(76,639)	(114,022)

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

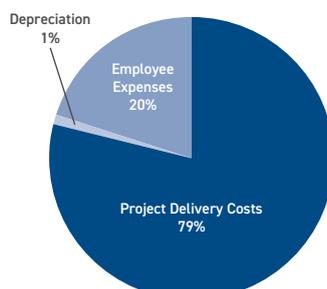
WATER SAVINGS PROJECTS REVENUE



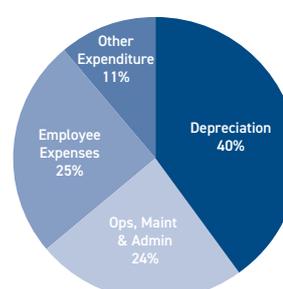
WATER STORAGE & DELIVERY REVENUE



WATER SAVINGS PROJECTS EXPENDITURE



WATER STORAGE & DELIVERY EXPENDITURE



Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Disaggregated revenue is generated from customers both within and external to GMW. Revenue generated between WSD and Water Savings Projects in the current year was \$16.3m (2021: \$8.4m). These transactions are eliminated in the consolidated result to ensure that revenues and expenses are not artificially inflated.

Net result represents the earnings before tax after all administrative costs are allocated between the business divisions. Profits recognised by Water Savings Projects are due to timing differences and will be offset by losses over the life of the project to result in a break even position on completion.

2.2 Disaggregated assets and liabilities (\$ thousands)

	Assets		Liabilities	
	2022	2021	2022	2021
Water Storage & Delivery	4,667,451	4,668,665	152,208	136,878
Water Savings Projects ¹	178,083	246,343	37,150	30,510
Total	4,845,534	4,915,008	189,358	167,388
Deferred Tax Liability			447,429	504,047
Elimination of internal transactions	(90)	(2,462)	(90)	(2,462)
Total as per Statement of Financial Position	4,845,444	4,912,546	636,697	668,973

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

Assets and liabilities for WSD and Water Savings Projects are ring fenced. Allocations are based on the nature of the underlying transactions with the exception of the deferred tax liability, as GMW is a single entity for income tax purposes and lodges a consolidated return.

Water Savings Projects assets are predominately made up of cash and cash equivalents as well as Work in Progress (WIP). Refer to note 5.1.1 (a) for a disaggregation summary for WIP and explanation as to when WIP is transferred to WSD for recognition as Property, Plant and Equipment.

A significant portion of the balance of liabilities for Water Savings Projects is contract liabilities, which represents income received that is yet to be expended on the relevant projects for which the funds were intended. Refer to note 3.3 for a disaggregation summary of contract liabilities.

Funding Delivery of Our Services

Introduction

This section provides additional information about how GMW is funded and the relevant accounting policies.

GMW's core focus is the provision of water storage and delivery for irrigation customers using its network of infrastructure. Irrigation revenue is generated through prices that are regulated by the Essential Services Commission (ESC). Revenue is also generated through activities such as; Government funding of the Connections Project, construction contracts, leases & licences, power generation and boating licences.

Structure

- 3.1 Revenue from contracts with customers
 - 3.1.1 Revenue from service and usage charges
 - 3.1.2 Contracting services
 - 3.1.3 Other revenue
 - 3.1.4 Revenue commitments - lessor
- 3.2 Government grants and contributions
 - 3.2.1 Water Savings Projects
 - 3.2.2 Funding Commitments - Water Savings Projects
- 3.3 Contract liabilities

3.1 Revenue from contracts with customers

Revenue and income recognition

GMW derives revenue from the provision of water storage and delivery for irrigation customers over time and at a point in time in the following revenue streams. Revenue is recognised when, or as, the performance obligations to the customer are satisfied

The accounting policies for revenue and income recognition are based on AASB 15 and AASB 1058.

AASB 15 requires that when clear and specific performance obligations are identified, that revenue is only recognised when the performance obligation is met. Therefore, payments received in advance of services delivered are recognised as contractual liabilities, potentially resulting in a deferral of income.

Per AASB 1058 Income for Not for Profit Entities if no specific performance obligations are identified, income is recognised in full in the year GMW is entitled to receipt. GMW applies AASB 1058 when the grants received by GMW are not enforceable and don't have sufficiently specific performance obligations. GMW also applies AASB 1058 to capital grants that are controlled by GMW.

3.1.1 Revenue from service and usage charges

(\$ thousands)

Water storage & delivery	2022	2021
Fixed charges	92,581	91,553
Variable charges	8,714	8,046
Bulk water sales	12,646	11,806
Total Service and Usage charges	113,941	111,405

GMW has an ongoing obligation to supply water to its customers within its service region, with customers simultaneously receiving and consuming the benefit in line with GMW performing its obligations. Service and usage charges are recognised progressively throughout the year.

Fixed charges are billed annually in July and recognised over time as the customer simultaneously receives and consumes the services provided by GMW. Variable charges for water delivered are billed progressively, with the final billing in June after GMW has performed its obligations and all usage has been determined. Bulk water revenue is recognised over time based on the agreed entitlement volumes with each customer.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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3.1.2 Contracting Services

(\$ thousands)

	2022	2021
Murray-Darling Basin Authority	14,584	12,007
Other external clients	380	11
Total Contracting services	14,964	12,018

GMW is the Victorian constructing authority for the Murray Darling Basin Authority (MDBA) and performs contracted works on a cost recovery basis for MDBA and other clients. Revenue is recognised when or as performance obligations are satisfied. This revenue is classified as contract services and not grants as these works are for the MDBA assets and not GMW assets.

3.1.3 Other Income

(\$ thousands)

	2022	2021
Interest	322	433
Leasing and licences	2,215	3,142
Boating licences	1,635	1,629
Power generation	855	689
Fees for services	622	651
Fees for the sale of water shares and water allocations	1,035	1,001
Other	2,168	1,813
Total Other Revenue	8,852	9,358

Interest revenue includes interest charged to customers on overdue debts and interest received on bank deposits. Interest from customers is recognised when it is charged and interest from bank deposits is recognised when it is earned.

Sale of water shares and trades of water allocations relate to fees charged to customers for these transactions. Revenue is recognised when the service is provided to the customer.

Other revenue includes income from property leases and licences, grazing and occupational licences, boating licences and power generation. During the 2021 financial year, the measures imposed to reduce the spread of the COVID-19 virus had impacted some leasing and licencing customers for which rent relief had been provided, however there had been no loss of revenue due to rent relief received from the Government. During the COVID-19 pandemic GMW provided more support for customers with debt and this has had a minor impact on the ability to recover debt. No rent relief or loss of leasing income due to COVID-19 occurred during the 2022 financial year.

3.1.4 Revenue commitments - lessor

(\$ thousands)

	2022	2021
Nagambie Caravan Park		
No later than 1 year	470	442
Later than 1 year and not later than 5 years	1,970	1,804
Later than 5 years	18,748	14,945
Total Non-cancellable operating lease revenue commitments (GST inclusive)	21,188	17,191
Less GST payable to the Australian Tax Office	(1,926)	(1,563)
Total Non-cancellable operating lease revenue commitments (GST exclusive)	19,262	15,628

GMW has rental income from property leases which are recognised on a straight line basis over the term of the lease.

During the financial year, the lease for Nagambie Caravan Park had been transferred to Discovery Holiday Parks. The terms of the lease arrangement for Nagambie Caravan Park are on consistent terms with the new leasee. During the reporting period a rent review was performed for the Nagambie Caravan Park, which resulted in a 6.39% uplift to the annual lease fees.

Other commitments can be found in section 4.3 (Operating expenditure commitments), section 5.1.4 (Capital expenditure commitments) and section 9.2.1 (Environmental contribution commitments).

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3.2 Government grants and contributions

	(\$ thousands)	
	2022	2021
Salinity works	1,532	2,828
Other State Grants	4,883	5,582
Total Government Grants WSD	6,415	8,410

Per the above, GMW uses AASB 15 to recognise revenue from grants (other than contribution by owners) as the obligations under the funding agreement are achieved.

GMW entered into new funding agreements to construct assets that will be owned by GMW at the end of the project. As at 30 June 2022, GMW has recognised the funding received as income based on performance obligations met as a percentage of completion under AASB 15. The stage of completion is measured by assessing the total expenditure incurred to date compared with funding provided. \$2,512,322 of revenue was recognised in relation to these agreements.

3.2.1 Water Savings Projects

	(\$ thousands)	
	2022	2021
Water Efficiencies Project Funding	171	1,684
Connections Funding	19,551	41,655
Total Revenue Recognised	19,722	43,339

After the restructure of administrative arrangements (1 July 2012), the Northern Irrigation Renewal Project (NVIRP) was integrated into GMW and renamed as the Connections Project – a division of GMW.

The Connections Project (the Project) objective was to deliver water savings. This was achieved through planning, designing and delivering a program to modernise the irrigation system throughout the Goulburn Murray Irrigation District (GMID). The Connections Project successfully met all of its milestones and targets on time and within budget in October 2020. Following the achievement of water savings targets in October 2020, residual works to fulfil customer agreements continued through 20/21 and have been completed by 30 June 2022.

Following the successful completion of the Connections Project, 77GL of water is being distributed back to Goulburn Murray Irrigation District (GMID) delivery shareholders. Refer to Note 7.2.2 for a summary of the distribution approach agreed with ISCC.

Funding revenue received by the Project is recognised under the performance obligations met in accordance with AASB 15. Any funding received that is not recognised as revenue in the current period is recognised as a contract liability on the Statement of Financial Position.

3.2.2 Funding Commitments - Water Savings Projects

The Commonwealth Government has funded \$177.5m for the delivery of the Water Efficiency Project (WEP). WEP will recover 15.9GL (LTAAY) of water for the environment through rationalisation and modernisation of the irrigation supply system across the Goulburn Murray Irrigation District and Murray-Darling Basin, leading to improved agricultural activity and generating benefits for the local and regional communities.

A \$4.0m funding agreement was entered into in December 2021 to reconfigure the Sunday Creek Irrigation Scheme. This will enable irrigators to recover an estimated 462ML long-term average annual yiled of system losses per annum from Lake Moodemere.

Funding is received as:

(i) Output - to meet direct operating costs and the cost of reconnecting landowners to the irrigation network. Output funding is recognised as revenue on a percentage of completion basis in accordance with AASB 15 Revenue.

(ii) Capital – to fund the construction of assets or the enhancement of existing assets owned by GMW. Capital funding is recognised based on AASB 15 or AASB 1058 depending on performance obligations being identified.

Revenue commitments and the timing of receipt of funding are subject to the conditions within the appropriate funding agreements.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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	Total committed	(\$ thousands) Project Life to Date Received / Receivable	Balance
(a) Funding position as at 30 June 2022:			
Project works funding - Output			
Water Efficiency Project	93,935	45,000	48,935
Sunday Creek Reconfiguration Project	2,312	1,420	892
Total Output	96,247	46,420	49,827
Project works funding - Capital			
Water Efficiency Project	83,565	52,000	31,565
Sunday Creek Reconfiguration Project	1,688	-	1,688
Total Project works funding - Capital	85,253	52,000	33,253
Total funding commitments	181,500	98,420	83,080

All funding commitments are nominal amounts. No GST is receivable.

3.3 Contract liabilities

	2022	2021
Funds held for government or governmental programs	8,672	9,125
Funds held for ISD Customer Credits	8,578	-
Unearned revenue - Water Savings Projects ¹	26,327	17,890
Contract liabilities	43,577	27,015

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

Funding revenue received by the Water Efficiency Project is recognised as the obligations under the funding agreement are satisfied. Obligations include the enhancement and development of assets that are to be retained by GMW. The percentage of completion methodology is applied to determine the obligations satisfied in order to recognise revenue. Any funding received that is not recognised as revenue in the current period is recognised as an unearned revenue liability on the Statement of Financial Position.

Refer to Note 7.2.2 for a summary of the distribution approach agreed with ISCC for the ISD Customer Credits.

	Note	2022
(a) Reconciliation of revenue - Water Savings Projects		
Contract liability at 1 July 2021		(17,890)
Funding received/receivable during the year:		
Project works funding - Operational & Output		(28,279)
Interest revenue		115
Total Project services performed recognised as revenue during the year:		
Operational services		9,944
Project works services		9,783
Contract liability at 30 June 2022	3.3	(26,327)

The Cost of Delivering Our Services

Introduction

This section provides additional information about how GMW's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

GMW's core focus is the provision of water storage and delivery for irrigation customers using its network of infrastructure. Expenditure is incurred for operations, maintenance and administration activities to ensure that agreed customer service levels are met. Along with delivering the Water Savings Projects and providing services for construction contracts, leases & licences, power generation and boating licences.

Structure

- 4.1 Expenses incurred in delivery of services
 - 4.1.1 Operations, maintenance and administration expenses WSD
 - 4.1.2 Water Savings Project costs
- 4.2 Our People
 - 4.2.1 Employee benefits - comprehensive operating statement
 - 4.2.2 Employee benefits - Statement of Financial Position
 - 4.2.3 Superannuation
- 4.3 Operating expenditure commitments

4.1 Expenses incurred in delivery of services

Expenses from transactions are recognised as they are incurred, and reported in the relevant financial year.

4.1.1 Operations, maintenance and administration expenses WSD

(\$ thousands)

	2022	2021
Contracted services	15,541	14,363
GMW Contribution to the MDBA programme	13,400	13,400
Electricity	1,550	1,725
Insurances	2,104	1,381
Labour hire	913	699
Materials	3,649	3,246
MDBA and Government Services Contract	10,449	9,676
Plant and motor vehicles	147	469
Plant hire	1,261	2,006
Other (i)	1,865	1,886
Total Operations maintenance and administration expenses	50,879	48,851

(i) Other expenses includes other miscellaneous expenses and ex-gratia expenses. Refer 10.6.

Operations, maintenance and administration costs are expensed as incurred. Costs that are capital in nature are capitalised if they meet the definition of an asset and are greater than the threshold of \$2,000.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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4.1.2 Water Savings Projects ¹ costs

(\$ thousands)

	2022	2021
Water Savings Projects - operations, maintenance & administration	2,502	1,403
Water Savings Projects - project delivery costs	18,158	42,397
Total Water Savings Projects costs	20,660	43,800

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

Project costs are costs associated with the delivery of a modernised irrigation system which will not result in an asset or enhance a fixed asset held by GMW. These generally relate to planning and on-farm modernisation works. Project costs are expensed as they are incurred and do not include employee expenses.

4.2 Our People

4.2.1 Employee benefits - comprehensive operating statement

(\$ thousands)

		2022	2021
Salary, wages and other costs	Water Storage & Delivery	48,201	46,463
	Water Savings Projects	7,672	8,900
Superannuation			
- Defined contribution plans	Water Storage & Delivery	4,176	3,829
	Water Savings Projects	630	604
- Defined benefit plans	Water Storage & Delivery	384	394
	Water Savings Projects	35	34
Termination benefits	Water Storage & Delivery	31	89
Total Employee expenses		61,129	60,312

Employee benefits include all costs relating to employment including wages and salaries, leave entitlements, fringe benefits tax, work cover premiums, payroll tax and superannuation contributions. These are recognised as an expense when they are incurred.

The amount charged to the Comprehensive Operating Statement for superannuation represents contributions paid or payable by GMW to the relevant superannuation fund. Superannuation contributions are made to the funds based on the relevant fund rules and compulsory superannuation requirements.

Termination benefits are payable when employment is terminated before normal retirement date or when an employee accepts a redundancy offer. Termination benefits are recognised when GMW is committed to terminating the employment of current employees.

4.2.2 Employee benefits - Statement of Financial Position

(\$ thousands)

Wages, salaries, annual leave and long service leave are accrued for services rendered to 30 June 2022.

	2022	2021
<i>Current</i>		
Annual leave		
Unconditional, settlement expected within 12 months	7,003	7,238
Long service leave		
Unconditional, settlement expected within 12 months	1,615	1,856
Unconditional, settlement not expected within 12 months	10,274	10,320
Provisions for on-costs		
Unconditional, settlement expected within 12 months	223	239
Unconditional, settlement not expected within 12 months	1,423	1,335
Total current employee benefits	20,538	20,988

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Non-current provisions:				
Conditional long service leave			1,266	1,345
On-costs			171	175
Total non-current employee benefits			1,437	1,520
Total employee benefits			21,975	22,508

Reconciliation of movement in on-cost provision 2022

Opening balance	1,749
Additional provisions recognised	214
Amounts utilised during period	(146)
Effect of changes in the discount rate	-
Closing balance	1,817
Current	1,646
Non-current	171

Wages and salaries, annual leave and sick leave

Liabilities for annual leave and other relevant entitlements are recognised in the provision for employee benefits as 'current liabilities', because GMW does not have an unconditional right to defer settlement of these liabilities.

The settlement of liabilities for wages, salaries, annual leave and other leave are measured at:

- Nominal value – if GMW expects to settle within 12 months; or
- Present value – if GMW does not expect to settle within 12 months.

Long service leave

Long service leave (LSL) liability is recognised in the provision for employee benefits. Unconditional LSL (representing seven or more years of continuous service) is disclosed as a current liability even where GMW does not expect to settle the liability within 12 months. GMW does not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The current LSL liability is measured at:

- Nominal value – if GMW expects to settle within 12 months; and
- Present value – if GMW does not expect to settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the required years of service. This liability is measured at present value.

On-costs

Employee benefit on-costs provision includes payroll tax, workers compensation and superannuation.

COVID-19 Impact on employee entitlements

During the 2021 financial year, provisions for Annual Leave and LSL had been impacted by COVID-19, resulting in higher leave balances due to employees not taking leave. This was despite there being less staff post transformation and was a result of restrictions imposed by COVID-19. With restrictions being eased during the 2022 financial year, leave entitlements have been more frequently taken and leave balances are expected to decline in future periods.

4.2.3 Superannuation

GMW makes the majority of its employer superannuation contributions to Vision Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, with each funded differently. Obligations for contributions to the Fund are recognised as a liability or prepayment and expensed in the period they relate.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (10% required under Superannuation Guarantee legislation).

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Defined Benefit

GMW does not use defined benefit accounting for its obligations under the Fund's Defined Benefit category because it is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as this is a floating obligation. The only time that the aggregate obligation is allocated to specific employers is when a call is made. GMW's participation in the Fund cannot be measured as a percentage of other participating employers. The Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purpose of AASB 119 *Employee Benefits*.

Contributions by GMW to superannuation plans of 10% for the financial year ended 30 June 2022 are detailed below:

Superannuation Schemes	Paid contribution for the year		Contribution outstanding at year end	
	2022	2021	2022	2021
	(\$ thousands)			
Defined Benefit Plans				
State Employee Retirement Benefits Board	40	44	1	1
Vision Super	19	8	-	-
Emergency Services and State Superannuation Fund	365	384	11	10
Total Defined Benefit Plans	424	435	12	11
Accumulation Funds				
Vision Super Saver & Other accumulation funds	5,121	4,689	149	158
Total Superannuation Schemes	5,545	5,124	161	170

State Superannuation Schemes - Defined Benefit Funds

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.

4.3 Other expenditure commitments

	(\$ thousands)	
	2022	2021
Water Savings Projects	8,788	4,653
Nagambie Caravan Park	10,594	8,595
Department of Environment, Land, Water and Planning - Contribution to MDBA programme	13,400	-
Other	23,462	22,834
Total Other expenditure commitments (GST inclusive)	56,244	36,082
Less GST recoverable from the Australian Tax Office	(5,113)	(3,280)
Total Other expenditure commitments (GST exclusive)	51,131	32,802

Commitments for future operating expenditure include those arising from contracts. These are disclosed at their nominal value and inclusive of GST. Future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the Statement of Financial Position.

These commitments are likely to fall within:

No later than 1 year	43,308	22,553
Later than 1 year and not later than 5 years	3,562	6,056
Later than 5 years	9,374	7,473
Total Other expenditure commitments (GST inclusive)	56,244	36,082

Other commitments can be found in section 3.1.4 (Revenue commitments), section 5.1.4 (Capital expenditure commitments) and section 9.2.1 (Environmental contribution commitments).

Assets Available to Support Output Delivery

Introduction

This section provides additional information about how GMW manages its infrastructure, other assets and capital commitments along with the material accounting policies. The majority of GMW controlled infrastructure and other assets are used for storing and delivering water to customers.

Structure

5.1 Infrastructure, Property, Plant and Equipment: Carrying amount

5.1.1 Reconciliation of movement in carrying value

5.1.2 Depreciation and amortisation

5.1.3 Loss on disposal

5.1.4 Capital commitments

5.1.5 Asset revaluation reserve

5.2 Intangible assets

Significant judgements: Fair value measurement

Where the assets included in this section are carried at fair value, additional information on how those fair values were determined is disclosed in note 8.3. As at June 30, 2021; all of GMW's Land, Buildings, and Infrastructure assets were subject to an individual valuation completed by the Valuer General Victoria, which is outlined in note 8.3.

5.1 Infrastructure, Property, Plant and Equipment: Carrying amount

	(\$ thousands)	
	2022	2021
Land		
at Fair Value	53,674	53,674
Buildings		
at Fair Value	24,332	21,933
Less: Accumulated Depreciation	(1,259)	(73)
	23,073	21,861
Plant & Equipment		
at Fair Value	32,486	33,647
Less: Accumulated Depreciation	(26,565)	(26,438)
	5,921	7,208
Infrastructure		
at Fair Value	4,571,297	4,512,148
Less: Accumulated Depreciation	(89,328)	(12,863)
	4,481,969	4,499,284
Work in Progress		
at Cost	100,603	187,016
Total Infrastructure Property Plant & Equipment	4,665,240	4,769,043

All infrastructure, property, plant & equipment are initially recognised at cost and subsequently revalued to fair value less accumulated depreciation and impairment. This is in accordance with the requirements of Financial Reporting Direction (FRD) 103 *Non-Financial Physical Assets*. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Carrying value is considered to be a reasonable approximation of fair value for infrastructure, property, plant and equipment.

In estimating the fair value of an asset, GMW uses observable market data to the extent it is available. Information about the valuation techniques and inputs used in determining the fair value of Infrastructure, Property, Plant and Equipment is disclosed in Note 8.3.2.

Items with a cost greater than \$2,000 and a useful life of more than one year are recognised as an asset. Groups of items with an individual cost less than \$2,000 but with a value greater than \$2,000 as a group (i.e. computer equipment) are capitalised. All other items less than \$2,000 are expensed.

Capital works in progress (WIP) are carried at cost, less any recognised impairment loss.

Fixed assets are subject to fair valuation every five years by an independent assessor in accordance with the requirements of FRD 103 *Non-Financial Physical Assets*. This may occur more frequently if management assessments indicate material changes in asset values. A movement in carrying value greater than 10 percent requires a management revaluation. A movement greater than 40 percent will require the Valuer General Victoria (VGV) to perform a detailed fair value assessment. Where movement is less than or equal to 10 percent, no change is made to carrying amounts.

Formal infrastructure assets revaluations (every five years) use specialised advisors. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value. A full valuation of Land, Buildings and Infrastructure was undertaken in 2021. Refer to Note 8 for basis of the 2021 Valuation completed by the VGV.

Revaluation decrements are recognised immediately as an expense, except if there is an asset revaluation reserve for the same class of assets, where they reduce the asset revaluation reserve.

Net revaluation increases are recognised in other comprehensive income and accumulated in equity as an asset revaluation surplus. Where the net revaluation increase reverses a previously recognised decrease for the same class of assets, the previously recognised expense is reversed.

Revaluation increases and decreases relating to individual assets within a class (i.e. Infrastructure, property, plant and equipment) are offset. Revaluation movements are not offset between classes.

Asset revaluation reserves are not transferred to accumulated funds on disposal of an asset.

Fixed assets are assessed annually for indicators of impairment. The assets carrying value is compared to its recoverable amount, which is measured at the higher of depreciated replacement cost and fair value less costs to sell. Where an asset's book value exceeds its recoverable amount, the asset is considered impaired. The impairment is then recognised in other comprehensive income up to the amount of any asset revaluation reserve.

The reversal of an impairment loss on a revalued asset is recognised in equity as an asset revaluation increment except when an impairment loss on the same class of asset was previously recognised in the Comprehensive Operating Statement. A corresponding reversal of that impairment loss is also recognised in the Comprehensive Operating Statement.

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5.1.1 Reconciliation of movement in carrying value

	(\$ thousands)					
	Land	Buildings	Plant & Equipment	Infrastructure	WIP (a)	Total
Year ended 30 June 2022						
Opening WDV	53,674	21,861	7,208	4,499,284	187,016	4,769,043
Additions	-	-	510	-	40,222	40,732
Transfers in/(out) of WIP	-	2,472	1,268	122,895	(126,635)	-
Disposals	-	(68)	(529)	(14,078)	-	(14,675)
Correction of prior year revaluation ¹	-	-	-	(48,806)	-	(48,806)
Depreciation	-	(1,192)	(2,536)	(77,326)	-	(81,054)
Closing WDV	53,674	23,073	5,921	4,481,969	100,603	4,665,240
Year ended 30 June 2021						
Opening WDV	54,076	17,134	9,795	4,445,263	174,719	4,700,986
Additions	-	23	331	1,573	76,778	78,704
Transfers in/(out) of WIP	-	-	(75)	64,556	(64,481)	-
Disposals	(90)	(169)	(183)	(38,050)	-	(38,492)
Revaluation increment / (decrement)	(312)	5,528	739	116,883	-	122,838
Depreciation	-	(655)	(3,398)	(90,941)	-	(94,994)
Closing WDV	53,674	21,861	7,208	4,499,284	187,016	4,769,043

¹ The prior year valuation of infrastructure assets was corrected due to Connections Project WIP assets that were included in the revaluation. As the Connections Project WIP assets were capitalised in FY22, an adjustment was made to correct the duplication. Consequently, the asset revaluation was decreased. This adjustment is not material and does not require restatement of prior year balances.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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	Connections Project	Water Storage & Delivery	Total
(a) Work in progress			
Opening Balance	148,340	38,676	187,016
Movement 2022			
Additions	19,695	20,527	40,222
Transfers	(98,860)	(27,775)	(126,635)
Total movement 2022	(79,165)	(7,249)	(86,414)
Balance at 30 June 2022	69,175	31,427	100,603

Water Savings Project

Costs associated with the delivery of a modernised irrigation system which result in a new asset or enhance an existing asset are recorded as Work In Progress (WIP). WIP is transferred to WSD when assets are operational.

Water Storage and Delivery

WIP is valued at cost plus an appropriate share of overheads. Assets are transferred from WIP when the asset is operational.

5.1.2 Depreciation and amortisation

(\$ thousands)

	2022	2021
Depreciation of buildings	1,192	655
Depreciation of plant, equipment, furniture & fittings	2,537	3,398
Depreciation of infrastructure assets	77,326	90,941
Depreciation of right-of-use-assets	2,253	2,135
Amortisation and consumption of intangibles	1,964	1,640
Total Depreciation and Amortisation	85,272	98,768

As a result of the revaluation at 30 June 2021 the useful life of certain infrastructure assets were judged to be greater than prior to the revaluation. This resulted in a reduction in depreciation in 2021/22.

All infrastructure and other non-current assets that have a limited useful life are depreciated. Depreciation rates are calculated on the asset's value, less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is shorter. Depreciation is calculated on a straight-line basis.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each year, adjustments are made where appropriate. Generally useful lives are within the following ranges:

Class of assets	Estimated life (years)
Buildings	5 to 50
Plant & Equipment	2 to 50
Right-of-use-assets	2 to 10
Intangibles	3 to 10
Infrastructure Systems:	
- Non Backbone	4 to 38
- Channels and Structures	5 to 200
- Dams & Drains	5 to 200
- Electronic Equipment	5 to 40

The component of channels and drains which are under water are considered to have an indefinite life and are not depreciated. The fair value of these components is \$446.4m (2021: \$446.6m). Depreciation is not recognised for these assets because their service potential has not diminished during the report period.

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5.1.3 Loss on disposal

	(\$ thousands)	
	2022	2021
Loss on disposal of infrastructure, property, plant and equipment	14,285	38,083
Total Loss on disposal	14,285	38,083

Each year GMW negotiates with customers to rationalise parts of the irrigation infrastructure. Where assets are no longer in use, the book value of these assets is written off. The write off is recognised in the Statement of Comprehensive Income as a loss on disposal.

Any gain or loss on the disposal of fixed assets is recognised at the date of disposal and is determined after deducting the proceeds from the carrying value of the asset.

5.1.4 Capital commitments

	(\$ thousands)	
	2022	2021
Water Storage & Delivery		
Dams and Dam Safety Projects	971	3,179
Bridge Renewal and Upgrade Projects	2,710	7,883
Channel, Pipeline & Drain Upgrades	1,728	1,453
Outlet and Meter Upgrades	235	33
Information Technology Hardware & Software Upgrades	166	67
Other	1,604	693
Total Water Storage & Delivery (inclusive of GST)	7,414	13,309
Water Savings Projects ¹		
Project works	17,034	3,991
Total Water Savings Projects (inclusive of GST)	17,034	3,991
Total Capital commitments (inclusive of GST)	24,448	17,299
Less GST recoverable from the Australian Tax Office	(2,223)	(1,573)
Total Capital commitments (exclusive of GST)	22,225	15,727
¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects		
These commitments are likely to fall within:		
No later than 1 year	24,448	17,299
Total Capital commitments (inclusive of GST)	24,448	17,299

Commitments for future expenditure include capital commitments arising from contracts. These commitments are disclosed at their nominal value and inclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the Statement of Financial Position.

Other commitments can be found in section 3.1.4 (Revenue commitments), section 4.3 (Operating expenditure commitments) and section 9.2.1 (Environmental contribution commitments).

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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5.1.5 Asset revaluation reserve

(\$ thousands)

	2022	2021
Land	28,975	28,975
Buildings	8,903	8,903
Infrastructure	1,574,711	1,609,407
Balance 30 June	1,612,589	1,647,285

Movements during the reporting period	Land	Buildings	Infrastructure	Total
Opening balance	28,975	8,903	1,609,407	1,647,285
Revaluation increment/(decrement) ¹	-	-	(34,696)	(34,696)
Closing balance	28,975	8,903	1,574,711	1,612,589

¹ Refer to Note 5.1.1 (2) for details on movements through the revaluation reserve during the 2022 reporting period.

5.2 Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are initially recognised at cost. Intangible assets with finite useful lives are carried at cost less any accumulated amortisation and impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to GMW.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset. These are recognised as revenue or an expense in the Statement of Comprehensive Income.

Reconciliation of movement in intangible assets

(\$ thousands)

	2022	2021
Computer software		
at cost	26,839	26,312
Less: Accumulated Amortisation	(24,265)	(23,263)
	2,574	3,049
Native vegetation offsets (NVO) (a)		
at cost	890	828
Water shares (b)		
at cost	3,816	4,839
Total Intangible assets	7,280	8,716

(a) From 1 January 2014, GMW must comply with the new Native Vegetation Permitted Clearing Regulations. Construction work that results in the loss of native vegetation creates an obligation for GMW. This requires GMW to purchase Native Vegetation Credits which are recognised as intangible assets. These credits are not amortised but are expensed as the offset is established and the consumption is then recorded. An offset makes an equivalent contribution to Victoria's biodiversity for any native vegetation that is removed. The balance of NVO's at 30 June 2022 represents the credits purchased which have not been formally offset against these obligations. Native vegetation offsets are measured at cost in accordance with the requirements of AASB 138 Intangible Assets and FRD109 Intangible Assets.

(b) GMW holds water shares both as part of the WSD business and the Water Savings Projects. The Intangible Assets include water shares that have been converted to bulk entitlements and water shares acquired from landowners, held by the Water Savings Projects. Water shares have an indefinite life and are not amortised. Water shares held at year end for future sale are recorded as assets classified as held for sale. Where a decision has not been made regarding sale they are classified as Intangible Assets.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Intangible assets with finite useful lives such as computer software are amortised on a straight line basis and assessed for impairment annually. The useful life is reviewed at the end of each reporting period. Changes in the expected useful life are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives such as water shares and entitlements are not amortised, but are tested for impairment annually. The useful life assessment is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Software Costs

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Software-as-a-Service (SaaS) arrangements

The International Financial Reporting Standards Interpretations Committee (IFRIC) has issued two final agenda decisions which impact SaaS arrangements:

- Customer's right to receive access to the supplier's software hosted on the cloud (March 2019) – this decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term.
- Configuration or customisation costs in a cloud computing arrangement (April 2021) – this decision discusses whether configuration or customisation expenditure relating to SaaS arrangements can be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

GMW's accounting policy has historically been to recognise costs related to SaaS arrangements as a mix of capital and operating expenditure, and record as an intangible asset for capitalised expenditure in the Statement of Financial Position. The adoption of the above agenda decisions has not materially impacted GMW's financial statements.

Movements during the reporting period

(\$ thousands)

	Computer Software	Native Vegetation Offsets	Water Shares	Total
2022				
Opening WDV	3,049	828	4,839	8,716
Additions	1,496	187	-	1,683
Revaluation	-	-	-	-
Disposals	(132)	-	(1,023)	(1,155)
Consumption	-	(125)	-	(125)
Amortisation	(1,839)	-	-	(1,839)
Closing WDV	2,574	890	3,816	7,280
2021				
Opening WDV	3,776	533	4,839	9,148
Additions	409	641	-	1,050
Revaluation	158	-	-	158
Consumption	-	(346)	-	(346)
Amortisation	(1,294)	-	-	(1,294)
Closing WDV	3,049	828	4,839	8,716

Other Assets and Liabilities

Introduction

This section sets out assets and liabilities incurred by GMW in the natural course of operations.

Structure

- 6.1 Receivables
 - 6.1.1 Ageing analysis of contractual receivables
- 6.2 Payables
 - 6.2.1 Ageing analysis of contractual payables
- 6.3 Right-of-use-assets and lease liabilities

6.1 Receivables

(\$ thousands)

Current - Contractual	2022	2021
Trade debtors - Water Storage & Delivery	30,699	25,596
Trade debtors - Connections Project	59	184
Expected credit loss allowance	(828)	(758)
Current - Statutory		
GST	1,649	2,989
Total Current receivables	31,579	28,011
Non-Current - Contractual		
Trade debtors - Water Storage & Delivery	70	79
Total Non-Current receivables	70	79
Total Receivables	31,649	28,090

Receivables consist of:

- Contractual receivables relating to debts for water rates, water consumption and contracting services provided. They are initially recognised at fair value and subsequently measured at amortised cost less any accumulated impairment.
- Statutory receivables, such as Goods and Services Tax (GST) input tax credits are recoverable. They are recognised and measured similarly but separately from contractual receivables because they do not arise from a contract.

6.1.1 Ageing analysis of contractual receivables

GMW applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for contractual receivables.

On that basis, the loss allowance as at 30 June 2022 was determined as follows:

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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	(\$ thousands)				
	Carrying Value	Not past due	<1 Month	1 - 3 Months	3 + Months
2022					
Trade debtors - WSD	30,769	17,256	8	484	13,021
Trade debtors - CP	59	44	-	-	15
Total	30,828	17,300	8	484	13,036
Loss Allowance	828	-	-	-	828
Expected loss rate	3%	0%	0%	0%	6%
2021					
Trade debtors - WSD	25,675	11,389	241	41	14,003
Trade debtors - CP	184	1,284	-	-	(1,100)
Total	25,859	12,673	241	41	12,903
Loss Allowance	758	-	-	-	758
Expected loss rate	3%	0%	0%	0%	6%

Receivables from service and usage charges are written off when there is no reasonable expectation of recovery. Indicators of this include failure to engage in a repayment plan and failure to engage with debt recovery agencies. Loss allowances are presented in other operational expenses within the comprehensive operating statement. Long outstanding debt is for owner-occupied irrigation properties. These debts are secured against the respective property. This is established through the Water Act 1989 s274 (4), (4A) and (5). Once the property is sold or ownership changes, the debt is legally required to be repaid to GMW. Given these circumstances there was no impact on the impairment of trade debtors based on an assessment of expected credit losses given first time adoption of AASB 9 in 2018-19. Recoverability of debt is assessed on a case by case basis. During the COVID-19 pandemic GMW provided more support for customers with debt and this has had a minor impact on the ability to recover debt.

6.2 Payables

	(\$ thousands)	
	2022	2021
Current - Contractual		
Trade creditors - Water Storage & Delivery	1,142	1,832
Trade creditors - Connections Project	626	1,923
Accrued expenses	28,180	16,267
Current - Statutory		
Accrued expenses	-	-
Total Payables	29,948	20,021

Payables consist of:

- Contractual payables are liabilities for goods and services provided to GMW, which remain unpaid at year end. They are measured at amortised cost.
- Statutory payables include goods and services tax and fringe benefits tax payables. They are recognised and measured similarly but separately from contractual payables because they do not arise from a contract.

6.2.1 Ageing analysis of contractual payables

	(\$ thousands)				
	(\$ thousands)		<1 Month	1 - 3 Months	3 + Months
	Carrying Value	Not past due			
2022					
Trade creditors - WSD	22,099	22,098	-	-	1
Trade creditors - CP	7,849	7,745	89	15	-
Total	29,948	29,843	89	15	1
2021					
Trade creditors - WSD	11,418	8,585	3	-	2,830
Trade creditors - CP	8,604	8,362	-	207	35
Total	20,021	16,947	3	207	2,865

6.3 Right-of-use-assets and lease liabilities

This note provides information for leases where GMW is a lessee.

(i) Amounts recognised in the Statement of Financial Position

The Statement of Financial Position shows the following amounts relating to leases:

	(\$ thousands)	
	2022	2021
Right-of-use assets		
Building	173	43
Equipment	-	-
Vehicles	2,917	2,359
Others	169	-
Total lease assets	3,259	2,402
Finance lease asset	-	-
Lease liabilities		
Current	1,789	1,347
Non - Current	1,476	1,088
Total lease liabilities	3,265	2,435

Additions to the right-of-use assets during the 2022 financial year were \$3,099,000

(ii) Amounts recognised in the statement of profit or loss

The Comprehensive Operating Statement shows the following amounts relating to leases:

	(\$ thousands)	
	2022	2021
Depreciation charge of right-of-use assets		
Building	196	144
Equipment	-	-
Vehicles	1,964	1,937
Others	93	53
Total	2,253	2,134
	2022	2021
Interest expense (included in finance cost)	69	73
Expense relating to short-term leases (included in administrative and other operating expenses)	-	5
Expense relating to leases of low-value assets that are not short-term leases (included in administrative and other operating expenses)	38	93
Total	107	172

The total cash outflow for leases in 2022 was \$2,566,236

(iii) GMW's leasing activities and how these are accounted for

GMW leases various properties, equipment and vehicles. Rental contracts are typically made for fixed periods of 1 to 5 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. GMW allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone price.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but lease assets may not be used as security for borrowing purposes.

From 1 July 2019 leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by GMW.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to comprehensive operating statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease or GMW's incremental borrowing rate. Treasury Corporation of Victoria (TCV) / Department of Treasury's (DTF) calculator is used to determine incremental borrowing rate.

Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If GMW is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

GMW applies the revaluation model in AASB 116 to right-of-use assets that relate to the class of property, plant and equipment. Indicators of change in fair value of right-of-use assets was evaluated against the latest market lease terms for significant changes, such as change in effective interest rates available for new leases. Management found no indicators that the fair value may be materially different to the carrying amount.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and photo copiers with individual values less than \$10,000 when new.

GMW is exposed to future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities. This includes exposure arising from:

- variable lease payments
- extension options and termination options
- residual value guarantees
- leases not yet commenced to which the lessee is committed, and
- expected impact of COVID-19 on lease receivables.

Financing Our Operations

Introduction

This section provides information on the funding sources used by GMW, along with interest expenses and other information related to GMW's financing activities.

Structure

7.1 Interest bearing liabilities

7.1.1 Maturity analysis

7.1.2 Interest expense

7.2 Cash flow information

7.2.1 Reconciliation of net result to cash flow from operating activities

7.2.2 Cash balances with restrictions over use

7.2.3 Financing facilities

7.3 Equity

7.3.1 Contributed capital

7.1 Interest bearing liabilities

(\$ thousands)

	2022	2021
Current		
Lease liabilities - WSD	1,580	1,301
Lease liabilities - WEP	209	46
Loans from TCV - WSD	10,097	2,443
Total current borrowings	11,886	3,790
Non-current		
Lease liabilities - WSD	1,358	1,088
Lease liabilities - WEP	118	-
Loans from TCV - WSD	80,406	90,503
Total Non-current borrowings	81,882	91,591
Total Borrowings	93,768	95,382

All interest bearing liabilities are initially recognised at the fair value of the liability, less directly attributable transaction costs. Interest bearing liabilities are subsequently measured at amortised cost.

Interest bearing liabilities are classified as current liabilities unless GMW has an unconditional right to defer settlement of the liabilities for at least 12 months after the year end date.

GMW's credit rating is A (2021: A)

7.1.1 Maturity analysis

(\$ thousands)

	2022		2021	
	Leases	Loans	Leases	Loans
Less than 1 year	1,789	10,097	1,347	2,443
1-2 years	1,170	7,760	748	12,597
2-3 years	293	6,579	339	5,260
3-4 years	13	9,176	1	6,579
4-5 years	-	6,779	-	9,176
> 5 years	-	50,112	-	56,891
Total Carrying Amount	3,265	90,503	2,435	92,946

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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7.1.2 Interest expense

Interest expense	4,638	5,014
Interest on finance leases under AASB 16	69	73
Financial accommodation levy	1,024	1,072
Total Interest Expense	5,731	6,159

Interest expense represents costs incurred from borrowings, recognised in the period they are incurred. Interest expenses relate to interest on short and long term borrowings including the financial accommodation levy and lease charges.

Financial Accommodation Levy is a levy applied to GMW borrowing facilities to remove the market advantage that government entities may experience in borrowing as a result of being guaranteed by the State of Victoria. The financial accommodation levy is charged a commercial rate for new borrowings based on GMW's underlying credit rating and is paid into the Victorian State's Consolidated Fund in accordance with section 40N of the *Financial Management Act 1994*.

7.2 Cash flow information

(\$ thousands)

Cash and cash equivalents on the Statement of Financial Position comprise of cash on hand, cash at bank and deposits at call. These are held for the purpose of meeting short term cash commitments rather than for investment purposes. Cash and deposits are measured at nominal value.

(\$ thousands)

	2022	2021
Cash and cash equivalents		
Cash at bank	18,180	8,833
Cash on deposit	105,555	90,918
Total Cash and cash equivalents	123,735	99,751

7.2.1 Reconciliation of net result to cash flow from operating activities

Net profit/(loss) for the period before tax	(76,639)	(114,022)
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Non-cash movements:

Loss on disposal of infrastructure, property, plant and equipment	14,285	38,083
Cancellation of water shares through Irrigators Share Project	1,023	-
Depreciation and amortisation	85,272	98,768

Movements in assets and liabilities:

(Increase)/decrease in receivables	(3,557)	78
(Increase)/decrease in inventories	(715)	(698)
(Increase)/decrease in other non-financial assets	(445)	(295)
Increase/(decrease) in non-capital payables	18,837	(27,197)
Increase/(decrease) in employee benefits	(533)	(1,115)
Increase/(decrease) in unearned revenue	7,984	7,801

Net cash flows from/(used in) operating activities	45,512	1,402
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(\$ thousands)

7.2.2 Cash balances with restrictions over use

	2022	2021
Funds held to finance externally funded projects - Water Storage & Delivery	8,672	9,125
Funds held from sale of Irrigators Share Distribution water shares - Water Storage & Delivery	8,578	-
Funding received in advance - Water Savings Projects ¹	26,327	17,890
Total cash balances with restrictions over use	43,577	27,015

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Irrigators Share Distribution (ISD) Holdings

Following the successful completion of Connections in October 2020, 77GL of water was deemed to be distributed back to Goulburn Murray Irrigation District (GMID) delivery shareholders. The Irrigators' Share Consultative Committee (ISCC), appointed by the Minister for Water in mid - 2019, recommended a distribution approach for the irrigators' share to pass on these benefits to individual delivery shareholders.

The Minister accepted the ISCC recommendations in October 2020 – which resulted in the irrigators receiving their share of water recovery either as water shares or financial benefit, in proportion to the volume of delivery share they held:

- Customers with 0.25 megalitre (ML)/day or more of delivery share, had water shares issued to them in October 2021 along with any water allocations accrued against these entitlements.
- Customers with less than 0.25 ML/day of delivery share, will have financial benefits (acquired through the sale of Water Shares) distributed as a credit on their GMW fixed charges bill in July 2022. As of 30 June 2022, all water shares have been sold and \$8.58m has been received and is held in the ISD bank account on GMW's Statement of Financial Position as both holdings and an associated liability.

When the fixed charges are issued in July 2022 with the associated credit, GMW will apply the credit to reduce the amount receivable from the Customer so there is nil effect on GMW's total revenue balance.

	(\$ thousands)	
7.2.3 Financing facilities	2022	2021
Unused borrowings ¹	14,000	95,000
¹ Facility with Treasury Corporation of Victoria (TCV)		

Decrease in unused borrowings is due to a decrease in temporary borrowings available to WSD and Water Savings Projects. In the past, there were large temporary borrowing limits that were never utilised. Therefore, for 2021/22 it was assessed that GMW would continue the financial year with minimum borrowings and use cashflows to fund operations.

7.3 Equity

	(\$ thousands)	
7.3.1 Contributed capital	2022	2021
Balance 1 July	3,045,461	3,016,955
Capital contributions - Water Savings Projects ¹	34,000	28,506
Balance 30 June	3,079,461	3,045,461

Additions to net assets which are contributions by owners are recognised as contributed capital in accordance with FRD119A *Transfers through contributed capital*. Treatment of capital contributions is set out in Allocation Statements signed by the Chief Financial and Accounting officer of DELWP and GMW's Chief Financial Officer.

¹ Water Savings Projects incorporates Connections Project, Mitiamo Pipeline Project and the Commonwealth Funded Water Efficiency Project.

Risks, Contingencies and Valuation Judgements

Introduction

This section sets out financial instrument specific information, including items that are contingent or require a higher level of judgement to be applied. GMW applies fair value determination where possible.

GMW is exposed to risk from its activities and outside factors. It is often necessary to make accounting judgements and estimates for items in the financial statements.

Structure

- 8.1 Financial instrument specific disclosures
 - 8.1.1 Financial instruments: categorisation
 - 8.1.2 Financial risk management objectives and policies
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination
 - 8.3.1 Fair value determination: financial assets and liabilities
 - 8.3.2 Fair value determination: Non- financial physical assets

8.1 Financial instrument specific disclosures

Financial assets and liabilities are recognised when GMW enters contractual provisions of a financial instrument.

Loans, receivables and cash are financial instruments with fixed and determinable payments. These are recognised and measured based on AASB 9 Financial Instruments. These assets and liabilities are initially recognised at fair value plus any direct costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest rate method.

The following financial instruments are recognised in this way;

- cash assets;
- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- borrowings.

8.1.1 Financial instruments: categorisation

(\$ thousands)

	2022	2021
Financial assets at amortised cost		
Cash and cash equivalents	123,735	99,751
Irrigators Share Distribution Holdings	8,578	-
Receivables	30,828	25,859
Total	163,141	125,610

Financial liabilities are initially recognised at fair value, plus or minus any directly attributable transaction costs. Subsequent to initial measurement, they are recognised at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the profit and loss, over the period of the interest-bearing liability using the effective interest rate method.

Financial liabilities at amortised cost

Contractual payables	(29,912)	(19,977)
Borrowings	(93,768)	(95,382)
Total	(123,680)	(115,359)

8.1.2 Financial risk management objectives and policies

The main financial risks include credit risk, liquidity risk and interest rate risk. GMW seeks to manage these risks and the associated volatility of its financial performance within government policy parameters. Primary responsibility for the identification and management of financial risks rests with the Board of GMW.

(a) Credit risk

GMW's exposure to credit risk arises from the potential default of a customer resulting in financial loss. This is influenced by the individual characteristics of each customer. The receivables balance primarily consists of unpaid rates and variable charges. Levels of debt are closely managed with interest charged and supply withheld if scheduled payments are not made. The Water Act 1989 fixes this debt as a charge on the property and gives GMW priority on the proceeds of sale. There is credit risk exposure to receivables due from rent of land for grazing and commercial purposes which are not protected under the Act. An analysis of the ageing of receivables at reporting date has been provided in Note 6.1.1

(b) Liquidity risk

Liquidity risk is the risk that GMW would be unable to meet its obligations as and when they fall due. GMW operates under the Government fair payments policy of settling financial obligations in 10 days and in the event of dispute, making payments within 10 days of the date of resolution. The maximum exposure to liquidity risk is the carrying amount of financial liabilities as disclosed on the Statement of Financial Position. Liquidity risk is managed by maintaining adequate banking and borrowing facilities, monitoring forecasts and actual cash flows, managing maturity profiles and monitoring current asset ratios, which as at 30 June 2022 was 2.9.

(c) Market risk

Foreign currency risk

There is no exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk of changes in interest rates. GMW has exposure to interest rate risks through its cash and deposits which are at a floating rate.

Interest rate exposure of financial instruments

	Weighted average % interest rate	Carrying Amount	Fixed interest rate	Variable interest rate	Non-interest bearing
2022	%	\$000	%	%	\$000
Cash	0.4%	132,313	-	0.4%	-
Contractual receivables	2.9%	30,828	2.9%	-	10,035
Contractual payables	0.0%	(29,912)	-	-	(29,912)
Borrowings	6.1%	(93,768)	1.7% to 6.3%	-	-
Total		39,461			(19,877)
2021					
Cash	0.4%	99,750	-	0.4%	-
Contractual receivables	2.0%	25,859	2.0%	-	9,230
The high termination benefits paid in 20	0.0%	(19,977)	-	-	(19,977)
Borrowings	6.1%	(95,382)	1.7% to 6.3%	-	-
Total		10,250			(10,747)

Contractual receivables and payables balances above do not include statutory amounts.

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(d) Sensitivity disclosure analysis and assumptions

GMW's sensitivity to interest rate risk is determined by data over the last 12 months and existing market conditions, with all other variables held constant. Management cannot be expected to predict movements in market rates and prices. Sensitivity analysis shown is for illustrative purposes only. The following movements are possible over the next 12 months:

- An interest rate movement of 100 basis points up and down (2021: 50 basis points up and down) .

The following table shows the impact on the net result and equity for each category of financial instrument held at the end of the reporting period if the above movement were to occur.

	Interest rate risk				
	(\$ thousands)				
	Total	+100 basis points Net Result	+100 basis points Equity	-100 basis points Net Result	-100 basis points Equity
2022					
Financial Assets					
Cash	132,313	1,323	1,323	(1,323)	(1,323)
Contractual receivables	30,828	-	-	-	-
Total Financial Assets	163,141	1,323	1,323	(1,323)	(1,323)
Financial Liabilities					
Contractual Payables	(29,912)	-	-	-	-
Borrowings	(93,768)	-	-	-	-
Total Financial Liabilities	(123,680)	-	-	-	-
Total increase and decrease	39,461	1,323	1,323	(1,323)	(1,323)

	(\$ thousands)				
	Total	+50 basis points Net Result	+50 basis points Equity	-50 basis points Net Result	-50 basis points Equity
2021					
Financial Assets					
Cash	99,751	499	499	(499)	(499)
Contractual receivables	25,859	-	-	-	-
Total Financial Assets	125,610	499	499	(499)	(499)
Financial Liabilities					
Contractual payables	(19,977)	-	-	-	-
Borrowings	(95,382)	-	-	-	-
Total Financial Liabilities	(115,359)	-	-	-	-
Total increase and decrease	10,250	499	499	(499)	(499)

8.2 Contingent assets and contingent liabilities

Contingent assets and liabilities are not recognised on the Statement of Financial Position but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable.

	(\$ thousands)	
	2022	2021
Contingent assets:		
Other	-	-
Total Contingent Assets	-	-

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Contingent liabilities generally arise through legal actions against GMW as a result of damages claims primarily relating to flooding events and channel overtopping. In many of these matters GMW has disclaimed liability and is defending the actions. Any liability that may arise from these claims will be immaterial.

	2022	2021
Contingent liabilities:		
Water Saving Projects - verbal agreements with irrigators (i)	4,826	471
Total Contingent Liabilities	4,826	471

(i) All amounts included in contingent liabilities are GST inclusive.

During the 2021/22 reporting period, there has been a significant increase in the number and total value of contingent liabilities. This increase represents the implementation of the Water Efficiency Project and the fact that this project is currently at its mid-point. As a result, new offers and agreements are being entered into in order to achieve the objectives and targets of the project.

The amount disclosed is in relation to verbally agreed contracts / agreements with landholders representing the Water Efficiency Project's expected liability for incentives to be paid or delivery shares and water shares to be purchased. The extent of the economic outflow is contingent upon formal execution of the contracts.

8.3 Fair value determination

Significant judgements: Fair value measurement

Fair value determination requires judgement and the use of assumptions. Changes to significant assumptions could have a material impact on the results and financial position of GMW.

AASB 13 states that all assets measured at fair value are categorised within the fair value hierarchy. The hierarchy has 3 levels. Starting at Level 1 the first appropriate valuation is applied.

- 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.

GMW has determined asset classes based on the nature and characteristics of assets. The level of the fair value hierarchy is applied to asset classes. Transfers between levels are assessed at the end of each reporting period.

The Valuer-General Victoria (VGV) is GMW's independent valuation agency. GMW, in conjunction with VGV and other external valuers, monitor changes in the fair value of each asset through relevant data sources. They conducted a revaluation of all of GMW's Land, Building, and Infrastructure Assets as at 30 June 2021.

Management considers a range of indicators to assess any changes in fair value measurements from period to period, including valuation movements in relevant indices, market factors and asset use.

8.3.1 Fair value determination: financial assets and liabilities

GMW currently holds financial instruments where the carrying amounts are approximately fair value. This is generally due to their short term nature or the expectation they will be paid in full by the end of the reporting period. These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	

(\$ thousands)

	30 June 2022		30 June 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Borrowings	(93,768)	(96,855)	(95,382)	(117,204)
Total Financial liabilities	(93,768)	(96,855)	(95,382)	(117,204)

The fair value of interest bearing financial liabilities is determined by discounting the expected future cash flows against current interest rates

8.3.2 Fair value determination: Non-financial physical assets

Non-specialised land

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. Non-specialised land is classified as Level 3 where it contains significant, unobservable adjustments.

For non-specialised land, an independent valuation was performed as at 30 June 2021 by independent valuers Opteon on behalf of the Valuer General Victoria to determine the fair value using the market approach.

Specialised land and specialised buildings

The market approach is used for specialised land, although it 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 it is also equally applicable to market participants. The current use is considered to be highest and best use.

The highest and best use takes into account all feasible and legal asset uses. As adjustments of CSO are considered as significant unobservable inputs, specialised land is classified as Level 3 fair value measurements.

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

An independent valuation of GMW's specialised land and specialised buildings was performed by Opteon. The effective date of the valuation was 30 June 2021. A revaluation of \$5.5m was identified for buildings and a \$0.3m decrement for land. At 30 June 2022 the fair value of the land and buildings were assessed against indices provided by the Valuer General Victoria's Office to determine any material movements in fair value. There were no material movements in fair value at 30 June 2022.

The valuer indicated that significant uncertainty existed concerning the fair value, given COVID and market uncertainty. Value of land and building may change significantly year on year.

Infrastructure assets

Infrastructure is valued using the current replacement cost method less all forms of obsolescence and depreciation. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis.

Replacement costs relate to costs to replace the current service capacity of the asset. Economic obsolescence has also been factored into the current replacement cost calculation.

Where it has not been possible to examine hidden works, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the infrastructure. As there are no active or secondary markets to obtain observable inputs for infrastructure assets, these are classified as Level 3 fair value measurements.

An independent valuation of GMW's infrastructure assets was performed by Pricewaterhouse Coopers on behalf of the Valuer General Victoria. The valuation was performed based on the depreciated replacement cost of the assets. The effective date of the valuation was 30 June 2021 and a revaluation of \$116m was identified.

The valuer relied on representations made by GMW management that were fundamental to the calculation of the fair value of infrastructure assets. The valuer indicated that significant uncertainty existed concerning the fair value, due to COVID and market uncertainty. Hence, value of infrastructure assets may change significantly year on year.

Plant and equipment

Plant and equipment is held at fair value. These assets are classified as level 3. When plant and equipment is specialised in use, fair value is determined using the depreciated replacement cost.

There was a revaluation of \$0.7m to Plant and equipment at 30 June 2021

Details of GMW's land, buildings and infrastructure assets and plant & equipment fair value hierarchy as at 30 June 2022:

There have been no transfers between levels in the current financial year.

		(\$ thousands)			
		Level 1	Level 2	Level 3	Carrying amount
	2022				
Land		-	3,579	50,095	53,674
Buildings		-	-	23,073	23,073
Infrastructure		-	-	4,481,969	4,481,969
Plant & equipment		-	-	5,921	5,921
Total Infrastructure assets, property, plant & equipment		-	3,579	4,561,058	4,564,637
	2021				
Land		-	3,579	50,095	53,674
Buildings		-	-	21,861	21,861
Infrastructure		-	-	4,499,284	4,499,284
Plant & equipment		-	-	7,208	7,208
Total Infrastructure assets, property, plant & equipment		-	3,579	4,578,448	4,582,026

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Reconciliation of Level 3 fair value	Land	Buildings	Infrastructure	Plant & equipment
2022				
Opening Balance	53,674	21,861	4,499,284	7,208
Purchases/(sales) and asset class transfers	-	2,404	108,817	1,249
Revaluation increment / (decrement)	-	-	(48,806)	-
<i>Gains/(losses) recognised in net result</i>				
Impairment	-	-	-	-
Depreciation	-	(1,192)	(77,326)	(2,536)
Closing Balance	53,674	23,073	4,481,969	5,921

2021				
Opening Balance	54,076	17,134	4,445,263	9,796
Purchases/(sales) and asset class transfers	(90)	(146)	28,079	77
Revaluation increment / (decrement)	(312)	5,528	116,883	732
<i>Gains/(losses) recognised in net result</i>				
Impairment	-	-	-	-
Depreciation	-	(655)	(90,941)	(3,397)
Closing Balance	53,674	21,861	4,499,284	7,208

Description of significant unobservable inputs to Level 3 valuations

Asset Type	Valuation technique	Significant unobservable inputs
Specialised land		
Land	Market Evidence (Based on Opteon Valuation 2021)	Community Service Obligation (CSO) \$ per hectare
Specialised buildings		
Buildings	Current replacement cost (Based on Opteon Valuation 2021)	\$ per m2 Useful life of specialised buildings
Infrastructure Assets		
Dams • Foundation Works • Embankments • Spillways • Outlet Works	Current replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	\$ per m3 \$ per m3 \$ per m3 \$ per tonne \$ per m3 \$ per tonne Useful life of the Infrastructure
Channels (excluding banks) • Earthen Channels • HDPE Lined Channels • Concrete Lined Channels	Current replacement cost (Based on Pricewaterhouse Coopers Valuation 2021). Unit rate will vary based on nominal flow (ML/day)	\$ per metre \$ per metre \$ per metre Useful life of the Infrastructure

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Structures • Bridges • Culverts	Current replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	\$ per m2
		\$ per metre
Meters	Current replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	Useful life of the Infrastructure
		Cost per unit
Pipelines	Current replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	Useful life of the Infrastructure
		Cost per unit
Plant, Equipment, Furniture & Fittings		
Plant, Equipment, Furniture & Fittings	Current replacement cost	Useful life of assets
		Cost per unit

Statutory Obligations

Introduction

This section includes disclosures in relation to GMW's statutory obligations.

Structure

- 9.1 Tax
 - 9.1.1 Income tax
 - 9.1.2 Deferred tax assets and liabilities
- 9.2 Environmental contribution
 - 9.2.1 Environmental contribution commitments

9.1 Tax

GMW is subject to the National Tax Equivalent Regime (NTER), which is administered by the Australian Tax Office. The income tax expense or revenue for the period is calculated based on the current period's taxable income at the corporate tax rate of 30%, adjusted by changes in deferred tax balances.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The income tax expense for the financial year differs from the amount calculated on the net result. Reconciled as follows:

9.1.1 Income tax	(\$ thousands)	
Components of Tax	2022	2021
Current tax		
Current tax expense/(benefit) in respect of current year	(17,591)	(14,527)
Deferred tax		
Deferred tax recognised in the current year related to prior years ¹	(19,479)	13,856
Deferred tax expense recognised in the current year	(5,438)	(19,663)
Total income tax expense/(benefit) recognised in the current year relating to continuing operations	(42,508)	(20,334)

¹ Prior year adjustment relates to an adjustment to the Infrastructure assets, property, plant and equipment deferred tax liability.

(b) Reconciliation of income tax to prima facie tax payable	(\$ thousands)	
	2022	2021
The Income tax for the year can be reconciled to the accounting profit as follows:		
Profit / (loss) before tax from continuing operations	(76,639)	(114,022)
Income tax calculated at 30% (2021: 30%)	(22,992)	(34,207)
Provision for impairment of receivables	21	5
Non-deductible expenses	2	
Accrued expenses	(5,461)	(5,879)
Employee benefits	(154)	(334)
Depreciation - Infrastructure assets, property, plant & equipment	10,993	25,888
Tax effect of current year losses	(17,591)	(14,527)
Deferred income tax expense	(5,438)	(19,664)
Adjustments recognised in the current year in relation to the current tax of prior years ¹	(19,479)	13,856
Total income tax expense/(benefit)	(42,508)	(20,334)

¹ Prior year adjustment relates to an adjustment to the Infrastructure assets, property, plant and equipment deferred tax liability.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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9.1.2 Deferred tax assets and liabilities

(\$ thousands)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. Deferred tax assets are recognised for deductible temporary differences and unused tax losses on the basis of there being sufficient taxable temporary differences relating to the same taxation authority and the expectation of future taxable profits. A portion of deferred tax assets relates to Water Savings Projects, which is consolidated into GMW.

Deferred tax asset / (liability) comprising:	2022	2021
Infrastructure assets, property, plant and equipment	(964,181)	(1,008,758)
Offset by deferred tax asset comprising:		
Tax losses	509,862	492,271
Provision for impairment of receivables	248	228
Accrued expenses	-	5,460
Employee benefits	6,642	6,752
Net deferred tax asset / (liability)	(447,429)	(504,047)
Movement in net deferred tax asset / (liability)		
Opening balance	(504,047)	(471,774)
Prior years deferred tax adjustment ¹	19,461	(13,856)
Tax effect of current year tax losses	17,591	14,527
Movement charged to operating profit / (loss)	5,438	19,664
Movement charged to equity	14,110	(52,645)
Under / (over) provision for income tax	18	38
Closing balance	(447,429)	(504,047)

¹ Prior year adjustment relates to an adjustment to the Infrastructure assets, property, plant and equipment deferred tax liability.

9.2 Environmental contribution

(\$ thousands)

	2022	2021
Environmental contribution	2,577	2,577

The *Water Industry (Environmental Contributions) Act 2004* amended the *Water Industry Act 1994* to require environmental contributions to be paid by water supply authorities. GMW is obliged to pay annual contributions into the Department of Environment, Land, Water and Planning consolidated fund.

The purpose of the environmental contribution is to fund initiatives that promote the sustainable management of water or address water-related initiatives. GMW recognises the environmental contribution as an expense during the reporting period it is incurred. In accordance with the Ministerial Order the Environmental Contributions Tranche 5 has been set to commence on 1 July 2020 till 30 June 2024. GMW's annual commitment during the four years is \$2.6m.

9.2.1 Environmental contribution commitments

(\$ thousands)

Environmental contribution commitments	2022	2021
Environmental contribution	5,154	7,732
Total Other expenditure commitments (inclusive of GST)	5,154	7,732
Less GST recoverable from the Australian Tax Office	-	-
Total Other expenditure commitments (exclusive of GST)	5,154	7,732

These commitments are likely to fall within:

No later than 1 year	2,577	2,577
Later than 1 year and not later than 5 years	2,577	5,155
Total Other expenditure commitments (inclusive of GST)	5,154	7,732

Other commitments can be found in section 3.1.4 (Revenue commitments), section 4.3 (Operating expenditure commitments) and section 5.1.4 (Capital expenditure commitments).

Other Disclosures

Introduction

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

Structure

- 10.1 Events happening after balance date
- 10.2 Responsible persons
- 10.3 Remuneration of executives and other personnel
- 10.4 Related Parties
- 10.5 Remuneration of auditors
- 10.6 Exgratia expenses
- 10.7 Changes in accounting policies
- 10.8 Australian Accounting Standards issued that are not yet effective

10.1 Events happening after balance date

Nothing has arisen since the end of the reporting period which significantly affected or may significantly affect the operations of GMW, the results of those operations, or the state of affairs of GMW in future financial years.

10.2 Responsible persons

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

Minister:

The Hon Richard Wynne MP, Acting
Minister for Water

The Hon Lisa Neville MP, Minister for
Water

The Hon Harriet Shing MP, Minister
for Water

Period of position held

1st July 2021 to 22nd August 2021

1st July 2021 to 26 June 2022

27 June 2022 to 30 June 2022

Directors of GMW:

Diane James AM (Chair)

1 July 2021 to 30 June 2022

Charmaine Quick (Managing Director)

1 July 2021 to 30 June 2022

David McKenzie (Board Member)

1 July 2021 to 30 June 2022

Margot Henty (Board Member)

1 July 2021 to 30 June 2022

Alana Johnson AM (Board Member)

1 July 2021 to 30 June 2022

Jonathon Koop (Board Member)

1 July 2021 to 30 June 2022

Patrick McNamara (Deputy Chair)

1 July 2021 to 30 June 2022

Margaret O'Rourke (Board Member)

1 July 2021 to 30 June 2022

Dennis Quinn (Board Member)

1 July 2021 to 30 June 2022

Ari Suss (Board Member)

1 July 2021 to 30 September 2021

Kris Peach (Board Member)

1 October 2021 to 30 June 2022

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Remuneration

Remuneration of responsible persons

Remuneration paid to the Minister for Water is reported in the Annual Report of the Department of Parliamentary Services. Other relevant interests are declared in the Register of Members Interests which each member of Parliament completes.

The remuneration received or receivable from GMW by responsible persons during the 2021 - 2022 reporting period was in the range: \$10,000 - \$419,999.

Remuneration Band	Number of Directors	
	2022	2021
\$10,000 to \$19,999	1	-
\$30,000 to \$39,999	1	-
\$40,000 to \$49,999	7	7
\$50,000 to \$59,999	-	1
\$60,000 to \$69,999	-	-
\$90,000 to \$99,999	-	-
\$110,000 to \$119,999	1	1
\$180,000 to \$189,999	-	-
\$190,000 to \$199,999	-	-
\$240,000 to \$249,999	-	-
\$410,000 to \$419,999	1	1
Total amount (\$)	\$915,579	\$935,008
Total numbers	11	10

10.3 Remuneration of executives

The table below shows the number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period.

Executive Officers include General Managers, Managing Director and Corporate Secretary.

Additional KMPs include PCG Chair, PCG Voting member and Project Director

Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers

(including Executives defined as Key Management Personnel)

(\$ thousands)

	2022	2021
Short-term employee benefits	2,696	2,772
Post-employment benefits	248	224
Other long-term benefits	61	65
Termination benefits	-	-
Total remuneration	3,005	3,061
Total number of executives	9	9
Total annualised employee equivalents	9	9

10.4 Related Parties

GMW is a wholly owned and controlled entity of the State of Victoria.

Related parties of GMW include:

- All key management personnel and their close family members and other personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- All cabinet members and their close family members;
- All 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.

Key management personnel of GMW includes the Portfolio Minister and Board members noted in Note 10.2, voting members of the Project Control Group (independent to GMW) and members of the executive team, which includes:

Key Management Personnel of GMW:

Key Management Personnel of GMW:	Period of position held
- Managing Director, Charmaine Quick	1 July 2021 to 30 June 2022
- GM Business and Finance, Michael Gomez	1 July 2021 to 30 June 2022
- GM Water Delivery Services, Warren Blyth	1 July 2021 to 30 June 2022
- GM Water Storage Services, Martina Cusack	1 July 2021 to 30 June 2022
- GM Infrastructure Delivery Services, Warren Jose	1 July 2021 to 30 June 2022
- GM Strategy & Services Planning, Daniel Irwin	1 July 2021 to 30 June 2022
- GM Customer and Stakeholders, Ann Telford	1 July 2021 to 30 June 2022
- GM People Culture and Safety, Glenda Smith	1 July 2021 to 30 June 2022
- Corporate Secretary, Chris Dalton	1 July 2021 to 30 June 2022
- PCG Chair / PCG voting member, Patrick McNamara	1 July 2021 to 30 June 2022
- PCG voting member, Campbell Fitzpatrick	1 July 2021 to 30 June 2022
- Project Director, Frank Fisseler (Connections Project)	1 July 2021 to 30 June 2022

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives, and any payments to the Project Control Group. The minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Annual Financial Report of the State of Victoria. Remuneration of the Project Control Group is set and paid by DELWP.

Compensation of KMP's

(\$ thousands)

	2022	2021
Short-term employee benefits ⁽ⁱ⁾	3,829	4,028
Post-employment benefits	317	290
Other long-term benefits	61	65
Termination benefits	-	-
Total ⁽ⁱⁱ⁾	4,207	4,383

(i) Total remuneration paid to KMPs through an external service provider have been reported under short-term employee benefits.

(ii) Note that some KMPs are also reported in the disclosure of remuneration of executives (Note 10.3) and Responsible persons (Note 10.2).

Transactions with Key Management Personnel

GMW's related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty, and other government fees and charges. Processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their close family members.

No doubtful debt provision or bad debt expense has been recognised for related parties.

Transactions with other related parties

Department of Environment, Land, Water and Planning

GMW receives contributions from DELWP and from the Commonwealth through DELWP as funding for the Connections Project. These receipts are in the form of revenue or equity contributions based on the nature of expenditure by the project.

In addition, GMW received funding from DELWP for water allocation trading and public amenities upgrades.

Payments made to DELWP relate to MBDA contributions, regional water monitoring, environmental contributions, water share and bulk entitlement costs.

Department of Environment, Land, Water and Planning	(\$ thousands)	
	2022	2021
Receipts from DELWP		
Revenue Funding (Water Savings Project)	28,000	36,336
Revenue Funding (Other)	-	(992)
Capital Funding (Connections Project)	34,000	28,500
Other	(479)	(169)
Receivable from DELWP		
Revenue Funding (Other)	-	-
Payments to DELWP		
GMW Contribution to the MDBA programme	-	13,400
Environmental Contributions	2,577	2,577
Regional Water Monitoring	1,695	1,696
Water shares & Bulk entitlements	563	553
Native Vegetation Offsets	166	227
Other	897	707
Payable to DELWP		
GMW Contribution to the MDBA programme	13,400	-

Treasury Corporation of Victoria

GMW borrows from and invests with the Treasury Corporation of Victoria.

Aggregate amount of borrowings	93,768	95,382
Interest expense	4,638	5,014

Department of Treasury and Finance

GMW pays amounts to the State Government of Victoria, via the Department of Treasury and Finance.

Payments to DTF		
Financial Accommodation Levy	1,024	1,072

State Revenue Office Victoria

GMW remits and pays Payroll Taxes to the State Revenue Office Victoria.

Payments to State Revenue Office Victoria		
Payroll Taxes	790	1,430

Victorian Environmental Water Holder

GMW invoices the Victorian Environmental Water Holder for water use charges in line with Essential Services Commission approved pricing.

Receipts from VEWH		
Revenue from water use	3,612	3,785

Lower Murray Urban and Rural Water Corporation

GMW invoices Lower Murray Urban and Rural Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Lower Murray Urban and Rural Water Corporation

Revenue from water use	190	702
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Coliban Region Water Corporation

GMW invoices Coliban Region Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Coliban Region Water Corporation

Revenue from water use	1,186	1,279
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Goulburn Valley Region Water Corporation

GMW invoices Goulburn Valley Region Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Goulburn Valley Region Water Corporation

Revenue from water use	1,041	991
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North East Water

GMW invoices North East Water for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from North East Water

Revenue from water use	984	964
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Central Highlands Water

GMW invoices Central Highlands Water for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Central Highlands Water

Revenue from water use	335	363
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Goulburn Broken CMA

GMW invoices Goulburn Broken CMA for works carried out under the Sustainable Irrigation Program agreement.

Receipts from Goulburn Broken CMA

Sustainable Irrigation Program	-	964
Other receipts	3,342	79

North Central CMA

GMW invoices North Central CMA for works carried out under the Funding Agreements.

Receipts from North Central CMA

Receipts	1,775	5,462
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10.5 Remuneration of auditors

(\$ thousands)

	2022	2021
External Audit - Victorian Auditor General's Office	190	190
Internal Audit	234	218
Total Audit fees	424	408

10.6 Exgratia expenses

(\$ thousands)

	2022	2021
Forgiveness or waiver of debt	-	-
(ii) Total ex gratia expenses	-	-

(ii) Ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000. The total for ex-gratia expenses are also reported in 'other operating expenses' in Note 4.1.1 Expenses from operating activities.

10.7 Australian Accounting Standards issued that are not yet effective

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on Corporation's financial report
AASB 2020-1 <i>Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current</i>	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted however the AASB has recently issued ED 301 <i>Classification of Liabilities as Current or Non-Current - Deferral of Effective Date</i> with the intention to defer the application by one year to periods on or after 1 January 2023.</p>	1 Jan 2022	GMW is in the process of analysing the impacts on this Standard. However, it is not anticipated to have a material impact.

Appendix A - Disclosure Index

The annual report of Goulburn-Murray Water is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of Goulburn-Murray Water's compliance with statutory disclosure requirements.

Legislation	Requirement	Page No.
Declaration in Report of Operations		
SD 5.2.3	Responsible Body declaration	3
Year in Review		
	Chair and MD Report	5-6
MRO	Vision and Values	7
FRD22	Manner of establishment and Minister/s	8
FRD22	Nature and range of services provided	8
FRD22	Objectives, functions, powers and duties	9-10
Performance Reporting (Non-Financial)		
FRD22, FRD27, MRD01	Performance Reporting (non-financial) <ul style="list-style-type: none"> • achievements • operational performance • key initiatives 	15-31, 37-38
MRD07	Letter of expectations	15-19
MRD03	Sustainable Water Use	27-28
Performance Reporting (Financial)		
FRD22	Five year financial summary	32-33
MRO, FRD22, FRD27	Current year financial review <ul style="list-style-type: none"> • Significant changes in financial position • Significant changes or factors affecting performance 	34 35 35
MRO	Capital Projects	35-36
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FRD25	Local jobs first	55
SPF	Social Procurement Framework	60
FRD22	Government advertising expenditure	55
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Water Act, MRO	<i>Disability Act 2006</i>	59
FRD24	Office-based environmental impacts	61-63
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SD 5.1.4	Financial management compliance attestation	68
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Appendices		
MRD04	Bulk Entitlements and Disclosure Index	Appendix B

Appendix B - Bulk Entitlements

Appendix B1 Bulk Entitlement (Eildon - Goulburn Weir) Reporting			
<p>This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 17.3 of the Bulk Entitlement (Eildon - Goulburn Weir) Conversion Order 1995 ("BE"), which obliges the Authority to report on certain matters as specified in clause 17.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.</p>			
BE Clause	Item	Report	Notes
17.1(d)	Annual amount taken from waterway at Goulburn Weir offtake channels:		
	Cattanach Canal	226,401 ML	
	Stuart Murray Canal	457,286 ML	
	East Goulburn Main Channel	144,493 ML	
	Total Goulburn Weir offtake diversion:	828,180 ML	
17.1(da)	Annual amount of distribution loss in Goulburn Irrigation Districts:		
	Shepparton	14,473 ML	
	Central Goulburn	40,588 ML	
	Rochester/ Pyramid Hill- Boort	33,537 ML	
	Total distribution loss:	88,598 ML	
17.1(e)(i)	Diversion by primary entitlement holders taken directly from waterway:		
	Private river diverters water shares	18,252 ML	
17.1(e)(ii)	Diversion by other authorities with Bulk Entitlements taken directly from waterway:		See Note 1
	Urban Bulk entitlements	15,999 ML	
	Victorian Environmental Water Holder	1,032 ML	
17.1(g)	Amount of water held in storage:		Volume at 30 June 2022
	Lake Eildon	2,751,528 ML	
	Goulburn Weir	24,948 ML	
	Waranga Basin	306,137 ML	
17.1(h)	Additional releases from Lake Eildon as per Schedule 5	0 ML	See Note 2
17.1(i)	Credits granted as per Clause 14	No	
17.1(j)	Temporary or permanent transfers of this BE	None	
17.1(k)	Transfer of entitlement or allocation under the Act	None	
17.1(l)	Releases for Inter Valley Trade, Murray Supplement or the Water Quality Reserve	8,906 ML	See Note 3
17.1(n)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	

17.1(o)	Supply to primary entitlements:		See Note 4
	Water Shares in Irrigation Areas	591,636 ML	
	Water Shares of Private River Diverters	As for 17.1(e)(i)	
	Urban Bulk entitlements	See Appendix B2	
	Melbourne Water Authorities	See Appendix B2	
	Victorian Environmental Water Holder	See Appendix B2	
	Water allowances in Water Works Districts	1,002 ML	
	Loss allowances in Water Works Districts	278 ML	
	Goulburn Inter Valley Trade Account delivery	8,906 ML	
	Additional Supplies: Lower Broken Creek	18,925 ML	
	Additional Supplies: Loddon System - Little Lake Boort	300 ML	
	Additional Supplies: Goulburn Water Quality Reserve	0 ML	
	Additional Supplies: Loddon Environmental Entitlement	7,087 ML	
Total supply to primary entitlements:		1,158,222 ML	
17.1(p)	Amendments to this BE	Yes	See Note 5
17.1(q)	New BE granted for supply of primary entitlements in this BE	No	
17.1(r)	Environmental Management and Metering programs	Programs implemented	See Note 6
17.1(s)	BE compliance failures	No	
17.1(t)	BE compliance difficulties and responses	No	

Notes

1. This is the usage against Bulk Entitlements held by other Authorities which is taken directly from waterways, excluding supplies from channel systems and in-stream environmental deliveries.
2. There were no releases from Lake Eildon under target filling arrangements or spills from storage in 2021/22.
3. This is the delivery of the Goulburn Inter-Valley Trade Account and Lower Broken Creek Inter-Valley Trade Account. This excludes the volume delivered to the Murray from the Campaspe Inter-Valley Trade Account. There were no releases made for the Water Quality Reserve or for Murray supplement in 2021/22.
4. The volume supplied to the Victorian Environmental Water Holder includes delivery of carryover and water traded from other entitlements.
5. There was an amendment to the BE on 3 March 2022 to correctly attribute some obligations to the storage manager rather than the resource manager.
6. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified).

The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.

Appendix B2 Bulk Entitlement (Eildon - Goulburn Weir) Reporting			
Supply to primary entitlements of Other Authorities Bulk Entitlements			
This is the supply to other authorities prescribed in Schedule 2 of the Bulk Entitlement			
Authority		Diversion (ML)	Notes
Goulburn Valley Water	Channel System Zone 1A	4,737	
	River Supply Zone 1A	2,733	
	River Supply Zone 3	13,262	
	Total diversion:	20,732	
Coliban Water	Channel system Zone 1A	737	
	Channel system Zone 1B	188	
	Total diversion:	924	
Grampians Wimmera Mallee Water	Quambatook	75	
	Total diversion:	75	
Melbourne Water Authorities	Goulburn System	4	
	Total diversion:	4	
Victorian Environmental Water Holder	Snowy Environmental Reserve	0	See Note 1
	The Living Murray Entitlements	33,089	
	Goulburn River Environmental Entitlement	455,447	
	Environmental Entitlement NVIRP savings	1,598	
	Total diversion:	490,134	
Total Authorities (ML):		511,869	
Notes 1. These figures are the supplies to the allocation bank accounts (ABAs) of the BEEs listed in the Bulk Entitlements. Deliveries against other entitlements are shown in Appendix B1 17.1(o). The volume supplied includes the total use from the ABAs, including delivery of carried over allocation and water traded from other entitlements.			

	Goulburn Valley Water	4,185 ML	
	Victorian Environmental Water Holder	172,403 ML	See Note 3
	Flora and Fauna	16,188 ML	See Note 3
	The Living Murray	24,447 ML	See Note 3
	Snowy Environmental Reserve	0 ML	
	Total supplies to Bulk Entitlements:	238,788 ML	
22.1(f)	GMW supplies to primary entitlement holders excluding bulk entitlements in (e):		
	Murray Valley Irrigation Area	115,559 ML	
	Torrumbarry Irrigation Area (including Tresco and Woorinen)	229,505 ML	
	Nyah Irrigation District	4,730 ML	
	Private River Diverters	As for 22.1(b)	
	Lower Broken Creek	11,490 ML	
	Environmental Water Holders (non BE water)	0 ML	See Note 3
	Total supplies to primary entitlement holders excluding bulk entitlements:	393,200 ML	
22.1(g)	Metering program	Program implemented	See Note 4
22.1(h)	Temporary or permanent transfers of this BE or primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	See Note 5
22.1(i)	Transfer of entitlement or allocation under the Act to GMW or primary entitlement holders	As for 22.1(h)	
22.1(j)	Amendment to this BE	Yes	See Note 6
22.1(k)	New BE granted to GMW for River Murray	No	
22.1(l)	BE compliance failures	No	See Note 7
22.1(m)	BE compliance difficulties and actions	No	See Note 7
22.1(n)	Murray Valley Losses	27,720 ML	
	Torrumbarry Losses (as per BE including Woorinen and Tresco)	57,528 ML	
	Victoria Mid Murray Storage losses	49,846 ML	
22.1(o)	Victoria Mid Murray Storage annual operating plan	Implemented	See Note 8
<p>Notes</p> <ol style="list-style-type: none"> Cobram and Woorinen pump station have not yet been recognised as an off-take points in the BE. Murray River to Lake Boga has not been added to Schedule 4 following the works at Fish Point Weir. Chainman's Bend is a recognised return point in the MDBA diversion formula. These sites will be added to Schedule 4 of the BE. Volume includes water supplied through GMW's channel distribution system, rivers and wetlands. It includes the Environmental and Urban diversion volumes reported in 22.1(b). It only includes supplies from the River Murray to delivery sites upstream of Nyah. This delivery volume may include environmental water diverted from unregulated entitlements, water credited into the Murray from other systems and the delivery of traded volumes such as the water shares held by the Commonwealth Environmental Water Office. The majority of the environmental water delivered was credited as return flows from Victorian tributaries for further use downstream. Only deliveries deemed upstream of Nyah are included. 			

4. The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.
5. There was no temporary or permanent transfer of this BE, only the trade of primary entitlements.
6. There was an amendment to the BE on 26 May 2022 to recognise changes to the operating rules for the Barmah-Millewa Forest Environmental Water Allocation.
7. The losses attributed to the operation of the VMMS are based on the fixed distribution loss and the net evaporation from Ghow Swamp, Kangaroo Lake, Lake Charm and Lake Boga. The losses for the Murray Valley and Torrumbarry Irrigation Areas are based on water balance calculations of the irrigation areas, using diversions, deliveries and returns.
8. The 2021/22 Victorian Mid-Murray Storages Annual Operating Plan was endorsed in July 2021.

Appendix B4 Bulk Entitlement (Campaspe System - Goulburn-Murray Water)

Reporting

This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 18.3 of the Bulk Entitlement (Campaspe System - Goulburn-Murray Water) Conversion Order 2000 ("BE"), which obliges the Authority to report on certain matters as specified in clause 18.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
18.1(e)	GMW share of Lake Eppalock annual inflow	85,478 ML	
18.1(f)	Annual amounts taken from the system waterway for primary entitlements listed in Schedules 1 and 2:		See Note 1
	Water shares (excluding water shares held by other authorities)	8,052 ML	
	Supplement to Goulburn system	0 ML	
	Victorian Environmental Water Holder	0 ML	
	Coliban Water	84 ML	
	Central Highlands Water	0 ML	
	Total diversion:	8,136 ML	
18.1(g)	Annual evaporation losses to GMW share of Lake Eppalock	15,937 ML	See Note 2
18.1(h)	Internal spills to or from GMW's share of Lake Eppalock	0 ML	
18.1(i)	Minimum passing flows	Minimum passing flows were calculated as required by Clause 11	
18.1(j)	Credits granted as per Clause 14	No	
18.1(k)	Temporary or permanent transfers of this BE	None	
18.1(l)	Transfer of entitlement or allocation under the Act	None	
18.1(m)	Seasonal determination	1 Apr 2022 - 100% HRWS & 0% LRWS	
18.1(n)	Alterations to Schedule 1 and 2 entitlements as per Clause 8:	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 18.1(q)	
18.1(o)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
18.1(p)	Annual volume supplied to primary entitlements:	As for 18.1 (f) excluding the Goulburn supplement diversion plus	See Note 3

	Victorian Environmental Water Holder	32,408 ML	
	Living Murray	158 ML	
	Campaspe Inter Valley Trade Account delivery	804 ML	
	Total supply to primary entitlements:	41,506 ML	
18.1(q)	Amendments to this BE	No	
18.1(r)	New BE granted for supply of primary entitlements in this BE	No	
18.1(s)	Environmental Management and Metering programs	Programs implemented	See Note 4
18.1(t)	BE compliance failures	No	
18.1(u)	BE compliance difficulties and response	No	
18.1(v)	Details of interruptions to minimum passing flows	No	
<p>Notes</p> <ol style="list-style-type: none"> 1. This figure only includes diversions from the waterway, instream deliveries are included in 18.1(p). 2. Gross evaporation based on measured evaporation at Lake Eppalock. 3. As there are no irrigation areas or districts in the Campaspe system the volume of diversion and delivery are the same, with the exception of environmental water delivered instream and the supplement provided to the Goulburn System. Water from the Campaspe Inter Valley Trade account was delivered to the Murray system and incorporated as a delivery from the Goulburn Inter-Valley Trade account. 4. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified) <p>The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.</p>			

Appendix B5 Bulk Entitlement (Broken System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 20.3 of the Bulk Entitlement (Broken System - Goulburn-Murray Water) Conversion Order 2004 ("BE"), which obliges the Authority to report on certain matters as specified in clause 20.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
20.1(e)	Annual amounts taken from the system waterway as listed in Schedules 1 and 2:		
	Water shares (excluding Broken Creek and water shares held by other authorities)	2,086 ML	
	North East Water	31 ML	
	Supplement to Goulburn or Murray systems	0 ML	
	Total flow to Broken Creek	4,195 ML	
	Total diversions:	6,313 ML	
20.1(f)	Annual evaporation losses from Lake Nillahcootie	3,851 ML	See Note 1
20.1(g)	Environmental minimum and maximum flows	Environmental flows were provided as specified in clause 12	
20.1(h)	Credits granted as per Clause 15	No	
20.1(i)	Temporary or permanent transfers of this BE	None	
20.1(j)	Transfer of entitlement or allocation under the Act	None	
20.1(k)	Alterations to Schedule 1 and 2 entitlements as per Clause 9:	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 20.1 (n)	
20.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
20.1(m)	Annual volume supplied to primary entitlements:	As for water shares and North East Water diversions in 20.1 (e) plus	See Note 2
	Broken Creek water shares	184 ML	See Note 3
	Broken Creek environmental delivery	2,254 ML	
	Broken Creek losses	1,758 ML	
	Broken River environmental delivery	510 ML	
	Broken Inter Valley Trade Account delivery	2,416 ML	
Total supply to primary entitlements:	9,238 ML		
20.1(n)	Amendments to this BE	No	

20.1(o)	New BE granted for supply of primary entitlements in this BE	No	
20.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 4
20.1(q)	BE compliance failures	No	
20.1(r)	BE compliance difficulties and response	Minor	See Note 5
20.1(s)	Details of interruptions to environmental minimum and maximum flow limits	Minor	See Note 6

Notes

1. Gross evaporation based on measured evaporation at Lake Nillahcootie.
2. The volume of diversion and delivery are the same, with the exception of diversions to Broken Creek from the Broken system.
3. There were deliveries in-stream and to Moodies swamp, that included the delivery of water traded into the Broken system to meet environmental objectives.
4. The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.
Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified).
5. There were three days when the flow at Back Creek Junction was less than 1 ML below the required daily flow, and two days when the flow at Gowangardie was less than 1 ML below the required daily flow, however the flows on all of these days were within the allowed tolerances.

Appendix B6 Bulk Entitlement (Ovens System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 19.3 of the Bulk Entitlement (Ovens System - Goulburn-Murray Water) Conversion Order 2004 ("BE"), which obliges the Authority to report on certain matters as specified in clause 19.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
19.1(e)	Annual amounts taken from system waterway as listed Schedule 1 and 2:		
	Water shares (excluding water shares held by other authorities)	3,119 ML	
	North East Water	3,125 ML	
	Environmental water holders	0 ML	
19.1(f)	Annual storage evaporation losses:		See Note 1
	Lake Buffalo	2,648 ML	
	Lake William Hovell	707 ML	
19.1(g)	Environmental minimum flows	Environmental minimum flows were calculated and provided in accordance with clause 12 and Schedule 5	
19.1(h)	Credits granted as per Clause 15	No	
19.1(i)	Temporary or permanent transfers of this BE	None	
19.1(j)	Transfer of entitlement or allocation under the Act	None	
19.1(k)	Alterations to Schedule 1 and 2 entitlements as per Clause 9	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 19.1 (n)	
19.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
19.1(m)	Annual volume supplied to primary entitlements:		See Note 2
	Environmental water holders delivery	215 ML	
	Total supply to primary entitlements:		
19.1(n)	Amendments to this BE	No	
19.1(o)	New BE granted for supply of primary entitlements in this BE	No	
19.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 3
19.1(q)	BE compliance failures	No	
19.1(r)	BE compliance difficulties and response	No	
19.1(s)	Details of interruptions to minimum passing flows	No	

Notes

- Gross evaporation based on measured evaporation at each storage.
- As there are no irrigation areas or districts in the Ovens system the volume taken and supplied are the same, with the exception of the environmental water which was delivered in stream to the Buffalo and King Rivers.
- Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified). The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.

Appendix B7 Bulk Entitlement (Loddon System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 21.3 of the Bulk Entitlement (Loddon System - Goulburn-Murray Water) Conversion Order 2005 ("BE"), which obliges the Authority to report on certain matters as specified in clause 21.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
21.1(f)	Annual amounts taken from the system waterway for primary entitlements and additional supplies in Schedules 1 and 2:		See Note 1
	Water shares (excluding Serpentine Creek, and water shares held by other authorities)	4,229 ML	
	Total flow to Serpentine Creek	4,302 ML	
	Coliban Water	132 ML	
	Central Highlands Water	354 ML	
	Victorian Environmental Water Holder	848 ML	
	Supplement to Goulburn system	10,599 ML	
	Additional diversions under VEWH BE	263 ML	
	Total diversions:	9,865 ML	
21.1(g)	Annual storage evaporation losses:		See Note 2
	Cairn Curran Reservoir	14,661 ML	
	Tullaroop Reservoir	6,588 ML	
21.1(h)	Credits granted as per Clause 15	No	
21.1(i)	Temporary or permanent transfers of this BE	None	
21.1(j)	Transfer of entitlement or allocation to GMW	None	
21.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
21.1(m)	Annual volume supplied to primary entitlements:	As for 21.1 (f) excluding the Serpentine Creek diversion plus	See Note 3
	Serpentine Creek (water shares)	263 ML	
	Victorian Environmental Water Holder	10,330 ML	
	Total supply to primary entitlements:	16,155 ML	
	Loddon Inter Valley Trade Account delivery	2,269 ML	
21.1(n)	Amendments to this BE	No	
21.1(o)	New BE granted for this system	No	
21.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 4
21.1(q)	BE compliance failures	No	
21.1(r)	BE compliance difficulties and response	No	

Notes

- Environmental water delivered to wetlands in Loddon Valley irrigation area is included, while instream deliveries are excluded (see 21.1(m)). There was 848 ML delivered to wetlands from Loddon entitlements and additional deliveries from Goulburn entitlements. There were also additional diversion of unregulated flow as allowed under the VEWH BE. Loddon supplement was



supplied to Loddon Valley irrigation area and used to deliver some Goulburn environmental entitlement from the Loddon storages.

2. Gross evaporation based on measured evaporation at Cairn Curran.
3. There are no irrigation areas or districts in the Loddon system. The volumes taken and supplied are the same, with the exception of diversions to Serpentine Creek and environmental water delivered in stream (Loddon River and Serpentine Creek). The volume supplied to the VEWH includes carryover and water traded from other entitlements.
4. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified) and the Regional Water Monitoring Partnership.
The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.

Appendix B8 Bulk Entitlement (Bullarook System - Goulburn-Murray Water)

Reporting

This appendix is included in the Goulburn-Murray Water 2021/22 Annual Report in compliance with the requirements of clause 17.2 of the Bulk Entitlement (Bullarook System - Goulburn-Murray Water) Conversion Order 2009 ("BE"), which obliges the Authority to report on certain matters as specified in clause 17.1 of the same Order. The period of reporting is 1 July 2021 to 30 June 2022. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
17.1 (d)	Annual amounts of water taken from the system by primary entitlement holders:		
	Water shares	461 ML	
	Central Highlands Water	0 ML	
	Victorian Environmental Water Holder	0 ML	
17.1(e)	Temporary or permanent transfers of this BE	None	
17.1(f)	BE temporarily or permanently transferred to GMW	None	
17.1 (g)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
17.1 (h)	Annual supply to primary entitlements:	As for 17.1 (d) plus	See Note 1
	Victorian Environmental Water Holder	0 ML	
17.1 (i)	Amendments to this BE	No	
17.1 (j)	New BE granted for this system	No	
17.1 (k)	Environmental Management and Metering programs	Programs implemented	See Note 2
17.1 (l)	BE compliance failures	No	
17.1 (m)	BE compliance difficulties and responses	No	

Notes

- As there are no irrigation areas or districts in the Bullarook system the volumes taken and supplied are the same, with the exception of environmental water which is delivered in stream.
- Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified)
The Minister for Water approved the Metering Program for all Bulk Entitlements held by GMW in 2011.

Appendix C - Minister's Letter of Expectations

Priority Area	Key Performance Indicator	Page Reference
Climate Change Provide services that minimise environmental impacts, mitigate climate change and put in place adaptation strategies and actions	E1 Emissions reductions Demonstrate reasonable progress toward achievement of the entity's emission reduction target specified in the Statement of Obligations (Emissions Reduction).	15-16
	E2 Energy and Renewable Electricity Consumption Demonstrate reasonable progress in contributing to sector achieving its renewable energy use target of 40% by 2025 as outlined in Victoria's water plan, Water for Victoria	93-95
	E3 Adaptation to Climate Change and Variability a) Apply the <i>Guidelines for Assessing the Impact of Climate Change on Water Availability in Victoria</i> for: <ul style="list-style-type: none"> • developing and or implementing low flow contingency plans that include an appropriate range of climate scenarios. b) Demonstration of reasonable progress in integrating climate change adaptation into planning and decision making across the business (all sources of water, waste water and where relevant, drainage and flood management) including in: <ul style="list-style-type: none"> • source waters and demand • built assets • natural environment • people and workplace • interdependencies • customer and product delivery. 	16
Customer and Community Outcomes All aspects of service delivery will be customer and community centred	C1 Customer satisfaction Overall, reporting on measures identified for this indicator should demonstrate high or improving levels of customer satisfaction over time.	16
	C2 Customer and community engagement Stakeholder engagement based on best practice that demonstrates approaches to engagement that are open, honest and occur frequently. The DELWP Community Charter or IAP2 framework could be considered as a guide.	17
Strengthen compliance Apply a zero tolerance approach to unauthorised take and adopt a consistent risk-based approach to manage compliance and enforcement with improved oversight and reporting	CE1 Apply a zero-tolerance approach to unauthorised take	96
	CE2 Demonstration of reasonable progress toward implementation of Compliance and Enforcement review recommendations	97-98

Priority Area	Key Performance Indicator	Page Reference
<p>Water for Aboriginal cultural, spiritual and economic values Recognise and support Aboriginal cultural values and economic inclusion in the water sector.</p>	<p>AC1 Engagement of Aboriginal communities Effective and genuine engagement and partnerships with Traditional Owners and Aboriginal Victoria for involvement in business opportunities and access to water for spiritual, customary, social, and economic purposes, and other self-determined purposes. Measures related to this indicator will not be considered in isolation. Rather, reported information will be used to help build a broad picture of engagement, taking into account the relevant local context.</p>	17
	<p>AC2 Engagement of Traditional Owners Effective and genuine engagement with Traditional Owners to enable input into water planning and management documents for Aboriginal water related values and other self-determined priorities. Measures related to this indicator will not be considered in isolation. Rather, reported information will be used to help build a broad picture of engagement, taking into account the relevant local context.</p>	17
	<p>AC3 Aboriginal Inclusion Plan/ Reconciliation Action Plan To be considered in conjunction with AC1 and AC2, taking into account the relevant local context.</p>	14-15
<p>Resilient and liveable cities and towns Contribute to healthy communities by supporting safe, affordable, high quality services and resilient environments.</p>	<p>L4 Payment management and hardship Overall improved access to instalment plans for management of payments. Understand year on year trends in hardship grants.</p>	18
<p>Recognising recreational values Support the wellbeing of rural and regional communities by considering recreational values in water management.</p>	<p>Rec1 Recreational values Consideration of recreational values in carrying out functions and providing services</p>	17
<p>Leadership and Culture Water corporations reflect the needs of our diverse communities.</p>	<p>G1 Diversity and inclusion Improve gender and cultural diversity in workforce including gender equity in executive leadership. Diversity Inclusion plans to be based on best practice. The approach of the DELWP <i>Diversity and Inclusion Strategy 2019-2022</i> could be considered as a guide.</p>	18
	<p>G3 Health and Safety Sustained annual improvement against H&S performance benchmarks (AS/NZS standard 4801).</p>	19



Priority Area	Key Performance Indicator	Page Reference
Financial Sustainability Delivering safe and cost-effective water and wastewater services in a financially sustainable way.	F1-F8 Financial Indicators Overall reporting on these measures should demonstrate financial sustainability and provide a positive picture of a corporations' financial sustainability over time.	38

Appendix D - Schedule of Consultancies

GMW Consultancies for Water Storage and Delivery above \$10,000

Supplier	Approved	Received	Outstanding
DG Consulting (Aust) Pty Ltd	\$29,198	\$10,178	\$19,021
Fifteen50 Consulting Pty Ltd	\$351,271	\$85,800	\$265,471
Infrastructure Advisory Partners Pty Ltd	\$11,400	\$11,400	-

Water Efficiency Project Consultancies above \$10,000

Supplier	Approved	Received	Outstanding
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$35,514	\$12,143	-
O'Connor Marsden & Associates	\$20,847	\$15,990	\$4,857
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$37,627	\$3,298	-
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$15,529	\$9,421	\$6,108
Greenwood Solutions Pty Ltd	\$43,320	\$21,660	\$21,660
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$60,890	\$33,949	\$26,941

Appendix E - Abbreviations

The following abbreviations are referenced throughout this report:

- **AASs** – Australian Accounting Standards
- **BAU** – Business as Usual
- **CMA** – Catchment Management Authority
- **CP** – Connections Project
- **CSO** – Community Service Obligations
- **DWMP** – Domestic Wastewater Management Plans
- **DEDJTR** – Department of Economic Development, Jobs, Transport and Resources
- **DELWP** – Department of Environment, Land, Water and Planning
- **EBITDA** – Earnings before Interest, Tax, Depreciation and Amortisation
- **EMS** – Environmental Management System
- **ESC** – Essential Services Commission
- **FOI** – Freedom of Information
- **FRD** – Financial Reporting Direction
- **FTE** – Full Time Equivalent employees
- **GBCMA** – Goulburn Broken Catchment Management Authority
- **GHG** – Greenhouse Gases
- **GL** – Gigalitres of water (one billion litres)
- **GMA** – Groundwater Management Area
- **GMID** – Goulburn-Murray Irrigation District, Australia’s largest irrigation delivery network
- **GMU** – Groundwater Management Units
- **GMW** – Goulburn-Murray Rural Water Corporation (trading as Goulburn-Murray Water)
- **GST** – Goods and Services Tax
- **HRWS** – High-Reliability Water Shares
- **HSE** - Health, Safety, Environment and Sustainability
- **ICT** – Information, Communications and Technology
- **KL** – Kilotres of water (one thousand litres)
- **KMP** – Key Management Personnel
- **LGBTI** – Lesbian, gay, bisexual, transgender and intersex
- **LOWIG** - Land and On-Water Implementation Group
- **LOWMP** - Land and On-Water Management Plan
- **LRWS** – Low-reliability Water Shares
- **LSL** – Long service Leave
- **MDBA** – Murray-Darling Basin Authority
- **ML** – Megalitres of water (one million litres)
- **MRD** – Ministerial Reporting Direction
- **NCCMA** – North Central Catchment Management Authority
- **NTER** – National Tax Equivalent Regime
- **NVIRP** – Northern Victoria Irrigation Renewal Project
- **OH&S** – Occupational Health and Safety
- **PCG** – Connections Project Control Group
- **RWC** – Rural Water Corporation
- **SCC** – Stakeholder Consultative Committee
- **SD** – Standing Direction
- **SIR** – Shepparton Irrigation Region
- **SO** – Strategic Outcomes
- **The Board** – Independent board of directors appointed by the Minister for Water
- **TLWCAC** – Taungurung Land and Waters Council Aboriginal Corporation
- **VG** – Valuer General Victoria
- **VPSC** – Victorian Public Sector Commission
- **WSD** – Water Storage and Delivery
- **WSPA** – Water Supply Protection Area
- **YYNAC** – Yorta Yorta Nation Aboriginal Corporation

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