

GOULBURN-MURRAY
WATER



Goulburn-Murray Water

Annual Report 2000-2001



DELIVERING PRICE EFFICIENT, SUSTAINABLE WATER SERVICES

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Report from the Chair

This past year saw high water availability in the Murray System from the start of the irrigation season. Unfortunately, the resource position in the Goulburn System was again poor, with the season starting with only 48% of Water Right and increasing to 100% by 31 October 2000. No Sales water became available in the Goulburn System for the third consecutive year. The on-going low resource situation in the Goulburn System has had a significant cumulative impact on revenue for the Irrigation Areas reliant on this supply source. This situation, combined with the need to upgrade ageing assets, has impacted on the financial positions of the Shepparton and Central Goulburn irrigation supply services in particular.

Committee representatives to meet with a large number of our catchment partners to explore opportunities for working together co-operatively. It was, I consider, a highly successful event.

The Corporate Family Workshop held in Deniliquin in June 2001 presented an opportunity for the Board and Water Services Committees to jointly focus on the challenges and future directions for Goulburn-Murray Water. The Board was pleased to further develop customer participation through the formation of reference committees to guide the Woorinen Pipeline Project, the Normanville Pipeline Project, and the Dam Improvement Program.



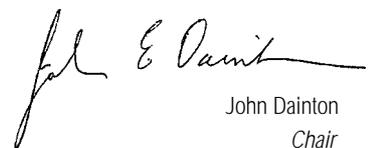
Strategies to address the financial position of the Shepparton and Central Goulburn irrigation supply services were a priority for the Board throughout the year, and a decision was taken for some corporate assistance to be provided to these services over the next three years. We will continue to work with our customers and other stakeholders to secure the long term financial viability of the vital services that Goulburn-Murray Water provides.

During the year, the Victorian State Government, in partnership with the New South Wales and Commonwealth Governments, released plans to improve environmental flows in the Snowy and Murray Rivers through achieving water savings. In February 2001, the Minister announced an initial Goulburn-Murray Water funding package of \$23 million for the first three water savings projects. This Government initiative is a major challenge for the Board and management of Goulburn-Murray Water.

The Board's relationship with Water Services Committees was strengthened through the adoption of a Board-Water Services Committee Interaction Improvement Plan. The Improvement Plan set a framework for interactions throughout the year. One of these events was Goulburn-Murray Water's inaugural Annual Forum at Echuca in November 2000. This provided the opportunity for Goulburn-Murray Water Board, management and Water Services

The term of appointment of Board Directors expired on 30 June 2001. Four members of the 2000/2001 Board, Peter Ross-Edwards, Ian Evans, Stephen Mills and Ken Pattison, completed their service with Goulburn-Murray Water and will not be continuing on the new Board. To those Directors I extend my thanks on behalf of Goulburn-Murray Water and the community for their skills, leadership and unstinting commitment to the rural water industry.

On behalf of the Board, I would also like to express my thanks to Goulburn-Murray Water's management and officers for their demonstration of commitment and dedication. We now have a new Board, which brings together new perspectives and a renewed commitment to guide Goulburn-Murray Water forward through the exciting and challenging times that lie ahead of us.


John Dainton
Chair

Report from the Chief Executive

The continuation of the low resource position in the Goulburn System for yet another year presented severe challenges to Goulburn-Murray Water and our customers, particularly in facing the poor financial situation being experienced by the Shepparton and Central Goulburn irrigation supply services. This issue was addressed in partnership with the relevant Water Services Committees and industry leaders, and we will continue to work with these groups into the future.

A number of environmental initiatives were progressed during the year. Goulburn-Murray Water participated in the development of Streamflow Management Plans for the Kiewa River, Yea River and

King Parrot Creek. Policies were developed to revegetate and protect perimeter lands at water storages. We were also pleased to be involved in the release of some 340,000 ML of water from Lake Hume for environmental flows into the Barmah-Millewa forest.

commenced late in the year. The Water Savings Program has the potential to fundamentally reshape the water supply systems of northern Victoria and significantly improve their efficiency over the next decade.

We continued to seek growth in our relationships with catchment partners and Goulburn-Murray Water's November 2000 Annual Forum at Echuca was held with the aim of building on those associations. We will continue to nurture our catchment partnerships.



Dam safety remained a priority and a community based Stakeholder Reference Panel was established to assist the Authority with risk assessment of its dams. The assistance and scrutiny provided by the members of the Stakeholder Reference Panel was invaluable to the process and I thank all concerned for their input. Goulburn-Murray Water has now developed a clear, prioritised program for its future investment needs for dam improvements.

Significant emphasis and key internal resources have been directed towards the Water Savings Program, with project teams established to tackle the many aspects of this major initiative of the Victorian Government. This represented a significant re-orientation of our priorities, and a project to adjust our organisational arrangements to accommodate these changes was

Goulburn-Murray Water renewed its efforts in seeking to advance a culture committed to occupational health and safety. Focus is now placed on continuous improvement in order to reduce accidents and to provide healthy and safe workplaces for all employees.

Goulburn-Murray Water won the prestigious Government Technology Productivity Silver Award for the electronic document management system that was commissioned in 1999/2000. I congratulate the team that managed this project and saw the successful introduction of the system across Goulburn-Murray Water.

The challenges of running a widely distributed, complex organisation in an environment of change inevitably places significant pressure on employees. Goulburn-Murray Water's employees have always been its greatest resource, and the quality of our officers was again evident in the past year.

Denis Flett
Chief Executive



Highlights

- Work commenced on the \$18m Woorinen Pipeline Project.
- Commissioning of the first two stages of the Muckatah Surface Water Management Scheme including Kinnairds Wetland.
- Planned Waranga Western Channel upgrade with Government and private developer funding to meet new irrigation development projects in the Boort Area.
- Three groundwater resource management plans in the Campaspe, Katunga and Spring Hill areas were substantially developed.
- Revegetation of the perimeter land around Goulburn-Murray Water storages commenced.



- Work on the Government's Water Savings Program to provide environmental flows in the Snowy and Murray rivers commenced.
- First trial environmental releases from Lake Eppalock made as part of the Campaspe Environmental Flow research project.
- Silver Award at the Government Technology Productivity Awards in 2001 was received for the newly installed electronic document management system.
- Presentation of Certificate II in Water Industry Operations qualifications to Victoria's first ten water industry trainees, by the Minister for Environment and Conservation. All trainees subsequently obtained full time positions with Goulburn-Murray Water.
- Commencement of a \$12.9m project to upgrade the safety of Yarrawonga Weir against damage from earthquakes. The works, funded by the Murray-Darling Basin Commission will involve strengthening of the earthen embankments and concrete structures and are scheduled for completion in late 2002.

The Authority

Trading as Goulburn-Murray Water, the Goulburn-Murray Rural Water Authority was constituted by Ministerial Order under the provisions of the Water Act 1989, effective from 1 July 1994.

Goulburn-Murray Water is responsible for the management of the headworks within its region and is Victoria's Constructing Authority for the Murray-Darling Basin Commission.

Goulburn-Murray Water is responsible for the provision of bulk water supplies to urban water authorities, other rural water authorities, industry and agriculture, and for the delivery of irrigation water, domestic and stock supplies and drainage services to 24,892 properties within its 68,000 square kilometre region. Goulburn-Murray Water also undertakes a number of natural resource management activities for government on a cost recovery basis. These activities are predominantly related to salinity, water quality and water resource management.

The Authority derives its powers from the Water Act 1989 and submits its Corporate Plan each year to the Minister administering the Water Act 1989 to ensure compatibility of its business directions with Government policy.

Responsible Minister

The Hon Sherryl Garbutt MP,
Minister for Environment and Conservation
(1 July 2000 to 30 June 2001)

Customers

Serviced Properties

Gravity Irrigation and Drainage	13,435
Pumped Irrigation and Drainage	432
Domestic and Stock	725
Surface Water Diversions	7,647
Groundwater Diversions	2,536
Flood Protection	117

Other Customers

Urban Water Authorities	5
Hydroelectric Power Companies	3
Other Rural Water Authorities	4
Land Lessees	901
Recreational Users	765
Community Water Supply Schemes	1



Dethridge-Long Meter Outlet

Corporate Governance

The Board comprises eight Directors, including the Chief Executive. The Minister administering the Water Act 1989 appoints the Directors on the basis of their skills and expertise.

Board



Peter Ross-Edwards AM, Chair
Inaugural Chair of Goulburn-Murray Water, since 1 July 1994.

Former senior partner of Felthams, solicitors, of Shepparton, and director/consultant of several private companies. Former Parliamentary Leader of the Victorian National Party. Former Chief Commissioner of the City of Greater Bendigo. Inaugural Chair of the Goulburn-Murray Regional Management Board of the Rural Water Corporation 1992-1994.



John Dainton, Deputy Chair
Deputy Chair of Goulburn-Murray Water since 1 July 1994.

Dairy farmer at Mooroopna. Chair, Goulburn Broken Catchment Management Authority. Former Chair, Bonlac Foods Limited. Experienced company director and community leader in natural resource management planning and implementation. A Director of the Goulburn-Murray Regional Management Board of the Rural Water Corporation 1992-1994.



Sarah Crooke
A Director of Goulburn-Murray Water since 1 November 1998.

Dairy farmer in the Kiewa Valley. Deputy Chair, Dairy Research and Development Corporation. Former Executive Member, United Dairy Farmers of Victoria. Graduate of the Australian Rural Leadership Program. Churchill Fellow in 1991, studying the dairy industry.



Ian Evans
A Director of Goulburn-Murray Water since 1 July 1995.

An accountant who provides business, financial and taxation advice to a range of high net worth individuals and significant private companies. Director of a number of companies including Ardmona Foods Ltd and Ace Radio Broadcasters Pty Ltd



Don Little AO
A Director of Goulburn-Murray Water since 1 July 1995.

Civil Engineer providing consulting engineering services to the public and private sectors. Former Commissioner of the State Rivers and Water Supply Commission. Former Victorian Commissioner, River Murray Commission. Former Chair, Environment Protection Authority. Former Director General, Public Works Department of Victoria. Experienced in dams engineering, environment protection and public administration.



Stephen Mills
A Director of Goulburn-Murray Water since 1 July 1994.

Dairy farmer at Numurkah. Chair of the Australian National Committee on Irrigation and Drainage since 1997. Chair of the Management Committee of the National Program for Irrigation Research and Development. Member of the Shepparton Irrigation Region Implementation Committee of the Goulburn Broken Catchment Management Authority. Member of the Board of the Rural Water Commission 1989-1992. A Director of the Goulburn-Murray Regional Management Board of the Rural Water Corporation 1992-1994.



Ken Pattison
A Director of Goulburn-Murray Water since 1 July 1994.

Operates a farming business on property at Fernihurst and Wychitella. Elected to the Boort Advisory Board of the State Rivers and Water Supply Commission in 1974. An active member of the Victorian Farmers Federation (VFF), was appointed to the VFF Water Resources Committee in 1988. Member of Loddon Murray 2000+ and Campaspe Loddon Murray Water Coordination Committee. A Director of Goulburn-Murray Regional Management Board of the Rural Water Corporation 1992-1994.



Denis Flett, Chief Executive
Chief Executive and Director of Goulburn-Murray Water since 1 July 1994.

Victorian Commissioner, Murray-Darling Basin Commission. Chief Executive and Director of the Goulburn-Murray Regional Management Board of the Rural Water Corporation 1992-1994. Experienced water industry civil engineer, manager and organisational leader during a period of fundamental and sustained change.

Board Committees

The Board has established a number of committees to assist with its duties and to advise and make recommendations to the Board. The current Board Committees and their functions are set out below:

Financial and Management Audit

To oversee the internal and external audit program and risk management program, review annual financial statements and associated checklists, and monitor and advise the Board in relation to financial, management and accounting responsibilities.

Stephen Mills (Chair), Sarah Crooke, Ian Evans, Denis Flett, Manager Business and Finance Trevor Ierino, Manager Financial Reporting Jeff Huddle (Secretary)

Environmental Audit

To oversee environmental and occupational health and safety policy development, monitor performance and compliance with relevant requirements and advise the Board in relation to environmental and occupational health and safety responsibilities.

Ken Pattison (Chair), Don Little AO, Stephen Mills, Denis Flett, Manager Production and Catchments Geoff Earl, Manager Business and Finance Trevor Ierino, Environmental Management Officer Peter Butcher (Secretary)

Customer Services

To develop policy in response to emerging customer needs, promote effective customer service and relations, stay in touch with the deliberations of customer committees, and oversee the communications strategy and research and development.

John Dainton (Chair), Sarah Crooke, Ken Pattison, Denis Flett, Manager Water Services John Mapson, Manager Strategy and Development Garry Smith, Corporate Assistant Gaye Somers (Secretary)

Headworks

To oversee development of the Authority's headworks business and to advise the Board in relation to policies, annual and forward works programs, investment in major projects, risk management strategies, asset integrity and service standards for headworks.

Don Little AO (Chair), John Dainton, Ian Evans, Denis Flett, Manager Headworks Ian Howley, Manager Business and Finance Trevor Ierino, Management Assistant Raquel Pell (Secretary)



Remuneration

To oversee executive remuneration policy, monitor executive remuneration and advise the Board in relation to executive remuneration responsibilities including individual remuneration packages for senior executives.

Ian Evans (Chair), Peter Ross-Edwards AM, John Dainton, Denis Flett (Secretary)

Strategy

To oversee corporate strategy development and planning. To advise senior officers and to make recommendations to the Board in relation to corporate strategy and planning.

Sarah Crooke (Chair), John Dainton, Stephen Mills, Denis Flett, Manager Strategy and Development Garry Smith, Manager Economics and Planning Geoff Coburn (Secretary)

Organisational Structure



L to R: Garry Smith, Denis Flett, John Mapson, Geoff Earl, Ian Howley, Trevor Ierino.



*Tatura and Kerang

Water Services Committees

Water Services Committees are established by the Board to represent customer groups. They have been operating since 1993.

Ten Water Services Committees advise the Board and represent customers in the six Irrigation Areas, private diverters in the Murray and Goulburn River Systems, groundwater users across the Goulburn-Murray Water region and domestic and stock customers in Waterworks Districts.

Water Services Committees hosted regular Board meetings and site inspections to their parts of Goulburn-Murray Water's region. Areas inspected and issues discussed with Water Services Committees included:

- Tungamah Domestic and Stock system
- Goulburn Catchment Diversions sites
- Chinaman's Bridge Caravan Park at Lake Nagambie
- Pyramid-Boort Prime Development Areas
- Normanville Pipeline project
- Shepparton and Central Goulburn debt management
- Kiewa Streamflow Management Plan

Two workshops involving all Water Services Committee members, the Board and senior management of Goulburn-Murray Water were held during the year.

In July 2000 a workshop was conducted at Lake Hume. This workshop included a detailed inspection of Dartmouth Dam, the Mitta Mitta Valley and dam safety improvement works at Hume Dam. Major outcomes of the workshop included support for a draft code of conduct and the training needs of Water Services Committees, progression of Retail Entitlement Reform and the Water Savings Program.

Water Services Committee members were again active participants in a workshop held in Deniliquin in June 2001. This workshop involved an inspection of Murray Irrigation Limited's irrigation delivery system, and interaction with Murray Irrigation Limited's Directors and senior management at a conference dinner. The focus of the workshop was Goulburn-Murray Water's strategic directions. The workshop identified that sustainability issues will be key drivers of Goulburn-Murray Water's business in the future. The issues of equitable cost sharing arrangements for strategic reforms and effective communication with customers were seen as significant ongoing challenges.

A strong contingent of Water Services Committee members also attended the Australian National Committee on Irrigation and Drainage Conference in September 2000 at Toowoomba, where the conference theme was "A Decade of Change".

The ten Water Services Committees and their Chairs as at 30 June 2001 were as follows:

Irrigation Areas

Shepparton - *John Pettigrew*
 Central Goulburn - *Peter Witten*
 Rochester-Campaspe - *Richard Anderson*
 Pyramid-Boort - *John Nelson*
 Murray Valley - *Hank Sanders*
 Torrumbarry - *Bruce Jones*

Diversions

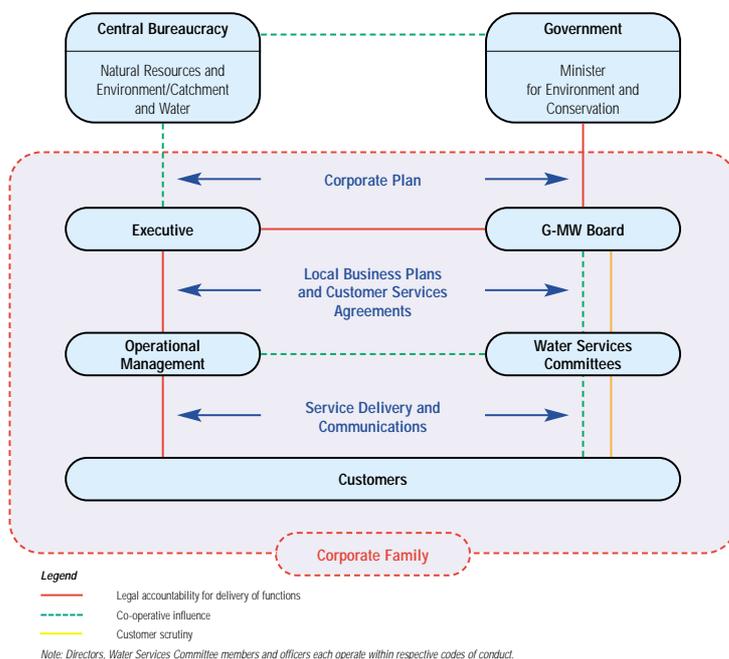
Murray System - *Lindsay Jarvis*
 Goulburn System - *Morris Brown*

Groundwater

Regional Groundwater Services Committee - *Gordon Weller*

Waterworks

Loddon Waterworks Water Services Committee - *Chris Watson*



Goulburn-Murray Water Key Relationships



Customer Service

To deliver price efficient services to agreed standards and with customer involvement continue to improve service.

Service Delivery

Spring rainfall across the Goulburn-Murray Water region was well above average with very heavy falls in late October, causing rain interruptions to irrigation deliveries. This situation, coupled with average summer rainfall, enabled most customers in the Goulburn System who had 100% Water Right allocations, but no sales water available, to maintain a reasonably high level of production. They were further assisted by the significant volumes of Off-Quota water and water available on the water trading market at prices generally lower than the previous season.

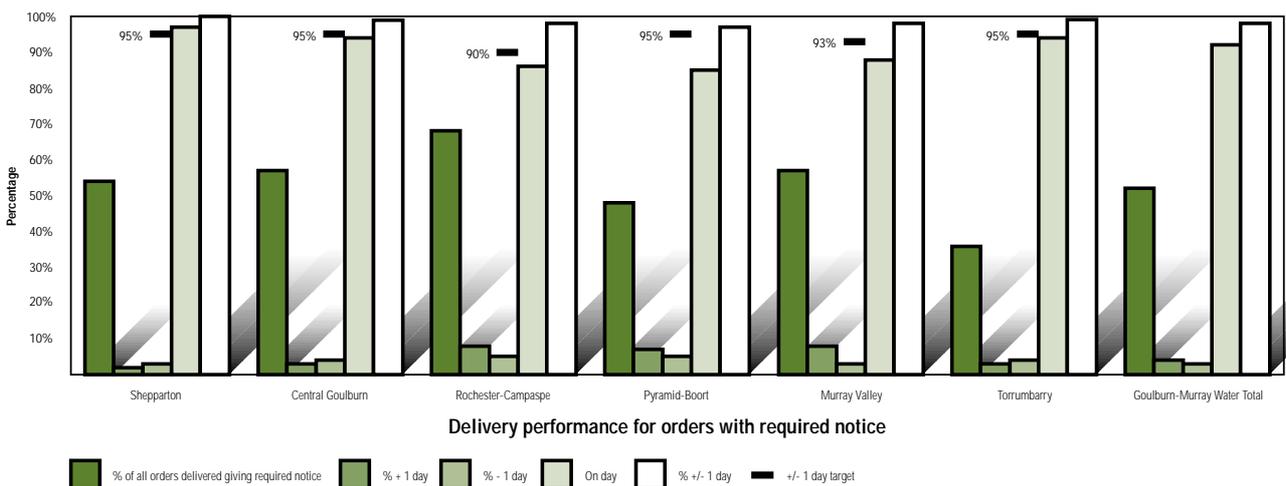
The resource situation in the Murray System was far better, resulting in initial allocations of 100% Water Right plus 100% Sales (maximum) to start the season, the highest since the 1996/1997 season.

Bulk water services were satisfactorily delivered to all customers. The low levels of some storages and low allocation in the Goulburn System resulted in reduced hydroelectricity generation. Water based recreation activities at Lake Eildon continued with the storage remaining at a higher level than during recent years.

The following graph shows the achievement of one of the key customer service performance measures - the delivery of water when it is required. More than 90% of all orders were delivered on the day required. Delivery performance targets were met in all six Irrigation Areas.



Order Delivery - Based on Orders with Required Notice



Customer Liaison

In addition to the customer liaison facilitated by Water Services Committees (refer page 9, 13), Goulburn-Murray Water appointed reference committees for the Woorinen Pipeline Project, the Normanville Pipeline Project and the Dam Improvement Program. Establishment of these committees has provided an important path for

Goulburn-Murray Water to gain customer and community views and it is hoped, will provide a strong basis of understanding for each of the pipeline projects and the Dam Improvement Program.

Customer Service Agreements were revised during 2000/2001 to provide customers with further avenues for resolving disputes and the revised arrangements will take effect from 1 July 2001.

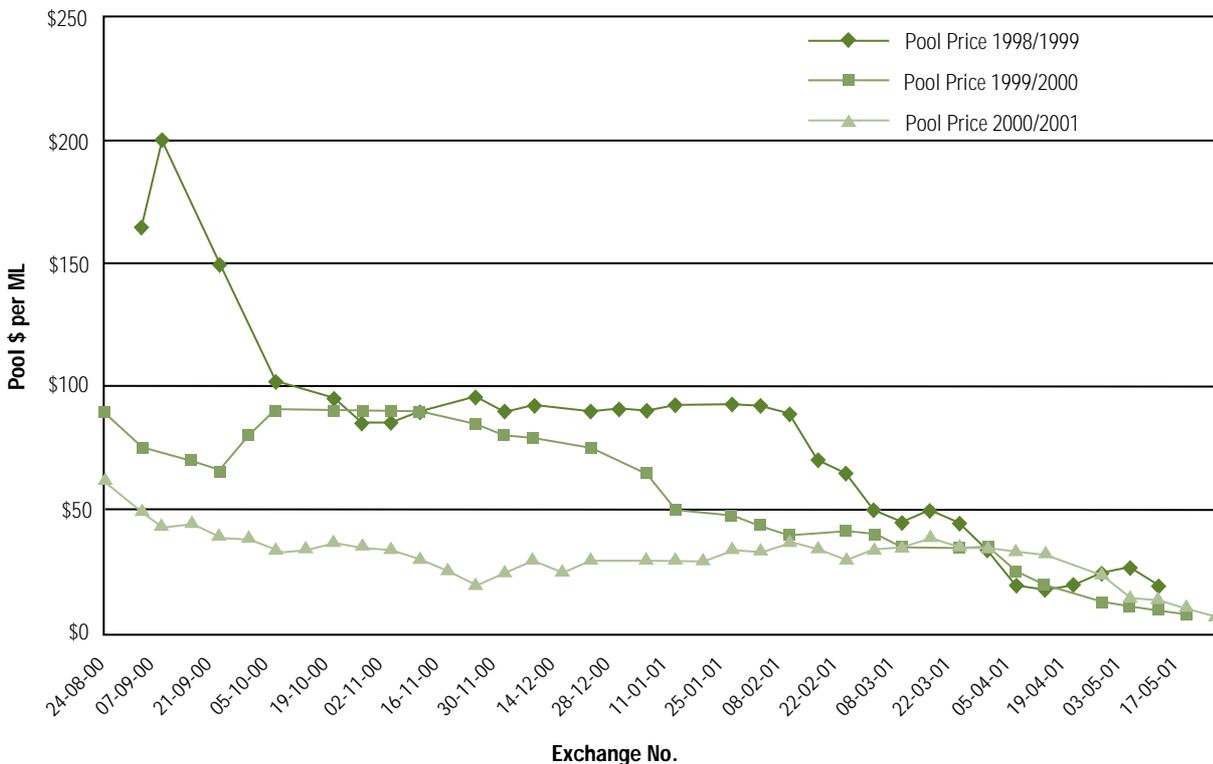
In April 2001 Goulburn-Murray Water joined the Energy & Water Ombudsman (Victoria) Limited Scheme, providing customers with access to an independent dispute resolution scheme to address issues where agreement is unable to be reached with Goulburn-Murray Water.

Northern Victorian Water Exchange

The Northern Victorian Water Exchange again proved a popular means of temporary water trading. Thirty-one percent of the total volume of temporary water trade across Goulburn-Murray Water's area occurred through the exchange in 2000/2001. This is an increase from 26% in 1999/2000 and 15% in 1998/1999.

The Northern Victorian Water Exchange provided a transparent price basis for temporary water trading throughout Northern Victoria. For the first time the exchange also operated in the same week that reviews of the seasonal water allocation were announced. A total of 36 exchanges were conducted in 2000/2001, five more than in 1999/2000.

Pool Prices for Zone 1A & 1B - Greater Goulburn



Water Services Committees

The ten Water Services Committees continue to have responsibility for developing and negotiating annual Business Plans and Customer Service Agreements with the Board.

The negotiated Business Plans provide a contractual arrangement, allowing operational Managers and the Water Services Committees to freely conduct their business operations with minimal Board involvement.

The Business Plans identify the following:

- short and long term key initiatives and business objectives
- strategic programs and action plans to achieve these objectives
- performance measures to ensure objectives are met

Lake Eildon Public Use Liaison Committee

A Lake Eildon Public Use Liaison Committee was formed to advise Goulburn-Murray Water on all aspects relating to the management of recreation and public use involving land and/or water controlled by Goulburn-Murray Water at Lake Eildon. The Committee also provided a forum for communication between Goulburn-Murray Water and the Lake Eildon Community.



Customer service is our primary focus.

Bulk Water Forum

A Bulk Water Forum of representatives from urban and rural bulk water customers was again held to discuss issues relating to service, pricing, bulk entitlements, water quality and asset management.

Customer Survey

The four-yearly survey of all gravity irrigators was undertaken to update data on irrigated cultures. This year, the survey was undertaken using the interactive voice recording facility on Goulburn-Murray Water's WaterLINE, the telephone water ordering system. Aggregated results from the survey will be published in October 2001.

Performance Measures and Targets	Achievements/Outcomes
Compliance with agreed service standards.	Achieved.
Ensure price competitiveness:	
Full business price below McDonald Report projections	Achieved.
Business price per megalitre below Victorian competitors for gravity and pumped irrigation, diversions, domestic and stock and bulk water supplies	Achieved.
Renew Customer Service Agreements by May 2001.	Achieved.
Provide timely and accurate response to all business enquires.	Achieved wherever possible.



Water and Environmental Management

To ensure water resource availability for customer entitlements, achieve agreed environmental flows and contribute to a sustainable and productive natural environment.

Water Systems Management

The water resource position at the end of the 2000/2001 irrigation season was significantly better than at the start of the season. Inflows varied markedly between river systems. While all storages received above average inflows during the spring, inflows for the year were below average for storages on the Goulburn and Loddon Systems. The Menindee Lakes on the Darling River filled to capacity for the second year in a row.

The Goulburn System opened with an allocation of 48% of Water Right, which increased in three steps to 100% of Water Right by 31 October 2000. No further increases were made after this date.

The Campaspe System allocation increased progressively from 100% of Water Right to the maximum allocation, which allowed irrigators to access up to 100% of Water Right plus 120% Sales.

Murray System resources permitted the maximum allocation of 100% of Water Right plus 100% Sales to be announced at the start of the irrigation season.

Initial and final allocations for all systems are shown in the table below.

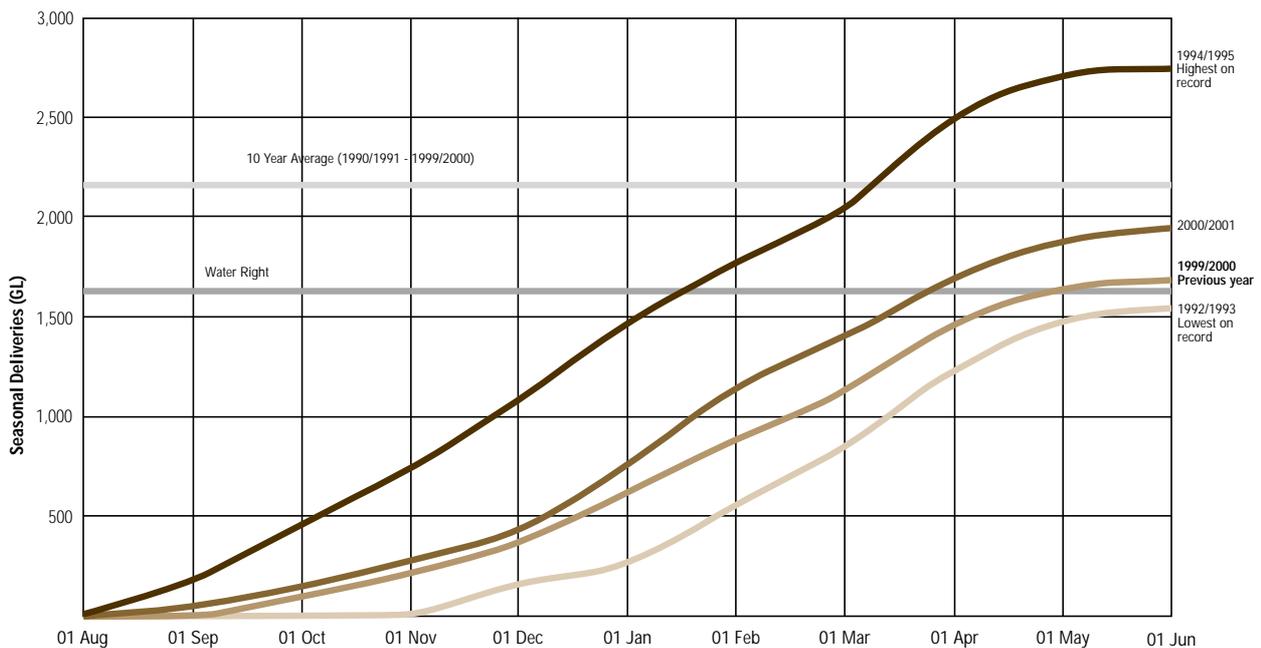
Rain during the early part of the season and the low seasonal allocation in the Goulburn System reduced overall deliveries.

The combined total deliveries for Gravity and Pumped Districts were equivalent to 119.4% of Water Right, compared to a total of only 103% of Water Right for the 1999/2000 irrigation season.



<i>System</i>	<i>Initial Allocation</i>		<i>Final Allocation</i>	
	<i>Water Right/ Licence Volume</i>	<i>Sales</i>	<i>Water Right/ Licence Volume</i>	<i>Sales</i>
Irrigation Districts:				
Goulburn-Murray Irrigation District				
Goulburn	48%	0%	100%	0%
Murray	100%	100%	100%	100%
Camapaspe Irrigation District	100%	0%	100%	120%
Private Diversions:				
River Murray	100%	70%	100%	70%
Mitta Mitta River	100%	100%	100%	100%
Kiewa River	100%	70%	100%	70%
Broken River	100%	0%	100%	70%
Goulburn River	48%	0%	100%	0%
Campaspe River	100%	0%	100%	120%
Loddon River	48%	0%	100%	0%

Water Deliveries - Gravity and Pumped Irrigation Districts



Goulburn-Murray Water's bulk water supply system consists of a large interconnected network of storages, rivers and major canals. During 2000/2001 these systems were operated to meet customer demands for water in accordance with established operational procedures.

Key operational system management issues during 2000/2001 were:

- Continued low water availability in parts of the Goulburn System, requiring all available resources to be optimised and initiatives taken to minimise distribution losses.
- Regular consultation with interested parties concerning tourism, recreational, aquaculture, environmental and power generation issues.
- A high degree of regulation of the lower Goulburn River, requiring close attention to maintaining minimum river flow requirements.
- Record high inflows to Cairn Curran Reservoir during the spring which, although fully contained, raised flood operation issues.
- Environmental flow provisions of the Campaspe Flow Manipulation Project were triggered in late October 2000 when Lake Eppalock reached a volume equivalent to 64% of capacity.
- The release of 340,000 ML of water from Lake Hume for the watering of the Barmah-Millewa Forest.
- The supply of 24,000 ML of water to Wimmera Mallee Water.
- Monthly resource assessments to ascertain whether seasonal allocations could be increased. A special allocation assessment and announcement was made at the end of October to ensure that additional resources available from high inflows were made available to irrigators as soon as possible.
- Industrial disputation at end of irrigation season prevented the final reading of meters and delayed the assessment of system performance.

Bulk Water Entitlements

During the year, Goulburn-Murray Water continued to work with the Department of Natural Resources and Environment and stakeholder groups to further develop Bulk Water Entitlement arrangements.

Goulburn-Murray Water operated in accordance with its existing Bulk Water Entitlements:

- Goulburn Bulk Water Entitlement, issued in 1995
- Murray Bulk Water Entitlement, issued in 1999, and
- Campaspe Bulk Water Entitlement, issued in 2000.

Work continued on activities needed to implement and operate within the Bulk Water Entitlements. Capacity sharing arrangements on the Campaspe River are now in place, as are adjusted Water Rights in the Nyah and Tresco Irrigation Districts. A mechanism for adjusting Bulk Water Entitlements to correctly account for permanent trade is now being developed.

Work on Bulk Water Entitlements for the Ovens and Broken basins has progressed, with simulation modelling to define present security near completion and assessment of environmental flows well advanced.

Retail Entitlement Reform

Planned public consultation on proposals to separate the existing linked Water Right and Sales entitlements did not proceed at the Minister's request. This ensured that the community focus in regard to water reform was directed towards resolution of the Farm Dams Review and related issues.

Water Savings Program

In October 2000 the Victorian and New South Wales Governments agreed to a long-term target of returning 28% of the original flows to the Snowy River.

The Victorian, New South Wales and Commonwealth Governments have agreed to provide \$375m to fund Water Savings Project aimed at generating 280,000 ML/year over the next 10 years. The water saved will be used for environmental flows in the Snowy River (210,000 ML/year) and the River Murray (70,000 ML/year).

Funds have been made available from the Victorian Government to:

- Undertake extensive investigation into water accounting, measurement, infrastructure requirements and future land use and water requirements before preparing a comprehensive program of water saving works.
- Develop proposals for the pipelining of the Normanville Waterworks District and Casey's Weir and Major Creek Domestic and Stock system and to submit proposals for the metering of small volume pipe outlets.
- Undertake a study of the potential to save water losses in the bulk water supply systems.
- Pipeline the irrigation supply system in the Woorinen area.

Substantial work was undertaken on all of these projects. The Water Saving Program has the potential to substantially change Goulburn-Murray Water's assets and operations. Given the scale and pervasive nature of the program, the position of Manager Water Savings Program was created to oversee and co-ordinate the program.

Unregulated Stream Management

Streamflow Management Plan development continued for the Kiewa River, Yea River and King Parrot Creek catchments. Extensive committee deliberations were required to reach agreement on the sharing of low flows between the environment and consumptive users. Arrangements are now being made to finalise the draft plans for these streams and to undertake public consultation later in the year. Experience gained from these plans will be used to expedite completion of the remaining program.

A further Streamflow Management Plan program involving fourteen catchments has been agreed and funding to commence the program has been received for 2001/2002 from Water for Growth funds.

Goulburn-Murray Water is participating with the Department of Natural Resources and Environment in the development of a new environmental flow methodology, a revised Streamflow management plan development process, and the determination of permissible annual volume limits for the harvesting of surface water in catchments.

Water Quality Management

Significant blue green algae blooms occurred in Lake Mokoan, in Lake Cairn Curran, in Tullaroop Reservoir and in Hepburns Lagoon. Widespread low level blooms were recorded in Yarrawonga and Mildura Weirs on the River Murray and in Lake Eildon.

Overall, the 2000/2001 season was typical of previous years, with most blooms occurring during late summer and autumn as water levels declined while water temperatures remained relatively high. The exceptions were locations such as Lake Mokoan, Hepburns Lagoon and Tullaroop Reservoir, where blue green algae blooms typically occur from December onwards.

Development and updating of regional and local blue green algae bloom management response plans continued to ensure rapid and efficient responses to blooms.

Support for implementation of catchment water quality management plans continued in the Upper Murray, Ovens, Goulburn Broken, Campaspe and Loddon catchments, especially in the areas of irrigation drainage and water quality monitoring.

A further five new policies aimed at enhancing management of perimeter land around Goulburn-Murray Water storages to achieve water quality and environmental outcomes were adopted by the Board.

Implementation of a long term plan to improve the perimeter lands at storages by reinstating native vegetation commenced. Plantings were undertaken at Lake Cairn Curran, Lake Eppalock, Waranga Basin and Lake Eildon.

Irrigation Drainage

Implementation of the program to reduce the impacts of irrigation drainage on receiving waters continued in the Goulburn Broken, Campaspe and Loddon catchments. In the Shepparton Irrigation Region drain diversion plans were completed for seven drain catchments and were substantially completed for nine catchments, with another two plans well progressed. Annual reviews of drain nutrient data were completed. Field inspections to identify potential nutrient discharges to drains were completed in the Shepparton Irrigation Region. Metering of low flow diversions is 90% complete across the Shepparton Irrigation Region.

Groundwater Management

The development of Groundwater Management Plans for the Campaspe Deep Lead, Katunga and Spring Hill Groundwater Supply Protection Areas continued during the year. Draft management arrangements were prepared for each area and were distributed for public consultation. Following the consultation process, plans for Katunga and Campaspe are being revised. The community-endorsed Spring Hill Groundwater Management Plan was forwarded to the Minister for Environment and Conservation for consideration.

Significant progress was achieved in the metering of groundwater pumps. Metering is now complete for the Campaspe Deep Lead, Katunga Groundwater Supply Protection Area, and the Nagambie Groundwater Management Area. Metering is more than 80% complete for the Mid-Loddon Groundwater Management Area, Spring Hill Groundwater Supply Protection Area and Shepparton Irrigation Region Groundwater Supply Protection Area.

Collection and collation of accurate coordinates for the mapping of bore locations in the Campaspe Deep Lead Groundwater Supply Protection Area, Katunga Groundwater Supply Protection Area, Spring Hill Groundwater Supply Protection Area, Shepparton Irrigation Region Groundwater Supply Protection Area, Mid-Loddon and Nagambie Groundwater Management Areas continued. A private bore-monitoring network was established in the Spring Hill Groundwater Supply Protection Area with the agreement of landholders for the use of non-equipped irrigation and domestic and stock bores. The collection of groundwater pump salinity samples and water level monitoring continued for the Shepparton Irrigation Region Groundwater Supply Protection Area and other high priority groundwater management areas. Progress was made towards establishing database systems for storing data.

The review of licences in the Shepparton Irrigation Region Groundwater Supply Protection Area continued to support achievement of the objectives of the Groundwater Management Plan.

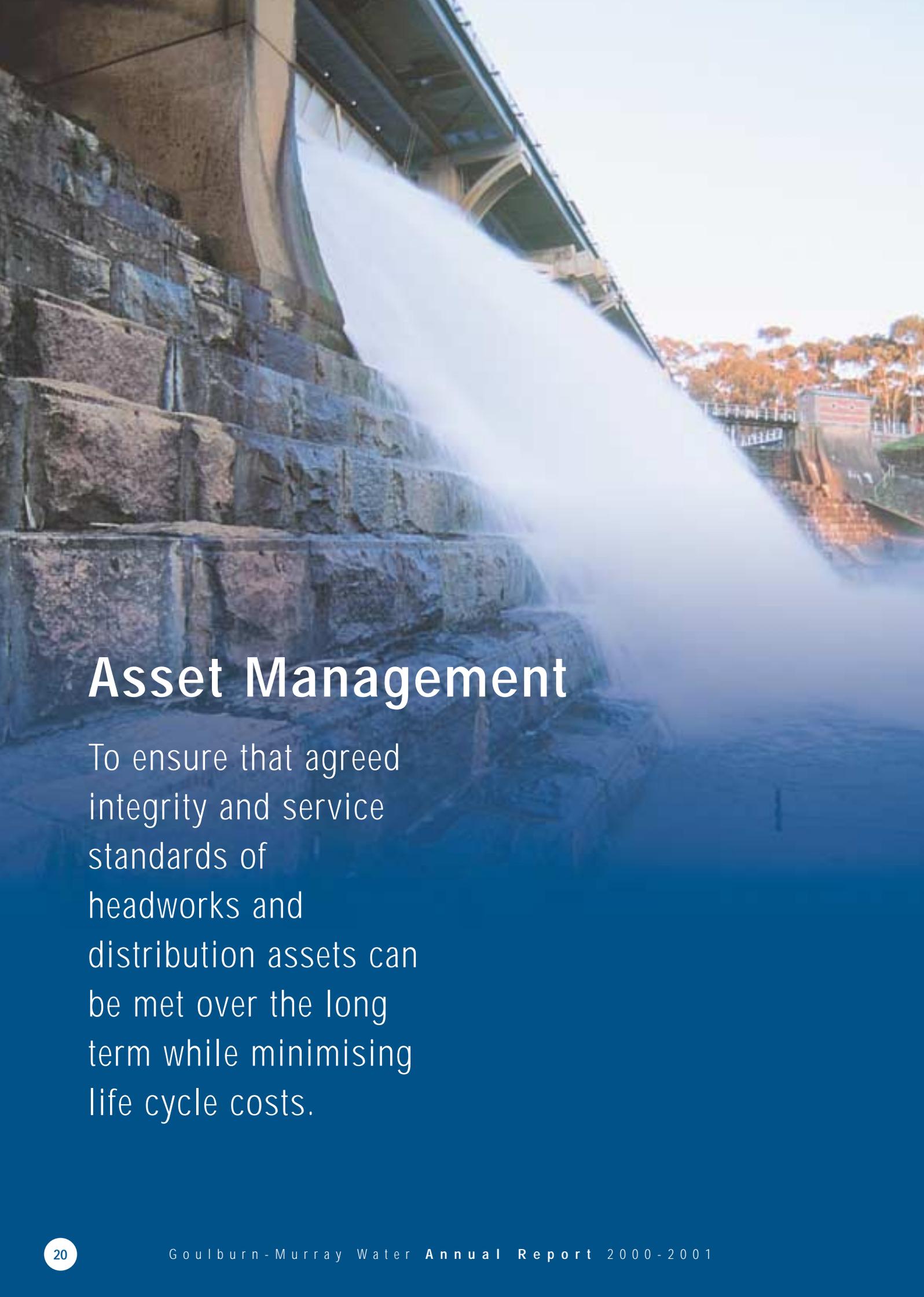
Environmental Management

Implementation of the Environmental Management System continued, with the first update completed and a video produced to introduce new employees to the Environmental Management System. Major programs to deliver continuous improvement in environmental management performance and reduce environmental risks were initiated for the management of sewage works at Lake Eildon and Lake Eppalock and for the use of office paper and consumables.

There was a slight increase to 128 in the number of environmental incidents responded to. Twenty nine serious environmental incidents and two environmental emergencies were recorded in 2000/2001. The most serious of these involved the illegal dumping of industrial waste in a Goulburn-Murray Water drain in north Shepparton. Prompt action by Shepparton Irrigation Area employees prevented caustic soda, septic tank sludge and waste oil from reaching the nearby Goulburn River. The perpetrator of this incident has not been identified and Shepparton Irrigation Area drainage customers have carried the \$160,000 clean up cost.

The fishway at Torrumbarry Weir continues to operate efficiently, with the daily upstream movement of native fish exceeding 1,000 on some occasions.

Performance Measures and Targets	Achievements/Outcomes
Ensure resource security by making Seasonal Allocations in accordance with policy.	Achieved.
Advise customers of seasonal allocation in August with monthly reviews thereafter.	Achieved. An additional allocation review occurred in October in response to significant inflows in the Goulburn catchment.
Volume of resource delivered to customers to be greater than 75% of volume diverted from rivers.	Not achieved. Deliveries to customers were 74% of volume diverted, a 2% improvement over last year, attributable to the higher delivery and steps taken to improve distribution efficiency.
Actual flows always greater than or equal to specified minimum flows.	Achieved. See Appendix A for further details.

A large dam with water cascading over its spillway. The dam is constructed from large, dark stone blocks. The water is white and turbulent as it falls. In the background, there are trees and a building under a clear sky.

Asset Management

To ensure that agreed integrity and service standards of headworks and distribution assets can be met over the long term while minimising life cycle costs.

Headworks

Goulburn-Murray Water completed the third year of the five-year phase one of a major program of dam safety design reviews and upgrading works on its thirteen state owned dams.

A comprehensive risk assessment of the five priority dams (Eildon, Eppalock, Waranga, Cairn Curran and Buffalo) was undertaken with the assistance of a community based Stakeholder Reference Panel. The outcomes of the risk assessment have set priorities and a preferred timetable for the identified dam safety upgrading works on all dams. The revised estimate for upgrading of all thirteen dams is \$193m.

- Investigations continued at Lake Dartmouth into the control of surges in the high level outlet works caused by the power station.
- Leasing of the Eppalock Pumping Station, which supplies water to Bendigo and surrounding areas, on a long-term arrangement to Coliban Water.
- Transfer of responsibility for the Lake Tutchewop/Barr Creek Salt Interception Scheme from Goulburn-Murray Water to the Murray-Darling Basin Commission. Goulburn-Murray Water will continue to manage the scheme as the Constructing Authority.



Other significant achievements for the year were:

- Commencement of a \$12.9m project to upgrade the safety of Yarrawonga Weir against damage from earthquakes. The works, funded by the Murray-Darling Basin Commission, involve strengthening of the earthen embankments and the concrete structures and are scheduled for completion in late 2002.
- Upgrading of works and procedures for removal and reinstatement of the trestles at Mildura Weir to address occupational health and safety issues. Part of the weir was withdrawn in May 2001 to allow changeover of steel trestles.
- Completion of a number of significant upgrades of outlet works at dams. They included the modification of emergency closure gates at Lake Eppalock, Cairn Curran Reservoir and Lake Eildon.
- Substantial progress was made on the detailed design of a \$1.2m salinity diversion weir on Barr Creek near Kerang.
- Reinstatement of two small 7.5 MW hydro-electric turbines at Lake Eildon by Southern Hydro Partnership.
- Lake Buffalo operated with a reduced full supply level as a result of dam safety concerns. Investigations revealed some deficiencies in the top of the main bank and the changed operating regime was implemented to ensure the safety of the dam.
- A decision was taken to close Chinaman's Bridge Caravan Park which is situated on perimeter land at Goulburn Weir by June 2004. The site is highly flood prone and the infrastructure and services have major deficiencies.

Distribution Assets

Significant events that occurred during the year were:

- Maintenance and capital programs were again critically reviewed with a substantial number of projects deferred in response to the Authority's continuing difficult financial position due to low Goulburn System resources.
- The development and implementation of the Authority's second generation asset management information system, AssetLife, was completed at a cost of \$1.1m. The system provides advanced strategic planning tools for effective asset management.
- Implementation of the Murray Valley Irrigation Area strategic asset management plan commenced, while implementation of the Torrumbarry Irrigation Area plan continued and expenditure on the Pyramid-Boort Irrigation Area plan was reduced due to financial constraints.
- The replacement of Chinaman's and Luke's Weirs on the lower Broken Creek near Nathalia were completed at a total cost of \$0.8m, including fishways and automatic weir gates.
- Investigations commenced into the structural adequacy, failure risks and rehabilitation options for the 109 year old Campaspe Weir which diverts water to the Campaspe Irrigation District.
- Work continued on the siphon rehabilitation program for the East Goulburn Channel which supplies the Shepparton Area, with specialised concrete repair work costing \$180,000 being undertaken on two siphons constructed in the early 1900s.
- A railway crossing over the Central Goulburn No. 5 channel near Toolamba was rehabilitated by inserting five 1000 mm diameter polyethylene sleeves into the existing steel pipe barrels of the 1920s structure at a cost of \$96,000.
- Design work commenced on the \$5.4m capacity upgrade of the Waranga Western Channel down stream of the Loddon River to service new irrigation developments in the Boort area.
- The Supervisory Control And Data Acquisition (SCADA) software systems at Shepparton, Pyramid Hill and Cobram were replaced at a total cost of \$247,000 with upgraded systems integrating with the Irrigation Planning System.
- Work was completed on the actuation monitoring and control of seven channel regulating structures in the Murray Valley Area at a cost of \$285,000.
- Detailed design work commenced on the relocation of the Murray Valley No. 1 channel from within the Cobram township at an estimated cost of \$1.4m.
- Replacement of a \$0.7m Torrumbarry No. 1 Channel flume over the Bannagher Creek near Kerang commenced using pre-cast concrete components made at Goulburn-Murray Water's pre-cast concrete factory at Tatura.
- Replacement of the Koondrook spillway, which is a key structure within the Torrumbarry system. The existing timber spillway was replaced by an automatic structure capable of exact control and measurement. A new bridge has been constructed in front of the spillway. This bridge was jointly funded by Goulburn-Murray Water, the Shire of Gannawarra and the Department of Natural Resources and Environment. The Kerang Asset Services Unit undertook the design of the structure and construction of the spillway and bridge was carried out by Torrumbarry Area employees.
- Detailed design work continued on the \$18.4m pipelining of the Woorinen channel system near Swan Hill, with contracts awarded for the supply of pumps and the pipes for the rising main. Delivery of the 1.5 m diameter pipes has commenced.
- Detailed design was completed for the proposed \$5.5m pipelining of domestic and stock channels in the Normanville Waterworks District near Boort. The decision to proceed with pipelining will be subject to further customer consultation.
- An independent review commissioned by the Murray-Darling Basin Commission and the Department of Natural Resources and Environment on the environmental aspects of surface drainage within the irrigation areas of northern Victoria was completed. The report considered the surface drainage programs to be best practice compared to elsewhere in Australia and overseas.
- Construction of 21 kilometres of new primary surface drains and the remodelling of 5 kilometres of existing primary surface drains was completed in the Timmering, Deakin, Campaspe, Cornelia Creek, Muckatah and Mosquito catchments at a cost of \$4.4m. Work progressed on the design of new primary surface drains in the Stanhope, Muckatah, Murray Valley, Mosquito and Guilfuss-Congupna catchments.
- Construction was commenced on two new community surface drains in the Central Goulburn Area. The drains will be managed by Goulburn-Murray Water. Three other community groups petitioned Goulburn-Murray Water to manage their drainage schemes.

- Four community surface drains, totalling 49 kilometres in length were transferred into Goulburn-Murray Water's ownership. These drains are located in the Central Goulburn Area and were constructed under local government management.
- A three year research project commenced into the biology and control methods for Arrowhead, a species of aquatic weed that has spread to northern Victoria and poses a great threat to irrigation systems and natural waterways.

Asset Rationalisation

The asset rationalisation program continued across Goulburn-Murray Water during the year, resulting in assets with a total replacement value of \$1.6m being abandoned.

Area	Replacement Cost of assets abandoned
Shepparton	\$193,000
Central Goulburn	\$380,000
Rochester-Campaspe	\$418,000
Pyramid-Boort	\$98,000
Murray Valley	\$334,000
Torrumbarry	\$220,000
Total	\$1,643,000

The annual target of abandoning assets with a replacement value of \$2m was not achieved as the level of activity was reduced in the adverse financial conditions.



Goulburn-Murray Water employees on site at the Bannagher Creek Flume Project.

Performance Measures and Targets	Achievements/Outcomes
<i>Headworks Assets</i>	
No more than two unplanned service failures, longer than 24 hours, across all storages..	Achieved.
Capability of storage to hold design capacity 99% of time, or better, at each storage	Not Achieved. Buffalo restricted to 87% of capacity for 70% of the year.
Dam Safety Review Program – complete 50% of design reviews	Achieved.
Dam Safety Emergency Plans – review 25% of plans	Achieved.
<i>Distribution Assets</i>	
No unplanned service failures greater than 24 hours due to assets.	Achieved.
Abandon assets with combined replacement value of \$2 million.	Not Achieved. Assets with replacement value of \$1.6 million abandoned (program reduced due to financial constraints).
Progress reporting on Asset Management Improvement Plan to the Authority's September, February and May Board meetings.	Achieved.



Workforce and Organisational Development

To achieve corporate objectives and employee satisfaction through the best mix of capable employees, contractors and cost effective technology.

Workforce

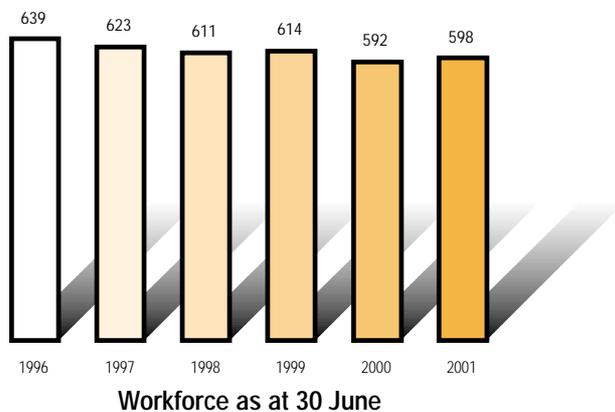
The budgeted workforce for 2000/2001 was 610.6 full time equivalent positions. At 30 June 2001 Goulburn-Murray Water had 598 full time equivalent employees of which 555 were in on-going positions. At the same time last year there were 592 full time equivalent employees.

Merit and Equity Employment

During the year 33 internal applicants and 60 external applicants filled 93 positions. The advertisement and selection process followed policies based on the State Government's merit and equity principles.

E-mail and Internet Usage Policies were developed and approved for implementation, with the objective of ensuring the appropriate use of these technologies.

Equal Opportunity, Harassment and Grievance Policies were revised and new documents drafted.



Industrial Relations

After preliminary meetings with the Australian Workers Union and the Community and Public Sector Union in December 2000, enterprise bargaining commenced in February 2001. The enterprise bargaining team consisted of unions and employee and management representatives from all geographically dispersed work groups.

The enterprise bargaining team met on 15 separate occasions between February and June 2001, with agreement being reached at the Australian Industrial Relations Commission hearing in July 2001.

There was no time lost during 2000/2001 due to industrial disputes or bans, however, bans on the collection of final water meter readings delayed billing for sales water usage following the end of the 2000/2001 irrigation season.

Workforce Training

The year started with the presentation of Certificate II in Water Industry Operations qualifications to Victoria's first ten water industry trainees, by the Minister for Environment and Conservation. All trainees subsequently obtained full time positions with Goulburn-Murray Water.

In November Goulburn-Murray Water took on another eight trainees in conjunction with the government's Youth Employment Scheme. These trainees are making successful progress and along with the first ten trainees are introducing much needed youth into Goulburn-Murray Water's employee profile.

Goulburn-Murray Water's Training Services Unit, which is a Registered Training Organisation, met all conditions of a training audit conducted by the Office of Employment Training and Tertiary Education.

For the second consecutive year, training for Goulburn-Murray Water employees was restricted due to the low water resource and the associated adverse financial situation. In total 1,557 individual training days were conducted at Goulburn-Murray Water's Training Centre and another 1,617 individual training days were delivered by Goulburn-Murray Water's Training Services at external client venues.

Information Technology

This year saw the launch of the 2000/2001 - 2002/2003 Information Technology Strategic Plan, developed with the assistance of DMR Consulting Pty Ltd. The Information Technology Strategic Plan will be reviewed each year to ensure alignment with the Goulburn-Murray Water Corporate Plan.

A number of initiatives from the plan commenced during the year. Most notably were projects relating to the development of a new Irrigation Planning and Water Ordering system and improving data communications facilities to the many remote Goulburn-Murray Water office locations. These and a number of other projects will form the basis of project work during 2001/2002 and following years.

Systems associated with billing and customer care, electronic document management and asset management were enhanced and were further integrated into the business processes of the organisation. A number of enhancements were required to accommodate the Goods and Services Tax.

Charity Golf and Bowls Days

In keeping with a tradition started over twenty years ago, employees of Goulburn-Murray Water devoted a considerable amount of their own time and effort to the organisation of two golf and bowls days to raise money for various charities. Highly successful events held at Kerang and Tatura raised over \$20,000 and represent an important element of the contribution Goulburn-Murray Water employees make to local communities



The charity golf and bowls days raised over \$20,000 in 2001.

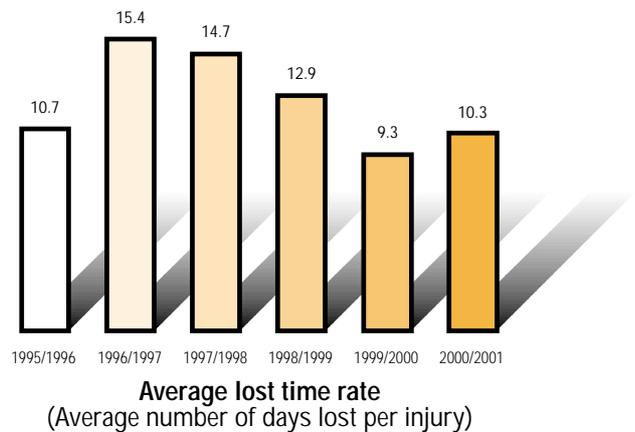
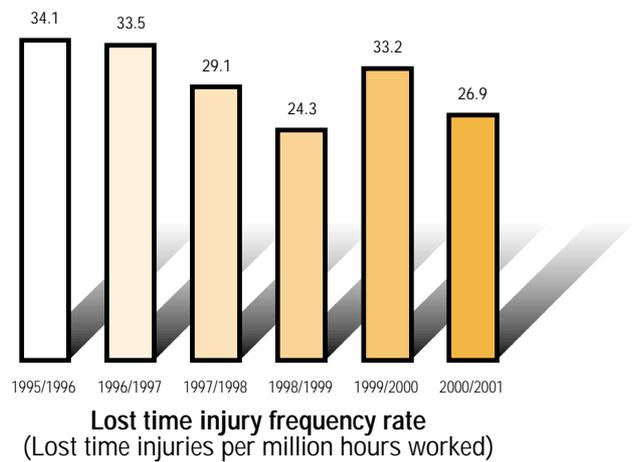
Innovation Award

The Innovation Award, which recognises an outstanding achievement of individual employees to Goulburn-Murray Water, continued. To be considered for the Award officers are required to implement ideas which:

- Provide cost savings
- Create improved policy or procedure
- Generate improved occupational health and safety practices
- Provide benefits from the application of new technology, plant tools or equipment
- Adapt an idea/method/object from outside the organisation

The Innovation Award in 2000/2001 was presented to Greg Smith for the development of the Production Management Unit's "One stop shop for key water resource information" intranet site.

Occupational Health and Safety Report



Major Achievements

- Following a competitive tendering process, a new occupational health and safety consultancy was awarded to Eva and Associates.
- The occupational health and safety consultant inspected ten major Goulburn-Murray Water work sites, with written reports provided to managers.
- An action list of occupational health and safety issues has been established for Goulburn-Murray Water to allow systematic checking and reporting.
- A new occupational health and safety management team was formed to manage the priorities and direction of the occupational health and safety consultant and Authority activities.
- The Goulburn-Murray Water Internal Auditor investigated and reported on Goulburn-Murray Water's occupational health and safety situation and a report was prepared for the Board. Means of ensuring compliance with policy was the major issue to be addressed and the recommendations of the audit are now being implemented.
- The Occupational Health and Safety Council, consisting of executive managers and employee representatives, was re-constituted and a schedule of future meetings was established.
- A complete review of all occupational health and safety policies and procedures commenced.
- Risk assessments and material safety data sheets were entered into Goulburn-Murray Water's electronic document management system to enable quick and easy access through computer retrieval.
- A stocktake of all hazardous materials was completed and a central database established and updated.
- Goulburn-Murray Water participated in the first occupational health and safety indicator review of all rural water authorities in Australia as part of the Australian National Committee on Irrigation and Drainage benchmarking review.

OHS Key indicators

	2000/2001	1999/2000
Number of occupational health and safety employee representative committees.	10	9
Number of meetings of occupational health and safety committees held during the year	43	n/a
Number of lost time injuries for the year Target based on 20% reduction of previous year was 27	25	34
Number of days lost to injuries incurred during the year Target based on 10% reduction on previous year was 281	264	313
Workcover: Initial premium	\$778 921	\$719 515
Lost Time Injury Frequency Rate (lost time injuries per million hours worked)	26.9	33.2
Average Lost Time Rate (average number of days lost per injury)	10.3	9.3

The majority of major injuries sustained by employees related to sprains and strains. The injuries resulting in most lost time were back strains caused by the lifting of submerged drop bars on channel regulators. A program for the replacement of drop bars with door type regulators was put in place to reduce the risk or likelihood of such injuries occurring. Other major injuries were strains and sprains of knees and ankles resulting from slipping while walking on channel banks and dam walls.

Performance Measure and Target	Achievement/Outcome
<i>Workforce Competency</i>	
Band progression linked to performance assessment, training and skills development, with reviews undertaken as scheduled.	Band progression for eligible employees was processed according to approvals. Performance appraisals were completed for all officers, although some mid year reviews were deferred.
<i>Occupational Health and Safety</i>	
Frequency-20% reduction in number of accidents per hundred employees compared with 1999/2000	Achieved. (27% reduction)
Severity-10% reduction in number of days lost per hundred employees compared with 1999/2000	Achieved. (16.5% reduction)
Reduction by 5% of sick leave taken without certificate compared with 1999/2000	Not achieved. A total of 1088 person days of sick leave were taken without a certificate during 2000/2001, representing a 3.2% decrease compared to 1999/2000.



Financial Management

To achieve self financing of the real operating and capital cost of each bulk and rural water service by 2000/2001 and establish long term business viability for each bulk and rural water service.

Trading Result

Goulburn-Murray Water's financial management objective was to achieve self financing by 2000/2001. The actual trading result for the year does not reflect this due to the current drought sequence. Future price levels, however, have been modelled to achieve self sufficiency and business viability using long term water availability assumptions.

The Authority had an operating loss of \$19.5m in 2000/2001. For the fourth consecutive year, sales revenue was well below normal due to the low resource position in the Goulburn System.

This loss of revenue continues to pose challenges for both Goulburn-Murray Water and our customers. Unfortunately the situation looks likely to continue in 2001/2002, given the low resource position in Goulburn System storages at 30 June 2001.

A comparison of results for the last six years is shown below.

	<i>Result (after abnormal items)</i>	<i>Sales</i>
2000/2001	\$19.5 m loss	\$6.1 m
1999/2000	\$26.3 m loss	\$ 2.3 m
1998/1999	\$21.2 m loss	\$ 6.3 m
1997/1998	\$ 5.9 m loss	\$ 6.1 m
1996/1997	\$ 7.4 m loss	\$17.3 m
1995/1996	\$12.3 m loss	\$10.7 m



The continued loss of revenue has impacted on all services reliant on the Goulburn System, with the Central Goulburn and Shepparton irrigation areas most severely affected. This has inevitably resulted in pressure on prices to be able to maintain viability and to fund required future asset renewal expenditure.

Gravity irrigation sales were \$6.1m in 2000/2001. This was mainly in the Murray System and compares to the rolling ten year average sales revenue of approximately \$13m prior to the commencement of the drought.

The Authority's pricing policy includes provision of adequate funding to maintain the condition of the required infrastructure using the renewals annuity approach. This involves planning and setting aside funds for future asset replacement and refurbishment, rather than including in prices a depreciation charge based on existing assets.

The financial statements are prepared in accordance with Australian Accounting Standards which require that asset consumption be measured using conventional depreciation charges based on replacement costs and expected asset lives. This approach means that in an average year Goulburn-Murray Water maintains commercial viability, whilst showing a loss in the financial statements.

The following table reconciles the financial result shown in the financial statements with that based on the renewals annuity approach.

	2000/2001 \$'000s	1999/2000 \$'000s
Loss for the Year	(19,545)	(26,322)
Add back Depreciation	25,459	25,904
Deduct Renewals Annuity	(14,844)	(13,609)
Loss for the Year after Renewals Annuity	(8,930)	(14,027)

The following key assumptions have been used in determining the renewals annuity charge:

- annuity period Storages - 100 years
 Bulk carriers - 100 years
 Distribution assets - 20 years
- interest rate 4.0% (real)
- allowance for future inflation not required as a real interest rate is assumed
- assets include storages, bulk carriers and distribution assets

The renewal results for each of the Authority's retail water services will be available from the Business and Finance Group at the Tatura office after 1 November 2001.

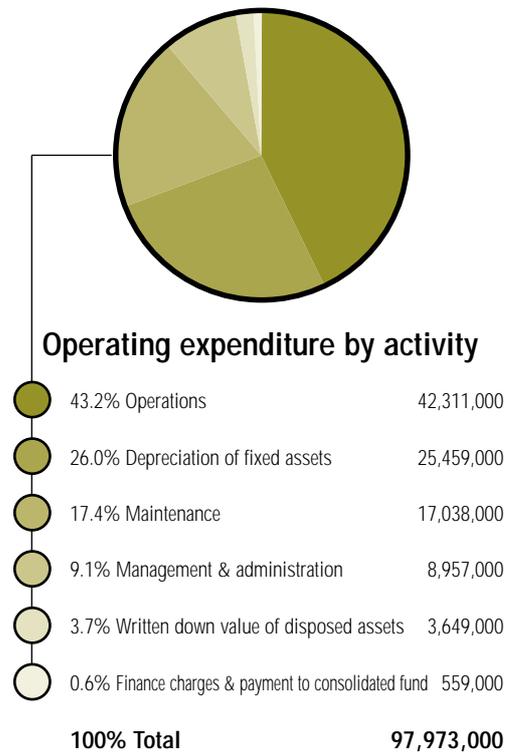
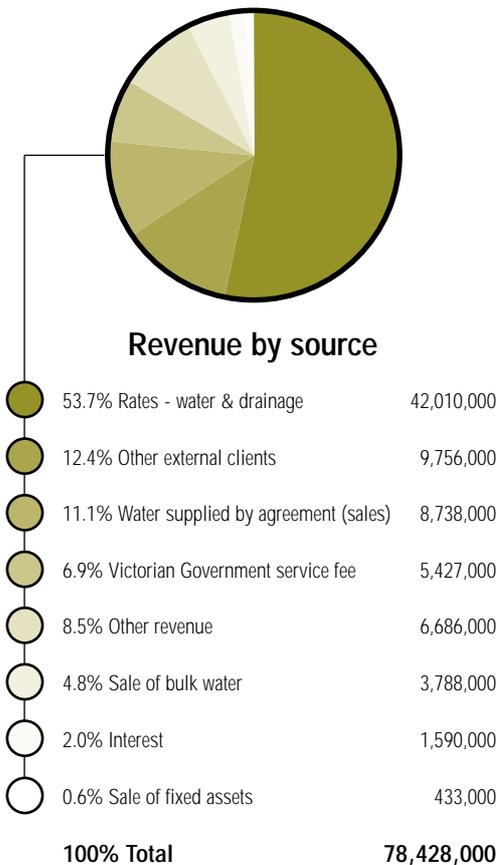
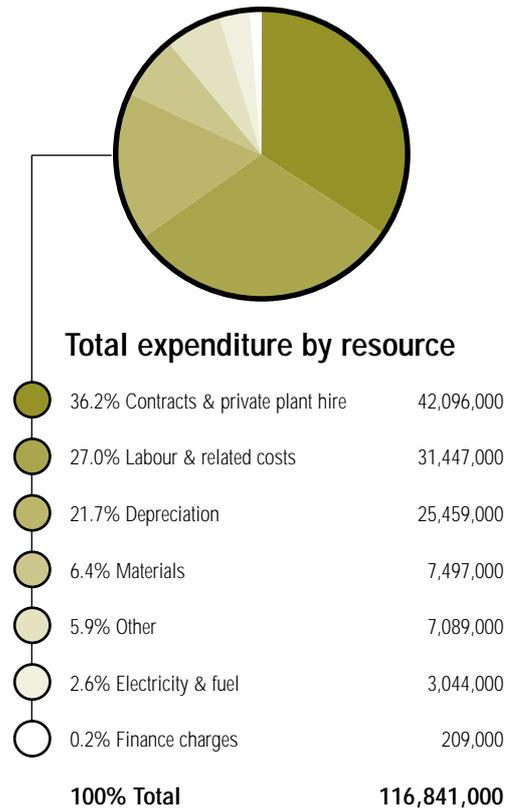
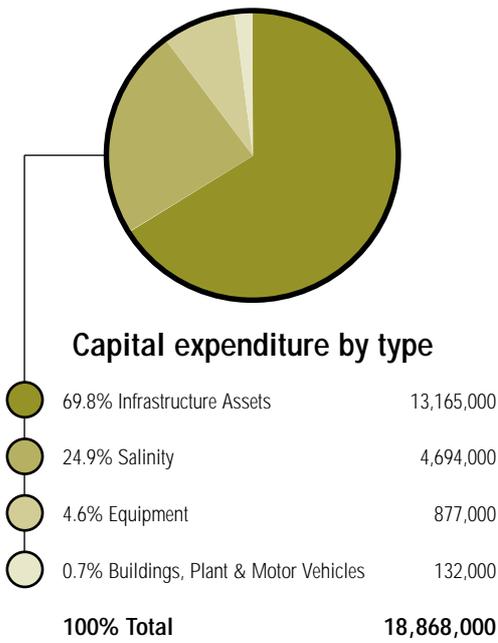
Financial Framework with Victorian Government

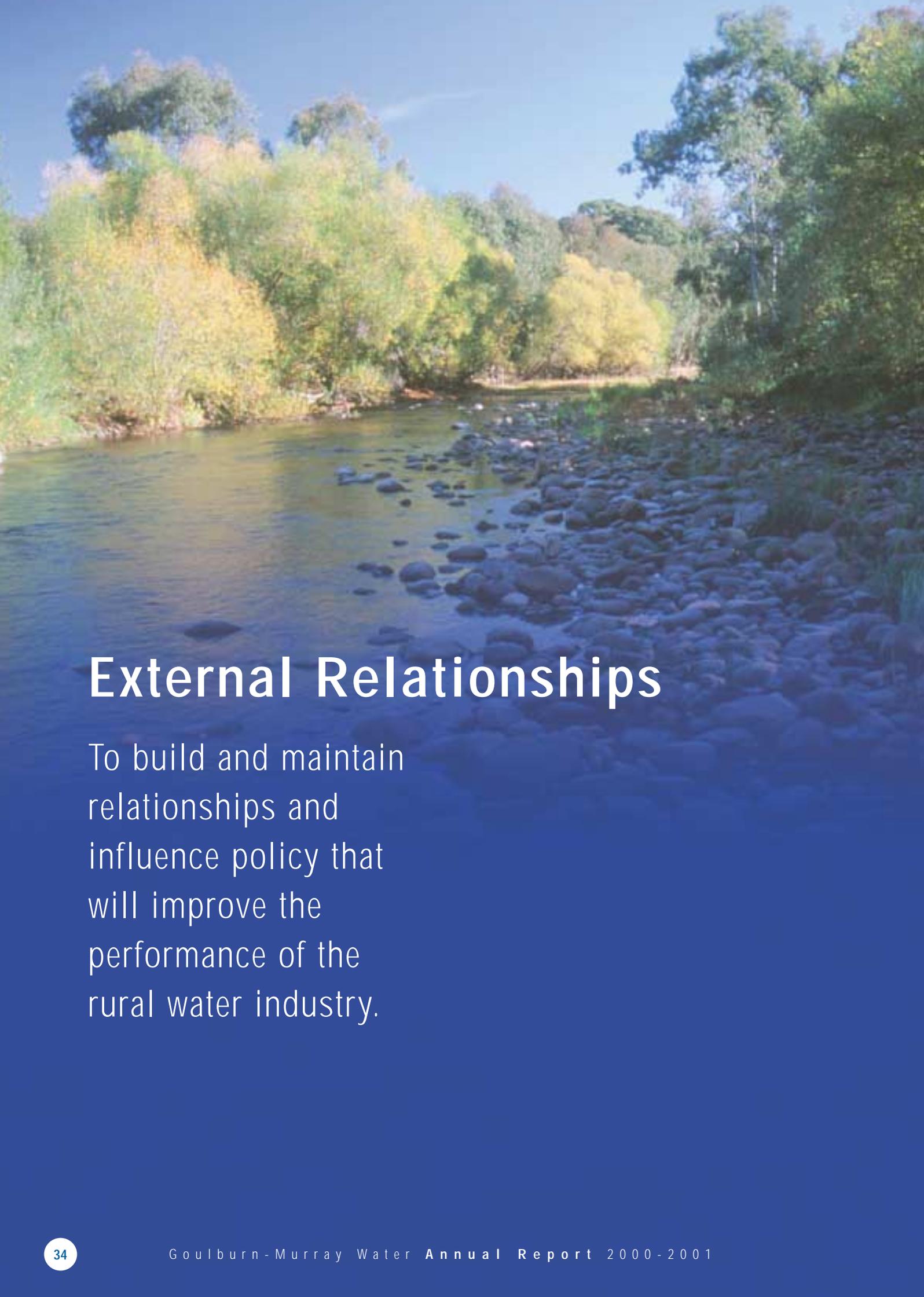
Goulburn-Murray Water is committed to the establishment of a financial framework with the Victorian Government with regard to a range of issues. These issues include pricing, productivity improvements, dividends, taxation equivalents, sharing of the cost of dam safety upgrading and security of cash reserves set aside for asset replacement.

Achievement of an agreed outcome will improve future planning and investment decisions for customers, secondary industry and the Authority.

The Authority will enter the Victorian State Tax Equivalent Regime from 1 July 2001, and is expected to progress to the National Tax Equivalent Regime from 1 July 2002.

Performance Measure and Target	Achievement/Outcome
Financial modelling used to demonstrate long term viability of each service.	Achieved
Prices consistent with long term viability approved by the Board by 30 April 2001.	Achieved
Financial productivity targets for all services established by September 2000.	Achieved
Capital program reporting to the Board at the end of periods 8 and 13.	Achieved





External Relationships

To build and maintain relationships and influence policy that will improve the performance of the rural water industry.

Australian National Committee on Irrigation and Drainage

Goulburn-Murray Water hosted the Australian National Committee on Irrigation and Drainage (ANCID) secretariat during the year with Stephen Mills (Director) as ANCID Chair and John Mapson (Manager Water Services) as ANCID Secretary/Treasurer.

The annual conference and annual general meeting were successfully conducted in September 2000 at Toowoomba, hosted by the Department of Natural Resources – State Water Projects. Goulburn-Murray Water customers won two of the four national ANCID Irrigation Awards announced at the Toowoomba conference. Rob and Cheryl Hosking of the Pyramid-Boort Irrigation Area won the award for “Effective Water Use on Farm”, while Donald and Sheelagh Watson of the Rochester Irrigation Area won the award for “Improved Practices in Drainage Management”.

Association of Rural Water Authorities

The Chair and Chief Executive represented the Authority in meetings of the association, which continued to provide a valuable forum to advance issues of shared interest to the Victorian rural water authorities.

Victoria Water Industry Association

The Chair was the Authority's delegate to the Victorian Water Industry Association Council and along with several Goulburn-Murray Water officers participated in and contributed to association deliberations and activities throughout the year.



The production of the 1999/2000 National Benchmarking Report for Australian irrigation water providers was undertaken by ANCID. This is the third National Benchmarking Report for the irrigation water provider industry in Australia. This year's report saw further growth in the number of water supply systems and benchmark measures reported with 61 measures being reported for 47 supply systems.

The International Commission on Irrigation and Drainage has adopted the ANCID benchmarking model to develop an international water provider benchmarking system.

Murray-Darling Basin Commission

The Chief Executive continued to serve as a Victorian Commissioner on the Murray-Darling Basin Commission and served on specific project boards associated with permanent interstate water trading, the future management of Lake Victoria and the Mitta Mitta ex-gratia payments process. Goulburn-Murray Water officers also made numerous contributions to various commission working groups. These contributions focussed mainly on asset management and water resource assessment and management, but also encompassed some aspects of natural resource management which were relevant to Goulburn-Murray Water's business.

The Authority was particularly pleased to see the successful completion of the commission's ex-gratia payments process to address the effect of Dartmouth Dam on pasture productivity in the Mitta Mitta Valley.

Community Surface Drains

The development of policies and procedures for the transfer of existing community surface drains from local government and land holder ownership to Goulburn-Murray Water were completed during the year, with the transfer process being commenced for five drains, and completed on four drains.

Processes for the implementation of new community surface drains under Goulburn-Murray Water's management were also developed during the year, in consultation with the Department of Natural Resources and Environment, and the statewide community surface drainage coordinating committee. To date, two community surface drains under Goulburn-Murray Water management are being constructed.

Surface Water Management Programs

Goulburn-Murray Water continued to work with its catchment partners on the implementation of surface water management programs within its irrigation areas.

Strong relationships have been developed with the catchment management authorities, the Department of Natural Resources and Environment, local government and community groups to deliver surface water management programs, with Goulburn-Murray Water taking the lead responsibility for primary surface drains, and the Department of Natural Resources and Environment leading the community surface drainage program.

Casey's Weir and Major Creek Rural Water Authority

The Department of Natural Resources and Environment and Goulburn-Murray Water continued to work with the Casey's Weir and Major Creek Rural Water Authority to progress the examination of options for pipelining its open channel supply system. It is proposed that Goulburn-Murray Water take over responsibility for this system and options for achieving this were developed for consideration by the Board of Goulburn-Murray Water and the Minister for Environment and Conservation.

While these investigations are underway customers continue to be serviced through the open channel system which is administered and operated by Goulburn-Murray Water's Shepparton Irrigation Area, under contract to the Casey's Weir and Major Creek Rural Water Authority.

Performance Measures and Targets	Achievements/Outcomes
River Murray Water – transparent bulk water charge set for Murray bulk water customers.	Partially Achieved. The outcome was achieved to the extent possible, given the limitations of information able to be provided by River Murray Water.
<i>State emergency management</i>	
Calls for emergency management support met.	Achieved
Emergency management plans and contacts kept current.	Achieved.
<i>Corporate planning and reporting:</i>	
1999/2000 Annual Report submitted to Minister for Environment and Conservation by 31 October 2000 for tabling in Parliament	Achieved.
2001/2002 Corporate Plan submitted to Minister for Environment and Conservation by 30 April 2001.	Achieved.

National Water Week

The theme 'Water for Life' was promoted during National Water Week, which was held in October 2000. Goulburn-Murray Water participated in a touring 'Water Show', which travelled to various schools in the region, promoting water conservation.

Native Title

Currently there are four native title claims over lands controlled by Goulburn-Murray Water. These claims have been made by Wamba Wamba, Barapa Barapa and Wadi Wadi (part of the former North West Nations claim which has now been discontinued); Dja Dja Wurrung and Gurnai Kurnai. These claims are all yet to continue to mediation.

Following the decision of the Full Bench of the Federal Court which confirmed the decision of the lower court that native title does not exist in the lands and waters claimed by the Yorta Yorta the Native Title Tribunal has removed the claim from the Register of Native Title Claims. The Yorta Yorta people have sought leave to appeal the Full Bench's decision to the High Court.

Subsequently, the Victorian Government advised the Yorta Yorta Aboriginal Community that the State would work co-operatively with the Aboriginal Community towards the goals of reconciliation and resolution of native title matters by mediation and thus, without prejudice to its position at any High Court hearing, would adopt a consultation process with the Yorta Yorta. Such consultation process would not involve any indigenous land use agreement or other agreements under the Native Title Act.

Australian National Committee on Large Dams

Goulburn-Murray Water continued to have an active role in the Australian National Committee on Large Dams (ANCOLD). David Stewart (Manager Dam Safety) was elected to the position of Junior Vice Chairman and Shane McGrath (Manager Dam Improvement Program) was elected as Victorian State Representative.

Ian Howley (Manager Headworks) attended the 22nd Congress of the International Commission on Large Dams in Beijing in 2001.

Training

Goulburn-Murray Water continues to play a major role in training advisory bodies both nationally through the Water Industry Education and Training Association of Australia and in Victoria through the Victorian Water Enterprise Training Advisory Board

Goulburn-Murray Water Training Services Unit provided 1,617 individual training days for a variety of organisations at their venues, including water authorities in New South Wales.

As a registered training organisation Goulburn-Murray Water was the provider of training and qualification assessor for water industry trainees employed at Melbourne Water, Barwon Water and Southern Rural Water.



Research and Development

Research and development remains an important part of Goulburn-Murray Water's business.

Goulburn-Murray Water is a partner in the National Program for Irrigation Research and Development, the Cooperative Research Centre for Catchment Hydrology and the Cooperative Research Centre for Freshwater Ecology. Goulburn-Murray Water contributes to these research bodies and has received funding from these and other bodies for specific research projects undertaken on their behalf.

An amount of \$839,719 was spent on research and development during 2000/2001, including contributions to the National Program for Irrigation Research and Development, the Cooperative Research Centre for Catchment Hydrology and the Cooperative Research Centre for Freshwater Ecology. A further \$215,000 was spent on Lake Mokoan restoration (\$149,500 from Goulburn-Murray Water funds and \$65,500 from Natural Heritage Trust funds), as a separate Goulburn-Murray Water research and development project.

The major benefits and outcomes of the program are summarised below.

Nutrient Removal from Rural Drainage Systems using Wetlands

- An 800 m section of drain was planted with club rush and spike rush to determine the effectiveness of nutrient removal.
- Following the positive results in terms of nutrient reductions during the first year of the trial, the second year results were inconclusive. There are indications that the plants act as a source of nutrients at higher drain flows.
- Some modifications to the monitoring regime will occur for the third year of the trial to seek a better understanding of the processes occurring.

Lake Mokoan Restoration Project

- A scientific panel reviewed the strategy for this project. The original restoration vision, conceptual model and strategies were revised, taking into account new understandings of vegetation management and physical processes.



Assessment of Ecological Risk Associated with Irrigation

- A workshop with relevant catchment stakeholders was undertaken to review and refine the list of ecological consequences of irrigation in the Goulburn Broken Catchment.
- Conceptual models were developed and ranked for up to six of the ecological consequences listed.

Biology of Arrowhead

- A biologist has been employed on a three year project to undertake research with the aim of providing effective and sustainable methods for the control of Arrowhead (*Sagittaria graminea*), in both irrigation conveyance systems and natural waterways such as the Goulburn, Ovens and Murray Rivers.



- Preliminary results from a study assessing the areas of the lake most at risk from wind induced wave shear stress were confirmed. The area of the lake affected by high wave shear stress is less at higher water levels.
- Vegetation around the fringes of the lake altered significantly due to slightly higher operating levels. Stands of Rush (*Juncus semisolidus*) were replaced by the suitable species Moira Grass (*Pseudoraphis spinescens*) and Cane Grass (*Eragrostis intercondia*).

Improved Irrigation Practices on Light Soils

- Flood irrigators on light soils at Rochester were identified as a group using excessive amounts of water
- A methodology (EM31) for identifying specific areas of high intake has been validated.
- Strategies are being developed with individual farmers to reduce their water usage on light soils.

General Information

Consultancies

Consultants were engaged by the Authority during 2000/2001 to assist with:

- The provision of expert analysis and advice to facilitate decision making
- Specific one-off tasks or set of tasks
- The provision of skills not currently available within the Authority

One consultants was engaged at a total contract cost of \$100,000 or more:

Consultant:	Klohn Crippen
Project:	Dartmouth surge chamber
Contract Total	\$156,000
Remaining Commitment:	\$123,000

Consultants engaged at a contract cost of less than \$100,000 numbered 19 and were paid \$404,184 in total.

Auditors

Internal: AFS & Associates Pty Ltd
External: Victorian Auditor General

Building Act

The Authority continued to ensure that it complies with statutory requirements set down by the Building Act 1993 and the accompanying Building Regulations 1994.

Freedom of Information

Three applications for information were made under the Freedom of Information Act 1982. Information was provided as requested in two cases. In the other case only partial information, being all that was available, was provided.

Cultural Overview

Goulburn-Murray Water sought to abide with the Managing Diversity Policy of Government and met its reporting requirements on the application of the Public Sector Employment and Conduct Principles.

National Competition Policy

Goulburn-Murray Water will continue to comply with Victorian Government policies and timeframes for National Competition Policy, including Competitive Neutrality, as requirements are developed.

Information Available

Information listed in Part 9.1.3(iv) of the guidelines to the Financial Management Act 1994, is retained by the accountable officer and will be made available to the relevant minister, members of parliament and the public upon request.

Corporate Directory

40 Casey Street, PO Box 165, Tatura Victoria 3616
(DX 32951)
Telephone: (03) 5833 5500
Facsimile: (03) 5833 5501
email: reception@g-mwater.com.au
www.g-mwater.com.au

Headworks Operations Centres

Headworks Goulburn

Goulburn Headworks Manager - Bob Klos
Lake Eildon, High Street, Eildon 3713

Headworks Murray

Murray Headworks Manager - David Jeffery
Hume Dam, Private Bag 2, Wodonga 3691

Headworks Loddon

Loddon Headworks Manager - Ivan Smith
Cairn Curran Reservoir, Maldon 3463

Irrigation Area Offices

Shepparton Area

Area Manager - Darren Nabbs
21 Wheeler Street, Shepparton 3630

Central Goulburn Area

Area Manager - Graham Smith
40 Casey Street, Tatura 3616

Rochester-Campaspe Area

Area Manager - Graham Clark
49 High Street, Rochester 3561

Pyramid-Boort Area

Area Manager - David Kent
24 Barber Street, Pyramid Hill 3575

Murray Valley Area

Area Manager - Kevin Preece
Dillon Street, Cobram 3644

Torrumbarry Area

Area Manager - Lester Haw
Koondrook Road, Kerang 3579

Diversions

Manager Diversions - Barry O'Donnell
40 Casey Street, Tatura 3616

GOULBURN-MURRAY

WATER



Goulburn-Murray Water

Financial Statements 2000-2001



DELIVERING PRICE EFFICIENT, SUSTAINABLE WATER SERVICES

Statement of Financial Performance

For the Year ended 30 June 2001

	Notes	2000/2001 \$'000	1999/2000 \$'000
Revenue from ordinary activities			
Operating activities			
Rates - water and drainage	3	42,010	40,094
Water supplied by agreement - (Sales)		8,738	4,347
Sale of bulk water	4	3,788	4,139
Victorian Government service fees	5	5,427	8,093
Other external clients	6	9,756	9,282
Interest from customers		203	298
Other revenue		2,133	2,098
Non-operating activities			
Interest on investments		1,387	1,852
Other revenue		4,553	3,638
Proceeds from sale of fixed assets		433	929
Total revenue		78,428	74,770
Expenses of ordinary activities			
Operations	7	(42,311)	(40,778)
Maintenance	8	(17,038)	(18,879)
Management and administration	9	(8,957)	(8,409)
Finance charges		(209)	(263)
Written down value of disposed assets		(3,649)	(6,474)
Depreciation of fixed assets	1.13,18	(25,459)	(25,904)
Payment to consolidated fund	10	(350)	(385)
Total Expenses		(97,973)	(101,092)
Net loss for the year	11	(19,545)	(26,322)
Increase in asset revaluation reserve	19(a)	3,857	52,298
Total changes in equity other than those resulting from transactions with the Victorian State Government as owner.			
	19(d)	(15,688)	25,976

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2001

	Notes	2000/2001 \$'000	1999/2000 \$'000
Current assets			
Cash at bank and on hand	29	10,082	4,991
Investments	13,29	15,000	25,000
Debtors and prepayments	14,29	12,889	7,438
Inventories	15	2,443	771
Total Current Assets		<u>40,414</u>	<u>38,200</u>
Non-Current assets			
Fixed assets	18	1,604,778	1,610,316
Total assets		<u><u>1,645,192</u></u>	<u><u>1,648,516</u></u>
Current liabilities			
Creditors and accrued expenses	16,29	12,579	9,347
Provision for employee entitlements	17	3,192	3,188
Total current liabilities		<u>15,771</u>	<u>12,535</u>
Non-Current liabilities			
Provision for employee entitlements	17	8,517	8,643
Total liabilities		<u>24,288</u>	<u>21,178</u>
Net assets		<u><u>1,620,904</u></u>	<u><u>1,627,338</u></u>
Equity			
Contributed capital	19(b)	1,611,538	1,602,284
Asset revaluation reserve	19(a)	96,751	92,894
Accumulated deficit	19(c)	(87,385)	(67,840)
Total equity		<u><u>1,620,904</u></u>	<u><u>1,627,338</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year ended 30 June 2001

	Notes	2000/2001 \$'000	1999/2000 \$'000
Cash flows from operating activities			
Receipts from customers		46,396	52,336
Receipts from other external clients		14,931	15,273
Receipts from Government		5,427	8,093
Goods and services tax collected		2,867	-
Refund of goods and services tax		1,854	-
Payments to suppliers and employees		(66,868)	(70,623)
Interest and other costs of finance paid		(209)	(263)
Payment to consolidated fund		(350)	(385)
Goods and services tax paid		(4,871)	-
Net cash from/(used in) operating activities	21	<u>(823)</u>	<u>5,117</u>
Cash flows from investing activities			
Payment for construction of infrastructure assets, and purchase of property, plant and equipment		(19,713)	(21,026)
Proceeds from sale of property, plant and equipment		433	929
Net decrease in investments		10,000	5,000
Net cash used in investing activities		<u>(9,280)</u>	<u>(15,097)</u>
Cash flows from financing activities			
Capital contributions Victorian Government		9,254	5,454
Net cash flows from financing activities		<u>9,254</u>	<u>5,454</u>
Net increase/(decrease) in cash held		(849)	5,091
Cash held at the beginning of the year		4,991	6,654
Cash held at the end of the year		<u><u>4,142</u></u>	<u><u>10,082</u></u>

The accompanying notes form part of these financial statements.

Notes to and Forming Part of the Financials

1. Summary of significant accounting policies

1.1 Accounting basis

The financial statements are a general purpose financial report prepared in accordance with Australian Accounting Standards, other mandatory professional reporting requirements (Urgent Issue Group Consensus Views), the requirements of the Financial Management Act 1994 and applicable Directions issued thereunder.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets which, as noted, have been periodically revalued. The accounting policies adopted in preparing the financial statements are consistent with those of the previous year, except where otherwise stated.

As a result of applying the revised accounting standard AAS 1 Statement of Financial Performance and new AAS 36 Statement of Financial Position and AAS 37 Financial Report Presentation and Disclosures for the first time, a number of comparative amounts were represented or reclassified to ensure comparability with the current reporting period.

All amounts shown in the financial statements are expressed to the nearest thousand dollars.

1.2 Investments

Investments are brought to account at cost with interest revenue recognised in the statement of financial performance when it is earned. All investments expected to be disposed of within 12 months of balance date are classified as current assets and all others are classified as non-current assets. [refer note 13, 29]

The current pricing policy provides for future asset replacement and rehabilitation by including an asset renewal charge which requires the setting aside of funds in the form of investments for such future works.

1.3 Inventories

Inventories are valued at the lower of cost and net realisable value, and consist of materials and supplies for asset construction, systems operation, and general maintenance, and finished goods at the Tatura Precast Factory. Costs are assigned to inventory quantities on hand at balance date on an average cost basis. [refer note 15]

1.4 Income recognition

Revenue is brought to account when services have been provided or when a rate is levied or determined. Charges for water delivered are made progressively through the year, with the final billing scheduled in June after all meters have been read.

The value of goods and services provided free of charge is recognised as revenue when the Authority gains control of them.

Any fees paid by developers or contributions for on farm works are recognised as revenue when received. Contributions for capital works from the State Government which the Minister for Finance and the Minister for Environment and Conservation have indicated are of the nature of owner contributions are accounted for as Equity - Capital Contributions. All other capital contributions are treated as revenue when received.

In accounting for the sale of fixed assets, the gross proceeds from sales are included as other revenue and the written down value of the assets disposed is disclosed as an operating expense.

1.5 Accounts receivable

Trade debtors are carried at amounts due. The collectibility of debts is assessed at balance date and specific provision is made for doubtful debts.

1.6 Bad and doubtful debts

A provision is made for doubtful debts based on a review of all outstanding receivables at balance date. Bad debts are written off in the period in which they are recognised.

1.7 Accounts payable

Liabilities are recognised for amounts payable in the future for goods and services received, whether or not billed to Goulburn-Murray Water (G-MW).

1.8 Employee entitlements

The calculation of employee entitlements includes all relevant oncosts.

Salaries, annual leave and sick leave

Liabilities for salaries and annual leave are recognised, and are measured as the amount unpaid at current rates in respect of employees services up to balance date. Sick leave is non-vesting and is not expected to exceed current and future sick leave entitlements and, accordingly, no liability is recognised in these financial statements.

Long service leave

A liability for long service leave is recognised, and measured as the amount unpaid at current pay rates in respect of employees' services up to balance date. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash flows. The estimated amount to be paid for long service leave in the next financial year is shown as a current liability. [refer note 17]

Performance payments

Performance based payments for G-MW's employees are based on a percentage of the annual salary package and tied to successful completion of performance targets in their employment contract. The amount accrued under these contracts at balance date has been recognised as a current liability.

1.9 Superannuation

Goulburn-Murray Water contributes in respect of its employees to a number of superannuation schemes administered by the State Superannuation Board, the Local Authorities Superannuation Board and other miscellaneous funds managers. The amounts of these contributions are determined by each scheme's actuary in accordance with statutory requirements, and are further detailed at note 20.

Goulburn-Murray Water has no unfunded superannuation liabilities.

1.10 Leases [refer note 23]

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits associated with the ownership of leased non current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of the minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

1.11 Fixed assets

Fixed assets include land, buildings, plant and equipment, motor vehicles and infrastructure assets. Assets with a cost of \$2,000 or more are capitalised. All other assets acquired are expensed. The cost of assets constructed by G-MW includes all direct labour and materials used in construction together with an appropriate proportion of applicable overheads. [refer note 18]

1.12 Valuation of fixed assets

All infrastructure assets, land and buildings are revalued on a cyclic basis, at least within five years. Infrastructure assets are valued at written down replacement cost and land and buildings are valued at market value based on existing use.

Revaluation increments are credited to a revaluation reserve except that, to the extent that the increment reverses a revaluation decrement previously recognised as an expense in the statement of financial performance in respect of that same class of assets, it would be recognised as revenue in the statement of financial performance for the reporting period. Revaluation decrements are recognised as an expense in the statement of financial performance except that, to the extent that a revaluation decrement reverses a revaluation increment previously credited to and still included in the balance of the asset revaluation reserve, the decrement is debited directly to that reserve up to the value of that prior increment.

As at 1 July 2000 Land and Buildings were revalued. The valuations were undertaken by independent valuation firms Hann, Mckenzie and Co., Regional Valuation Services Pty Ltd and Fisher Murphy Valuers. In accordance with AAS 38 Accounting for the Revaluation of Non Current Assets the Authority has restated separately the gross amounts and related accumulated depreciation of those assets. These assets were last revalued on 1 July 1996.

The recoverable amount test has not been applied to asset valuations as G-MW has been deemed a *not for profit* entity.

1.13 Depreciation of non-current assets

Depreciation is calculated on a straight line basis to allocate the cost or revalued amount of each non-current asset item (except land) over its expected useful life to G-MW. Depreciation of infrastructure assets is calculated in accordance with their assessed condition based remaining life. The assessments are made by engineering staff who have been appropriately trained. Buildings are depreciated based on condition assessments provided by qualified valuers. Additions to fixed assets in the financial year are depreciated from their respective dates of acquisition. Works in progress are not depreciated until they are put into use. [refer note 18]

1.13 Depreciation of non-current assets (cont)

The expected lives nominated for the different classes of assets are:

<u>Class of Assets</u>	<u>Estimated Life (years)</u>
Buildings	40
Bulk Carriers	up to 120
Storages	up to 200
Equipment and Furniture, fittings and computer equipment	3 to 10
Distribution assets	40 to 100
Plant and Motor Vehicles	2 to 5

These depreciation rates are the same as last year.

1.14 Cash at bank and on hand

Cash at bank and on hand includes petty cash on hand, G-MW's bank balance, deposits at immediate or 24 hour call with financial institutions and is net of any bank overdraft. [refer note 29]

1.15 Reporting on lines of business

These statements include separate reporting of the two main lines of business of G-MW; a wholesale headworks bulk water business and a retail water distribution business. [This is shown in note 25.] This method of reporting is in accordance with the requirements of the Ministerial Directions under Section 51 of the Financial Management Act 1994.

2 Background to Goulburn-Murray Water**(a) Goulburn-Murray Rural Water Authority**

The Goulburn-Murray Rural Water Authority was created on 1 July 1994, trading as Goulburn-Murray Water. G-MW is one of four successor bodies of the Rural Water Corporation.

(b) Transfer of headworks assets

By Order-in-Council dated 30 June 1995 ownership of the storages, distribution canals and other assets of the headworks business located within the Goulburn Murray region was vested in G-MW. These assets were previously owned by the Rural Water Corporation and managed on its behalf by G-MW.

(c) Wholesale business

The headworks system comprises the two major water systems from which G-MW takes its name, reflecting the dominant sources of the water resources on which the rural water sector in northern Victoria is based. The Goulburn System comprises storages, weirs and connecting channels which integrate the supply of water from the Broken, Goulburn, Campaspe and Loddon River catchments. The Murray System includes the operation of both Murray-Darling Basin Commission (MDBC) and State owned headworks assets located on the River Murray or within the Murray's Victorian tributary catchments of the Mitta Mitta, Kiewa and Ovens Rivers. The State's share of the MDBC assets and liabilities are not included within these statements. G-MW is the Victorian Constructing Authority for the MDBC. G-MW operates salinity mitigation works on the River Murray downstream of Nyah and in the Kerang region. Bulk water is delivered to supply points for nine other organisations which deliver water for irrigation, stock and domestic, private diversion and urban consumption.

(d) Retail business

Goulburn-Murray Water is responsible for delivery of rural water services to customers on 24,775 serviced properties. These properties are located within the six management areas of Shepparton, Central Goulburn, Rochester-Campaspe, Pyramid-Boort, Murray Valley and Torrumbary and along the river systems of northern Victoria. The rural water supply services provided to these customers include gravity irrigation, pumped irrigation, surface and sub surface drainage, surface and groundwater diversion, and stock and domestic water supply.

(e) Pricing

Goulburn-Murray Water operates an accounting and cost recording system which separately identifies the costs and revenues of each business line which has a separate price. This is designed to ensure the elimination of any cross subsidies. Both wholesale and retail pricing policy is based on setting price to break even in the longer term and includes a renewal annuity calculated to provide adequate funding to maintain the condition of existing infrastructure assets.

Wholesale prices are set separately for the two major water systems, the Goulburn and Murray.

Retail prices are set at the level of each separate service within each of the management areas. The services are gravity irrigation, pumped irrigation, domestic and stock, surface diversions, groundwater diversions, surface drainage, sub-surface drainage and flood protection. There are currently 35 services in total with separate prices set.

	2000/2001 \$'000	1999/2000 \$'000
3 Revenue - Rates water and drainage		
Irrigation and drainage - gravity	38,030	36,311
Irrigation and drainage - pumped	836	747
Domestic and stock	476	465
Diversions	2,668	2,571
Total	42,010	40,094

4 Revenue - Sale of bulk water		
Total bulk water sales	18,111	17,688
Bulk water sales to G-MW retail business [refer note 7]	(14,323)	(13,549)
Bulk water sales to other organisations	3,788	4,139

5 Revenue - Victorian Government service fees

The salinity program, the national landcare program, the water savings program and some other works are performed under an agreement with the Victorian Government. Costs reimbursed by the Victorian Government, and amounts paid for works not yet commenced, are included as Victorian Government service fees in the Statement of Financial Performance. The cost of provision of this service is included in operating expenses.

	5,427	8,093
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6 Revenue - Other external clients

Murray-Darling Basin Commission	7,513	7,419
Other external clients	2,243	1,863
Total	9,756	9,282

	2000/2001 \$'000		1999/2000 \$'000	
	Bulk Water	Total Expense	Bulk Water	Total Expense
7 Expenses - Operations				
Irrigation and drainage - gravity	13,183	26,874	12,442	26,235
Irrigation and drainage - pumped	110	419	110	402
Domestic and stock	49	555	45	156
Diversions	981	2,225	952	2,469
Government services contract	-	6,170	-	5,795
Headworks	-	13,492	-	12,267
MDBC	-	6,899	-	7,003
Sub-total	14,323	56,634	13,549	54,327
Deduct bulk water		(14,323)		(13,549)
Total		42,311		40,778

The bulk water charge is an internal charge levied on retail services by the wholesale business [refer note 4]. This charge is not included as an operating expense in the Statement of Financial Performance, but is included as an operating expense in reporting the Wholesale and Retail Operations at note 25.

8 Maintenance		
Included within maintenance expense for 1999/2000 is the amount of \$2,320,000 which was reported as an abnormal amount in that year. Under changed reporting requirements there is no provision to disclose abnormal amounts separately.		
	2000/2001	1999/2000
	\$'000	\$'000
9 Expenses		
Included in management and administration expenses are the following items:		
Auditor General - audit fees	72	68
Bad debts written off	29	-
10 Payment to Consolidated Fund		
Following a determination by the Treasurer of Victoria under section 5 (1A) of the Public Authorities (Dividends) Act 1983, G-MW made a payment to consolidated fund.		
	350	385
11 Net loss for the year		
Net loss for the year includes the following specific net gains and expenses.		
Net loss on disposal of fixed assets	3,216	5545
Employee entitlement expense	7,545	7457
12 Expense - Insurance		
G-MW arranged its major insurance covers for 2000/2001 for storages, properties and liability in a consortium of rural water authorities comprising Southern Rural Water, Sunraysia Rural Water, Wimmera Mallee Water and G-MW. G-MW also purchases insurances for specific construction projects, Directors and Officers Liability, Professional Indemnity and Marine Hull.		
G-MW retains a broker to handle its insurances and to advise on insurance matters as and when required.		
13 Investments [refer note 1.2]		
Investments are bank bills and promissory notes with financial institutions.		
	15,000	25,000
14 Debtors and prepayments		
Trade debtors	12,681	7,395
Less provision for doubtful debts	(100)	(100)
Prepayments	308	143
Total	<u>12,889</u>	<u>7,438</u>
15 Inventories [refer note 1.3]		
Materials	2,242	617
Finished goods - Tatura Precast Factory	201	154
Total	<u>2,443</u>	<u>771</u>
Pipes worth \$1.6 million delivered for the Woorinen pipeline are included in inventory for 2000/2001.		

Notes to and Forming Part of the Financials

	2000/2001		1999/2000		
	\$'000		\$'000		
16 Creditors and accrued expenses [refer note 1.7]					
Trade creditors and accruals		11,677		8,123	
Payroll related accruals		902		1,224	
Total		<u>12,579</u>		<u>9,347</u>	
17 Provision for employee entitlements [refer note 1.8]					
Current					
Long service leave		641		650	
Annual leave		2,551		2,538	
Total Current		<u>3,192</u>		<u>3,188</u>	
Non-current					
Long service leave		8,517		8,643	
Total		<u>11,709</u>		<u>11,831</u>	
18 Fixed assets [refer note 1.11,1.12,1.13]	Value	Deprec.	Accum.	Written-	Written-
	30/6/2001	2000/2001	30/6/2001	Down	Down
	\$'000	\$'000	\$'000	Value	Value
				30/6/2001	30/6/2000
				\$'000	\$'000
Wholesale					
Land	30,934	-	-	30,934	29,519
Buildings	8,436	318	3,688	4,748	3,098
Bulk carriers	53,281	500	23,755	29,526	29,986
Storages	859,759	5,995	249,978	609,781	614,018
Equipment	661	53	404	257	243
Furniture, fittings and computer equipment	908	108	521	387	492
Total as at 30 June	<u>953,979</u>	<u>6,974</u>	<u>278,346</u>	<u>675,633</u>	<u>677,356</u>
Retail					
Land	1,703	-	-	1,703	1,565
Buildings	10,062	251	4,178	5,884	4,807
Distribution assets	974,182	15,948	62,959	911,223	914,618
Motor vehicles	1,544	101	576	968	1,052
Plant	2,698	183	1,186	1,512	1,869
Equipment	2,050	121	1,514	536	472
Furniture, fittings and computer equipment	17,382	1,881	10,063	7,319	8,577
Total as at 30 June	<u>1,009,621</u>	<u>18,485</u>	<u>80,476</u>	<u>929,145</u>	<u>932,960</u>
Total for Authority as at 30 June	<u>1,963,600</u>	<u>25,459</u>	<u>358,822</u>	<u>1,604,778</u>	<u>1,610,316</u>

Storages and bulk carriers were revalued as at 1 July 1999. Distribution assets were revalued as at 1 July 1997. Land and buildings were revalued as at 1 July 2000. All other assets are at cost. The disclosure of accumulated depreciation was changed effective from 1999/2000. For storages, bulk carriers and buildings the depreciation accumulated up until revaluation date was included as accumulated depreciation and the full replacement cost shown as Value. Previous revaluations have disclosed Value as replacement cost net of accumulated depreciation. Distribution Assets is the only class of assets disclosed using the previous methodology, and this will be changed at the next revaluation.

18 Fixed Assets (continued)

Reconciliations

The reconciliation of movement in the written down value of each class of fixed assets is set out below.

	Opening WDV \$000's	Additions \$000's	Disposals \$000's	Revaluation increase \$000's	Depreciation \$000's	Closing WDV \$000's
2001						
Land	31,084	16	-	1537		32,637
Buildings	7,905	976	-	2320	(569)	10,632
Distribution assets	914,618	15914	(3,361)		(15,948)	911,223
Motor vehicles	1,052	132	(115)		(101)	968
Plant	1,869	0	(173)		(184)	1,512
Equipment	715	250	-		(172)	793
Furniture, fittings and computer equipment	9,069	627	-		(1,990)	7,706
Storages	614,018	1758	-		(5,995)	609,781
Bulk carriers	29,986	40	-		(500)	29,526
Total	1,610,316	19713	(3,649)	3857	(25,459)	1,604,778
2000						
Land	31,496	1	(413)			31,084
Buildings	8,338	46	(53)		(426)	7,905
Distribution assets	920,724	15,369	(5,778)		(15,697)	914,618
Motor vehicles	1,355		(113)		(190)	1,052
Plant	2,280	84	(116)		(379)	1,869
Equipment	800	205	(1)		(289)	715
Furniture, fittings and computer equipment	9,571	2,013			(2,515)	9,069
Storages	569,904	2,916		47,070	(5,872)	614,018
Bulk carriers	24,902	393		5,227	(536)	29,986
Total	1,569,370	21,027	(6,474)		(25,904)	1,610,316

	2000/2001 \$'000	1999/2000 \$'000
19 Equity and movements in equity		
(a) Reserves		
Asset revaluation reserve	<u>96,751</u>	<u>92,894</u>
Movements		
Asset revaluation reserve		
Balance 1 July 2000	92,894	40,596
Increment on revaluation of land and buildings	3,857	-
Increment on revaluation of storages, bulk carriers and salinity assets	-	52,298
Balance 30 June 2001	<u>96,751</u>	<u>92,894</u>
(b) Contributed capital		
Balance 1 July 2000	1,602,284	1,596,830
Salinity program capital contributions	5,754	5,454
Water savings program contributions	3,500	
Balance 30 June 2001	1,611,538	1,602,284

The Minister for Finance has approved the treatment of contributions received for capital works for the salinity program and water savings program as capital contributions in accordance with the provisions of the Financial Management Act 1994.

	2000/2001 \$'000	1999/2000 \$'000
19 Equity and movements in equity (continued)		
(c) Accumulated deficit		
Accumulated deficit at the beginning of the year	(67,840)	(41,518)
Net result for the year	<u>(19,545)</u>	<u>(26,322)</u>
Accumulated deficit at the end of the year	<u>(87,385)</u>	<u>(67,840)</u>
(d) Nature and purpose of reserves		
Asset revaluation reserve		
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1.12.		
Reconciliation of equity		
Total equity at the beginning of the year	1,627,338	1,595,908
Total changes in equity recognised in the statement of financial performance	(15,688)	25,976
Contributed capital for the year [refer note 19(b)]	<u>9,254</u>	<u>5,454</u>
Total equity at the end of the year	<u>1,620,904</u>	<u>1,627,338</u>

20 Superannuation

Goulburn-Murray Water contributes in respect of its employees, to the superannuation schemes of the Boards and Authorities listed below. Contribution details are:

	Employee Numbers	Contribution Rate %		
State Employee Retirement Benefits Board (defined benefits scheme)	20	12.50	92	107
State Superannuation Board, Revised Scheme (defined benefits scheme)	80	15.50	542	570
State Superannuation Board, New Scheme (lump sum benefit scheme)	276	8.00	1,055	1,043
Local Authorities Superannuation Scheme (defined benefits scheme)	10	9.25	73	88
Local Authorities LASPLAN Scheme (accumulation fund)	208	8.00	755	725
Other minor schemes	2	8.00	16	39
Total Contributions to all Funds			<u>2,533</u>	<u>2,572</u>

At 30 June 2001 the total of outstanding superannuation contributions was \$163,307 (2000 \$133,989), which forms part of creditors and accrued expenses.

21 Reconciliation of results from ordinary activities to net cash flows from operating activities

Net loss for the year	(19,545)	(26,322)
Depreciation	25,459	25,904
Loss on disposal of fixed assets	3,216	5,545
Change in assets and liabilities		
(Increase)/decrease in inventories	(1,672)	127
(Increase)/decrease in debtors and prepayments	(5,451)	5,410
Increase/(decrease) in creditors and accrued expenses	3,232	(2,467)
(decrease) in provision for employee entitlements	(122)	(217)
Net cash flows from/(used in) operating activities	<u>5,117</u>	<u>7,980</u>

	2000/2001 \$'000	1999/2000 \$'000
22 Capital commitments		
Pipeline construction	3,016	571
Channel and structure replacement	842	452
Other capital expenditure outstanding at 30 June	45	54
Total	3,903	1,077

This represents commitments outstanding on contracts for capital works.
These commitments all fall due within one year.

23 Leases [refer note 1.10]		
Non-capitalised lease rental charges	4,076	3,815
Operating lease commitments at 30 June:		
Not later than 1 year	3,404	3,245
Later than 1 year and not later than 5 years	5,099	4,864
Later than 5 years	5,506	6,799
Total	14,009	14,908
Finance lease commitments as at 30 June:		
Not later than 1 year	50	50
Later than 1 year and not later than 5 years	32	80
Minimum lease payments	82	130
Less future finance charges	9	17
Provided for in accounts	73	113
Representing lease liabilities:		
Current	40	40
Non-current	33	73
	73	113

24 Contingent liability		
Legal actions have been instituted against G-MW as a result of damages claims. Whilst G-MW has denied any liability, for annual report purposes it recognises that contingent liabilities exist.	655	705

	Wholesale		Retail	
	2000/2001 \$'000	1999/2000 \$'000	2000/2001 \$'000	1999/2000 \$'000
25 Wholesale and retail operations				
Bulk water sales [refer note 4]	18,111	17,688	-	-
Rates - water and drainage	-	-	42,010	40,094
Water supplied by agreement (Sales)	-	-	8,738	4,347
Other revenue	12,231	10,841	11,661	15,349
Total revenue	30,342	28,529	62,409	59,790
Operating expenditure	(20,391)	(19,716)	(36,243)	(34,611)
Maintenance	(4,133)	(6,082)	(12,905)	(12,797)
Depreciation	(6,974)	(6,779)	(18,485)	(19,125)
Other expenditure	(2,738)	(2,757)	(10,427)	(12,774)
Total expenditure	(34,236)	(35,334)	(78,060)	(79,307)
Profit/(Loss)	(3,894)	(6,805)	(15,651)	(19,517)
Investments	9,450	21,000	5,550	4,000
Fixed Assets	675,633	677,356	929,145	932,960
Capital Expenditure	2,151	3,531	16,717	17,495
Equity Contribution	-	-	9,254	5,454

Included in bulk water sales is the amount levied on the retail business by the wholesale business.
This amount is included in the revenue of the wholesale business and the expenses of the retail business (refer notes 4 and 7). These amounts are eliminated in the Statement of Financial Performance.

26 Responsible persons

The names of persons who were responsible persons for the financial year are:

Ministers

The Hon. Sherryl Garbutt MLA
(The Minister was not remunerated by G-MW)

Directors of the G-MW Board

Peter Ross-Edwards, AM (Chairman)
John Ernest Dainton (Deputy Chairman)
Sarah Cordelia Crooke
Ian Leonard Evans
Donald James Little, AO
Stephen Thomas Mills
Kenneth William Pattison
Denis William Flett (Chief Executive and accountable officer)

The total directors' remuneration was \$467,102 (1999/2000 \$453,305). Payments were made to individual directors within the following bands:-

Remuneration Band	Number of Directors	
	2000/2001	1999/2000
\$20,000 to \$30,000	6	-
\$30,000 to \$40,000	-	6
\$50,000 to \$60,000	1	-
\$60,000 to \$70,000	-	1
\$200,000 to \$210,000	-	1
\$220,000 to \$230,00	1	-

The total remuneration to non-director executive officers receiving more than \$100,000 was \$1,163,770 (1999/2000 \$1,388,530).

Payments exceeding \$100,000 were made to non-director executive officers within the following bands:-

Remuneration Band	Number of Executive Officers	
	2000/2001	1999/2000
\$100,000 to \$110,000	5	5
\$110,000 to \$120,000	1	3
\$120,000 to \$130,000	2	3
\$130,000 to \$140,000	2	-
\$140,000 to \$150,000	-	1

There were no other transactions between Responsible Persons or their related parties and G-MW other than those that occur within normal arm's length transactions between G-MW and its customers.

	2000/2001	1999/2000
	\$'000	\$'000
27 Transactions with other Victorian Government controlled entities		
Transactions between entities within the Natural Resources and Environment Portfolio		
Revenues	14,681	13,747
Expenses	9,085	8,297
Transactions with other entities controlled by the Victorian Government		
Expenses	2,225	2,215

28 Post Balance Day Events

No material events have occurred since balance date.

29 Financial Instruments

29(a) Terms, conditions and accounting policies

Goulburn-Murray Water's accounting policies including the terms and conditions of each class of financial asset, liability and equity instrument, both recognised and unrecognised at balance date, are as follows:

Recognised financial instruments	Note reference	Accounting policies	Terms and conditions
(i) Financial assets			
Cash at bank and on hand	1.14	Cash at bank and on hand includes petty cash on hand, G-MW's bank balance, deposits at immediate or 24 hour call and is net of any bank overdraft.	G-MW receives a competitive interest rate on its bank balance.
Investments	1.2, 13	Investments are brought to account at cost with interest revenue recognised in the statement of financial performance when it is earned.	All investments are bank bills or promissory notes with financial institutions, and are placed for short terms, usually 30 to 60 days.
Receivables - Debtors	1.5, 1.6, 14	Debtors are carried at the nominal amounts due less any provision for doubtful debts. A doubtful debts provision is made for any amounts considered unlikely to be collectable.	If payments are not made by the due date, debtors must agree to a payments schedule which will clear the debt before the next irrigation season. Supply is withheld if debtors default.
(ii) Financial liabilities			
Creditors and accruals	1.7, 16	Creditors and accruals are recognised for future amounts to be paid in respect of goods and services received, whether or not billed to G-MW.	Settlement of creditors is normally by the end of the month following the month invoiced.
Finance lease	1.10, 23	A lease liability has been recognised for a finance lease after excluding the interest expense component.	Payments will be split between interest expense and reduction of lease liability.

29(b) Interest rate risk

Goulburn-Murray Water's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date, are as follows:

Financial instrument	Notes	Floating interest rate \$'000	Fixed interest maturing		Non-interest bearing \$'000	Total \$'000
			In 1 year or less \$'000	Over 1 to 5 years \$'000		
2001						
(i) Financial assets						
Cash		10,082	-	-	-	10,082
Receivables - debtors	14	3,872	-	-	9,017	12,889
Investments	13	-	15,000	-	-	15,000
		13,954	15,000	-	9,017	37,971
Weighted average interest rate		7.5%	6.3%			
(ii) Financial liabilities						
Creditors and accruals	16.23	-	40	33	12,506	12,579
		-	40	73	12,506	12,579
Interest rate			8.0%	8.0%	-	
Net financial assets/(liabilities)		13,954	14,960	(73)	(3,489)	25,392

Financial instrument	Notes	Floating interest rate \$'000	Fixed interest maturing		Non-interest bearing \$'000	Total \$'000
			In 1 year or less \$'000	Over 1 to 5 years \$'000		
2000						
(i) Financial assets						
Cash		4,991	-	-	-	4,991
Receivables - debtors	14	1,846	-	-	5,449	7,295
Investments	13	-	25,000	-	-	25,000
		6,837	25,000	-	5,449	37,286
Weighted average interest rate		7.0%	5.5%			
(ii) Financial liabilities						
Creditors and accruals	16.23	-	40	73	9,234	9,347
		-	40	73	9,234	9,347
Interest rate			8.0%	8.0%	-	
Net financial assets/(liabilities)		6,837	24,960	(73)	(3,785)	27,939

Credit risk exposures

Goulburn-Murray Water's maximum exposure to credit risk at balance date for each class of recognised financial assets is the carrying amount of those assets as disclosed in the statement of financial position.

Concentrations of credit risk

Goulburn-Murray Water's debtors are concentrated in the farming sector, predominantly dairy, grazing, cropping and horticulture.

Levels of debt are managed closely, with interest charged at a rate above general overdraft rates and supply withheld if scheduled payments are not made. The Water Act 1989 fixes debt as a charge on the property and gives G-MW the ability to sell a property to recover debt. The Act also gives G-MW first call on the proceeds of a sale.

There are a large number of debtors and G-MW is not materially exposed to any individual debtor.

29(c) Net fair values

Goulburn-Murray Water's aggregate fair values of financial assets and financial liabilities both recognised and unrecognised at balance date, are as follows:

	Total in statement of financial position.		Aggregate fair value	
	2000/2001 \$'000	1999/2000 \$'000	2000/2001 \$'000	1999/2001 \$'000
(i) Financial assets				
Cash	10,082	4,991	10,082	4,991
Receivables - debtors	12,889	7,295	12,889	7,295
Investments	15,000	25,000	15,000	25,000
Total financial assets	37,971	37,286	37,971	37,286
(ii) Financial liabilities				
Creditors and accruals	12,579	9,347	12,579	9,347
Total financial liabilities	12,579	9,347	12,579	9,347

The following methods and assumptions are used to determine the net fair values of financial assets and financial liabilities:

Recognised financial instruments

Cash, cash equivalents and short term investments

These financial instruments have a short term to maturity. Accordingly it is considered that carrying amounts reflect fair values.

Receivables - debtors

Carrying amounts reflect fair values

Creditors and accruals

Carrying amounts reflect fair values

Lease liability

Fair value obtained by discounting expected future cash flows by the current interest rate for cash.

Certification

We certify that the financial statements of the Goulburn-Murray Rural Water Authority have been prepared in accordance with the Financial Management Act 1994, Australian Accounting Standards and other mandatory professional requirements.

In our opinion the statement of financial performance, statement of financial position, statement of cash flows and notes to and forming part of the financial statements present fairly the financial transactions during the financial year 2000/2001 and the financial position of the Goulburn-Murray Rural Water Authority as at 30 June 2001.

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

Chair 

Chief Executive 

16 August 2001

Auditor-General's Report



AUDITOR GENERAL VICTORIA

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Board of Goulburn-Murray Rural Water Authority

Audit Scope

The accompanying financial report of Goulburn-Murray Rural Water Authority for the financial year ended 30 June 2001, comprising the statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements, has been audited. The Members of the Authority's Board are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Board as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Authority's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly the financial position of the Goulburn-Murray Rural Water Authority as at 30 June 2001 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act 1994*.

MELBOURNE
14 September 2001


J.W. CAMERON
Auditor-General

Appendix A 1

APPENDIX A

Bulk Entitlement (Campaspe System– Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2000/2001 Annual Report in compliance with the requirements of Clause 18.3 of the *Bulk Entitlement (Campaspe System – Goulburn-Murray Water) Conversion Order 2000* 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 2000 to 30 June 2001.

BE Clause reference	Item	Report	Notes
18.1(e)	G-MW share of Lake Eppalock annual inflow	191,473 ML	See note 1
18.1(f)	Supply to primary entitlements	44,250 ML	See note 2
18.1(g)	Annual evaporation losses	29,444 ML	See note 3
18.1(h)	Internal spills from G-MW's share of storage	None	
18.1(i)(a)	Minimum passing flows between Lake Eppalock and the Campaspe Weir pool	Not implemented	See note 4
18.1(i)(b)	Minimum passing flows between the Campaspe Syphon and the River Murray	Not implemented	See note 4
18.1(j)	Credits	None	
18.1(k)	Temporary and Permanent Transfers of BE	Permanent: 0 ML Temporary: 4,189 ML	See note 5
18.1(l)	Transfers to G-MW	Permanent: 2 ML Temporary: 823 ML	See note 6
18.1(m)	Seasonal allocations in any month	10 August: 100% 15 September: 109% 16 October: 124% 31 October: 220%	See note 7
18.1(n)	Alteration to primary entitlements (Schedules 1 & 2)		
	Domestic and Stock Allowance	No change	
	Water Right	Increased by 117 ML	
	Licensed Volume	Decreased by 171 ML	
	Additional Supply (G-MW Campaspe Supplement)	No change	
18.1(o)	Transfers of primary entitlements	See Appendices C, D	
18.1(p)	Ministerial transfers of primary entitlements	None	
18.1(q)	Amendments to this BE	None	
18.1(r)	New BE	None	
18.1(s)	Implementation of Environmental Management and Metering Programs	In progress	
18.1(t)	BE compliance failures	None	
18.1(u)	BE compliance difficulties	None	
18.1(v)	Interruptions to minimum passing flows	Not implemented	See note 4

Notes:

- Annual inflows were calculated by mass balance.
- Supply to primary entitlements comprises 21,132 ML of Water Right and Domestic and Stock allowance and 11,610 ML of Sales in the Campaspe Irrigation District, and 9,999 ML of Licensed Volume and Domestic and Stock allowance and 1,509 ML of Sales delivered to private diverters.
- Annual evaporation loss calculated according to Schedule 4, Clause 6.
- Minimum passing flow obligations do not come into effect until cessation or completion of the 'Effect of Flow Manipulation on the Biota of a Lowland River' project carried out by the Cooperative Research Centre for Freshwater Ecology (Clause 11.3). This project is scheduled for completion in October 2003.
- Permanent and temporary transfers of entitlement, including temporary transfers of Sales allocation, to areas not covered by this Order.
- Permanent and temporary transfers of entitlement, including temporary transfers of Sales allocation, from areas not covered by this Order.
- The maximum permissible seasonal allocation in the Campaspe system is 220% Water Right.

**BULK ENTITLEMENT (AXEDALE, GOORNONG & PART ROCHESTER) REPORTING
DIVERSIONS BY OTHER AUTHORITIES WITH BULK ENTITLEMENTS
July 2000 to June 2001**

Authority	Town	Bulk Entitlement Volume (ML)	Diversion (ML)
Coliban Region Water Authority	Axedale	215	65.4
	Goornong		110.5
	Part Rochester	285	490.4
TOTAL		500	666.3

Notes:

1. Axedale and Goornong have a combined maximum annual volume of 215 ML
2. Rochester has a maximum volume of 285 ML over the five months of May, June, July, August and September, but must not exceed an average of 134 ML per annum over any consecutive 10 year period.

Appendix A 3

APPENDIX A

Bulk Entitlement (River Murray – Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2000/2001 Annual Report in compliance with the requirements of Clause 22.3 of the *Bulk Entitlement (River Murray – Goulburn-Murray Water) Conversion Order 1998* which obliges the Authority to report on certain matters as specified in Clause 22.1 of the same Order. The period of reporting is 1 July 2000 to 30 June 2001.

BE Clause reference	Item	Report	Notes	
22.1(b)	Irrigation Diversion	Volume (GL)		
	Yarrawonga Main Channel	495.5		
	National Channel	819.0		
	Ashwins Pump	0.8		
	Pental Island Pumps	13.1		
	Swan Hill No 9 offtake (when Fish Point Weir and Little Murray Weir are open)	10.6		
	Swan Hill pumps	29.0		
	Nyah pumps	6.5		
	Private diversion licences	60.7		
	Total Diversion	1,442.4		
22.1(c)	New offtake points	None		
22.1(d)	Irrigation Returns	Volume (GL)		
	Broken Creek irrigation return (Rices Weir)	0		
	Yarrawonga Main Channel outfall	14.0		
	Torrumbarry System Returns			
	- Koondrook Spillway	49.6		
	- Loddon River at Kerang Weir	121.2		
	- Sheepwash Creek weir	12.3		
	- Little Murray Weir	3.3		
	- 6/7 channel outfall	5.2		
	- Lake Boga Outfall channel	0		
	- Barr Creek at Capel's Crossing	42.1		
Total Returned	247.7			
22.1(e)	Murray System urban channel supplies	BE Volume (ML)	Diversion (ML)	Notes
	<i>Coliban Water</i>			
	Cohuna	677	503.4	
	Gunbower	131	97.5	
	Leitchville	422	534.9	See note 1
	<i>Lower Murray Water</i>			
	Kerang	1700	1,209.0	Supplied from Loddon River & channel 14/2
	Murrabit	58	32.0	
	Woorinen (supplied by Swan Hill)	231	0	
	Nyah West (supplied by Swan Hill)	275	0	Since May 2000
	<i>Goulburn Valley Water</i>			
	Katamatite	84	57.0	
	Nathalia	652	410.0	
	Numurkah & Wunghnu	1206	1,247.0	
Picola	44	34.0		
NRE Environmental allocation	27,600	27,220.0		
22.1(f)	Supply to primary entitlements (other than channel urbans)	932,728 ML		See note 2
22.1(g)	Metering program	Developed and implemented, yet to be submitted		
22.1(h)	Any temporary or permanent transfer of all or part of this bulk entitlement or of primary entitlements	Permanent: 4,865 ML Temporary: 9,780 ML		See note 3
22.1(i)	Any BE, licence or water right, temporarily or permanently transferred to G-MW or to the holders of primary entitlements.	Permanent: 2,478 ML Temporary: 3,824 ML		See note 4
22.1(j)	Amendment to this BE	None		
22.1(k)	New BE	None		
22.1(l)	BE compliance failures	Minor exceedance of maximum diversion rate on Yarrawonga Main Channel		See note 5
22.1(m)	BE compliance difficulties	None		

Notes:

- Overall Coliban Water usage was within their BE limit.
- Supply to primary entitlements comprises 611,218 ML of Water Right and Domestic and Stock allowance and 268,883 ML of Sales in irrigation areas and 45,576 ML of Licensed Volume and Domestic and Stock allowance and 6,641 ML of Sales to private diverters on main stream.
- Permanent and temporary transfers of entitlement, including temporary transfers of Sales allocation, to areas not covered by this Order.
- Permanent and temporary transfers of entitlement, including temporary transfers of Sales allocation, from areas not covered by this Order.
- According to hydrographic data, the maximum daily diversion rate of 3,100 ML/d on the Yarrawonga Main Channel was exceeded
- The maximum allowable diversion rate of 3,100 ML/d on the Yarrawonga Main Channel was exceeded on 54 days between 15 August 2000 and 15 May 2001. The maximum recorded diversion rate was 3,152 ML/d from 3 January 2001 to 11 January 2001. The discrepancy is within nominal measurement accuracy.

APPENDIX A

Bulk Entitlement (Eildon - Goulburn Weir) Reporting

This appendix is included in the Goulburn-Murray Water 2000/2001 Annual Report in compliance with the requirements of Clause 17.3 of the *Bulk Entitlement (Eildon-Goulburn Weir) Conversion Order 1995* 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 2000 to 30 June 2001.

BE Clause reference	Item	Report	Notes
17.1(d)	Goulburn Weir to Cattnach Canal	523,206 ML	See note 1
17.1(d)	Goulburn Weir to Stuart Murray Canal	571,889 ML	See note 1 and 2
17.1(d)	Goulburn Weir to East Goulburn Main Channel	278,128 ML	See note 1
17.1(e)(i)	Diversion by section 51(1)(a) licensed primary entitlement holders	30,098 ML	Goulburn d/s Eildon (not including tributaries)
17.1(e)(ii)	Diversion by other Authorities	23,267 ML	Refer to following table
17.1(g)	Eildon Storage contents	1,081 GL	Volume at 9am 30 June 2001
17.1(g)	Goulburn Weir Storage Contents	22.6 GL	Volume at 9am 30 June 2001
17.1(g)	Waranga Basin Storage Contents	182.7 GL	Volume at 9am 30 June 2001
17.1(g)	Greens Lake Storage Contents	7.7 GL	Volume at 9am 30 June 2001
17.1(h)	Target Filling Releases	None	
17.1(i)	Credits	None	
17.1(j)	Temporary and Permanent Transfers of BE	Permanent: 2,172 ML Temporary: 5,285 ML	See note 3
17.1(k)	Transfers to G-MW	Permanent: 1,065 ML Temporary: 14,743 ML	See note 4
17.1(l)	Goulburn Weir Releases	None	
17.1(m)	Change to entitlements – Schedule 1		
	1. Domestic & stock allowance	Increase by 531 ML	See note 5
	2. Water rights	Increase by 1,378 ML	See note 6
	3. Licensed diversions	Decrease by 209 ML	See note 7
	Change to entitlements – Schedule 3	None	
17.1(n)	Transfers of primary entitlements	See Appendices D, E	
17.1(o)	Supply to primary entitlements	1,127,016 ML	See note 8
17.1(p)	Amendment to this BE	None	
17.1(q)	New BE	None	
17.1(r)	Implementation of Environmental Management and Metering programs	Programs submitted and implemented	
17.1(s)	BE compliance failures	Minor breach of maximum diversion rates on Stuart Murray and Cattnach Canals	See note 9
		Minor breach of minimum daily flow rates from Eildon Pondage Weir	See note 10
		Failure to supply minimum daily flow at McCoy's Bridge	See note 11
17.1(t)	BE compliance difficulties	none	

Notes:

- Volumes based on hydrographic data collected by Thiess Services at sites 405702 (Cattnach Canal), 405700 (Stuart Murray Canal) and 405704 (East Goulburn Main Channel).
- Volume passed through test wheels back to Goulburn River deducted from flow at specified point (site 405700): 621,641 ML minus 5,209 ML equals 616,432 ML.
- Permanent and temporary transfers of entitlement, including temporary transfers of sales allocation, to areas not covered by this Order
- Permanent and temporary transfers of entitlement, including temporary transfers of sales allocation, from areas and authorities not covered by this Order
- Increase due to permanent transfers of entitlement and conversions from Water Right to Domestic and Stock.
- Increase due to permanent transfers of entitlement, allocation to prior commitments, amalgamations, conversion of supplies-by-agreement, outside district sales and diversion licences to Water Right, and conversion of Water Right to Domestic and Stock.
- Decrease due to permanent transfers of entitlement, conversion of diversion licence to Water Right, and new allocations in recognition of prior usage (eg tariff review, amnesty).
- Supply to primary entitlements comprises 996,695 ML of Water Right and Domestic and Stock allowance and 27,688 ML of Sales in irrigation areas, 27,946 ML of Licensed Volume and Domestic and Stock allowance and 2,153 ML of Sales to private diverters, and 13,748 ML to urbans with bulk entitlements and waterworks districts. Some supplies are also obtained from the Loddon River.
- According to operational and hydrographic data, flow in the Stuart Murray Canal exceeded 3600 ML/d on one occasion, and flow in the Cattnach Canal exceeded 3690 ML/d on five occasions. In all instances, the maximum flow was exceeded by less than 3.5%.
- According to hydrographic data collected by Thiess Services, the minimum daily flow rate from the Eildon Pondage weir was breached on three occasions when the required minimum flow rate was 120 ML/d. The lowest flow recorded was 119 ML/d.
- The hydrographic record for the Goulburn River at McCoy's Bridge now shows one day when the specified minimum flow was not met, this condition became apparent only after a retrospective change to flow measurement

Appendix A 5

BULK ENTITLEMENT (EILDON - GOULBURN WEIR) REPORTING DIVERSIONS BY OTHER AUTHORITIES WITH BULK ENTITLEMENTS July 2000 to June 2001

Authority	Town	Bulk Entitlement Volume (ML)	Diversion (ML)
Goulburn Valley Region Water Authority (Note 1) (Note 2) (Note 3) (Note 4) (Note 5)	Bonnie Doon	112	25.0
	Eildon	480	213.0
	Alexandra	916	452.0
	Seymour	5,340	1,767.0
	Nagambie	825	470.0
	Shepparton/Mooroopna/Toolamba	18,820	13,195.0
	Murchison	350	175.0
	Katandra West - channel supply	44	47.0
	Dookie - channel supply	180	114.0
	Tongala - channel supply	1,200	1,269.0
	Corop - channel supply	44	11.0
	Girgarre - channel supply	100	88.0
	Kyabram - channel supply	2,000	1,440.0
	Tatura - channel supply	2,600	1,695.0
	Merrigum - channel supply	204	0.0
	Rushworth - channel supply	530	416.0
	Colbinabbin - channel supply	89	37.0
Stanhope - channel supply	200	113.0	
TOTAL	34,034	21,527.0	
Coliban Region Water Authority	Boort - channel supply	425	267.4
	Pyramid Hill - channel supply	300	233.0
	Lockington - channel supply	130	89.7
	Mitiamo - channel supply	60	35.9
	Dingee - channel supply	50	15.9
	Rochester - channel supply	1,400	1,074.5
	Macorna - channel supply	40	7.9
	Mysia - channel supply	15	15.4
TOTAL	2,420	1,739.7	
TOTAL All Authorities		36,454	23,266.7

Notes:

1. Mooroopna BE was reduced from 3360 ML to 2460 ML, with 600 ML permanently transferred to Tatura BE and 300 ML permanently transferred to Cobram BE.
2. 3 ML was temporarily transferred from the Dookie BE to Katandra West BE.
3. 320 ML was temporarily transferred from Seymour BE to Tongala BE.
4. Tatura BE was increased to 2600 ML by permanent transfer of 600 ML from Mooroopna BE.
5. Merrigum is now supplied from Kyabram, allowing the temporary transfer of the Merrigum BE.

IRRIGATION DELIVERIES FOR SEASON 2000/2001

Area / District	Total Permanent Entitlements Allocated (incl. Irrigation Areas, Private Diversions) * ML	Gross Supply at Offtakes (excluding Volumes Paired in Other Areas) ML	Usage in Area / District					Diversion from Rivers, Streams Lakes and Main Channels		Total Usage ML
			Under Water Rights & Domestic & Stock Allowance		Total Delivered in Area or District ML	Usage supplied outside Area or District ** ML	Total Delivered by Area or District ML	Usage Under Entitlement & Domestic & Stock Allowance ML	Sales Usage ML	
			ML	ML						
# Shepparton	181,406	248,785	158,344	271	159,615	258	159,873		159,873	
# Central Goulburn	391,006	574,227	397,280	5,050	402,330	6,057	408,386		408,386	
# Rochester	187,768	253,659	218,308	7,022	225,330	2,330	227,660		227,660	
# Pyramid-Baert	229,835	320,295	221,763	15,336	237,099	5,103	242,202		242,202	
Campaspe District	20,282	38,109	21,132	11,610	32,742	0	32,742		32,742	
<i>River Diversions (includes tributaries)</i>										
- Broken River	26,919	13,857						13,442	415	13,857
- Goulburn River	67,322	40,944						38,791	2,153	40,944
- Campaspe River	18,576	11,509						9,999	1,509	11,509
- Loddon River	36,771	18,562						18,052	510	18,562
Goulburn System Total	1,159,882	1,517,926	1,017,827	39,298	1,057,125	13,748	1,070,873	80,285	4,586	1,155,744
# Murray Valley	259,103	504,863	253,218	92,426	345,644	3,243	348,887			348,887
# Torrumbarry	347,577	722,674	350,872	175,943	526,815	28,978	555,793			555,793
# Woorinen	11,187	9,400	7,128	514	7,642	0	7,642			7,642
Tresco	8,390	6,058	5,279	102	5,381	0	5,381			5,381
Torrumbarry System Total	367,134	738,132	363,279	176,559	539,838	28,978	568,816			568,816
Nyah	11,178	6,058	5,612	10	5,622	0	5,622			5,622
<i>River Diversions (includes tributaries)</i>										
- Murray River (above Hume)	3,762	2,410						2,410	0	2,410
- Murray River (Hume to Nyah)	72,515	49,807						43,166	6,641	49,807
- Mitta Mitta River	19,476	12,394						11,530	864	12,394
- Kiewa River	11,811	8,298						8,215	71	8,286
- Ovens River	38,844	13,388						13,187	221	13,388
Murray System Total	783,823	1,325,337	622,109	268,995	891,104	32,221	923,325	78,488	7,797	1,009,610
Goulburn-Murray Water Total	1,943,705	2,853,263	1,639,936	308,293	1,948,229	45,969	1,994,198	158,773	12,383	2,165,354
# GMID Total	1,607,860	2,631,883	1,607,913	296,571	1,904,484	45,969	1,950,453			
GMID % WR				18%	118%		121%			

* Permanent entitlements allocated as at 30 June 2000 (excludes Temporary TWE, D&S and other allocations)
 ** Supplies outside Area/District from channel network includes deliveries to urban systems & waterworks districts.
 *** Sales Volumes for Goulburn System and Campaspe District represent Water Delivered as Other Allocation

Appendix C

Permanent Transfer Of Water Rights And Diversion Licences Processed By The Authority During Year Ending 30 June 2001.

District/Area or Waterway	Buyers		Sellers		Net Increase for District/Area or Waterway
	No.	ML	No.	ML	ML
Shepparton	6	240.0	11	319.0	-79.0
Central Goulburn	21	734.5	41	2,143.5	-1,409.0
Rochester	13	626.0	20	1,509.0	-883.0
Pyramid-Boort	54	5,513.0	34	4,080.0	1,433.0
Broken River	1	100.0	1	100.0	0.0
Goulburn River	23	253.0	20	422.0	-169.0
Loddon River	7	179.0	9	183.0	-4.0
Goulburn System Total	125	7,645.5	136	8,756.5	-1,111.0
Murray Valley	9	494.0	9	342.0	152.0
Kerang-Cohuna	13	352.0	20	1,500.0	-1,148.0
Swan Hill	10	530.1	27	3,101.0	-2,570.9
Woorinen	1	131.0	6	133.1	-2.1
Nyah	3	85.0	15	404.6	-319.6
Tresco	3	71.5	5	115.5	-44.0
Mitta River	3	22.0	1	2.0	20.0
Murray River	11	559.0	17	1,412.0	-853.0
Kiewa River	4	198.0	3	138.0	60.0
Ovens-King River	11	355.6	11	355.6	0.0
Murray System Total	68	2,798.2	114	7,503.8	-4,705.6
Campaspe District	4	160.0	1	43.0	117.0
Campaspe River	12	453.0	13	548.0	-95.0
Campaspe System Total	16	613.0	14	591.0	22.0
Goulburn-Murray Total	209	11,056.7	264	16,851.3	-5,794.6
Sunraysia Rural Water	47	5,043.6			5,043.6
North East Water	1	350.0			350.0
Lower Murray Water	7	401.0			401.0
Other Authorities Total	55	5,794.6	0	0.0	5,794.6
Total Transfers	264	16,851.3	264	16,851.3	0.0

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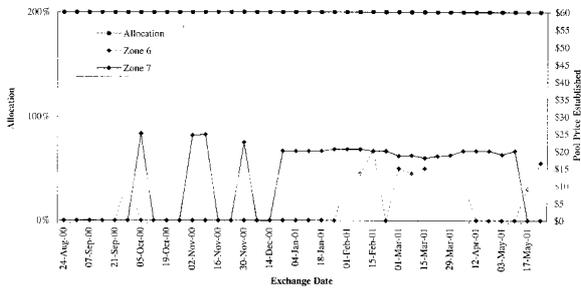
Temporary Transfer Of Water Rights, Diversion Licences And Sales Processed By The Authority During Year Ending 30 June 2001.

District/Area or Waterway	Buyers			Sellers			Net Increase for District/Area or Waterway	
	No.	Water Right ML	Sales ML	No.	Water Right ML	Sales ML	Water Right ML	Sales ML
Shepparton	490	21,931.4	0.0	635	26,797.9	0.0	-4,866.5	0.0
Central Goulburn	1,273	62,778.2	0.0	938	36,853.5	0.0	25,924.7	0.0
Rochester	743	42,608.1	150.0	395	19,680.1	28.3	22,928.0	121.7
Pyramid-Boort	370	29,801.0	161.9	437	40,745.3	149.0	-10,944.3	12.9
Broken River	7	574.0	0.0	7	574.0	0.0	0.0	0.0
Goulburn River	61	4,747.4	510.8	229	13,971.4	0.0	-9,224.0	510.8
Loddon River	32	1,530.5	0.0	49	3,235.5	0.0	-1,705.0	0.0
Goulburn System Total	2,976	163,970.6	822.7	2,690	141,857.7	177.3	22,112.9	645.4
Murray Valley	102	7,387.0	349.5	104	5,906.0	445.5	1,481.0	-96.0
Kerang-Cohuna	124	6,748.1	613.7	91	5,018.0	812.1	1,730.1	-198.4
Swan Hill	97	4,374.4	433.9	103	4,605.8	825.1	-231.4	-391.2
Woorinen	8	145.0	22.0	33	1,391.0	214.3	-1,246.0	-192.3
Nyah	5	81.0	0.0	22	649.8	0.0	-568.8	0.0
Tresco	7	66.5	40.0	11	414.2	0.0	-347.7	40.0
Mitta River	0	0.0	0.0	3	350.0	0.0	-350.0	0.0
Murray River	10	759.0	15.0	72	5,896.9	0.0	-5,137.9	15.0
Kiewa River	5	422.0	0.0	5	422.0	0.0	0.0	0.0
Ovens-King River	22	1,005.0	0.0	22	1,005.0	0.0	0.0	0.0
Murray System Total	380	20,988.0	1,474.1	466	25,658.7	2,297.0	-4,670.7	-822.9
Campaspe District	23	1,459.6	20.4	26	1,363.0	142.1	96.9	-121.7
Campaspe River	6	740.0	0.0	50	4,081.0	0.0	-3,341.0	0.0
Campaspe System Total	29	2,199.6	20.4	76	5,444.0	142.1	-3,244.4	-121.7
Goulburn-Murray Total	3,385	187,158.2	2,317.2	3,232	172,960.4	2,616.4	14,197.8	-299.2
Sunraysia Rural Water	12	1,948.9	94.2	12	2,420.0	0.0	-471.1	94.2
New South Wales	6	1,383.0	245.0	1	0.0	40.0	1,383.0	205.0
South Australia	0	0.0	0.0	0	0.0	0.0	0.0	0.0
Coliban Water	3	350.0	0.0	14	5,447.7	0.0	-5,097.7	0.0
Dept. Natural Resources	1	220.0	0.0	5	600.0	0.0	-380.0	0.0
Wimmera Mallee Water	0	0.0	0.0	1	300.0	0.0	-300.0	0.0
Goulburn Valley Water	6	803.0	0.0	38	10,410.0	0.0	-9,607.0	0.0
Lower Murray Water	1	5.0	0.0	0	0.0	0.0	5.0	0.0
Headworks	1	270.0	0.0	0	0.0	0.0	270.0	0.0
Other Authorities Total	30	4,979.9	339.2	71	19,177.7	40.0	-14,197.8	299.2
Total Transfers	3,415	192,138.1	2,656.4	3,303	192,138.1	2,656.4	0.0	0.0

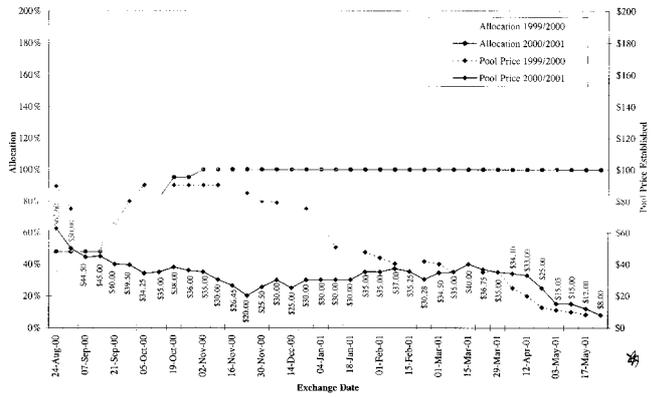
DOC ID: 637191: Temporary transfer of water entitlements - annual report - 2000/2001

Appendix E

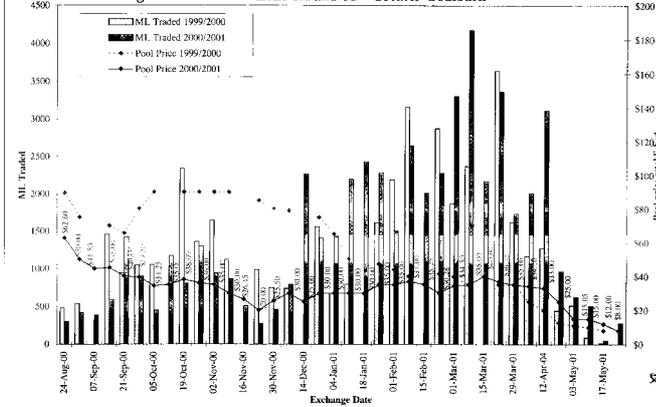
Northern Victorian Water Exchange POOL PRICE ESTABLISHED AND ALLOCATION Murray System 2000/2001



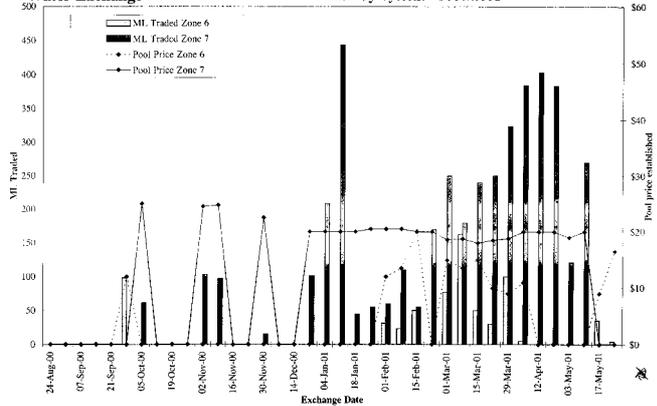
Northern Victorian Water Exchange POOL PRICE ESTABLISHED AND ALLOCATION Zone 1A and 1B - Greater Goulburn



Northern Victorian Water Exchange POOL PRICE ESTABLISHED AND ML TRADED Zone 1A and 1B - Greater Goulburn



Northern Victorian Water Exchange POOL PRICE ESTABLISHED AND ML TRADED Murray System - 2000/2001



PRIVATE DIVERSIONS FROM WATERWAYS AS AT 30 JUNE 2001

Drainage Basin	Regulated Waterways									Unregulated Waterways										
	Irrigation			Domestic & Stock			Other			Total	Irrigation			Domestic & Stock			Other			Total
	Licences	Authorised Volume	Authorised Area	Licences	Authorised Volume	Licences	Authorised Volume	Licences	Authorised Volume	Authorised Volume	Licences	Authorised Volume	Authorised Area	Licences	Authorised Volume	Licences	Authorised Volume	Licences	Authorised Volume	Authorised Volume
	No.	ML	Ha	No.	ML	No.	ML	No.	ML		No.	ML	Ha	No.	ML	No.	ML	No.	ML	ML
Upper Murray (401)	60	14870.5	1727.9	41	110.0	13	37.0		15017.5	132	8772.8	1403.0	324	736.0	89	1030.3				10539.1
Kiewa (402)	0	0.0	0.0	0	0.0	0	0.0		0.0	206	11810.7	1816.2	254	574.0	51	2285.8				14670.5
Ovens (403)	368	24696.8	5195.1	146	701.6	20	726.6		26125.0	350	14147.0	2733.9	495	1110.0	55	368.6				15625.6
Broken (404)	173	25327.2	4269.3	113	514.0	20	363.4		26204.6	61	1592.1	198.7	170	352.0	17	43.0				1987.1
Goulburn (405)	355	48094.9	8241.0	675	2845.4	63	1757.5		52697.8	379	15822.7	2924.4	1080	2312.0	87	3029.4				21164.1
Campaspe (406)	147	17131.7	2203.0	133	284.0	62	455.8		17871.5	76	1444.3	351.4	126	278.0	7	33.2				1755.5
Loddon (407)	226	21334.3	5268.6	225	490.0	24	293.9		22118.2	254	15436.2	2866.6	204	432.0	23	182.2				16050.4
Central Murray (409)	345	50625.0	8883.1	570	2455.1	53	2216.7		55296.8	48	4363.8	770.1	123	252.0	7	24.0				4639.8
Mallee (414)	83	17120.9	4142.0	78	204.0	10	68.0		17392.9	0	0.0	0.0	0	0.0	0	0.0				0.0
Total	1757	219201.3	39830.0	1981	7604.1	265	5918.9		232724.3	1506	73389.6	13064.3	2776	6046.0	336	6996.5				86432.1

Table includes non-consumptive purposes and volumes associated with Power Generation and Commercial Aquaculture licences.

GROUNDWATER EXTRACTIONS AS AT 30 JUNE 2001

Groundwater Management Area	Irrigation			Other		Total
	Licences	Authorised Volume	Authorised Area	Licences	Authorised Volume	Authorised Volume
	No.	ML	Ha	No.	ML	ML
Alexandra	7	1408.0	220.0	10	121.0	1529.0
Ascot	51	5914.7	1630.7	51	838.2	6752.9
Barnawartha	1	120.0	20.0	6	469.0	589.0
Bungaree	0	0.0	0.0	1	45.0	45.0
Diggora	53	14538.7	2557.7	49	289.0	14827.7
Echuca South	49	30958.1	5587.9	49	102.0	31060.1
Ellesmere	4	710.0	118.3	5	175.3	885.3
Goorambat	5	1386.0	266.0	7	134.0	1520.0
Katunga	130	58046.4	10165.2	191	2897.7	60944.1
Kialla 1	5	1479.6	272.5	3	107.0	1586.6
Kialla 2	4	522.0	95.0	4	106.0	628.0
Kinglake	40	1509.4	443.0	41	315.0	1824.4
Mid Loddon	50	23720.2	4577.4	41	344.0	24064.2
Moolort 1	18	2956.2	535.8	10	20.0	2976.2
Moolort 2	6	745.1	186.7	6	408.0	1153.1
Mullindolingong 1	4	135.7	25.0	17	172.0	307.7
Mullindolingong 2	13	889.8	150.5	27	152.0	1041.8
Murrungee	163	11570.3	2485.7	75	363.8	11934.1
Nagambie	35	6034.0	1291.0	23	446.0	6480.0
Shepparton	903	174491.7	37747.1	834	20236.2	194727.9
Spring Hill	48	4442.1	1412.3	20	391.0	4833.1
Other Areas	401	21034.8	5355.1	441	5814.1	26848.9
Grand Total	1990	362612.8	75142.9	1911	33946.3	396559.1



Compliance Index

The Annual Report of the Authority is prepared in accordance with the Financial Management Act 1994 and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure and other requirements.

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9.2.3(iv)(d)	Government grants received or receivable	48
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9.2.3(iv)(f)	Assets received without adequate consideration	N/A
9.4.2	Transactions with Responsible persons and their related parties	54
9.7.2	Motor vehicle lease commitments	53

