



ANNUAL REPORT

2020/21

About this Report

The Goulburn-Murray Water Annual Report 2020/21 describes our activities between 1 July 2020 and 30 June 2021 to ensure that we meet our regulatory obligations, maintain our asset base, meet customers' needs and achieve our vision of "delivering for our region and our future."

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

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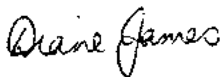
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Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present Goulburn-Murray Rural Water Corporation's Annual Report for the year ending 30 June 2021.



Diane James AM
Chairman
Goulburn-Murray Water
25th August 2021

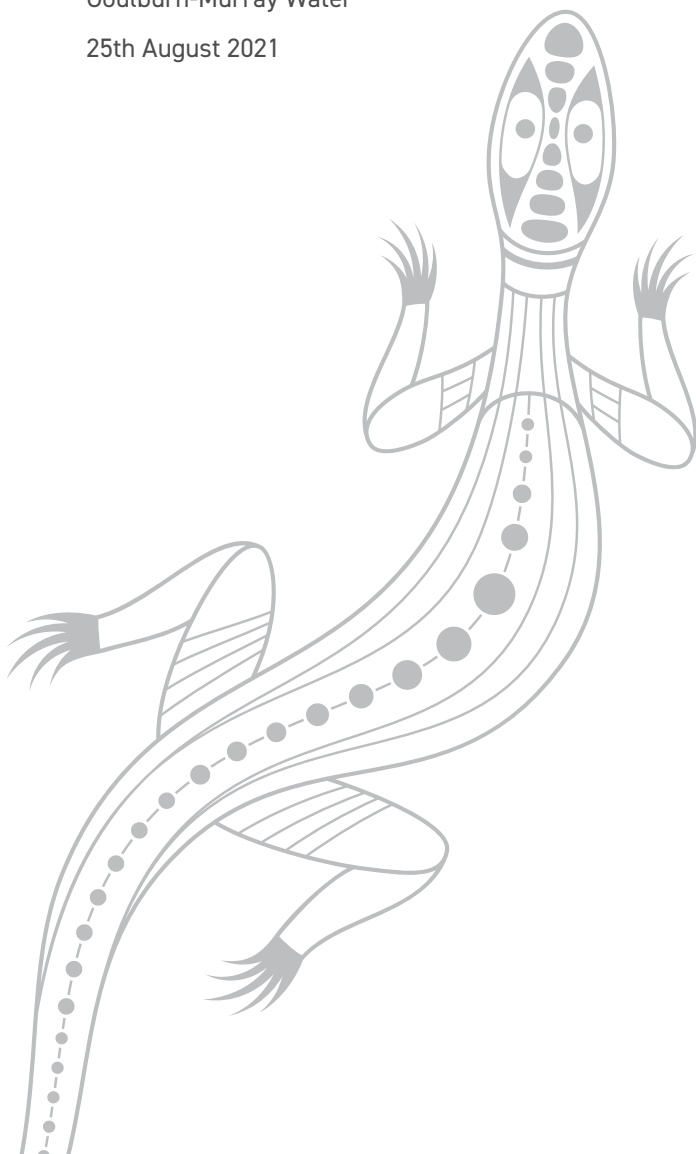
Acknowledgement of Country

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

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

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

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



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Chairman's and Managing Director's Report

The 2020/21 year has enabled GMW to demonstrate the benefits from the organisational Transformation that commenced in 2018. Leveraging the benefits of the Transformation Project, we were able to reduce the revenue requirements of GMW by \$64 million over the 2020-2024 pricing submission period. As a result, we have been delighted to deliver significant savings with most of our customers receiving a price reduction of about 10 per cent in this first year.

To deliver on our Vision for the organisation, the Board approved a suite of strategies during 2020/21. Implementation of these strategies has commenced and is driving new initiatives in areas as diverse as digital technology to land and on water services and people and culture. We are particularly pleased to have a strategic approach articulated, and stronger relationships being developed with Traditional Owners across our region.

In October, the Connections Project delivered its commitment to the Commonwealth and Victorian Governments' \$2 billion investment and achieved its goal of 429 GL of water savings within the Goulburn-Murray Irrigation District (GMID). This major achievement will enable the distribution of 77 GL of water entitlements to eligible Delivery Share holders in October 2021. This is in addition to the savings distributed to Melbourne Water retailers and the environment.

Following the success of the Connections Project, through a public consultation process we applied for and received further Commonwealth funding to initiate a new Water Efficiency Project. This project, which has already commenced, is forecast to achieve further water savings of 15.9 GL and will modernise or decommission more than 250 km of channels benefitting more than 1,000 customers.

During the year, we continued our participation in the multi-agency Victorian Murray Floodplain Restoration Project. The \$330 million long-term project will return water back onto high-value Murray floodplains, providing both environmental and biodiversity outcomes.

In addition, construction of the Koondrook and Cohuna fishways on the Gunbower Creek commenced in partnership with the North Central Catchment Management Authority (NCCMA), with GMW and Victorian funds contributing to the \$6.2 million projects. Construction of the fishways will help sustain native fish populations as well as supporting local tourism in the region.

Construction of the \$29 million Mitiamo Pipeline Project was completed during 2020/21. The infrastructure will provide year round domestic and stock services to 170 rural properties through over 300 km of pipeline. The pipeline replaces what was previously open channel dam fill schemes and will result in water efficiencies of 1 GL per year.

In addition to our capital works, a strong maintenance program was delivered, including our regular 'Winter Works'. This year's program focussed on removing restrictions in channel capacity through weed management and desilting programs. In total, the maintenance program leveraged an investment of approximately \$4 million in the May to June period.

More water was delivered this year in our regulated systems than in 2019/20. Last year's volume of 2,191 GL was surpassed as our irrigation, environmental and urban customers received a total delivery of 2,365 GL. This increase in delivery reflects the increased seasonal determinations across our regulated systems, and lower allocation prices on the temporary water market.

Of particular note this year, was the completion of GMW's Transformation Action Plan, our response to the Minister for Water's Strategic Advisory Panel (SAP) Review of 2018. It was pleasing to present the Minister with an independently audited assessment of the actions that GMW had taken to respond to the SAP Review. The assessment confirmed that GMW had successfully completed 25 of the 30 recommendations with the remaining five incorporated into ongoing business activities. We acknowledge and appreciate the support of the Minister for Water throughout GMW's transformation process.

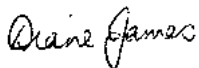
Again in 2020/21, our employees had long periods of working from home and working in socially distanced arrangements due to COVID-19. We are pleased to report however, these challenging but necessary social restrictions have not impacted the delivery of our new 'business as usual'. Our staff have demonstrated our values of excellence, honesty, accountability, courage and caring while working through this pandemic and we would like to thank them for their dedication and the successes that they have achieved over the last 12 months.

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Our technical systems have again proven to be reliable and our people resilient. GMW's financial results provide confidence around our future sustainability and our essential service delivery underpins irrigated agriculture and the economy in our region.

We would like to thank our customers and stakeholders for engaging with us with candour and respect. We look forward to new challenges and achievements next year and further strengthening relationships with all our key stakeholders, ensuring the ongoing success of our business.

We would like to acknowledge the Board and thank the directors for their contribution to the governance of GMW. Our thanks are also extended, to both the Minister for Water and the Acting Minister for Water for their continued support in 2020/21.



Diane James AM
CHAIRMAN



Charmaine Quick
MANAGING DIRECTOR



Vision and Values

Vision

Goulburn-Murray Water's vision of **'Delivering for our region and our future'** recognises the significant role we have in contributing to the prosperity of our region. We do this by providing essential rural water services to our customers at an affordable long-term cost, demonstrated by a 10 per cent price reduction for most customers in 2020 and maintaining that reduction throughout the current water plan.

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

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

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

Values

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

- Excellence - We pursue quality, innovation and continuous improvement in everything we do
- Honesty - We are truthful and transparent in all our dealings and communications
- Accountability - We take responsibility and ensure we follow through on all our commitments
- Courage - We take considered risks and step forward with conviction into a new future
- Caring - We look out for each other and demonstrate genuine empathy for our customers

Manner of Establishment and the relevant Minister/s

Goulburn-Murray Water (GMW) is established under the *Water Act 1989* (the Act). The responsible Minister for the period from 1 July 2020 to 30 June 2021 was the Hon Lisa Neville MP, Minister for Water. The Hon Richard Wynne MP acted as the Minister for Water from 15 February 2021 to 30 June 2021.

Nature and Range of Services Provided

GMW's functions are focussed on:

Delivering water services to our region including to:

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

Monitor the quality of our water:

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

Build and maintain infrastructure:

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

Manage our water supply:

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

Support strong and vibrant communities:

- inform and engage the community on water resource management, including resource availability, general operations and emergencies, including flood safety
- educate the community in better use of water for improved sustainability
- facilitate recreational use on and around our lakes and reservoirs
- provide feedback to governments on their policies and the impacts on the diverse needs of our community.

Legislative and reporting requirements:

- comply with legislative requirements under the Act and other relevant governing legislation
- meet reporting obligations to government in accordance with statutory requirements
- set prices to collect revenue for GMW's prescribed and complementary services
- comply with the regulator's requirements for setting water prices.

Purpose, Functions, Powers and Duties

About us

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

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

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

We are Australia's largest rural water corporation and manage, store and deliver water through 10,000 km of delivery and drainage infrastructure to more than 21,000 active customers using almost 36,000 services in northern Victoria. We manage 24 water storages that can hold approximately 11,000 GL of water and also have responsibility for managing more than 100,000 hectares of public land surrounding our storages.

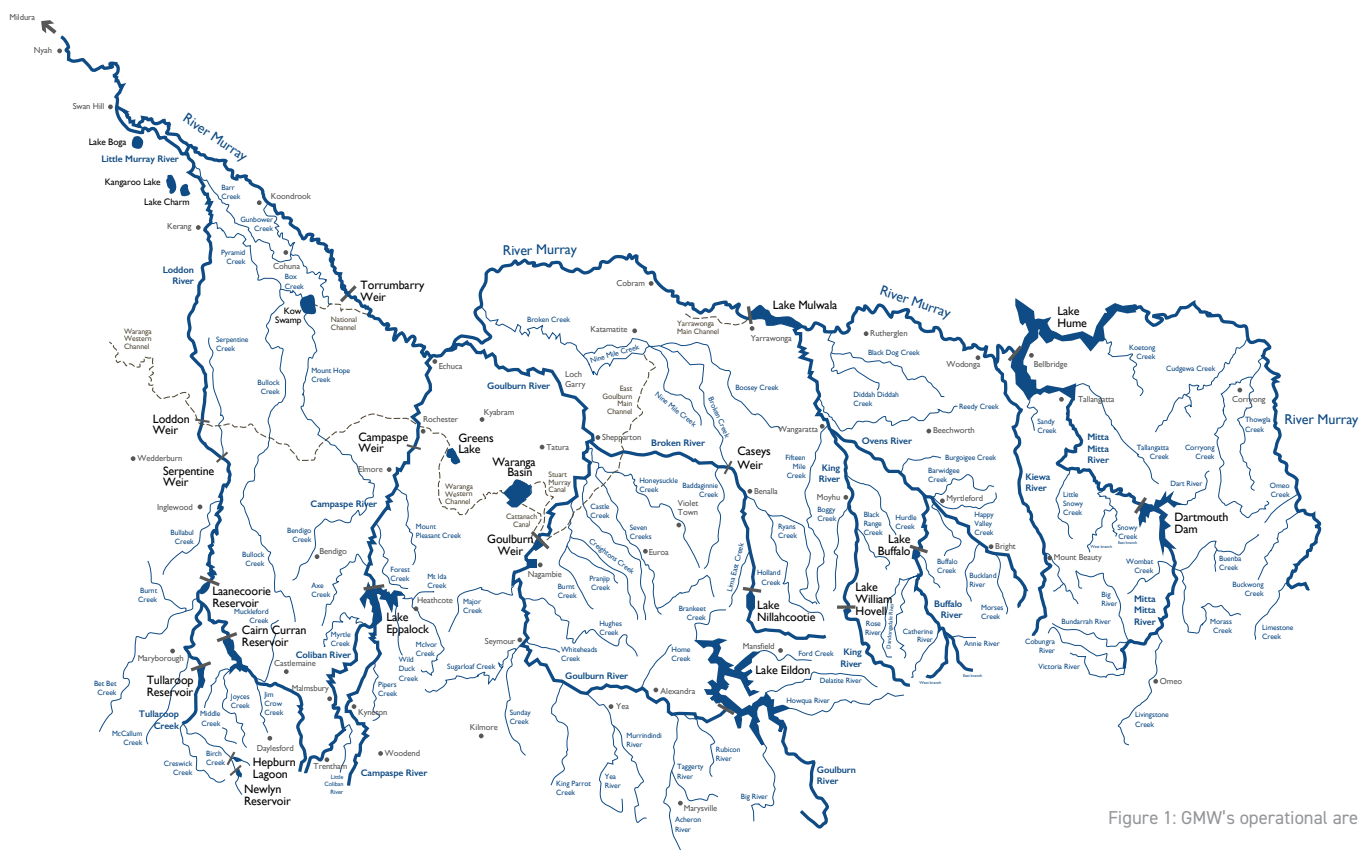


Figure 1: GMW's operational area

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

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

GMW maintains recreational infrastructure and services and manages safe boating access at 14 of our 24 storages. The complementary services portfolio includes 984 houseboat licences, 11 caravan park leases and 63 club licenses. To varying degrees, all the dams managed by GMW are available to the public for recreational use such as boating, fishing and swimming. The 71 recreation reserves located around GMW and MDBA storages are funded by GMW, the MDBA and partly or fully by local government.

Following the successful completion of the Connections Project in October 2020, we received Victorian and Commonwealth Government funding to complete the Water Efficiency Project. This project commenced in 2021 and will provide further water recovery, channel rationalisation and modernisation opportunities within the Goulburn-Murray Irrigation District (GMID). When complete, the project will generate up to 15.9 GL of water savings.

We have partnered with the CMAs to deliver multiple environmental projects including construction of the Koondrook fishway on behalf of the NCCMA and the Gunbower Weir fishway upgrade for the Victorian Murray Floodplain Restoration Project. These partnerships have used our expertise in engineering, procurement and construction management services and will result in ongoing environmental benefits.

Functions and Powers

GMW has functions and powers under the Act to provide, manage and operate:

- irrigation districts
- water districts
- waterway management districts.

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

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

Statutory Planning

In 2020/21 2,131 planning applications were referred to GMW including 10 Planning Scheme Amendment submissions. Under the *Planning and Environment Act 1987*, GMW is required to respond to matters referred within 28 days or within the time period determined by the relevant council.

The GMW Statutory Planning section is also involved in developing Domestic Wastewater Management Plans (DWMP) for councils largely within Special Water Supply Catchments across regional Victoria. Within our area of jurisdiction, 20 councils have developed DWMPs over recent years. During 2020/21, GMW continued to work with councils to develop and update the plans where required.

Coronavirus (COVID-19)

The impacts of the global coronavirus (COVID-19) pandemic have been significant and far reaching. The impacts have challenged us all to respond and adjust to a rapidly evolving situation. GMW, aligned with the advice of the Victorian Government, has taken unprecedented measures to maintain the health and safety of our people, customers and community whilst effectively maintaining the provision of critical services.

In 2020/21 we successfully operated in a state of "COVID normal" under the guidance of our Incident Management Team, facing the challenges of the ongoing pandemic in the following ways:

- our Customer Contact staff worked remotely whilst maintaining high levels of customer service
- our offices were closed to the public and customers were encouraged to use our online services, WaterLINE or our contact centre
- our operations teams continued to monitor the network and associated infrastructure by working remotely and rostering their activities to achieve effective social distancing
- our maintenance and construction teams continued to perform critical works on the network and implemented appropriate controls to ensure that social distancing and other hygiene measures could be achieved. This has also supported important continuation of work for local contractors
- over 250 of our staff worked from home, using our systems and online tools to remain engaged and connected as a business
- payment terms to our suppliers were changed to a five-day term in line with Victorian Government guidelines
- GMW customers received rent relief to the value of \$1.2 million
- our board conducted online briefings and board meetings to ensure continuity of effective governance.
- Peer support and the Employee Assistance Program (EAP) were maintained and promoted for our staff to access if required throughout the Victorian COVID-19 lockdowns.

As the Victorian Government restrictions eased all customer service centres reopened and our workforce briefly returned to full capacity. Maintaining the ability for our staff to work flexibly meant that we were able to adapt to the relevant COVID-19 restrictions in accordance with government advice.

Delivery Share Review

GMW completed all assigned actions arising from the 2018 Delivery Share Review (DSR). The key achievements included:

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

Share of Connections Stage 1 Water Savings

GMW continued to support Department of Environment Land Water and Planning (DELWP) in preparations for the October 2021 distribution of water shares to irrigators arising from Stage 1 of the Connections Project. Our project team worked with DELWP and customers to ensure that the distribution process is successfully delivered in October 2021. Members of GMW's Water Services Committees sat on the Irrigators' Share Stakeholder Advisory Group for the Irrigators' Share Distribution Project.

GMW also obtained approval to amend its Goulburn and Murray bulk entitlements to cater for the water share distribution.

Basin Plan

The water savings projects managed by GMW, including the Connections Project, Water Efficiency Project and the Mitiamo Pipeline continued to recover water towards Victoria's Murray-Darling Basin Plan targets through irrigation infrastructure upgrades. The Connections Project has contributed 429 GL (LTAAAY (Long term average annual yield) subject to auditing and verification) to the water savings total, with the Mitiamo Pipeline forecast to contribute 1 GL and the Water Efficiency Project 15.9 GL respectively.

Under the Sustainable Diversion Limit Adjustment Mechanism, GMW is supporting environmental works and measures coordinated through the \$330 million Victorian Murray Floodplain Restoration Project. The project is currently progressing through a concept development, regulatory approvals and environmental effects statement process.

GMW supported the Victorian Government in implementing interim changes to water use from tagged accounts and was a key partner in the steps to reduce Goulburn inter-valley trade deliveries to protect the environmental values of the lower Goulburn River.

Evolving from Transformation to Continuous Improvement

The GMW Transformation Working Plan (TWP) was adopted in February 2019, in response to the recommendations of the Strategic Advisory Panel (SAP) report published in January 2018. An audit of progress against the SAP recommendations completed in February 2021 shows that GMW has adequately addressed or embedded into business practices each of the 30 SAP recommendations. The completion of these initiatives has created multiple benefits for our customers including:

- a landmark \$64 million reduction in GMW's revenue requirement from the previous pricing period, enabling it to reduce costs and implement several important changes to its tariff structure.
- reduced water prices for most customers from July 2020.
- a common water delivery charge introduced across GMW's six irrigation districts.

Notable achievements of Transformation during 2020/21 include:

- asset management – We have established an asset management strategy that aligns our processes with the Victorian Government's Asset Management Accountability Framework (AMAF). This strategy works to identify tools that will enable us to plan to optimise the GMID footprint over the next 50 years to ensure that it is fit for purpose, due to changing environmental, market and cost challenges.
- financial sustainability – GMW implemented our investment framework throughout 2020/21. This framework enables us to ensure that projects align with the needs and strategic direction of our business and will support ongoing affordability of water for our customers.
- customer and stakeholder engagement – We have developed a reporting framework that provides consistent and accurate information on progress towards our strategic outcomes.
- supporting irrigation development within the GMID – We participate in the Agricultural Redevelopment Committee (ARC), which includes partner agencies Goulburn Broken Catchment Management Authority (GBCMA), NCCMA, Agriculture Victoria and DELWP. The ARC is established as part of the Goulburn Murray Resilience Strategy with an objective focusing on a Regional Investment Prospectus to provide branding of the region and its significant relative advantages. Through this process, information on land, water and infrastructure assets is intended to be made available to potential investors.

Building on our strengths, refined through the transformation process, we have embedded a culture of continuous improvement in the organisation. This culture is encouraged through an organisational structure that presents a renewed and resilient business, a strong leadership team that is supported through all levels of the organisation, an improved performance reporting process and implementing our board approved strategies and strategic framework.

Strategic Plan

In 2020/21 we worked to develop and implement the strategies that would help us to achieve our five strategic outcomes, and in turn GMW's vision – *'Delivering for our region and our future'*. Commencing to implement these strategies has enabled us to provide clear direction and alignment of organisational resources. The strategy framework, illustrated below, demonstrates our Vision, Values and the alignment of our Strategic Outcomes with the board approved strategies.

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Figure 2: Strategy Framework

People and Culture Strategy

Our *People and Culture Strategy* provides the blueprint for GMW to develop the capability of our most important asset, our people, to ensure that we are well placed to meet the challenges of today and the future. We successfully implemented the first year of this strategy, focussing on the areas of talent management, leadership and culture. Key achievements related to this strategy in 2020/21 include:

- developing and implementing a talent management policy and process
- leadership development training and
- improved performance and development process.

Safety and Wellbeing Strategy

Our *Safety and Wellbeing Strategy* builds on GMW's safety framework, which has a focus on three key areas of personal safety: asset safety and safety systems and processes. Using a strong safety culture and the principles of continuous improvement, the safety strategy identifies programs of work and activities to ensure that we have a safety and wellbeing program that supports the needs of both the individual and our business. The first year of the strategy was successful, with the following initiatives implemented in 2020/21:

- ten fatal risks to the business identified, and development of standard operating procedures to reduce those risks is ongoing
- incident escalation and investigation process developed
- externally supported return to work process developed and implemented.

Communications Engagement and Partnership Strategy

Our *Communications, Engagement and Partnership Strategy* was developed in 2018, and supports our strategic outcome of "satisfied customers, trusting partners." This year saw the completion of the 2018 strategy and its 20 outputs. The strategy supports our vision and values through effectively and efficiently delivering the communications, engagement and partnerships function across the organisation. Key achievements completed in 2020/21 include:

- International Association for Public Participation (IAP2) based stakeholder engagement training program implemented for project managers
- engagement activities have extended to customer segments and subject specific focus groups in addition to the traditional Water Services Committees
- internal communications plan co-designed

Service Strategy

Our *Service Strategy* guides the development of individual service plans for each of our prescribed services. In 2020/21 GMW began the key stakeholder engagement and financial modelling for developing service plans for the gravity irrigation, diversions and drainage prescribed services. Key achievements in 2020/21 include:

- engagement workshops with Water Services Committees completed
- initiatives for investigation identified to guide future service direction
- financial models developed to support decision making on future service direction.

Digital Strategy

Our *Digital Strategy* underpins GMW's future development directions and usage of technologies to deliver a simple, smart and seamless experience for both internal and external customers. Following board approval of the strategy, a governance group and implementation plan for this strategy have been developed. Key achievements of this strategy in 2020/21 include

- a major upgrade to the document management system, Objective
- business intelligence tool, PowerBI implemented
- collaboration and video conferencing tool, Microsoft teams implemented

Cyber Security Strategy

Our *Cyber Security Strategy* outlines GMW's guiding principles, objectives and priorities to ensure cyber security is maintained and improved, while prioritising the areas of biggest risk. This risk based approach allows GMW to constantly update priorities and remain vigilant to cyber threats. Key achievements of this strategy in 2020/21 include:

- multi-factor authentication (MFA) introduced
- security awareness training implemented throughout the organisation
- cloud security standard developed

Asset Management Strategy

Our *Asset Management Strategy* provides GMW's plan for improving our asset management through targeted actions in ten asset management focus areas. The initiatives identified in this strategy will ensure that GMW has the appropriate systems and processes to manage our asset base to meet short, medium and long term customer requirements. Key achievements in 2021/22 include:

- organisational training in and implementation of the investment framework
- asset management plans aligned with asset lifecycles
- maintenance improvement plans developed, including a stores management plan.

Financial Sustainability Strategy

Our *Financial Sustainability Strategy* has been under development throughout 2020/21 and is due for board approval in August. The strategy will present a plan to achieve financial management that ensures value for money services. The *Financial Sustainability Strategy* will be implemented from 2021-2025.

Water Resources Strategy

Our *Water Resources Strategy* was developed throughout 2020/21 and approved in May 2021. The strategy presents our plan for the future management of water availability and its links to our services using the skills of our people and sound science. Combined with the use of technology and communications, we will develop the GMW services needed for our region and our future. Implementation of this strategy will commence in 2021/22.

Environment Strategy

Our *Environment Strategy* focusses on reducing the impacts of GMW operations on the environment. By focussing on the four pillars of environmental leadership, biodiversity, energy and waste, this strategy defines the roadmap for managing and developing work programs designed to embed and improve our environmental practices. This strategy was developed throughout 2020/21 and implementation will begin in 2021/22.

Reconciliation GMW Strategy

We acknowledge Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and as the proud representatives of the world's oldest, living culture. We also acknowledge our organisation is coming from a relatively low knowledge base and we have a lot to learn from Traditional Owners. Our *Reconciliation GMW Strategy* provides a roadmap for GMW's active contribution to continued reconciliation and fostering meaningful relationships with the Traditional Owners of the land within the GMW region, the Yorta Yorta, Dja Dja Wurrung, Taungurung and Gunaikurnai people. This strategy is supported by our *Reconciliation Action Plan*. This strategy was developed throughout 2020/21 and implementation will begin in 2021/22.

Land and on-Water Strategy

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

- completing a review of the Land and on Water Implementation Groups (LOWIG)
- mapping opportunities for joint investment
- successfully securing over \$1.6 million in funding from Victoria Fisheries Authority, Better Boating Victoria and DELWP for upgrades to boat ramps and recreational facilities, installation of Aids to Navigation to improve boating safety and work to reduce water quality risks at Lake Eppalock.

Performance Reporting – Non-Financial

This annual report evaluates our performance against our corporate priorities and our progress towards the activities and deliverables of the organisation as explained in our 2020/21 Corporate Plan. This report describes how GMW is delivering on our commitments to government and regulatory authorities, our customers, staff and communities.

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

GMW is focusing attention on improving performance in relation to the Minister's Letter of Expectations (LoE). The information on the following pages provides GMW's performance against the key performance indicators relevant to the priority areas as set out in *Water for Victoria*. Appendix C contains detailed information on measures and definitions as described in the Minister's LoE.

Climate Change

Climate change is a critical challenge affecting both our environment and our communities. GMW is committed to minimising our environmental impacts and mitigating climate change through implementing emissions reduction and adaptation strategies and actions.

Emissions Reductions

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

GMW has a program to ensure emissions continue to reduce in line with our emission reduction pledge. GMW has pledged to reduce CO₂ emissions to 10,400 tonnes by July 2025 (inclusive of MDBA assets). This represents a 20 per cent reduction on the five-year average up to 2015/16. GMW aspires to achieve zero Scope 2 emissions by 2050 through continuous improvement and renewable energy initiatives.

In 2020/21 GMW had an interim target reduction of 11,519 tonnes of CO₂ emissions. The total of CO₂ emissions for the year was 10,345 tonnes. Decreased electricity usage at GMW's staffed locations, increased use of video conferencing and less travel has contributed to a lower total net greenhouse gas emission for 2020/21. In the coming year GMW plans to install roof top solar at our Casey St office to further reduce our total emissions.

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Climate Adaptation

GMW applies the recommendation from *Guidelines for Assessing the Impact of Climate Change on Water Supplies in Victoria* (DELWP, 2016) for our storage inflow statistics, seasonal determination outlooks, public engagement and longer term research planning for surface water and groundwater resources. In 2020/21, all outlooks for seasonal determinations used climate-adjusted data to ensure resource availability was not overstated.

GMW developed the *Water Resources Strategy and Environment Strategy* in 2020/21. These strategies combined address the challenges of climate change and more variable water availability amid changing demand characteristics. The *GMW Climate Change Adaptation Action Plan* will be guided by the *Water Resources Strategy* (approved by the Board in March 2021) and the *Victorian Water System Adaptation Action Plan* being prepared by DELWP. We are actively involved in the advisory committee assisting development of the *Water System Adaptation Action Plan*.

Customer and Community Outcomes

Customer Satisfaction

Customers and the community are centrally important at GMW, so we aim to deliver our services in a way that best meets and reflects our customers' needs. Our customers participated in our customer satisfaction survey in October 2020. The results of the survey indicated an overall customer satisfaction level of 60 per cent. GMW uses the information and feedback collected through the survey to identify further opportunities to enhance our services.

Table 1 outlines a typical annual rural bill for different GMW customer groups in 2019/20 and 2020/21. This demonstrates the benefit of the price reduction identified in our 2020-2024 pricing submission, achieved as a result of the \$64 million reduction in revenue requirements over this period.

C1.6 Rural Bills	Area/District	2019/20	2020/21
C1.6.1 Total rural bill gravity irrigation ¹ (100 ML irrigation customer)	Shepparton	\$9,212	\$6,517
	Central Goulburn	\$6,835	\$6,517
	Rochester	\$6,835	\$6,517
	Loddon Valley	\$6,835	\$6,517
	Murray Valley	\$7,086	\$6,652
	Torrumbarry	\$7,086	\$6,652
C1.6.2 Total rural bill pumped irrigation (100 ML irrigation customer)	Nyah	\$8,887	\$8,592
	Tresco	\$8,642	\$8,270
	Woorinen	\$8,273	\$7,868
C1.6.3 Total rural bill domestic and stock supply (2 ML stock and domestic customer)	Normanville	\$2,110	\$2,112
	Tungamah	\$1,691	\$1,643
	East Loddon	\$1,237	\$984
	East Loddon (North)	\$957	\$976
	West Loddon	\$837	\$831

Table 1: Total rural bill for 2019/20 compared with 2020/21

¹ Calculated based on a customer having one domestic and stock and one irrigation service point using 100ML of water, and includes water entitlement storage fee. Drainage charges are not included.

Customer and Community Engagement

The *GMW Communications, Engagement and Partnerships Strategy 2018* ensures our communication and engagement with customers and stakeholders continually improves. Implementation is now complete and the 2021 *Communications and Engagement Strategy* is under development

Water for Aboriginal Cultural, Spiritual and Economic Values

Engaging with Aboriginal Communities

GMW values the ongoing contribution of Traditional Owners to our region. Efforts continue to engage with these communities to achieve mutual benefits through recognising and supporting Aboriginal cultural values and economic inclusion in the water sector. Our *Reconciliation GMW Strategy* and *Reconciliation Action Plan* were developed in 2020/21 and implementation will continue into 2021/22. These documents recognise that our organisation is progressing from an area of low knowledge, and focus on establishing a strong foundation for successful relationships with recognised Aboriginal parties through reflecting on our past and learning from Aboriginal communities and traditional owners.

Our engagement activities with Aboriginal communities throughout the year included meetings between Elders of the Dja Dja Wurrung Clan and the Board at their March meeting. The Managing Director has also met with Elders from both the Taungurung Land and Waters Council (TLaWC) and Yorta Yorta Nation Aboriginal Corporation (YYNAC).

Throughout 2020/21, an experienced GMW staff member in a secondment role with the YYNAC continued to strengthen our relationship and establish mechanisms to connect our organisations more strongly. The secondment role includes heading the Whole of Country Unit (water, fire, general natural resource management) and working on YYNAC's 10 year strategic Whole of Country Plan. Another key aspect of the role is to coordinate projects with DELWP, Parks Victoria, local government, MDBA, and CMAs.

Engagement of Traditional Owners

GMW will continue to build capability and understanding through creating further engagement opportunities with Traditional Owner groups on projects to support inclusion of Aboriginal values in water planning as outlined in our *Reconciliation Action Plan*. In 2020/21 GMW has:

- engaged with the TLaWC and other government agencies to develop the Activate Lake Eildon Memorandum of Understanding (MoU). This will establish a shared commitment to implementing the Lake Eildon Masterplan to advance Lake Eildon as a premier destination in Victoria
- signed the Statement of Intent to become a champion of the Goulburn Murray Region Prosperity Plan. Committing to the role of a Plan Champion and signing the Statement of Intent involves acknowledging the ongoing contribution of YYNAC and other First Nations people to the Goulburn-Murray Region, the history of dispossession and marginalisation placed upon the First Nations community and the shared responsibility to redress these injustices and restore a thriving First Nations economy.

Reconciliation Action Plan

In 2020/21 we developed and began to implement our *Reconciliation Action Plan (RAP)*. Our RAP is designed on the principles of embedding relationships, respect and opportunities at all levels and across all divisions of GMW. To ensure our commitment progresses as planned, we plan to establish a governance group for this RAP comprised of senior leaders across the business.

Recognising Recreational Values

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

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

- improving and extending the boat ramps at Majors Creek and Paisley Road Bundalong on Lake Mulwala to cater for larger vessels and improve on shore access and parking. Funded by the Victorian Fisheries Authority (VFA) and New South Wales Roads and Maritime Services, this work was completed and available to recreational users during summer 2021.
- "The Floating Cities" project - upgrading boat ramp access into Lake Eildon Marina in partnership with Regional Development Victoria, the Murrindindi Shire Council and the Lake Eildon Houseboat Industry Association. The upgrade will provide safer facilities to launch and retrieve new, larger houseboats being built following changes to houseboat regulations in 2013
- improvement works on facilities and amenities at Lakelands Caravan Park in Tallangatta, undertaken courtesy of a \$250,000 grant to promote tourism in the region secured by Towong Shire from Regional Development Victoria
- a shared commitment to implementing the Lake Eildon Masterplan to advance Lake Eildon as a premier destination in Victoria. This was established by an MoU with the Department of Jobs, Precincts and Regions (DJPR), DELWP, Murrindindi and Mansfield Shire Councils, Tourism North East, Parks Victoria and TLaWC
- continued LOWIG meetings across our storages, albeit at a reduced frequency and via virtual meetings due to COVID-19 restrictions
- participation in the VicWater and DELWP working group investigating passive boating access to Victorian storages which are currently closed to boating
- partnering with Better Boating Victoria, DELWP and the VFA to identify and fund recreational facilities at our storages
- worked with partner organisations to increase public awareness and safety, most notably Maritime Safety Victoria
- completing GMW's *Land and on-Water Strategy*.

Resilient and Liveable Cities and Towns

Integrated Water Management

GMW is a vital part of life in northern Victoria. Our role in delivering reliable and affordable water drives a regional economy underpinning our collective prosperity and improving the wellbeing and daily lives of hundreds of thousands of people. We understand our role in contributing to healthy communities by supporting safe, affordable, high quality services and resilient environments.

GMW is a partner in all the Integrated Water Management (IWM) Forums across our region, including the Goulburn Broken, Central Highlands, Coliban, and North East. Within the Coliban IWM Forum, GMW is the lead agency for the Potential for Managed Aquifer Recharge Project in the Campaspe Valley Project. We are also a project partner for a range of projects across all forums.

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

Payment Management and Hardship

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

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

Payment Management	Number of accounts
Number of instalment plans at the end of the reporting period	343 ²
Number of customers awarded hardship grants	0

Table 2: GMW's payment management and hardship accounts for the year 2020/21

² This represents 1.2 per cent of our approximate 28,500 accounts.

Leadership and Culture

The culture of an organisation begins with effective leadership across all levels of the organisation. GMW will continue to invest in our capability and facilities to ensure our people have the tools necessary to provide the transformational leadership and collaboration required to embed our values and achieve our strategic outcome of safe, skilled, engaged people. This has been demonstrated through our leadership development training and leadership 360° feedback programs, both initiatives of our People and Culture Strategy. We are striving to reflect the needs of our diverse communities and develop strategies and goals that will increase diversity in the workforce and gender equity in senior leadership.

Diversity and Inclusion

The GMW Diversity and Inclusion Plan outlines activities to achieve priority areas over the period up to 2021, through best practice policies and processes driven by leadership. We continue to support a range of local and water industry programs, initiatives and groups, including adding three new initiatives to our program, WaterAble, a women's network and LGBTIQ+ network, all of which are set up to support these communities and their allies. All staff are encouraged to participate.

In 2020/21 we undertook another in-depth Culture Survey. The survey reported positive responses to diversity and inclusion questions, including the ability to be your authentic self at work, leadership support for diversity and inclusion, and equal opportunity at GMW.

GMW's achievements towards our diversity targets during 2020/21 are on [page 55](#).

Board Performance

GMW completes an annual board performance review to monitor and improve the Board's effectiveness in leading our organisation. GMW submitted the review for the 2020/21 reporting period to the Minister for Water in July 2021. The report identified the strengths of the Board and actions for continuous improvement, including opportunities for professional development. Completion of the previous year's actions has had a positive result on the Board's ability to lead the organisation. Our board remains committed to achieving successful outcomes for GMW, our customers and key stakeholders.

GMW's Board Performance Assessment includes:

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

Health and Safety

GMW believes that our people are our greatest asset and considers the safety and wellbeing of our staff, contractors, customers and general public as our highest priority. In 2020/21 we continued to build on our culture of care and accountability by maintaining a focus on developing and implementing health and safety initiatives designed to improve our safety performance. In 2020/21 we identified 10 fatal risks associated with the work we undertake, and we have embarked on developing standard operating procedures, and an escalation and incident investigation program for these risks.

GMW is currently planning the next stages of safety and continuous improvement with the development of our 2020-2024 safety strategy. The safety strategy specifically targets both system and behavioural programs which will further improve accountability, engagement, system simplicity and staff wellbeing. Our future focus areas will be around personal safety, asset safety and safe systems and processes, which will further enhance our safety performance and capability into the future.

Further information on GMW's performance against health and safety indicators is on [page 51](#) (Occupational health and Safety, Key performance indicators).

Financial Sustainability

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

The 2020/21 financial year marks the first year of the 2020-2024 Pricing Submission. A \$64 million reduction in revenue requirements over four years has resulted in significant savings for customers, with most receiving a price reduction of about 10 per cent in this first year.

GMW's positive financially sustainable position is demonstrated by our strong Current Ratio and low Internal Financing and Gearing Ratio's ([page 41](#) Financial Indicators).

GMW's performance against the eight financial indicators (F1-F7) is within the Performance Report on [page 41](#) (Performance report, financial indicators) and demonstrates our financial sustainability.

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Performance Against Corporate Plan Objectives

Our 2020/21 Corporate Plan focused on developing and embedding the strategic framework and emerging from transformation as a trusted and sustainable organisation. Table 3 shows how these actions align with GMW's five Strategic Goals, and outlines the progress made throughout 2020/21.

Key Objectives to be achieved in 2020/21		Achievements during 2020/21	Objective met?
Safe, skilled, engaged people			
1	Develop board approved safety strategy	The <i>Safety and Wellbeing Strategy</i> was approved by the Board and we are in the process of strategy implementation	Yes
2	Culture program action plan developed and launched	The Executive and Senior Leadership teams have developed an ELT/SLT Culture Survey Action Plan resulting from the April 2021 Culture Survey results	Yes
3	Leadership development program launched	The Leadership development program has been launched including modules in performance management and safety leadership.	Yes
4	Wellbeing program initiated	Wellbeing program has been developed, endorsed by the people and culture committee and approved by the Board	Yes
5	Diversity program developed	The Diversity and Inclusion Plan is now being implemented with work commenced on developing a Disability Action Plan, establishing a women's network, establishing LGBTQ+ network and the Gender Equity Act reporting	Yes
6	Critical role and succession planning for Senior Leadership Team	Critical role mapping for the Executive Leadership Team is complete with mapping for the Senior Leadership Team in progress. Succession planning will be included in this work.	Yes
7	Talent management program launched	<i>Career Management Policy and Procedure</i> have been developed.	Yes
8	Human Resources Information System (HRIS) design	HRIS Project Plan has been approved. iChris module planning and implementation mid 21/22	Yes
Satisfied customers, trusting partners			
9	Develop board approved GMW Service Strategy	<i>The Service Strategy</i> was approved by the Board and we are in the process of strategy implementation	Yes
10	Commence delivery of engagement leadership in support of all new GMW strategies	Underway and has commenced with <i>Service Strategy, Reconciliation Strategy and Land and on Water Strategy</i>	Yes
11	Co-Design an internal communications plan	Completed and implemented	Yes
12	Implement delivery of broader engagement activities	Engagement activities have extended to customer segments and subject specific focus groups in addition to the traditional Water Services Committees.	Yes

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Key Objectives to be achieved in 2020/21	Achievements during 2020/21	Objective met?
13 Support capital and maintenance activities with development of IAP2 based stakeholder engagement training program for project managers	Program developed and delivered over four courses	Yes
14 Develop an approach to targeted partnership in support of regional development and prosperity	We participate in the Agricultural Redevelopment Committee (ARC), which includes partner agencies GBCMA, NCCMA, Agriculture Victoria and DELWP. The ARC is established as part of the Goulburn <i>Murray Resilience Strategy</i> with an objective focusing on a Regional Investment Prospectus to provide branding of the region and its significant relative advantages.	Yes
15 Develop a co-designed external communications plan	GMW has reviewed this initiative and rather than completing the communications plan, this work will be completed following the update of our customer strategy.	N/A
16 Develop a customer experience plan	This objective has been incorporated into the development of GMW's service plans, and will be completed over the next 12-18 months	N/A
17 Engage with Traditional Owners to co-create an Aboriginal water strategy	Developed the Reconciliation GMW Strategy and Reconciliation Action Plan	Yes
Innovation, data and technology driven services		
18 Develop a board approved Digital Transformation Strategy	The Digital Strategy was approved by the Board and we are in the process of implementation	Yes
Sustainable business, viable customers		
19 Develop board approved Asset Management Strategy	The <i>Asset Management Strategy</i> was approved by the Board and we are in the process of implementation	Yes
20 Develop board approved Financial Sustainability Strategy	The <i>Financial Sustainability Strategy</i> was developed in 2020/21 and is expected to be approved by the Board in Quarter 1 of 2021/22	Partially
21 Develop board approved Land and on Water Strategy	The <i>Land and on Water Strategy</i> was approved by the Board and we are in the process of strategy implementation	Yes
22 Develop board approved Environmental Sustainability Strategy	Rebranded as the <i>Environment Strategy</i> , this was approved by the Board and we are in the process of strategy implementation	Yes
23 Develop board approved Aboriginal Water Strategy	Rebranded as <i>Reconciliation GMW</i> , this strategy was approved by the Board and we are in the process of strategy implementation	Yes

Table 3: Progress against 2020/21 Corporate Plan Objectives

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Performance in Operations

Water Delivery

GMW manages water-related services in a region of 68,000 square kilometres, bordered by the Great Dividing Range in the south and the River Murray in the north, stretching from Corryong in the east down river to Nyah. We have more than 21,000 customers using almost 36,000 services in northern Victoria. GMW manages both regulated and unregulated river systems that flow into the Murray and administers groundwater within this area.

Our Customers

Table 4 shows our diverse range of customers. GMW is developing a communications plan that recognises our various customer segments and demographics to more effectively tailor our messaging. This will further strengthen the improvements delivered through a suite of new engagement methods, enabling customers to better participate in GMW decisions.

Primary Service Segment	Example customers	Number of Customers ³	Annual Water Use in GL ⁴
Irrigation	Horticulture, dairy, mixed farming	11,323	1,105
Domestic and stock	Rural residential Mixed farming Intensive animal industries (e.g. piggeries)	6,780	12
Environmental watering	Commonwealth and Victorian environmental water holders	2	593
Bulk water for urban and rural water supply	Urban water corporations	12	640
Water investment	Investment funds Water share only customers Agriculture corporations	1,362	13
Flood protection	Protection of land and property in flood protection districts	29	0
Recreation	Houseboat operators Recreation clubs	986	0.5
Commercial leasing and Contract Services	Livestock graziers Forestry corporations Caravan parks MDBA Local government and catchment management authorities Commercial contracts	251	1.5
Power generation	Hydroelectric power utilities	1 ⁵	0
Other	Sundry customers	357	0
	Total	21,104	2,365

Table 4: Customer numbers by segment

³ The customer segments have been identified using a single customer view methodology that groups customers based on their primary need. For example, if a customer accesses a gravity irrigation service and a domestic and stock service, they are classified as in the irrigation segment if their gravity irrigation charges exceed their domestic and stock charges.

⁴ Water use is reported for the 2020/21 period, as at June 2021

⁵ This segment includes hydroelectric power utilities and customers with licenses to divert and return water for purpose of hydro generation

Understanding and Responding to Our Customers' Needs

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

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

Customer Complaints

The number of complaints received in the 2020/21 financial year increased to 68, in comparison to the 65 complaints received in 2019/20. In 2020/21, the most common complaint related to fees and charges (46 per cent), of these complaints the majority were in relation to the licence renewal application fee. Of the remaining complaints, 9 per cent were in relation to administration and gravity service/supply respectively. Figure 3 shows the total number of complaints received by GMW since 2014/15.

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

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

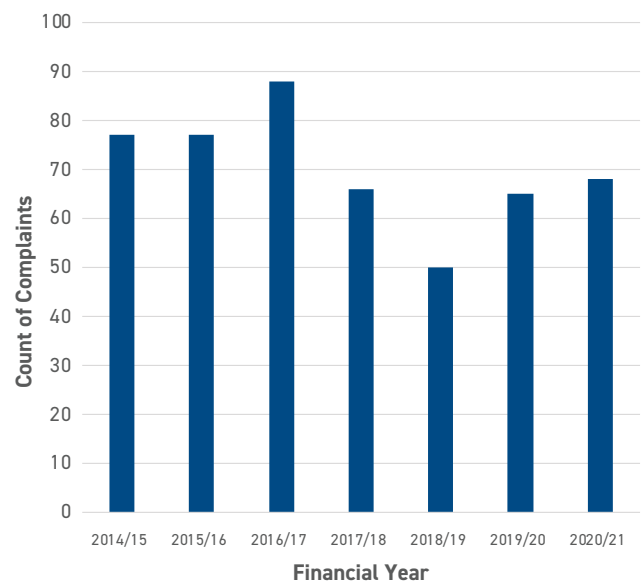


Figure 3: GMW Water Storage and Delivery complaints since 2014/15

GMID Irrigation Deliveries

During the 2020/21 irrigation season, a total of 988,767 ML was delivered to GMW customers in the GMID, which was 386,816 ML more than the previous season in 2019/20. The below graph shows GMW's GMID deliveries since 2000/01. We are conscious that our customers are adapting to declining water availability, and that GMW must support regional resilience in the rapidly changing face of irrigation within the GMID. Further information on GMW's water deliveries based on service type is on [page 37](#) (Capital projects – water storage and delivery).

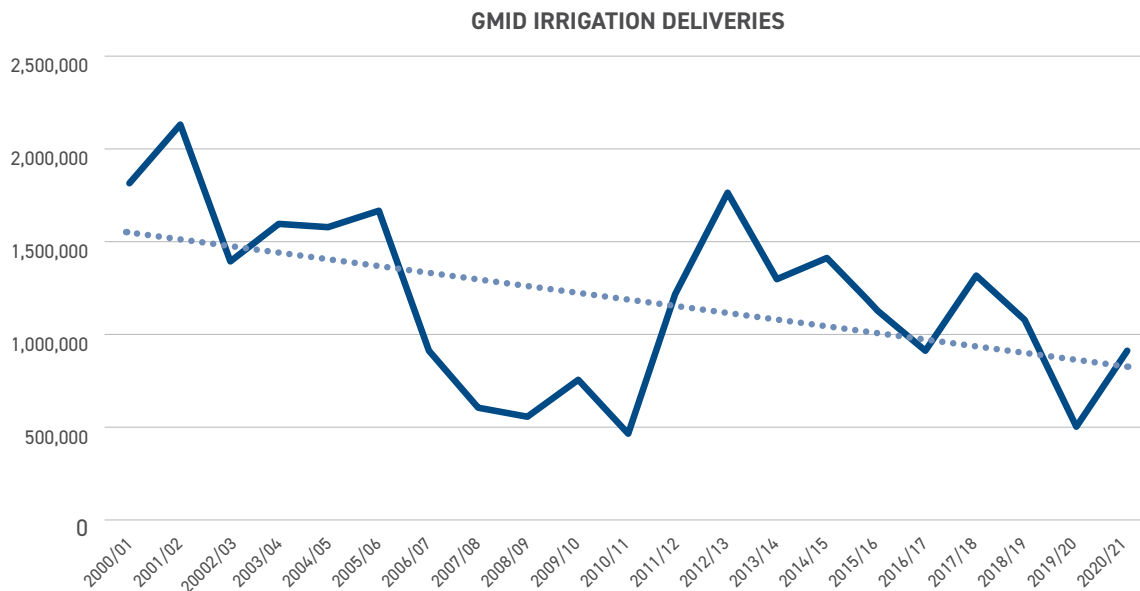


Figure 4: GMID Irrigation deliveries since 2000/01

Of the 100,496 irrigation orders received, 92.8 per cent were delivered on the day requested by the customer. Over half (69 per cent) of the irrigation orders received were lodged via electronic means, demonstrating our customers' appetite for self-service and online convenience.

Percentage of orders delivered on day (regardless of notice)

	Actual	Target
Gravity	93%	93%
Pumped	99%	98%

Table 5: Percentage of orders delivered on day regardless of notice

Water Trading

During the 2020/21 irrigation year, 14,711 trades were processed involving 3,214,450 ML of allocation. Customers managing allocation now have unprecedented access to the water market through online tools supplying up to date information and the ability to transact online. Customers can also trade allocation with one of the many water brokers who are enabled to transact online through the Broker Portal.

This has resulted in a highly active water market, allowing customers to secure allocation when required or quickly on-sell when the individual season or market dictates. GMW continues to support development of the water market and transformation of the Water Register.

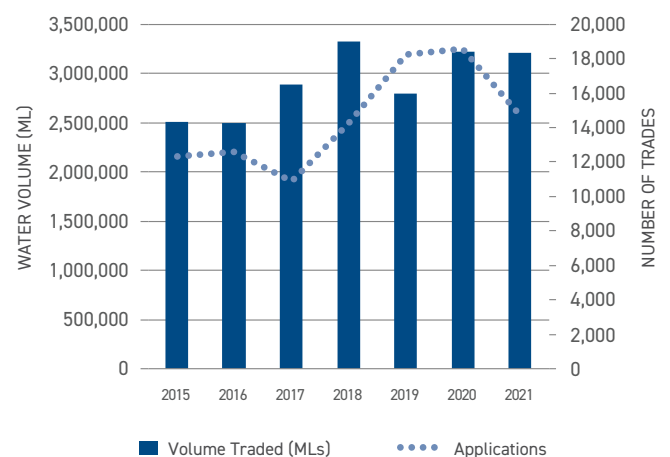


Figure 5: Retail and environmental allocation trades and volumes since 1 July 2014.

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GMW received 2,293 applications to transfer 148,074 ML of water share throughout the 2020/21 irrigation year, representing an increase in volume over last year.

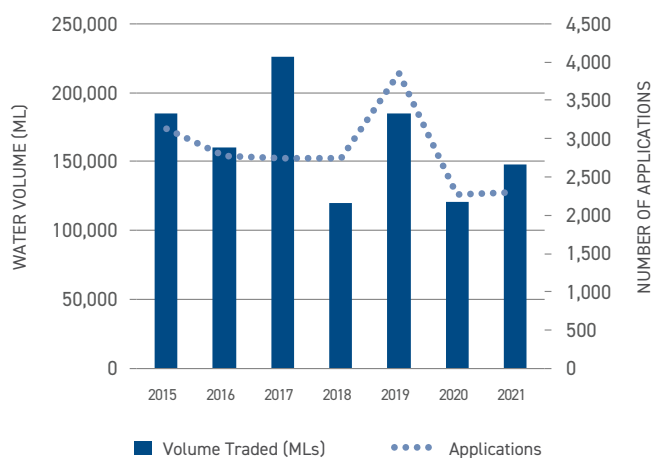


Figure 6: Water share transfers and volumes since 1 July 2014.

Water Share Transfers and Allocation Trades		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Water share transfers	Volume (ML)	184,591	160,545	225,855	120,352	184,962	120,629	148,074
	Number	3,130	2,777	2,741	2,739	3,859	2,275	2,293
Allocation trades	Volume (ML)	2,513,653	2,495,866	2,884,883	3,324,634	2,795,006	3,225,920	3,214,450
	Number	12,321	12,608	10,860	14,232	18,211	18,601	14,711

Table 6: Water share transfers and allocation trades since 1 July 2014.

The Connections Project

The GMW Connections Project (the Project) has contributed to the sustainable future of productive agriculture in the Goulburn-Murray Irrigation District (GMID). Funded by the Commonwealth and Victorian Governments, it is the most significant upgrade to the region's irrigation infrastructure in its 100-year history.

The Project was an important and fundamental change for irrigated agriculture in the GMID and contributes to Victoria's water savings targets as outlined in the Murray-Darling Basin Plan.

More than \$2 billion was invested through the Project to improve the delivery of water to irrigation businesses across the GMID. Focussing on modernising infrastructure and improving service standards while generating water savings, the Project contributed to long-term sustainability of irrigation in the region.

The Connections Project works have successfully delivered the total Stage 1 and 2 water recovery target of 429 GL – long term average annual yield (LTAAY) (subject to an independent external audit).

Project Developments in 2020/21

Following approval of the Connections Reset Delivery Plan in September 2016, the Project implemented the reset scope of works. The 429 GL overall water savings target was successfully delivered on time in September 2020 and within budget.

In response to the COVID-19 global pandemic, the Project delivery methods were adapted in line with protocols set by the Victorian Government. Amid the challenges that COVID-19 presented, the Project was successful in meeting the required milestones, attributable to the robust works planning process undertaken which ensured delivery of the Project aims and milestones. Key activities to achieve these milestones included the construction of works associated with the 140 gazetted Reconfiguration Plans.

As at the end of June 2021, the Project has met or exceeded all required contractual milestones and achieved 100 per cent of the required water savings (subject to final audit and verification processes). The last independent external audit for Project works ending 30 June 2020, verified the water recovery at 417 GL-LTAAY. The balance of the 429 GL-LTAAY water recovery target was achieved post 30 June 2020, which will be verified through an upcoming independent audit of works to 30 June 2021. A volume of additional water savings achieved by the project was announced by the Acting Minister for Water in April 2021, resulting in an increase in Irrigator Share by 2 GL.

Key activities completed in 2020/21 included a substantial works program involving pipeline construction, channel automation, meter installations and asset rationalisation including:

- continued delivery solutions for GMID customers and as of June 2021 had installed 9,624 modernised meter outlets and decommissioned 1,749km of channel
- a significant annual program of works completed including 14 automation sites installed, over 121km of channel decommissioned, 523 modernised meters installed, 393 meters rationalised and 2.2km of channel remediated. Similar to last year, the 2020/21 works program focused on increased on-farm works connecting to the modernised network. In the period of March 2020 – September 2020, the project constructed 45km of pipeline
- draw down of Third Reedy Lake after a thriving population of Southern Purple-spotted Gudgeon in adjacent Middle Reedy Lake was confirmed
- continued certification of the Project's management systems to International and Australian Standards for Quality, Environment and Safety (ISO 9001:2015; ISO 14001:2015 and AS 4801:2001)
- continued implementation of a revised engagement model using statutory reconfiguration powers with works delivered through Reconfiguration Plans (RPs). A total of 140 RPs have been formally gazetted under the *Water Act 1989*. In total to the end of June 2021, the Project has finalised connections with 7,846 landowners
- provided a stimulus to the regional GMID economy through the Project's annual construction program, creating an estimated 329 FTEs in the region (direct and indirect employment) and generating an estimated regional GDP increase of \$115.93 million for the 12-month reporting period.

Safety was a key focus and the project started the year with a recorded rolling Lost Time Injury Frequency Rate (LTIFR) of 2.62 LTIs per million man hours worked as of 1 July 2020, compared favourably to the heavy construction industry LTIFR of 13.7. By the end of November 2020, the LTIFR was 0.00 and has remained at 0.00 since

Next Steps in 2021

Project and GMW staff will focus on closing out the Connections Project including complex land dealings, completing asset handovers to GMW, and assisting with final external audits.

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Connections Project Milestones

As of 30 June 2021, the project has achieved the following:

- 9,624 service points installed
- 1,749km of channel decommissioned
- 429 GL-LTAAY water recovery (subject to audit and verification processed)
- 310.8km of channel remediated.

Project Completion

The Project team developed a detailed scope of works for the 2020/21 financial year that saw the Project finish on time and within budget.

A Connections Project Completion and Transition Plan has been developed and an internal Transition Team formed and tasked with the responsibility for coordinating all remaining transition and completion project activities as documented in the plan. The plan has been implemented to ensure the successful transition of the Connections Project into GMW.

Connections Completion and Transition Plan key objectives to be achieved in 2020/21	Achievements during 2020/21	Objective met?
GMW will close out the Connections Project including all reporting and reconciliation of funding	429 GL LTAAY achieved (subject to audit and verification processes) Transition Plan has individual action items for Stage 1 and 2 funds and reporting	On track
GMW will close out all legacy agreements.	Solutions Team, led by Senior Solicitor, has resolved all legacy cases and works are complete.	Yes
GMW will transfer information into corporate management systems, and determine requirements for off-site storage.	Completion and Transition Plan implemented, which includes ongoing information transfer pre- and post-Project completion.	On track
GMW will conduct reviews and seek to share the learnings gained from the information and management systems used.	Lessons Learnt sessions held to assist GMW staff with similar issues and for Water Efficiency Project process development	Yes
GMW will review budget allowances for land dealings and completion requirements. GMW will undertake audits and finalise water share transfers as required.	Budget requirements were reviewed and funds allocated for post-completion activities. Land Dealings team has significantly overcome the backlog of land dealings cases. Water Share holding audit complete and shares ready for transfer.	Yes

Table 7: Connections completion and transition actions.

The Water Efficiency Project

Project Background

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

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

Project Developments in 2020/21

Implementation of WEP is based on the successful delivery mechanisms of the Connections Project, using Reconfiguration Plans to manage and implement works, while also using existing systems and processes.

The Project Implementation Plan provides a framework for successful project delivery. To assist with works scheduling, a master schedule has also been developed which prioritises Reconfiguration Plan delivery aligned with milestone targets to ensure that the targets are met.

WEP has been brought into the Connections Project's Quality, Safety and Environment Management System certification scope.

Next Steps in 2021

The construction phase of the WEP will accelerate in 2021, to enable it to meet important funding milestones. This includes works such as channel decommissioning, meter rationalisation, meter installation and regulator upgrades.

Project Status, Milestones and Project Completion

The WEP is scheduled for completion over six milestone periods, with construction activity to be completed by Winter 2023. There are six project milestones to be achieved. The project is on schedule and on budget.

Mitiamo Pipeline Project

Project Background

The Mitiamo and District Reticulated Water Supply Business Case (September, 2017) was submitted to the Victorian and Commonwealth Governments seeking funding support for a \$29 million investment to build a reticulated water supply for the Mitiamo region. The WEP is jointly funded by the Commonwealth government, Victorian government and GMW. The total investment for the pipeline is \$29 million with funding contributions from:

- Commonwealth - \$14.5 million
- Victoria - \$10.2 million
- GMW - \$4.3 million

The project established a domestic and stock water supply system to around 170 rural properties in the Mitiamo region in North Central Victoria. Water was previously delivered to some properties in this region for domestic and stock purposes through a network of dam fill open channels, characterised by poor service capability and large losses of water through seepage and evaporation. Over 80 per cent of water supplied to the channels was lost before use, and only two-thirds of the project area was serviced.

Works included constructing over 300km of pumped pipeline to supply approximately 460 ML of piped stock and domestic water per year, a pump station and an 85 ML storage facility. A new water district named the Mitiamo Water Supply District was established, covering approximately 58,000 ha. Overall, the project achieved and contributed to:

- increased land productivity
- enhanced community resilience and liveability
- improving terrestrial biodiversity in the Terrick Terrick National Park
- more efficient and high value water use.

The project will reduce public and private water losses by approximately 1,000 ML per year.

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Project Developments in 2020/21

Construction of over 300km of pipeline with 332 tapping points for customers, has been completed including commissioning and hydro-testing activities. The new system will formally deliver water to customers from July 2021 onwards.

The project area was gazetted in March 2021, and a Notice of Declaration was placed on GMW's website on 22 April 2021 declaring all the listed properties will be declared serviced on 22 June 2021.

A Tank Rebate Scheme was offered to customers and was well received with 96 per cent of customers using the scheme to assist with installing tanks and materials required to connect to the pipeline.

Working closely with the Traditional Owners, Cultural Heritage Management Plans were developed and implemented throughout the construction of the pipeline.

The project was delivered under the Connections Project ISO 9001 (Quality Management System) and AS/NZ 4801 (Safety Management System) certification scope.

Next Steps 2020/21

An innovative proposal to install a solar power and battery storage system at the site of the storage and pump shed is currently being progressed with a tender process initiated in June 2021. The proposed system will assist with offsetting the electricity costs associated with the operating the pump station and contribute to managing our emissions profile.

Project Milestones

The five milestones for the project have all been met, with the project completed and commissioned as required by 1 July 2021.

Milestone Number	Date Milestone	Milestone Activity	Status
1	November 2018	Original agreement executed	Milestone completed
2	November 2019	Private Syndicate agreements for water recovery completed by recipients. Water Recovery Report provided for verification. Updated project delivery plan provided.	Milestone completed
3	April 2020	High Reliability entitlement transfers to Goulburn-Murray Rural Water Corporation from syndicates completed.	Milestone completed
4	November 2020	Construction of pump station and lagoon complete. The first 50 km of pipeline complete.	Milestone completed
5	April 2021	Construction complete and supply scheme operational. 1,000 ML of Greater Goulburn 1A High Reliability Water Share issued to the Commonwealth.	Milestone completed

Table 8: Mitiamo Pipeline Milestone Achievement in 2020/21

Project Completion

The project has been successfully completed, on time and on budget.

Water Storage

GMW manages 24 storages (including four on behalf of the MDBA and four Victorian Mid-Murray storages) to harvest, store and supply water for irrigation, urban/rural and environmental use in northern Victoria. The 20 Victorian owned storages are of varying size, capacity, reliability and consequence category across northern Victoria, and aged between 25 and 151 years. Of these storages, we operate 16 major storages in accordance with the Australian National Committee on Large Dams (ANCOLD) guidelines.

GMW maximises harvesting opportunities, and manages stored water efficiently for our customers. The storages provide additional benefits including recreation and public use, support to local tourism, environment and economies, hydropower generation and flood mitigation. These are the complimentary services provided by GMW.

Bulk Water Operations and Maintenance

During 2020/21, we operated and maintained each of the storages and delivered a number of initiatives to improve the operations and services provided at and around each of these sites. Some of the highlights of the year are summarised below:

- \$1.5 million joint repairs to the concrete spillway at Lake Eildon which will enhance the structural integrity of the spillway during significant flood events
- rock stabilisation works (total project value \$2.5 million) commenced on the primary spillway at Lake Eppalock, due for completion early spring 2021. This work will provide safe operation and maintenance access to the spillway drainage system and reduce the risk of asset damage in the event of a rock fall, thereby promoting the integrity of the spillway
- a new lock bridge at Mildura was fabricated and commissioned
- a SCADA system installed on all pumps in the Mildura Merbein Salt Interception Scheme will allow remote monitoring, operation and data collection
- 28 GL of water delivered to enhance the environment values in the Hattah Lakes system during the year
- blue green algae blooms detected and responded to at numerous water bodies across the region during the year, including Lake Eildon, Lake Eppalock, Tullaroop Reservoir and Hepburns Lagoon
- perimeter land fencing programs at Lake Eildon and Eppalock undertaken to assist with water quality and land management around the storages
- comprehensive dam safety inspections (five-yearly) were undertaken at Yarrawonga Weir, Torrumbarry Weir, Goulburn Weir and Tullaroop Reservoir, with no major issues identified

- desktop exercises testing the Flood Incident Management Plans and Dam Safety Emergency Plans for all 16 ANCOLD large dams were undertaken during the year
- in accordance with the ANCOLD guidelines, dam safety design reviews for Mildura Weir, Torrumbarry Weir, Lake Buffalo and Waranga Basin continued throughout the year. These will review the design and performance of these structures over the last 20 years against current-day design and construction standards
- the LifeSIM model was updated to confirm the potential loss of life downstream of Dartmouth Dam in a dambreak scenario
- COVID-19 response including closure and reopening of areas and facilities, signage of recreation facilities, including boating at 19 storages

Water Delivery Services

During the 2020/21 year, GMW delivered, operated and maintained services in and around our water delivery networks. Some of the highlights of the year are summarised below:

- successfully delivered the Upper Deakin Drainage Course Declaration (DCD) obstruction removal works program, with very positive feedback received from customers involved in the program.
- successfully delivered the Guilfus Congupna DCD obstruction removal works program, and like Upper Deakin DCD, customers and landowners were very satisfied with the program.
- the Shepparton Irrigation Region (SIR) Public Groundwater Pump Rationalisation Project continued to progress well, with selected pump deactivation works successfully completed in the Murray Valley and Shepparton Irrigation Areas. Works commenced in Central Goulburn Irrigation Area.
- GMW received a successful external audit of compliance with the Safe Drinking Water Act 2003, with all items found to be fully compliant and three opportunities for improvement identified. The audit involved staff from across most parts of the business, who all demonstrated good knowledge of risk management and awareness of their obligations
- GMW issued a relatively high number of blue green algae warnings across the delivery systems during 2020/21, and many towards the end of channels where flow was stagnant. In some instances, GMW was able to work with customers to flush the channel and improve water quality.
- GMW completed operating arrangements with the Victorian Environmental Water Holder for the Goulburn and Murray systems.

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- successful reviews of the loss allowances for the Murray Valley and Torrumbarry irrigation areas for GMW's Murray bulk entitlement.
- GMW coordinated a successful pilot of managed aquifer recharge for the Coliban Integrated Water Management forum
- crucial maintenance works to ensure that the network will continue to supply a reliable water supply during the irrigation season.

Water Management

GMW is the northern Victorian Resource Manager appointed by the Minister for Water with responsibility for making the seasonal determination for all northern Victorian declared water systems. GMW delivers a range of catchment and water resource planning services to implement government surface water and groundwater management regulations and policy.

Seasonal determinations in 2020/21 gradually increased following close to average winter and spring inflows in the Murray and Goulburn systems, and below average in the Broken, Loddon and Campaspe systems. All systems reached 100 per cent of high-reliability water shares (HRWS) by mid-February 2021. The Broken and Bullarook systems also received a 100 per cent low-reliability water share (LRWS) seasonal determination. In the Murray system, resource improvements after the seasonal determination reached 100 per cent HRWS were directed to repaying the water borrow from the Barmah Millewa Environmental Water Allocation. In the Goulburn, Campaspe, Loddon, Broken and Bullarook systems, resource improvements contributed to additional reserves for 2021/22.

Seasonal Determinations for Northern Victorian Water Systems

Season	Murray		Broken		Goulburn		Campaspe		Loddon		Bullarook Creek	
	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %	HRWS %	LRWS %
2019/20	66	0	2	0	80	0	80	0	80	0	100	100
2020/21	100	0	100	100	100	0	100	0	100	0	100	100

Table 9: Seasonal Determinations for Northern Victorian Water Systems since 1 July 2019.

The first outlook on water availability for 2021/22 was released in December 2020 when the Annual Water Outlook was published (<https://www.g-mwater.com.au/water-resources/water-resource-update>). This initial outlook indicated that seasonal determinations in 2021/22 could be low if low inflow conditions occur in winter 2021. Rainfall in May and June 2021 provided a useful start to the 2021/22 water year. Table 10 describes GMW's water deliveries based on service type.

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GMW water deliveries based on service type

Service	Total Delivered (ML)	
	2019/20	2020/21
GMID (Total)	603,413	988,767
<i>GMID (Irrigation)</i> ⁶	513,211	919,998
<i>GMID (Environment)</i>	80,440	59,661
<i>GMID (Urban)</i> ⁷	9,762	9,108
Pumped Districts (Irrigation)	18,929	20,810
Regulated Diverters (Irrigation) ⁸	52,051	71,434
Regulated Diverters (Environment) ⁹	715,824	493,903
Regulated Diverters (Urban and bulk supply) ¹⁰	58,227	52,360
Unregulated Diverters	27,790	28,030
Regulated Diverters – River Murray d/s Nyah (Bulk Supply) ¹¹	548,788	558,466
Regulated Diverters – River Murray d/s Nyah (Environmental) ¹²	21,371	38,829
Regulated Diverters – River Murray d/s Nyah (Urban) ¹³	15,874	15,394
Groundwater ¹⁴	128,637	95,576
Total	2,190,904	2,364,569

Table 10: GMW water deliveries based on service type..

Carryover

Northern Victorian water entitlement holders carried over 1,038 GL into the 2020/21 season, approximately 11 GL more than the 2019/20 season.

In our role as Resource Manager, GMW declared a low risk of spill for the Goulburn system on 10 August 2020, the Campaspe System on 12 October 2020, and the Murray system on 10 November 2020. There were no deductions from spillable water accounts in 2020/21. The low risk of spill declarations allowed customers to trade or use allocation held in spillable water accounts. The volume returned from spillable water accounts was 116.4 GL. The total volume of allocation available to regulated entitlement holders in 2020/21 was 3,844 GL.

Groundwater

The majority of northern Victoria received rainfall totals close to the long-term average for the 2020/21 water year; and above-average totals were received in the months of October and April. Improved climatic conditions contributed to less reliance on groundwater compared to the preceding three years; total usage in 2020/21 was around 30 per cent less than the average of those years.

In 2020/21, approximately 61 per cent of licensed entitlement¹⁵ was held by customers in three key areas, the Katunga Water Supply Protection Area (WSPA), the Lower Campaspe Valley WSPA and the Mid-Loddon Groundwater Management Area (GMA); these accounted for approximately 79 per cent of the total groundwater use.

⁶ Includes Water Works Districts

⁷ Includes Lower Murray Water urban locations in the GMID

⁸ Includes locations on the Murray River u/s of Nyah

⁹ Includes locations on the Murray River u/s of Nyah

¹⁰ Includes Lower Murray Water urban locations u/s of Nyah

¹¹ Bulk supply to Lower Murray Water includes losses, operational volume only

¹² Includes environmental locations on the Murray River d/s of Nyah

¹³ Includes Lower Murray Water Urban locations on the Murray River d/s of Nyah

¹⁴ Excludes Shepparton Irrigation Region (SIR) Groundwater Management Area (GMA) estimated usage.

¹⁵ Excludes licensed entitlement held in the SIR GMA

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Licence entitlement transfers were also down on recent years; approximately 9.3 GL was transferred between licences throughout 2020/21, compared to 18.7 GL in 2019/20.

Groundwater Management Units across the region received maximum allocations in 2020/21, with the exception of the Lower Campaspe Valley Water Supply Protection Area (WSPA) and the Newlyn Zone of the Loddon Highlands WSPA, which were restricted to a 75 per cent allocation, and the Katunga WSPA which had a 70 per cent allocation.

System Efficiency

Modernisation in GMW's irrigation areas has improved the operational efficiency of our channel delivery networks. Deliveries in the channel networks in 2020/21 were about 400,000 ML higher than 2019/20. As a result of higher deliveries, system efficiencies increased. Efficiency is a measure of delivery versus diversion into the districts, where diversion is equivalent to the volume of delivery plus the volume of loss.

The following table shows system efficiencies in 2020/21 compared with 2018/19 and 2019/20.

GMW water deliveries based on service type			
	2018/19	2019/20	2020/21
Total	82.0%	76.8%	85.7%
Shepparton	84.9%	84.5%	86.5%
Central Goulburn	82.0%	78.5%	83.4%
Rochester	84.2%	71.4%	92.8%
Loddon Valley	82.1%	76.2%	86.0%
Murray Valley	83.5%	82.0%	86.5%
Torrumbarry	77.3%	71.3%	83.2%

Table 11: GMW system efficiency within irrigation areas.

The overall GMID efficiency was 85.7 per cent in the 2020/21 season. A number of other factors also influence system efficiency including the start of season channel fill and end of season channel drawdown, operation of local system storages, seasonal weather conditions and local catchment inflows.

Sustainable Resource Management

GMW's water resource management and monitoring programs manage surface water and groundwater resources sustainably. We deliver these programs in conjunction with partner agencies including the MDBA, CMAs, DELWP and the Department of Economic Development, Jobs, Transport and Resources (DEDJTR)/Department of Jobs, Precincts and Regions (DJPR). GMW has contributed to Integrated Water Management forums and project development with several groups across northern Victoria, including the urban water authorities North-East Water, Goulburn-Valley Water and Coliban Water.

We undertook water quality and quantity monitoring, surface and subsurface drainage operations and salt interception operations to manage the environmental risks within our area of operation. Groundwater management plans have been implemented across the region providing important information and clear operating rules to our customers about the use of groundwater resources for a range of purposes, including irrigation and domestic and stock.

Our Environment

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

In the instance a breach is identified an action plan is developed in consultation with the relevant business unit to identify appropriate control measures to mitigate future occurrences. As required, breaches are reported to the relevant regulatory authorities. GMW attests that no breaches of our legal, regulatory, or Statement of Obligation requirements came to the corporation's notice during the 2020/21 reporting period.

We fulfilled our obligations under the *Safe Drinking Water Act 2003* and *Safe Drinking Water Regulations 2015*. GMW undertook monitoring of blue-green algae and other water quality parameters at key locations to ensure effective management and communication of risks to water users and other stakeholders.

GMW manages our interactions with the environment through our Environmental Management System (EMS). GMW's EMS is certified to the International Standard for Systems AS/NZ ISO 14001 and has maintained this certification throughout 2020/21. Performance against this standard was assessed through the completion of external third party audits.

Performance Reporting – Financial

GMW Financial Structure

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

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

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

Five Year Financial Summary

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

Summary of Financial Results - Water Storage & Delivery and Connections Project (before internal adjustments)					
	2020/21 ('\$000)	2019/20 ('\$000)	2018/19 ('\$000)	2017/18 ('\$000)	2016/17 ('\$000)
Water Storage & Delivery (before internal adjustments)					
Profit & Loss					
Total revenue	149,436	169,125	185,624	168,259	170,312
Expenses excluding interest, depreciation and amortisation	142,848	139,275	150,218	164,311	138,126
Earnings before interest, tax, depreciation and amortisation (EBITDA)	6,588	29,850	35,405	3,948	32,186
Depreciation and amortisation	98,016	102,676	100,084	100,231	102,759
Interest expense	6,158	7,119	6,930	7,118	7,424
Net result before tax - Water Storage & Delivery	(97,586)	(79,945)	(71,608)	(103,401)	(77,996)
Cash Flow					
Net cash flow from operations	14,445	36,736	8,801	38,722	10,886
Payments for property, plant, equipment and infrastructure	16,520	13,139	23,762	35,232	37,564

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Summary of Financial Results - Water Storage & Delivery and Connections Project (before internal adjustments)					
	2020/21 ('\$000)	2019/20 ('\$000)	2018/19 ('\$000)	2017/18 ('\$000)	2016/17 ('\$000)
Water Savings Projects (before internal adjustments)					
Profit & Loss					
Funding revenue	43,520	116,268	92,076	63,422	68,873
Project Expenditure					
Project costs	49,184	106,673	100,881	60,322	66,954
Other project costs (1)	10,773	13,135	15,866	18,282	14,270
Total Project Expenditure	59,957	119,808	116,747	78,605	81,225
Net result before tax - Connections Project	(16,437)	(3,540)	(24,671)	(15,181)	(12,351)
Cash Flow					
Net cash flow from operations	(3,860)	(92,095)	(27,247)	54,186	124,704
Payments for property, plant, equipment and infrastructure	80,092	89,050	118,554	96,723	80,201
(1) Includes employee expenses, other operating costs, depreciation and interest					
Summary of Financial Results - Total GMW (after internal adjustments)					
Profit & Loss					
Total revenue	184,529	269,406	242,479	211,411	211,296
Total expenses	298,551	352,890	338,757	329,990	301,642
Net result before tax - GMW	(114,022)	(83,485)	(96,278)	(118,580)	(90,347)
Balance Sheet					
Assets					
Current	132,305	206,508	352,356	376,908	314,852
Non-current	4,780,240	4,712,121	4,727,023	4,734,348	4,765,406
Total assets	4,912,546	4,918,629	5,079,379	5,111,256	5,080,259
Liabilities					
Current	71,814	112,161	183,423	253,915	194,920
Non-current	597,159	567,906	610,451	634,354	668,675
Total liabilities	668,973	680,067	793,874	888,268	863,595
Cash Flow					
Net cash flow from operations	1,402	(52,868)	(18,446)	92,908	135,590
Payments for property, plant, equipment and infrastructure	(85,279)	(102,189)	142,316	131,955	117,765

Table 12: Summary of financial results since 1 July 2016

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Current Financial Year Review

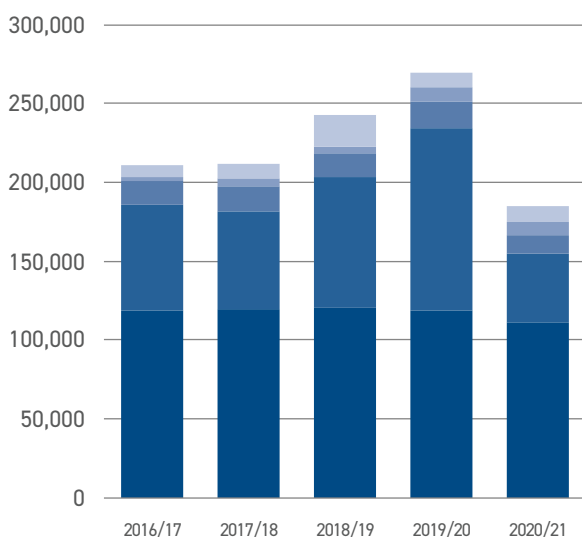
2020/21 commenced the first year of our price regulated period (termed Water Plan 5). This plan supports a significant change program for GMW reflected in favourable price paths for customers and efficiency of operation across the business.

Other highlights include:

- the GMW Annual Report sets out the operational and financial information relating to the business as a whole. This includes the consolidated financial statements for Water Storage and Delivery (WSD) and the Connections Project
- total Revenue of \$184.5 million was lower than the prior year. The Water Storage and Delivery total revenue reduced in line with the reduction in expenditure as GMW focuses on reducing our revenue requirement and returning savings to our customers as price reductions. Water Savings Projects revenue decreased against prior year in line with the completion of the Connections Project and decreased expenditure

- the Net Result before tax of (\$114 million) loss was affected mainly by asset decommissioning occurring through the planned actions of the Connections Project, as well as depreciation not being fully covered in the regulatory pricing and revenue-setting regime
- the current COVID-19 pandemic has not significantly impacted GMW's prescribed business or the Water Savings Projects. Increases in remote working network and communications costs have been offset by reduction in general office expenses.
- GMW continues to support our customers offering hardship, payment arrangements and extensions. These are available to all customers, not only those impacted by COVID-19, bushfires and other natural disasters.

REVENUE (000'S)



■ Other Revenue
■ Government Grants
■ MDBA & Other External Contracts
■ Government Funding - Water Savings Projects
■ Water Storage & Delivery (Retail & Bulk Water)

Figure 7: Revenue by source (\$'000s) since 1 July 2016

EXPENDITURE (000'S)

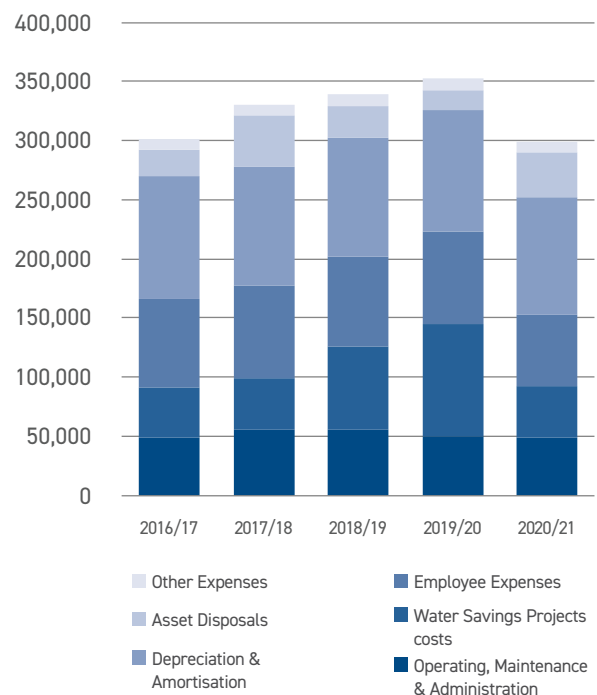


Figure 8: Expenditure breakdown (\$'000s) since 1 July 2016

Significant Changes in Financial Position

For significant changes in financial position please refer to the current year financial review commentary. (Page 36)

Significant Changes or Factors Affecting Performance

For significant changes or factors affecting performance please refer to the current year financial review commentary. (Page 36)

Capital Projects

GMW delivered capital works in three main areas: in the normal course of our Water Storage and Delivery business, through the Water Savings Projects and in partnership with external agencies as outlined in the sections below. The majority of construction activity occurs while the gravity irrigation system is non-operational and occurs in the months either side of 30 June.

CAPITAL EXPENDITURE (000'S)

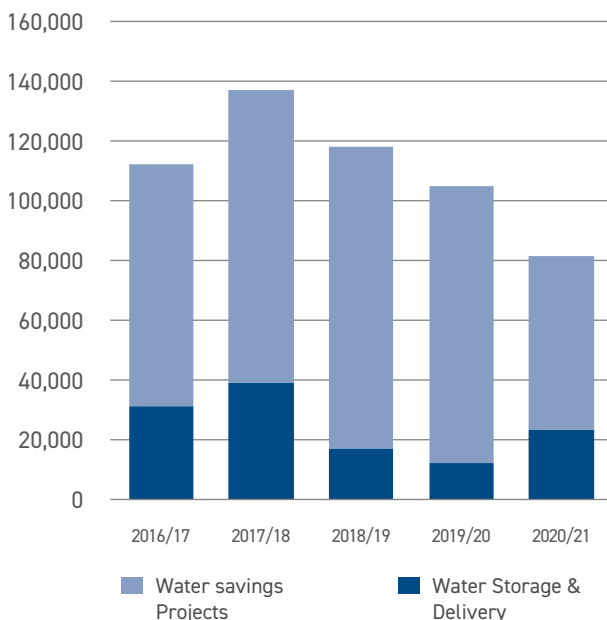


Figure 9: Capital expenditure breakdown between business units (\$'000s) since 1 July 2016

Capital Projects Water Storage and Delivery

During 2020/21, GMW delivered \$21.3 million of customer funded capital projects, upgrading many water delivery and water storage infrastructure assets. We deliver our works through a mix of direct management with internal resources and outsourcing to regionally-based contractors or Melbourne-based specialist contractors.

Some of the major projects or programs undertaken were:

Water delivery:

- \$3.8 million irrigation structure replacements at 25 sites
- \$5.7 million irrigation channel refurbishment projects at 22 sites
- \$0.5 million irrigation meter replacements at 18 sites.
- \$2.5 million Cohuna Weir fishway on the Gunbower Creek.

Water storages:

- \$700,000 at Tullaroop reservoir on bridge coating replacement, concrete repairs to the substructure and concrete repairs to the primary spillway
- \$400,000 on upgrading the power supply to the spillway gantry crane, electrical upgrade works, and primary spillway gate motor/gearbox refurbishment at Cairn Curran reservoir
- \$150,000 refurbishment of three Goulburn Weir Spillway gate gearboxes, with the remaining six gearboxes to be completed during 2021/22 for \$300,000
- safety upgrades to the existing bridges across the Stuart Murray and Cattanach Canals commenced. Total project value is forecast to be \$840,000
- \$798,000 refurbishment of the gantry crane at Cairn Curran completed
- \$138,000 spillway hoist brake upgrade at Cairn Curran was completed during the year
- \$43,000 stage 1 of the Lake Nillahcootie spillway retaining wall strength review completed, following which stage 2 will commence to inform the dam safety upgrade work proposed for 2023-2025.

MDBA assets (GMW is the State Construction Authority for MDBA)

- \$480,000 replacement of the Yarrawonga spillway structure access stairway was completed in 2020/21
- \$500,000 Mildura residence replacement, backup generator facilities and associated electrical installation.
- \$150,000 Pyramid salt interception investigations and Barr Creek structure replacements
- \$50,000 Mildura Merbein Salt Interception Scheme augmentation detailed design.
- \$200,000 Hattah - Kulkyne National Park environmental assets including pump station lubrication system, electrical upgrade works and main high voltage power supply upgrade.

Project Delivery Service for Other Government Entities

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

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

- \$3.7 million Koondrook Weir fishway to commence delivery on behalf of the NCCMA supporting native fish recovery. Works to be completed in 2021/22.
- \$50,000 GBCMA stimulus program including Moodie Swamp and Kynmer Creek infrastructure works
- \$50,000 North East CMA stimulus program for Tea Garden Creek fishway.
- \$250,000 agency technical support for the VFRMP east icon sites of Gunbower, Guttrum and Benwell State Forests

Capital Projects – Water Savings Projects

The Connections Project

Intensive construction occurred predominantly during the winter works period between May and August 2020 when the channel systems were largely dewatered, although works were delivered year-round without interrupting irrigation supply. Some of the infrastructure projects undertaken were:

- channel automation, including structures of varying types and sizes
- a small length of channel remediation using High-Density Polyethylene plastic, clay lining and outer bank remodelling
- the continuing meter installation program
- pipeline construction in a number of areas.

The Water Efficiency Project

Capital works for the Water Efficiency Project began in June 2021, with regulator replacement in the Shepparton East area. During 2021/22, the capital works program will accelerate and will include:

- meter rationalisation and installation
- channel automation (regulator upgrade/modernisation)
- channel decommissioning

Mitiamo Pipeline Project

The \$29 million Mitiamo Pipeline Project saw the completion of an 85 ML storage, pump station and over 300 km of pipeline installed by June 2021.

Performance – Water Storage and Delivery

The 2020/21 financial year for Water Storage and Delivery was one where water deliveries were higher than the prior year and recent year average volumes. Continued focus on expenditure control ensured another strong financial performance. This year's net result, before tax of (\$97.6 million) loss was \$17.6 million higher than the prior year (\$79.9 million) due to a reduction in Connections Project revenue, and higher asset disposals from decommissioning activity completed by the Connections Project and transferred to Water Storage and Delivery.

The main drivers of the operating result for 2020/21 were reduced revenue in line with our pricing submission commitment to customers to reduce price.

Reductions in our controllable operating costs in line with our pricing submission were in part offset by an increase in our MDBA contribution and asset disposals. Controllable operating costs exclude depreciation, asset write-down expenses through the Connections Project asset rationalisation, and other expenditure that is funded by external parties and offset by increased revenue.

Positive operational cash flows of \$14.5 million were achieved compared to \$36.7 million in 2019/20.

Decreased receipts from customers due to lower prices reduced cash balances as a result. Several 'one off' factors can impact the operating results and present a timing variance year by year, although it is important to note the underlying EBITDA and operating cash performance remains strong.

Performance – Water Savings Projects

The Connections Project received government funding of \$43.5 million during 2020/21. Overall the Project entered the 2020/21 year with a strong cash position due to the funding received ahead of future works programs. Cash holdings at 30 June 2021 were \$92.7 million.

Subsequent Events

There were no events after 30 June 2021 likely to affect GMW's financial performance in a material way.

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Performance Report

The following tables represent our performance, comprising both financial and non-financial performance indicators, with reference to performance targets set in GMW's 2020/21 Corporate Plan.

KPI Number	Key Performance Indicator	2019/20 Result	2020/21 Result	2020/21 Target	Variance to prior year	Variance to target	Notes
WSR1/C1.4	Gravity: Rural water supply deliveries Number of orders delivered/total number of orders *100	94.0%	92.8%	93.0%	-1.3%	-0.2%	
WSR1/C1.4	Pumped: Rural water supply deliveries Number of orders delivered/total number of orders *100	99.2%	99.5%	98.0%	0.3%	1.5%	
C1.5	Water share applications ¹⁶ Applications completed within agreed timeframes Number of applications completed/total number of applications * 100	92.0%	82.0%	95.0%	-10.9%	-13.7%	1
WSR2	Unavailability of Domestic and Stock supply Duration that domestic and stock service is unavailable in excess of on-property storage	0.0%	0.0%	1.5%	0.0%	-100.0%	2
WSR3	Groundwater supply Number of transfers processed within target period/total number of transfers processed *100	81.3%	53.1%	75.0% ¹⁷	-34.6%	-29.2%	3

Table 13: Performance against Water Performance Indicators.

Notes:

1. Resourcing restraints at the beginning of the season has impacted the ability to achieve the target for water share applications, this has also resulted in the 2020/21 value being lower than the 2019/20 value.
2. Domestic and stock supply has been available throughout the reporting period, therefore exceeding the target
3. The nature of these transactions, coupled with resourcing constraints throughout the year has impacted our ability to achieve this KPI.

¹⁶ Water share applications processed within 10 business days

¹⁷ Target increased from 73 per cent in 2019/20 to 75 per cent in 2020/21



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Customer Responsiveness

KPI Number	Key Performance Indicator	2019/20 Result	2020/21 Result	2020/21 Target	Variance to prior year	Variance to target	Notes
CRR2	Billing Complaints No. of complaints per 1,000 customers	0	0	0.01	0	-100%	1

Table 14: Performance against customer responsiveness performance indicators.

Notes:

1. GMW continues to engage with customers and improve services and processes to minimise customer complaints. Customer billing is a function of the business that has not received a complaint this year, consistent with last year's result.

Environmental Performance

KPI Number	Key Performance Indicator	2019/20 Result	2020/21 Result	2020/21 Target	Variance to prior year	Variance to target	Notes
E2	Net tonnes CO2 equivalent	9,577 tonnes	10,345 tonnes	11,519 tonnes	8.0%	-10.2%	1, 2, 3

Table 15: Performance against environmental performance indicators.

Notes:

1. No green power was purchased through the 2020/21 reporting year, resulting in a higher net total greenhouse gas emissions than 2019/20
2. Less electricity and vehicle usage throughout 2020/21 due to the impacts of COVID-19 contributed to a lower than target total net greenhouse gas emissions for 2020/21.
3. GMW's emissions target was incorrectly reflected in the 2020/21 corporate plan. The corrected 2020/21 target has been reflected in this table

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Financial Indicators

KPI Number	Key Performance Indicator	2019-20 Result	2020-21 Result	2020-21 Target	Variance to prior year	Variance to target	Notes
F1	Cash Interest Cover Net operating cash flows before net interest and tax/net interest payments	-7.7	1.2	-1.6	115.6%	176.2%	1
F2	Gearing Ratio Total debt / total assets*100	2.3%	1.9%	2.0%	14.9%	4.6%	2
F3	Internal Financing Ratio Net operating cash flow less dividends/ net capital expenditure*100	-51.9%	1.6%	0.9%	103.2%	88.6%	3
F4	Current Ratio Current assets/current liabilities (excluding long term employee provisions and revenue in advance)	2.6 times	4.0 times	1.8 times	53.8%	116.4%	4
F5	Return on Assets Earnings before net interest and tax/ average assets*100	-1.6%	-2.2%	-1.4%	41.9%	52.2%	5
F6	Return on Equity Net profit after tax/average total equity*100	-1.4%	-2.2%	-1.3%	61.1%	71.9%	6
F7	EBITDA Margin Earnings before Interest, Tax, Depreciation and Amortisation/total revenue*100	9.5%	-5.2%	14.3%	154.4%	136.1%	7

Table 16: Results against financial performance indicators

Notes:

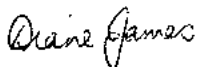
- Cash Interest Cover: results year on year and against target are significantly impacted by timing of receipts and payments relating to the Water Savings Projects. The result is positive in the current year due to the Connections Project receiving grant funding for new operations, while payments to suppliers and employees have reduced.
- The Gearing Ratio has decreased from 2019/20 and is close to budget as a result of a planned reduction in borrowings with a planned \$15 million loan repayment made in October 2020.
- The Internal Financing Ratio has increased to 1.6 per cent. The 2019/20 ratio was impacted by negative operating cash flows, this is due to timing of cash receipts relating to the Connections Project as per Note 1. Receipts for Water Savings Projects received in 2020-21 have increased the ratio. The net operating cash is higher than target also due to Water Savings receipts.
- The Current Ratio has increased from 2.6 in 2019/20 to 4.0 in 2020/21. The year on year comparison for cash and cash equivalents has decreased due to the Connections Project nearing conclusion. Current liabilities have reduced, in part due to Connections Project payables and also a reduction in borrowings with a \$15 million loan repaid in October 2020. The metric has improved against target due to higher 2020/21 cash balances than budgeted as a result of the Water Savings Project.
- Return on Assets is negative as GMW reports a net loss before net interest and tax due to the annual depreciation expense which was \$98 million in 2020/21 (\$103m in 2019/20). GMW is regulated and pricing principles restrict GMW from pricing to fully recover statutory depreciation. The metric is negative compared to target due to actual asset disposals of \$38 million compared to budgeted disposals of \$5 million.
- Return on Equity is unfavourable overall as the net loss is greater than recorded in 2019/21 which included Connections Project funding of \$115 million compared to water savings projects funding of \$43.3 million in 2020/21. Net profit after tax is negative for the same reasons as reported in Note 5 above.
- EBITDA Margin is unfavourable in 2020/21 because of a reduction in revenue, mainly due to the reduction in Connections Project revenue as the project reaches completion. The Water Efficiency Project funding included in 2020/21 is lower than Connections Project funding last year. As in Note 5, the comparison to target is negative and impacted by the higher level of asset disposals than target.

Certification of Performance Report for 2020/21

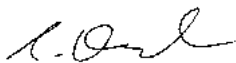
We certify that the accompanying Performance Report of Goulburn-Murray Rural Water Corporation in respect of the 2020/21 financial year is presented fairly in accordance with the Financial Management Act 1994.

The Performance Report outlines the relevant performance indicators for the financial year as determined by the Minister for Water and as set out in the 2020/21 Corporate Plan, the actual and comparative results achieved for the financial year against predetermined performance targets and these indicators, and an explanation of any significant variance between the actual results and performance targets and/or between the actual results in the current year and the previous year.

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



Diane James
CHAIR



Charmaine Quick
MANAGING DIRECTOR



Michael Gomez
GENERAL MANAGER BUSINESS AND FINANCE

Dated this 11th August 2021

Independent Auditor's Report



To the Board of the Goulburn-Murray Rural Water Corporation

Opinion I have audited the accompanying performance report of the Goulburn-Murray Rural Water Corporation (the corporation) for the year ended 30 June 2021, which comprises the:

- financial performance indicators
- water service performance indicators
- customer responsiveness performance indicators
- environmental performance indicators
- certification of performance report.

In my opinion, the performance report of the Goulburn-Murray Rural Water Corporation for the year ended 30 June 2021, presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 7 of the *Financial Management Act 1994*.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance report in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibilities for the performance report The Board is responsible for the preparation and fair presentation of the performance report in accordance with the performance reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the performance report that is free from material misstatement, whether due to fraud or error.

**Auditor's
responsibilities
for the audit of
the
performance
report**

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

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

- identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the corporation's internal control
- evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying events and results in a manner that achieves fair presentation.

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

MELBOURNE
3 September 2021



Paul Martin

as delegate for the Auditor-General of Victoria

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Organisational Structure

For the majority of 2020/21 the organisational structure is as per Figure 10 below. However with the completion of the Connections Project and commencement of the Water Efficiency Project, the Project Control Group becomes the Water Savings Control Group. Frank Fisseler is the Water Efficiency Project Director and the Water Efficiency Project Stakeholder Committee replaces the Connections Project Stakeholder Committee.

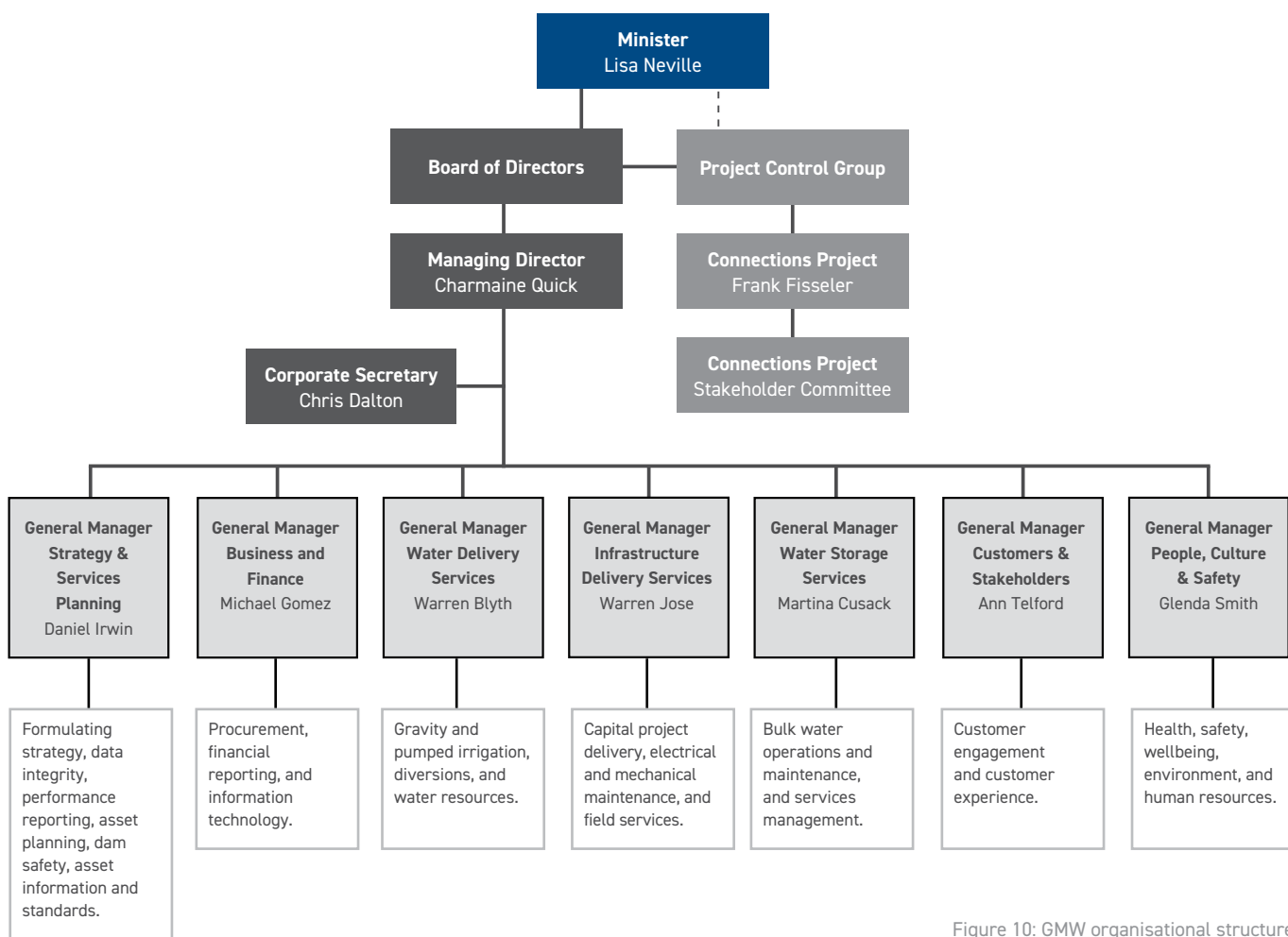


Figure 10: GMW organisational structure

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Our Business Units

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

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

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

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

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

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

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

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

Board of Directors

Independent Directors

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

Diane James AM, Chairman

Diane James AM is a business consultant and company director. Her career includes establishing two start-up companies and serving on numerous state and national boards. She is Chairman of Southern Rural Water and a former director of Barwon Water.

Diane was a founding director of GenU, a national disability, ageing and lifestyle services organisation and was Chairman of the Victorian Coastal Council for 12 years. In recognition of her contribution to the environment and natural resource management, Diane was awarded a Member of the Order of Australia (AM) in 2011.

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

Margot Henty

Margot Henty has been an irrigation dairy farmer at Cohuna for 30 years and has strong understanding of water use and management in the Goulburn-Murray region.

She is a director of the board of Water Partners Australia, a water trading business operating not-for-profit. Margot has contributed extensively to regional resource management plans over the last thirty years of changing times, including the *Torrumbarry Reconfiguration and Asset Modernisation Strategy* and the *Barr Creek Salinity Management Plan*.

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

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Alana Johnson AM

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

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

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

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

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

Patrick McNamara, Deputy Chairman

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

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

Jonathan Koop

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

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

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

Margaret O'Rourke

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

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

Dennis Quinn

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

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

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

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Ari Suss

Ari Suss is CEO of Fox Special Projects, part of the private family investment arm of the Linfox Group, joining the company in 2004. Ari is also a board member of Avalon Airport Australia.

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

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

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

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

David McKenzie

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

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

David has also served as a member of the Commonwealth Water Minister's independent socio-economic advisory panel, exploring the impact of water reform on the communities and industries of the Murray-Darling Basin.

Executive Director

Charmaine Quick (Managing Director)

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

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

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

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

Conflicts of Interest

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

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

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

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Board Meetings

Directors attended the following scheduled meetings:

Number attended/eligible to attend	Board		Risk, Audit & Finance	People & Culture	Customer & Stakeholder	Service Planning	Water Futures Taskforce
	Ordinary	Special					
Margot Henty	8/8	1/1			1/2	5/5	
Diane James AM	8/8	1/1	5/5	4/4	2/2	5/5	
Alana Johnson AM	8/8	1/1		4/4	2/2		
Jonathan Koop	7/8	1/1	5/5			5/5	
Patrick McNamara	8/8	1/1	5/5				
David McKenzie	8/8	1/1		3/4		5/5	2/2
Margaret O'Rourke	7/8	1/1	4/5		1/2		
Charmaine Quick	8/8	1/1	5/5	4/4	2/2	5/5	
Dennis Quinn	8/8	1/1	5/5	4/4		5/5	1/2
Ari Suss	8/8	1/1		4/4	2/2		

Table 17: Board member attendance and eligibility from 1 July 2020.

Board Committees

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

From 1 July 2020 to 30 June 2021 the following board committees operated:

Committee	Board
People and Culture Chair: Dennis Quinn	Oversees GMW's: <ul style="list-style-type: none"> remuneration policy management remuneration diversity policies and initiatives culture management and mitigation of health, safety and wellbeing risks
Customer and Stakeholder Chair: Alana Johnson AM	Oversees GMW's: <ul style="list-style-type: none"> strategic engagement with our customers and stakeholders performance against our customer service standards

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Committee	Board
Risk, Audit and Finance Chair: Jonathan Koop	Oversees GMW's: <ul style="list-style-type: none"> financial reporting internal and external audit function risk management and compliance annual budget annual financial statements
Service Planning Chair: David McKenzie	Oversees GMW's: <ul style="list-style-type: none"> development, implementation and review of innovative strategies/programs contribution of strategic asset management planning capital works program and research program development of capital expenditure measures, targets and benchmarks implementation of the Asset Management Accountability Framework (AMAF)
Taskforce	
Northern Water Alliance Water Futures Taskforce Chair: David McKenzie From 7 June 2021	The Northern Water Alliance consists of the boards of Goulburn-Murray Water, North East Water and Goulburn Valley Water. The Taskforce was established by the Alliance to make innovative recommendations to the water corporations. Those recommendations will include matters such as changes to underlying systems, structures and settings to improve readiness for a lower water future. Taskforce membership includes two Directors from each of the water corporations. GMW's members on the Taskforce are David McKenzie and Dennis Quinn.

Table 18: GMW Board committees and purpose.

Risk, Audit and Finance Committee Membership and Roles

GMW during 2020/21 had a Risk, Audit and Finance Committee. The key responsibilities of this Committee are shown above.

Membership of this Committee consisted of independent members appointed by the Board. The following persons were the independent members of the Committee in 2020/21:

Jonathan Koop	Member (Chair)
Margaret O'Rourke	Member
Dennis Quinn	Member
Patrick McNamara	Member
Diane James AM	Ex-officio member

Table 19: Membership of GMW's Risk, Audit and Finance Committee.

Meetings of the Committee were held quarterly and at any other time on request of a committee member. In 2020/21, the Risk, Audit and Finance Committee met five times.

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Project Control Group

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

Membership of the PCG during 2020/21 consisted of:

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

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

Water Services Committees

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

Occupational Health and Safety

The 2020/21 period saw GMW successfully maintain our accredited OH&S Management System ISO45001 standard, with an independent auditor identifying no major non-conformances.

The Safety, Wellbeing and Environment team has reviewed the majority of OH&S procedures in the 2020/21 financial year. This review, combined with the 2020-2024 Safety and Wellbeing Strategy and establishment of the fatal risk and incident escalation and investigation program will introduce simplicity and accountability in safety over the next 12 to 18 months.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of health and safety employee representative committees	8	3	4	8	7	5	4
Number of lost time injuries for the year	16	16	16	11	10	9	4
Lost Time Injury Frequency Rate (lost time injuries per million hours worked)	13.2	11.2	12.8	9.1	9.4	7.08	4.56
Average Lost Time Rate (average number of days lost per lost time injury)	22.8	25.7	6.9	26.1	4.2	43.33	48.15
Number of reported hazards/incidents for the year per 100 full-time equivalent staff members	17.8	15.4	13.5	11.1	20.5	52.5	36.5
Number of lost time standard claims for the year per 100 full-time equivalent staff members	1.19	1.16	0.67	1.72	0.61	0.023	0.008
Average cost per claim for the year (including payments to date and an estimate of outstanding claim costs as advised by WorkSafe)	\$52,215	\$73,860	\$15,655	\$34,449	\$5,020	\$51,221	\$73,676
Updated: Average cost per claim for the year (including payments to date and an estimate of outstanding claim costs as advised by WorkSafe)	\$105,722	\$112,796	\$61,420	\$28,400	\$26,588	\$51,221	\$147,661

Table 20: Results against occupational health and safety key performance indicators.



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Rehabilitation and Return to Work

GMW outsourced all injury management for work and non-work related matters to OccCorp in November 2020. We had 34 referrals to OccCorp with five of those being non-work related. The highest number of injuries were musculoskeletal, followed by injuries obtained out of the workplace and other preventative injury management.

GMW has engaged with rehabilitation company IPAR to conduct task analysis based on the core roles and duties identified with the highest physical demands. This will help us better understand the musculoskeletal demands on our workers.

The average cost per claim for the year includes estimates of outstanding claims cost, including one psychological claim. Psychological claims have an estimated cost 7 times more than physical injuries, therefore the cost of \$147,661 is significantly higher than the 2019/20 value of \$51,221.

Employment and Conduct Principles

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

GMW continues to celebrate major diversity and inclusion dates and is an active member of many community working groups to enhance diversity and inclusion, not only for our own employees but also our wider community. Celebrating our diverse workforce and working closely with our wider community sends an important message from our business that everyone should feel included and valued.

Comparative Workforce Data

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

GMW employs a total of 554 staff (figures include full time, part time, casual employees and exclude directors and Chair) equivalent to 540.0 FTE.

The demographic data for GMW's workforce for the period 1 July 2020 – 30 June 2021 is listed below:

Employee Demographics							
	Ongoing Employees				Fixed term and casual		Total
	Number (headcount)	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE	Number
June 2021	470	439	31	461.2	84	78.8	554
June 2020	463	434	29	451.4	89	83.0	552

Table 21: GMW's workforce data by classification.

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Employee Demographics								
	June 21				June 20			
	Ongoing		Fixed term and casual		Ongoing		Fixed term and casual	
	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE
Gender								
Male	344	342.7	44	42.3	347	346.0	52	50.4
Female	126	118.6	40	36.5	116	105.4	37	32.7
Age								
< 25	5	5.0	3	3.0	7	6.6	3	2.3
25 – 34	86	83.4	13	12.4	82	76.8	18	16.5
35 – 44	118	115.6	21	19.3	120	116.8	23	21.3
45 – 54	154	152.4	18	17.9	146	144.8	18	17.7
55 – 64	98	96.2	25	24.3	95	93.7	23	22.4
>=65	9	8.7	4	2.0	13	12.7	4	2.8
Classification								
Band A	79	77.3	8	6.4	78	75.6	9	7.3
Band B	158	154.9	11	9.2	151	147.0	7	6.8
Band C	101	98.6	20	19.1	104	101.4	26	23.2
Band D	85	83.3	20	19.4	81	78.5	17	16.9
Band E	26	26.0	9	8.6	26	26.0	14	12.8
Band F	21	21.0	7	7.0	23	23.0	7	7.0
EO	0	0.0	9	9.0	0	0.0	9	9.0

Table 22: GMW's workforce data by classification, gender and age demographics.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Workforce Inclusion Policy

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

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

GMW continues to grow our extensive online course library along with scheduled classroom-style training to ensure that all policies and expected employee workplace practices are explained to all new and existing employees to ensure compliance and adherence.

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

GMW also provides an Employee Assistance Program (EAP) through Career Money Life (CML), which has a range of quality psychologists and counsellors across northern Victoria as well as a telephone and online counselling services. The service is completely confidential and no identifiable information is passed onto the business. It is also available for the family members of our employees.

GMW's diversity targets ensure equitable gender balance, diversity and inclusion of all groups including but not limited to lesbian, gay, bisexual, transgender, intersex, queer (LGBTIQ+), people with a disability and indigenous peoples. We also believe that all roles can be flexible. This ensures that GMW is employing people based on merit, treating all employees and candidates fairly and reasonably.

Our current diversity and inclusion targets and performance for 2020/21 are as per below.

GMW diversity and inclusion targets	2020/21 report on GMW diversity and inclusion targets
40 per cent either male or female/60 per cent all other gender identity	30%
Three per cent of our workforce will identify as Indigenous peoples	1.22 per cent of our workforce currently identify as Indigenous peoples
Eight per cent will identify as LGBTIQ+	3 per cent currently identify as LGBTIQ+
Five per cent of our workforce will identify as having a disability	6.9 per cent of our workforce currently identify as having a disability

Table 23: GMW's progress towards diversity and inclusion targets.

GMW adheres to the *Code of Conduct for Victorian Public Sector Employees*, and the *Charter of Human Rights and Responsibilities*; both have been promoted to all staff and made available on our intranet. Mandatory training on the code was delivered in 2020.

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

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Executive Officer Data

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

The following tables disclose the EOs of GMW for 2020/21:

- Table 23 discloses the number of EOs for GMW broken down by gender
- Table 24 provides a reconciliation of EO numbers presented between the report of operations and Note 10.3 in the financial statements
- There are no variations, between the current and previous reporting periods

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

Class	All		Male		Female		Self-described	
	No.	Var	No.	Var	No.	Var	No.	Var
EO 1	2	N/A	1	N/A	1	N/A	0	N/A
EO 2	7	N/A	4	N/A	3	N/A	0	N/A
EO 3	0	N/A	0	N/A	0	N/A	0	N/A
Total	9	N/A	5	N/A	4	N/A	0	N/A

Table 24: Breakdown of EOs into gender.

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Local Jobs First

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

DEDJTR is responsible for implementing the VIPPP across the Victorian Government on behalf of the Minister for Regional Development and Minister for Industry and Employment. GMW has submitted our annual return which forms part of the department's annual report.

Social Procurement Framework

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

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

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

Table 25: Social procurement objectives

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Achievements

- Professional services: Heritage and cultural advice using local providers who are owned by or use indigenous resources
- Uniforms: Use WorkWear group- a certified member of Ethical Clothing Australia which operates under a sound ethical sourcing and modern slavery ethos.
- Local category expenditures of significance within the region of over \$30 million in collective value including Building Maintenance, Catering, Civil Services, Cleaning, Concrete, Electrical Services, Equipment Maintenance, Facilities Management, Fencing, Freight, Land Management, Maintenance, Network Services, Painting Services, Pest Control, Plant Hire, Plant Maintenance, Plumbing Maintenance, Postage, Print Services, Professional Services, Property, Pumping and Pumps, Recruitment, Road Restoration, Sand And Gravel, Scaffolding, Storage, Surveying, Temporary Labour, Timber, Traffic Management, Waste Collection
- Energy - investigating future renewable agreements, and solar panel procurement for solar projects.
- GMW has tendered for the following projects that have all had a satisfactory response from bidders in the Social Procurement arena: Gunbower Creek fishways construction (Cohuna and Koondrook); bridge refurbishment at Tullaroop Spillway and Cairn Curran outlet tower; Lake Eppalock rock wall excavation works; Mitiamo Pipeline Project.

Government Advertising Expenditure

GMW's expenditure on government campaigns in the 2020/21 reporting period did not exceed \$100,000 (excl. GST).

Consultancy Expenditure

Details of individual consultancies can be viewed at www.gmwwater.com.au under the annual reports section and in Appendix D of this report.

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

Details of Consultancy over \$10,000

In 2020/21, there were four consultancies, all in excess of \$10,000, related to the Water Storage and Delivery business. The total expenditure incurred during 2020/21 in relation to these consultancies is \$94,619 (excl. GST). There were 10 consultancies in excess of \$10,000 related to the Connections Project and the total expenditure incurred relevant to these consultancies is \$216,555 (excl. GST).

Details of Consultancy under \$10,000

In 2020/21, there were four consultancies in the Water Storage and Delivery business and two consultancies related to the Connections Project under \$10,000. The total expenditure incurred during 2020/21 in relation to these consultancies is \$12,742 (excl. GST).

Information and Communications Technology Expenditure

For the 2020/21 reporting period, GMW had a total Information and Communication Technology (ICT) expenditure of \$11.5 million, with the details shown below.

All operational ICT expenditure \$'000	ICT expenditure relating to projects to create or enhance ICT capabilities \$'000			
	Business As Usual (BAU) ICT expenditure	Non Business As Usual (non BAU) ICT expenditure	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
8,025	3,424	1,714	1,710	

(Total = Operational expenditure and Capital Expenditure)

Table 26: Information and communication technology expenditure since 1 July 2020

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

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

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

Disclosure of Major Projects

During 2020/21 GMW commenced one project with a value greater than \$10 million.

	Project	Division	Tender #	Value (incl. GST)
1	Mitiamo Pipeline Project	GMW Connections Project - Main Contractor	GMW-MPP-1003	\$12,000,000.00

Table 27: Major contracts

Freedom of Information

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

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

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

The FOI Act was amended on 1 September 2017 to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

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

Making a Request

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

Requests must be made in writing, provide necessary information to identify the documents sought and be accompanied by a \$30.10 application fee. If payment of the application fee would cause hardship, it may be waived or reduced. Access charges may also be payable if the document pool is large, and the search for material is time consuming.

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

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

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

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

FOI Statistics/Timelines

During 2020/21, GMW received 16 new FOI requests. Of these requests, 13 requests related to Water Storage and Delivery, and three requests related to the Connections Project. Requests were received from various sections of the community including individuals, community groups, solicitors and organisations.

GMW made 13 FOI decisions during the 12 months ended 30 June 2021.

The decisions were as follows:

- 7 granted in full;
- 5 granted in part;
- 1 no documents;
- 7 decisions were made within the statutory 30 day time period;
- 4 decisions within an extended statutory 30-45 day time period;
- 2 decisions within 46 to 90 days; and
- 0 decisions in greater than 90 days by agreement.

The average time taken to finalise requests in 2020/21 was 32 days.

During 2020/21, two requests were subject to a complaint/review by OVIC, with none progressing to the Victorian Civil and Administrative Tribunal (VCAT).

Further Information

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

Compliance with the Building Act 1993

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

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

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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2020/21 Building Matters	Number
Number of major works projects undertaken by GMW (greater than \$50,000)	One: <ul style="list-style-type: none"> 40 Casey Street office upgrade (includes replacing carpets, internal painting and plastering, reducing partition heights, acoustics, air conditioning modifications, electrical works, some new office furniture and disability access to rear of building \$948,000)
Number of building permits, occupancy permits or certificate of final inspection issued in relation to buildings owned by the entity	One building permit was issued for works commencing in 2020/21
Number of emergency orders and building orders issued in relation to buildings	0
Number of buildings that have been brought into conformity with building standards during the reporting period:	65%

Table 28: Building matters in 2020/21

Competitive Neutrality Policy

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

Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* (Public Interest Disclosures Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body. GMW is a public body for the purposes of the Public Interest Disclosures Act.

What is a Public Interest Disclosure?

A public interest disclosure is a complaint of corrupt or improper conduct by a public officer or a public body. 'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption.

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

GMW:

- is committed to ensuring transparency and accountability in our administrative and management practices
- supports making disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Making a Public Interest Disclosure

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

GMW is not able to receive public interest disclosures.

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

IBAC may be contacted by writing to:

Independent Broad-Based Anti-Corruption
Commission (IBAC) Victoria
GPO Box 24234
MELBOURNE VIC 3001

Or, by telephone on 1300 735 135

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

Compliance with the Disability Act 2006

GMW actively promotes diversity and inclusion across all minority groups. GMW's is aligned with *Absolutely everyone: state disability plan for 2017-2020*, which is the Victorian Government's framework for enabling people with a disability to participate and contribute to the social, economic and civic life of their community, and we work collectively to ensure no employee is disadvantaged in any way.

We continue to assist employees with modified workstations and equipment to assist with height, back and general accessibility issues. GMW continues to modify our site offices to be compliant for disability access. We actively promote all diversity and inclusion sectors through recruitment, on-boarding and corporate induction programs. Unconscious bias training provides all hiring managers with the skills to look at the overall capability and not the disability of any employee within GMW.

Compliance with the Water Act 1989

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

Office-based Environmental Impacts

GMW recorded emissions of 10,345 tonne CO₂, a 788 tonne increase in Greenhouse Gas (GHG) emissions over the 2020/21 period compared with 2019/20. This is 1,174 tonne under the pledge target of 11,519 tonne. The result includes MDBA assets.

Greenhouse Emissions by Source

CO ₂ e by source (Tonne)	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Energy ¹⁸	8,851	8,375	8,233	7,819	8,651	6,501	7,888
Vehicle Fleet ¹⁹	3,822	4,026	3,724	3,720	3,326	3,076	2,457
Total	12,673	12,401	11,957	11,539	11,977	9,577	10,345

Table 29: Greenhouse emissions by source since 1 July 2014

¹⁸ Electricity and gas to run offices and depot and deliver water to customers including MDBA assets.

¹⁹ Fuel consumed by vehicle fleet

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Performance Indicator	Greenhouse gas emission (Tonnes CO ² -e)				Variance (%)	Commentary
	2020/21 Projected Emissions	2020/21 Result				
		Scope 1 emissions	Scope 2 emissions	Total emissions ²⁰		
Water Treatment and Supply	4,828	0	6,320	6,320	30.9	In 2020/21 water delivery was higher than 2019/20, this combined with no purchase of green power has resulted in total emissions being higher than the previous year
Wastewater Collection, Treatment and Recycling	0	0	0	0	0	GMW does not operate municipal wastewater treatment plants
Transport	3,002	2,457	0	2,457	-18.2	GMW's ongoing fleet management processes, use of videoconferencing facilities and limiting kilometres travelled due to Covid-19 restrictions have contributed to lower emissions
Other (offices, depots and recreational facilities)	1,517	0	1,568	1,568	3.4	
Total	9,347	2,457	7,888	10,345	10.7	Not purchasing green power resulted in total emissions being higher than 2019/2020. However the total emissions were lower than the target value.

Table 30: Greenhouse gas emissions by source.

NET GREENHOUSE GAS EMISSIONS (TCO₂-E)

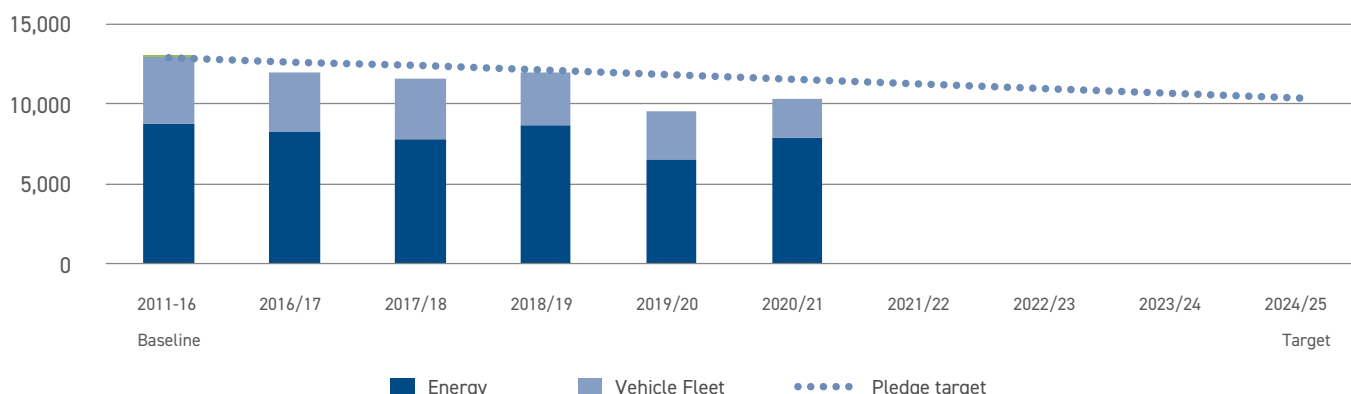


Figure 6: Total greenhouse gas emissions vs target emissions since 2011-16 baseline.

Notes:

- GMW's pledge target includes both GMW and MDBA assets. An internal GMW pledge target excluding MDBA assets had been identified in previous years, however the 2011-16 baseline on which GMW's pledge is calculated includes MDBA assets.

²⁰ Sum of Scope 1 and Scope 2 emissions

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Energy Consumption Reporting

Total electricity use	2019/20 Result (MWh)	2020/21 Result (MWh)	Commentary
Water treatment and supply	5,460	6,449	This increase corresponds with higher water delivery figures in 2020/21 than 2019/20.
Sewerage Collection, Treatment and Recycling	0	0	GMW does not operate municipal wastewater treatment plants
Other (office, workshops, depots, etc)	1,826	1,597	GMW continues to make efficiency gains at our staffed locations. This result has also been impacted by staff working remotely due to the COVID-19 pandemic
TOTAL	7,286	8,046	

Table 31: Energy consumption by source.

Performance indicator	2019/20 Renewable electricity used (MWh)	2020/21 Renewable electricity used (MWh)	Commentary
Solar	133	160	
Hydroelectric	0	0	
Wind	0	0	
Biogas	0	0	
Green power	914	0	No green power purchased in 2020/21
Other	0	0	
TOTAL	1,047	160	
Percentage renewable electricity	14.38%	1.99%	

Table 32: Energy consumption

Corporate Water Consumption

Corporate water consumption at GMW's 15 major office locations was 13,309 kilolitres (KL) in 2020/21 equating to an office water consumption of 24.64 KL per FTE. This value is significantly less than 2019/20 due to most staff working remotely as a result of COVID-19.

Corporate water consumption	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Water consumption (KL)	19,704	22,503	24,314	13,351	19,263	19,426	13,309
Consumption per FTE	26	29	33	20	31	36	25

Table 33: Total water consumption in kilolitres and kilolitre consumption per FTE across major offices.

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Compliance with the DataVic Access Policy

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

Water Use Compliance and Enforcement

Water is a precious but limited resource. A strong, clear system for water use compliance and enforcement (WUCE) is vital to support community confidence that the same rules apply to all GMW customers.

Priorities

GMW's WUCE priorities for 2020/21 included:

- implementing GMW's *Water Use Compliance and Enforcement (WUCE) Strategy*: which includes a related WUCE plan, policy and procedure
- implementing the findings of independent adviser Des Pearson. In May 2020 the Hon. Lisa Neville, Minister for Water, appointed Des Pearson as an independent advisor to lead an independent review of all water corporations' WUCE. GMW has implemented each of the recommendations from Des Pearson's 2020 review
- implementing GMW's Metering Action Plan
- participating in internal and external workshops and forums to continue to improve GMW's WUCE
- communication and engagement activities
- in the field actions such as inspecting properties with irregular water trading and water-use activity patterns over the irrigation season

Actions

GMW's compliance and enforcement actions in 2020/21 were:

Compliance and Enforcement Actions		
	2019-20	2020-21
Advisory Letter	778	582
Formal Warning	174	36
Notice of Contravention (s.151)	5	10
Notice of Entry (s.133)	0	0
Lockdown (s.141)	2	1
Prosecutions commenced	21	14
Prosecutions finalised	4	25
Total no. of breaches	4868*	4475*

Table 34: GMW's WUCE actions

* Please note the number of breaches in Table 34 includes deeming (where there is no GMW meter) and UT amounts <1 ML and is higher than the number of ABAs in UT in Table 35 because breaches cover a wider range of offences (e.g. interference with a meter)

Performance

GMW in 2020/21 achieved significant reductions in both the number of Allocation Bank Accounts (ABA) and volume of water involved in Unauthorised Take (UT) as shown in Table 35:

Year	ABAs					Volume			
	Number	Number in UT	KPI			Volume (ML) of water	Volume (ML) of UT	KPI	
			Target	Actual	Adjusted Actual*			Target	Actual
2020/21	39,817	4,424	< 3%	11.1%	2.3%	1,631,035	4,388.4	< 1%	0.27%
2019/20	38,533	4,746	< 3%	12.3%	4.9%	1,404,096	10,191.9	< 1%	0.73%

Table 35: GMW's WUCE Performance

* Adjusted actual excludes deeming (where there is no GMW meter) and UT amounts < 1 ML (3,486 in 2020/21 and 2,836 in 2019/20). GMW is partnering with DELWP and other water corporations on the most appropriate KPI methodology.

Energy and Water Ombudsman (Victoria) Limited

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

During the 2020/21 financial year, EWOV referred 34 matters to GMW. The nature of these complaints is outlined as follows:

Type of EWOV complaint	Number
Enquiry	0
Unassisted Referral	5
Assisted Referral	24
Investigation	5
Total	34

Table 36: EWOV complaints, including the Connections Project.

As at 30 June 2021, there were no outstanding complaints against GMW being investigated by EWOV.

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

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

Or, by telephone on 1800 500 509

Regional Catchment Strategies

GMW actively contributed to the continued implementation of the three regional catchment strategies that apply across our area of operations during 2020/21. GMW also contributed to the development of updated regional catchment strategies that are due to apply from 2021/22. Our contributions to the new regional catchment strategies comprised

steering committee membership, workshop participation, stakeholder briefings and content reviews.

GMW worked closely with the GBCMA and DELWP on the development of operating rules for the lower Goulburn River, which will help protect the environment in the river during the delivery of water from the Goulburn inter-valley trade account to the Murray system. The operating rules complement new rules governing trade between the two water systems.

This year we participated in several catchment partner forums, as well as workshops and discussions on how to involve northern Victorian Aboriginal communities in catchment and water management. GMW continued discussions with the Yorta Yorta Nation Aboriginal Council (YYNAC) on Kow (Ghow) Swamp operational management, and the Taungurung Land and Water Council (TLaWC) about future operations at Greens Lake following removal of the storage from the Goulburn distribution system as a water savings measure.

GMW partnered with TLaWC representatives on a shallow observation bore drilling project at Gaynor Swamp, in the Corop Lakes region. The project presented an ideal opportunity for TLaWC to gather information about the geology and subsurface environment at the swamp.

We completed the final year of a SIR Surface Water Management Program (SWMP), delivered in partnership with GBCMA. This four-year program, funded by the Victorian Government from late 2016, targeted projects in irrigated catchments across the SIR where drainage improvement and environmental opportunities exist, where there is clear community and GMW customer support for drainage works, and where productive agriculture has a sound future.

A key feature of this SWMP was implementing lower cost and innovative drainage approaches based on improving linkages to, and increasing effectiveness of, natural drainage courses. This was done by establishing Drainage Course Declarations (DCDs) in priority catchments, enabling GMW to remove obstructions to natural drainage flows.

Two significant DCD-based priority projects were successfully completed in 2020/21. Comprehensive obstruction removal works programs were implemented in the Upper Deakin DCD and Guilfus Congupna DCD catchments. The quality of completed drainage works, and GMW's delivery of these two works programs, received very positive feedback from customers involved.

Importantly, funding was received by GMW to continue to deliver DCD-based drainage projects over the coming two years. Work is already underway on a Murray Valley West DCD project, which includes active engagement with YYNAC; and planning is well advanced on a new drainage improvement project near Waranga Basin.

Victorian Waterway Management Strategy

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

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

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

State Environment Protection Policy (Waters)

GMW has continued to work with community and agency stakeholders on a range of activities related to the State Environment Protection Policy (Waters) (SEPP) including comparison of water quality data to SEPP objectives, implementing land and water management plans, programs for improved irrigation, drainage and salinity mitigation practices and improved recreation and waterway management.

Asset Management Accountability Framework

GMW manages our assets in accordance with the Asset Management Accountability Framework (AMAF). GMW used the initial data from the independently assessed Asset Management Customer Value (AMCV) project in this maturity assessment. This data is based on the internationally recognised Global Forum on Maintenance and Asset Management (GFAM) and has been updated through a self-assessment (in accordance with DTF guidance published in February 2021) where GMW can recognise improvements resulting from the implementation of the *Asset Management Strategy*.

The figure following is a pictorial representation of our asset management maturity based on the 41 AMAF requirements. This enables us to easily view areas of deficiency and improvements over time. The spider graph is made up of four rings that measure the level of competence. The centre of the circle (0) represents innocence, the organisation is unaware of the requirement. The inner-most ring (1) represents that an organisation is aware of the requirement. The second ring from the centre (2) represents that an organisation is developing its competency to the requirement. The third ring from the centre (3) represents that an organisation is competent to the requirement and the outside circle (4) represents that an organisation is optimising their approach to the requirement.

Following the above self-assessment of our maturity to these requirements it was found that for all of the 41 requirements we were at least competent and for some at a level of optimising, which is represented by the black plot on the spider graph. The blue plot demonstrates the targets that we are working towards through the implementation of the four year asset management strategy.

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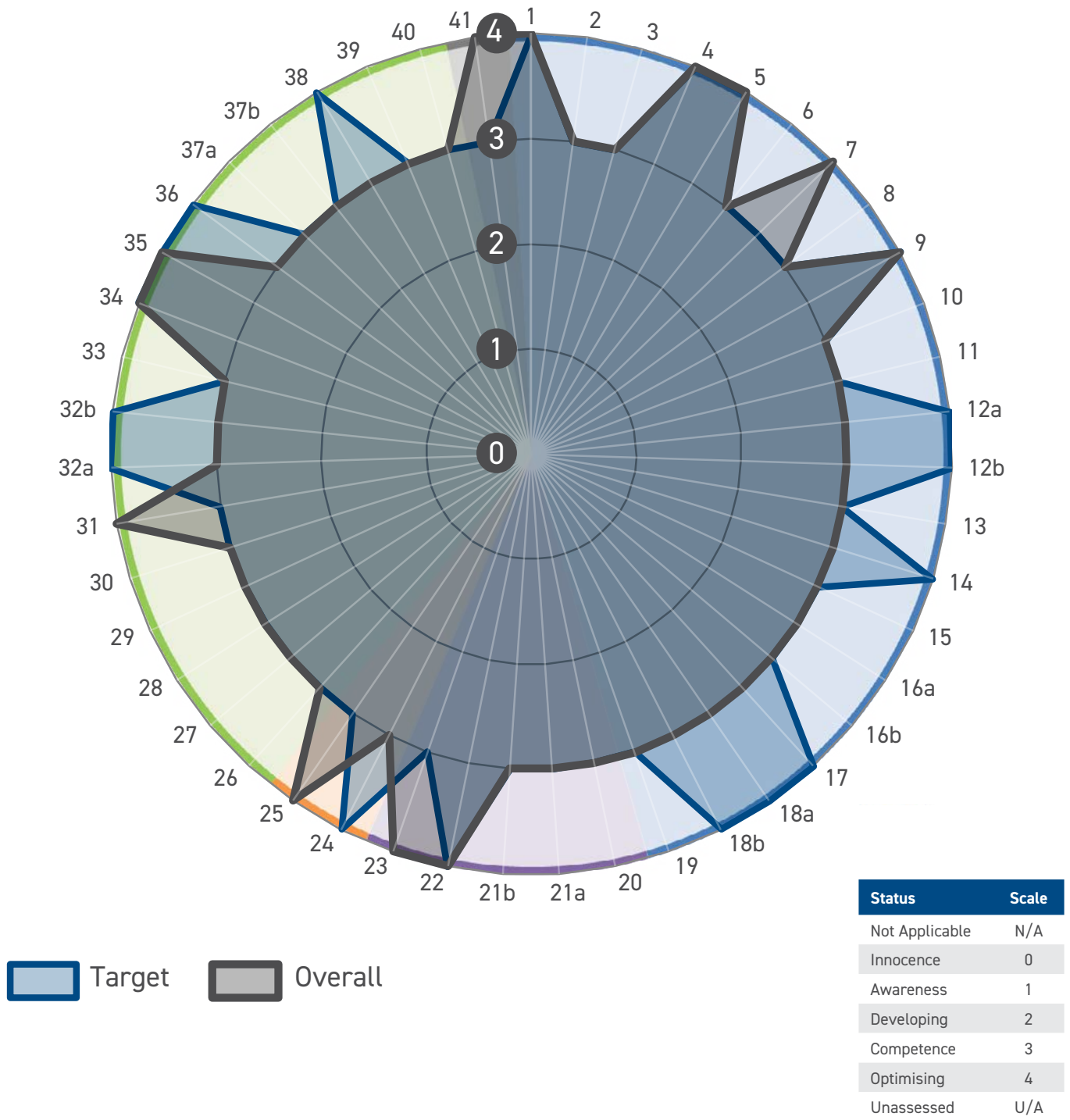


Figure 11: GMW AMAF Compliance Profile

Leadership and Accountability (requirements 1-19)

We have met our target maturity level under most requirements within this category. Initiatives include:

- 2020 restructure to enable leadership and accountability in the space of asset management
- asset management strategy and policy approved by the Board in 2020/2021
- Asset Management Alliance team formed to enable organisational engagement in asset management

We are working towards targets in some areas of asset performance reporting. This is a focus area of the asset management improvement plan.

Planning (requirements 20-23)

We have met or exceeded all of our target maturity levels under most requirements within this category. The *Asset Management Strategy* and policy were approved in this last financial year and asset management plans are currently being revised. The accountability and processes used in managing risk have been enhanced and include specific risks in regards to asset management. In addition, asset management is actively considered in the asset management plans.

Acquisition (requirements 24-25)

GMW is exceeding one target maturity level requirement in this category and is working towards the other. Development and implementation of the investment framework ensures clear accountability and simplified processes, this process will be further refined over the next four years to ensure an improved options analysis is completed.

Operations (requirements 26-40)

We have met or exceeded all of our target maturity levels under most requirements within this category.

GMW is working towards improvements in the areas of asset information monitoring and analysis, this work is being monitored by the Asset Management Alliance and progress is reported through the *Asset Management Strategy*.

Disposal (requirements 41)

We have met our target maturity level in this category

Statement of Availability of Other Information

Information held by GMW and available on request subject to the FOI Act includes:

- a. a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- b. details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c. details of publications produced by GMW about itself, and how these can be obtained
- d. details of changes in prices, fees, charges, rates and levies charged by GMW
- e. details of any major external reviews carried out on GMW
- f. details of major research and development activities undertaken by GMW
- g. details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- h. details of major promotional, public relations and marketing activities undertaken by GMW to develop community awareness of the entity and our services
- i. details of assessments and measures undertaken to improve the OH&S of employees
- j. a general statement on industrial relations within GMW and details of time lost through industrial accidents and disputes
- k. a list of major committees sponsored by GMW, the purposes of each committee and the extent to which the purposes have been achieved
- l. details of all consultancies and contractors including:
 - I. consultants/contractors engaged
 - II. services provided
 - III. expenditure committed to for each engagement.

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

or by sending a request to:

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

Financial Statements 2020/2021

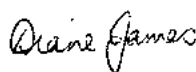
Attestation for Financial Management Compliance

The attached financial statements for Goulburn-Murray Rural Water Corporation have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions (FRDs), Australian Accounting Standards (AASs) including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of comprehensive income, balance sheet, statements of changes in equity, cash flow statements and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of Goulburn-Murray Rural Water Corporation at 30 June 2021.

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

We authorise the attached financial statement for issue on 25 August 2021.



Diane James AM

CHAIRMAN

25/08/2021



Charmaine Quick

MANAGING DIRECTOR

25/08/2021



Michael Gomez

GENERAL MANAGER BUSINESS & FINANCE

25/08/2021



Independent Auditor's Report

To the Board of the Goulburn-Murray Rural Water Corporation

Opinion	<p>I have audited the financial report of the Goulburn-Murray Rural Water Corporation (the corporation) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • statutory certification. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the corporation as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the corporation is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's
responsibilities
for the audit
of the financial
report**

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

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

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

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

MELBOURNE
3 September 2021



Paul Martin
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

for the period ended 30 June 2021

	Notes	2020/21 \$000	2019/20 \$000
Revenue from operating activities			
Revenue from service and usage charges	3.1.1	111,405	119,039
Government grants	3.2	8,410	9,390
Water Savings Projects ¹	3.2.1	43,339	115,258
Contracting services	3.1.2	12,018	16,447
Other income	3.1.3	9,357	9,271
Total revenue		184,529	269,406
Expenses from operating activities			
Operations, maintenance and administration expense			
Water Storage & Delivery	4.1.1	48,851	49,957
Water Savings Projects ¹	4.1.2	43,800	95,131
Employee expenses	4.2.1	60,312	77,573
Depreciation and amortisation	5.1.2	98,768	103,198
Environmental contribution	9.2	2,577	2,793
Interest expense	7.1.2	6,159	7,134
Loss on disposal	5.1.3	38,083	17,105
Total expenses		298,551	352,890
Net result before tax		(114,022)	(83,485)
Income tax expense/(benefit)	9.1.1	(20,334)	(25,026)
Net result for the year		(93,688)	(58,458)
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Change in asset revaluation reserve		122,838	(3,549)
Income tax related to this change	9.1.2	(52,645)	1,065
Other Comprehensive income, net of income tax	5.1.5	70,193	(2,484)
Total comprehensive result		(23,495)	(60,943)

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

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

Balance Sheet

as at 30 June 2021

	Notes	2020/21 \$000	2019/20 \$000
ASSETS			
Current assets			
Cash and cash equivalents	7.2	99,751	174,315
Receivables	6.1	28,011	28,059
Inventories		3,248	2,550
Prepayments		1,295	1,585
Total current assets		132,305	206,508
Non-current assets			
Receivables	6.1	79	109
Intangible assets	5.2	8,716	9,147
Right-of-use assets	6.3	2,402	1,879
Infrastructure, property, plant and equipment	5.1.1	4,769,043	4,700,986
Total non-current assets		4,780,240	4,712,121
TOTAL ASSETS		4,912,546	4,918,629
LIABILITIES			
Current liabilities			
Payables	6.2	20,021	53,288
Employee benefits	4.2.2	20,988	21,008
Lease Liabilities	6.3	1,347	1,353
Borrowings	7.1	2,443	17,299
Contract Liabilities	3.3	27,015	19,214
Total current liabilities		71,814	112,161
Non-current liabilities			
Employee benefits	4.2.2	1,520	2,615
Lease Liabilities	6.3	1,088	571
Borrowings	7.1	90,503	92,946
Deferred tax liabilities	9.1.2	504,047	471,773
Total non-current liabilities		597,159	567,906
TOTAL LIABILITIES		668,973	680,067
NET ASSETS		4,243,573	4,238,562
EQUITY			
Contributed capital	7.3.1	3,045,461	3,016,955
Asset revaluation reserve	5.1.5	1,647,285	1,577,091
Accumulated surplus / (deficit)		(449,172)	(355,484)
TOTAL EQUITY		4,243,573	4,238,562

The above Balance Sheet should be read in conjunction with the accompanying notes

Cash Flow Statement

for the period ended 30 June 2021

	Notes	2020/21 \$000	2019/20 \$000
Cash flows from operating activities			
Receipts			
Receipts from customers		126,480	150,806
Receipts from government		71,330	18,071
Interest received		212	1,067
GST received from ATO		16,622	21,055
Payments			
Payments to suppliers and employees		(204,373)	(233,946)
Interest and other costs of finance paid		(6,292)	(7,129)
Environmental contribution levy		(2,577)	(2,793)
Net cash flow from operating activities	7.2.1	1,402	(52,868)
Cash flows from investing activities			
Payment for infrastructure, property, plant and equipment		(85,279)	(102,189)
Proceeds from sale of property, plant & equipment		263	381
Net cash (outflow) from investing activities		(85,016)	(101,808)
Cash flows from financing activities			
Capital contributions from Victorian Government		28,500	14,000
Proceeds from / (Repayments) of borrowings		(17,299)	(2,163)
Principal element of lease liability		(2,151)	(2,485)
Net cash inflow/(outflow) from financing activities		9,050	9,352
Net increase in cash and cash equivalents		(74,563)	(145,325)
Cash and cash equivalents at the beginning of the year		174,314	319,641
Cash and cash equivalents at the end of the year	7.2	99,751	174,315

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

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



Statement for Changes in Equity

for the period ended 30 June 2021

	Notes	Contributed Capital \$000	Asset Revaluation Reserve \$000	Accumulated Surplus /(Deficit) \$000	Total \$000
Balance at 1 July 2019		3,002,955	1,579,576	(297,026)	4,285,505
Total comprehensive income/(loss) for the year	5.1.5	-	(2,484)	(58,458)	(60,943)
Transactions with State in its capacity as Owner					
Contributions by owner	7.3.1	14,000	-	-	14,000
Balance at 30 June 2020		3,016,955	1,577,091	(355,484)	4,238,562
Total comprehensive income/(loss) for the year	5.1.5	-	-	(93,688)	(93,688)
Revaluation Reserve			70,193		70,193
Transactions with State in its capacity as Owner					
Contributions by owner	7.3.1	28,506	-		28,506
Balance at 30 June 2021		3,045,461	1,647,285	(449,172)	4,243,573

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

1. Basis of Preparation

1.1 Basis of Preparation

The financial report includes separate financial statements for Goulburn Murray Rural Water Corporation (the Corporation or GMW) as an individual reporting entity. This financial report is a general purpose financial report, that consists of a Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes accompanying these statements for the period ending 30 June 2021. The general purpose financial report has been prepared in accordance with Australian Accounting Standards (AAS), Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the Financial Management Act 1994 and applicable Ministerial Directions. GMW is a not-for-profit entity for the purpose of preparing the financial statements.

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

Goulburn Murray Water
40 Casey Street
Tatura Vic 3616

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

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

The annual financial statements were authorised for issue by the Board on 25/08/2021.

Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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

Functional and presentation currency

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

Classification between current and non-current

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

Rounding

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

Historical cost convention

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

Accounting estimates

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

- the fair value of land, buildings, infrastructure, plant and equipment (note 8.3.2)
- estimation of useful lives (note 5.1.2)
- impairment of assets (note 5.1.1)
- employee benefit provisions and actuarial assumptions on likely leave patterns and tenure (4.2.2)
- superannuation (note 4.2.3)
- accruals (note 6.2)
- revenue and identifying performance obligations and their satisfaction (note 3.1)
- deferred tax liability (note 9.1.2)
- for leases, determining whether an arrangement is in substance short-term arrangement (note 6.3)

COVID-19

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

While the initial state of emergency was lifted and certain restrictions eased, in July 2020 the State Government reintroduced stricter measures as cases of coronavirus began to increase, these restrictions remained until November 2020. Over the course of 2021, Victoria has been going into snap lockdowns when cases arise and going forward this is anticipated to continue.

The consequential impacts on GMW have included:

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

• Impact on customers

Given that GMW's core focus is the provision of water storage and delivery to irrigation customers the impact of customers has been minimal. The measures imposed to reduce the spread of the virus have impacted our leasing and licencing customers for which rent relief was provided.

Management have assessed the impact of COVID-19 on this financial report including the ability of customers to settle amounts due to GMW. Based on management's assessment no significant impact was expected.

• Impact on the financial report

Management have assessed the impact of COVID-19 on this financial report and are continuously reviewing budgets and forecasts while monitoring cash flow requirements and customer payment trends during this period of uncertainty and conclude that the going concern assumption still remains appropriate

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

• Going concern

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

2. Disaggregated Information

Introduction

This section provides high level information separating the Water Storage & Delivery business (WSD) from the Water Savings Projects. This is due to the need to segregate the impacts of a limited term project from the ongoing activities of GMW. These business segments are functionally segregated due to the requirement to effectively ring fence Water Savings Projects funding receipts and project expenditure. The Water Savings Projects encompassing Connections Project and Water Efficiency Project is funded by the Australian and Victorian Governments. It is a limited term project with a target to achieve water savings. As of October 2020, Connections was successful in its delivery of the 429 GL long-term average annual yield (LTAAY) of water recovery.

Structure

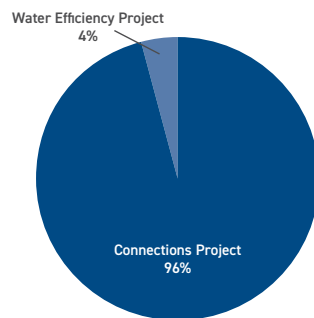
- 2.1 Disaggregated Revenues & Results
- 2.2 Disaggregated Assets & Liabilities

2.1 Disaggregated revenues and results

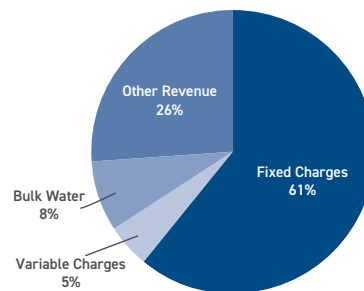
	Revenue		Net result	
	2020/21	2019/20	2020/21	2019/20
	\$000	\$000	\$000	\$000
Water Storage & Delivery	149,433	169,125	(97,586)	(79,945)
Water Savings Projects ¹	43,520	116,268	(16,438)	(3,540)
Elimination of internal transactions	(8,425)	(15,988)	-	-
Total	184,529	269,405	(114,023)	(83,485)
Net result before tax			(114,023)	(83,485)

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

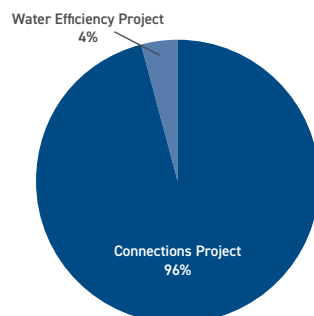
WATER SAVINGS PROJECTS REVENUE



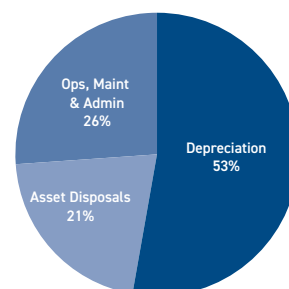
WATER STORAGE & DELIVERY REVENUE



WATER SAVINGS PROJECTS EXPENDITURE



WATER STORAGE & DELIVERY EXPENDITURE



Disaggregated revenue is generated from customers both within and external to GMW. Revenue generated between WSD and Water Savings Projects in the current year was \$8.4m (2020: \$16m). These transactions are eliminated in the consolidated result to ensure that revenues and expenses are not artificially inflated.

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

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

2.2 Disaggregated assets and liabilities

	Assets		Liabilities	
	2020/21 \$000	2019/20 \$000	2020/21 \$000	2019/20 \$000
Water Storage & Delivery	4,668,661	4,615,085	136,879	165,288
Water Savings Projects ¹	246,343	307,242	30,510	46,702
Total	4,915,004	4,922,326	167,389	211,990
Deferred Tax Liability			504,047	471,773
Elimination of internal transactions	(2,462)	(3,693)	(2,462)	(3,693)
Total as per balance sheet	4,912,539	4,918,633	668,973	680,070

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

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

Disaggregated assets and liabilities reported above include receivables and payables between WSD and Water Saving Projects that result from internal transactions. These have been excluded in the elimination of internal transactions to calculate total assets and liabilities.

Irrigators Share Distribution

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

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

- Customers with 0.25 megalitre (ML)/day or more of delivery share, water shares will be issued in October 2021 along with any water allocations which would have accrued against these entitlements since July 2021.
- Customers with less than 0.25 ML/day of delivery share, financial benefits equivalent to the value of water shares will be distributed as a credit on their GMW fixed charges bill in July 2022.

Customers with 0.25 ML/day or more of delivery share

Customers with 0.25ML/day or more will get approximately 3.99ML of HRWS and 2.20ML or LRWS per delivery share. Once, these shares are distributed, GMID customers will have the opportunity to either sell these shares or use the allocation for additional water. If they choose to keep these shares, GMW will bill them at the end of October 2021 with additional fixed charges to cover the additional usage fees.

Customers with less than 0.25 ML/day of delivery share

Customers with less than 0.25ML/day will be given a credit on their GMW fixed charges in July 2022. These credits will be recovered through the sale of their equivalent water shares during 2021/2022.

3. Funding Delivery of Our Services

Introduction

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

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

Structure

- 3.1 Revenue from contracts with customers
 - 3.1.1 Revenue from service and usage charges
 - 3.1.2 Contracting services
 - 3.1.3 Other revenue
 - 3.1.4 Revenue commitments - lessor
- 3.2 Government grants and contributions
- 3.3 Connections Project
 - 3.3.1 Government funding
 - 3.3.2 Funding commitments
- 3.4 Unearned Revenue

3.1 Revenue from contracts with customers

Revenue and income recognition

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

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

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

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

3.1.1 Revenue from service and usage charges

Water storage & delivery	2020/21	2019/20
	\$000	\$000
Fixed charges	91,553	100,114
Variable charges	8,046	5,462
Bulk water sales	11,806	13,463
Total Service and Usage charges	111,405	119,039

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

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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3.1.2 Contracting Services	2020/21	2019/20
	\$000	\$000
Murray-Darling Basin Authority	12,007	15,874
Other external clients	11	573
Total Contracting services	12,018	16,447

GMW is the Victorian constructing authority for the Murray Darling Basin Authority (MDBA) and performs contracted works on a cost recovery basis for MDBA and other clients. Revenue is recognised when or as performance obligations are satisfied.

3.1.3 Other Revenue	2020/21	2019/20
	\$000	\$000
Interest	433	1,288
Leasing and licences	3,142	2,092
Boating licences	1,629	1,542
Power generation	689	1,023
Fees for services	651	734
Sale of water shares and water allocation	1,001	1,139
Other	1,813	1,451
Total Other Revenue	9,357	9,271

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

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

Other revenue includes income from property leases and licences, grazing and occupational licences, boating licences and power generation. The measures imposed to reduce the spread of the virus COVID-19 have impacted some leasing and licencing customers for which rent relief has been provided, however there has been not loss of revenue due to rent relief received from the government.

3.1.4 Revenue commitments - lessor	2020/21	2019/20
	\$000	\$000
Nagambie Caravan Park		
No later than 1 year	442	440
Later than 1 year and not later than 5 years	1,804	1,895
Later than 5 years	14,945	24,253
Total Non-cancellable operating lease revenue commitments (GST inclusive)	17,191	26,588
Less GST payable to the Australian Tax Office	(1,563)	(2,417)
Total Non-cancellable operating lease revenue commitments (GST exclusive)	15,628	24,171

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

There is a large variance compared to 2019/20 due to a decrease in CPI applied to annual invoices for Nagambie Caravan Park.

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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3.2 Government grants and contributions

	2020/21	2019/20
	\$000	\$000
Salinity works	2,828	4,834
Other	5,582	4,556
Total Government Grants WSD	8,410	9,390

Per the above, GMW uses AASB 15 to recognize Income from grants (other than contribution by owners) is for contracted works on a cost recovery basis.

GMW entered into new funding agreements to construct assets that will be owned by GMW at the end of the project. As at 30 June 2021, GMW has recognised the funding received as income based on performance obligations met as a percentage of completion under AASB 15. The stage of completion is measured by assessing the total expenditure incurred to date compared with funding provided. \$3,717,724 of revenue was recognised in relation to these agreements.

3.2.1 Water Savings Projects

	2020/21	2019/20
	\$000	\$000
Water Efficiencies Project Funding	1,684	-
Connections Funding	41,655	115,258
Total Revenue Recognised	43,339	115,258

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

The Connections Project (the Project) objective was to deliver water savings. This was achieved through planning, designing and delivering a program to modernise the irrigation system throughout the Goulburn Murray Irrigation District (GMID). The Connections Project has successfully met all of its milestones and targets on time and within budget in October 2020. Following the achievement of water savings targets by October 2020, residual works to fulfil customer agreements continued through 20/21 and were completed by 30th June 2021

Following the successful completion of the Connections Project, 77GL of water will be distributed back to Goulburn Murray Irrigation District (GMID) delivery shareholders. The irrigators will receive their share of water recovery either as water shares or financial benefit, in proportion to the volume of delivery share they hold:

- Customers with 0.25 megalitre (ML)/day or more of delivery share, water shares will be issued in October 2021 along with any water allocations which would have accrued against these entitlements since July 2021.
- Customers with less than 0.25 ML/day of delivery share, financial benefits equivalent to the value of water shares will be distributed as a credit on their GMW fixed charges bill in July 2022.

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

3.2.2 Funding Commitments - Water Efficiency Project & Murray Darling Basin Efficiency Measures Projects

The Commonwealth Government has funded \$177.5m for the delivery of the Water Efficiency Project (WEP). WEP will recover 15.9GL (LTAAAY) of water for the environment through rationalisation and modernisation of the irrigation supply system across the Goulburn Murray Irrigation District and Murray-Darling Basin, leading to improved agricultural activity and generating benefits for the local and regional communities. Works will continue through to winter 2023, with over 1,000 customers benefiting from the project. The project is on track to meet the first milestone in September 2021.

Funding is received as:

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

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

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

(a) Funding position as at 30 June 2021:

	Total committed \$000	Received / Receivable \$000	Balance \$000
Project works funding - Output			
Water Efficiency Project	93,935	17,000	76,935
Total Output	93,935	17,000	76,935
Project works funding - Capital			
Water Efficiency Project	83,565	18,000	65,565
Total Project works funding - Capital	83,565	18,000	65,565
Total funding commitments	177,500	35,000	142,500

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

3.3 Contract liabilities

	2020/21 \$'000	2019/20 \$'000
Funds held for government or governmental programs	9,125	6,653
Unearned revenue - Water Savings Projects ¹	17,890	12,561
Contract liabilities	27,015	19,214

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

GMW has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

Government grants which have outstanding performance obligations are recognised in reference to the percentage of completion method. The stage of completion is measured by assessing the total expenditure incurred to date compared with the funding provided. A liability is recognised in the Balance Sheet in respect of grant revenue which is unearned at balance date to recognise the revenue in the reporting periods in which the services are rendered.

Funding revenue received by the Water Efficiency Project is recognised under the percentage of completion methodology. Any funding received that is not recognised as revenue in the current period is recognised as an unearned revenue liability on the balance sheet.

	Note	2020/21
(a) Reconciliation of revenue - Water Savings Projects		\$'000
Contract liability at 1 July 2020		(12,561)
Funding received/receivable during the year:		
Project works funding - Operational & Output		(48,686)
Interest revenue		18
Total Project services performed recognised as revenue during the year:		
Operational services		9,844
Project works services		33,496
Contract liability at 30 June 2021	3.3	<u>(17,890)</u>

4. The Cost of Delivering Our Services

Introduction

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

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

Structure

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

4.1 Expenses incurred in delivery of services

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

4.1.1 Operations, maintenance and

administration expenses Water Storage &

	2020/21	2019/20
	\$000	\$000
Contracted services	14,363	14,135
GMW Contribution to the MDBA programme	13,400	11,348
Electricity	1,725	1,713
Insurances	1,381	1,340
Labour hire	699	545
Materials	3,246	2,516
MDBA and Government Services Contract	9,676	14,220
Plant and motor vehicles	469	585
Plant hire	2,006	1,265
Other (i)	1,886	2,290
Total Operations maintenance and administration expenses	48,851	49,957

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

Operations, maintenance and administration costs are expensed as incurred. Costs that are capital in nature are not expensed, but rather capitalised if they are greater than the capitalisation threshold of \$2,000

4.1.2 Water Savings Projects ¹ costs

	2020/21	2019/20
	\$000	\$000
Water Savings Projects - operations, maintenance & administration	1,403	999
Water Savings Projects - project delivery costs	42,397	94,132
Total Water Savings Projects costs	43,800	95,131

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

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

4.2 Our People

4.2.1 Employee benefits - comprehensive operating statement

		2020/21 \$000	2019/20 \$000
Salary, wages and other costs	Water Storage & Delivery	46,463	52,336
	Water Savings Projects	8,900	10,985
Superannuation			
- Defined contribution plans	Water Storage & Delivery	3,829	4,031
	Water Savings Projects	604	728
- Defined benefit plans	Water Storage & Delivery	394	660
	Water Savings Projects	34	41
Termination benefits	Water Storage & Delivery	89	8,792
Total Employee expenses		60,312	77,573

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

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

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

Employee costs have decreased since 2019/20 as 2020/21 represents a full year of the organisational restructure completed in May 2020. Also, contributing to the decrease is the completion of the Connections Project.

4.2.2 Employee benefits - balance sheet

Wages, salaries, annual leave and long service leave are accrued for services rendered to 30 June 2021.

	2020/21	2019/20
Current		
Annual leave	\$000	\$000
Unconditional, settlement expected within 12 months	7,238	6,427
Long service leave		
Unconditional, settlement expected within 12 months	1,856	1,323
Unconditional, settlement not expected within 12 months	10,320	11,539
Provisions for on-costs		
Unconditional, settlement expected within 12 months	239	176
Unconditional, settlement not expected within 12 months	1,335	1,543
Total current employee benefits	20,988	21,008
Non-current provisions:		
Conditional long service leave	1,262	2,244
Oncosts	258	372
Total non-current employee benefits	1,520	2,615
Total employee benefits	22,508	23,623

Reconciliation of movement in on-cost provision	2020/21
	\$000
Opening balance	2,091
Additional provisions recognised	(20)
Amounts utilised during period	(191)
Effect of changes in the discount rate	(48)
Closing balance	1,832
Current	1,574
Non-current	258

Wages and salaries, annual leave and sick leave

Liabilities for annual leave and other relevant entitlements are recognised in the provision for employee benefits as 'current liabilities', and must be settled by employee request.

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

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

Long service leave (LSL) liability is recognised in the provision for employee benefits. GMW recognises LSL entitlement as a current liability as it must be settled at the employee request, even when GMW does not expect to settle the liability within 12 months.

The current LSL liability is measured at:

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

Accrued LSL is disclosed as a non-current liability. There is no obligation to settle the accrual until the employee has completed the required years of service. This is measured at present value.

Provisions for Annual Leave and LSL have been impacted by COVID-19 as there are higher leave balances due to employees not taking leave due to restrictions imposed by COVID-19 even though post transformation there is less staff. Overall, management believes that these balances will be driven down as restrictions ease and employees take leave in 2021/2022.

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

Employee bonuses are performance based, calculated on a percentage of the annual salary. A liability is recognised for the expected payment to eligible employees. The accrual is classified as a current liability as payment is expected to occur within 12 months.

4.2.3 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9.5% required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Contributions by GMW to superannuation plans of 9.5% for the financial year ended 30 June 2021 are detailed below:

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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Defined Benefit Plans	Paid contribution for the year		Contribution outstanding at year end	
	2020/21 \$000	2019/20 \$000	2020/21 \$000	2019/20 \$000
State Employee Retirement Benefits Board	44	70	1	2
Vision Super	8	60	-	-
Emergency Services and State Superannuation	384	570	10	10
Accumulation Funds				
Vision Super Saver & Other accumulation funds	4,689	4,965	158	335
Total	5,124	5,665	170	346

State Superannuation Schemes - Defined Benefit Funds

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

4.3 Other expenditure commitments

	2020/21	2019/20
Water Savings Projects	4,653	26,186
Nagambie Caravan Park	8,595	13,294
Other	22,834	23,156
Total Other expenditure commitments (GST inclusive)	36,082	62,635
Less GST recoverable from the Australian Tax Office	(3,280)	(5,694)
Total Other expenditure commitments (GST exclusive)	32,802	56,941

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

These commitments are likely to fall within:

No later than 1 year	22,553	41,822
Later than 1 year and not later than 5 years	6,056	8,686
Later than 5 years	7,473	12,127
Total Other expenditure commitments (GST inclusive)	36,082	62,635

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

5. Key Assets Available to Support Output Delivery

Introduction

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

Structure

- 5.1 Infrastructure, Property, Plant and Equipment: Carrying amount
 - 5.1.1 Reconciliation of movement in carrying value
 - 5.1.2 Depreciation and amortisation
 - 5.1.3 Other expenses
 - 5.1.4 Capital commitments
 - 5.1.5 Asset revaluation reserve
- 5.2 Intangible assets

Significant judgements: Fair value measurement

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

5.1 Infrastructure, Property, Plant and Equipment: Carrying amount

	2020/21 \$000	2019/20 \$000
Land		
at Fair Value	53,674	54,076
Buildings		
at Fair Value	21,933	19,940
Less: Accumulated Depreciation	(73)	(2,806)
	21,861	17,134
Plant & Equipment		
at Fair Value	33,647	35,644
Less: Accumulated Depreciation	(26,438)	(25,850)
	7,208	9,794
Infrastructure		
at Fair Value	4,512,148	4,802,744
Less: Accumulated Depreciation	(12,863)	(357,481)
	4,499,284	4,445,263
Work in Progress		
at Cost	187,016	174,719
Total Infrastructure Property Plant & Equipment	4,769,043	4,700,986

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

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

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

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

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

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

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

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

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

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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5.1.1 Reconciliation of movement in carrying value

	Land \$000	Buildings \$000	Plant & Equipment \$000	Infrastructure \$000	WIP (a) \$000	Total \$000
Year ended 30 June 2021						
Opening WDV	54,076	17,134	9,795	4,445,263	174,719	4,700,986
Additions	-	23	331	1,573	76,778	78,704
Transfers in/(out) of WIP	-	-	(75)	64,556	(64,481)	-
Other Transfers ¹	-	-	-	-	-	-
Disposals	(90)	(169)	(183)	(38,050)	-	(38,492)
Impairment ²	-	-	-	-	-	-
Revaluation increment / (decrement) ³	(312)	5,528	739	116,883	-	122,838
Depreciation	-	(655)	(3,398)	(90,941)	-	(94,994)
Closing WDV	53,674	21,861	7,208	4,499,284	187,016	4,769,043
Year ended 30 June 2020						
Opening WDV	54,073	16,966	13,257	4,419,222	214,122	4,717,639
Additions	-	-	413	-	103,585	103,998
Transfers in/(out) of WIP	3	892	624	141,460	(142,978)	-
Other Transfers ¹	-	-	-	-	-	-
Disposals	-	(52)	(416)	(17,394)	(9)	(17,871)
Impairment ²	-	-	-	(3,549)	-	(3,549)
Depreciation	-	(672)	(4,083)	(94,476)	-	(99,231)
Closing WDV	54,076	17,134	9,795	4,445,263	174,719	4,700,986

¹ Other transfers relate to transfers between asset classes including transfers between WIP and intangibles (see Note 5.2).

² The Connections Project may impair previously capitalised infrastructure assets as a result of modernisation activities. If an asset is decommissioned then it is accounted for as a 'disposal' of infrastructure assets.

³ Fixed assets are assessed annually for indicators of impairment. The assets carrying value is compared to its recoverable amount, which is measured at the higher of depreciated replacement cost and fair value less costs to sell. Where an asset's book value exceeds its recoverable amount, the asset is considered impaired. The impairment is then recognised in other comprehensive income up to the amount of any asset revaluation reserve.

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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(a) Work in progress	Connections Project \$000	Water Storage & Delivery \$000	Total \$000
Opening Balance	154,860	19,858	174,718
Movement 2020/21			
Additions	57,961	18,818	76,780
Transfers	(64,481)	(1)	(64,481)
Total movement 2020/21	(6,520)	18,818	12,298
Balance at 30 June 2021	148,340	38,676	187,017

Connections Project

Costs associated with the delivery of a modernised irrigation system which result in a new asset or enhance an existing asset are recorded as work in progress. WIP is transferred to Water Storage & Delivery when assets are operational.

Water Storage and Delivery

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

5.1.2 Depreciation and amortisation

	2020/21 \$000	2019/20 \$000
Depreciation of buildings	655	672
Depreciation of plant, equipment, furniture & fittings	3,398	4,083
Depreciation of infrastructure assets	90,941	94,475
Depreciation of right-of-use-assets	2,135	2,532
Amortisation of intangibles	1,640	1,435
Total Depreciation and Amortisation	98,768	103,198

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

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

Class of assets	Estimated life (years)
Buildings	5 to 50
Plant & Equipment	2 to 10
Right-of-use-assets	2 to 10
Intangibles	3 to 10
Infrastructure Systems:	
- Non Backbone	1 to 3
- Channels and Structures	5 to 200
- Dams & Drains	5 to 200
- Electronic Equipment	5 to 40

The component of channels and drains which are under water are considered to have an indefinite life and are not depreciated. The fair value of these components is \$446.6m (2020: \$456.5m). Depreciation is not recognised for these assets because their service potential has not diminished during the report period.

5.1.3 Loss on disposal

	2020/21 \$000	2019/20 \$000
Loss on disposal of infrastructure, property, plant and equipment	38,083	17,105
Total Loss on disposal	38,083	17,105

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

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

5.1.4 Capital commitments	2020/21	2019/20
	\$000	\$000
Water Storage & Delivery		
Dams and Dam Safety Projects	3,179	307
Bridge Renewal and Upgrade Projects	7,883	2,524
Channel, Pipeline & Drain Upgrades	1,453	1,574
Outlet and Meter Upgrades	33	260
Information Technology Hardware & Software Upgrades	67	12
Other	693	1,796
Total Water Storage & Delivery (inclusive of GST)	13,309	6,473
Water Savings Projects ¹		
Project works	3,991	34,586
Total Water Savings Projects (inclusive of GST)	3,991	34,586
Total Capital commitments (inclusive of GST)	17,299	41,059
Less GST recoverable from the Australian Tax Office	(1,573)	(3,733)
Total Capital commitments (exclusive of GST)	15,727	37,326

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

These commitments are likely to fall within:

No later than 1 year	17,299	41,059
Total Capital commitments (inclusive of GST)	17,299	41,059

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

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

5.1.5 Asset revaluation reserve	2020/21	2019/20
	\$000	\$000
Land	28,975	29,287
Buildings	8,903	3,374
Infrastructure	1,609,407	1,544,430
Balance 30 June	1,647,285	1,577,091

	Land	Buildings	Infrastructure	Total
	\$000	\$000	\$000	\$000
Movements during the reporting period				
Opening balance	29,287	3,374	1,544,430	1,577,091
Revaluation increment/(decrement)	(312)	5,528	64,977	70,193
Closing balance	28,975	8,903	1,609,407	1,647,285

5.2 Intangible assets

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

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

	2020/21	2019/20
	\$000	\$000
Computer software		
at cost	26,312	28,528
Less: Accumulated Amortisation	(23,263)	(24,753)
	<u>3,049</u>	<u>3,776</u>
Native vegetation offsets (NVO) (a)		
at cost	<u>828</u>	<u>533</u>
Water shares (b)		
at cost	<u>4,839</u>	<u>4,839</u>
Total Intangible assets	<u>8,716</u>	<u>9,147</u>

(a) From 1 January 2014, GMW must comply with the new Native Vegetation Permitted Clearing Regulations. Construction work that results in the loss of native vegetation creates an obligation for GMW. This requires GMW to purchase Native Vegetation Credits which are recognised as intangible assets. These credits are not amortised but are expensed as the offset is established and the consumption is then recorded. The balance of NVO's at 30 June 2021 represents the credits purchased which have not been formally offset against these obligations.

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

Intangible assets with finite useful lives such as computer software are amortised on a straight line basis and assessed for impairment annually. The useful life is reviewed at the end of each reporting period. Changes in the expected useful life are treated as changes in accounting estimates.

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

Movements during the reporting period

	Computer Software	Native Vegetation Offsets	Water Shares	Total
	\$000	\$000	\$000	\$000
2020/21				
Opening WDV	3,776	533	4,839	9,148
Additions	409	641	-	1,050
Revaluation	158	-	-	158
Consumption	-	(346)	-	(346)
Amortisation	(1,294)	-	-	(1,294)
Closing WDV	3,049	828	4,839	8,716
2019/20				
Additions	1,172	556	-	1,728
Disposals	-	-	-	-
Consumption	-	(419)	-	(419)
Amortisation	(1,435)	-	-	(1,435)
Closing WDV	3,776	533	4,839	9,148

Native vegetation offsets are acquired by the Connections Project during the course of the project. An offset makes an equivalent contribution to Victoria's biodiversity for any native vegetation that is removed. They are accounted for as intangible assets in the reporting period in which they are acquired and when native vegetation is removed in the normal course of the project they are classed as consumed. Native vegetation offsets are measured at cost in accordance with the requirements of AASB 138 *Intangible Assets* and FRD109 *Intangible Assets*.

6. Other Assets and Liabilities

Introduction

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

Structure

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

6.1 Receivables

	2020/21	2019/20
Current - Contractual	\$000	\$000
Trade debtors - Water Storage & Delivery	25,596	22,728
Trade debtors - Connections Project	184	202
Expected credit loss allowance	(758)	(742)
Current - Statutory		
GST	2,989	5,872
Total Current receivables	28,011	28,059
Non-Current - Contractual		
Trade debtors - Water Storage & Delivery	79	109
Total Non-Current receivables	79	109
Total Receivables	28,090	28,168

Receivables consist of:

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

6.1.1 Ageing analysis of contractual receivables

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

The Irrigators Share Distribution will distribute GMID customers their share of the water recovery either as water shares or financial benefit during 2021/2022. Water shares will be distributed at 1 October 2021, when GMW will issue fixed charges for those additional shares, and the financial benefit will be allocated as at 1 July 2022. Therefore, at 30 June 2021 GMW has no present obligation.

On that basis, the loss allowance as at 30 June 2021 was determined as follows:

	Carrying		<1	1 - 3	3 +
	Value	Not past due	Month	Months	Months
	\$'000	\$'000	\$'000	\$'000	\$'000
2021					
Trade debtors - WSD	25,675	11,389	241	41	14,003
Trade debtors - CP	184	1,284	-	-	(1,100)
Total	25,859	12,673	241	41	12,903
Loss Allowance	758	-	-	-	758
Expected loss rate	3%	0%	0%	0%	6%
2020					
Trade debtors - WSD	22,836	7,917	44	583	14,292
Trade debtors - CP	202	25	-	-	177
Total	23,038	7,942	44	583	14,469
Loss Allowance	742	-	-	-	742
Expected loss rate	3%	0%	0%	0%	5%

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

6.2 Payables

	2020/21	2019/20
Current - Contractual	\$000	\$000
Trade creditors - Water Storage & Delivery	1,832	15,524
Trade creditors - Connections Project	1,923	1,979
Accrued expenses	16,267	35,519
Current - Statutory		
Accrued expenses	-	266
Total Payables	20,021	53,288

Payables consist of:

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

6.2.1 Ageing analysis of contractual payables

	Carrying		<1 Month	1 - 3 Months	3 + Months
	Value \$'000	Not past due \$'000			
2021					
Trade creditors - WSD	11,418	8,585	3	-	2,830
Trade creditors - CP	8,604	8,362	-	207	35
Total	20,021	16,947	3	207	2,865
2020					
Trade creditors - WSD	24,124	23,826	224	72	2
Trade creditors - CP	28,898	28,379	221	265	33
Total	53,022	52,205	445	337	35

6.3 Leases

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

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	2020/21	2019/20*
	\$000	\$000
Right-of-use assets		
Building	43	187
Equipment	-	-
Vehicles	2,359	1,638
Others	-	52
Total lease assets	2,402	1,878
Finance lease asset	-	-
Lease liabilities		
Current	1,347	1,354
Non - Current	1,088	572
Total lease liabilities	2,435	1,926

Additions to the right-of-use assets during the 2021 financial year were \$2,659,289

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

The statement of profit or loss shows the following amounts relating to leases:

	2020/21	2019/20
	\$000	\$000
Depreciation charge of right-of-use assets		
Building	144	189
Equipment	-	-
Vehicles	1,937	2,200
Others	52	144
Total	2,134	2,532
	2020/21	2019/20
	\$000	\$000
Interest expense (included in finance cost)	73	175
Expense relating to short-term leases (included in administrative and other operating expenses)	5	68
Expense relating to leases of low-value assets that are not short-term leases (included in administrative and other operating expenses)	93	3
Expense relating to variable lease payments not included in lease liabilities (included in administrative and other operating expenses)	-	-
Total	172	246

The total cash outflow for leases in 2021 was \$2,458,741

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

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

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

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

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

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

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

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to comprehensive operating statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

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

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

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If GMW is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While GMW revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use building held by GMW.

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

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

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

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

7. Financing Our Operations

Introduction

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

Structure

- 7.1 Interest bearing liabilities
 - 7.1.1 Maturity analysis
 - 7.1.2 Interest expense
- 7.2 Cash flow information
 - 7.2.1 Reconciliation of net result to cash flow from operating activities
 - 7.2.2 Cash balances with restrictions over use
 - 7.2.3 Financing facilities
- 7.3 Equity
 - 7.3.1 Contributed capital

7.1 Interest bearing liabilities

	2020/21	2019/20
	\$000	\$000
Current		
Lease liabilities - WSD	1,301	1,202
Lease liabilities - CP	46	152
Loans from TCV - WSD	2,443	17,299
Total current borrowings	3,790	18,653
Non-current		
Lease liabilities - WSD	1,088	527
Lease liabilities - CP	-	45
Loans from TCV - WSD	90,503	92,947
Total Non-current borrowings	91,591	93,519
Total Borrowings	95,382	112,171

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

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

GMW's credit rating is A (2020: A)

7.1.1 Maturity analysis

	2020/21		2019/20	
	Leases	Loans	Leases	Loans
Less than 1 year	1,346	2,443	1,354	17,299
1-2 years	748	12,597	419	4,943
2-3 years	339	5,260	130	10,097
3-4 years	1	6,579	17	5,260
4-5 years	-	9,176	6	6,579
> 5 years	-	56,892	-	66,067
Total Carrying Amount	2,435	92,947	1,926	110,245

7.1.2 Interest expense

Interest expense	5,014	5,729
Interest on finance leases under AASB 16	73	175
Financial accommodation levy	1,072	1,230
Total Interest Expense	6,159	7,134

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

7.2 Cash flow information

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

	2020/21	2019/20
	\$000	\$000
Cash and cash equivalents		
Cash at bank	8,833	34,363
Cash on deposit	90,918	139,952
Total Cash and cash equivalents	99,751	174,315

7.2.1 Reconciliation of net result to

Net profit/(loss) for the period before tax	(114,022)	(83,485)
Non-cash movements:		
Loss on disposal of infrastructure, property, plant and equipment	38,083	17,105
Depreciation and amortisation	98,768	103,198
Movements in assets and liabilities:		
(Increase)/decrease in receivables	78	260
(Increase)/decrease in inventories	(698)	30
(Increase)/decrease in other non-financial assets	(295)	419
Increase/(decrease) in payables	(27,158)	18,226
Increase/(decrease) in employee benefits	(1,115)	(1,650)
Increase/(decrease) in unearned revenue	7,801	(106,971)
Net cash flows from/(used in) operating activities	1,442	(52,868)

7.2.2 Cash balances with restrictions over use

Funds held to finance externally funded projects - Water Storage & Delivery	9,125	6,653
Funding received in advance - Water Savings Projects ¹	17,890	12,561
Total cash balances with restrictions over use	27,015	19,214

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

7.2.3 Financing facilities

Unused borrowings ¹	95,000	88,700
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¹ Facility with Treasury Corporation of Victoria (TCV)

7.3 Equity

7.3.1 Contributed capital

Balance 1 July	3,016,955	3,002,955
Capital contributions - Water Savings Projects ¹	28,506	14,000
Balance 30 June	3,045,461	3,016,955

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

¹ Water Savings Project incorporates Connections Project and Water Efficiency Projects

8. Risks, Contingencies and Valuation Judgements

Introduction

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

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

Structure

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

8.1 Financial instrument specific disclosures

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

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

The following financial instruments are recognised in this way;

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

8.1.1 Financial instruments: categorisation	2020/21	2019/20
	\$000	\$000
Financial assets at amortised cost		
Cash and cash equivalents	99,751	174,315
Receivables	25,859	23,038
Total	125,610	197,353

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

Financial liabilities at amortised cost		
Contractual payables	(19,977)	(53,281)
Borrowings	(95,382)	(112,171)
Total	(115,359)	(165,452)

8.1.2 Financial risk management objectives and policies

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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(a) Credit risk

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

(b) Liquidity risk

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

(c) Market risk

Foreign currency risk

There is no exposure to foreign currency risk.

Interest rate risk

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

Interest rate exposure of financial instruments

	Weighted average % interest rate	Carrying Amount	Fixed interest rate	Variable interest rate	Non-interest bearing
2021	%	\$000	%	%	\$000
Cash	0.4%	99,750	-	0.4%	-
Contractual receivables	2.0%	25,859	2.0%	-	9,230
Contractual payables	0.0%	(19,977)	-	-	(19,977)
Borrowings	6.1%	(95,382)	1.7% to 6.3%	-	-
Total		10,250			(10,748)
2020					
Cash	1.5%	174,314	-	0.8%	-
Contractual receivables	5.0%	23,038	4.0%	-	7,256
The high termination benefits paid	0.0%	(53,281)	-	-	(53,281)
Borrowings	6.2%	(112,171)	2.5% to 7.2%	-	-
Total		31,899			(46,025)

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

(d) Sensitivity disclosure analysis and assumptions

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

- An interest rate movement of 50 basis points up and down.

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

Year in Review	Governance And Organisational Structure	Workforce Data	Other Disclosures	Financial Statements
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	Interest rate risk				
	Total	+50 basis points Net Result	+50 basis points Equity	-50 basis points Net Result	-50 basis points Equity
2021					
Financial Assets	\$000	\$000	\$000	\$000	\$000
Cash	99,751	499	499	(499)	(499)
Contractual receivables	25,859	-	-	-	-
Total Financial Assets	125,610	499	499	(499)	(499)
Financial Liabilities					
Contractual Payables	(19,977)	-	-	-	-
Borrowings	(95,382)	-	-	-	-
Total Financial Liabilities	(115,359)	-	-	-	-
Total increase and decrease	10,250	499	499	(499)	(499)
2020					
Financial Assets					
Cash	174,314	872	872	(872)	(872)
Contractual receivables	23,038	-	-	-	-
Total Financial Assets	197,352	872	872	(872)	(872)
Financial Liabilities					
Contractual payables	(53,281)	-	-	-	-
Borrowings	(112,171)	-	-	-	-
Total Financial Liabilities	(165,453)	-	-	-	-
Total increase and decrease	31,899	872	872	(872)	(872)

8.2 Contingent assets and contingent liabilities

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

	2020/21	2019/20
	\$000	\$000
Contingent assets:		
Other	-	-
Total Contingent Assets	-	-

Contingent liabilities generally arise through legal actions against GMW as a result of damages claims primarily relating to flooding events and channel overtopping. In many of these matters GMW has disclaimed liability and is defending the actions. Any liability that may arise from these claims will be immaterial.

	2020/21	2019/20
	\$000	\$000
Contingent liabilities:		
Potential labour disbursements	-	-
Connections Project - verbal agreements with irrigators (i)	471	4,262
Total Contingent Liabilities	471	4,262

(i) All amounts included in contingent liabilities are GST inclusive. The amount disclosed in relation to verbally agreed contracts / agreements with landholders represents the Connections Project's expected liability for incentives to be paid or delivery shares and water shares to be purchased. The extent of the economic outflow is contingent upon formal execution of the contracts. In the case of water shares, the final settlement of the transactions.

8.3 Fair value determination

Significant judgements: Fair value measurement

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

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

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

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

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

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

8.3.1 Fair value determination: financial assets and liabilities

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

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	

	30 June 2021		30 June 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities	\$'000	\$'000	\$'000	\$'000
Borrowings	(95,382)	(117,204)	(112,171)	(140,249)
Total Financial liabilities	(95,382)	(117,204)	(112,171)	(140,249)

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

8.3.2 Fair value determination: Non-financial physical assets

Non-specialised land

Non-specialised land is valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value. Non-specialised land is classified as Level 3 where it contains significant, unobservable adjustments.

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

Specialised land and specialised buildings

The market approach is used for specialised land, although it is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued. The current use is considered to be highest and best use.

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

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

An independent valuation of GMW's specialised land and specialised buildings was performed by Opteon. The effective date of the valuation was 30 June 2021. A revaluation of \$5.5m was identified for buildings and a \$0.3m decrement for land.

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

Infrastructure assets

Infrastructure assets are valued using depreciated replacement cost. This represents the replacement cost of the asset after applying depreciation rates on a useful life basis. Replacement costs relate to replacing the current service capacity of the asset. Infrastructure assets are classified as Level 3 as depreciation adjustments are considered significant unobservable inputs and unit rate costs.

An independent valuation of GMW's infrastructure assets was performed by Pricewaterhouse Coopers on behalf of the Valuer General Victoria. The valuation was performed based on the depreciated replacement cost of the assets. The effective date of the valuation was 30 June 2021 and a revaluation of \$198m has been identified.

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

Plant and equipment

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

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

Details of GMW's land, buildings and infrastructure assets and plant & equipment fair value hierarchy as at 30 June 2021:

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

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Carrying amount</i>
	\$000	\$000	\$000	\$000
2020/21				
Land	-	3,579	50,095	53,674
Buildings	-	-	21,861	21,861
Infrastructure	-	-	4,499,284	4,499,284
Plant & equipment	-	-	7,207	7,207
Total Infrastructure assets, property, plant & equipment	-	3,579	4,578,448	4,582,027
2019/20				
Land	-	3,579	50,497	54,076
Buildings	-	-	17,134	17,134
Infrastructure	-	-	4,445,263	4,445,263
Plant & equipment	-	-	9,795	9,795
Total Infrastructure assets, property, plant & equipment	-	3,579	4,522,688	4,526,267
	Land	Buildings	Infrastructure	Plant & equipment
Reconciliation of Level 3 fair value	\$000	\$000	\$000	\$000
2020/21				
Opening Balance	54,076	17,134	4,445,263	9,796
Purchases/(sales) and asset class transfers	(90)	(146)	28,079	77
Revaluation increment / (decrement)	(312)	5,528	116,883	732
<i>Gains/(losses) recognised in net result</i>				
Impairment	-	-	-	-
Depreciation	-	(655)	(90,941)	(3,398)
Closing Balance	53,674	21,861	4,499,284	7,207
2019/20				
Opening Balance	54,073	16,966	4,419,222	13,257
Purchases/(sales) and asset class transfers	3	840	124,066	621
Revaluation increment / (decrement)	-	-	-	-
<i>Gains/(losses) recognised in net result</i>				
Impairment	-	-	(3,549)	-
Depreciation	-	(672)	(94,476)	(4,083)
Closing Balance	54,076	17,134	4,445,263	9,796

Description of significant unobservable inputs to Level 3 valuations

Asset Type	Valuation technique	Significant unobservable inputs
Specialised land		
Land	Market Evidence (Based on Opteon Valuation 2021)	Community Service Obligation (CSO) \$ per hectare
Specialised buildings		
Buildings	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	\$ per m2
		Useful life of specialised buildings
Infrastructure Assets		
Dams • Foundation Works • Embankments • Spillways • Outlet Works	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	\$ per m3 \$ per m3 \$ per m3 \$ per tonne \$ per m3 \$ per tonne
		Useful life of the Infrastructure
Channels (excluding banks) • Earthen Channels • HDPE Lined Channels • Concrete Lined Channels	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021). Unit rate will vary based on nominal	\$ per metre \$ per metre \$ per metre
		Useful life of the Infrastructure
Structures • Bridges • Culverts	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	\$ per m2 \$ per metre
		Useful life of the Infrastructure
Meters	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	Cost per unit
		Useful life of the Infrastructure
Pipelines	Depreciated replacement cost (Based on Pricewaterhouse Coopers Valuation 2021)	Cost per unit
		Useful life of the Infrastructure
Plant, Equipment, Furniture & Fittings		
Plant, Equipment, Furniture & Fittings	Depreciated replacement cost	Cost per unit
		Useful life of assets

9. Statutory Obligations

Introduction

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

Structure

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

9.1 Tax

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

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

9.1.1 Income tax

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

	2020/21 \$000	2019/20 \$000
Current tax		
Current tax expense/(benefit) in respect of current year	(14,527)	(2,210)
Adjustments recognised in the current year in relation to the current tax of prior years	-	16
	(14,527)	(2,194)
Deferred tax		
Deferred tax recognised in the current year related to prior years	13,856	
Deferred tax expense recognised in the current year	(19,663)	(22,832)
Total income tax expense/(benefit) recognised in the current year relating to continuing operations	(20,334)	(25,026)

(b) Reconciliation of income tax to prima facie tax payable

The Income tax for the year can be reconciled to the accounting profit as follows:

Profit / (loss) before tax from continuing operations	(114,022)	(83,485)
Income tax calculated at 30% (2020: 30%)	(34,207)	(25,045)
Provision for impairment of receivables	5	30
Accrued expenses	(5,879)	2,603
Employee benefits	(334)	(494)
Depreciation - Infrastructure assets, property, plant & equipment	25,888	20,696
Tax effect of current year losses	(14,527)	(2,210)
Deferred income tax expense	(19,664)	(22,832)
Adjustments recognised in the current year in relation to the current tax of prior years	13,856	16
Total income tax expense/(benefit)	(20,334)	(25,026)

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9.1.2 Deferred tax assets and liabilities

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

	2020/21	2019/20
	\$000	\$000
Deferred tax asset / (liability) comprising:		
Infrastructure assets, property, plant and equipment	(1,008,758)	(968,167)
Offset by deferred tax asset comprising:		
Tax losses	492,271	477,745
Provision for impairment of receivables	228	223
Accrued expenses	5,460	11,337
Employee benefits	6,752	7,087
Net deferred tax asset / (liability)	(504,047)	(471,774)
Movement in net deferred tax asset / (liability)		
Opening balance	(471,774)	(497,865)
Prior years deferred tax adjustment	(13,856)	
Tax effect of current year tax losses	14,527	2,210
Movement charged to operating profit / (loss)	19,664	22,832
Movement charged to equity	(52,645)	1,065
Under / (over) provision for income tax	38	(16)
Closing balance	(504,047)	(471,774)

9.2 Environmental contribution

	2020/21	2019/20
	\$000	\$000
Environmental contribution	2,577	2,793

The *Water Industry (Environmental Contributions) Act 2004* amended the *Water Industry Act 1994* to require environmental contributions to be paid by water supply authorities. GMW is obliged to pay annual contributions into the Department of Environment, Land, Water and Planning consolidated fund.

The purpose of the environmental contribution is to fund initiatives that promote the sustainable management of water or address water-related initiatives. GMW recognises the environmental contribution as an expense during the reporting period it is incurred.

In accordance with the Ministerial Order the Environmental Contributions Tranche 5 has been set to commence on 1 July 2020 till 30 June 2024. GMW's annual commitment during the four years is \$2.6m.

9.2.1 Environmental contribution commitments

	2020/21	2019/20
	\$000	\$000
Environmental contribution commitments		
Environmental contribution	7,732	10,309
Total Other expenditure commitments (inclusive of GST)	7,732	10,309
Less GST recoverable from the Australian Tax Office	-	-
Total Other expenditure commitments (exclusive of GST)	7,732	10,309

These commitments are likely to fall within:

No later than 1 year	2,577	2,577
Later than 1 year and not later than 5 years	5,155	7,732
Total Other expenditure commitments (inclusive of GST)	7,732	10,309

Other commitments can be found in section 3.1.4 (Revenue commitments), section 4.3 (Operating expenditure commitments) and section 5.1.4 (Capital expenditure commitments).

10. Other Disclosures

Introduction

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

Structure

- 10.1 Events happening after balance date
- 10.2 Responsible persons
- 10.3 Remuneration of executives and other personnel
- 10.4 Related Parties
- 10.5 Remuneration of auditors
- 10.6 Exgratia expenses
- 10.7 Changes in accounting policies
- 10.8 Australian Accounting Standards issued that are not yet effective

10.1 Events happening after balance date

Nothing has arisen since the end of the reporting period which significantly affected or may significantly affect the operations of GMW, the results of those operations, or the state of affairs of GMW in future financial years.

10.2 Responsible persons

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

Minister:

The Hon Lisa Neville MP, Minister
for Water

The Hon Richard Wynne MP, Acting
Minister for Water

Period of position held

1 July 2020 to 12 February 2021

13 February 2021 to 30 June 2021

Directors of GMW:

Diane James AM (Chair)

1 July 2020 to 30 June 2021

Charmaine Quick (Managing Director)

1 July 2020 to 30 June 2021

David McKenzie (Board Member)

1 July 2020 to 30 June 2021

Margot Henty (Board Member)

1 July 2020 to 30 June 2021

Alana Johnson AM (Board Member)

1 July 2020 to 30 June 2021

Jonathon Koop (Board Member)

1 July 2020 to 30 June 2021

Patrick McNamara (Deputy Chair)

1 July 2020 to 30 June 2021

Margaret O'Rourke (Board Member)

1 July 2020 to 30 June 2021

Dennis Quinn (Board Member)

1 July 2020 to 30 June 2021

Ari Suss (Board Member)

1 July 2020 to 30 June 2021

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Remuneration

Remuneration of responsible persons

Remuneration paid to Minister is reported in the Annual Report of the Department of Parliamentary Services. Other relevant interests are declared in the Register of Members Interests which each member of Parliament completes.

The remuneration received or receivable from GMW by responsible persons during the reporting period was in the range: \$40,000 - \$419,999 in 2020 - 2021

Remuneration Band	Number of Directors	
	2020/21	2019/20
\$40,000 to \$49,999	7	7
\$50,000 to \$59,999	1	1
\$60,000 to \$69,999	-	-
\$90,000 to \$99,999	-	-
\$110,000 to \$119,999	1	1
\$180,000 to \$189,999	-	-
\$190,000 to \$199,999	-	-
\$240,000 to \$249,999	-	-
\$410,000 to \$419,999	1	1
Total amount (\$)	\$935,008	\$920,878
Total numbers	10	10

10.3 Remuneration of executives

The table below shows the number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period.

Executive Officers include General Managers, Managing Director and Corporate Secretary.

Additional KMPs include PCG Chair, PCG Voting member and Project Director

Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers

(including Executives defined as Key Management Personnel)

	2020/21	2019/20
	\$000	\$000
Short-term employee benefits	2,772	2,527
Post-employment benefits	224	252
Other long-term benefits	65	17
Termination benefits	-	431
Total remuneration	3,061	3,227
Total number of executives	9	14
Total annualised employee equivalents	9	10

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10.4 Related Parties

GMW is a wholly owned and controlled entity of the State of Victoria.

Related parties of GMW include:

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

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

Key management personnel of GMW includes the Portfolio Minister and Board members noted in Note 10.2, voting members of the Project Control Group (independent to GMW) and members of the executive team, which includes:

Key Management Personnel of GMW:	Period of position held
- Managing Director, Charmaine Quick	1 July 2020 to 30 June 2021
- GM Business and Finance, Michael Gomez	1 July 2020 to 30 June 2021
- GM Water Delivery Services, Warren Blyth	1 July 2020 to 30 June 2021
- GM Water Storage Services, Martina Cusack	1 July 2020 to 30 June 2021
- GM Infrastructure Delivery Services, Warren Jose	1 July 2020 to 30 June 2021
- GM Strategy & Services Planning, Daniel Irwin	1 July 2020 to 30 June 2021
- GM Customer and Stakeholders, Ann Telford	1 July 2020 to 30 June 2021
- GM People Culture and Safety, Glenda Smith	1 July 2020 to 30 June 2021
- Corporate Secretary, Chris Dalton	1 July 2020 to 30 June 2021
- PCG Chair / PCG voting member, Pat McNamara	1 July 2020 to 30 June 2021
- PCG voting member, Campbell Fitzpatrick	1 July 2020 to 30 June 2021
- Project Director, Frank Fisseler (Connections Project)	1 July 2020 to 30 June 2021

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives, and any payments to the Project Control Group. The minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report. Remuneration of the Project Control Group is set and paid by DELWP.

Compensation of KMP's	2020/21 \$000	2019/20 \$000
Short-term employee benefits ⁽ⁱ⁾	3,579	3,195
Post-employment benefits	224	292
Other long-term benefits	65	11
Termination benefits	-	431
Total⁽ⁱⁱ⁾	3,868	3,928

(i) Total remuneration paid to KMPs through an external service provider have been reported under short-term employee benefits.

(ii) Note that some KMPs are also reported in the disclosure of remuneration of executives (Note 10.3) and Responsible persons (Note 10.2).

Transactions with Key Management Personnel

GMW's related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty, and other government fees and charges. Processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their close family members.

No doubtful debt provision or bad debt expense has been recognised for related parties.

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Transactions with other related parties

Department of Environment, Land, Water and Planning

GMW receives contributions from DELWP and from the Commonwealth through DELWP as funding for the Connections Project. These receipts are in the form of revenue or equity contributions based on the nature of expenditure by the project.

In addition, GMW received funding from DELWP for water allocation trading and public amenities upgrades.

Payments made to DELWP relate to MBDA contributions, regional water monitoring, environmental contributions, water share and bulk entitlement costs.

Department of Environment, Land, Water and Planning	2020/21 \$000	2019/20 \$000
Receipts from DELWP		
Revenue Funding (Connections Project)	36,336	9,334
Revenue Funding (Other)	(992)	1,523
Capital Funding (Connections Project)	28,500	14,000
Other	(169)	425
Receivable from DELWP		
Revenue Funding (Other)	-	-
Payments to DELWP		
GMW Contribution to the MDBA programme	13,400	-
Environmental Contributions	2,577	2,793
Regional Water Monitoring	1,696	1,715
Water shares & Bulk entitlements	553	536
Native Vegetation Offsets	227	556
Other	707	875
Payable to DELWP		
GMW Contribution to the MDBA programme	-	11,348
Treasury Corporation of Victoria		
GMW borrows from and invests with the Treasury Corporation of Victoria.		
Aggregate amount of borrowings	95,382	112,171
Interest expense	5,014	5,729
Department of Treasury and Finance		
GMW pays amounts to the State Government of Victoria, via the Department of Treasury and Finance.		
Payments to DTF		
Financial Accommodation Levy	1,072	1,230
Victorian Environmental Water Holder		
GMW invoices the Victorian Environmental Water Holder for water use charges in line with Essential Services Commission approved pricing.		
Receipts from VEWH		
Revenue from water use	3,785	5,430

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Lower Murray Urban and Rural Water Corporation	2020/21	2019/20
	\$000	\$000

GMW invoices Lower Murray Urban and Rural Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Lower Murray Urban and Rural Water Corporation

Revenue from water use	702	112
------------------------	-----	-----

Coliban Region Water Corporation	2020/21	2019/20
	\$000	\$000

GMW invoices Coliban Region Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Coliban Region Water Corporation

Revenue from water use	1,279	1,267
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Goulburn Valley Region Water Corporation	2020/21	2019/20
	\$000	\$000

GMW invoices Goulburn Valley Region Water Corporation for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Goulburn Valley Region Water Corporation

Revenue from water use	991	1,017
------------------------	-----	-------

North East Water	2020/21	2019/20
	\$000	\$000

GMW invoices North East Water for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from North East Water

Revenue from water use	964	959
------------------------	-----	-----

Central Highlands Water	2020/21	2019/20
	\$000	\$000

GMW invoices Central Highlands Water for water use charges and regional storage fees in line with Essential Services Commission approved pricing.

Receipts from Central Highlands Water

Revenue from water use	363	325
------------------------	-----	-----

Goulburn Broken CMA	2020/21	2019/20
	\$000	\$000

GMW invoices Goulburn Broken CMA for works carried out under the Sustainable Irrigation Program agreement.

Receipts from Goulburn Broken CMA

Sustainable Irrigation Program	964	3,814
Other receipts	79	12

North Central CMA	2020/21	2019/20
	\$000	\$000

GMW invoices North Central CMA for works carried out under the Funding Agreements.

Receipts from North Central CMA

Receipts	5,462	-
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10.5 Remuneration of auditors

External Audit - Victorian Auditor General's Office	126	197
Internal Audit	218	233
Total Audit fees	344	430

10.6 Exgratia expenses

Forgiveness or waiver of debt	-	13
⁽ⁱⁱ⁾ Total ex gratia expenses	-	13

(ii) Ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000. The total for ex-gratia expenses are also reported in 'other operating expenses' in Note 4.1.1 Expenses from operating activities.

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10.8 Australian Accounting Standards issued that are not yet effective

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on Corporation's financial report
AASB 2020-1 <i>Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current</i>	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted however the AASB has recently issued ED 301 <i>Classification of Liabilities as Current or Non-Current - Deferral of Effective Date</i> with the intention to defer the application by one year to periods on or after 1 January 2023.</p>	1 Jan 2022	GMW is in the process of analysing the impacts on this Standard. However, it is not anticipated to have a material impact.

Appendix A - Disclosure Index

The Annual Report of Goulburn-Murray Water is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of Goulburn-Murray Water's compliance with statutory disclosure requirements.

Legislation	Requirement	Page No.
Charter and purpose		
FRD 22I	Manner of establishment and the relevant Ministers	8
FRD 22I	Purpose, functions, powers and duties	9
FRD 22I	Key initiatives and projects	11-12, 26-31
FRD 22I	Nature and range of services provided	8
Management and structure		
FRD 22I	Organisational structure	45
Financial and other information		
FRD 10A	Disclosure index	119-120
FRD 12B	Disclosure of major contracts	59
FRD 22I	Employment and conduct principles	53
FRD 22I	Workforce data	53-54
FRD 22I	Workforce inclusion policy	55
FRD 22I	Occupational health and safety policy	51
FRD 22I	Summary of the financial results for the year	36
FRD22I	5 year financial summary	34-35
FRD 22I	Significant changes in financial position during the year	37
FRD 22I	Major changes or factors affecting performance	37
FRD 22I	Subsequent events (nil response required)	38
FRD 22I	Application and operation of <i>Freedom of Information Act 1982</i>	59-60
FRD 22I	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	60-61
FRD 22I	Statement on National Competition Policy (Competitive Neutrality Policy)	61
FRD 22I	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	61
FRD 22I	<i>Application and operation of the Carers Recognition Act 2012</i>	N/A
FRD 22I	Details of consultancies over \$10 000 (consultancy expenditure)	58
FRD 22I	Details of consultancies under \$10 000 (consultancy expenditure)	58
FRD 22I	Disclosure of government advertising expenditure	58
FRD 22I	Disclosure of ICT expenditure	58
FRD 22I	Disclosure of asset maturity assessment (AMAF)	67-69
FRD 22I	Statement of availability of other information	69
FRD 24D	Reporting of office based environmental impacts	62-64
FRD 25D	Local Jobs First	57
FRD27C	Performance Reporting (<i>same as MRD 01</i>)	39-41
FRD 29C	Workforce Data disclosures	54
SPF	Social Procurement Framework	57-58
Ministerial Reporting Directions		



MRD 01	Performance Reporting	39-41
MRD 02	Water Consumption and Drought response	64
MRD 03	Environmental and Social Sustainability	66-67
MRD 04	Bulk Entitlements and Compliance Activities	65, 121-141
MRD 05	Major Non-Residential Water Users	N/A
MRD 06	Greenhouse Gas and Energy Reporting	62-64
MRD 07	Letters of Expectation	15-19
Compliance attestation and declaration		
SD 5.1.4	Attestation for Financial Management Compliance	70
SD 5.2.3	Responsible Body Declaration in report of operations	3
Legislation		
<i>Freedom of Information Act 1982</i> (obtain reference from above)		59-60
<i>Building Act 1993</i> (obtain reference from above)		60-61
<i>Public Interest Disclosures Act 2012</i> (obtain reference from above)		61
<i>Carers Recognition Act 2012</i> (N/A – departments only)		N/A
<i>Disability Act 2006</i> (disclosure required as per section 38 of the act)		62
<i>Local Jobs Act 2003</i> (obtain reference from above)		57
<i>DataVic Access Policy 2012</i> (optional – entities are encouraged to include if applicable)		65

Appendix B - Bulk Entitlements

Appendix B1 Bulk Entitlement (Eildon - Goulburn Weir) Reporting			
<p>This appendix is included in the Goulburn-Murray Water Annual Report 2020/21 in compliance with the requirements of clause 17.3 of the Bulk Entitlement (Eildon - Goulburn Weir) Conversion Order 1995 ("BE"), which obliges the authority to report on certain matters as specified in clause 17.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.</p>			
BE Clause	Item	Report	Notes
17.1(d)	Annual amount taken from waterway at Goulburn Weir offtake channels:		
	Cattanach Canal	118,401 ML	
	Stuart Murray Canal	411,096 ML	
	East Goulburn Main Channel	184,138 ML	
	Total Goulburn Weir offtake diversion:	713,635 ML	
17.1(da)	Annual amount of distribution loss in Goulburn Irrigation Districts:		
	Shepparton	22,909 ML	
	Central Goulburn	43,757 ML	
	Rochester/ Pyramid Hill- Boort	35,313 ML	
	Total distribution loss:	101,979 ML	
17.1(e)(i)	Diversion by primary entitlement holders taken directly from waterway:		
	Private river diverters water shares	17,679 ML	
17.1(e)(ii)	Diversion by other authorities with Bulk Entitlements taken directly from waterway:		See Note 1
	Urban Bulk entitlements	16,116 ML	
	Victorian Environmental Water Holder	17 ML	
17.1(g)	Amount of water held in storage:		Volume at 30 June 2021
	Lake Eildon	1,943,654 ML	
	Goulburn Weir	21,557 ML	
	Waranga Basin	256,386 ML	
17.1(h)	Additional releases from Lake Eildon as per Schedule 5	0 ML	See Note 2

17.1(i)	Credits granted as per Clause 14	No	
17.1(j)	Temporary or permanent transfers of this BE	None	
17.1(k)	Transfer of entitlement or allocation under the Act	None	
17.1(l)	Releases for Inter Valley Trade, Murray Supplement or the Water Quality Reserve	267,909 ML	See Note 3
17.1(n)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
17.1(o)	Supply to primary entitlements:		See Note 4
	Water Shares in Irrigation Areas	581,706 ML	
	Water Shares of Private River Diverters	As for 17.1(e)(i)	
	Urban Bulk entitlements	See Appendix B2	
	Melbourne Water Authorities	See Appendix B2	
	Victorian Environmental Water Holder	See Appendix B2	
	Water allowances in Water Works Districts	1,198 ML	
	Loss allowances in Water Works Districts	363 ML	
	Goulburn Inter Valley Trade Account delivery	267,909 ML	
	Additional Supplies: Lower Broken Creek	17,255 ML	
	Additional Supplies: Loddon System - Little Lake Boort	299 ML	
	Additional Supplies: Goulburn Water Quality Reserve	0 ML	
	Additional Supplies: Loddon Environmental Entitlement	7,638 ML	
	Total supply to primary entitlements:	1,178,416 ML	
17.1(p)	Amendments to this BE	Yes	See Note 5
17.1(q)	New BE granted for supply of primary entitlements in this BE	No	

17.1(r)	Environmental Management and Metering programs	Programs implemented	See Note 6
17.1(s)	BE compliance failures	No	
17.1(t)	BE compliance difficulties and responses	No	
<p>Notes</p> <ol style="list-style-type: none"> 1. This is the usage against Bulk Entitlements held by other Authorities which is taken directly from waterways, excluding supplies from channel systems and in-stream environmental deliveries. 2. There were no releases from Lake Eildon under target filling arrangements or spills from storage in 2020/21. 3. This is the delivery of the Goulburn Inter-Valley Trade Account from the Goulburn system. This excludes the volume delivered to the Murray from the Campaspe Inter-Valley Trade Account. There were no releases made for the Water Quality Reserve or for Murray supplement in 2020/21. 4. The volume supplied to the Victorian Environmental Water Holder includes delivery of carried over allocation and water traded from other entitlements. 5. There were two amendments to the BE this year: an amendment of the East Loddon North water works district and setting up the Mitiamo waterworks district on 3 June 2021, and an update to support the distribution of water recovery of the irrigators share on 30 June 2021. 6. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified). <p>The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.</p>			

Appendix B2 Bulk Entitlement (Eildon - Goulburn Weir) Reporting			
Supply to primary entitlements of Other Authorities Bulk Entitlements			
This is the supply to other authorities prescribed in Schedule 2 of the Bulk Entitlement			
Authority		Diversion (ML)	Notes
Goulburn Valley Water	Channel System Zone 1A	4,799	
	River Supply Zone 1A	2,573	
	River Supply Zone 3	13,532	
	Total diversion:	20,903	
Coliban Water	Channel system Zone 1A	815	
	Channel system Zone 1B	174	
	Total diversion:	989	
Grampians Wimmera Mallee Water	Quambatook	86	
	Total diversion:	86	
Melbourne Bulk Entitlements	City West Water, South East Water and Yarra Valley Water	12	
	Total diversion:	12	
Victorian Environmental Water Holder	Snowy Environmental Reserve	0	See Note 1
	The Living Murray Entitlements	47,954	
	Goulburn River Environmental Entitlement	212,938	
	Environmental Entitlement NVIRP savings	1,486	
	Total diversion:	262,378	
Total Authorities (ML):		284,369	

**Notes**

1. These figures are the supply to the Allocation Bank Accounts (ABAs) of the BEEs listed in the Bulk Entitlement. Deliveries against other entitlements are shown in Appendix B1 17.1(o). The volume supplied includes the total use from the ABAs, including delivery of carried over allocation and water traded from other entitlements.

Appendix B3 Bulk Entitlement (River Murray - Goulburn Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 22.3 of the Bulk Entitlement (River Murray – Goulburn-Murray Water) Conversion Order 1999 ("BE"), 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 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
22.1(b)	Annual amount taken at the following off-take points as specified in clause 16.1:		See Note 1
	Cobram pump station	3,421 ML	
	Yarrowonga Main Channel	181,969 ML	
	National Channel	474,968 ML	
	Ashwin's pump	0 ML	
	Pental Island pumps	0 ML	
	Swan Hill No 9 channel off-take from Little Murray	6,452 ML	
	Swan Hill pumps	6,366 ML	
	Nyah pumps	5,638 ML	
	Woorinen pumps	11,955 ML	
	Private Diversion Points along the River Murray to Nyah Pumps:		
	Environmental diversion	9,626 ML	
	Urban River diversion	20,088 ML	
	Private River diversions; Dartmouth to Nyah	30,794 ML	
Total diversions at off-take points:		751,277 ML	
22.1(c)	Any new agreed upon off-take points?	No	
22.1(d)	Annual amount returned at the following points as specified in clause 16.2:		
	Broken Creek bypass and tributary flow	20,754 ML	

	Yarrowonga Main Channel outfall	8,073 ML	
	Koondrook spillway	74,658 ML	
	Loddon River at Kerang Weir	111,975 ML	
	Sheepwash Creek Weir	120 ML	
	6/7 channel outfall	2,894 ML	
	Lake Boga outfall channel	1,457 ML	
	Barr Creek at Capel's Crossing	1,185 ML	
	Lake Charm outfall channel	0 ML	
	Chinaman's Bend	0 ML	See Note 1
	Total returns:	221,116 ML	
22.1(e)	GMW supplies to bulk entitlements held by other authorities:		See Note 2
	Coliban Water	4,411 ML	
	Lower Murray Water- Urban	5,281 ML	
	North East Water	9,160 ML	
	Grampians Wimmera Mallee Water	4,329 ML	
	Goulburn Valley Water	4,448 ML	
	Victorian Environmental Water Holder	212,970 ML	See Note 3
	Flora and Fauna	13,122 ML	See Note 3
	The Living Murray	14,602 ML	See Note 3
	Snowy Environmental Reserve	0 ML	
	Total supplies to Bulk Entitlements:	268,323 ML	
22.1(f)	GMW supplies to primary entitlement holders excluding bulk entitlements in (e):		
	Murray Valley Irrigation Area	118,264 ML	
	Torrumbarry Irrigation Area (including Tresco and Woorinen)	224,372 ML	
	Nyah Irrigation District	5,045 ML	

	Private River Diverters	As for 22.1(b)	
	Lower Broken Creek	10,179 ML	
	Environmental Water Holders (non BE water)	7,861 ML	See Note 3
	Total supplies to primary entitlement holders excluding bulk entitlements:	396,516 ML	
22.1(g)	Metering program	Program implemented	See Note 4
22.1(h)	Temporary or permanent transfers of this BE or primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	See Note 5
22.1(i)	Transfer of entitlement or allocation under the Act to GMW or primary entitlement holders	As for 22.1(h)	
22.1(j)	Amendment to this BE	Yes	See Note 6
22.1(k)	New BE granted to GMW for River Murray	No	
22.1(l)	BE compliance failures	Yes	See Note 7
22.1(m)	BE compliance difficulties and actions	Minor	See Note 7
22.1(n)	Murray Valley Losses	23,973 ML	
	Torrumbarry Losses (as per BE including Woorinen and Tresco)	47,649 ML	
	Victoria Mid Murray Storage losses	58,500 ML	
22.1(o)	Victoria Mid Murray Storage annual operating plan	Implemented	See Note 8
<p>Notes</p> <p>1. Cobram and Woorinen pump station have not yet been recognised as an off-take points in the BE. Chinaman's Bend is a recognised return point in the MDBA diversion formula. These sites will be added to Schedule 4 of the BE.</p>			

2. Volume includes water supplied through GMW's channel distribution system, rivers and wetlands. It includes the environmental and urban diversion volumes reported in 22.1(b). It only includes supplies from the River Murray to delivery sites upstream of Nyah.
3. This delivery volume may include environmental water diverted from unregulated entitlements, water credited into the Murray from other systems and the delivery of traded volumes such as the water shares held by the Commonwealth Environmental Water Office. The majority of the environmental water delivered was credited as return flows from Victorian tributaries for further use downstream. Only deliveries deemed upstream of Nyah are included.
4. The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.
5. There was no temporary or permanent transfer of this BE, only the trade of primary entitlements.
6. There was an update of the BE on 30 June 2021 to support the distribution of water recovery of the irrigators share. This included updated loss allowances following a review of the baseline loss allowances.
7. The losses attributed to the operation of the VMMS are based on the fixed distribution loss and the net evaporation from Kow Swamp, Kangaroo Lake, Lake Charm and Lake Boga. The losses for the Murray Valley and Torrumbarry Irrigation Areas are based on water balance calculations of the irrigation areas, using diversions, deliveries and returns. The loss incurred by Torrumbarry was within the permitted annual tolerances once the dry season loss volume was included. The loss allowance for Nyah was exceeded by 93 ML.
8. The 2020/21 Victorian Mid-Murray Storages Annual Operating Plan was endorsed in July 2021.

Appendix B4 Bulk Entitlement (Campaspe System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 18.3 of the Bulk Entitlement (Campaspe System - Goulburn-Murray Water) Conversion Order 2000 ("BE"), which obliges the authority to report on certain matters as specified in clause 18.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
18.1(e)	GMW share of Lake Eppalock annual inflow	50,921 ML	
18.1(f)	Annual amounts taken from the system waterway for primary entitlements listed in Schedules 1 and 2:		See Note 1
	Water shares (excluding water shares held by other authorities)	7,095 ML	
	Supplement to Goulburn system	0 ML	
	Victorian Environmental Water Holder	0 ML	
	Coliban Water	72 ML	
	Central Highlands Water	0 ML	
	Total diversion:	7,167 ML	
18.1(g)	Annual evaporation losses to GMW share of Lake Eppalock	14,706 ML	See Note 2
18.1(h)	Internal spills to or from GMW's share of Lake Eppalock	0 ML	
18.1(i)	Minimum passing flows	Minimum passing flows were calculated as required by Clause 11	
18.1(j)	Credits granted as per Clause 14	No	
18.1(k)	Temporary or permanent transfers of this BE	None	
18.1(l)	Transfer of entitlement or allocation under the Act	None	
18.1(m)	Seasonal determination	1 Apr 2021 - 100% HRWS & 0% LRWS	

18.1(n)	Alterations to Schedule 1 and 2 entitlements as per Clause 8:	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 18.1(q)	
18.1(o)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
18.1(p)	Annual volume supplied to primary entitlements:	As for 18.1 (f) excluding the Goulburn supplement diversion plus	See Note 3
	Victorian Environmental Water Holder	24,836 ML	
	Living Murray	194 ML	
	Campaspe Inter Valley Trade Account delivery	13,989 ML	
	Total supply to primary entitlements:	46,185 ML	
18.1(q)	Amendments to this BE	No	
18.1(r)	New BE granted for supply of primary entitlements in this BE	No	
18.1(s)	Environmental Management and Metering programs	Programs implemented	See Note 4
18.1(t)	BE compliance failures	No	
18.1(u)	BE compliance difficulties and response	No	
18.1(v)	Details of interruptions to minimum passing flows	No	

Notes

1. This figure only includes diversions from the waterway, instream deliveries are included in 18.1(p).
2. Gross evaporation based on measured evaporation at Lake Eppalock.
3. As there are no irrigation areas or districts in the Campaspe system the volume of diversion and delivery are the same, with the exception of environmental water delivered instream and the



supplement provided to the Goulburn System. Water from the Campaspe Inter Valley Trade account was delivered to the Murray system and incorporated as a delivery from the Goulburn Inter-Valley Trade account.

4. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified)
5. The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.

Appendix B5 Bulk Entitlement (Broken System - Goulburn-Murray Water) Reporting			
<p>This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 20.3 of the Bulk Entitlement (Broken System - Goulburn-Murray Water) Conversion Order 2004 ("BE"), which obliges the authority to report on certain matters as specified in clause 20.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.</p>			
BE Clause	Item	Report	Notes
20.1(e)	Annual amounts taken from the system waterway as listed in Schedules 1 and 2:		
	Water shares (excluding Broken Creek and water shares held by other authorities)	2,764 ML	
	North East Water	99 ML	
	Supplement to Goulburn or Murray systems	0 ML	
	Total flow to Broken Creek	4,425 ML	
	Total diversions:	7,288 ML	
20.1(f)	Annual evaporation losses from Lake Nillahcootie	3,921 ML	See Note 1
20.1(g)	Environmental minimum and maximum flows	Environmental flows were provided as specified in clause 12	
20.1(h)	Credits granted as per Clause 15	No	
20.1(i)	Temporary or permanent transfers of this BE	None	
20.1(j)	Transfer of entitlement or allocation under the Act	None	

20.1(k)	Alterations to Schedule 1 and 2 entitlements as per Clause 9:	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 20.1 (n)	
20.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
20.1(m)	Annual volume supplied to primary entitlements:	As for water shares and North East Water diversions in 20.1 (e) plus	See Note 2
	Broken Creek water shares	255 ML	See Note 3
	Broken Creek environmental delivery	1,235 ML	
	Broken Creek losses	2,935 ML	
	Broken River environmental delivery	0 ML	
	Broken Inter Valley Trade Account delivery	3,833 ML	
	Total supply to primary entitlements:	11,122 ML	
20.1(n)	Amendments to this BE	No	
20.1(o)	New BE granted for supply of primary entitlements in this BE	No	
20.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 4
20.1(q)	BE compliance failures	Yes	
20.1(r)	BE compliance difficulties and response	Minor	See Note 5 & 6
20.1(s)	Details of interruptions to environmental minimum and maximum flow limits	Minor	See Note 6

Notes

1. Gross evaporation based on measured evaporation at Lake Nillahcootie.
2. The volume of diversion and delivery are the same, with the exception of diversion to Broken Creek from the Broken system.
3. This was an in-stream delivery that included the delivery water traded into the Broken system to meet environmental objectives.
4. The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.

Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified).
5. During regulated conditions, the losses in Broken Creek were 1,085 ML above the annual allowance of 1,850 ML specified in schedule 2, clause 3 in the Broken BE. GMW are working with DELWP to rectify the ongoing issues with the Broken Creek loss allowance. The accuracy of the offtake measurement is an issue and improvement works are planned.
6. Environmental minimum flows banked in 2019/20, were delivered from July 2020 to September 2020 in agreement with the GBCMA. During this July-September 2020 period any flows below the minimum required flow continued to be banked and then delivered.

Appendix B6 Bulk Entitlement (Ovens System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 19.3 of the Bulk Entitlement (Ovens System - Goulburn-Murray Water) Conversion Order 2004 ("BE"), which obliges the authority to report on certain matters as specified in clause 19.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
19.1(e)	Annual amounts taken from system waterway as listed Schedule 1 and 2:		
	Water shares (excluding water shares held by other authorities)	6,887 ML	
	North East Water	3,146 ML	
	Environmental water holders	0 ML	
19.1(f)	Annual storage evaporation losses:		See Note
	Lake Buffalo	2,983 ML	1
	Lake William Hovell	778 ML	
19.1(g)	Environmental minimum flows	Environmental minimum flows were calculated and provided in accordance with clause 12 and Schedule 5	
19.1(h)	Credits granted as per Clause 15	No	
19.1(i)	Temporary or permanent transfers of this BE	None	
19.1(j)	Transfer of entitlement or allocation under the Act	None	
19.1(k)	Alterations to Schedule 1 and 2 entitlements as per Clause 9	See Victorian Water Register Entitlements, Allocation and Use Annual Report. See 19.1 (n)	

19.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
19.1(m)	Annual volume supplied to primary entitlements:	As for 19.1 (e) plus	See Note 2
	Environmental water holders delivery	159 ML	
	Total supply to primary entitlements:	10,192 ML	
19.1(n)	Amendments to this BE	No	
19.1(o)	New BE granted for supply of primary entitlements in this BE	No	
19.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 3
19.1(q)	BE compliance failures	No	
19.1(r)	BE compliance difficulties and response	No	
19.1(s)	Details of interruptions to minimum passing flows	No	
<p>Notes</p> <ol style="list-style-type: none"> Gross evaporation based on measured evaporation at each storage. As there are no irrigation areas or districts in the Ovens system the volume taken and supplied are the same, with the exception of the environmental water which was delivered in stream to the Buffalo and King Rivers. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified). <p>The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.</p>			

Appendix B7 Bulk Entitlement (Loddon System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 21.3 of the Bulk Entitlement (Loddon System - Goulburn-Murray Water) Conversion Order 2005 ("BE"), which obliges the authority to report on certain matters as specified in clause 21.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
21.1(f)	Annual amounts taken from the system waterway for primary entitlements and additional supplies in Schedules 1 and 2:		See Note 1
	Water shares (excluding Serpentine Creek, and water shares held by other authorities)	5,591 ML	
	Total flow to Serpentine Creek	5,588 ML	
	Coliban Water	133 ML	
	Central Highlands Water	378 ML	
	Victorian Environmental Water Holder (for delivery to Boort district wetlands)	0 ML	
	Supplement to Goulburn system	0 ML	
	Total diversions:	11,690 ML	
21.1(g)	Annual storage evaporation losses:		See Note 2
	Cairn Curran Reservoir	11,177 ML	
	Tullaroop Reservoir	5,517 ML	
21.1(h)	Credits granted as per Clause 15	No	
21.1(i)	Temporary or permanent transfers of this BE	None	
21.1(j)	Transfer of entitlement or allocation to GMW	None	
21.1(l)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements,	

		Allocation and Use Annual Report.	
21.1(m)	Annual volume supplied to primary entitlements:	As for 21.1 (f) excluding the Serpentine Creek diversion plus	See Note 3
	Serpentine Creek (water shares)	369 ML	
	Victorian Environmental Water Holder	5,504 ML	
	Total supply to primary entitlements:	11,975 ML	
	Loddon Inter Valley Trade Account delivery	12,529 ML	
21.1(n)	Amendments to this BE	No	
21.1(o)	New BE granted for this system	No	
21.1(p)	Environmental Management and Metering programs	Programs implemented	See Note 4
21.1(q)	BE compliance failures	No	
21.1(r)	BE compliance difficulties and response	No	

Notes

1. Environmental water delivered to wetlands in Loddon Valley irrigation area is included, while instream deliveries are excluded (see 21.1(m)). There was no delivery to Boort wetlands from Loddon entitlements in 2020/21, only from Goulburn entitlements. There was no Goulburn Supplement available in 2020/21.
2. Gross evaporation based on measured evaporation at Cairn Curran.
3. There are no irrigation areas or districts in the Loddon system. The volumes taken and supplied are the same, with the exception of diversions to Serpentine Creek and environmental water delivered in stream (Loddon River and Serpentine Creek). The volume supplied to the Victorian Environmental Water Holder includes carried over allocation and water traded from other entitlements.
4. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified) and the Regional Water Monitoring Partnership.

The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.

Appendix B8 Bulk Entitlement (Bullarook System - Goulburn-Murray Water) Reporting

This appendix is included in the Goulburn-Murray Water 2020/21 Annual Report in compliance with the requirements of clause 17.2 of the Bulk Entitlement (Bullarook System - Goulburn-Murray Water) Conversion Order 2009 ("BE"), which obliges the authority to report on certain matters as specified in clause 17.1 of the same order. The period of reporting is 1 July 2020 to 30 June 2021. Hydrographic data has been used where available, operational data has been used where hydrographic data was not available.

BE Clause	Item	Report	Notes
17.1 (d)	Annual amounts of water taken from the system by primary entitlement holders:		
	Water shares	584 ML	
	Central Highlands Water	183 ML	
	Victorian Environmental Water Holder	0 ML	
17.1(e)	Temporary or permanent transfers of this BE	None	
17.1(f)	BE temporarily or permanently transferred to GMW	None	
17.1 (g)	Details of transfers of primary entitlements	See Victorian Water Register Entitlements, Allocation and Use Annual Report.	
17.1 (h)	Annual supply to primary entitlements:	As for 17.1 (d) plus	See Note 1
	Victorian Environmental Water Holder	0 ML	
17.1 (i)	Amendments to this BE	No	
17.1 (j)	New BE granted for this system	No	
17.1 (k)	Environmental Management and Metering programs	Programs implemented	See Note 2



17.1 (l)	BE compliance failures	No	
17.1 (m)	BE compliance difficulties and responses	No	
Notes <ol style="list-style-type: none">1. As there are no irrigation areas or districts in the Bullarook system the volumes taken and supplied are the same, with the exception of environmental water which is delivered in stream.2. Environmental Management: Programs are coordinated with Goulburn-Murray Water's Environmental Management System (ISO 14001 certified) The Minister for Water approved the metering program for all Bulk Entitlements held by GMW in 2011.			



Appendix C - Minister's Letter of Expectations

Priority Area	Key Performance Indicator	Page Reference
Climate Change Provide services that minimise environmental impacts, mitigate climate change and put in place adaptation strategies and actions	E2 Emissions reductions Demonstrate reasonable progress toward achievement of the entity's emission reduction target specified in the Statement of Obligations (Emissions Reduction).	15
	E3 Climate adaptation a) Apply the Guidelines for Assessing the Impact of Climate Change on Water Suppliers in Victoria and demonstrate adaptation by: <ul style="list-style-type: none"> • developing low flow contingency plans that include an appropriate range of climate scenarios. b) Integrate climate change adaptation into decision-making across the business (all sources of water, wastewater, and where relevant drainage and flood management) including: <ul style="list-style-type: none"> • source waters and demand • built assets • natural environment • people and workplace • interdependencies • customer and product delivery. c) Contribute to development of the DELWP Water Sector Climate Change Adaptation Action Plan, which will commence preparation in July 2019. Optional participation in delivery of the Pilot Water Sector Climate Change Adaptation Action Plan (published October 2018).	16
	C1 Customer satisfaction	16

Priority Area	Key Performance Indicator	Page Reference
Customer and Community Outcomes All aspects of service delivery will be customer and community centred	Overall, reporting on measures identified for this indicator should demonstrate high or improving levels of customer satisfaction over time.	
	C2 Customer and community engagement Stakeholder engagement based on best practice that demonstrates approaches to engagement that are open, honest and occur frequently. The DELWP Community Charter or IAP2 framework could be considered as a guide.	17
Water for Aboriginal cultural, spiritual and economic values Recognise and support Aboriginal cultural values and economic inclusion in the water sector.	AC1 Engagement of Aboriginal communities Effective and genuine engagement of Aboriginal communities for involvement in business opportunities and access to water for economic development. Measures related to this indicator will not be considered in isolation. Rather, reported information will be used to help build a broad picture of engagement, taking into account the relevant local context.	17
	AC2 Engagement of Traditional Owners Effective and genuine engagement of Traditional Owners for inclusion of Aboriginal values in water planning. Measures related to this indicator will not be considered in isolation. Rather, reported information will be used to help build a broad picture of engagement, taking into account the relevant local context.	17
	AC3 Aboriginal Inclusion Plan/ Reconciliation Action Plan To be considered in conjunction with AC1 and AC2, taking into account the relevant local context.	17
Resilient and liveable cities and towns Contribute to healthy communities by	L4 Payment management and hardship Overall improved access to instalment plans for management of payments. Understand year on year trends in hardship grants.	18



Priority Area	Key Performance Indicator	Page Reference
supporting safe, affordable, high quality services and resilient environments.		
Recognising recreational values Support the wellbeing of rural and regional communities by considering recreational values in water management.	Rec1 Recreational values Consideration of recreational values in carrying out functions and providing services	18
Leadership and Culture Water corporations reflect the needs of our diverse communities.	G1 Diversity and inclusion Improve gender and cultural diversity in workforce including gender equity in executive leadership. Diversity Inclusion plans to be based on best practice. The approach of the DELWP <i>Diversity and Inclusion Strategy 2019-2022</i> could be considered as a guide.	19
	G2 Board performance review Annual board performance review to help monitor and improve the Board’s effectiveness in leading the organisation.	19
	G3 Health and Safety Sustained annual improvement against OH&S performance benchmarks (AS/NZS standard 4801).	19
Financial Sustainability Delivering safe and cost-effective water and wastewater services in a	F1-F8 Financial Indicators Overall reporting on these measures should demonstrate financial sustainability and provide a positive picture of a corporations’ financial sustainability over time.	19, 41
financially sustainable way.		

Appendix D - Schedule of Consultancies

GMW Consultancies for Water Storage and Delivery above \$10,000

Supplier	Approved	Received	Outstanding
Adelhelm & Associates	\$21,580	\$17,620	\$3,960
The Next Step Recruitment	\$59,825	\$24,960	\$34,865
Marsden Jacob Association	\$13,109	\$13,109	-
GHD Pty Ltd	\$83,487	\$38,930	\$44,557

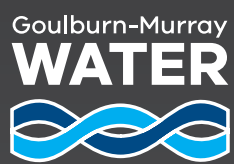
Connections Consultancies above \$10,000

Supplier	Approved	Received	Outstanding
Corporate Scorecard	\$12,764	\$274	-
Delcerra Pty Ltd	\$38,000	\$38,000	-
GHD Pty Ltd	\$28,721	14,353	-
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$36,800	\$11,010	-
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	,\$75,862	\$22,762	-
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$25,000	\$23,370	\$1,629
Jacobs Group (Australia) Pty Ltd T/A Sinclair Knight Merz	\$37,627	\$34,326	\$3,297
O'Connor Marsden & Associates	\$31,807	\$12,560	-
RMCG	\$39,900	\$39,900	-
Tim Cummins & Associates Pty Ltd ATF The Cummins-McFadyen Family Trust	\$20,000	\$20,000	-

Appendix E - Abbreviations

The following abbreviations are referenced throughout this report:

- **AASs** – Australian Accounting Standards
- **BAU** – Business As Usual
- **CMA** – Catchment Management Authority
- **CP** – Connections Project
- **CSO** – Community Service Obligations
- **DWMP** – Domestic Wastewater Management Plans
- **DEDJTR** – Department of Economic Development, Jobs, Transport and Resources
- **DELWP** – Department of Environment, Land, Water and Planning
- **EBITDA** – Earnings before Interest, Tax, Depreciation and Amortisation
- **EMS** – Environmental Management System
- **ESC** – Essential Services Commission
- **FOI** – Freedom of Information
- **FRD** – Financial Reporting Direction
- **FTE** – Full Time Equivalent employees
- **GBCMA** – Goulburn Broken Catchment Management Authority
- **GHG** – Greenhouse Gases
- **GL** – Gigalitres of water (one billion litres)
- **GMA** – Groundwater Management Area
- **GMID** – Goulburn-Murray Irrigation District, Australia’s largest irrigation delivery network
- **GMU** – Groundwater Management Units
- **GMW** – Goulburn-Murray Rural Water Corporation (trading as Goulburn-Murray Water)
- **GST** – Goods and Services Tax
- **HRWS** – High-Reliability Water Shares
- **HSE** - Health, Safety, Environment and Sustainability
- **ICT** – Information, Communications and Technology
- **KL** – Kilotres of water (one thousand litres)
- **KMP** – Key Management Personnel
- **LGBTI** – Lesbian, gay, bisexual, transgender and intersex
- **LOWIG** - Land and On-Water Implementation Group
- **LOWMP** - Land and On-Water Management Plan
- **LRWS** – Low-reliability Water Shares
- **LSL** – Long service Leave
- **MDBA** – Murray-Darling Basin Authority
- **ML** – Megalitres of water (one million litres)
- **MRD** – Ministerial Reporting Direction
- **NCCMA** – North Central Catchment Management Authority
- **NTER** – National Tax Equivalent Regime
- **NVIRP** – Northern Victoria Irrigation Renewal Project
- **OH&S** – Occupational Health and Safety
- **PCG** – Connections Project Control Group
- **RWC** – Rural Water Corporation
- **SCC** – Stakeholder Consultative Committee
- **SD** – Standing Direction
- **SIR** – Shepparton Irrigation Region
- **SO** – Strategic Outcomes
- **The Board** – Independent board of directors appointed by the Minister for Water
- **TLWCAC** – Taungurung Land and Waters Council Aboriginal Corporation
- **TWP** – Transformation Working Plan
- **VG** – Valuer General Victoria
- **VPSC** – Victorian Public Sector Commission
- **WSD** – Water Storage and Delivery
- **WSPA** – Water Supply Protection Area
- **YYNAC** – Yorta Yorta Nation Aboriginal Corporation



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