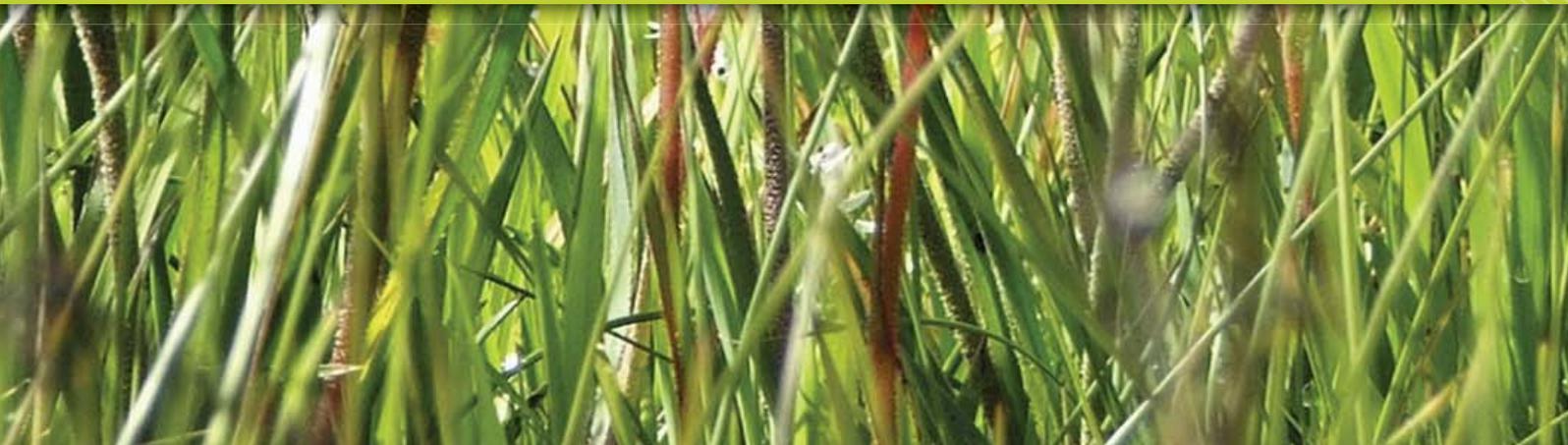




ANNUAL
REPORT
2012



business overview

When reflected upon, all of the small steps, all of the simple actions, add up to great change

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It is our vision that the natural resources of the Perth Region will be protected and managed sustainably in their own right and for the enhancement of the quality of life for present and future generations.

While the annual report presents our operating results for the financial year ended 30 June 2012, it also provides an opportunity to demonstrate our commitment to sustainably protecting and managing our natural resources.

Perth Region NRM's investment into natural resource management spans biodiversity and natural icons, water quality, coastal environments and critical aquatic habitats, delivered through a range of programs with the assistance of numerous staff members, partners, community groups and volunteers.

Perth Region NRM has also had a challenging year in which attention has been focused inward, reviewing the way in which they operate and how the organisation is governed. Good corporate governance plays a vital role in underpinning the integrity and efficiency of an organisation and assists in attracting investors whose support can help advance organisational growth and therefore positive environmental outcomes.

The remedial approach to achieving greater efficiency and accountability is reflected in our 2012 financial statements, with a significant reduction in large overheads ultimately focused on achieving a "value for money" operating structure for the year ahead.

The directors and staff of Perth Region NRM who have actively supported and assisted in this endeavour are to be congratulated for their perseverance to a process that has already provided significant benefit to the operational delivery of our programs and to the potential of the organisation to deliver integrated and effective environmental outcomes in the future.

LISA POTTER
Chief Executive Officer



message from the chairman

"2012 has been a very busy, challenging and rewarding year for Perth Region NRM"

On behalf of the Board of Management, it gives me great pleasure to present Perth Region NRM's Annual Report for 2012.

The past year has been a significant one for Perth Region NRM. Externally, Perth Region NRM has continued to deliver our core business – natural resource management in the Perth region - through a diverse range of activities in our program areas. Internally, a major review and reform process was undertaken to transform Perth Region NRM in to a modern organisation well positioned to deliver NRM outcomes in an increasingly challenging operating environment. The successful achievement of these external and internal outcomes would not have been possible without the dedication and skills of many people, including fellow board members, Perth Region NRM staff, Australian and State government and many other stakeholders.

The Annual Report provides an excellent overview of our program areas - biodiversity, coastal, sustainable agriculture and water quality – as well as the diversity of activities within each. Each activity highlighted in the report has delivered improved NRM outcomes through partnership with funding bodies, government and community stakeholder groups. The great majority of our activities are funded through the Australian government's Caring for Our Country program.

In addition to our four major program areas, Perth Region NRM is very happy to be a partner in the Swan River Trust and Alcoa Landcare Program (SALP), which receives significant funding support from Alcoa of Australia Ltd and the WA Government via the Swan River Trust.

Across all our programs and activities, incorporation of the interests, knowledge and heritage of the Noongar people, the traditional owners of the South West, is very important to Perth Region NRM. We are always looking for new and innovative ways of improving our interaction with the Noongar people.

Quality management is an essential element of any successful organisation. For the NRM sector, MERI (Monitoring, Evaluation, Reporting and Improvement) is a critical quality management tool, with the Perth Region NRM MERI Plan 2011-2013 being one of our

most important guiding documents. It gives me great pleasure to report that our MERI activities show that we are delivering all our projects to high standards with all reports accepted and approved by the Australian government. Furthermore MERI has highlighted a number of improvements that can be incorporated into our projects.

In parallel to delivering our core business of NRM outcomes, the past year has seen Perth Region NRM achieve major organisational transformation through the development and implementation of best practice governance. The end result of this process is an organisation with a modern skills based board, four board committees (Audit, Finance, Nominations and NRM), independent Chairs for the Audit and Nominations Committees, an Executive Director/CEO and membership for stakeholder groups and associate status for interested individuals. All of this has been encapsulated in our new Constitution that was adopted in January this year.

I am very happy to report that we have now populated all of the above elements. All members of the current board have been selected by a rigorous skills assessment process undertaken by a Nominations Committee independently chaired by Garry English. I am confident that the diversity of skills, experience and networks that the new board members bring to Perth Region NRM will strengthen our organisation and position it for new and exciting opportunities.

The establishment of the four Board Committees will ensure that high quality checks and balances exist in our governance arrangements. I am particularly happy to see the establishment of an Audit Committee with an Independent Chair – Lorica Storey. This committee will have overall oversight of organisational processes to ensure adherence to policy as well as identification of risk and areas for improvement.

While Audit, Finance and Nomination Committees provide essential support functions, the NRM Committee will provide the strategic oversight for the planning, implementation and review of our core business – NRM. The NRM Committee will work very closely with Perth Region NRM members, associates, stakeholders and staff through forums, workshops and ad hoc committees.

Effective corporate governance structures encourage organisations to create value through innovation, entrepreneurialism, development and exploration, and provide accountability and control systems commensurate with the risks involved.

The appointment of Lisa Potter as CEO represents another critical element of reform. Lisa's experience and expertise in financial and business management will provide solid support for the Board, Board Committees, staff and operational matters. As an Executive Director of the Perth Region NRM Board, Lisa adds significant value to Board deliberations.

However, for me probably one of the most important governance reforms is the opportunity for stakeholder groups to become members of Perth Region NRM. Since the adoption of the new Constitution, the number of members is steadily rising and I am confident that as stakeholders engage with the new organisational structures and processes, more will choose to become members.

In conclusion, it has been a very busy, challenging and rewarding year for Perth Region NRM. To past and present board members, Perth Region NRM staff, members, associates and stakeholders, thank you for your dedication, efforts and support. Together we have modernised Perth Region NRM. It has a very promising and exciting future. I look forward to you continuing to be part of it.

DOUG HALL
Chairman of the Board

2012 by the numbers

80,550

The number of native plants were planted across the Perth Region through re-vegetation projects



177

The number of organisations Perth Region NRM has supported to better manage natural resources in the Perth region



584

The number of sites at which projects were conducted that addressed threats to biodiversity and water quality



2104

The number of people who attended workshops



2218

The number of hectares of healthier land for food and fibre



3500

The number of volunteers supported to conduct re-vegetation projects



190

The number of kilometres of improved waterways, sea and coast



\$4,649,600

The total dollar value of projects coordinated



4682

The number of kilometres travelled by our Regional Landcare Facilitator



One

This year, as part of a major governance review Perth Region NRM transitioned to a **skills based board** comprising eight directors and supported by four standing committees



biodiversity 01

Biodiversity is the variety of all life forms on earth - the different plants, animals and micro-organisms and the ecosystems of which they are a part

The South-West region of Western Australia is acknowledged as a world biodiversity hotspot, containing species not found in other regions, even within WA.

Conserving and enhancing the terrestrial and aquatic biodiversity and habitat of all native species in the region and the functionality of the ecosystems which contain these species, is the target of Perth Region NRM's Biodiversity projects.

Weeds of National Significance

The Weeds of National Significance (WoNS) project has been developed by Perth Region NRM with funding from the Australian Government's Caring for our Country (CfoC) program. The project addresses CfoC biodiversity targets by reducing the impact of Weeds of National Significance to improve biodiversity in priority areas. Target weeds in the Perth region are Blackberry (*Rubus spp.*) Grey Sallow (*Salix cinerea*) and Boneseed/Bitou Bush (*Chrysanthemoides monilifera subsp. monilifera* and *C.m. subsp. rotundata*).

The project is targeting two outlier Blackberry infestations for eradication from sensitive riparian and wetland environments at Bennett Brook and Neaves Road Nature Reserve, a Tumulus Spring Threatened Ecological Community, and is working with the land managers to provide best practice weed management at these sites.

Boneseed is the target of Perth Region NRM's State Boneseed eradication project. Boneseed awareness, control and surveillance activities and are being conducted and data collected in spring during the Boneseed Blitz at all 16 known Boneseed infestation sites as well as high risk areas. In April 2012 the project utilised 10 infestation sites to trial the effectiveness of smoke water application in stimulating germination of dormant seeds, with results expected in September.

State Wide Boneseed & Willow Coordination

This project works towards eradication of two Weeds of National Significance (WoNS), Bitou Bush/Boneseed and seeding Willows from WA. It involves collaboration of key multiple partners working together across five NRM Regions to eradicate and monitor all Boneseed infestations as per WA Boneseed eradication strategy, monitor Boneseed sites to evaluate eradication progress and methodology, coordinate the eradication program for high-risk Willows, including delimitation, implementation of priority actions to prevent establishment and an eradication strategy, and increase community capacity through Boneseed Blitz and Willow Watch and workshops to identify and report these WoNS and understand the threats to biodiversity.

Threatened Ecological Communities

Through the management of major weed species at four sites managed by the Department of Environment and Conservation, this project improves listed threatened ecological communities habitat and vegetation (Environment, Protection and Biodiversity Conservation Act 1999). Pre-treatment photo points have been established at the four sites. Post treatment photo monitoring will be undertaken after spring control works have been completed in 2012. Overall the project is progressing as per the work plan with total work completed limited by the seasonality of weed control.

It is estimated that there are 13.6 million species of plants, animals and micro-organisms on earth. Australia has about one million of these, which represents more than 7% of the world's total and is more than twice the number of species in Europe and North America combined.

biodiversity 02



Black Cockatoo - BirdLife Australia

The focus of this project is on better protection of nationally significant biodiversity in the Perth region through improving the habitat management of the threatened species Carnaby's Black Cockatoo (*Calyptorhynchus latirostris*), and the Baudin Black Cockatoo (*Calyptorhynchus baudinii*). Critical threats to these cockatoos include the removal and fragmentation of habitat such as Banksia due to clearing, the impacts of dieback, and weed invasion. This project is supported by the Dieback Working Group who have been funded to protect native vegetation from dieback disease that is important for Black Cockatoo survival.

The project also funds the Great Cocky Count of 2012 and 2013. This community based event provides information about the location of overnight roosting sites for the Cockatoos. There was a significant media response to the launch of the 2011 Great Cocky Count report and 2012 survey promotion, assisting in increased participant numbers.

Black Cockatoo - Dieback Working Group

Contributing to improved management and protection of nationally significant biodiversity in the Perth region,

this project also aims to better protect and manage the habitat of the threatened species Carnaby's Black Cockatoo and Baudin Black Cockatoo.

11 local government employees, 4 Bushcare volunteers, 28 BirdLife Australia volunteers and 12 Now Green trainees have received training in dieback education and treatment. These community members have protected a total of 65.5 hectares of bushland.

This project is supported by BirdLife Australia to meet targets relating to critical habitat mapping, and supporting land managers to manage specifically for Black Cockatoo survival.

Scott Road Fire Recovery

This project was funded through the government approved Natural Disaster Environmental Recovery funding which is specifically for projects in the Perth region where bush fires have impacted on native vegetation, wildlife, waterways and biodiversity.

Perth Region NRM partners with the Armadale Gosnells Landcare Group who have conducted weed control and planted over 10,000 seedlings on the site, with an expected survival rate of more than 90%.

water quality 01

Water of adequate quality and quantity is central to the integrity of the environment

The Swan Canning Estuary System is connected to the Swan River to the North-East and the Canning River system to the South-East. The estuarine system has a range of important environmental values in its riparian vegetation and diverse aquatic ecosystems.

A concerted effort by land managers, industry, catchment groups, the community, environmental groups and Australian, state and local governments is required to protect the quality of our water resources.

Swan Canning Tributaries Restoration Eastern Metropolitan Regional Council

The Eastern tributaries project contributes to the implementation of the Swan Canning Water Quality Improvement Plan and local Water Quality Improvement Plans. The target is to implement 20 hectares of on-ground activities in Swan River catchments that will contribute to sediment reduction, nutrient reduction, protecting and maintaining sub-catchments that currently have good water quality and provide ongoing support for community commitment to the natural environment.

In the 2011-2012 financial year, all re-vegetation sites were photo monitored during and after on-ground activities. Further photo monitoring will occur as project activities are undertaken to identify the need for infill planting. A number of workshops were also presented by the Eastern Metropolitan Regional Council (EMRC) through the 'Bushskills for the Hills' program to improve community capacity in water quality improvement planning.

The work undertaken in projects such as Strengthening our Streams, Eastern Tributaries, Watsonia Road and the fourteen community led projects supported by EMRC, reduce nutrients and sedimentation in stream thereby improving water quality. In addition, riparian trees shade the water reducing water temperature and improving

the habitat for native fish. Increased riparian vegetation also equates to more habitats for native species of birds, mammals, reptiles and insects.

Swan Canning Tributaries Restoration South East Regional Centre of Urban Landcare

The Canning River Restoration Project contributes to the implementation of the Swan Canning Water Quality Improvement Plan and local Water Quality Improvement Plans. The target is to implement 30 hectares of on-ground activities in the Canning River catchment that will contribute to sediment reduction, nutrient reduction, protecting and maintaining sub-catchments that currently have good water quality and provide ongoing support for community commitment to the natural environment.

Monitoring of on-ground works has included photo monitoring at all sites, transect and quadrat monitoring at the Kent Street to Bacon Street site as part of the Canning River Regional Park Post Fire Restoration Project, and mapping of the density of *Hydrocotyle ranunculoides* infestation in the Mill Street main drain.

In meeting water quality objectives, 579 community volunteer hours have been spent undertaking 61 hectares of restoration on the Canning River foreshore and tributaries through weed control and re-vegetation, with 8,544 plants installed.



water quality 02



Bayswater Brook Large Catchment Case Study

This water quality improvement project brings together the key stakeholders that will implement the Swan Canning Water Quality Improvement Plan to develop an action plan to improve water quality in the highly urbanised catchment of Bayswater Brook. It is supported by the City of Bayswater, Water Corporation, Swan River Trust, CSIRO and the Department of Water.

The Bayswater Brook Action Plan has been finalised and participating stakeholders have provided in principle letters of support for the plan. This is the first time a fully integrated drainage and catchment action plan incorporating a jointly agreed vision, objectives, targets and actions has been completed in WA. It has also been submitted to the DoW for incorporation into the Arterial Drainage Scheme Strategy being developed for high level integrated drainage governance.

Another feature has been the establishment of a process to undertake cost benefit analysis of all management options based on best available science. This will enable the reduction of nutrients from several land uses, such as irrigated open space, to be achieved along with other important targets for water conservation, biodiversity and public amenity.

Swan River Trust can adopt the prioritisation process for pollution management in the Bayswater Brook for all of the priority catchments in the Swan Canning Water Quality Improvement Plan, using multi criteria analysis.

Industry Audits

In support of the implementation of the Swan Canning Water Quality Improvement Plan and local Water Quality Improvement Plans, the industry audits project was aimed at reduced nutrient input from small to medium businesses in industrial areas draining into the Swan and Canning river systems. Businesses were supported to cease illegal discharges through their participation in an assessment of their compliance with unauthorised discharges regulations. Perth Region NRM and local government officers audited the businesses, provided educational support and recorded changes.

It was found that the most common reason for non-compliance to environmental regulations was a lack of awareness and knowledge. Many businesses unaware of environmental regulations and standards were willing to improve their environmental practices through behaviour change or installation of appropriate technology and equipment, particularly when they were informed and understood the impacts of their pollution.

Whilst this project ended 30 June 2012, supporting small to medium enterprises to reduce their nutrient and non-nutrient discharges remains an important opportunity for improving water quality.

Water is a critical resource within Australia. As the world's driest inhabited continent, protecting the quality of various sources of water and optimising its use, for often competing purposes, is an important issue.

sustainable agriculture 01

Sustainability rests on the principle that we must meet the needs of the present without compromising the ability of future generations to meet their own needs

Australian agriculture is faced with critical challenges in the decades ahead; the need for long-term maintenance of healthy soils and ecosystems, the need to reduce agriculture's carbon footprint, the need to improve productivity to ensure prosperous rural industries and food security, making the best use of water, nutrient and energy resources and developing complementary land use options for agriculture, forestry and natural ecosystems.



Agricultural Wine and Horticulturists - Optimising Fertiliser Use for Horticulturists

This project has been developed by Perth Region NRM with funding provided through the Australian government's Caring for our Country program (CfoC). In particular, the CfoC objective that this project is working towards is to address the threats contributing to poor or declining water quality in the Swan Canning River system.

The project aims to:

- Assist producers in optimising their fertiliser usage while also minimising the impact these fertilisers have on the Swan Canning River systems.
- Demonstrate to producers, through trial sites, a cost effective means of optimising fertiliser use and irrigation water.

- Meet the broader community's expectations that producers manage fertiliser use in a way that minimises the impact their use has on the environment.

The project utilises five trial sites (wine grape, table grape, citrus, stone and pome fruit producing sites) in the Perth region where fertiliser leachate data is being collected. Leachate samples that have been collected to date, provide the baseline data required prior to assessing and managing fertiliser applications during the fertiliser application season, which runs from September to November.

This project also has a strong focus on facilitating the extension of relevant information to producers, in partnership with key industry associations and the Department of Agriculture and Fisheries WA.

One of the highlights this year was the *Managing Grapevine Nutrition and Soil Health* workshop that was held in the Swan Valley, with over 50 land managers attending. These very successful workshops (also held in Margaret River and Great Southern) were co-funded by the Grape Wine Research Development Corporation.

As a result of this project, Perth Region NRM has been successful in attracting funding from the Department of Agriculture Fisheries and Forestry for a new project (Evaluating soil amelioration products with strong potential to minimise nitrous oxide emissions) that will value add to this project.



sustainable agriculture 02



Evaluation of soil ameliorates with strong potential to reduce nitrous oxide emissions

Funded by the Commonwealth Government Program *Action on the Ground*, through the Department of Agriculture Fisheries and Forestry, this thirty month project will trial and demonstrate on-farm practices to reduce nitrous oxide emissions through the use of organic fertiliser and soil amelioration products in the production of citrus, stone and pome fruit, and wine and table grapes.

The trials will be conducted at four properties in the Swan and Canning River catchments and also one vineyard at Margaret River in conjunction with the Australian Wine Research Institute, Western Australia.

This project is being conducted in partnership with Living Farm and AHA Viticulture and results will be generated in the coming two growing seasons.

Hobby Farms, Horses and Broad acre

Horse Industry Council

The Horse Industry Council project has focused on delivering a series of workshops for horse owners on

best practice of the horse industry to reduce wind, water erosion, dieback, weed spread and nutrient loss. The WA Horse Council has assisted with uptake of best management practices for the members of their organisation. A series of workshops, field days, and site visits have been conducted.

Ellen Brook

The Ellen Brook project has been working on implementing components of the Ellen Brook local Water Quality Improvement Plan to reduce nutrient inputs into the Swan Canning River system from broad acre farming through intervention structures, changed farming practices, better fertiliser management and ground cover management using strategic fencing.

Regional Landcare Facilitator

The Regional Landcare Facilitator has travelled over four and a half thousand kilometres this year establishing adaptable, self reliant, and appropriately informed networks of community Landcare and production groups in the Perth region, facilitating funding grants, partnerships, training, information provision and the adoption of improved land management.

coastal 01

The Perth region coastal geographic area is 1540 km² and is comprised of the Swan Coastal Plain and Western Australian marine environment

The coastal program comprises the Coastcare North metropolitan and Coastcare South metropolitan programs as well as the Coastcare education program.

The North and South Coastcare projects aim to educate and engage community members in the rehabilitation and management of the coastal zone, increase community understanding of issues that affect the coast and support local government in the management of their coastal reserves, including vegetation condition, invasive species and feral animal control.

The key aim of the education component of Coastcare is to expand awareness of coastal processes and promote the conservation of coastal and marine biodiversity.

Coastcare North

Throughout the year Coastcare in the northern metropolitan region engaged the community through a range of projects and initiatives. Coastal restoration projects were continued and extended, with new projects funded under both Coastwest and CfoC Community Action Grants. School, university and corporate groups were engaged in education and on-ground projects, and various capacity-building events were facilitated for Coastcare volunteers.

One of the many highlights of the past 12 months has been community volunteers have undertaken significant removal of invasive plant species in coastal reserves, planted over 20,000 native seedlings, and continued to maintain and extend restoration activities to improve biodiversity, enhance habitat and reduce the impact of erosion on the dunes.

Corporate groups including Price Waterhouse Coopers, Woodside, CocaCola, Leighton Contractors and KPMG

were engaged in on-ground coastal restoration activities. Partnerships with organizations such as Conservation Volunteers, University of Western Australia and Big Help Mob have resulted in attracting new volunteers and groups to participate in Coastcare projects, with ongoing education programs within schools, universities, cub/scout groups and special interest groups achieving excellent outcomes. The Perth Metro Coast E-news has continued to promote and share news about the Coastcare Program, and various community workshops have been extremely well-attended.

The inaugural WA 'Coastcare for Singles' event was extremely successful and resulted in significant on-ground results, engagement of new volunteers and media coverage.

Coastcare South

Throughout the year Coastcare in the southern metropolitan region engaged the community through a range of projects and initiatives including NAIDOC Week, corporate planting events, National Green Jobs Corps training, a Perth Royal Show display highlighting coastal rehabilitation, marine debris surveys, Our Cockburn Sound photo competitions and the development of a coastal mural to link art and the environment for primary school students.

A highlight has been through the Adopt a Beach program and UNESCO's Sandwatch, South Coogee Primary School has linked with a school in Kiribati to



share coastal stories and discuss potential impacts of climate change, an issue of importance for low lying coral atoll countries.

Coastcare's corporate sponsors Alcoa, BHP Billiton-Nickel West, Kwinana Industries Council and Verve Energy have agreed to continue support for the program allowing increased participation by school students and the general community in coast based practical on-ground activities.

During the 2011 planting program over 600 community volunteers planted 16,000 coastal natives to improve biodiversity, enhance habitat and reduce the impact of erosion on the dunes.

Coastcare Education

Throughout the year, Coastcare Education has worked with members of the community, dedicated volunteer groups, schools, all levels of government, and industry members to increase knowledge of coastal management issues; such as the protection and rehabilitation of native flora and fauna, weed control, and feral animal control.

Coastcare Education's main initiative is the Adopt a Beach program, which has been expanded on through the addition of interactive student worksheets and remains very popular with schools.

Regular activities run by Coastcare Education include community and corporate coastcare events and planting

coastal 02

days, production of coastal education resources, informative beach tours, beach monitoring programs, coastal information and rehabilitation workshops and coastal photo monitoring.

In late 2011, Coastcare expanded with the addition of a part-time coastal education officer, tasked with expanding the education programs and supporting the Coastcare officers.

Key achievements and highlights for the twelve months include the EWAN Weeds Forum, Catchments Corridors and Coasts event, the Seaweed Expo, a tour to Penguin Island, Medina Primary School coastal mural and expansion of the Adopt a Beach program.

Coastcare - The Future

The Coastcare program is looking to strengthen its linkages with the community through the implementation of training seminars, expand the planting program and develop communication linkages to promote Coastcare. Opportunities for corporate engagement will be a focus, as well as attracting new volunteers to Coastcare through special events and education activities.

Coastcare Education will continue running successful informative events with three already planned for the latter half of 2012. The Adopt a Beach program will remain a priority and Coastal Education will continue strengthening its connection with community, industry, and government with specific emphasis on coastal councils.

In Western Australia we are blessed with unique and stunning coastal scenery. You don't have to travel far to experience something special – something that's worth protecting.

swan river trust and alcoa landcare program



Swan River Trust and Alcoa Landcare Program

The Swan River Trust and Alcoa Landcare Program (SALP) provides funds for community groups involved in on-ground re-vegetation and rehabilitation works, to protect surface and groundwater and biodiversity in coastal, wetland, riparian and terrestrial vegetation sites in the Perth Region.

The program, established in 1998, has funded more than 1018 projects worth over \$6.5 million across the metropolitan area.

Alcoa of Australia Limited has played a vital role in providing more than \$3 million since 1998. The Swan River Trust has supported initiatives to protect the Swan and Canning rivers, and has provided over \$3 million to program recipients since 1999. In partnership and with support from Alcoa of Australia Limited and the Swan River Trust, Perth Region NRM has managed this successful program since 1997.

Funding is available for a wide range of activities in the Perth region addressing the regional priorities of retaining, restoring and managing bushland, coastal, wetland and riverine vegetation; and protecting and enhancing the quality of surface water (streams, rivers and wetlands) and groundwater.

In the 2011 funding round, thirty-three community groups received a total of \$423,500 SALP funding for 69 projects. Weed control was carried out over a total of 153 hectares, 84,613 plants were installed and a total of 12,690 volunteer hours valued at \$317,270 were contributed.

Local Government has also played an important part in supporting local communities in 2011, with estimated funding support and in-kind contributions in excess of \$150,000. The City of Canning was the recipient for the Local Government Recognition Award with estimated contributions of \$53,000 to four community groups for seven projects.

In 2012, twenty-four groups have been funded for 56 projects to the value of \$372,515.50.

These environmental outcomes could not be achieved without the continued effort and contributions from the Swan River Trust, Alcoa of Australia, the community and supporting partners.



cultural heritage

Traditional environmental knowledge is a body of knowledge and beliefs transmitted through oral tradition and first hand observation



Noongar Engagement and Cultural Heritage

Noongar people are the traditional owners of the South-West and they have cared for their country for thousands of years.

Their connection to country is the basis of their culture and heritage and has much to offer in providing an in-depth understanding of natural resource management.

Aboriginal engagement is an intrinsic part of the biodiversity, water quality, sustainable agriculture and coastal programs and aims to engage relevant Aboriginal groups to be involved in Perth Region NRM's program activities and to incorporate Noongar traditional ecological knowledge into NRM activities.

Perth Region NRM has developed a website database which showcases the significant Noongar values of threatened flora and fauna in the Perth region. Ongoing activities include hosting workshops to educate Perth Region NRM stakeholders about the database and how traditional Noongar ecological knowledge can be incorporated into NRM activities.

Now Green Teams were engaged to participate in weeding and planting activities at Lesmurdie Falls and dieback treatment training.

Now Green, Central TAFE, The South West Aboriginal Land and Sea Council (SWALSC) and Clontarf Bush Rangers were invited to participate in cocky counting.

The Coastcare team have supported opportunities for Aboriginal engagement by inviting and engaging Indigenous groups to participate in Coastcare NRM activities, including re-vegetation projects and field days. Now Green and the Clontarf Foundation have participated in a number of coastal events.

Swamp Banksia *Banksia littoralis*

The honey from the Banksia flowers was eaten or used in water to make a sweet drink. The sweet drink can also be used in the treatment of sore throats and colds.

(City of Joondalup – Plants and People in Mooro Country, Nyungar plant use in Yellagonga Regional Park)

monitoring evaluation reporting and improvement

Monitoring, Evaluation, Reporting and Improvement

MERI (Monitoring, Evaluation, Reporting and Improvement) is our way of looking at what we have been doing, how we have been doing it, reporting these findings and searching for ways to improve our delivery of services for improved NRM outcomes.

Perth Region NRM manages MERI primarily through the implementation of the Perth Region NRM MERI Plan 2011-2013, commonly known as the 'MERI Plan', which was successfully completed by June 2012.

The MERI Plan was written using a template developed by Australian monitoring and evaluation specialists, and demonstrates the process for monitoring and evaluating progress, performance and achievement of Perth Region NRM's contribution to meeting the Caring for our Country (CfoC) targets.

The MERI Plan covers all of Perth Region NRM's CfoC targets and outlines the MERI obligations of each program - Biodiversity, Water Quality Improvement Plan, Coastcare and Indigenous Engagement.

The MERI coordinator, collated the project progress reports and ensured Perth Region NRM met all of its anticipated outcomes and milestones. In addition to ensuring all Perth Region NRM Reporting is completed to the highest standards and in a timely manner, the MERI coordinator works with project proponents to ensure the highest possible standard of qualitative and quantitative data is collected in anticipation of a series of key evaluations planned for 2013.

To date, the projects have all been delivered to high standards by the region's NRM professionals, who already collect high quality data, making the MERI reporting process highly successful. Capturing this information over the project time frame is the key to proving that the Perth region is providing the CfoC program the most efficient, effective and appropriate projects for the funds provided.

All Perth Region NRM reports were accepted and approved by the Federal Government, and projects have reported improvements based on lessons learnt from the first year of delivery.

In addition to the implementation of the MERI Plan, the MERI coordinator has been assisting project deliverers with evaluations of their activities, including interpretation and analyses of feedback data, to add value where possible.

A highlight of the program this year for the MERI coordinator has been working more closely with project deliverers, implementing more on site visits. This has resulted in improvements to monitoring and evaluation standards.

The MERI coordinators across Western Australia have also been working together to keep abreast of best management practices and ensure cross regional communication and development of MERI initiatives is continuing.

In the future the MERI program is set to continue with on-site visits and assistance of project deliverers to assess the impact and effectiveness of project works. This will help ensure the MERI program is more integrated in the future, especially when developing future projects at Perth Region NRM.



Board of Management

During this year Perth Region NRM developed an appropriate and effective corporate governance structure aimed at optimising the organisation's performance and accountability.

A new constitution adopted in January of this year, includes a board structure closely aligned to best practice models of corporate governance in Australia.

The new constitution also includes a membership structure that provides member organisations with the opportunity to contribute to and gain benefit from our commitment to natural resource management in the Perth region.

Selection to the Board of Management of Perth Region NRM is through a skills-based assessment process aimed at providing the board with a balance of skills, experience and independence appropriate to the nature of our operations. It is critical that Perth Region NRM's Board has the effective composition, size and commitment to adequately discharge its responsibilities and duties.

The Board of Management meets approximately nine times per year and also operates four advisory standing committees; the NRM Committee, the Finance Committee and the (independently chaired) Audit and Nominations Committees.

Policy and Risk Management

The in-depth review of governance during this year clearly identified the core reforms critical to the success and growth of Perth Region NRM and very importantly, the resources needed to undertake those reforms and integrate continuous improvement in to our work.

We are now well positioned to drive our strategic, financial and risk management position through quality operational business practices.

Perth Region NRM's team of 16 staff are highly skilled in their respective areas of business and form an

governance and strategy

Leaders establish the vision for the future and set the strategy for getting there; they cause change

efficient and effective team with specialist expertise in management, NRM, finance, communications and governance.



Strategic Planning

Improvements to the organisational structure of Perth Region NRM prompted an evaluation of the methods by which we engage with the community with consideration to cost, time and effectiveness in identifying critical issues, planning for and achieving outcomes.

The responsibility for coordinating strategic and business planning activities now sits with the NRM Committee of Perth Region NRM.

In order to lead coordinated and integrated natural resource management solutions, we remain committed to engaging with as many organisations and community members as possible as an integral part of our planning activities.

As a result Perth Region NRM will hold a forum and planning workshops on an annual basis. The forum will provide an opportunity for representatives from NRM organisations, government agencies, community groups and members to share their vision for NRM in our region.

The input and findings from the forum will be analysed and developed in greater detail, overlaid with existing projects to identify gaps and developed into priorities for future investment.

The final phase of our planning process will see the development of projects to fill gaps or meet ongoing needs matched to funding availability, opportunities and other resources.

acknowledgment and thanks

the year ahead

Planning is bringing the future into the present so that you can do something about it now

To achieve our vision Perth Region NRM engage with a range of stakeholders in coordinated and integrated natural resource management.

Our thanks goes to the numerous people and organisations throughout the Perth Region who worked with us and shared that vision.

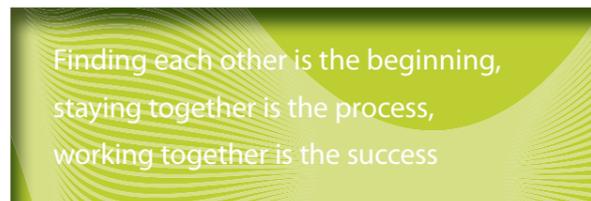
Our thanks goes to:

- Department of Agriculture and Food Western Australia
- Department of Agriculture, Fisheries and Forestry
- Department of Environment and Conservation
- Department of Sustainability, Environment, Water, Population and Communities
- Department of Water
- State NRM Office
- Swan River Trust
- Water Corporation
- Western Power
- Armadale Gosnells Landcare Group
- BirdLife Australia
- Big Help Mob
- Bushcare
- Conservation Volunteers
- Dieback Working Group
- Eastern Metropolitan Regional Council
- Ellen Brockman Integrated Catchment Group
- Helena River Catchment Group
- South East Regional Centre for Urban Landcare
- Central Tafe
- CSIRO
- Murdoch University
- University of Western Australia
- AHA Viticulture
- Alcoa
- BHP Billiton-Nickel West
- Clontarf Foundation
- EKSA
- Fruit West
- Grape Wine Research Development Association
- Kwinana Industries Council

- Living Farm Australia
- Now Green
- People Rich Pty Ltd
- South West Aboriginal Land and Sea Council
- Verve Energy
- WA Horse Council
- Wines of Western Australia
- City of Bayswater
- City of Cockburn
- City of Fremantle
- City of Joondalup
- City of Rockingham
- City of Stirling
- City of Wanneroo
- Town of Cambridge

- Town of Cottesloe
- Town of Kwinana
- David Boothman
- Beth Cameron
- Robert Delane
- Ian Gaze
- Doug Hall
- Rod Henderson
- Damien Hills
- John Holley
- Sally Lake
- Rebecca Moore
- Ann Price
- Neil Riches
- Margot Sharp
- Ron White

and the multitude of other local governments, industry associations, community groups, volunteers and committee members, too many to name.



Our appreciation goes to our funders:



Perth Region NRM has an exciting year ahead with a focus on delivering value for money, high quality environmental outcomes underpinned by the development of best practice, sustainable business systems.

2013 and Beyond

The majority of our 2012 projects have continued into 2013 and will be enhanced by other opportunities throughout the year, particularly in the areas of biodiversity, sustainable agriculture and climate change.

Perth Region NRM will also be undertaking formal strategic and business planning processes to identify the direction and scope of our work for the following years.

We will be updating our regional NRM strategy to reflect current values, asset conditions and science, and incorporate climate change mitigation and adaption.

Development of a central environmental knowledge hub for the region will be a key way in which we will assist the region to integrate, rather than duplicate. This project will compliment on-going work on our website as a useful tool for our stakeholders.

Perth Region NRM is committed to furthering the collaboration between the regional NRM groups of WA to increase the benefits of working together on shared goals and through economies of scale.

Having set high standards for corporate governance, the organisation also has a number of important operational projects that will be undertaken in the coming year including a comprehensive policy review, development of a risk management strategy and communications strategy, implementation of a project management system, upgrades to database management and project reporting, and a review of financial budgeting and reporting practices.



2012 financial report 01

Perth Region NRM Inc. Financial Report
for the year ended 30 June 2012

Directors Report

The directors have pleasure in submitting the financial report of Perth Region NRM Inc. for the financial year ended 30 June 2012

Committee Members and Board of Management

The names of committee members and board members throughout the year and at the date of this report are:

Reg Beale (to December 2011)	Robert Huston (to December 2011)
Una Bell (to December 2011)	Glenn Hyndes (to December 2011)
David Boothman (to October 2011)	Stuart Knott (to July 2011)
Jamie Bowyer (to December 2011)	Sally Lake
Toni Burbidge (to December 2011)	Stephen Lloyd (to December 2011)
Don Cummings (to December 2011)	Barbara Matters (to December 2011)
Doug Hall	Lisa Potter (from June 2012)
Bruce Hamilton (to December 2011)	Clive Robartson (to December 2011)
Pat Hart (to July 2011)	David Saunders (to December 2011)
Robert Hawes (to December 2011)	Ross Sheridan (to December 2011)
Colin Heinzman (to October 2011)	Linda Soteriou (to December 2011)
Rodney Henderson	Gerard van Didden (to December 2011)
Robert Humphries (to December 2011)	

2012 financial report 02

Directors Report continued

Principal Activities

The principal activities of the association during the year were to provide funding coordination of natural resource management (NRM) in the Swan and Perth regions

Significant Changes

No significant changes in the nature of these activities occurred throughout the year

Operating Result

The surplus for the year amounted to \$250,201 (2011 - \$51,219 deficit)

Signed in accordance with a resolution of the Board of Directors



Doug Hall
Chairman



Rod Henderson
Director & Finance Committee Chairman

Dated this 19th day of September 2012



2012 financial report 03

Perth Region NRM Inc. Financial Report
for the year ended 30 June 2012

Balance Sheet at 30 June 2012

	2012 \$	2011 \$
ASSETS		
Cash and Equivalents	1,641,896	2,223,814
Accounts Receivable	589,380	2,888
Total Assets	2,231,276	2,226,702
LIABILITIES		
Accounts Payable	67,929	2,270
Payroll Liabilities	41,707	128,510
GST Payable	59,276	47,187
Unspent Funding	748,847	821,463
Current Liabilities	917,759	999,430
Provision for Long Service Leave	55,799	219,755
Total Liabilities	973,558	1,219,185
Net Assets	1,257,718	1,007,517
EQUITY		
Retained Earnings	1,007,517	1,058,736
Net Surplus / (Deficit)	250,201	(51,219)
Total Equity	1,257,718	1,007,517

Income Statement to 30 June 2012

	2012 \$	2011 \$
INCOME		
Caring for Our Country	2,164,360	2,304,000
Swan Alcoa Landcare Program	494,749	506,391
WA State Funding	249,638	250,000
Swan River Trust	12,055	473,793
Program Support / Other Funding	425,974	902,905
Interest Received	101,161	84,503
Total Income	3,447,938	4,521,592
EXPENSES		
Project Expenses	1,767,691	2,326,466
Employment Costs	1,330,689	1,686,528
Increase in Leave Provisions	19,244	110,766
Decrease in Leave Provisions	(258,607)	-
Board and Committee Costs	49,207	49,492
Motor Vehicle Expenses	81,947	117,680
Training and Development	15,661	15,367
Travel Expenses	15,478	10,939
Subscriptions and Publications	6,099	3,636
Insurances	16,770	18,357
Communication and IT Costs	54,891	87,386
Rent & Electricity	25,317	24,579
Postage Freight and Delivery	1,378	4,134
Office Supplies	10,478	12,948
Office Refit	-	10,730
Promotions	23,054	60,014
Accounting and Audit Expense	37,770	32,860
Bank Fees	672	929
Total Expenses	3,197,737	4,572,811
Surplus / (Deficit)	250,201	(51,219)

2012 financial report 05

Perth Region NRM Inc. Financial Report
for the year ended 30 June 2012

Notes to the Accounts

Note 1 : Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (WA). The Committee has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (WA) and the following Australian Accounting Standards:

- AASB 1031 Materiality
- AASB 110 Events after the reporting date

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations on non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a) Income Tax

The Association is a non-profit organisation and thus exempted from income tax by virtue of section 23(3) of the Income Tax Assessment Act.

b) Employee Entitlements

The provisions for employee benefits relates to the amounts expected to be paid for the long service leave, annual leave, wages and salaries resulting from employees' services provided to the balance sheet date. All entitlements are calculated at their nominal amounts using remuneration rates and expected to be settled within one year. No allowance has been made for future pay rates and thus discounted present value of future cash flows due to inherent uncertainty in determining the appropriate valuation rates.

c) Goods and Services Tax GST

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

d) Capitalisation of Fixed Assets

The principles of accrual accounting include the recommendation that the cost of fixed assets such as plant and equipment and certain structural improvements be written off over their useful lives. As per the terms of

2012 financial report 06

Notes to the Accounts continued

the Constitution, on winding up all assets are to be passed over to a like organisation and in the case of the leasehold improvements these will be abandoned when Perth Region NRM vacates the premises. As such it is our policy to expense all capital expenditure assets.

Note 2 : Program/Project Carryover

The Program/Project carryover amount represents the accumulated surplus of funding in excess of expenditure as at 30 June 2012. The Associations expectation is that the total program/project carryover will be expended in a future financial year or refunded to funding providers in the event of winding up.

Unspent management income is considered to be earned by the association and is therefore recognised as income in the profit and loss statement.

Statement by Members of the Board of Management

The Board has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

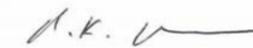
In the opinion of the Board the financial report:

1. Presents a true and fair view of the financial position of Perth Region NRM Inc. at 30 June 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Perth Region NRM Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



Doug Hall
Chairman



Rod Henderson
Director & Finance Committee Chairman

Dated this 19th day of September 2012

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Perth Region NRM Inc. Financial Report
for the year ended 30 June 2012

2012 financial report 08

Independent Audit Report

Independent Audit Report continued



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PO Box 1202, Cloverdale WA 6985
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www.byfields.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PERTH REGION NRM INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Perth Region NRM Inc which comprises the balance sheet as at 30 June 2012, and the income statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act (WA) and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act (WA). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Byfields Accountants & Financial Advisers Pty Ltd ACN 150 608 390
DIRECTORS: Andrew Northcott B.Com CPA • Craig Lane B.Com CPA • Dale Woodruff B.Bus CPA • Jon Bush B.Com CPA
Leanne Oliver B.Com CPA • Neil Hooper B.Com CPA • Simon Northey B.Bus CPA • Glenn Waldock B.Bus CPA
ASSOCIATES: Ian Jones B.Com CPA • Jason Roberts B.Bus CPA • Roger Thomson B.Bus CA • Richard Asquith-Charlton BA(Hons) GDPM CPA
Liability limited by a scheme approved under Professional Standards Legislation.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of Perth Region NRM Inc presents fairly, in all material respects the financial position of Perth Region NRM Inc as of 30 June 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Emphasis of Matter

The financial report is prepared in accordance with a special purpose framework and accordingly may not be suitable for other purposes. The opinion is not modified in respect of this matter.

Byfields

BYFIELDS
BELMONT WA
Date: 28th September 2012

LEO

LEANNE K OLIVER CPA
Director



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