LOWER MURRAY WATER

Annual Report
2024-25

VICTORIA State Government

Kerang ways by Tobie Cameron

Acknowledgement of Country

Lower Murray Water acknowledges the Traditional Owners of the land on which we work and reside. We recognise their continuing connection to land, waterways, and community.

We pay our respects to Elders past, present and future. The Traditional Owner groups within Lower Murray Water's service region lie within the traditional lands of First Nations Peoples, from upstream at Koondrook moving downstream along the Murray River (Mil) through to the western edge of our region at the South Australian border.

They are the Barapa Barapa Peoples, Wemba Wemba Peoples, Wadi Wadi Peoples, Tatti Tatti Peoples, Latji Latji Peoples, Nyeri Nyeri Peoples, Ngintait Peoples and the Wergaia Peoples.

The First Nation Peoples' connection to land and water is the living cultural knowledge that is passed down from generation to generation. The stories that connected the ancestors to their culture still live through the First Nations Peoples of today.

Acknowledgement of Country written by Stephanie Sloane.*

* Stephanie works at LMW as a Diversity and Inclusion Officer. She is a proud Ngiyampa woman and has a strong connection to her culture, history and the land. Stephanie has brought not only her experience and passion for people to this role but also a commitment to inspire and mentor others wishing to pursue a career at LMW.

Over The Past Year

LMW secured funding from the Victorian government to develop a Rural Irrigation Masterplan

LMW commenced preliminary works on the Red Cliffs Urban Pressure Project to provide our customers with a better level of service which has been requested over a long period of time by the community

LMW saw completion of the $37M Sunraysia Water Efficiency Project (SWEP) which was a comprehensive program of channel lining, installing new pipelines, replacing failing rural domestic and stock meters and removing decommissioned small-metered outlets

LMW continued implementing the Technology Uplift Project (TUP) which will improve the information technology systems used to support our customer and business services into the next decade

LMW worked proactively with the Federal and State governments in the review and replanning of the VMFRP to ensure the delivery of the key objectives of the Murray-Darling Basin Plan

Contents Page

Acknowledgement of Country 2

Section 1. Year In Review 5

Chair and Managing Directors Report 6
Summary Financial Results 8

Section 2. About Us 9

Manner of Establishment 10
Our Service Region 10
Our Services 11
Our Responsibilities and Obligations 12

Section 3. Delivering Valued Outcomes 16

Our Leadership and Governance 17
Governing Board 18
Committee Membership and Roles 24
Climate Change and Energy 28
Customer, Community and Engagement 41
Recognise Aboriginal Values 48
Recognise Recreational Values 49
Resilient and Liveable Cities and Towns 51
Leadership, Diversity and Culture 58
Compliance and Enforcement 79
Corporate Information and Other Disclosures 84

Section 4. Financial Performance 90

Performance Reporting 91
Financial Management 99

Section 5. Appendices 146

Disclosure Index 147
Consultancies over $10,000 149
Abbreviations 155

Section 1.
Year In Review

Chair and Managing Director's Report

On behalf of the Board of Directors, we are pleased to present the 2024-25 Lower Murray Water (LMW) Annual Report.

As an essential services provider, LMW is committed to its purpose of supporting our region to prosper by successfully delivering vital water services to our urban and rural customers.

Our Annual Report advises how we met our legislative requirements and addressed the priority areas identified in the Letter of Expectations (LoE) as defined by the Minister for Water.

Service Delivery

During the season we experienced 100% water allocations for high reliability water shares. This meant there was sufficient water available to supply urban and rural water services to our customers without availability limitations.

Due to it being a very warm and dry year, we pumped record amounts of water for delivery to our urban customers and our irrigators extracted very high volumes of raw water. Our region had a record season overall for extraction from the river Murray.

We secured funding from the Victorian government to develop a Rural Irrigation Masterplan which we began to formulate at the start of 2025. This Masterplan is establishing the future direction of our irrigation and rural services. The key outcome from the masterplan will be a plan which highlights the irrigation needs of the districts and LMW's response to changes in crops grown, areas of land irrigated and climatic conditions.

We commenced preliminary works on the Red Cliffs Urban Pressure Project. This $11.9M project will provide our customers with a better level of service which has been requested over a long period of time by the community.

People

Throughout the year we embedded a new organisational operating model that will deliver operational efficiencies and an improved level of customer service.

We continue to invest in training opportunities for staff to develop their skills and perform to their full capability. We also have prioritised support for staff in bullying, family violence and diversity programs.

During our everyday operations, our focus remains on safety. We are committed to demonstrating a Safe-Work Done-Well culture at LMW through our new Health, Safety and Wellbeing Strategy to support the physical and mental health of every staff member and ensure we all go home safe each night.

We welcomed Marcus Horwood to the Board as an independent aboriginal delegate. Marcus has worked at senior management level with Aboriginal and not-for-profit corporations, the private sector and Government. In 2022, he was awarded the Public Service Medal for the engagement and improvement of health outcomes for Victorians. We are fortunate to have someone with Marcus' knowledge and experience to provide fresh insights to our Board deliberations.

Customer Engagement

We implemented a new structure for our rural strategic and customer advisory committees throughout the year including a new appointment process of committee members to ensure broader representation of our community.

Our customer services survey continues to show we are maintaining a positive relationship with our customers, and we continue to strive to improve this year on year. It's always pleasing to see these results remain at a high level.

The implementation of Reflect Reconciliation Action Plan (RAP) was a priority for the organisation throughout the year. We seek to continually strengthen relationship with all traditional owner groups in our operating region.

Piping the channel as part of the SWEP provided an opportunity to build relationships at the Nichols Point Primary School, speaking with the students about our work, listening and co-designing an installation that honours the communities irrigation history for the school garden.

This work, in turn strengthened our ties with the sporting club and the Nichols Point community generally.

The Environment

With increased effects of climate change driving many of our challenges, we remain committed to reducing our CO2 emissions, with LMW working closely with the Department of Energy Environment and Climate Action (DEECA) and other Victorian Water Corporations to meet the state's 2045 reduction pledge.

We continue to advocate for the Murray River Floodplain Restoration Projects which are of critical environmental significance for our region, climate proofing our floodplains as well as providing, economic, social and cultural benefits.

Major Projects

The $37M Sunraysia Water Efficiency Project (SWEP) was a comprehensive program of channel lining, installing new pipelines, replacing failing rural domestic and stock meters and removing decommissioned small-metered outlets. We are proud to report the project was delivered on time and within budget.

The inclusion and engagement of our customers and community during the project was a particular highlight with community days and stakeholder visits to sites and community art installations featuring old water wheels. SWEP was recognised as one of three finalists at the 2024 National Communications and Public Relations Golden Target Awards, also the Australian Water Association Award for innovation. The project was completed and officially opened by the Minister for Water, Hon. Hariett Shing in November 2024.

The Victorian Murray Floodplain Restoration Project (VMFRP) provides much needed water back onto high value floodplains along the Murray River. LMW is the lead delivery agent and works in conjunction with Goulburn Murray Water, Mallee and North Central CMAs and Parks Victoria on the project. During the year the project continued to seek approvals for the projects to be implemented. A business case for the projects' next tranche of funding has been submitted to the Commonwealth.

We are currently implementing the Technology Uplift Project (TUP) across the organisation. This project will improve the information technology systems that we use to support our customer and business services into the next decade. The 'uplift' will make our customers' experience in dealing with LMW easier.

Finance and governance

The 2024-25 year was the second year of our Water Plan 5 (WP5). The drier than average season saw urban and rural water consumption above forecasts matched with increased operating expenditure due to increased pumping and electricity costs.

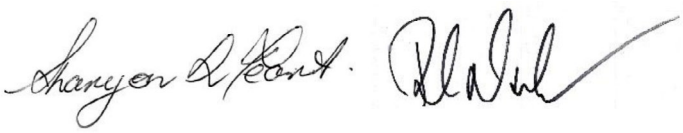
For the financial year we recorded a net loss before tax of $15.9m, which represents a $9.6m improvement on the prior year's net loss before tax result of $25.5m.

Total revenue for the year was $113.2m and is $21.9m higher than 2023-24 ($91.3m), which is primarily due to an increase in VMFRP funding of $16.4m and core business tariff revenue of $6.4m. We also continued to see strong urban growth with Capital Contributions of $6.1m.

LMW operates in a regulatory framework that oversees our pricing levels thereby restricting our capacity to recover the increasing utility and other operating costs. Therefore, LMW will require debt funding to partially fund operational costs. as well as future capital projects.

Our cash position remains positive, with LMW remaining well placed to service debt with sufficient coverage to manage increase in debt requirements for future investments.

On behalf of LMW's Board, we would like to thank our employees for their dedication, hard work and professionalism throughout the year.



Sharyon Peart
Chair

Paul Northey
Managing Director

Responsible Body Declaration in accordance with the *Financial Management Act 1994*, I am pleased to present Lower Murray Urban and Rural Water Corporation's Annual Report for the year ending 30 June 2025.

Sharyon Peart
Chair, Lower Murray Urban and Rural Water Corporation, 3 October 2025

Section 2.
About Us

Manner of Establishment

Lower Murray Water (LMW) is a statutory water corporation established under the *Water Act 1989 (Vic)*. It assumed the full responsibilities, assets, and functions of the former Lower Murray Region Water Authority and Sunraysia Rural Water Authority.

The *Water (Governance) Act 2006 (Vic)* introduced significant reforms to the governance of Victorian water authorities. Effective from 1 July 2007, this legislation formally changed the structure and title of LMW, transitioning it from the Lower Murray Urban and Rural Water Authority to the Lower Murray Urban and Rural Water Corporation, with updated governance arrangements to support improved accountability and performance

On 19 August 2008 the (then) Minister for Water, The Hon. Tim Holding MP, issued a determination for LMW to take over the whole of the functions, powers, and duties of the First Mildura Irrigation Trust (FMIT).

During the period 1 July 2023 to 29 December 2024 our relevant Minister was the Hon. Harriet Shing MP, Minister for Water. From 30 December 2024 our relevant Minister is the Hon. Gayle Tierney, Minister for Water.

Our Service Region

LMW operates in a remote and arid area of Victoria, Australia extending along the Murray River from Koondrook to the South Australian border. Our region makes up a large part of Victoria's food supply and agricultural industry, with our key industries of irrigated horticulture and dryland farming relying on the delivery of a clean and reliable supply of water. Other industries include food and beverage manufacturing, transport and logistics, retail, health, and community services as well as tourism which relies heavily on the Murray River landscapes.

We provide this extensive region with urban water and sewerage treatment, river quality water for stock and irrigation, and collection and disposal of subsurface irrigation drainage. We operate the collection, treatment, storage, and delivery of water to approximately 35,000 households along the Murray River, from Koondrook to Merbein, servicing 14 townships including Mildura and Robinvale, Swan Hill and Kerang. We provide wastewater collection, treatment and effluent re-use and disposal services to more than 76,000 customers.

We also provide 2,666 irrigation and 2,240 stock and domestic customers with river quality water in the pumped irrigation districts of Mildura, Merbein, Red Cliffs and Robinvale, as well as the Millewa rural district and some areas of the waterworks district of Yelta. Our region is serviced by nine water treatment plants and ten wastewater treatment facilities. In early 2024, we extended our services to the residents of Ultima (which sits outside of our region) through a pipeline from our Swan Hill Water Treatment Plant to provide fully treated drinking water to this community.

We currently employ approximately 233 staff, based at various locations, including our head office in Mildura and offices in Swan Hill and Kerang.

Our Services

2,666 Irrigation Customers.
2,240 Stock and Domestic Customers.

12 Yelta Waterworks District Customers.
297 Millewa Waterworks District Customers.

9 Water Treatment Plants.
10 Waste Water Treatment Plants.

Lead agency for the Victorian Murray Floodplain Restoration Project (VMFRP).

1,313 Private diversion licences under management.

Assessment and approval of licensing, water share and allocation trade applications.

Raw (river quality water) services in the pumped irrigation districts of Mildura, Merbein, Red Cliffs and Robinvale.

LMW provides services to rural and urban customers

14 townships supplied with urban water.

Customers along the Murray River from Koondrook to Merbein.

Management of the region's urban and rural bulk water entitlements.

Water supply delivery to important environmental and recreational sites.

Collection and disposal of subsurface drainage water from the pumped irrigation districts, as well as from private diverters in Nangiloc Colignan, Robinvale and Boundary Bend.

Reclaimed water for third party use.

Oversight of irrigation and drainage design in new agricultural developments ensuring conformity with salinity management plan development guidelines.

Our Responsibilities and Obligations

LMW engages and collaborates with several agencies and partners including councils, developers, Traditional Owner groups, community, and government agencies to deliver services that add value to the community, economy, our customers and the region.

We are responsible for ensuring that we operate within specified legislation and are compliant with the various Acts and Regulations that provide direction for, and support us in delivering the objectives, functions, powers, and duties at both a strategic and operational level.

Key legislative and compliance obligations that govern Victoria's water industry include:

Key Obligations	
Obligation	**Definition**
Water Act 1989	The *Water Act 1989* grants LMW the power to delegate its various functions, powers, and duties subject to requirements set out in our Instrument of Delegations.
Statement of Obligations	Issued by the Minister for Water under the *Water Industry Act 1994* on 20 December 2015, our Statement of Obligations details obligations regarding the performance of our functions. A Statement of Obligations (Emissions Reduction), effective 14 March 2018, is also in place.
Letter of Expectations	The Letter of Expectations issued under the *Water Act 1989* sets out the Minister's performance expectations for the financial year.
Environment Protection Act 2017	The Department of Health regulates our drinking water quality under the *Safe Drinking Water Act 2003* and the Environment Protection Authority regulates our recycled water under the *Environment Protection Act 2017*.
By Law No 2 Urban Water Restrictions	LMW currently has one By-Law: By-Law No 2 Urban Water Restrictions 2023 which was created using a Model Water Restriction By-Law issued by the Minister for Water. It contains the restrictions and prohibitions on the use of water that may be imposed in our urban water supply districts. We also have a Permanent Water Savings Plan which sets out permanent water restrictions and prohibitions within our service districts.
Essential Services Commission (ESC)	Our economic regulator, the ESC, approves customer prices and standards of service. Our Pricing Submission was endorsed for the five-year period June 2023 – June 2028. The Pricing Submission outlines pricing, revenue requirements, service standards and capital works for the five-year period for our urban and rural business sectors.
Lower Murray Water Urban and Rural Customer Charters	Our Urban and Rural Customer Charters outline customers' rights and responsibilities as well as our obligations to provide safe drinking water, sewerage and trade waste services, rural water supply and drainage services.

Key Obligations	
Obligation	**Definition**
Australian Competition and Consumer Commission (ACCC)	The ACCC is the regulator for water businesses extracting water for irrigation from the Murray Darling Basin under federal legislation, *Water Charge Rules 2010* (WCR 2010). The WCR 2010 contains requirements regarding who determines bulk water operators' infrastructure charges. All rural associated infrastructure charges are regulated and determined by the ACCC to ensure the Basin water charging objectives and principles are achieved.
Murray-Darling Basin Plan	We are the lead agency in a partnership model for VMFRP, one of the Victorian Government's Sustainable Diversion Limits Adjustment Mechanism projects under the Murray-Darling Basin Plan.

A comprehensive list of our legislation, regulations and standards is provided below:

Legislation			
Copyright Act 1968 (Cth)	*Building Act 1993 (Vic)*	*Emergency Management Act 2013 (Vic)*	*Project Development and Construction Management Act 1994 (Vic)*
Environment Protection and Biodiversity Conservation 1999 (Cth)	*Borrowing and Investment Powers Act 1987 (Vic)*	*Financial Management Act 1994 (Vic)*	*Public Administration Act 2004 (Vic)*
Fair Work Act 2009 (Cth)	*Catchment and Land Protection Act 1994 (Vic)*	*Flora and Fauna Guarantee Act 1988 (Vic)*	*Public Interest Disclosures Act 2012 (Vic)*
Income Tax Assessment Act 1997 (Cth)	*Charter of Human Rights and Responsibilities Act 2006 (Vic)*	*Freedom of Information Act 1982 (Vic)*	*Public Records Act 1973 (Vic)*
Modern Slavery Act 2018 (Cth)	*Climate Change Act 2017 (Vic)*	*Health (Fluoridation) Act 1973 (Vic)*	*Residential Tenancies Act 1997 (Vic)*
Payment Times Reporting Act 2020 (Cth)	*Constitution Act 1975 (Vic)*	*Local Jobs First Act 2003 (Vic)*	*Safe Drinking Water Act 2003 (Vic)*
Security of Critical Infrastructure Act 2018 (Cth)	*Emergency Management Act 2013 (Vic)*	*Occupational Health and Safety Act 2004 (Vic*	*Water Act 1989 (Vic)*
Aboriginal Heritage Act 2006 (Vic)	*Environmental Effects Act 1978 (Vic)*	*Planning and Environment Act 1987 (Vic)*	*Water Industry Act 1994 (Vic)*
Audit Act 1994 (Vic)	*Environment Protection Act 2017 (Vic)*	*Privacy and Data Protection Act 2014 (Vic)*	

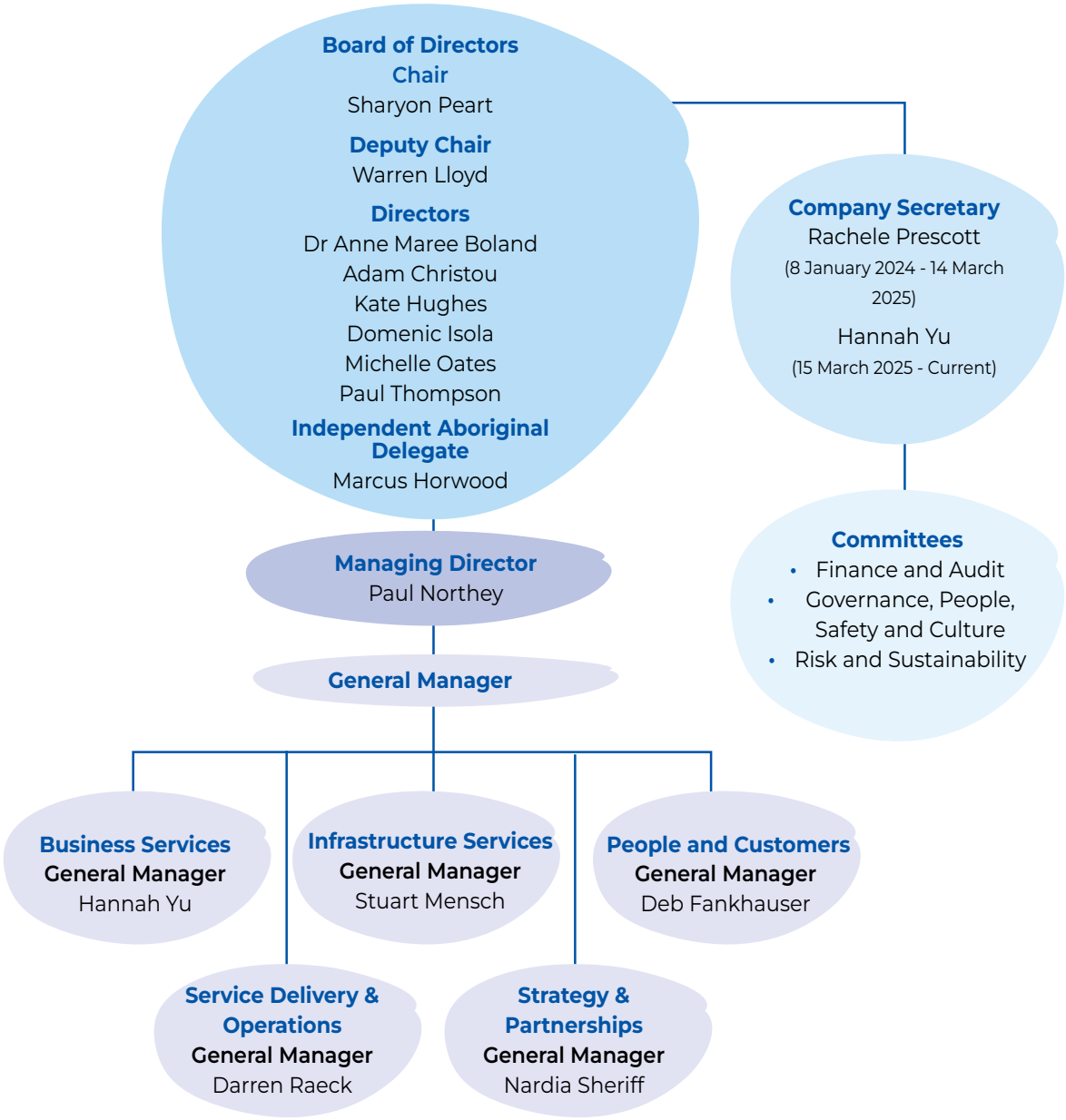
Regulation			
Australian Drinking Water Guidelines	Ministerial Directions for Public Construction	National Construction Code of Australia	Standing Directions 2018
Standard			
Environment Reference Standard	Ministerial Reporting Directions	Victorian Government Sponsorship Policy	WSAA Water Industry Standards
ESC Water Industry Standards, Codes and Guidelines	Statement of Obligations	Victorian Protective Data Security Framework and Standards	
Letter of Expectations	Victorian Government Purchasing Board Policies	Water for Victoria Water Plan	

Section 3.
Delivering Valued Outcomes

Our Leadership and Governance

The LMW Board is responsible for corporate governance including:

- Developing the strategic direction of LMW.
- Establishing objectives for management.
- Monitoring the progress and achievement of strategic objectives and business performance.
- Monitoring progress of operational performance to Water Plan 5, and developing Water Plan 6.
- Oversight of legal and legislative compliance, and safety and culture.
- Oversight of and participation in the Board performance review process.
- Managing the employment contract of the Managing Director.
- Oversight of VMFRP



Governing Board

“Our vision is to create a healthy, sustainable water future underpinned by a LMW culture of performance excellence, built in partnership with our staff, customers and communities”.

This section identifies the corporate governance practices for the 2024-25 financial year.

The LMW Board comprises nine Directors, eight of which are non-executive Directors appointed by the Minister for Water and the ninth being LMW’s Managing Director, appointed by the Board. The Board is appointed to ensure the strategic planning and direction of the Corporation complies with Government objectives for the provision of reliable and secure water for urban, irrigation and domestic and stock purposes, wastewater, and drainage services. The Board is also required to meet expectations for the region to deliver Water for Victoria.

Our Directors come from diverse backgrounds and bring a complementary mix of skills and expertise that ensure the Board focuses on LMW achieving optimal strategic, environmental, operational, and financial corporate governance.

The LMW Board is committed to the uplift of our organisation’s governance practices and adheres to its role and responsibilities within its Board Charter.

Sharyon Peart

Ms Peart was appointed to the LMW Board on 1 October 2015, with her term as a Director finishing on 30 September 2021. Ms Peart was appointed as Chair on 1 October 2021 and will serve another term on the Board until 30 September 2025.

Sharyon relocated to the Mallee from Melbourne in 2003 with her family where she lived on a large citrus, dried fruit and wine grape growing property at Nangiloc.

Her background in corporate business, sales, marketing and team management provided inspiration for the small local business Sharyon now owns and operates. Sharyon has been the sole Director since she created the company in 2005, specialising in retail consultation, post-surgical care and maintaining women's health and wellbeing.

Sharyon served on the Mildura Rural City Council as a Councillor for nine years and gained experience as portfolio Councillor for art and education, community services and wellbeing, governance and finance.

Sharyon is committed to strengthening partnerships between community and government in the sustainable management of resources across our region.

Sharyon had the privilege of being the Mallee Catchment Management Authority (Mallee CMA) Chair for 10 years until 2021.

Sharyon now serves as Chair of Lower Murray Water and is an ex-officio member of the LMW Committees.

Sharyon is a graduate of the Australian Institute of Company Directors.

Positions and memberships include Lower Murray Water, Chair (Deputy Chair to October 2021); Mallee CMA, Chair (to October 2021); La Trobe University Mildura Regional Advisory Board, member, Member – Resilient Cities and Towns Reference Group and Chair of the IWN Forum for the Northern Mallee Integrated Water Management.

Warren Lloyd

Mr Lloyd was appointed to the LMW Board on 1 October 2017 and in 2021 was appointed to another term which will finish on 30 September 2025. Mr Lloyd was appointed Deputy Chair on 26 October 2021.

Warren comes from a family that has been involved in irrigated horticulture in the Mildura area from its pioneering beginnings. Since 2005, along with his father and uncle, he has been managing the family dried fruit property, giving him considerable expertise in horticulture and irrigation.

Warren chaired our Strategic Advisory Committee from 2015 to 2017 and Customer Services Advisory Committee from 2008 to 2014. He has been a Board member of Dried Fruits Australia since 2010.

Warren holds a Bachelor of Education and prior to returning to the family business was a secondary school teacher working in two different states.

Warren is a Graduate of the Australian Institute of Company Directors and a member of our Risk and Sustainability Committee, and Governance, People, Safety and Culture Committee.

Kate Hughes

Ms Hughes was appointed to the LMW Board on 1 October 2021 with her current term finishing on 30 September 2025.

Kate is Chair of the Audit and Risk Management Committee at the Department of Health, Australian Prudential Regulation Authority and Comcare. Kate is also a Director of Skycity Entertainment Group Limited and SuniTafe.

Kate has considerable executive experience and was formerly the Chief Audit and Risk Officer at RMIT University, Chief Risk Officer at Telstra and Chief Risk Officer at the Australian Wheat Board.

Kate holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance, a Graduate Diploma in Occupational Health and Safety, and is a graduate of the Australian Institute of Company Directors.

Kate is the Chair of the LMW Risk and Sustainability Committee.

Domenic Isola

Mr Isola was appointed to the LMW Board on 1 October 2021 with his current term finishing on 30 September 2025.

Domenic has served in Chief Executive Officer and senior management positions, overseeing financial and corporate governance services at Hume City Council, and Wyndham City Council, and was a Banking Audit Manager at Commonwealth Bank.

Domenic was a Board member of the Broadmeadows Revitalisation Board and Chair of the Northern Economic Working Group. He is a former Board member of Dianella Health Services and the Institute Council Kangan Batman TAFE.

Domenic is a Fellow of CPA Australia and a graduate of the Australian Institute of Company Directors.

Domenic is the Chair of our Finance and Audit Committee and a member of our Governance, People, Safety and Culture Committee.

Michelle Oates

Ms Oates was appointed to the LMW Board on 1 October 2017 and in 2021 was appointed to another term which will finish on 30 September 2025.

Michelle is the founder and principal solicitor of Connect Family Law. Michelle has over 13 years of experience working as a generalist solicitor practicing predominantly in family law, commercial and property law.

Michelle has held several other community director positions in the Sunraysia District and is committed to providing fair and accessible services to our local community. Michelle has commercial law experience in primary industry, water management and land transfers and has experience in advising clients and stakeholders on corporate governance.

Michelle holds a Bachelor of Laws and Legal Practice (Hons) and a Bachelor of Justice and Society from Flinders University and is a graduate of the Australian Institute of Company Directors. Michelle is Chair of our Governance, People, Safety and Culture Committee and lives and works in the Sunraysia District along with her husband and two young daughters.

Dr Anne-Maree Boland

Dr Boland was appointed to the LMW Board on 1 October 2023 with her current term finishing on 30 September 2027.

Anne-Maree has extensive experience in research, development, and consulting dealing with natural resource and water management in agricultural industries. She has worked with State agriculture and environment government departments and was Managing Director of a consulting firm.

Anne-Maree is a past Non-Executive Director for Grape and Wine Research and Development Corporation and Irrigation Australia Limited, recipient of the University of Melbourne Chancellors Prize, a Churchill Fellow and Graduate of the Australian Institute of Company Directors. She is focused on addressing issues of sustainability, resource use efficiency and the circular economy through collaboration.

Anne-Maree is a member of our Governance, People, Safety and Culture Committee, and Risk and Sustainability Committee.

Adam Christou

Mr Christou was appointed to the LMW Board on 1 October 2023 with his current term finishing on 30 September 2027.

Adam is a Managing Director at global consulting firm Protiviti where he leads its Asia Pacific Energy and Utilities practice. He brings extensive experience leading a range of large-scale projects for a range of Australian and multinational organisations in multiple jurisdictions across a variety of continents, languages and cultures.

In addition to his experience serving Lower Murray Water since 2021, he has provided detailed advice to executive management teams and boards in support of business evaluation, decision making and improvement initiatives.

Adam is focused on supporting Lower Murray Water in the achievement of strategic objectives delivering optimal outcomes for the organisation, its stakeholders and its community.

Since becoming a Director, Adam has joined our Finance and Audit Committee.

Marcus Horwood

Mr Horwood commenced as Independent Aboriginal Delegate in 2024.

For over 20 years Marcus has lived and worked in varying capacities in Government and the not-for-profit sector across Australia. He is a member of the Australian Institute of Company Directors (MAICD) and has recently completed an MBA with Latrobe Business School (Latrobe University).

Marcus has worked at Senior Management level with Aboriginal and not-for-profit corporations, the private sector and Government. In 2022 he was awarded the Public Service Medal for the engagement and improvement of health outcomes for Victorians.

Marcus is a Justice of the Peace (Vic) and a retired Victorian Bail Justice.

Paul Thompson

Mr Thompson was appointed to the LMW Board on 1 October 2023 with his current term finishing 30 September 2027.

Paul was appointed CEO and Managing Director of Select Harvests in July 2012 through to 3 March 2023. He led the development of a strong safety culture and successfully transitioned Select Harvests into one of the world's leading fully integrated almond agribusinesses. During this time, the company increased the planted almond area from 3,536HA to 9,262HA and undertook significant sale and leaseback transactions to develop over 3,000HA of greenfield almond orchards plus acquired nine almond orchards. The market capitalisation increased from $70m to over $500m.

Paul's career includes experience in Fast Moving Consumer Goods (FMCG), industrial B2B (Business to Business), and agribusiness sectors. He has a strong knowledge of corporate governance, capital markets, and international commodity trading. He has been a Board Member of the Almond Board of Australia, the Australian Food and Grocery Council and the Australian Industry Group.

Paul is known for his collaborative and inclusive leadership style and his innovative thinking. He believes that the foundations of leadership are a common purpose, recognition and ongoing communication.

Paul is a member of our Risk and Sustainability Committee and Finance and Audit Committee.

Paul Northey

Mr Northey commenced as LMW Managing Director on 1 August 2023.

Paul joined Lower Murray Water as Managing Director following five years as Chief Regional Transport with the Victorian Department of Transport and Planning (DTP).

During his time at DTP, Paul lead the operation and maintenance of more than 19,000 kilometres of arterial roads across regional Victoria, as well as the management of more than 1400 regional bus and ferry contracts.

Prior to this, Paul held multiple senior management roles in the Victorian water industry, predominantly in the areas of project and service delivery, strategic planning and corporate strategy. Paul has lived and worked in regional Victoria for his entire career, with experience in both the urban and rural water sectors.

Paul's academic qualifications are a Bachelor of Engineering (Civil), a Master of Engineering (Environmental) and a Master of Business Administration. He is a Graduate of the Australian Institute of Company Directors, a Fellow of the Institute of Engineers Australia and is a member of the Deakin University Engineering Advisory Board and Deputy Chair of the Mallee Regional Partnership.

Committee Membership and Roles

Board Committees

The LMW Board has established three committees to support the delivery of its responsibilities, and to provide an opportunity for Directors to consider issues in more detail. Terms of Reference have been developed for each Committee with a Director nominated annually as Chair. All Committees are formed in accordance with section 122C of the *Water Act 1989* that provides for committees to be established by a water corporation.

Committee	Members	Responsibilities
Finance and Audit	Domenic Isola (Chair) Adam Christou Paul Thompson Sri Hiremath (Independent Member)	• Internal audit. • External audit. • Financial reporting matters. • Compliance with laws, regulations and internal policies. • Internal control. • Fraud.
Governance, People, Safety and Culture	Michelle Oates (Chair) Anne-Maree Boland Domenic Isola Warren Lloyd	• Overseeing all aspects of good corporate governance and compliance. • Strengthen the organisation's culture and its people resources. • Oversee the Board and MD Performance Reviews.
Risk and Sustainability	Kate Hughes (Chair) Anne-Maree Boland Warren Lloyd Paul Thompson	• Risk Management. • Provide strategic direction related to risk and sustainability. • Determine risk appetite and risk tolerance. • Monitor the impacts of climate change
VMFRP Project Control Group	Jim Keary (Chair) Don Arnold (PV) Jenny Collins (MCMA) Brad Drust (NCCMA) Justin Fiddles (PV) (*Proxy) Rohan Henry (Independent) James Kellerman (MCMA) Paul Northey (LMW) Charmaine Quick (GMW) Tim Shanahan (NCCMA) (*Proxy) Kane Weeks (PV)	• Oversee the VMFRP Project. • Provide strategic direction. • Facilitation of partners working together.

Committee	Members	Responsibilities
SWEP Project Control Group	Tony Mathews (Chair) Bronwyn Batch (DCCEEW) Paul Bennett (DEECA)Rebecca Dodd (DCCEEW) Daniel Freitag (PD) Annmaree Hards (PSO) John Johnstone (DEECA) Warren Lloyd (LMW Board) Danny McNamara (HSE) Paul Northey (LMW) Ben Prott (PCM) Courtney Whitford (DEECA)	• Oversee the SWEP Project. • Provide strategic direction. • Facilitation of partners working together.

The Committees have fulfilled their required responsibilities as per their Terms of Reference.

	Board		Finance and Audit Committee		Governance, People, Safety and Culture Committee		Risk and Sustainability Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Sharyon Peart	9	8	4	2	3	2	3	3
Warren Lloyd	9	9	-	-	3	3	3	3
Anne-Maree Boland	9	7	-	-	3	3	2	2
Adam Christou	9	8	4	4	-	-	-	-
Kate Hughes	9	7	-	-	-	-	3	3
Domenic Isola	9	9	4	4	3	3	-	-
Michelle Oates	9	9	-	-	3	2	-	-
Paul Northey	9	9	4	4	3	2	3	3
Paul Thompson	9	9	4	4	-	-	3	3
Sri Hiremath (current Independent Member)	-	-	4	3	-	-	-	-
Marcus Horwood (Independent Aboriginal Delegate)	6	5	-	-	-	-	-	-

	VMFRP Project Control Group	
	Eligible to attend	Attended
Jim Keary (Chair)	12	12
Jenny Collins (MCMA)	12	10
Don Arnold (PV)	12	1
Brad Drust (NCCMA)	12	11
Justin Fiddles (PV (Proxy)	12	2
Rohan Henry (Independent)	12	9
James Kellerman (MCMA)	12	7
Paul Northey (LMW)	12	12
Charmaine Quick (GMW)	12	10
Tim Shanahan (NCCMA) (Proxy)	12	2
Kane Weeks (PV)	12	7

	SWEP Project Control Group	
	Eligible to attend	Attended
Tony Mathews (Chair)	5	4
Bronwyn Batch (DCCEEW)	5	4
Paul Bennett (DEECA)	1	1
Rebecca Dodd (DCCEEW)	5	4
Daniel Freitag (PD)	5	5
Annmaree Hards (PSO)	5	4
John Johnstone (DEECA)	5	5
Warren Lloyd (LMW Board)	5	5
Danny McNamara (HSE)	1	1
Paul Northey (MD)	5	5
Ben Prott (PCM)	5	4
Courtney Whitford (DEECA)	5	4

Climate Change and Energy

Emissions Reduction

LMW's emissions profile is unique amongst Victorian water corporations. As a hybrid rural/urban business, our emissions are produced from not only the supply of urban water and sewerage services, but also rural water supply and drainage services.

We source our water from the Murray River but due to our region's flat topography it presents challenges for water distribution across our network. Unlike other regions that benefit from gravity-fed distribution, the river's lower elevation relative to our service area means that we must rely entirely on mechanical pumping to lift water from the river.

As a result, our energy requirements are high when compared to our customer base. Almost 80% of our emissions are Scope 2 (electricity-related), the majority of which is attributed to irrigation and drainage pumping services. Our total emissions also vary from year to year, with higher water demand in dry years leading to more pumping and higher emissions.

Like other Government entities, LMW commenced a new contract with the recently established SEC in 2024-25 to purchase electricity from renewable energy sources. This arrangement will supplement a range of energy and emissions projects in place to ensure that LMW meets its obligations under the Statement of Obligations (Emission Reduction) (SoO (ER)).

Under the Statement of Obligations (Emission Reduction) (SoO (ER)), LMW must emit no more than 24,708 tonnes of emissions in CO2-e in 2024-25. This is the first target year under the SoO (ER) for all Victorian water corporations.

We have met our target by acquiring and retiring Large-scale Generation Certificates (LGCs) from renewable energy generators, including the Kiamal Solar Farm (North of Ouyen) via our membership of Zero Emissions Water (ZEW). This is the first year that LMW has retired LGCs.

Scope 1

A breakdown of Scope 1 emissions by greenhouse gas can be found below in the Table - Reporting a full breakdown of scope 1 emissions by greenhouse gas. We have not retired any carbon offsets to reduce Scope 1 emissions this reporting year.

Scope 2

A breakdown of Scope 2 emissions by service can be found below in the Table - Total scope 1 and scope 2 emissions reporting.

Under the SoO (ER) all Victorian water corporations must use 100% renewable electricity from the 2025-26 financial year onwards. To achieve this goal, we will source and retire LGCs.

Total Scope 1 and 2

Underlying emissions for LMW in 2024–25, before accounting for LGC retirement, were higher than the previous financial year. The rise is largely due to increased Scope 2 emissions associated with greater electricity usage for pumping activities, due to heightened water demand in response to continued dry climatic conditions.

After the retirement of 11,385 LGCs, our emissions for 2024-25 were 24,708 tonnes CO2-e, meeting our emissions target for the year.

Reporting a full breakdown of scope 1 emissions by greenhouse gas

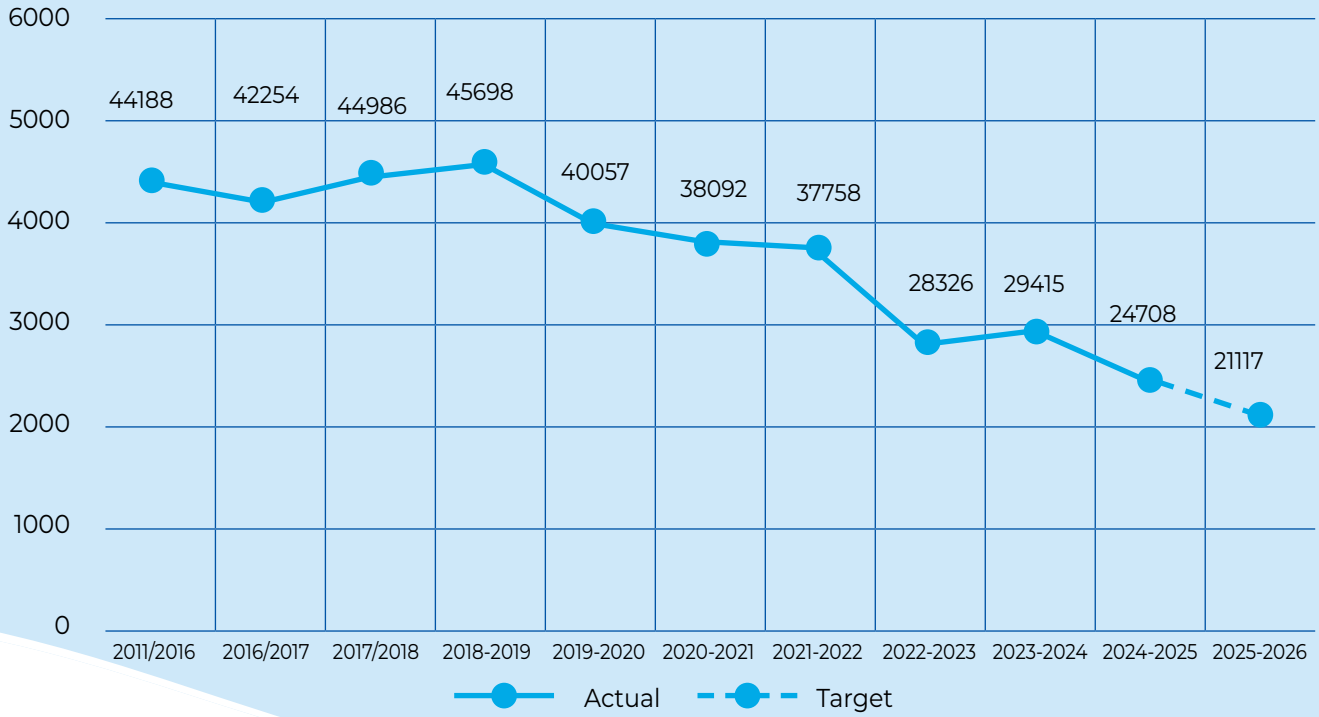
Service delivery category	Scope 1 emissions by greenhouse gas (source greenhouse gas reporting in (t CO2-e)			
	Carbon dioxide (CO2) in t CO2-e	Methane (CH4) in t CO2-e	Nitrous Oxide (N2O) in t CO2-e	Other in t CO2-e
Water treatment and supply	-	-	-	-
Sewage collection, treatment, and recycling	-	4,497.2	630.5	-
Transport	754.6	0.5	0.1	-
Other (e.g. offices, depots, etc.)	-	-	-	-
Total emissions (after REC retirement)	754.6	4,497.7	630.6	-

Total scope 1 and scope 2 emissions reporting

Service delivery category	Scope 1 and 2 Emissions (t CO2-e)				Variance (%) between previous and current AR Years	Commentary
	2023-24 Total Scope 1 and 2 emissions	2024-25 Year Scope 1 and 2 Emissions				
		Scope 1 emissions	Scope 2 emissions	Total emissions		
Water treatment and supply	5,361.1	0	6,135.9	6,135.9	14.45%	Urban water supply only. Increased demand during the reporting period due to extended dry climate conditions
Sewage collection, treatment, and recycling	7,661.8	5,127.7	3,215.5	8,343.2	8.89%	Increase in electricity consumption due to increased reuse
Transport	735.1	756.1	0	756.1	2.79%	
Other (e.g. offices, depots, etc.)	15,656.5	0	18,238.9	18,238.9	16.49%	Total emissions attributed to the category 'other' includes rural water supply and drainage services. The extended dry climatic conditions resulted in an increase in rural water supply demand which is reflected in the 2024-25 reporting year
Number of RECs retired	0	N/A	11,385	11,385	0	This is the first year the LMW has retired RECs.
Total emissions (after REC retirement)	29,414.5	5,883.8	18,824.2	24,708	-15.99%	
Carbon offsets (self-generated) retired	-	-	-	-	-	
Net emissions (after offset retirement)	29,414.5	5,883.8	18,824.2	24,708	-15.99%	

This reporting period represents the first year that LMW have surrendered Large-scale Generation Certificates (LGCs), the surrender of which has meant that we have met our emissions target of 24,708 t CO2-e.

Annual net scope 1 and 2 greenhouse gas emissions (in t CO2 -e)[1,2]



Scope 3

Scope 3 emissions included in this report are attributed to commercial air travel only. All data has been provided by LMW's Travel Agent as t CO2-e per passenger by segment.

Reporting scope 3 emissions

Scope 3 emissions source	Scope 3 emissions in (t CO2-e)	Commentary
Air travel	74.34	All data relating to Commercial Air Travel Scope 3 emissions has been provided by LMW's Travel Agent

Offsets

No carbon offsets were retired in 2024-25 for Scope 1 emissions. To achieve net-zero emissions by 2034-35, LMW will need to acquire carbon offsets. The SoO (ER) requires us to acquire only Victorian generated offsets. As Victorian offsets are limited in supply, we became a founding member of the sector-wide VicWater Carbon Offsets Project, which will seek to acquire carbon offsets on our behalf under a similar model to the Zero Water Emissions project.

Increasing Renewable Energy

LMW is undertaking a review of our energy consumption over the last five years to understand our energy usage during periods of average and high water demand. The review will provide comprehensive data for our business's energy profile which will feed into the development of a business-wide energy strategy to ensure that we meet our net zero emissions target by 2034-35.

Total Electricity

The dry climatic conditions experienced during the 2023-24 period, extended throughout the 2024-25 financial year, led to an increase in electricity consumption due to higher water demand by urban and rural customers across our region.

Total electricity consumption (segmented by service delivery category)

Service delivery category	2023-24 Year Total electricity consumption (MWh)	2024-25 Year Total electricity consumption (MWh)	Commentary
Water treatment and supply	6,786.20	8,590.72	Increased electricity consumption due to higher urban water demand in response to extended dry conditions
Sewage collection, treatment, and recycling	3,457.80	4,340.15	Higher electricity consumption due to increased reuse
Other (e.g. offices, depots, etc.)	19,818.40	24,155.42	'Other' is split into the following dataset: 342.580 (offices/depots) and 23812.840 (irrigation supply). The increase is due to higher demand for irrigation supply in response to extended dry climatic conditions.
Total (by service delivery category)	**30,062.40**	**37,086.29**	

Total electricity consumption reporting (by source)

Electricity source	2023-24 Total electricity consumption (MWh)	2024-25 Total electricity consumption (MWh)	Commentary
Purchased directly through an electricity retailer	30,062	35,831.62	LMW entered into a new electricity contract with the SEC. Continued dry climatic conditions during 2024-25 led to increased water demand from urban and rural customers resulting in increased electricity usage from pumping activities.
Not directly purchased but sourced from outside the organisation	0	0	Not Applicable
Corporation led/self-sourced activities and initiatives	0	1,254.67	As reported in 2023-24, access to data prevented us from producing a consumption figure. This has now been resolved.
Total (all by source)	**30,062**	**35,831.62**	

Total energy usage per Corporation Full Time Equivalent (FTE) employee and units of energy used normalised by FTE, headcount, floor area, or other entity or sector specific quantity

Total energy usage (fuels and electricity) in MJ	Total FTE employees	Energy usage (MJ) per FTE employee
From Fuels	229	47.21
From Electricity		583.02

Total stationery fuel use in buildings and machinery

Fuel type	Total stationery fuel use (buildings and machinery)	
	in GJ	in (t CO2-e)
Diesel	910.06	64.08
Petrol	47.14	3.19
LPG	2.31	0.14
Total (all by fuel type)	959.51	67.41

Total Renewable Electricity

LMW grid sourced electricity continues to be supplied via the Victorian State Purchasing Contracts for both large and small scale sites. Our on-site renewable energy is sourced from 16 solar installations at various locations throughout our region. Each of these solar installations are small-scale with individual generation capacities of less than 100MW.

Total renewable electricity consumption reporting

Renewable electricity consumption categories	2023-24 renewable electricity consumption (MWh)	2024-25 renewable electricity consumption (MWh)	2024-25 renewable electricity consumption (% of total consumption)	Variance between current and previous year	Commentary
Total renewable electricity consumption from grid-sourced electricity LMW reported because of the Commonwealth Government's LRET					
Total grid-sourced: Mandatory	5,608.57	6,519.56	17.58%		LMW utilises the Victorian State Purchasing Contracts for both large and small scale sites. The increase in usage can be attributed to higher water demand from urban and rural customers resulting in heightened pumping times
Total renewable electricity consumption from LMW led/self-sourced activities and initiatives					
Biogas	-	-	-	-	Not Applicable
Hydroelectric	-	-	-	-	Not Applicable
Solar	Data Not Available for 2023-24 financial year due to technical issues	1,254.67	3.38%	Data Not Available from 2023-24 financial year due to technical issues	Due to intermittent communications and technical errors, calculation of production output based on: • Known generator condition • Expected production from the third party supplied estimating tool and data; and • Recorded data
Wind	-	-	-	-	Not Applicable
Other renewable	-	-	-	-	Not Applicable
Total Renewable Electricity Consumption	**5,608.57**	**7,774.23**	**-**	**-**	**-**

Total energy usage from fuels and electricity segregated by energy source

Total energy usage	Renewable (in GJ)	Non-renewable (in GJ)	Total (in GJ)	Commentary
From fuels	-	10,817.13	10,817.13	The following fuels are utilised by LMW: • Diesel • Premium Diesel • Unleaded • Premium Unleaded • 98A/ULP • LPG
From electricity	27,987.23	-	27,987.23	-
Total	**27,987.23**	**10,817.13**	**38,804.36**	

Renewable Energy Certificates

LMW have invested in the purchase of Large-scale Generation Certificates (LGCs), also known as Renewable Energy Certificates to offset part of our greenhouse gas emissions for the reporting period to meet our target of 24,708 t CO2-e.

Total renewable energy certificate (REC) retirement reporting to reduce scope 2 emissions

REC retirement method	2024-25 REC's retired: (1 Rec = 1 MWh renewable electricity)	Commentary
Voluntarily retired by LMW	11,385	To meet our 2024-25 net emissions target of 24,708 t CO2-e, we retired 11,385 Large-scale Generation Certificates (LGCs)
Greenpower	-	Not Applicable
Certified carbon neutral electricity purchased	-	Not Applicable
Voluntarily retired on LMW behalf	-	Not Applicable
Mandatorily retired or conveyed to LMW's electricity retailer for mandatory retirement	-	Not Applicable
Total RECs retired to reduce scope 2 emissions	**11,385**	

On-Site Renewable Generation

LMW own 16 small-scale solar installations located within our region. At present, we do not have any complementary energy storage capacity at any of these sites.

Total on-site renewable electricity generation capacity and generation reporting

Renewable electricity source	2024-25 Total on-site renewable electricity generation capacity (MW)	2024-25 Total on-site renewable electricity generated (MWh)			Total generated (by source)	Commentary
		Consumed on site	Exported	Other purposes		
Biogas	-	-	-	-	-	Not Applicable
Hydroelectric	-	-	-	-	-	Not Applicable
Solar	1,198.60	1,254.67	68.64	-	1,323.31	Due to intermittent communication errors, calculation of production output is based on: • Known generator condition • The expected production amount from the third party supplied estimating tool and data; and • Recorded data
Wind	-	-	-	-	-	Not Applicable
Other renewable	-	-	-	-	-	Not Applicable
Total (renewable)	**1,198.60**	**1,1254.67**	**68.64**			

Total other (non-renewable) on-site electricity generation capacity and generation reporting

Non-renewable electricity source	Total on-site non-renewable electricity generation capacity (MW)	2024-25 Total on-site renewable electricity generated (MWh)			Total generated (by source)	Commentary
		Consumed on site	Exported	Other purposes		
Diesel-powered generators	5.6196	29.01	-	-	29.01	To date, on-site generators are utilised for emergency back-up supply only
Other non-renewable	-	-	-	-	-	
Total (non-renewable)	**-**	**29.01**	**-**	**-**	**29.01**	

Adapting To Climate Change

The LMW service region continued to experience extended dry climatic conditions during the 2023-24 period, and projected climate change figures indicate drier periods in the future. We have identified the need to adapt to these future challenges.

The completion of modernisation projects will be further enhanced through the development of the Rural Masterplan 2050 and Urban Water Strategy. Both these strategic documents are being developed in consultation with a number of stakeholders including local government and government agencies.

The strategies recognise the need to incorporate climate change, population growth and potential increased water demand when planning and designing future infrastructure to meet the needs of our customers into the future. Additionally, we are developing systems and tools to ensure that emissions factors are calculated during the design phase to better inform decision-making processes. The emissions factors will be utilised to establish the design parameters and provide robust tools to understand the emissions generated for the life of the asset, including during the construction phase.

Our region is renowned for its horticultural exports, and LMW's private diverters and pumped irrigation districts are central to Australia's horticultural production contributing $970 million annually to the economy. The region produces:

- 99.9% of Victoria's dried and table grapes
- 99.6% of Victoria's almonds
- 86.2% of Victoria's citrus fruit and
- 75.5% of Victoria's wine grapes.

We want to ensure that the region's agricultural industry can continue to compete in the world market which has an increasing focus on environmental stewardship.

We aim to achieve this through integrating climate change considerations into all our business decisions, with the objective of minimising the impact on the provision of water and wastewater services for our current and future customers.

Office Based Environmental Impacts

We are currently developing a comprehensive Waste and Recycling Management Plan to participate in and support the developing circular economy across our region and Victoria. The plan will strengthen accountability and improve practices across key areas including:

- reuse
- refurbishing
- recycling, and
- responsible disposal.

Summary of Environmental Performance

We have developed a Risk Management and Monitoring Plan for our wastewater treatment plants that aligns with EPA operating licence requirements, helping us effectively manage and reduce environmental risks. Additionally, we are conducting a gap audit of our current Environmental Management System to:

- identify areas for improvement
- ensure compliance with ISO 14001 standards, and
- inform the development of a targeted action plan.

Transportation

The following tables provides data regarding the number of vehicles that are part of LMW's fleet and their fuel usage. Vehicle categories are in accordance with the Australian Design Rules – Definitions and Vehicle Categories. Approximately 93% of the fleet are diesel-powered.

Number of vehicles

Total number and proportion of transportation vehicles segmented by engine/fuel type and vehicle category (as at end of reporting period)

Renewable electricity source	Transportation vehicle engine/fuel type							Commentary
	Petrol	Diesel	LPG	Petrol Hybrid	Diesel Hybrid	Battery Electric	Other	
Passenger vehicles	4	11	-	2	-	-	-	Vehicle categories are in accordance with the Australian Design Rules – Definitions and vehicle Categories
Goods vehicles	4	114	-	-	-	-	-	-
Category Total (Numbers)	**8**	**125**	**-**	**2**	**-**	**-**	**-**	

Vehicle emissions and energy use

Total energy use and greenhouse gas emissions of transportation vehicles segmented by engine/fuel type and vehicle category

Transportation vehicle category	Transportation vehicle engine/fuel type										Commentary
	Petrol	Diesel	LPG	Petrol Hybrid	Diesel Hybrid	Battery Electric	Other		Total energy use (GJ)	Total emissions (t CO2-e)	
Passenger vehicles	5,219.69	13,703.66	-	-	-	-	-	-	707.47	49.32	Information for the two petrol hybrid vehicles has been included in the data for petrol passenger vehicles
Goods vehicles	4,971.30	23,2464.30	-	-	-	-	-	-	9149.1	643.29	
Total energy use (GJ)		**9149.10**	**643.29**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Total emissions (t CO2-e)	**23.57**	**669.04**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	

Commercial air travel

LMW is located in the far north-west corner of Victoria (approximately 550km by road from Melbourne) which frequently necessitates the utilisation of commercial air travel is frequently to attend, for example, meetings and training. Our Greenhouse gas emissions for this reporting period are similar to the previous reporting period which was 74.3 t CO2-e.

Total distance travelled by commercial air travel

Passenger kilometres (kms)	Greenhouse gas emissions (t CO2-e)	Commentary
309,299	74.34	CO2 equivalent provided by LMW's

Please note this data includes VMFRP staff passenger kilometres.

Stationary Fuel Use

Stationary fuel use for the reporting period equated to 9.77% of our total fuel consumption.

Sustainable Buildings and Infrastructure

No new buildings constructed are applicable to this section.

Water Consumption

Total units of metered water consumed by water source

Number of people (FTE)	Water consumed (kL)	kL/FTE
229	12,048	52.61

Please note this data includes rural water consumption.

Waste and recycling

LMW are currently developing a Waste and Recycling Management Plan to ensure that we utilise best practice in our construction and corporate activities. This will ensure that we are part of Victoria's Circular Economy.

Greenhouse Gas Emissions

Total Scope 1, Scope 2 and Scope 3 Emissions

Service delivery category	CO2 CO2-e tonnes	CH4 CO2-e tonnes	N2O CO2-e tonnes	Others CO2-e tonnes
Scope 1	754.62	4,497.31	635.79	-
Scope 2	27,590.34	-	-	-
Scope 3	74.34	-	-	-

Customer, Community and Engagement

Customer Satisfaction

In October and early November 2024, JWS Research conducted LMW's annual Customer Satisfaction Survey. Customers were invited to participate via email, SMS, and social media channels, with rural customers also offered a paper-based option to ensure accessibility. The survey generated 1,238 responses, 916 from urban customers and 322 from rural customers providing a robust dataset for analysis.

The survey encompassed questions relating to service efficiency, quality, and opportunities for improvement. A ten-point rating scale was employed for service-related questions to provide quantitative data for comprehensive analysis. Key performance measures remained consistent with the 2021–2023 surveys, enabling meaningful year-on-year comparisons. The key findings and changes from 2023-2024 are detailed below.

Urban Customers	2024-25 Results	2023-24 Results	Variance
Customers are satisfied with the overall performance of LMW	89%	90%	-1%
Customers consider LMW services to represent satisfactory or excellent value for money	76%	79%	-3%
Customers are satisfied with the reliability of water supply	96%	95%	+1%
Customers are satisfied with the overall quality of their water service	88%	88%	-
Customers are very satisfied with the standard of LMW's customer service	92%	88%	+4%
Customers are satisfied with their ability to understand their bill	90%	93%	-3%
Customers believe LMW meets their expectations as a water service provider	83%	86%	-3%
Customers are satisfied with their sewerage service	92%	94%	-2%

92%
Customers are very satisfied with the standard of LMW's customer service

96%
Customers are satisfied with the reliability of water supply

“The survey generated 1,238 responses—916 from urban customers and 322 from rural customers—providing a robust dataset for analysis.”

Rural Customers	2024-25 Results	2023-24 Results	Variance
Customers are satisfied with LMW overall	82%	72%	+10%
Customers consider that LMW services represent satisfactory or excellent value for money	74%	61%	+13%
Customers are satisfied or very satisfied with the standard of LMW’s customer service.	90%	82%	+8%
Customers believe that LMW can be relied on to do what they say they will do	89%	84%	+5%
Customers positively rate their level of trust in LMW	85%	74%	+11%
LMW’s reputation in the community is positively regarded	84%	71%	+13%
Customers who order water said they order their water online	85%	90%	-5%
Customers believe LMW’s online water ordering system is easy to use	93%	93%	-
Customers are satisfied with their ability to understand their bill	78%	71%	+7%

93%
Customers believe LMW’s online water ordering system is easy to use

90%
Customers are satisfied or very satisfied with the standard of LMW’s customer service

89%
Customers believe that LMW can be relied on to do what they say they will do

Customer Satisfaction Result

The 2024-2025 Customer Satisfaction Survey results show strong overall satisfaction with LMW's services, with particularly significant improvements recorded among rural customers. Urban customer satisfaction remains high, with 89% satisfied overall and strong scores for service reliability (96%) and customer service (92%, up 4%). While some urban results experienced marginal declines including value for money perceptions (down 3%) and billing comprehension (down 3%) overall customer sentiment remains positive.

Rural customer feedback reflected significant gains across nearly all areas. Overall satisfaction rose by 10% to 82%, and perceptions of value for money improved by 13% to 74%. Trust in LMW and its reputation in the community also saw double-digit increases, while satisfaction with customer service rose to 90%. These results indicate that recent strategic initiatives to enhance rural customer engagement and service delivery are achieving measurable success and resonating effectively with the rural customer base.

Bills and Support

LMW's pricing is regulated by the ESC, with the 2024-25 urban and rural tariffs approved by them in June 2024. The tariffs are calculated in accordance with the respective June 2023 urban and rural ESC final determinations for the 2023-24 to 2027-28 WP5 period.

Urban

LMW uses the 'postage stamp' method for urban pricing, where all urban townships have common pricing. 2024-25 residential and non-residential customer urban bills increased by 0.5% (in real terms), as summarised in the below table.

Total urban bills for 2024-25 ($ actual)

Urban Bills ($ real 2024-25)	Current Year 2024-25	Previous Year 2023-24
Residential – Owner occupier The annual bill for an owner-occupier with average water use of 480 kL	$1,142	$1,136
Residential – Tenant The annual bill for a tenant with average water use of 480 kL	$329	$328
Typical (average) water use (kL) assumed in owner-occupier and tenant bill calculations	480 kL	480 kL
Non-Residential – Business The annual bill for a business using 3 ML per annum	$3,679	$3,659

Rural

LMW utilises the 'location' pricing method to set prices for rural services and each district has its own tariffs. Prices are calculated for each district based on forecast demand of volumetric water deliveries, growth, planned operations and maintenance expenditure and capital investment. 2024-25 rural bills decreased (in real terms) in most districts, as summarised in the below table.

Total rural bills for 2024-25 ($ actual)

($ real 2024-25)	District	2024-25	Previous Year 2023-24
Pumped District – Irrigation 0F[1]	Mildura	$15,855	$15,940
(100ML usage)	Mildura High Pressure	$22,989	$24,076
	Merbein	$12,234	$11,922
	Red Cliffs	$12,483	$12,425
	Robinvale High Pressure	$21,914	$22,996
Pumped District – Domestic and Stock1F[2]	Mildura	$479	$484
	Mildura High Pressure	$633	$662
(3ML usage)	Merbein	$401	$400
	Red Cliffs	$409	$413
	Robinvale High Pressure	$611	$640
Waterworks Districts	Millewa Rural	$8,336	$8,602
(3ML Usage)	Yelta	$1,850	$1,888
River Diversions – Irrigation	Nyah to SA Border	$13,145	$13,485
(1,000 ML usage)			

1 Drainage charges are not included
2 Drainage charges are not included

Customer Responsiveness

Reporting on operational performance relating to customer responsiveness

Operational Performance						
Customer Responsiveness and Bill Support Indicators	**ESC Code**	**2023-24 Result**	**2024-25 Result**	**Variance to 2023-24**	**Current 2024-25 Target**	**Variance to Target**
Water bills – customers on flexible payment plans No. of customers with instalment plans	UPP 1	1,003	948	-5%		
Water bills – customers awarded hardship grants No. of customers awarded hardship grants	UPP 6	0	0	0		
Customer responsiveness – water quality complaints[1, 2] No. of complaints per 100 customers	CRS 4	0.335	0.292	-12.8%	0.147	99%
Customer Responsiveness – number of payment issue complaints[3, 4] No. of complaints per 100 customers	CRS 7	0.014	0.017	-21%	0.023	-26%
Customer Responsiveness – total complaints[5, 6] No. of complaints per 100 customers	CRS 3	0.538	0.517	-4%	0.373	39%

1 Water Quality Complaints - Favourable variance to previous year is a result of the number of water quality complaints decreasing from 119 to 104. No adverse river conditions occurred during the year however our colour complaints slightly increased due to drier conditions and higher consumption. Most of these were resolved by mains flushing and increasing our poly activated carbon treatment. Taste and Odour complaints were also less than previous year.

2 Water Quality Complaints - The unfavourable variance to target is a result of the number of water quality complaints 5 year average still including those years where we experienced normal river conditions recording lower number of complaints.

3 Payment Issue Complaints - Unfavourable variances to previous year are a result of receiving 6 payment issue complaints compared to 4 in the previous year. Payment issue complaints included a body corporate account, bill bar code and usage. These were handled and resolved by our Customer Services team in accordance with our Customer Services Charter.

4 Payment Issue Complaints - Favourable variances to target are a result of the number payment issue complaints being less than the 5 year average of 5.8.

5 Total Complaints - Favourable variances to previous year are a result of the total complaints decreasing from 193 to 184, this can be attributed to more colour and less taste and odour complaints.

6 Total Complaints - Unfavourable variances to target for total complaints is a result of the overall 5 year average being 132 and this year recording 184 complaints.

Customer and Community Engagement

Throughout the year, LMW delivered several major projects and initiatives that required significant customer and community engagement. In September 2024, we participated in the Sunray Warriors event, engaging with 800 school students and providing educational information on water use and the filtration process behind the potable water we supply.

In November 2024 upon the conclusion of the Sunraysia Water Efficiency Project the Water Minister, Hon. Harriet Shing, visited to open the works and tour the completed channel lining and pipelining undertaken. The opening event marked a significant milestone, celebrating both the collaborative efforts behind the project and its contribution to the community.

At the start of 2025, the Rural Masterplan 2050 project commenced. This project has required many stakeholder engagement sessions to ensure that agencies, customers, traditional owners and local government were able to provide feedback and advice on the future of the region's irrigation to customers.

Throughout the year we met with the Red Cliffs Focus Group, Merbein Focus Group and the Kerang Progress Association to discuss community concerns and provide an update on service levels. We also attended the Mildura, Merbein and Swan Hill markets to provide water saving information and products for the community to use to save water.

"At the start of 2025, the Rural Masterplan 2050 project commenced. "

Customer Support

Our Hardship Program identifies and assists vulnerable customers to manage their water costs and usage with details as follows:

Customer Support Obligations

Community Service Obligations	2023-24 ($)	2023-24 No. of customers Transactions	2024-25 Year ($)	2024-25 Year No. of customers Transactions
Provision of Water and Sewerage Concessions	$2,286,305.41	31,904	$2,377,642.85	33,761
Rebates paid to not-for-profit organisations under the water and sewerage rebate scheme	$211,209.32	817	$213,829.91	836
Utility relief grant scheme payments	$92,563.31	255	$148,309.78	399
Water Concession on life support machines	-	0	-	0
Hardship Relief Grant Scheme (Sewerage and Water Connection Scheme)	-	N/A	-	N/A

Provision of Concessions

Provision of concession customers who hold a valid pension concession card issued from Centrelink or a Veteran Affairs Gold/Health Care card, are entitled to a concession on water and sewerage charges up to an annual maximum. The annual maximum for 2024-25 was $363.00. If a customer is receiving only one service, they are entitled to a concession of up to half the annual maximum.

Rebates for Non-Profit Organisations

Non-profit organisations as defined by the State Revenue Office may be entitled to a concession on the service tariff portion of their bill.

Utility Relief Grant Scheme

Residential customers unable to pay their bills because of a temporary financial crisis may be eligible for utility relief. Assistance is provided to low-income households who are unable to pay an account and are at the risk of restriction of supply or debt collection action.

Haemodialysis Life Support Concessions

Customers using a life support machine at home may be eligible for a concession on their water usage up to 168 kilolitres per year. An application form needs to be completed and signed by a doctor, nurse or hospital social worker confirming use of a life support machine.

Recognise Aboriginal Values

Partnerships with Traditional Owners

Through the delivery of our second 'Reflect' RAP, we have connected and established relationships with local Aboriginal and Torres Strait Islander stakeholders and organisations. We remain committed to ensuring that our engagement with Traditional Owners is genuine, authentic and collaborative and that we identify further opportunities to enable Traditional Owners to engage with LMW on matters as outlined in the Victorian government's Water is Life Roadmap.

Engagement regarding cultural heritage matters for all project and operational service delivery activities has been embedded into business-as-usual, recognising the specialist skills and knowledge Traditional Owners contribute to these areas. We acknowledge that Aboriginal values are inherent in the major projects that we are involved with and will continually seek opportunities to embed these values into all levels of the organisation.

Our continued work as the lead agency for the VMFRP is an example of this with authentic engagement of Traditional Owners being a crucial aspect of the VMFRP. Our ongoing commitment to fostering stronger partnerships enables Traditional Owners to recognise and support self-determination of Aboriginal cultural values and economic inclusion in the water sector.

In June 2025 at our Mildura Head Office, we undertook a project to create an indigenous garden and to create an animation with Aboriginal children's work featuring local animals and birds. This was incredibly successful and was officially opened during NAIDOC week. We thank the team from the First People of the Millewa Mallee and Greater Good Projects for delivering this project.

We also engaged Kerang based Aboriginal artist, Tobie Cameron, to complete an amazing artwork for our Kerang Office which features many local animals and features of the Kerang region.

Supporting Aboriginal Self-Determination

Aboriginal Self-Determination

In 2024-25, LMW received a total of 55 tender submissions with none received from Aboriginal Enterprises. We spent a total of $24,670 for 2024-25 on Aboriginal Enterprises engaged in goods and services for 2024-25.

Recognise Recreational Values

Consideration of Recreational Values in Business Operations

LMW is implementing a long-range rural masterplan (RM2050). This will consider the impacts and value adding opportunities to local recreational assets as future plans regarding service delivery across our irrigation network are developed.

Whilst RM2050 seeks to address challenges across our district irrigation systems, there are likely impacts to aspects such as drainage into basins, salinity improvements and recycled watering opportunities which may support recreational values.

We completed the new river pumping station for Lake Cullulleraine and officially opened the site in 2024. This new station now ensures water supply to the major recreational body can now be accessed during weir pool lowering events at Lock 9.

We have also provided a letter of support for the Mallee CMA's 2023-25 Icon Species program to improve the health of Kings Billabong. We continue to collaborate regularly as required with the Mallee CMA, Agriculture Victoria, Parks Victoria and State Emergency Services.

Engagement Processes with Community or Stakeholders

LMW worked proactively with the Federal and State governments in the review and replanning of the VMFRP to ensure the delivery of the key objectives of the Murray-Darling Basin Plan. With the continuation of the project announced in April 2024, we continue this work, alongside government and all partnering agencies to ensure the successful delivery of the next phase of projects.

We continue to play a lead role in ensuring the community can pursue their recreational activities within the Murray River and its waterways safely. We monitor water for Blue Green Algae (BGA) and provide timely and accurate communication to our communities where there are potential health impacts.

As a lead member of the Sunraysia Regional Algae Coordinating Committee, our involvement includes being the Regional Coordinator, frequent sampling of local waterways, laboratory assessment for BGA and issuing warnings when BGA levels are harmful to human and animal health.

One of the more popular local waterways in our region is Lake Cullulleraine; a 184-hectare lake, which was once an ephemeral wetland, but is now kept at constant level via water pumped from the Murray River above Lock 9. The Lake's primary purpose is to supply water for the Millewa community, supplying stock and domestic and irrigation water for large horticulture properties in the area. The Lake is also a favoured location for locals and visitors to holiday, with two caravan parks on the foreshore, which enable recreational activities such as swimming, fishing, skiing, paddle sports, camping, and bushwalking.

To support the recreational use of the Lake we continue to monitor for BGA and issue timely notices on our website, social media and in the local paper when levels become elevated above acceptable thresholds.

From the Mildura Water Treatment Plant, we supply supernatant water to be reused for irrigation of the Aerodrome ovals, a local sporting complex with fields for soccer, cricket, and school-based sports. We also supply reuse water to the Mildura and Red Cliffs golf courses.

Improvements to Information Sources

LMW conducts regular monitoring of BGA levels in the Murray River, and Lake Cullulleraine which allows us to inform the community of warnings and advice relating to recreational water use, in collaboration with Victorian and NSW BGA coordinators.

Collaboration with Stakeholders

LMW collaborated with the Mallee CMA and other stakeholders to support the provisions of environmental water delivery in the Sunraysia region. We also support key land manager partnerships including Mallee CMA and North Central CMA representative committees and the Lake Hawthorn Management Plan.

In addition, we continue our strong working partnerships with Sunraysia OzFish, Victorian Fisheries and North Central and Goulburn Broken CMA working on projects that save native fish and other aquatic life stranded in our irrigation channels.

Our support to deliver upon actions identified within the Northern Region Sustainable Water Strategy alongside northern Victorian regional partners continue, including actions to improve water entitlement frameworks and sharing arrangements, the review of licencing guidelines and materials to facilitate improved resource management and implementation of annual use limits for salinity management.

Resilient and Liveable Cities and Towns

Integrated Water Management

LMW continues to actively engage in Integrated Water Management (IWM) initiatives, regularly attending workshops and contributing to project development. Most recently, our focus has been on shortlisting IWM projects for the Northern Mallee Region. We also participate in multiple IWM project working groups, helping to refine high-level project concepts into detailed descriptions for inclusion in the Strategic Directions Statement.

Water Efficiency and Water Recycling

LMW have continued implementation of our Urban Water Strategy 2022-2071, via the delivery of the Water Plan 5 Capital Works Plan where specific projects aid in increasing efficiencies within our urban water network.

The Water Plan 5 Capital Works Plan includes projects required for both short and long term actions to balance water supply and demand in our region and responds to challenges of water quality and population growth. This includes major projects such as our urban water main renewal program and projects which aid water recycling, such as, construction of an additional 400ML of treated wastewater storage for our Koorlong wastewater treatment plant which has commenced planning and design.

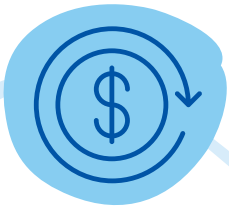
Community Programs

The LMW Hardship Program identifies and assists vulnerable customers to manage their water costs and usage, achieving the following outcomes this year:

- conducted 31 water efficiency audits under the Community Rebate Program.
- provided rebates to 35 urban customers under the Community Rebate Program.
- conducted 19 audits and provided 7 rebates for 3 not-for-profit organisations in our region under the Community Housing Retrofit Program.

Reporting community programs

Name of Program	Number of customers
Community Rebate Program	35
Community Housing Retrofit Program	7



35

Rebates provided to urban customers under the Community Rebate Program

7

Rebates for 3 not-for-profit organisations in our region under the Community Housing Retrofit Program

Urban Water Consumption

LMW provides drinking water to a population of around 76,812. The total consumption of water was 15,807 megalitres across this population of our region which averages 564 litres per person, per day.

Reporting water consumption for residential and non-residential connections

Water Consumption Report - 2024-25 Volumes reported in ML/yr			
Residential Connections	(1) Total number of residential connections.		31,642
	(2) Total volume of potable water consumed by residential connections		15,807
	Per capita daily residential potable water consumption		563.8
	(3) Total volume of recycled water used by residential connections		N/A
	(4) Total volume of stormwater used by residential connections (supplied by water corporation)		N/A
Non-Residential Connections	(5) Total number of non-residential connections		3,947
	(6) Total volume of potable water consumed by non-residential connections		4,839
	(7) Total volume of recycled water used by non-residential connections for	Commercial purposes	0
		Industrial purposes	0
		Agricultural purposes	3,502
		Municipal purposes	0
		Beneficial allocation	162
		Within process	0
		Total	3,664
	(8) Total volume of stormwater used by non-residential connections (and supplied by water corporation)	Commercial purposes	N/A
		Industrial purposes	N/A
		Agricultural purposes	N/A
		Municipal purposes	N/A
		Beneficial allocation	N/A
		Within process	N/A
		Total	N/A
	(9) Total number of connections (1)+(5)		35,589
	(10) Total volume of potable water consumed by connections (2)+(6)		20,646
	(11) Total volume of recycled water and stormwater used by connections (3)+(4) +(7)+(8)		3,664
	(12) Total volume of water used by connections (10)+(11)		24,310
	Average annual water consumption ((Sum of annual water consumption for the AR year and the previous 4 years) / 5)		20,378
Non-Revenue Water	(13) Volume of non-revenue water attributed to leakages		1,572
	(14) Volume of non-revenue water attributed to firefighting		0
	(15) Volume of non-revenue water attributed to other reasons		559
	(16) Total volume of non-revenue water(13)+(14)+(15)		2,131
	Total volume of water from all sources (12)+(15)		26,441

Major non-residential water users' volumetric range

Volumetric Range – ML per year	Number of Customers
Equal to or greater than 50ML and less than 100ML	9
Equal to or greater than 100ML and less than 200ML	2
Equal to or greater than 200ML and less than 300ML	1
Total no. customers	**12**

Major non-residential water users' participation in water efficiency programs

Name of Customer	Participation in water efficiency program (Y/N)	Water Management Plan Developed (Y/N)
Nil	N	N

Drought Response

With the ever-increasing threats to water supply from climate change, LMW is aware of the need to be ready to respond to the impacts that drought conditions bring.

Permanent Water Savings Rules were kept for all the 2024-25 season to encourage customers to develop good water usage habits and be prepared for drier seasons.

We have representation on several committees and working groups including the Drought Response Committee and are participating in the preparation of a Drought Resilience Plan for the Mallee Region as a part of the Commonwealth Government's Regional Drought Resilience Program.

We continue to assess our holdings of water shares attributable to our urban business. This ensures that we maintain a buffer between the water allocated compared to that used within our urban towns and cities.

Corporate Water Consumption

LMW have used the below corporate water consumption for 2024-25, recorded by office location.

Corporate water consumption

Office	Q1 (KL)	Q2 (KL)	Q3 (KL)	Q4 (KL)	Total (KL)
Kerang	5	4	4	5	18
Swan Hill	150	148	139	162	599
Mildura	2,148	2,509	3,209	3,565	11,431

Water Consumption

Water Consumption Report 2024-25

District Name	Note	Residential Customers: 1. Number of Residential Connections	2. Potable water volume	3. Recycled wastewater volume	4. Recycled stormwater volume	Non-residential Customers: 5. Number of Non-residential connections	6. Potable water volume	7. Recycled wastewater volume	Agricultural Purposes	Beneficial allocation (ML)	8. Recycled stormwater volume	9. Total number of connections	10. Total potable water consumed (2+6)	11. Total recycled water stormwater volume (2+3+5+6)	12. Total volume of water used by connections (10+11)	Average annual consumption[1]	Non-revenue Water: 13. Leakage	14. Fire fighting	15. Other[2]	16. Total non-revenue water (13+14+15)	17. Total water all sources (12+16)
Kerang	-	1,866	760	-	-	329	243	162	-	162	-	2,195	1,003	162	1,165	1,057	55	-	27	82	1,247
Koondrook	-	491	199	-	-	59	32	-	-	-	-	550	231	0	231	247	34	-	6	40	271
Lake Boga	1	461	227	-	-	49	57	-	-	-	-	510	283	0	283	0	-	-	-	0	283
Mildura	2,3	20,314	10,861	-	-	2,181	2949	3,297	3,297	-	-	22,495	13,810	3,297	17,107	13,127	1,105	-	374	1,479	18,586
Murrabit	-	45	20	-	-	12	6	-	-	-	-	57	26	0	26	34	10	-	1	11	37
Mystic Park	4	12	5	-	-	3	4	-	-	-	-	15	9	0	9	11	-	-	-	0	9
Nyah	1	308	166	-	-	42	62	-	-	-	-	350	228	0	228	0	-	-	-	0	228
Nyah West	1	264	129	-	-	32	33	-	-	-	-	296	162	0	162	0	-	-	-	0	162
Piangil	-	106	52	-	-	16	77	-	-	-	-	122	129	0	129	146	12	-	4	16	145
Red Cliffs	-	1,664	784	-	-	166	399	-	-	-	-	1,830	1,183	0	1,183	1,300	88	-	32	120	1,303
Robinvale	-	840	406	-	-	188	161	205	205	-	-	1,028	567	205	772	589	64	-	16	80	852
Swan Hill	-	5,113	2,108	-	-	852	788	-	-	-	-	5,965	2,896	0	2,896	3,867	204	-	99	303	3,199
Woorinen Sth	1	158	92	-	-	18	27	-	-	-	-	176	118	0	118	0	-	-	-	0	118
		31,642	**15,807**	**0**	**0**	**3,947**	**4,839**	**3,664**	**3,502**	**162**	**0**	**35,589**	**20,646**	**3,664**	**24,309.73**	**20,378**	**1,572**	**0**	**559**	**2,131**	**26,441**

All figures have been rounded to the nearest whole numeral

Note 1 Supplied from Swan Hill

Note 2 Includes Merbein and Irymple for Water

Note 3 Includes Mildura, Koorlong and Merbein Recycled Wastewater

Note 4 Water supplied is raw, non-potable

1 Average annual consumption calculated between 2019-20 and 2024-25

2 Unavoidable losses

Circular Economy Outcomes

LMW have adopted a circular economy lens in planning for future works, such as through long-term strategic options assessments. Optioneering assessments work associated with the location of the proposed new Swan Hill Water Treatment Plant is being undertaken with a circular economy focus.

Biosolids

Due to lower-than-average rainfall during 2024–25, the biosolids produced at our Wastewater Treatment Plants could not be reused by local primary producers. The dry conditions made it unsuitable to apply them to paddocks. The biosolids are treated to Class C as per EPA requirements, and when climatic conditions are suitable, are beneficially used for agriculture. LMW produced 727.06 tonnes in the 2024-25 year.

Total units (kg and %) of biosolids reused (segmented by source and end pathway)

	Total biosolids available for reuse in AR year	Biosolids reused in AR year (segmented by source and end pathway)							
		Total Reuse		Reuse for land application		Waste to Energy		Other reuse pathway	
Source	kg	kg	%	kg	%	kg	%	kg	%
Biosolids produced	727,060	-	-	-	-	-	-	-	-
Stockpiled biosolids (excluding biosolids stored in AR year)	993,600	-	-	-	-	-	-	-	-
Total	**1,720,660**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Environmental Statutory Obligations

Risk Management and Monitoring Plans have been developed for LMW Wastewater Treatment Plants to manage identified risks posed to waterways and the environment. These plans are reviewed annually to ensure compliance with regulatory and policy frameworks.

LMW collaborated with Mildura Rural City Council (MRCC) to provide input into their Onsite Wastewater Management Plan for non-sewered properties.

We participated in the recently established LMW MRCC Strategic Coordination Group which:

- shares information on subjects relevant to both organisations
- provides cross organisational input into strategic and future planning
- networks, develops effective relationships and shares knowledge and information
- identifies opportunities for complementary delivery of projects to improve efficiencies and effectiveness

Regular monitoring of blue green algae continued in the Murray River and Lake Cullulleraine to inform the community of warnings and advice relating to recreational water use in collaboration with DEECA, Murray Darling Basin Authority and Goulburn Murray Water.

We collaborated with the Mallee Catchment Authority (CMA) and other stakeholders to develop Environmental Water Management Plans for two key Mallee region wetland sites, the Cardross and Koorlong Lakes system and Lake Hawthorn.

The Cardross and Koorlong Lakes system located 15km southwest of Mildura, is listed in the Australian Directory of Important Wetlands. The lakes provide a range of local and regional environmental, social and cultural values.

Importantly, Koorlong Lake provides habitat for a local population of the critically endangered Murray Hardyhead (Craterocephalus fluviatilis), a small-bodied fish which is now only found in isolated populations in Northern Victoria. The maintenance of permanent shallow brackish habitat at Koorlong Lake allows the local Hardyhead population to continue to grow and thrive.

Lake Hawthorn, located on the northwestern edge of Mildura, is a valuable and productive saline wetland environment that supports salt tolerant flora species, water-dependent fauna and provides habitat for a wide range of migratory shorebirds, waders and other waterbird species.

We worked with our partners to coordinate the delivery of environmental water using our existing drainage infrastructure to maintain the health of these sites and endangered populations, and supported key land manager partnerships, including:

- Mallee CMA Catchment Partnership Committee
- Mallee Regional Innovation Centre
- Mallee Regional Partnership
- Mildura Rural City Council
- Parks Victoria

Sustainable Water Use

LMW have further developed both water and wastewater strategies and masterplans which outline the future capital investment required for the upgrade, renewal and growth of our networks with sustainable water use being a primary consideration. In addition, sustainable strategies seek to understand both the whole of life emissions, electricity consumption and options for integration with potential renewable energy sources.

We have continued the delivery of the Water Plan 5 Capital Works Plan where specific projects aid in the delivery of improved efficiency of irrigation systems. This includes projects like the Sunraysia Water Efficiency Project along with our irrigation main renewal and metering renewal programs.

Housing Statement

Developer and Council Engagement

While LMW does not currently collect this data, plans are in place to enable future reporting through the Technology Uplift Program. As part of this initiative, a new CRM system will be implemented to capture and record development enquiries, enhancing our data capabilities and reporting accuracy.

We provide free preliminary servicing advice to the development industry. The aim of this is to make sure we acknowledge and respond to all enquiries no matter how informal. There are three Councils in our service area to which we are in regular contact regarding Planning Scheme and Development Plan matters. We have quarterly strategic coordination meetings in place with councils ensuring that development is a standing agenda item.

Generally, developers in our region are not faced with any delays in having services available. We typically do not encounter out of sequence developments and if they do occur, we are proactively involved in achieving a suitable and timely outcome with the developer.

We provide formal responses to planning referrals to the Responsible Authority and Applicant within statutory timeframes. Established tracking procedures are in place to ensure statutory response timeframes are achieved. Where additional time is required to assess an application, discussions with the Applicant, Developer and Council are held. Council and the Applicant are provided with an assigned LMW staff contact details so that they can be contacted directly if needed.

Given the size of our team and the nature of our working environment, LMW staff maintain frequent contact with local consultants and have strong, long-standing relationships within the development community. As a result, we're able to engage with them directly when needed.

Connection Capacity

LMW does not currently collect this data, however will action for future reporting through the implementation of LMW's Technology Uplift Program.

The total number of residential lots connected to water supply across the LMW service region for the reporting year was 31,642.

Leadership, Diversity and Culture

Diversity and Inclusion

A strategic objective of LMW is to build a high performing, engaged, and diverse workforce that reflects the communities we serve. Our Diversity, Equity and Inclusion Policy and Equal Employment Opportunity Policy are central to achieving this goal. These policies guide informed decision-making and support responsible risk-taking to foster genuine inclusion, recognising and valuing our differences as organisational strengths.

The policies provide the framework by which LMW actively manage and encourage diversity and inclusion and work to achieve equity across our organisation to ensure all employees feel welcome, respected and valued.

This means that we will:

- actively and flexibly seek to understand the unique needs of each employee
- commit to ensuring that all employees are treated with respect, dignity, and consistency
- seek to ensure that our business practices, policies, and procedures are fair and equitable.

The following strategies and plans to support us in this endeavour:

- LMW People Strategy
- Water Sector Equity, Diversity and Inclusion Strategy 2024-28
- LMW Diversity, Equity and Inclusion Policy
- LMW Health, Safety and Wellbeing Strategy
- LMW Gender Equality Framework and Action Plan (GEFAP) 2021-2025.

LMW's Diversity, Equity and Inclusion Policy, Equal Employment Opportunity Policy, GEFAP, Water Sector Equity, Diversity and Inclusion Strategy 2024-28 and LMW Reconciliation Action Plan are available on our website.

At the start of the financial year, we set out to undertake the following key leadership, diversity and culture actions outlined in the aforementioned strategies and plans:

- achieve greater equality, diversity and inclusion
- continue the work we set out to achieve in our 2021-2025 GEAP
- embed and evaluate the implementation of Equity Impact Assessments to ensure equity of service delivery and workforce opportunities.
- continue the work in our first People Strategy, across all four pillars:
  - **Pillar 1 –** Developing our people and building a future focused workforce
  - **Pillar 2 –** Making LMW a rewarding place to work
  - **Pillar 3 –** Building leadership excellence and capability
  - **Pillar 4 –** Creating a Safe-Work-Done-Well culture.
- embed a leadership charter to formalise leadership capability expectations and leadership principles
- focus on psychological safety, continuing to identify and mitigate psychological hazards in the workplace and establish process to report and manage risks and incidents
- embed, evaluate and review the implementation of a Reward and Recognition framework
- embed and enhance LMW's mentoring program to enable engagement across the broader water sector and partnering organisations such as WaterAble and Intelligent Water Networks.

Our Community

Significant work has gone into understanding the demographics of the communities we serve.

We operate across two city councils and a shire from the South Australian border to Kerang. Each council and shire have distinct demographics that we have committed to achieving better parity, through our strategic objective to attract and retain a diverse, engaged and high performing workforce which is reflective of the communities we serve.

Demographics of the region

Demographic	Mildura Rural City Council	Swan Hill Rural City Council	Gannawarra Shire
Sex (term used by ABS Census, LMW comparable data refers to 'Gender')			
	Female: 50.8% Male: 49.2%	Female: 49.8% Male: 50.2%	Female: 50.3% Male: 49.7%
Country of Birth			
	Australia: 78% Malaysia: 1.9% England: 1.2% India: 1.1% Italy: 0.9% New Zealand: 0.8% Born Elsewhere: 16.1%	Australia: 74.3% Malaysia: 1.9% Vietnam: 1.6% India: 1.2% Italy: 0.9% Philippines: 0.9% Born Elsewhere: 19.2%	Australia: 85.7% England: 1.5% Philippines: 0.7% New Zealand: 0.5% India: 0.4% South Africa: 0.4% Born Elsewhere: 10.8%
Ancestry			
	Australian: 36.9% English: 36.6% Scottish: 9.0% Irish: 8.7% Italian: 7.3% Other: 1.5%	Australian: 35.6% English: 33.1% Irish: 10.2% Scottish: 8.4% Italian: 7.5% Other: 5.2%	Australian: 44.4% English: 43.3% Scottish: 11.3% Irish: 11.2% German: 4.0%
Language Used at Home			
	English only: 79.9% Mandarin: 1.7% Italian: 1.5% Turkish: 0.8% Vietnamese: 0.7% Punjabi: 0.7% Non-English: 13.7%	English only: 74.9% Malay: 2.0% Mandarin: 1.9% Vietnamese: 1.9% Italian: 1.5% Tongan: 1.3% Non-English: 17.4%	English only: 89.6% Filipino: 0.3% Punjabi: 0.2% Tagalog: 0.2% Mandarin: 0.1% Greek: 0.1% Non-English: 3.3%

Demographic	Mildura Rural City Council	Swan Hill Rural City Council	Gannawarra Shire
First Nations			
	Identified: 4.6% Not disclosed: 7.3%	Identified: 4.5% Not disclosed: 8.1%	Identified: 2.5% Not disclosed: 7.3%
Disability Prevalence			
	Identified: 7.5% Not disclosed: 8.0%	Identified: 5.9% Not disclosed: 8.8%	Identified: 7.4% Not disclosed: 7.9%
Unpaid Assistance to Support Disability or Caring Responsibility			
	13.1%	12.7%	14.5%
Unpaid Child Care			
	Declared: 24.4% Not disclosed: 8.8%	Declared: 24.1% Not disclosed: 9.7%	Declared: 21.7% Not disclosed: 8.7%
Unpaid Domestic Work			
	Declared: 62.7% Not disclosed: 9.0%	Declared: 61.0% Not disclosed: 9.9%	Declared: 66.7% Not disclosed: 9.0%

Data source: 2021 Census Data Australian Bureau of Statistics, accessed October 2024

Employment Conduct and Principles

Executive Officers

An Executive Officer (EO) is defined as an executive under Part 3 of the *Public Administration Act 2004*, or a person to whom the Victorian Government's Public Entity Executive Remuneration Policy applies. All figures reflect employment levels in the last full pay period in June of the current and corresponding previous reporting year. The definition of an EO does not include a statutory office holder or an Accountable Officer.

Our executive team consists of 6 people, of which 3 (50%) identify as female.

Executive Officer Data

Executive Classification	2024-25							
	Male		Female		Self-Described		Total	
	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE
Executive	3	3	3	3	0	0	6	6

"Our executive team consists of 6 people, of which 3 (50%) identify as female"

Non-Executive Staff Data

Additionally, as at the end of the reporting period, LMW has 24 non-executive senior staff employed under Public Entity Employment in the State of Victoria Standard Employment Contracts.

Disaggregated demographic and salary information on executive and non-executive staff are provided in the table below. Please note this includes short-term contract staff.

Salary information on executive and non-executive staff

Income Band (salary)	Executives				Other			
	Total	Man	Woman	Self-Described	Total	Man	Woman	Self-Described
< 160,000	-	-	-	-	12	9	3	-
160,000 to 179,999	-	-	-	-	7	6	1	-
180,000 to 199,999	-	-	-	-	1	1	-	-
200,000 to 219,999	-	-	-	-	1	1	-	-
220,000 to 239,999	5	2	3	-	1	-	1	-
280,000 to 299,999	-	-	-	-	1	-	1	-
340,000 to 359,999	-	-	-	-	1	1	-	-
380,000 to 399,999	1	1	-	-	-	-	-	-
Total	6	3	3	0	24	18	6	0

Workforce Data

The table above details the head count and full-time equivalent (FTE) of our entire workforce, as at the end of the last full pay period in June 2025, as well as the previous reporting year's comparative data.

32% of our workforce identify as female, an increase from 29%.

Workforce Data

Demographic Data

	June 2024							June 2025						
	All employees		Ongoing			Casual		All employees		Ongoing			Fixed term and casual	
	Number (Headcount)	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Number (Headcount)	FTE	Number (Headcount)	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Number (Headcount)	FTE
Gender														
Man	165	165	151	2	153	12	12	158	157	131	3	133	24	24
Woman	67	63	46	16	58	5	5	75	72	48	9	55	18	17
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals	232	228	197	18	211	17	17	233	229	179	12	188	42	41
Age														
15-24	12	12	11	0	11	1	1	13	13	9	0	9	4	4
25-34	44	43	38	3	40	3	3	47	46	41	0	41	6	5
35-44	54	53	44	6	49	4	4	56	55	38	4	41	14	14
45-54	61	61	53	2	55	6	6	58	58	44	2	46	12	12
55-64	46	45	41	4	44	1	1	45	43	35	5	38	5	5
65+	15	14	10	3	12	2	2	14	13	12	1	13	1	1
Totals	**232**	**228**	**197**	**18**	**211**	**17**	**17**	**233**	**229**	**179**	**12**	**188**	**42**	**41**
Work Areas														
Executives	6	6	6	0	6	0	0	6	6	0	0	0	6	6
Administration	85	81	58	17	71	10	10	89	85	59	10	67	20	19
Operations	97	97	92	0	92	5	5	96	96	86	1	87	9	9
Engineering / Technical	44	44	41	1	42	2	2	42	42	34	1	35	7	7
Sub-total	**232**	**228**	**197**	**18**	**211**	**17**	**17**	**233**	**229**	**179**	**12**	**188**	**42**	**41**
Vacancies	19	19	-	-	-	-	-	15	14	10	3	12	2	2
Totals	**251**	**247**	**-**	**-**	**-**	**-**	**-**	**248**	**242**	**189**	**15**	**200**	**44**	**43**

Employees in workforce data collection for the 2024-25 financial year, and Full Time Staff Equivalent (FTE) figures have been rounded to the nearest whole number.

The below table highlights our classification of employees under the current LMW Enterprise Agreement 2021:

Classification Data

June 2025 Classification Level	A	B	C	D	E	Total
Band 1	5	8	4	6	5	28
Band 2	8	9	6	41	-	64
Band 3	7	16	19	-	-	42
Band 4	11	2	12	-	-	25
Band 5	11	10	10	-	-	31
Band 6	5	-	3	-	-	8
Band 7	0	1	0	-	-	1
Contract Staff	30	-	-	-	-	30
Award	4	-	-	-	-	4
Total	81	46	54	47	5	233

Public Sector Values and Employment Principles

Diversity:	Target	Jun-23	Jun-24	Jun-25
% of Women @ LMW	**42%**	30%	29%	32%
Women in Executive	**50%**	50%	50%	50%
Identify as Aboriginal and/or Torres Strait Islander	**3%**	1%	1%	1%
Caring Responsibilities	**35%**	38%	38%	39%
Flexible Work Arrangement in place	**35%**	23%	12%	12%
Main Language not English spoken at home	**20%**	8%	3%	3%
Disability	**10%**	2%	2%	3%

Diversity Data

The above figures are taken from employee records, typically provided at commencement of employment. Results from People Matter Survey 2025 suggest 2% (n=5) of respondents (216 responded) identify as Aboriginal and/or Torres Strait, 6% (n=12) of respondents identify as person with Disability, 6% (n=13) reported using a language other than English at home/in the community.

Of our total workforce 32% identify as female, an increase from the 29% reported last financial year, 39% have caring responsibilities and 12% have formal flexible work arrangements in place in the form of Hybrid Working Arrangements, consistent with last year, however well short of our target of 35%. It should be noted that 21% of respondents in the 2025 People Matter Survey recognised they have flexible working arrangements.

VicWater Diversity and Inclusion (D&I) Case Study

In February 2025 the VicWater Diversity and Inclusion Committee partnered with Australian Water Association (AWA) to launch a pilot National Mentoring Program. The program aims to connect aspiring water professionals and experienced mentors to a community of passionate members to provide guidance and professional growth.

Mentees are matched with mentors from across all participating water corporations (nationally). Nominations for mentees were sought, resulting in three LMW mentees and one LMW mentor participating in the program.

An online official launch for the program was held on 6 March 2025.

Workforce Awareness, Education and Training

During the reporting year, we sought to build on the formal, externally provided Connecting with First Nations People which was mandatory for all staff in the previous financial year.

With significant disruption regarding the sentiment of Diversity and Inclusion around the world throughout 2024-25, LMW's Diversity and Inclusion Officer took the opportunity to educate and promote understanding of the true meaning of an 'Acknowledgement of Country' or 'Welcome to Country', and how important they are to First Nations people in ensuring they feel respected, acknowledged and supported. This education campaign was endorsed by our Executive Leadership team and carried through to all staff and divisional meetings. Intentional and authentic personal Acknowledgements are now made by individuals at the start of meetings, where we share insights, information and reflections, allowing for greater knowledge transfer.

203 staff attended a three hour 'Building an Inclusive Workplace' workshop facilitated by Diversity Australia in June. This tailored package encompassed Bystander and Unconscious Bias training, as well as Respect@Work principles.

Mandatory DEI related eLearning modules were assigned to all staff during the 2024-25 financial year, including:

- Diversity and Inclusion
- Code of Conduct
- Workplace Sexual Harassment
- Employee Assistance Program.

205

Staff attended a three hour 'Building an Inclusive Workplace' workshop

Aboriginal Employment

As of 30 June 2025, 3 FTE staff members identified within their employment records as being Aboriginal and/or Torres Strait Islander, representing just over 1% of our workforce.

We had set a target of 3% by 30 June 2025 in our GEAP, and the May 2025 People Matter Survey revealed 5 of the 216 respondents identify as Aboriginal and/or Torres Strait Islander, equating to 2.3% of our workforce.

Our work under the *Gender Equality Act 2020* contributes to building a gender-equal Victoria for everyone. Extrapolating the application within LMW to the intersecting areas of inequity to include disability, First Nations, LGBTQIA+, culturally and linguistically diverse and carers, we contribute to building a more equitable Victoria.

Gender Equality

Consistent with the *Gender Equality Act (GEA) 2020*, LMW's first Gender Equality Action Plan (GEAP) covered the period 1 July 2021 to 30 June 2025. The GEAP set out key strategies to move LMW's position in relation to Equity, Diversity and Inclusion.

Our reported gender pay gap at the start of the of the financial year was 3.6% (median total remuneration pay gap), performing better than the average 15.1% across the public sector. As of 30 June 2021, we reported that majority of the highest paid roles within the organisation were occupied by men and our gender pay gap was 4.2%. In 2025, through intentional recruitment, taking proactive steps to ensure a diverse applicant pool and equitable hiring practices, we have achieved 50% women in our Executive team. In fact, 50% of the 10 highest paid positions within LMW are held by women (this includes the Executive team) (refer Annualised Salary table). When considering only non-executive contract staff, this drops back to 25%.

In October 2024, the Commission confirmed our progress report regarding GEAP had been assessed as compliant under the Act. Assessment regarding 'making reasonable and material progress on the seven workplace gender equality indicators' were all deemed to have achieved 'progress clearly demonstrated'.

In keeping with the requirements, we published our progress report on our website, and feedback reports were provided to the following Board committees:

- Governance People Safety and Culture
- Risk and Sustainability

As at the end of the reporting period, all actions proposed in LMW's 2021-2025 GEAP had been initiated. Achievements over the past financial year include:

- review of recruitment and selection processes to remove unconscious bias. As part of reviewing the effectiveness of changes made, an audit by the National Disability Recruitment Coordinator, the employer engagement service of JobAccess, was undertaken. The intersectional nature of the challenges often faced by women with disability was one key driver for undertaking the audit. The audit reviewed our procedure and associated practices from the perspective of a person with disability and the experience they may encounter when applying for a position with LMW. This included assessing LMW's website accessibility, relevant website content and structure, connected policies and procedures and position descriptions.
- celebrated internal promotions throughout LMW, particularly the promotion of women – 41% of internal appointments were awarded to women.
- 50% of external new hires identified as women, and we celebrated such career journeys at our People Strategy Connect and Learn sessions held three times across the year.

Work commenced in February in partnering with other Victorian water corporations in identifying common themes for inclusion in the new GEAP. Leveraging from the positive partnerships between LMW and counterparts, it is expected that we will partner in several activities/strategies, maximising collective negotiation efforts and resourcing. Many 2021-25 actions will continue into our new GEAP, focussing on further positive shifts in our DEI positions.

Equity Impact Assessments

The Commission for Gender Equality in the Public Sector require a Gender Impact Assessment be undertaken when developing or reviewing policies, programs, or services that have a direct and significant impact on the public.

Over the past 12 months, we have consciously extended the application to developing and reviewing any controlled document that may give rise to inequities across any marginalised cohorts, including intersectional inequity, to ensure fairer outcomes for everyone – employees, customers and the community. It's a crucial step in promoting equality and preventing unintended negative consequence. We (along with the Victorian Water Sector) have adopted the term 'Equity Impact Assessment' (EIA) rather than Gender Impact Assessment, and this has been acknowledged by the Commission.

69 EIAs were conducted on LMW controlled documents this past financial year, and 10 of these assessments will be included in LMW GEAP Progress reporting owing to significant customer/community impact. Conducting an EIA and implementing its recommendations helps us identify how the document may affect individuals experiencing various and intersecting forms of disadvantage. It also ensures that we make necessary changes to the document and associated practices to eliminate or reduce any potential disadvantage as much as reasonably possible.

Psychosocial Hazard and Incident Reporting

Previous People Matter Survey results referenced instances of sexual harassment and bullying/harassment that had not been internally reported. It was likely that the inability to confidentially report such sensitive incidents, and/or uncertainty regarding how such allegations would be handled contributed to the lack of formal reports.

During the financial year, a Sensitive Incident reporting mechanism and associated protocols was implemented and short training sessions for both employees and line managers were provided.

Recognition of Staff

To strengthen our commitment in recognising and rewarding the work performance of employees that reflect, support or contribute to our vision and organisational values, we implemented a Staff Recognition Program in January 2025.

This program aims to recognise the connection between life and work and provides avenues to recognise employees both formally and informally throughout their employment lifecycle including during times of significant life events.

The Recognition Program aims to:

- promote a culture that values employee contributions
- promote a positive work environment
- support LMW's Values
- improve morale and job satisfaction
- support a culture of excellence

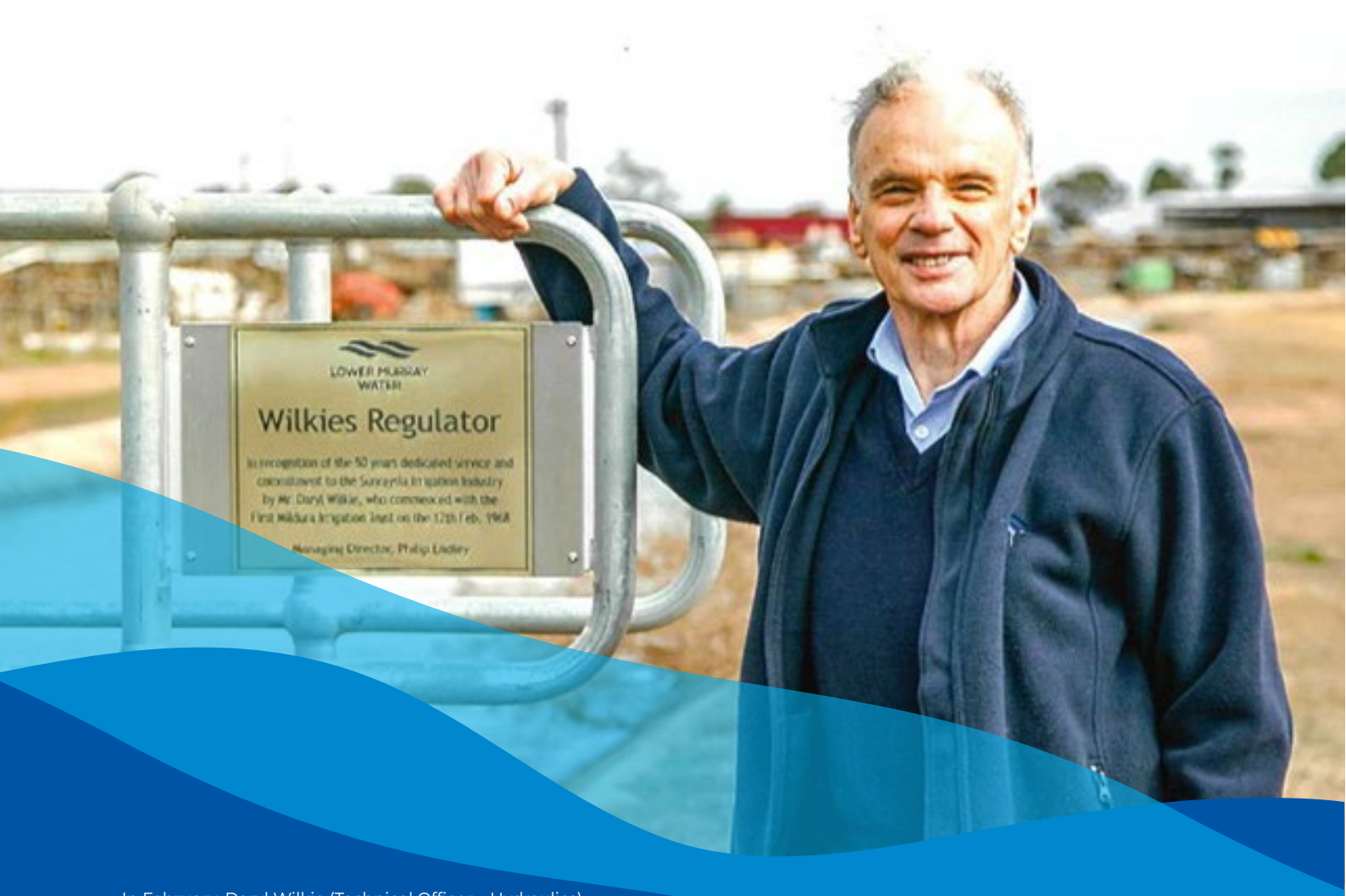
This year LMW acknowledged and celebrated people who went above and beyond the expectations of their role:

- **Living Our Organisation Values Award**
  - To celebrate our people who help bring our Values to life:
  - o Caitlyn Petty – Electrician
- **Above and Beyond Award**
  - To celebrate an individual, team or group who have gone above and beyond to support another employee, or to achieve an outcome for the business, or a customer – Awarded to the following:
  - o Wes Marsh – ICT P&R/CRM/Billing Application Support Officer – January
  - o Swan Hill Operations Team – January
  - o Michael Harvey – Civil Maintenance Operator – February
  - o Customer Service Team – May
  - o Mark Blows – Team Leader Electrical Maintenance – May.

Other awards within the Staff Recognition Program include:

- **Safety First – Injury Prevention**
  To recognise employees who have had the most positive impact on preventing physical or mental injuries in the workplace.
- **Safety Innovation**
  To recognise an individual or team that has gone above and beyond to improve health, safety or wellbeing by considering alternate ways to do our work safely.

Michael Harvey, Civil Maintenance Operator, received an Above and Beyond Award in February, seen here receiving the award from Darren Raeck, General Manager Service Delivery and Operations.



In February, Daryl Wilkie (Technical Officer – Hydraulics) commenced his 57th year in the water industry.

We recognised several employees celebrating a length of service milestone in December 2024 of either 10, 20 or 30 years with us and to our community.

10 years

Annmaree Hards
Marie Kallweit
Bruce Williams
James Dewar
Jeff King
Shane Gibson

20 years

Stephen Douglass

30 years

Terry Collins

57 years

In February, we acknowledged a special milestone – Daryl Wilkie (Technical Officer – Hydraulics) commenced his 57th year in the water sector – a huge milestone and a reminder of his dedication to his work and love of hydraulics.

LMW celebrated the retirement of 7 long term employees during the 2024-25 financial year, recognising the significant contributions these employees made to LMW during their tenure:

- Gloria Gilmore, Administration Officer - Business Services, finished in August 2024 after 21 years of service
- Lucy Brooks, Customer Service Lead, finished in August 2024 after 19 years of service
- Murray Cooper, Civil Maintenance Operator, finished in September 2024 after 25 years of service
- Simon Davis, Civil Maintenance Operator, finished in September 2024 after 41 years of service
- Robert Harrison, Civil Maintenance Operator, finished in October 2024 after 24 years of service
- Bruce Williams, Treatment and Maintenance Operator, finished in April 2025 after 10 years of service
- Stephen Shore, Leading Hand – Civil Maintenance, finished in May 2025 after 25 years of service.

The theme for 2024 NAIDOC Week, held in the first week of July, was 'Keep the Fire Burning! Blak, Loud and Proud'

Workforce Inclusion Policy

Through the delivery of LMW's People Strategy, Gender Equality Action Plan and our Communication and Engagement team, we have continued to celebrate events and bring awareness to many important causes, including:

NAIDOC Week: The theme for 2024 NAIDOC Week, held in the first week of July, was 'Keep the Fire Burning! Blak, Loud and Proud', which celebrates the strength and resilience of First Nations culture, with fire symbolising connection to Country, community, and traditions. It also encourages celebrating First Nation identity, standing tall in heritage, reclaiming narratives, and amplifying voice.

Connecting our sites across the lands of the Latje Latje, Nyeri Nyeri and Ngintait people, we collectively created a Tree of Community artwork, with all staff across all sites encouraged to contribute. Reflecting individually on our connection to the wider community, we chose one of four colours: black to represent connection to family, green to represent connection to friends, red to represent connection to land, and yellow ochre to represent connection to culture.

Tree of Community – NAIDOC 2024

The Kerang team lit up the Kerang Water Tower to raise awareness of Do It For Dolly Day.

International Women's Day: Saturday 8 March recognised International Women's Day, with 2025's theme being "March Forward". This year commemorated 30 years since the United Nation's Beijing Declaration and Platform for Action for achieving gender equality. To recognise International Women's Day in the water industry, employee Caitlyn Petty (Electrician) was nominated and accepted an invitation to be one of five panellists on the IWD Q&A forum held at Greater Western Water. Caitlyn's passion and commitment for the value that a diverse workforce brings to an organisation was evident, and she spoke in an optimistic and resilient manner which both highlighted opportunities for improvement and recognised the progress made and support she has received at work, including from her direct manager. Caitlyn spoke about some of the changes she has seen during her time here and the need for everyone, regardless of gender, to have the appetite, courage and willingness to grow, learn and change.

Harmony Week: along with acknowledging many religious and cultural dates of significance throughout the year, Harmony Week was celebrated again in March this year with a Cook-Off.

Girls In Physics: hosted by VicPhys and SuniTAFE in March 2025, Girls in Physics is an opportunity for young female students interested in Physics to hear from peers in the industry. Employees Jill Purich (Health and Safety Advisor), Leigh Krake (Program Manager) and Julie Krake (Project Officer) attended the event to chat to the students about the many career opportunities possible in STEM (Science, Technology, Engineering, and Mathematics).

Do It For Dolly Day: (9 May 2025) Our Kerang team lit up the Kerang Water Tower in blue to spark conversations with our youth about bullying and the devasting outcomes that bullying causes.

Pride Month: Throughout June, LMW acknowledged Pride Month by incorporating themed messaging into staff email signatures and updating screensavers on all laptops and desktop computers. These screensavers featured information about the significance of Pride Month and provided pathways for staff to access further resources. This initiative aimed to promote awareness, inclusivity, and support for the LGBTQIA+ community across the organisation.

People Strategy

Progress on our People Strategy continued throughout the financial year, with key achievements including the launch of the Neurodiversity Support Program and the development of our Diversity Portfolio Strategy.

Neurodiversity Support Program

Between August 2024 and February 2025, LMW partnered with Untapped Talent to initiate a Neurodiversity Support Program focusing on Belonging and Inclusion for existing employees of LMW. This partnership has been an opportunity for LMW to lead by example, demonstrating the substantial benefits of a neurodiverse workforce. The partnership has equipped us with the strategies and support systems necessary for neurodivergent employees to excel, and enabled us to:

- engage 11 existing employees
- raise awareness to the broad characteristics of neurodivergence and how making reasonable adjustments can support a neurodiverse employee to thrive and achieve their career objectives, in return feeling more engaged and connected with their work.
- provided coaching and mentoring for managers to think differently and challenge how they allocate and communicate work within their team, maximising individual strengths.
- provided coaching to employees to help them understand their capability and value. This builds capability to self-advocate and learning how they can use their unique abilities to support the organisation achieve its business objectives and improve service delivery.

Key outcomes have included:

- an acknowledgement that neurodiversity represents all people from neurotypical to neurodiverse
- a reduction in absenteeism from participants where this was a concern at commencement of the program and an increase in productivity through broader application of capability across the business.

Through this program we:

- o conducted a Workplace Environmental Assessment, Workplace Adjustments Profile, and an Executive Functioning questionnaire with the participants and provided weekly 1:1 supports for them
- o delivered a suite of training to equip leaders and teams with practical strategies to support neurodivergent employees, contributing to higher engagement, productivity, and long-term cultural change
- o successfully delivered a series of neurodiversity awareness training sessions across the broader LMW organisation. The program was a resounding success, engaging over 600 participants across all modules, with an average attendance of more than 90 per session and overwhelmingly positive feedback from staff.

Diversity Portfolio Strategy

In January, LMW commenced a soft launch of its Diversity Portfolio Strategy through a seven-month trial period. Each General Manager has been assigned a dedicated diversity portfolio, supported by a member of the People Team, to act as the Executive Sponsor and take accountability for progress against relevant targets. This structure is designed to embed ownership and leadership across the organisation. The portfolios include:

- Gender
- Disability
- Culturally and Linguistically Diverse (CALD)
- First Nations
- LGBTQIA+ (Sexual Orientation and Gender Identities: Lesbian, Gay, Bisexual, Transgender, Queer/Questioning, Intersex, Asexual, "+" symbolising other identities not explicitly listed)

Flexible work and caring commitments are intrinsically intertwined within each portfolio.

Work undertaken in the trial period has included:

- continued Inclusion Ambassador collaboration following on from the successful Neurodiversity Support Program
- invitation to staff to express interest in joining a working group focused on exploring the "Rainbow Ready Roadmap" and consider the development of an action plan.
- preliminary audits on LMW sites specific to facilities available to all demographics.

Commitments from our new GEAP will be included in each portfolio. We will measure the success of the soft launch in August and make minor adjustments to the portfolio if necessary. The official launch will be held in September. The strategy will be reviewed bi-annually, with the first review by 1 February 2026.

Leadership Charter

Our Leadership Charter was developed iteratively by current and emerging leaders following the Proteus Leadership Embedding Day activity held last year and was officially launched in December 2024 at a People Strategy Connect and Learn Session. Our leadership charter defines leadership at LMW, and what employees can expect from their leaders. Most importantly, it sets out the commitment the leadership team is making to our teams and to each other to:

- set clear expectations and guidelines with our teams
- create an environment where we are safe to fail and learn from our mistakes
- champion a diverse, inclusive culture
- be fair, supporting and encouraging of our people
- promote a respectful and supportive workplace by dealing with poor performance, conflict and inappropriate behaviour promptly
- give and seek feedback regularly
- communicate openly and transparently with our teams
- actively support team workloads to provide a safe, healthy and engaging work environment
- work collaboratively across the business to achieve our strategic goals
- create a safe space for people to speak up and be open to ideas and opinions of others.

Onboarding Program Review

A new onboarding program was developed in collaboration with people leaders to strengthen employee integration and role transition. Central to the program is the introduction of a structured 30-60-90-day plan, designed for all new starters and existing employees moving into new roles. A limited trial was conducted between March and June 2025, with several plans successfully completed. Full implementation is scheduled for the 2025–26 financial year.

People Matter Survey

LMW participated in the annual People Matter Survey (PMS) again in May this year. The PMS is an independent opinion survey used by Victorian Public Sector organisations to gather employee feedback on various workplace aspects including job satisfaction, career development, diversity and inclusion. The PMS is a tool we use to gauge our employee's experiences and allows us to identify strength and areas for improvement.

Our participation rate increased from 86% in 2024 to 91% in 2025, well ahead of the Comparator group and the Public Sector at 72% and 56% respectively.

Our employee engagement index remains constant at 69, just under our average comparator group (71) and just over that of the Public Sector in general (67)

Those planning to stay less than 6 months has more than halved – from 8.6% to 3.2%.

91%

People Matters Survey participation rate in 2025

Public Sector Values and Employment Principles

Understanding there is a strong link between workplace culture and how staff perceive we live out the public sector values, our lowest scoring of the 7 public sector values was for 'Leadership' at 75.5%, which was an improvement from the previous year (74%):

Public Sector Values Comparison to Public Sector

Change from previous year	LMW 2024 (%)	LMW 2025 (%)	Public Sector (%)
Increase			
Respect	82.2	84.4	81.7
Human Rights	80.3	82.4	83.4
Responsiveness	78.8	80.6	83.4
Accountability	73.9	75.6	75.3
Leadership	74.0	75.5	75.5
Static			
Impartiality	77.3	77.3	78.7
Decrease			
Integrity	78.2	76.1	74.9

Public Sector Values and Employment Principles

Diversity	Target	June 2023	June 2024	June 2025
Percentage of Women at LMW	**>10%**	30%	29%	32%
Women in Senior Leadership	**50%**	50%	50%	50%
Identify as Aboriginal or Torres Strait Islander	**3%**	1%	1%	1%
Caring Responsibilities	**35%**	38%	38%	39%
Flexible Work Arrangement in place	**35%**	23%	12%	12%
Main Language not English spoken at home	**20%**	8%	3%	3%
Disability	**10%**	2%	2%	3%

Occupational Health and Safety

LMW is well progressed in the delivery of the 2024 – 2026 Health, Safety and Wellbeing Strategy with 44% of actions within the Implementation plan completed and 21% in progress as of 30 June 2025.

Results of the third Internal Safety Culture Survey conducted in February 2025 showed a strong commitment to Safety at all levels of the organisation. Results include:

- **Importance of Health and Safety Relative to Production and Quality:** This was the highest scoring element of the survey, with an average of 4.3 stars, with 86% of respondents giving a rating of 4 or 5 stars.
- **Confidence to Stop Unsafe Work Without Consequence:** 85% of respondents confirmed confidence to stop work where they felt unsafe giving and average of 4.28 stars.
- **Clarity of OHS Rights and Responsibilities:** has remained a strong result across all 3 surveys at an average of 4.26 stars, with an overall 88% of respondents giving a rating of 4 or 5 stars.

A key focus area across the 2024-25 was to improve and simplify the ability for our people to identify, report and resolve hazards and reporting and investigation of incidents and near misses. The February 2025 survey results showed positive shifts in these areas including:

- **Hazard Identification and Prevention Systems:** 85% of respondents rated our systems to report and responsiveness to resolve hazards at 4 or 5 stars increased from 80% in the August 2024 survey.
- **Incidents are investigated in an adequate timeframe to improve workplace health and safety:** Similarly, regarding incident investigations, 78% of respondents felt that incidents and accidents are investigated quickly rating it at 4 or 5 stars, up from 74% in the August 2024 survey.

Throughout 2024-25 LMW has focused on training initiatives to build capability in the monitoring and management of safety performance and to ensure our employees undertaking high risk work are appropriately trained and assessed as competent in the use of tools and equipment associated with high-risk work. Training packages and competency assessments have been developed for:

- Chainsaw Operation
- Angle grinder
- Operating Fixed Gantry Crane

Further training packages are under development and will be released throughout 2025/26.

2024-25 also saw significant investment in time, resource and training to support greater awareness of psychological safety in the workplace and the factors that can impact psychological safety. With the introduction of a Psychosocial Hazard Risk Register in June 2024, a range of training has been provided across the organisation to support leaders and employees in providing a psychologically safe and inclusive workplace environment.

In June 2025 LMW commenced implementation of the state Government GPNet Health and Wellbeing Initiative. This initiative provides a network of General Practitioners, Physiotherapists, and Psychologists, to support employers to enable early intervention and prevention of workplace injuries and illnesses including work-related and non-work-related health issues such as mental health and musculoskeletal injuries.

The GPNet program offers a range of services tailored to different stages of employment:

- New Starter Checks: Pre-employment screenings covering physical, psychological, and lifestyle factors to establish a baseline for suitability and future monitoring.
- General Health and Wellbeing Checks: Holistic assessments for all employees to track physical and mental health trends, enabling targeted wellbeing programs.
- Mental Health Early Identification: A confidential process to comply with new mental health guidelines and address stress-related concerns early.
- Exit Checks: Ensures employees leave injury-free, reducing the risk of future claims
- Injury Checks: Immediate assessments following incidents to support stay-at-work or return-to-work plans and reduce claim costs.
- Preventative Checks: Identifies health risks early to prevent chronic conditions from impacting work.

We continue to monitor injury management metrics and provide reports to the LMW Board monthly. At the end of 2024/25 FY our High Potential Incident Frequency Rate (HPIFR) is reported at 2.60. Our Total Recordable Injury Frequency Rate (TRIFR) is reported at 21.19. The main contributor to our TRIFR throughout the last 12 months has been musculoskeletal injuries with our outdoor workforce. This will be a key focus area in the 2025/26 FY as we introduce a part time injury preventions specialist commencing July 2025.

The below statistics demonstrate improved performance in reporting hazards and incidents, a reduction in lost time claims however the average cost of claim has increased. The main contributor to the increase in claim cost has been our ageing workforce across our Service Delivery and Operations teams.

Statistics

Statistics	2022-23	2023-24	2024-25
Reported Hazards / Incidents	17/73	7.4/34.8	88.6/54.3
Number of Lost Time standard claims	4	1.3	0.8
Average Cost per Claim	$17,503	$14,590	$21,568

Compliance and Enforcement

Apply an Effective Zero-Tolerance Approach to Unauthorised Take

Unauthorised Take

LMW's approach to effective zero-tolerance of unauthorised water take is a risk-based approach which includes an assessment utilising a tailored risk matrix. Through regular engagement with rural customers and multiple touch points with customers who have gone into unauthorised take we ensure awareness of their obligations and responsibilities. We utilise Penalty Infringement Notices (PINs) as a tool to effectively manage non-compliance and progressed cases to prosecution where this is required.

We continue to work closely with DEECA and other water corporations to ensure a consistent approach to managing unauthorised take. History highlights the steps LMW has taken to reduce unauthorised take have been successful, with this year's season-end volume being 0.06%.

At the beginning of each irrigation season and throughout the season we deliver a specific communications campaign to assist awareness for our customers.

The end of the irrigation season aligns with a final meter read for Domestic and Stock (D&S) customers which can inflate final figures of the number of ABAs being in unauthorised take. These figures are often under 1ML in volume which is due to a variety of reasons including meter creep, faulty meters, customers irrigating, and flushing poor quality river water out of their systems.

At the end of the 2024-25 reporting period, if the number of ABAs with volume under 1ML, the total number of ABAs in negative balance would drop from 3.41% to 0.56%.

Reporting on unauthorised take

	Volume				ABAs [or licences]			
Year	Volume (ML) of water taken under corporation issued shares/ licences	Volume (ML) of Unauthorised Take	Volume %	Volume % (Excluding previous FY)	Number of ABAs	Number of negative ABAs	% of negative ABAs	% of negative ABAs (Excl <1ML)
2021-22	543,576.421	538.231	0.1	0.016	6,489	124	1.91	0.277
2022-23	403,909.803	671.448	0.17	0	6,958	110	1.58	0.3
2023-24	512,941.711	150.959	0.03	0	7,160	142	1.98	0.39
2024-25	600,929.563	362.348	0.06	0	4,429	151	3.41	0.56

Please note ABA refers to Allocation Bank Account.

Compliance and Enforcement (C&E) Strategies

LMW's Compliance and Enforcement Strategy was developed in alignment with the state-wide approach supported by DEECA.

We participate in fortnightly meetings with DEECA and other Victorian Water Corporations to discuss long and short-term strategies which are implemented to ensure consistency across the state. As part of this Community of Practice, we are leading the way in Victoria for compliance and enforcement.

Compliance and Enforcement Communications

LMW maintains regular engagement with rural customers, particularly those identified as having entered into unauthorised water take. To support awareness and compliance, a targeted engagement plan has been developed, incorporating tailored communications across multiple channels. These include web messages displayed within the water ordering portal and automated SMS alerts sent when ABA balances approach zero. Additional SMS communications are deployed as part of customised campaigns to ensure rural customers receive timely and relevant information.

We engage with rural customers through various methods, including:

- on-farm meetings
- regular contact with our customer committees, including the Customer Service Advisory Committees and Strategic Advisory Committee.
- public events including community field days, markets and community days.

Broader communication messages are published in newspapers, on social media, the LMW website and ABC radio.

Reporting on compliance actions

Compliance Actions[5] - Rural Water Corporations				
Category	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Total no. of Breaches	1,502	803	997	1,696
No Further Action Required	599	386	475	185
Dismissed (insufficient evidence)	-	-	-	-
Advisory Letter	-	-	-	-
Formal Warning	943	417	522	1,511
Penalty Infringement Notices	18	16	22	51
Notice of Contravention	230	88	8	27
Notice of Entry	230	88	8	27
Lockdown	2		1	1
Prosecutions Commenced	5	2	4	5
Prosecutions Finalised	6	2	4	2

[5] These actions apply to offences under various sections of the *Water Act 1989*.

Implement metering action plans in line with the Victorian Non-urban Water Metering Policy and the Murray-Darling Basin Compliance Compact metering requirements

LMW continues to meet its regulatory obligations by compiling and submitting annual metering data to DEECA. This process provides a comprehensive and current snapshot of our meter fleet profile, enabling the identification of non-compliant meters not covered by exemption classifications. These meters have been replaced with AS-compliant units to ensure alignment with regulatory standards.

We use this data-driven approach to monitor changes in customer watering practices and identify meters that meet replacement criteria. Particular focus is placed on high-risk meters—those using 5,000 ML or more annually—to ensure they are equipped with functioning telemetry and undergo annual validations, thereby minimising risks to water resources.

Annual reviews allow us to proactively identify key risks, prioritise meter replacements and maintenance, and drive continuous improvement in metering compliance. We are currently finalising our Metering Action Plan to ensure our practices and procedures align with the Victorian Non-Urban Metering Policy and the Murray–Darling Basin Compliance Compact.

Bulk Entitlements Compliance

Bulk Entitlements

Given the unique nature of business in servicing both urban and rural customers, the effective management of water is integral to the liveability and resilience of our communities. LMW manages bulk water entitlements ensuring that urban customers receive quality drinking water and rural customers receive water for stock, domestic usage, and irrigation purposes.

Urban Bulk Entitlement

Water Supply System	Off-take Point	Clause 20.1(b) Bulk Entitlement Order Annual Amount of Water Taken (ML)	Clause 20.1(d) Bulk Entitlement Order Amount of Water Returned (ML)
Koondrook	Koondrook Pump Station	282.53	0
Murrabit	Metered Outlet No 4266A	37.62	0
Kerang	Kerang Pump Station Pump outlet 2542	666.16	0
Kerang	Koondrook-Kerang pipeline	502.43	0
Swan Hill	Swan Hill Pump Station	4,094.55	0
Woorinen	Linked to Swan Hill	*	0
Nyah West	Linked to Swan Hill	*	0
Nyah	Linked to Swan Hill	*	0
Piangil	Piangil Pump Station	156.30	0
Robinvale	Robinvale Pump Station	628.13	0
Red Cliffs	Red Cliffs Pump Station	1,287.09	0
Mildura	Mildura Pump Station	11,062.45	0
Mildura West	Mildura West Pump Station	4,094.21	0
Mystic Park	Kangaroo Lake	12.24	0
TOTAL		**17,240.42**	**0**

* Diverted through Swan Hill pumps

- No water restrictions were implemented during the 2024-25 water year.
- Clause 20.1 (a) the daily amount of water taken at each off-take point was recorded and included in the total annual amount of water reported in clause 22.1 (b).
- Clause 20.1 (b) volumes reported for Kerang do not include volumes reported under Goulburn-Murray Water's (GMW) bulk entitlement.
- Water taken at the Mildura/Mildura West and Piangil off-takes and the Koondrook-Kerang pipeline exceeded the nominal volumes listed in the bulk entitlement. Variances in the volume taken are permitted providing the total water allowed under the bulk entitlement is not exceeded.
- Clause 20.1 (c) no new urban off-take points were agreed to in the 2024-25 year.
- Off-takes continued throughout the 2024-25 year from Mildura West, Kangaroo Lake and Murrabit which need to be reflected in future bulk entitlement amendments.
- Clause 20.1 (d) no water was returned at specified or agreed return points.
- Clause 20.1 (e) a new Bulk Entitlement metering program was approved by the Minister for Water in July 2024. Our Bulk Entitlement Metering Program (2025) is being implemented in accordance with clause 21.3. A record of all work undertaken is maintained via a central register.
- Clause 20.1 (f) there was no permanent transfer of any part of our bulk entitlement.
- There was 8,516.2 ML of allocation traded out of our bulk entitlement.
- Clause 20.1 (g) there was 82.9 ML of allocation traded into our bulk entitlement.
- Clause 20.1 (h) there was no amendment to our bulk entitlement.
- Clause 20.1 (i) no new bulk entitlement was granted to us.
- Clause 20.1 (j) we have complied with all provisions of our bulk entitlement.
- Clause 20.1 (k) we did not experience difficulties in complying with our bulk entitlement, other than the advice provided in dot point 4 above.

Rural Bulk Entitlement

		Bulk Entitlement Order			
		Clause 22.1 (b)	Clause 22.1 (d)	Clause 22.1 (e)	Clause 22.1 (f)
		Annual Amount of Water Taken	Amount of Water Returned	Amount of Water Supplied to VEWH	Amount of Water Supplied to Primary Entitlement Holders
Area supplied	Off-take point	(ML)	(ML)	(ML)	(ML)
Robinvale irrigation district	Robinvale pumping station	22,201	0	0	2,1531
Red Cliffs irrigation district	Red Cliffs pumping station	38,067	0	0	34,167
Merbein irrigation district, and Yelta waterworks district	Merbein pumping station	2,0511	0	243	20,897
Millewa waterworks district and diversion licences	Millewa river pump	28,991	0	0	23,263
This is counted as the point where water is diverted from the River Murray	Central Main Pump Station, at King's Billabong	39,375	0	502	37,034
Used to replenish King's Billabong where River Murray flows are at insufficient level to do this (see clause 18.10)	Psyche Bend pumps	N/A	N/A	N/A	N/A
Along River Murray between the Nyah pumps and the South Australian border, and around King's Billabong	Private diversion points	435,253	0	0	0

- Clause 22.1 (c) no new irrigation district off -take points were agreed to.
- Off-takes continued throughout the 2024-25 year from Robinvale High Pressure Pump Station which need to be reflected in future bulk entitlement amendments and water taken at the Lake Cullulleraine off-take exceeded the daily rate listed of 120ML per day in the bulk entitlement due to increased diversions licenced from the lake however the volume taken did not exceed the total volume permitted in the bulk entitlement.
- Clause 22.1 (d) no water was returned at specified or agreed return points.
- Clause 22.1 (e) the annual amount supplied via our distribution system to the bulk entitlement held by the Victorian Environmental Water Holder (VEWH) to Lake Hawthorn and Koorlong Basin.
- Clause 22.1 (f) the annual amount supplied to primary entitlement holders other than those referred to in clause 22.1 (e).
- Clause 22.1 (g) a new Bulk Entitlement metering program was approved by the Minister for Water in July 2024. Our Bulk Entitlement Metering Program (2025) is being implemented in accordance with clause 21.3. A record of all work undertaken is maintained via a central register.
- Clause 22.1 (h) no transfers occurred of any temporary or permanent water of our bulk entitlement or primary entitlements.
- Clause 22.1 (i) we did not transfer any entitlement or assignment of water allocation under the Act.
- Clause 22.1 (j) bulk entitlement BEE16503 was amended within the 2024-25 water year. 300ML was reduced from the bulk entitlement and transferred to the Commonwealth Environmental Water Holder (CEWH) as water recovered under Phase 1 of the Sunraysia Water Efficiency Project (SWEP).
- Clause 22.1 (k) no new bulk entitlement was granted to LMW with respect to the River Murray.
- Clause 22.1 (l) we exceeded the volume available from BEE016534 by 20.2 ML.
- Clause 22.1 (m) we experienced difficulties in complying with the provisions in BEE016534, particularly by exceeding the maximum loss volumes set out however clause 13 in the bulk entitlement allows the accrual of under/over of losses over a 5 year period. As we have now exceeded in two out of five seasons, we expect to be non-compliant in 2025-26.

Corporate Information and Other Disclosures

Government Advertising Expenditure

Our expenditure in 2024-25 reporting period on government advertising campaigns did not exceed $100,000.

ICT Expenditure

All operational ICT expenditure	ICT Expenditure relating to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
$4,276,014	$4,415,076	$8,691,090	$860,369

Consultancy Expenditure – Consultancies under $10,000

In 2024-2025 there were 17 consultancies engaged during the year, where the total fees payable to the consultants was less than $10,000. The total expenditure incurred during 2024-2025 in relation to these consultancies was $91,678 (excluding GST).

Consultancy Expenditure – Consultancies over $10,000

In 2024-2025 there were 50 consultants engaged during the year, where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2024-2025 in relation to these consultancies was $8.97 million (excluding GST).

Application and Operation of the *Freedom of Information Act 1982*

As a statutory agency of the state government, we are bound by the *Victorian Freedom of Information Act 1982* (FOI Act).

The FOI Act allows the public a right of access to documents held by us. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

Making a Request

When making an FOI request, applicants should ensure the requests are in writing and clearly identify what types of material/documents are being sought. FOI requests can be lodged online at https://ovic.vic.gov.au or access to documents can be obtained through a written request to LMW's Freedom of Information team, as detailed in s17 of the *Freedom of Information Act 1982*.

An application fee of $33.60 applies from 1 July 2025. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

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

Freedom of Information Officer
PO Box 1438
Mildura VIC 3502
or via email: foi@lmw.vic.gov.au

FOI Statistics/Timeliness

During 2024-25, LMW received 4 applications.

Further Information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act, and https://ovic.vic.gov.au/freedom-of-information/

Energy and Water Ombudsman

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

In 2024–25, LMW received a total of 13 complaints through EWOV, comprising 8 referrals and 5 investigations. Of these, 10 have been successfully resolved through direct engagement with customers to reach suitable outcomes. The remaining 3 cases are ongoing, with continued efforts underway to achieve resolution.

EWOV can be contacted in writing via the following address:

The Energy and Water Ombudsman (Victoria)

Reply Paid 469
Melbourne VIC 8060
or via the website: www.ewov.com.au
or by telephone on 1800 500 509

Public Interest Disclosures Act 2012

LMW are committed to the aims and objectives of the *Public Interest Disclosures Act 2012 (PID Act)*, which enables people to disclose corrupt or improper conduct by a public office or a public body. LMW is a public body for the purposes of the PID Act.

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public office or a public body. 'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption. 'Detrimental action' is action taken against a person in reprisal for making a public interest disclosure.

We are not able to receive public interest disclosures directly but have established a procedure explaining how we will protect people against detrimental action in reprisal for making a public interest disclosure about LMW, its Board Members, officers, or employees. Our procedure can be accessed on our website www.lmw.vic.gov.au

Public interest disclosures about LMW, its Board Members, officers, or employees can be made by contacting:

Independent Board-based Anti-Corruption Commission (IBAC)

GPO Box 24234
Melbourne VIC 3001
Or via website: www.ibac.vic.gov.au
or by telephone on 1300 735 135

Disclosure of Review and Study Expenses

In 2024-25 there was a total of one review undertaken which was not commercially sensitive with the total cost $130,000 for this period.

Details of the individual reviews and studies are outlined below.

Name of the review/study	Internal Audit Program
Reasons for review/study	Internal Audit program which provides assurance to the organisation over the internal control environment, systems and processes, project and program management activities, governance and risk management.
Terms of reference/scope	• Integrity of the Billing Process • Assets and Accounts Receivable Data • Fraud and Corruption Control • Corporate Governance • Water System Compliance • Budgeting and Forecasting
Anticipated outcomes	Recommendations for improvement to be provided to LMW and built into key workplans.
Estimated cost for the year (exc. GST)	$130,000
Final cost if completed (excl. GST)	N/A
Publicly available Y/N	N

Local Jobs First

Introduced in August 2018, the *Local Jobs First Act 2003 (Vic)* consolidates the Victorian Industry Participation Policy (VIPP) and the Major Projects Skills Guarantee (MPSG), which were previously administered separately, into a single legislative framework.

Under the *Local Jobs First Act 2003 (Vic),* departments and public sector bodies are required to apply the policy to all projects valued at $3 million or more in metropolitan Melbourne or for state-wide initiatives, and $1 million or more for projects in regional Victoria.

During the 2024–25 financial year, LMW commenced and/or completed 15 Local Jobs First Standard projects, all located in regional Victoria. These projects totalled $28,777,951 in value, with an average local content commitment of 75%. No projects were initiated in metropolitan Melbourne or classified as state-wide during this period.

The number of small to medium enterprises engaged as either the principal contractor or as part of the supply chain was 176.

The total number of opportunities created through Major Project Skills Guarantee, and the Local Jobs First projects was 26. No grants were obtained.

Emergency Procurement

LMW had no emergency procurement for the financial year 2024-25.

Procurement Complaints

LMW received no procurement complaints for the financial year 2024-25.

Social Procurement

LMW has had an established Social Procurement Strategy in place in accordance with the Victorian Government Social Procurement Framework (SPF).

Social Procurement creates ongoing opportunities to use buying power to generate social benefits beyond the products and services required and contribute to the economic, social and cultural development of our region.

Our Social Procurement Strategy continues to target three priority objectives from the Social Procurement Framework:

1. Sustainable Victoria regions
2. Supporting safe, inclusive and fair workplaces
3. Environmentally sustainable business practices

The following activities/initiatives were undertaken during the reporting period to build both staff and supplier capability and to support the Social Procurement Strategy:

- staff were provided with information and training on how to implement social procurement into purchases based on value.
- a list of social enterprises located in our region was created making direct spending easier.
- procurements that meet the tender threshold included criteria for social and sustainable practices or commitments.
- all notifications of tender opportunities highlighted the need to respond to schedules relating to social procurement and indicate if a weighting will be applied.
- suppliers were provided with information on social procurement, targeted objectives and how to respond when bidding for tenders.

The following outcomes were achieved during the reporting period:

- engaged 284 suppliers that have a business registered in the LMW region that are categorised by the Socio-Economic Indexes for Areas (SEIFA) as an area of Socio-Economic disadvantage, with a total spend of $16.8 million across those suppliers.
- directly engaged Social Benefit Suppliers, all of which are in our region.
- all suppliers that entered into contracts with LMW during the 2024-25 financial year made a commitment to the Victorian Supplier Code of Conduct which specifies the minimum expectations in the areas of:
  - Integrity, Ethics and Conduct
  - Conflict of interest
  - Gifts, Benefits and Hospitality
  - Corporate Governance
  - Labour and Human Rights
  - Health and Safety
  - Environmental Management

Major Contracts

LMW had no contracts over the $10 million threshold.

Building and Maintenance Provisions of the *Building Act 1993*

All LMW-owned government buildings across our service region are required to comply with the *Building Act 1993 (Vic)*, including its building and maintenance provisions. To ensure compliance, LMW engages appropriately qualified consultants and contractors for all proposed works. These professionals are required to deliver services in accordance with current building standards, including the Building Regulations 2018 and the National Construction Code (NCC).

Consultants and contractors are expected to have robust mechanisms in place to ensure ongoing compliance with all relevant legislation and codes. Internally, LMW's Corporate Services and Planning Teams are responsible for the mandatory testing of essential safety measures. These inspections inform a structured works program, which is delivered through existing maintenance schedules to uphold building safety and regulatory standards.

In 2024-25	Number
Number of major works projects undertaken by Lower Murray Water (greater than $50,000)	Nil
Number of building permits, occupancy permits, or certificates of final inspection issued in relation to buildings	Nil
Number of emergency orders and building orders issued in relation to buildings	Nil
Number of buildings that have been brought into conformity with building standards during the reporting period	Nil

Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest.

Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation.

This policy does not override other policy objectives of government and focuses on efficiency in the provision of service. We continue to comply with the requirements of the Competitive Neutrality Policy.

Statement of Other Available Information

The following information is available on request, subject to the *Freedom of Information Act 1982*:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers.
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- details of publications produced by the agency about itself, and how these can be obtained.
- details of changes in prices, fees, charges, rates, and levies charged by the agency.
- details of any major external reviews carried out by the agency (none conducted during 2024-25).
- details of major research and development activities undertaken by the agency.
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit (no Board members or staff participated in overseas work-related trips during 2024-25).
- details of major promotional, public relations and marketing activities undertaken by the agency to develop community awareness of LMW and our services.
- details of assessments and measures undertaken to improve the occupational health and safety of employees.
- a general statement on industrial relations within the agency, and details of time lost through industrial accidents and disputes.
- a list of the agency's major committees, the purpose of each committee, and the extent to which those purposes have been achieved.
- details of all consultancies and contractors, including consultants/contractors engaged.
- services provided, and expenditure committed for each engagement.

Section 4.
Financial Performance

Performance Reporting - Financial

Current year financial review

The Corporation recorded a net loss before tax of $15.9m, which represents a $9.6m improvement on the prior year's net loss before tax result of $25.5m. This includes revenue and expenditure associated with the Victorian Murray Floodplain Restoration Project (VMFRP) that recorded a cash profit of $10.6m. Excluding VMFRP from the financial results, the net result before tax would be a loss of $26.5m.

Whilst the underlying net result (excluding VMFRP) shows a deficit, the result is somewhat consistent with the prior year deficit (excluding VMFRP) of $22.9m.

Total Revenue for the year of $113.2m is $21.9m higher than 2023-24 ($91.3m), which is primarily due to an increase in VMFRP funding of $16.4m and core business tariff revenue of $6.4m. We also continued to see strong urban growth with Capital Contributions of $6.1m.

Total Expenditure for the year of $125.6m is $11.8m higher than 2023-24 ($113.8m). Other expenses increased by $7.2m due to several factors including higher consulting costs of $3.7m, primarily to support the Technology Uplift Program (TUP) and Rural Master Plan 2050 initiative. Electricity costs increased by $1.8m, mainly associated with the additional pumping, filtration and treatment activities undertaken, with treated water flows this financial year being well above average. Employee related expenses are also higher by $1.8m, partly due to additional employees required to deliver services to our customers.

Cashflows from operating activities were $18.0m, which comprised VMFRP and core business cashflows of $11.9m and $6.1m respectively. Capital investment of $26.3m included $26.1m for infrastructure property, plant, and equipment. This expenditure was partially funded by an increase in net borrowings of $6.9m.

Our cash position remains positive, with LMW remaining well placed to service debt with sufficient coverage to manage increase in debt requirements for future investments.

Capital projects

During 2024-25 there were no projects completed that exceeded the $10m disclosure threshold.

Five-year financial summary

Financial Results	2024-25 $'000	2023-24 $'000	2022-23 $'000	2021-22 $'000	2020-21 $'000
Core business revenue	75,365	69,007	61,361	61,499	61,602
Capital contributions	6,103	5,113	9,127	7,264	5,584
Government contributions	3,050	5,535	2,750	2,315	2,317
VMFRP funding	24,061	7,677	34,526	25,541	27,761
Other revenue	4,647	3,993	3,649	4,146	3,892
Total Revenue	**113,226**	**91,325**	**111,413**	**100,765**	**101,156**
Depreciation expenses	(42,856)	(41,376)	(36,571)	(35,994)	(29,157)
VMFRP expenses	(13,411)	(10,245)	(30,581)	(34,549)	(16,588)
Other expenses	(69,313)	(62,130)	(61,565)	(50,883)	(48,914)
Total Expenditure	**(125,580)**	**(113,751)**	**(128,717)**	**(121,426)**	**(94,659)**
Net finance costs	**(3,402)**	**(2,989)**	**(2,897)**	**(2,601)**	**(2,696)**
Other Economic Flows included in Net Result	**(109)**	**(47)**	**(522)**	**(358)**	**(241)**
Net Result before tax	**(15,865)**	**(25,462)**	**(20,723)**	**(23,620)**	**3,560**
Current assets	45,399	46,493	36,304	33,134	35,611
Non-current assets	1,072,850	1,086,448	1,089,033	967,506	967,504
Total Assets	**1,118,249**	**1,132,941**	**1,125,337**	**1,000,640**	**1,003,115**
Current liabilities	20,649	27,276	20,086	28,823	23,080
Non-current liabilities	225,290	224,139	229,143	185,221	176,551
Total Liabilities	**245,939**	**251,415**	**249,229**	**214,044**	**199,631**
Net cash from operations	**18,036**	**19,542**	**(5,078)**	**9,072**	**33,773**
Payments for infrastructure property, plant and equipment	26,146	32,081	26,214	19,064	16,419

Note: Comprehensive financial statements can be found on pages 106-109.

Performance Indicators	2024-25	2023-24	2022-23	2021-22	2020-21
Internal Financing Ratio	68.95%	54.63%	-16.59%	30.62%	190.94%
Gearing Ratio	7.04%	6.34%	6.03%	5.49%	4.46%
Interest Cover (EBIT) times	-3.19	-6.07	-5.44	-7.80	2.24
Interest Cover (Cash) times	6.30	7.54	-0.75	4.49	13.53
Return on Assets	-1.11%	-1.99%	-1.68%	-2.1%	0.66%
Return on Equity	-0.99%	-2.06%	-1.70%	-2.55%	0.76%

Financial Performance vs Corporate Plan

Operating results and financial position

As VMFRP isn't included in the Corporate Plan target, the following analysis excludes the $10.6m profit recorded by VMFRP in 2024-25.

LMW recorded a net loss before tax result of $26.5m which is $2.0m lower than the Corporate Plan net loss before tax target of $24.5m.

Revenue

Revenue for the year of $89.2m is $5.0m above the Corporate Plan target of $84.2m, largely due to higher core business service and usage charges of $2.6m. This is mainly attributable to below average rainfall and higher than average temperatures during the financial year, which resulted in increased usage by our urban and irrigation customers.

Developer contributions also exceeded budget by $1.6m, primarily due to continued urban growth.

Expenditure

Operating expenditure for the year of $112.2m exceeded the Corporate Plan target of $104.6m by $7.6m. The higher expenses, compared to our Corporate Plan, have mainly been driven by additional costs (including electricity) associated with pumping, filtration and treatment activities, with treated water flows this financial year being above well average due to the drought conditions. Consultant costs are also higher largely due to the external expertise required to project manage TUP and support the Rural Master Plan 2050 initiative.

Infrastructure, Land and Buildings, Property, Plant and Equipment

LMW operations have a significant impact on the region's economy and livability. The corporation has Non-Current Assets of $1,073m. The following cash payments were made for capital and operating activities during the 2024-25 year:

- $26m capital and related infrastructure works; and
- $94m in operating payments to suppliers and employees (including VMFRP).

Summary of Performance against Corporate Plan Budget (excluding VMFRP)

Financial Results	Actual Result $'000	Corporate Plan $'000	Variance $'000	Variance %
Service and usage charges*	77,743	75,143	2,600	3%
Government grants and contributions*	672	307	365	119%
Developer contributions	6,103	4,500	1,603	36%
Other revenue	4,647	4,261	386	9%
Total Revenue	89,165	84,211	4,954	6%
Depreciation expenses	(42,856)	(41,957)	(899)	(2%)
Environmental contribution	(2,254)	(2,251)	(3)	0%
Operating, maintenance and administration expenses	(67,059)	(60,415)	(6,644)	(11%)
Total Expenditure	**(112,169)**	**(104,623)**	**(7,546)**	**(7%)**
Net Finance costs	**(3,402)**	**(3,975)**	**573**	**14%**
Net Loss economic flow	**(109)**	**(87)**	**(22)**	**(25%)**
Net Result before tax	**(26,515)**	**(24,474)**	**(2,041)**	**(8%)**

* Government pensioner concession reimbursement included in service and usage charges for comparative purposes to the Corporate Plan

Core business performance indicators (excluding VMFRP)

Performance Indicators	2024-25	2023-24	2022-23	2021-22	2020-21
Internal Financing Ratio[1]	23.33%	62.62%	-7.57%	50.78%	117.27%
Gearing Ratio[2]	7.12%	6.35%	6.05%	5.52%	4.52%
Interest Cover (EBIT) times[3]	-5.92	-5.38	-6.64	-4.46	-1.76
Interest Cover (Cash) times[4]	2.79	8.49	0.20	6.79	8.69
Return on Assets[5]	-2.07%	-1.77%	-2.06%	-1.21%	-0.52%
Return on Equity[6]	-2.23%	-1.77%	-2.18%	-1.30%	-0.70%

Notes

A review of the 2024-25 core business performance indicators compared to 2023-24 is as follows, with the unfavourable movements in the indicators being due to:

1. Lower net operating cash flow of $16.3m, mainly attributable to a one-off SWEP working capital movement.
2. Additional borrowings of $6.9m in 2024-25, to fund a portion of the capital program.
3. Lower Earnings Before Interest and Tax (EBIT) of $3.2m, as additional revenue could not cover the higher operating costs year on year.
4. Lower net operating cash flow of $16.3m, mainly attributable to a one-off SWEP working capital movement.
5. Lower EBIT of $3.2m, as additional revenue could not cover the higher operating costs year on year.
6. Lower Net Result after tax of $3.9m, as additional revenue could not cover the higher operating costs year on year.

Financials

Summary of Carrying Value by Asset Class

Asset Class	2024-25 $'000	2023-24 $'000	2022-23 $'000	2021-22 $'000	2020-21 $'000
Land	18,023	18,023	17,997	18,019	14,565
Buildings	10,053	10,358	10,717	9,460	9,500
Infrastructure	1,007,855	1,000,972	1,013,077	896,636	917,353
Plant and Equipment	10,516	9,451	7,122	7,454	7,039
Works in Progress	12,347	33,496	28,716	24,398	13,382
Total Assets Carrying Value	**1,058,794**	**1,072,300**	**1,077,629**	**955,967**	**961,839**

In accordance with FRD 103 LMW conducted an annual review of the fair value carrying value of each asset class and due to no material increases greater than 10% in the Australian Bureau of Statistics and Valuer-General Building (VGV) indices no managerial revaluation was required during 2024-25. No projects completed during the reporting period exceeded the disclosure threshold of $10m.

Agreed outcomes with customers were set for the 2023-28 pricing submission period (excluding SWEP) which has seen the following key projects progress or be completed in 2024-25:

Works	Outcome	2024-25 Investment $'000
Mildura West WTP Ground Level Storage	Reliable and safe drinking water	1,101
Mildura 10th Street Water Tower Repairs	Reliable and safe drinking water	812
Mildura West WTP Filter Media Replacement	Reliable and safe drinking water	696
Mildura Irrigation Meter Replacement	Service our communities in a socially responsible and environmentally sustainable manner	554
Private Divertors Metering Program	Service our communities in a socially responsible and environmentally sustainable manner	383
Kerang Vaughan Street Water Tower Roof Refurbishment	Reliable and safe drinking water	329
Mildura WWTP Hardstand	Provide customers with reliable sewerage services	304
Red Cliffs Irrigation Meter Replacement	Service our communities in a socially responsible and environmentally sustainable manner	302
Red Cliffs town Reticulation pressure improvement	Provide customers with water when they need it	301
Swan Hill WTP Flow Balance Tanks	Reliable and safe drinking water	263

For information on our capital projects and the broader Victorian Public Sector, please refer to the most recent Budget Paper No.4 State Capital Program (BP4) which is available on the Department of Treasury and Finance website

Audited Statement of Performance

Financial Performance

Reporting on financial performance

Financial Performance					
Key Performance Indicators	**2023-24 Result**	**2024-25 Result**	**Variance to 2023-24**	**2024-25 Target**	**Variance to Target**
Cash Interest Cover Net operating cash flows before net interest and tax/net interest payments	7.54	6.30	-16.4%[1]	4.54	38.9%[2]
Gearing Ratio Total Debt (including finance leases)/total assets	6.3%	7.0%	-11.0%[3]	7.4%	4.8%
Internal Financing Ratio Net operating cash flow less dividends/net capital expenditure	54.6%	69.0%	26.2%[4]	34.9%	97.8%[5]
Current Ratio Current assets/current liabilities (excluding long-term employee provisions and revenue in advance)	215.4%	267.0%	24.0%[6]	114.9%	132.3%[7]
Return on Assets Earnings before net interest and tax/average assets	-2.0%	-1.1%	44.2%[8]	-1.9%	40.3%[9]
Return on Equity Net profit after tax/average total equity	-2.1%	-1.0%	51.9%[10]	-2.0%	49.8%[11]
EBITDA Margin Earnings Before Interest, Tax, Depreciation and Amortisation/total revenue	20.5%	26.8%	30.7%[12]	25.0%	7.2%

Notes

1. Unfavourable Cash Interest Cover variance (compared to 2023-24) due to lower net operating cashflows (before net interest and tax) of $1.1m and additional net interest of $0.4m
2. Favourable Cash Interest Cover (compared to target) primarily due to higher net operating cashflows (before net interest and tax) of $3.4m. It should be noted that the Corporate Plan and its target ratios exclude VMFRP activities from the calculations as this is not part of core LMW activities. VMFRP had a net operating cashflow of $11.9m. This is offset by lower LMW (excluding VMFRP) net operating cashflows of $8.5m, which is mainly attributable to unfavourable working capital movements relating to the timing of payments
3. Unfavourable Gearing Ratio (compared to 2023-24) mainly due to additional borrowings of $6.9m in 2024-25
4. Favourable Internal Financing Ratio (compared to 2023-24) primarily due to lower SWEP capital expenditure of $9.3m with the program completed part way through 2024-25
5. Favourable Internal Financing Ratio (compared to target) largely due to lower net capital expenditure of $14.2m associated with Infrastructure project delays. Net operating cashflows were higher by $4.0m (refer note 1b), which also contributed to the above target outcome
6. Favourable Current Ratio (compared to 2023-24) primarily due to lower current liabilities of $4.6m mainly attributable to a reduction in SWEP capex accruals with the program completed in 2024-25
7. Favourable Current Ratio (compared to target) mainly due to a higher cash and deposits balance of $20.0m including VMFRP cash of $14.0m
8. Favourable Return on Assets (compared to 2023-24) primarily due to a $10.0m increase in EBIT with the main contributor being a higher VMFRP EBIT of $13.2m
9. Favourable Return on Assets (compared to target) due to a $8.6m increase in EBIT, comprising a VMFRP EBIT of $10.7m offset by a below target LMW (excluding VMFRP) EBIT of $2.1m
10. Favourable Return on Equity (compared to 2023-24) mainly due to a lower net loss of $9.4m, with the main driver being a higher VMFRP net profit of $13.2m
11. Favourable Return on Equity (compared to target) due to a lower net loss of $8.4m, comprising a VMFRP net profit of $10.7m offset by a below target LMW (excluding VMFRP) net loss of $2.3m
12. Favourable EBITDA Margin (compared to 2023-24) mainly due to the VMFRP EBITDA result being $13.2m higher in 2024-25

Reporting on operational performance relating to urban water and sewerage network reliability and water reuse

Operational Performance						
Water and Sewerage Network Reliability Indicators	**ESC Code**	**2023-24 Result**	**2024-25 Result**	**Variance to Previous AR Year**	**2024-25 Target**	**Variance to Target**
Water Service - minutes off supply (planned and unplanned) [1, 2] how many minutes on average a customer was without water supply during a year	REW 8	9.40	12.10	28.7%[1]	10.00	21.0% [2]
Unplanned water supply interruptions percentage of customers receiving (x) unplanned interruptions in the year	REW 9*	0.34%	0.00%	-100%	0.00%	0.0%
Sewerage Service – sewer blockages [3, 4] number of sewer blockages reported per 100 kilometres of sewer main	RES 1	12.80	15.60	21.8%[3]	17.40	-10.3%[4]
Sewerage Service – sewer spills [5, 6] number of sewer spills reported per 100 kilometres of sewer main	RES 6	4.00	4.50	12.5%[5]	3.50	28.6%[6]
Sewerage Service - containment of sewer spills Percentage of sewer spills from reticulation and branch sewers contained within 5 hours	RES 7**	96.00%	96.00%	0.0%	97.00%	-99.0%
Water Reuse Indicators	**ESC Code**	**2023-24 Result**	**2024-25 Result**	**Variance to Previous AR Year**	**2024-25 Target**	**Variance to Target**
Recycled water – effluent treatment and reuse [7, 8] proportion of water recycled as a percentage of the volume of effluent produced	CRR 1	58.80%	68.64%	16.7%[7]	60.00%	14.4%[8]

Notes

1. Unfavourable variance to previous year is a result of Water Service - minutes off supply recording a slight increase in both planned and unplanned interruptions.
2. Unfavourable variances to target are a result of Water Service - minutes off supply exceeding the target due to an increase in customer numbers.
3. Unfavourable variances to previous year for sewer blockages is a result of recording 121 compared to 90 in the prior year. This can be attributed to deferring our scheduled root foaming program.
4. Favourable variances to target for Sewer Blockages is a result of being less than the 5 year average.
5. Unfavourable variances to previous year for Sewer Spills is a result of a slight increase from 28 last year to 29 this year.
6. Unfavourable variances to target for Sewer Spills is a result of incurring more than the five 5 year average.
7. Favourable variances to previous year for Recycled Water is a result of an increase in reuse water primarily driven by below-average winter rainfall, coupled with winter cropping activities undertaken by a third-party reuse customer.
8. Favourable variances to target for recycled water is a result of an increase in reuse water primarily driven by below-average winter rainfall, coupled with winter cropping activities undertaken by a third-party reuse customer.

Operational Performance					
Water Service Indicators	**2023-24 Result**	**2024-25 Result**	**Variance to Previous AR Year**	**2024-25 Target**	**Variance to Target**
Rural water supply deliveries Percentage of orders delivered at agreed time	99.88%	99.86%	0.0%	98.00%	1.9%
Transfer of water shares - applications completed within agreed timeframes [1] Percentage of applications completed within agreed timeframes	96.00%	97.00%	1.0%	85.00%	14.1%[1]
Unavailability of Stock and Domestic supply Percentage of time that stock and domestic service is unavailable in excess of on-property storage requirement	0.00%	0.00%	0.0%	0.00%	0.0%
Groundwater supply Percentage of transfers processed within target period	0.00%	0.00%	NA	0.00%	NA

Notes

1 Favourable variance to target is a result of an increase in transfer of water share applications from 372 last year to 414 this year. Despite the increase our Rural Customer team successfully processed the applications well above the service target.

Certification of Performance Report

Certification of Performance Report for 2024-25

We certify that the accompanying Performance Report of Lower Murray Urban and Rural Water Corporation in respect to the 2024-2025 financial year is presented fairly and in accordance with the *Financial Management Act 1994*.

The Performance Report outlines the relevant performance indicators for the financial year as determined by the responsible Minister and as set out in the 2024-2025 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 act 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.

Hannah Yu
General Manager Business Services
Lower Murray Urban and Rural Water Corporation
Mildura

Paul Northey
Managing Director
Lower Murray Urban and Rural Water Corporation
Mildura

Sharyon Peart
Board Chair
Lower Murray Urban and Rural Water Corporation
Mildura

Dated this day, 3 October 2025

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Board of Lower Murray Urban and Rural Water Corporation

Opinion	I have audited the performance report of Lower Murray Urban and Rural Water Corporation (the corporation) for the year ended 30 June 2025 which comprises the: • financial performance indicators • water and sewerage network reliability performance indicators • water reuse performance indicator • water service performance indicators • notes to the performance report • certification of the performance report. In my opinion, the performance report of the corporation for the year ended 30 June 2025 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 (including Independence Standards)* (the Code) that are relevant to my audit of the performance report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the 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.

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

T McQuid

MELBOURNE
13 October 2025

Timothy Maxfield
as delegate for the Auditor-General of Victoria

Independent Auditor's Report

VAGO
Victorian Auditor-General's Office

To the Board of Lower Murray Urban and Rural Water Corporation

Opinion	I have audited the financial report of Lower Murray Urban and Rural Water Corporation (the corporation) which comprises the: • balance sheet as at 30 June 2025 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • declaration in the financial statements. In my opinion, the financial report presents fairly, in all material respects, the financial position of the corporation as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards - Simplified Disclosures.
Basis for opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's responsibilities for the audit of the financial 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 (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Other information	The Board is responsible for the "Other Information" included in the corporation's annual report for the year ended 30 June 2025. The Other Information in the annual report does not include the financial report, performance report and my auditor's reports thereon. My opinion on the financial report does not cover the Other Information included in the Annual Report. Accordingly, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the Other Information when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a materially misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.
Board's responsibilities for the financial report	The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the 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.

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Auditor's responsibilities for the audit of the financial report	As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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
13 October 2025

Timothy Maxfield
as delegate for the Auditor-General of Victoria

Lower Murray Urban & Rural Water Corporation

Financial Report

for the year ended 30 June 2025

Lower Murray Urban & Rural Water Corporation
General purpose financial statements - 30 June 2025

Lower Murray Urban ft Rural Water Corporation (Lower Murray Water) has pleasure in presenting its audited general purpose financial statements for the financial year ended 30 June 2025. It is presented in the following structure:

Contents

Financial statements — **Page**

Comprehensive operating statement 106
Balance sheet 107
Cash flow statement 108
Statement of changes in equity 109

Notes to the financial statements

Note 1 About this report 110
1.1 Basis of preparation 110

Note 2 Funding delivery of our services 112
2.1 Revenue from contracts with customers 112
2.2 Government grants and contributions 115
2.3 Other income 115

Note 3 The cost of delivering our services 117
3.1 Employee benefits 117
3.2 Direct operating expenses 119
3.3 Repairs and maintenance 119
3.4 Other expenses 119
3.5 Net finance costs 120

Note 4 Key assets available to support delivery of our services 121
4.1 Infrastructure, property, plant and equipment 121
4.2 Intangible assets 123

Note 5 Other assets and liabilities 125
5.1 Receivables 125
5.2 Payables 126
5.3 Inventories 127

Note 6 How we financed our operations 128
6.1 Interest bearing liabilities 128
6.2 Cash flow information and balances 128
6.3 Commitments for expenditure 129

Note 7 Risks, contingencies and valuation judgements 130
7.1 Interest bearing liabilities 130
7.2 Contingent assets and contingent liabilities 132
7.3 Fair value determination 132

Note 8 Statutory obligations 135
8.1 Income tax 135

Note 9 Other disclosures 137
9.1 Other economic flows included in net results 137
9.2 Events occurring after the balance date 137
9.3 Responsible persons 137
9.4 Related parties 138
9.5 Remuneration of auditors 141
9.6 Changes in accounting policies 141
9.7 Australian Accounting Standards issued that are not yet effective 142

Note 10 Financial impacts of projects 143
10.1 Background: Victorian Murray Floodplain Restoration Project 143
10.2 Impact on the Operating statement 143
10.3 Impact on the Balance sheet 144
10.4 Impact on the Cash flow statement 144

Comprehensive operating statement

For the year ended 30 June 2025

	Notes	2025 $'000	2024 $'000
Revenue and income from transactions			
Revenue from contracts with customers	2.1	81,468	74,120
Victorian Murray Floodplain Restoration Project funding	10.2	24,061	7,677
Government grants and contributions	2.2	3,050	5,535
Other income	2.3	4,647	3,993
Total revenue and income from transactions		**113,226**	**91,325**
Expenses from transactions			
Depreciation	4.1.1	(42,719)	(41,129)
Amortisation	4.2	(137)	(247)
Employee benefits	3.1.1	(25,621)	(23,794)
Direct operating expenses	3.2	(20,719)	(15,149)
Repairs and maintenance	3.3	(11,946)	(13,579)
Victorian Murray Floodplain Restoration Project funding	10.2	(13,411)	(10,245)
Environmental contribution		(2,254)	(2,251)
Other expenses	3.4	(8,773)	(7,357)
Total expenses from transactions		**(125,580)**	**(113,751)**
Finance income		504	711
Finance expense		(3,906)	(3,700)
Net finance costs	3.5	**(3,402)**	**(2,989)**
Net result from transactions (net operating balance)		**(15,756)**	**(25,415)**
Other economic flows included in net result			
Net loss on non-financial assets		(231)	(47)
Net gain on financial instruments		122	-
Total other economic flow included in net result	9.1	**(109)**	**(47)**
Net result before income tax		**(15,865)**	**(25,462)**
Income tax revenue	8.1.1	7,149	7,378
Net result		**(8,716)**	**(18,084)**
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus		-	2
Total other economic flows - other comprehensive income		**-**	**2**
Comprehensive result		**(8,716)**	**(18,082)**

The accompanying notes form part of these financial statements.

Balance sheet

As at 30 June 2025

	Notes	2025 $'000	2024 $'000
Assets			
Current assets			
Cash flow information and balances	6.2	22,771	24,017
Receivables	5.1	15,645	14,829
Inventories	5.3	5,488	5,419
Other non-financial assets		1,495	2,228
Total current assets		**45,399**	**46,493**
Non-current assets			
Receivables	5.1	-	100
Infrastructure, property, plant and equipment	4.1.1	1,058,794	1,072,300
Intangibles	4.2	14,051	14,043
Other financial assets		5	5
Total non-current assets		**1,072,850**	**1,086,448**
Total assets		**1,118,249**	**1,132,941**
Liabilities			
Current liabilities			
Payables	5.2	8,096	13,441
Employee benefits provision	3.1.2	6,877	6,725
Interest bearing liabilities	6.1	5,676	7,110
Total current liabilities		**20,649**	**27,276**
Non-current liabilities			
Other financial liabilities		137	261
Employee benefits provision	3.1.2	717	617
Interest bearing liabilities	6.1	72,998	64,674
Net deferred tax liabilities	8.1.2	151,438	158,587
Total non-current liabilities		**225,290**	**224,139**
Total liabilities		**245,939**	**251,415**
Net assets		**872,310**	**881,526**
Equity			
Contributed capital		670,524	671,024
Physical asset revaluation reserve		362,144	362,144
Accumulated deficit		(160,358)	(151,642)
Total equity		**872,310**	**881,526**

The accompanying notes form part of these financial statements.

Cash flow statement

For the year ended 30 June 2025

	Notes	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts			
Service and usage charges / Receipts from contracts with customers		74,386	68,110
Receipts from Government		27,111	13,212
Interest received		504	711
Developer contribution fees		66	63
Income for capital purposes		2,121	1,331
Goods and Services Tax received from the ATO		7,497	6,689
Other receipts		4,208	9,428
Total receipts		**115,893**	**99,544**
Payments			
Payments to suppliers and employees		(93,859)	(76,189)
Interest and other cost of finance paid		(3,906)	(3,700)
Goods and Services Tax paid to the ATO		(92)	(113)
Total payments		**(97,857)**	**(80,002)**
Net cash flows from operating activities		**18,036**	**19,542**
Cash flows from investing activities			
Payments for infrastructure, property, plant and equipment		(26,146)	(32,081)
Proceeds from sale of infrastructure, property, plant & equipment		619	617
Payments for intangible assets		(145)	(3,026)
Net cash flows used in investing activities		**(25,672)**	**(34,490)**
Cash flows from financing activities			
Proceeds from borrowings		13,000	7,000
Repayment of borrowings		(6,110)	(3,048)
Government capital contributions		-	23,500
Capital repatriation		(500)	-
Net cash flows from financing activities		**6,390**	**27,452**
Net increase/(decrease) in cash and deposits		**(1,246)**	**12,504**
Cash and deposits at the beginning of the financial year		24,017	11,513
Cash and deposits at the end of the financial year	6.2	**22,771**	**24,017**

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2025

	Contributed capital $'000	Physical asset revaluation reserve $'000	Accumulated deficit $'000	Total equity $'000
Balance at 1 July 2023	**647,524**	**362,142**	**(133,558)**	**876,108**
Net result for the year	-	-	(18,084)	**(18,084)**
Other comprehensive income	-	2	-	**2**
Total comprehensive income	**-**	**2**	**(18,084)**	**(18,082)**
Transactions with the State in its capacity as owner:				
Contributions by owners	23,500	-	-	**23,500**
Balance at 30 June 2024	**671,024**	**362,144**	**(151,642)**	**881,526**
Balance at 1 July 2024	**671,024**	**362,144**	**(151,642)**	**881,526**
Net result for the year	-	-	(8,716)	**(8,716)**
Total comprehensive income	**-**	**-**	**(8,716)**	**(8,716)**
Transactions with the State in its capacity as owner:				
Capital repatriation	(500)	-	-	**(500)**
Balance at 30 June 2025	**670,524**	**362,144**	**(160,358)**	**872,310**

The accompanying notes form part of these financial statements.

Notes accompanying financial statements

1. *About this report*

1.1 Basis of preparation

A description of the nature of its operations and Lower Murray Water's principal activities is included in the Report of operations, which does not form part of these financial statements.

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

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

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Lower Murray Water.

Capital grants which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of distributions to or contributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes where amounts affected by those judgements are disclosed.

All amounts in the financial statements have been rounded to the nearest $1,000 unless otherwise stated.

The financial report includes separate financial statements for Lower Murray Water as an individual reporting entity. This financial report is a general purpose financial report that consists of a Comprehensive operating statement, Balance sheet, Cash flow statement, Statement of changes in equity, Notes and Directors declaration accompanying these statements for the year ending 30 June 2025. Lower Murray Water is a not-for-profit entity for the purpose of preparing the financial statements.

The annual financial statements were authorised for issue by the Board on 3 October 2025.

The principal address is:
Lower Murray Water
741-759 Fourteenth Street
Mildura VIC 3500

The financial information has been prepared based on Lower Murray Water's main functions which gives a more detailed understanding of the different areas of the business. Lower Murray Water provide potable water and wastewater services to Urban customers (Water and Wastewater). The Rural business includes the delivery of river water for irrigation purposes and the provision of drainage services.

Notes accompanying financial statements

Controlled Projects
The operations of the Victorian Murray Floodplain Restoration Project have been ring fenced from the core business of Lower Murray Water to ensure Lower Murray Water customers are not affected. Refer to Note 10.1 for further detail.

Compliance information
These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs), which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. *Funding delivery of our services*

Introduction

This section provides additional information about how Lower Murray Water is funded and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

Lower Murray Water provides water services, wastewater collection treatment and disposal to urban areas along the Murray from Koondrook to Merbein, river quality water services to irrigators and manages private diversion licenses from Nyah to the South Australian border. Where appropriate, amounts have been segmented into the categories Water & Wastewater and Irrigation & Drainage to reflect the services provided. Lower Murray Water's key source of funding is provided from water services charges and volume-based tariffs for water delivered.

Revenue is recognised when control of a good or service has transferred to a customer. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

Revenue and income that fund delivery of Lower Murray Water's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.1 Revenue from contracts with customers

		TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	Notes	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Revenue from service, usage and trade waste charges	2.1.1	75,365	69,007	45,128	41,246	30,237	27,761
Developer contributions	2.1.2	6,103	5,113	5,992	5,021	111	92
Total revenue from contracts with customers		**81,468**	**74,120**	**51,120**	**46,267**	**30,348**	**27,853**

Revenue and income that fund delivery of Lower Murray Water services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.1.1 Revenue from service, usage and trade waste charges

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Service charges						
Water	28,453	27,050	7,486	7,146	20,967	19,904
Sewerage	18,905	18,036	18,905	18,036	-	-
Trade waste	1,112	741	1,112	741	-	-
Recycled water	-	77	-	77	-	-
Irrigation drainage service charges	1,559	1,532	-	-	1,559	1,532
Usage charges						
Water	25,084	21,272	17,373	14,947	7,711	6,325
Recycled water	252	299	252	299	-	-
Total revenue from service usage and trade waste charges	**75,365**	**69,007**	**45,128**	**41,246**	**30,237**	**27,761**

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Water and Wastewater service charges	Water service charges are recognised as revenue when services have been provided or service charge has been made. Trade waste charges are recognised as revenue at the end of the service delivery period. As at 30 June 2025 all service charges for the financial year have been invoiced resulting in no service charge accrued revenue therefore no contract asset is required to be reported under AASB 15.	Revenue is recognised over time as service is provided.

Notes accompanying financial statements

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Water and Wastewater usage charges	Usage charges are billed quarterly in arrears and revenue is recognised over time as Lower Murray Water has the right to receive an amount of consideration based on the unit of water consumed by and sewage, recycled water and trade waste disposed of during the financial year and the regulated price. The meters are read on a cyclical basis with accounts sent on a quarterly basis for both Water & Wastewater and Irrigation and Drainage services. Usage charges are accrued, and services charges are recognised in the quarter services are to be delivered.	Revenue is recognised over time as service is provided.
Trade waste charges	Revenue related to trade waste disposal is based on the volume of waste disposed by customers.	Revenue is recognised at a point in time.
Recycled water charges	Recycled water charges are recognised as revenue over time as the performance obligation is satisfied. Lower Murray Water measures these charges based on the regulated prices and the volume of water consumed by customers, and sewage and trade waste disposed by customers.	Revenue is recognised over time as service is provided.

Revenue from service, usage and trade waste charges is determined to be in accordance with AASB 15 *Revenue from Contracts with Customers* (AASB 15).

At balance date, any portion of service charges that is billed in advance and the performance obligation is not satisfied, is recognised as contract liabilities (refer Note 5.2). The charges for fully satisfied performance obligations that are unbilled at year end that are estimated and contract assets are recognised (refer Note 5.1).

Contract assets and liabilities have been disclosed in notes 5.1 and 5.2.

2.1.2 Developer contributions

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Developer contributed assets						
Fees paid by developers	2,187	1,394	2,090	1,302	97	92
Assets or services received from developers	3,916	3,719	3,902	3,719	14	-
Total revenue from developer contributions	**6,103**	**5,113**	**5,992**	**5,021**	**111**	**92**

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Developer contributed assets	Developer contributed assets arise where developers pay for the cost of construction of new infrastructure assets and subsequently gift these assets to Lower Murray Water, which operates, maintains and replaces them in perpetuity. Depending on the type of developer application, this can result in the performance obligation being satisfied: • when the Statement of Compliance is issued to the customer, or • when the customer is connected to Lower Murray Water's infrastructure network for the provision of water and sewerage services when no Statement of Compliance is required to be issued. Revenue is recognised at the fair value of the gifted assets by assessing the value of the works using schedule of rates.	Revenue is recognised at a point in time.

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
New customer contributions	New customer contributions are paid by developers to connect new housing developments to existing water supply and wastewater systems. The charges contribute towards the cost of augmenting Lower Murray Water's water supply distribution systems and sewerage disposal systems. Depending on the type of fees paid by developers, this can result in the performance obligation being satisfied at the point in time when Lower Murray Water satisfies its performance obligation. This will vary depending on the type of application submitted by the customer. As a result, a performance obligation can be satisfied when: • the Statement of Compliance is issued to the customer; or • the customer is connected to Lower Murray Water's infrastructure network for the provision of water and sewerage services when no Statement of Compliance is required to be issued; or • the customer receives consent from Lower Murray Water to proceed with their application. The rates applied to calculate the fees paid by developers are regulated by the Essential Services Commission.	Revenue is recognised at a point in time.

2.1.3 Timing of recognition of revenue from customers

Lower Murray Water derives revenue from the transfer of goods and services over time and at a point in time for the following charges.

Service charges	Water $'000	Sewerage $'000	Trade waste $'000	Recycled water $'000	Irrigation drainage service charges $'000	Total revenue from service charges $'000
2024						
At a point in time	-	-	741	-	-	**741**
Over time	27,050	18,036	-	77	1,532	**46,695**
Total	**27,050**	**18,036**	**741**	**77**	**1,532**	**47,436**
2025						
At a point in time	-	-	1,112	-	-	**1,112**
Over time	28,453	18,905	-	-	1,559	**48,917**
Total	**28,453**	**18,905**	**1,112**	**-**	**1,559**	**50,029**

Usage charges	Water $'000	Recycled water $'000	Total revenue from usage charges $'000
2024			
Over time	21,272	299	**21,571**
Total	**21,272**	**299**	**21,571**
2025			
Over time	25,084	252	**25,336**
Total	**25,084**	**252**	**25,336**

Developer contributions	Fees paid by developers $'000	Assets or services received from developers $'000	Total revenue from developer contributions $'000
2024			
At a point in time	1,394	3,719	**5,113**
Total	**1,394**	**3,719**	**5,113**
2025			
At a point in time	2,187	3,916	**6,103**
Total	**2,187**	**3,916**	**6,103**

Notes accompanying financial statements

2.2 Government grants and contributions

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Income recognised as income of not-for-profit entities						
Government contributions (non-capital)	672	3,249	60	2,076	612	1,173
Income recognised as revenue from contract with customers						
Government pensioner concession reimbursement	2,378	2,286	2,344	2,251	34	35
Total government grants and contributions	**3,050**	**5,535**	**2,404**	**4,327**	**646**	**1,208**

Lower Murray Water 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 pensioner concession reimbursement relates to funds reimbursed to Lower Murray Water, by government for concessions attributed to customer accounts and recognised in accordance with AASB 15.
Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers (AASB 15). This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised under AASB 1058 when Lower Murray Water has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Lower Murray Water recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004 *Contributions* (AASB 1004);
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contract with Customers* (AASB 15);
- a lease liability in accordance with AASB 16 *Leases* (AASB 16);
- a financial instrument, in accordance with AASB 9 *Financial Instruments* (AASB 9); or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* (AASB 137).

2.3 Other income

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Income from fees	1,578	1,454	1,258	1,186	320	268
Annual water trade income	1,947	544	1,855	524	92	20
Sundry income	1,108	1,087	425	317	683	770
ZEW derivative income	14	8	9	5	5	3
Capital Charge Groundwater	-	900	-	-	-	900
Total other income	**4,647**	**3,993**	**3,547**	**2,032**	**1,100**	**1,961**

Income from fees relates to multiple charges such as Meter fees, subdivision processing fees and information statement fees received by Lower Murray Water. Revenue is recognised at a point in time.

Annual water trade income is revenue from sale of excess allocation of Lower Murray Water urban bulk water entitlement. Revenue is recognised at a point in time.

Sundry income relates to multiple charges such as external works income, irrigation and drainage termination fees and insurance proceeds received by Lower Murray Water. Revenue is recognised at a point in time

ZEW derivative income relates to Lower Murray Water's investment in Zero Emissions Water Limited (ZEW). Lower

The fair value of the cash flow derivative is adjusted in OCI upon settlement with the difference being recognised as income or expense. Revenue is recognised over time as service is provided.

Capital Charge Groundwater relates to a once-off upfront customer charge for a 5,000 ML new groundwater entitlement. The fee of (2024: $0.9 million) received by Lower Murray Water is per approved ESC charge of $180 per ML. Revenue is recognised at a point in time.

Notes accompanying financial statements

3. *The cost of delivering our services*

Introduction

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

3.1 Employee benefits

3.1.1 Employee benefits - comprehensive operating statement

	2025 $'000	2024 $'000
Employee Benefits		
Salaries and wages, annual leave, long service leave and termination payments	22,617	21,162
Defined benefit superannuation expense	99	105
Defined contribution superannuation expense	2,631	2,277
Directors and chair remuneration and allowance	274	250
Total employee benefit costs	**25,621**	**23,794**

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. They are expensed in the period in which they are incurred.

Directly attributable costs for bringing an asset to the location and condition necessary for operation, such as costs of employee benefits arising directly from the construction or acquisition of the item of infrastructure, property, plant and equipment are capitalised.

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.

The defined benefit plan(s) provides benefits based on years of service and final average salary. The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans. Lower Murray Water does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, Lower Murray Water accounts for contributions to these plans as if they were defined contribution plans under AASB 119 *Employee Benefits*. The Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when Lower Murray Water is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.1.2 Employee benefits - balance sheet

Provision is made for benefits accruing to employees in respect of annual leave, rostered days off (RDO) and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2025 $'000	2024 $'000
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	1,448	1,300
Unconditional and expected to settle after 12 months	944	1,022
Long service leave		
Unconditional and expected to settle within 12 months	440	422
Unconditional and expected to settle after 12 months	2,855	2,865
Provisions for on-costs		
Unconditional and expected to settle within 12 months	330	289
Unconditional and expected to settle after 12 months	587	574
Accumulated RDO	273	253
Total current provisions for employee benefits	**6,877**	**6,725**
Non-current provisions:		
Employee benefits	620	537
On-costs	97	80
Total non-current provisions for employee benefits	**717**	**617**
Total provisions for employee benefits	**7,594**	**7,342**

Wages and salaries, annual leave and sick leave

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

The components of this liability are measured at:

- Undiscounted value - the component Lower Murray Water expects to wholly settle within 12 months; or
- Present value - the component Lower Murray Water does not expect to wholly settle within 12 months.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability even where Lower Murray Water does not expect to settle the liability within 12 months. Lower Murray Water does not have the unconditional right to defer the settlement of the entitlement should an employee take LSL within 12 months.

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

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

Notes accompanying financial statements

3.2 Direct operating expenses

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Bulk water charge	3,958	3,882	723	699	3,235	3,183
Electricity	7,699	5,873	2,703	2,162	4,996	3,711
Chemicals	1,847	1,939	1,770	1,833	77	106
Consultants	7,215	3,455	4,929	2,363	2,286	1,092
Total direct operating expenses	**20,719**	**15,149**	**10,125**	**7,057**	**10,594**	**8,092**

Direct operating expenses generally represent the day-to-day running costs incurred in normal operations.

The bulk water charge relates to Lower Murray Water's entitlement to access bulk water and are recognised as expenses in the period in which they are incurred.

Electricity, chemicals, consultants and other charges are recognised on an accrual basis as expenses in the period in which they are incurred.

3.3 Repairs and maintenance

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Infrastructure	7,054	7,944	4,036	3,770	3,018	4,174
Other maintenance costs	181	202	127	141	54	61
Consumables	3,717	4,284	2,192	1,933	1,525	2,351
Other	994	1,149	679	687	315	462
Total repairs and maintenance	**11,946**	**13,579**	**7,034**	**6,531**	**4,912**	**7,048**

Routine maintenance, repair costs and minor renewal costs that do not enhance the performance of the asset are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. Consumables include materials used in the process of routine maintenance and are expensed as incurred.

3.4 Other operating expenses

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
IT expenses	3,002	2,627	2,322	2,045	680	582
Administrative expenses	1,233	986	953	769	280	217
Insurance	744	640	465	401	279	239
Staff related expenses	549	527	375	357	174	170
Travel	303	320	175	208	128	112
Bad debt expense	170	308	134	208	36	100
Billing and collection	634	284	126	113	508	171
Subscriptions	269	255	197	181	72	74
License fees	226	255	88	115	138	140
Rates	267	246	179	165	88	81
Facilities maintenance & security	278	208	196	148	82	60
Audit fees - internal	141	167	87	104	54	63
Legal expenses	275	127	128	86	147	41
Audit fees - external	112	85	70	53	42	32
Write off of assets	(76)	56	(46)	35	(30)	21
Public relations	74	33	46	20	28	13
Sponsorships & donations	46	30	23	19	23	11
Other	526	203	231	58	295	145
Total other expenses	**8,773**	**7,357**	**5,749**	**5,085**	**3,024**	**2,272**

Other operating expenses generally represent any other expenses not incurred in day-to-day normal operations.

3.5 Net finance costs

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Interest income	504	711	117	96	387	615
Interest on loans from Treasury Corporation of Victoria (TCV)	(3,377)	(3,158)	(1,424)	(1,326)	(1,953)	(1,832)
Financial accommodation levy	(529)	(542)	(235)	(225)	(294)	(317)
Total net finance costs	**(3,402)**	**(2,989)**	**(1,542)**	**(1,455)**	**(1,860)**	**(1,534)**

Finance income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets.

Finance costs includes costs incurred in connection with the borrowing of funds including interest on bank overdrafts, short term and long-term borrowings.

Finance income is recognised using the effective interest method and finance costs are recognised as expenses in the period in which they are incurred.

Notes accompanying financial statements

4. Key assets available to support output delivery

Introduction

Lower Murray Water controls infrastructure property, plant, equipment and vehicles that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to Lower Murray Water to be utilised for delivery of those outputs.

4.1 Infrastructure, property, plant, equipment and vehicles

4.1.1 Reconciliation of movements in carrying values of infrastructure, property, plant, equipment and vehicles

	Land $'000	Buildings $'000	Infrastructure assets $'000	Plant, equipment and vehicles $'000	Works in progress $'000	Total $'000
Year ended 30 June 2025						
Balance at 1 July 2024						
Gross carrying amount	18,023	10,779	1,040,392	26,143	33,496	**1,128,833**
Accumulated depreciation	-	(421)	(39,420)	(16,692)	-	**(56,533)**
Net carrying amount - 1 July 2024	**18,023**	**10,358**	**1,000,972**	**9,451**	**33,496**	**1,072,300**
Additions including developer contributions	-	-	3,916	-	26,157	**30,073**
Transfer between asset classes	-	117	43,765	3,413	(47,306)	**(11)**
Disposals	-	-	(408)	(441)	-	**(849)**
Depreciation charge	-	(422)	(40,390)	(1,907)	-	**(42,719)**
Closing net book amount	**18,023**	**10,053**	**1,007,855**	**10,516**	**12,347**	**1,058,794**
Total as at 30 June 2025 represented by:						
Gross book value	18,023	10,896	1,087,544	27,943	12,347	**1,156,753**
Accumulated depreciation	-	(843)	(79,689)	(17,427)	-	**(97,959)**
Net book value as at 30 June 2025	**18,023**	**10,053**	**1,007,855**	**10,516**	**12,347**	**1,058,794**

4.1.2 Initial recognition and subsequent measurement

Infrastructure, property, plant, equipment and vehicles

Infrastructure, property, plant, equipment and vehicles represent non-current physical assets comprising land, buildings, infrastructure, plant, equipment and vehicles, used by Lower Murray Water in its operations. Items with a cost or value in excess of $1,000 (2024: $1,000) and a useful life of more than one year are recognised as an asset. All other assets acquired are expensed.

Items of infrastructure, property, plant, equipment and vehicles, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for nil or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Motor vehicles

Lower Murray Water acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in Lower Murray Water. Management review and set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Revaluation of infrastructure, property, plant and equipment

Non-financial physical assets are revalued at fair value every five years in accordance with the Government purpose classifications defined in Financial Reporting Direction 103 *Non-Financial Physical Assets* (FRD 103). The Valuer-General Victoria (VGV) is the Government's independent valuation agency and is used by Lower Murray Water to conduct these scheduled revaluations. Certain infrastructure assets are revalued using specialised advisors under the direction of the VGV.

Revaluations may occur more frequently if fair value assessments indicate material changes in values. In such instances, interim managerial revaluations are undertaken in accordance with the requirements of FRD 103.

Lower Murray Water in conjunction with VGV, monitors changes in the fair value of each asset class through relevant data sources, in order to determine whether a revaluation is required.

Lower Murray Water assets relating to land, buildings and infrastructure were independently valued by the VGV as at 30 June 2021. The market that the assets are valued in were impacted by the uncertainty that the coronavirus (COVID-19) outbreak caused. In 2022, the valuer has advised that the current market environment, impacted by coronavirus (COVID-19), created significant valuation uncertainty. The value assessed at the valuation date may therefore change over a relatively short time period.

Fair value testing performed for 2024-25 determined that there was not a difference of more than 10% indexation since the last revaluation between the carrying value and the annual assessment of fair value. As such a managerial revaluation of infrastructure, property, plant and equipment was not required.

Refer to Note 7.3 Fair value determination for further information on the revaluation methods used for the asset classes.

4.1.3 Accounting for revaluation movements

Infrastructure, property, plant and equipment
Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Revaluation increases or decreases arise from differences between an asset's carrying value and its fair value.

Revaluation increases and revaluation decreases relating to individual assets within a class of infrastructure, property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes. Revaluation reserves are not transferred to accumulated deficit on derecognition of the relevant asset.

Revaluation increments are credited directly to the asset revaluation reserve, except to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense, in which case the increment is recognised immediately as revenue.

Revaluation decrements are recognised immediately as an expense, except that, to the extent that a credit balance exists in the physical asset revaluation in respect of the same class of assets, they are debited to the physical asset revaluation reserve.

The last full revaluation was conducted in June 2021 and the next full revaluation for Lower Murray Water is scheduled for June 2026.

4.1.4 Depreciation and impairment

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful life and is generally recognised in the statement of comprehensive income.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset class	Useful life (years)
Water, irrigation and drainage infrastructure	
Buildings	10 - 100
Plant and machinery	8 - 40
Storage tanks / channels / pipelines	4 - 100
Pumping stations	10 - 80
Sewerage infrastructure	4 - 80
Plant and equipment	8 - 40
Motor vehicles	8 - 10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. The impacts of climate-related emerging risks and the current economic climate were taken into account when estimating the useful life of these assets.

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the

Notes accompanying financial statements

same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 *Impairment of Assets* does not apply to such assets that are regularly revalued.

Impairment
At each reporting date, and whenever there is an indication that the asset may be impaired, Lower Murray Water reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off, except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

4.2 Intangible assets

	Water shares $'000	Software development costs $'000	ZEW – Large-scale generator certificates $'000	Total $'000
Year ended 30 June 2025				
Balance at 1 July 2024				
Cost of fair value	13,420	8,968	57	**22,445**
Accumulated amortisation	-	(8,402)	-	**(8,402)**
Opening net book amount - 1 July 2024	**13,420**	**566**	**57**	**14,043**
Additions	-	-	134	**134**
Transfer between asset classes	-	11	-	**11**
Amortisation	-	(137)	-	**(137)**
Closing net book amount	**13,420**	**440**	**191**	**14,051**
Total as at 30 June 2025 represented by:				
Cost of fair value	13,420	8,969	191	**22,580**
Accumulated amortisation	-	(8,529)	-	**(8,529)**
Net book value as at 30 June 2025	**13,420**	**440**	**191**	**14,051**

Recognition and measurement
Purchased intangible assets are initially recognised at cost. When the recognition criteria in *AASB 138 Intangible Assets* is met, internally generated assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated, including:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Water Share Entitlements are treated as an intangible asset on the balance sheet at cost (in accordance with AASB 138 *Intangible Assets* and FRD 109 *Intangible Assets*), and will not be subject to amortisation, as they have an indefinite life.

Water Share Entitlement are tested annually for impairment using the latest prices from the Victorian Water Register.

Urban bulk water entitlements are not recorded on the balance sheet as they are held by Lower Murray Water in trust and cannot be reliably measured, for the Victorian State Government. These entitlements enable the organisation to carry out its core business operations.

Software Costs are costs incurred for the development of software code that enhance, modify, or create additional capability to, existing on-premises systems.

Large-scale Generation Certificates are recognised as an intangible asset at cost in accordance with FRD 109 *Intangible Assets* and are not subject to amortisation as they have an indefinite life.

Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised as expenditure when incurred.

Amortisation
Intangible assets with finite useful lives are amortised as an expense on a systematic basis (typically straight-line), commencing from the time the asset is available for use (when it is in the location and condition necessary for it to be capable of operating in the manner intended by management). The amortisation periods are reviewed and adjusted if appropriate at each balance date. Intangible assets with indefinite useful lives are not amortised.

A summary of the policies applied to Lower Murray Water's intangible assets is as follows:

	Water Share Entitlements	Software development costs	ZEW Large-scale generator certificates
Useful lives	Indefinite	Finite	Indefinite
Amortisation method used	Not amortised or revalued	3 years - straight line	Not amortised or revalued
Internally generated/acquired	Acquired	Acquired	Acquired
Impairment test/Recoverable amount testing	Tested annually and where an indicator of impairment exists	Amortisation method reviewed at each financial year-end; Reviewed annually for indicators of impairment	Tested annually and where an indicator of impairment exists

Impairment of intangible assets
Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired.

Notes accompanying financial statements

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from Lower Murray Water's operations and the delivery of services.

5.1 Receivables

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Current						
Contractual						
Trade receivables	9,225	11,502	3,193	6,448	6,032	5,054
Sundry debtors	127	1,762	128	1,100	(1)	662
Allowance for expected credit losses	(976)	(1,288)	(627)	(822)	(349)	(466)
Contract assets	6,119	2,110	5,172	590	947	1,519
	14,495	**14,086**	**7,866**	**7,316**	**6,629**	**6,769**
Non contractual other receivables						
Trade receivables non contractual	367	42	229	26	138	16
Statutory						
GST Receivables	783	701	489	437	294	264
Total current receivables	**15,645**	**14,829**	**8,584**	**7,779**	**7,061**	**7,049**
Non-current						
Contractual						
Sundry debtors	-	100	-	100	-	-
Total non-current receivables	**-**	**100**	**-**	**100**	**-**	**-**
Total receivables	**15,645**	**14,929**	**8,584**	**7,879**	**7,061**	**7,049**

The contract assets primarily relate to the Lower Murray Water's rights to consideration for work completed but not billed at the reporting date.

Contractual receivables are classified as financial assets at amortised cost. They are initially recognised at fair value plus any directly attributable transaction cost. Lower Murray Water holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measures them at amortised cost using the effective interest method, less any impairment.

Statutory receivables are not classified as financial instruments as they do not arise from contracts. They are recognised and measured similar to contractual receivables.

Contract assets relate to the Lower Murray Water's right to consideration in exchange for services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. This usually occurs when the Lower Murray Water issues an invoice to the customer. The balance of the contract assets at 30 June 2025 was impacted by timing of the works completed by contractors and is not billable at this stage. The works are expected to be completed and recovered early next year.

5.1.1 Impairment losses

Impairment losses on financial assets and contract assets recognised in the comprehensive operating statement are disclosed in Note 3.4. Loss allowance on receivables from service and usage charges are presented in other operational expenses within the comprehensive operating statement.

Receivables from service and usage charges are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments for a period of greater than 120 days past due.

Lower Murray Water has established an Expected Credit Loss (ECL) percentage rate using analysis of actual tenant, sundry and any property debtor who have entered into Hardship Arrangement during 2024-25; receivables aged trial balances extracted from Lower Murray Water's property and metering enterprise software (PAM) and the aging profiles of the debtors with balances of tenant, sundry and property hardship arrangement aged debtor categories. The loss allowances for trade receivables and contract assets are based on assumptions about risk of default and expected loss rates. The expected loss rates applied as at 30 June 2025 vary from 5% (2024: 5%) for receivables that are between 0 to 90 days past due; to 10% (2024: 10%) for

receivables that are between 90 to 365 days past due; to 100% (2024: 100%) for receivables that are more than 365 days past due (2024: 100%).

Contractual receivables at amortised cost
Lower Murray Water applies the AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates.

Lower Murray Water has grouped contractual receivables - service and usage charges on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Lower Murray Water's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

Credit loss allowance is classified as other operating expense in the net result (refer to Note 3.4). Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Statutory receivables at amortised cost
The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months of expected losses. No loss allowance has been recognised.

5.2 Payables

	TOTAL		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Current						
Contractual						
Trade creditors and accrued expenses	3,070	8,872	1,693	1,548	1,377	7,324
Deposits	1,041	1,525	882	1,194	159	331
Contract liabilities	1,861	2,408	1,136	1,202	725	1,206
VMFRP creditors and accrued expenses	1,635	251	-	-	-	-
Statutory						
Statutory	489	385	305	202	184	183
Total current payables	**8,096**	**13,441**	**4,016**	**4,146**	**2,445**	**9,044**
Total trade and other payables	**8,096**	**13,441**	**4,016**	**4,146**	**2,445**	**9,044**

Payables consist of:

- contractual payables including creditors and accrued expenses, deposits, and contract liabilities are classified as financial instruments and measured at amortised cost;
- Payables represent liabilities for goods and services provided to Lower Murray Water prior to the end of the financial year that are unpaid;
- contract liabilities primarily relate to usage charges, developer contributions and other consideration received in advance of Lower Murray Water performing its contract obligations and will be recognised as revenue when the services are performed. Refer to Note 2.1 for further details of the performance obligation; and
- statutory payables, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts. Statutory payables includes payroll tax, deductions and superannuation charges payable.

Notes accompanying financial statements

5.3 Inventories

	2025 $'000	2024 $'000
Current		
Inventories and consumables	5,891	5,841
Biological assets	99	81
Allowance for Inventory Obsolescence		
- Less Allowance for Inventory Obsolescence	(502)	(503)
Total current inventories	5,488	**5,419**
Total inventories	**5,488**	**5,419**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventory quantities on hand at balance date on a weighted average cost (WAC) basis.

Lower Murray Water must value its inventory at the lower of cost and net realisable value. A recent review has identified that an Allowance for Inventory Obsolescence per AASB 102 *Inventories* is required. Lower Murray Water has $0.502 million (2024 $0.503 million) ownership of slow-moving non critical inventory items that has been provided for obsolescence that have had no movement for up to ten years. Refer to Note 3.4 for write down expense of inventory to net realisable value.

Biological assets consist of sheep. They are measured at fair value less costs to sell, with any changes recognised in the comprehensive operating statement. Costs to sell include all costs that would be necessary to sell the assets, including freight and direct selling costs.

The fair value of a biological asset is based on its present location and condition. The quoted price in the market, is the appropriate basis for determining the fair value of these assets.

Notes accompanying financial statements

6. *How we financed our operations*

Introduction

This section provides information on the sources of finance utilised by Lower Murray Water during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Lower Murray Water.

This section includes disclosures of balances that are financial instruments (such as loans and cash balances). Notes 7.1 provide additional, specific financial instrument disclosures.

6.1 Interest bearing liabilities

	Total		WATER & WASTEWATER		IRRIGATION & DRAINAGE	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Current interest-bearing liabilities						
Loans from Treasury Corporation of Victoria (TCV)	5,676	7,110	3,088	1,803	2,588	5,307
Total current interest-bearing liabilities	**5,676**	**7,110**	**3,088**	**1,803**	**2,588**	**5,307**
Non-current interest-bearing liabilities						
Loans from Treasury Corporation of Victoria (TCV)	72,998	64,674	31,499	25,587	41,499	39,087
Total non-current interest-bearing liabilities	**72,998**	**64,674**	**31,499**	**25,587**	**41,499**	**39,087**
Total interest-bearing liabilities	**78,674**	**71,784**	**34,587**	**27,390**	**44,087**	**44,394**

Loans are sourced from the Treasury Corporation of Victoria (TCV) and secured by the Treasurer in the form of a government guarantee. They are classified as a financial instrument and are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Interest bearing liabilities are subsequently measured at amortised cost. Any difference between the initial amount recognised (net of transaction costs) and the redemption amount is recognised in the Comprehensive Operating Statement over the period of the interest bearing liabilities, using the effective interest method.

Lower Murray Water has classified borrowings which mature within 12 months as current liabilities on the basis that Lower Murray Water will and has discretion to refinance or rollover these loans with the Treasury Corporation of Victoria (TCV), pursuant to section 8 of the Borrowings and *Investment Powers Act 1987*.

6.1.1 Terms and conditions of borrowings

	Carrying amount	Nominal amount	Less than 1 month	3 months - 1 year	1 - 5 years	5+ years
30 June 2025	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Loans from TCV	78,674	78,674	588	5,088	26,000	46,998
Total	**78,674**	**78,674**	**588**	**5,088**	**26,000**	**46,998**
30 June 2024						
Loans from TCV	71,784	71,784	555	6,555	23,141	41,533
Total	**71,784**	**71,784**	**555**	**6,555**	**23,141**	**41,533**

6.2 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet, as indicated in the reconciliation below.

	2025 $'000	2024 $'000
Cash at bank	22,771	24,017
Balance as per cash flow statement	**22,771**	**24,017**

Notes accompanying financial statements

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts.

These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.3.1 Total commitments payable

	Less than 1 year $'000	Between 1 and 5 years $'000	Total $'000
Nominal Amounts 2025			
Capital commitments payable	4,888	335	5,223
Operating commitments payable	3,597	784	4,381
Total commitments (inclusive of GST)	**8,485**	**1,119**	**9,604**
Less GST recoverable	763	98	861
Total commitments (exclusive of GST)	**7,722**	**1,217**	**8,743**
Nominal Amounts 2024			
Capital commitments payable	18,421	399	18,820
Operating commitments payable	4,222	1,326	5,548
Total commitments (inclusive of GST)	**22,643**	**1,725**	**24,368**
Less GST recoverable	2,061	155	2,216
Total commitments (exclusive of GST)	**20,582**	**1,570**	**22,152**

7. Risks, contingencies and valuation judgements

Introduction

Lower Murray Water is exposed to risks from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Lower Murray Water related mainly to fair value determination.

7.1 Interest bearing financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Due to the short-term nature of the financial assets and liabilities held by Lower Murray Water, their carrying value is assumed to approximate their fair value.

Categories of financial instruments

Financial instrument	Initial measurement	Subsequent measurement
Financial assets at amortised cost		
Financial assets include: • cash and deposits; • receivables; and • Investment in ZEW	Fair value plus or minus any directly attributable transaction costs.	Amortised cost only using the effective interest rate method less impairment if both of the following criteria are met: • the asset is held within a business model whose objective is to collect the contractual cash flows, and • the contractual terms give rise to cash flows that are solely payments of principal and interest.
Financial liabilities at amortised cost		
Financial liabilities include: • payables (excluding statutory payables); and • borrowings	Fair value, plus or minus any directly attributable transaction costs subsequent to initial recognition.	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.
Derivative financial instruments		
Derivative financial instruments	Fair value through profit or loss.	Derivatives are carried as liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the comprehensive operating statement as an 'other economic flow' included in the net result.

Notes accompanying financial statements

7.1.1 Financial instruments: categorisation

2025	Notes	Cash and deposits $'000	Financial assets / liabilities designated at fair value through profit/loss (FVTPL) $'000	Financial assets at amortised cost (AC) $'000	Financial liabilities at amortised cost (AC) $'000	Total $'000
Contractual financial assets						
Cash and deposits	6.2	22,771	-	-	-	**22,771**
Receivables						
Trade receivables	5.1	-	-	8,743	-	**8,743**
Contract assets	5.1	-	-	6,119	-	**6,119**
Investment in Zero Emissions Water (ZEW) Ltd		-	-	5	-	**5**
Total contractual financial assets		**22,771**	**-**	**14,867**	**-**	**37,638**
Contractual financial liabilities						
Payables						
Trade creditors and accrued expenses	5.2	-	-	-	5,746	**5,746**
Contract liabilities	5.2	-	-	-	1,861	**1,861**
Borrowings						
Loans from Treasury Corporation of Victoria (TCV)	6.1	-	-	-	78,674	**78,674**
Derivative financial liabilities						
Financial liabilities designated at fair value through profit or loss		-	137	-	-	**137**
Total contractual financial liabilities		**-**	**137**	**-**	**86,281**	**86,418**

2024	Notes	Cash and deposits $'000	Financial assets / liabilities designated at fair value through profit/loss (FVTPL) $'000	Financial assets at amortised cost (AC) $'000	Financial liabilities at amortised cost (AC) $'000	Total $'000
Contractual financial assets						
Cash and deposits	6.2	24,017	-	-	-	24,017
Receivables						
Trade receivables	5.1	-	-	12,076	-	12,076
Contract assets	5.1	-	-	2,110	-	2,110
Derivative financial assets						
Investment in Zero Emissions Water (ZEW) Ltd		-	-	5	-	5
Total contractual financial assets		**24,017**	**-**	**14,191**	**-**	**38,208**
Contractual financial liabilities						
Payables						
Trade creditors and accrued expenses	5.2	-	-	-	10,648	10,648
Contract liabilities	5.2	-	-	-	2,408	2,408
Borrowings						
Loans from Treasury Corporation of Victoria (TCV)	6.1	-	-	-	71,784	71,784
Derivative financial liabilities						
Financial liabilities designated at fair value through profit or loss		-	261	-	-	261
Total contractual financial liabilities		**-**	**261**	**-**	**84,840**	**85,101**

Notes accompanying financial statements

7.2 Contingent assets and contingent liabilities

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

7.2.1 Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Lower Murray Water.

7.2.2 Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Lower Murray Water, or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or
  - the amount of the obligations cannot be measured with sufficient reliability.

As at 30 June 2025, Lower Murray Water has contingent liabilities for which the amount and timing of the obligation cannot be measured with certainty. The liabilities relate to building code compliance works, remediation work for a wastewater treatment plant and the decommissioning of a pump station and its surrounding infrastructure.

7.3 Fair value determination

This section sets out information on how Lower Murray Water determines fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

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

Lower Murray Water determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer General Victoria (VGV) is Lower Murray Water's independent valuation agency. In conjunction with VGV, Lower Murray Water monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

7.3.1 Fair value determination

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities*. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

Although it is intended that asset valuations will be based on a five year cycle, FRD 103 *Non financial physical assets* requires entities to perform annual fair value assessments for each class of non financial physical assets to determine whether additional revaluations need to be undertaken between revaluation cycles. Management perform interim valuations when the triggers of FRD103 are met.

For all assets measured at fair value, Lower Murray Water considers the current use is the highest and best use.

Notes accompanying financial statements

The following table shows the valuation techniques used in measuring fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Description of significant unobservable inputs to valuations.

Type	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligations (CSO) adjustment
Non-Specialised Buildings	Depreciated replacement cost	Direct cost per sqm Useful life of non-specialised buildings
Specialised buildings	Depreciated replacement cost	Direct cost per sqm Useful life of specialised buildings
Vehicles	Depreciated replacement cost	Cost per unit Useful life of vehicles
Plant and equipment	Depreciated replacement cost	Cost per unit Useful life of plant & equipment
Water storage	Depreciated replacement cost	Cost per unit Useful life of water storages
Water pumping stations	Depreciated replacement cost	Cost per unit Useful life of water pumping stations
Sewer pumping stations	Depreciated replacement cost	Cost per unit Useful life of sewer pumping stations
Irrigation pumping stations	Depreciated replacement cost	Cost per unit Useful life of irrigation pumping stations
Water treatment plants	Depreciated replacement cost	Cost per unit Useful life of water treatment plants
Wastewater treatment plants	Depreciated replacement cost	Cost per unit Useful life of wastewater treatment plants
Water pipeline infrastructure	Depreciated replacement cost	Cost per metre Useful life of wastewater pipeline infrastructure
Sewer pipeline infrastructure	Depreciated replacement cost	Cost per metre Useful life of sewer pipeline infrastructure
Irrigation pipeline infrastructure	Depreciated replacement cost	Cost per metre Useful life of irrigation pipeline infrastructure
Other structures	Depreciated replacement cost	Cost per unit Useful life of other structures
ZEW Derivative financial instrument	Income approach (discounted cash flow)	Wholesale electricity price forecast Discount rate - risk free rates of zero coupon government bonds Credit value adjustment - Australian Corporate Bond Spreads and Yields
Biological assets Breeding livestock	Fair value (less cost to sell)	Average cost per head of the sheep

7.3.2 Climate-related factors and fair value measurement

Market participants' views of climate-related matters—including potential legislation—may affect the fair value measurement of assets and liabilities in the financial statements. Where relevant, climate-related matters may also affect fair value disclosures, particularly for measurements categorised within Level 3 of the fair value hierarchy. AASB 13 *Fair Value Measurement* requires disclosure of unobservable inputs used in fair value measurements, and those inputs should reflect the assumptions that market participants would use, including assumptions about climate-related risk.

At the time of preparing these financial statements, Lower Murray Water acknowledges the risk that climate change may impact the assumptions that market participants use. However, the effect of these risks cannot be reliably measured and, therefore, no allowance has been made for climate change factors in the calculation of the fair value of property and infrastructure.

Lower Murray Water infrastructure, property, plant and equipment are exposed to the risk of damage from extreme weather events such as storms, high winds, floods and drought. Changes in global climate conditions could intensify one or more of these events and may also increase the cost of operations. Lower Murray Water has extensive processes in place aimed at monitoring and mitigating these risks through proactive management and early detection, including the establishment and maintenance of flood management systems and increased monitoring during fire danger periods.

Physical risks arising from fires, floods and drought are to a great extent subject to risk transfer and are within the cover of Lower Murray Water's property and business interruption insurance programs. However, should the frequency and severity of these events increase as a result of climate change, the cost of such coverage may increase.

Although it is intended that asset valuations will be based on a five-year cycle, FRD 103 *Non-financial physical assets* (FRD 103) requires entities to perform annual fair value assessments for each class of non-financial physical assets to determine whether additional revaluations need to be undertaken between revaluation cycles. Management performs interim valuations when the triggers of FRD 103 are met.

NOTES ACCOMPANYING FINANCIAL STATEMENTS

8. Statutory obligations

Introduction

This section included disclosures in relation to Lower Murray Water's statutory obligations.

8.1 Tax

8.1.1 Income tax

Lower Murray Water is subject to the National Tax Equivalent Regime (NTER), pursuant to section 88(1) of the *State Owned Enterprises Act 1992*, which is administered by the Australian Taxation Office. The income tax expense or revenue for the period is the expected tax payable or receivable on the current period's taxable income based on the national corporate income tax rate of 30%, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

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

	2025 $'000	2024 $'000
Income statement		
Current income tax revenue	7,149	7,378
Income tax reported in the Income Statement	**7,149**	**7,378**
Tax reconciliation		
Net result before income tax expense	(15,865)	(25,462)
Tax at the Australian tax rate of 30.0% (2024 - 30.0%)	**(4,760)**	(7,639)
Non-(assessable)/deductible items	(2,389)	261
Income tax on profit before tax	**(7,149)**	**(7,378)**

8.1.2 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, based on those tax rates which are enacted or substantially enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

No deferred tax asset or liability is recognised in relation to these 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 and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lower Murray Water's deferred tax liabilities exceed the level of deferred tax assets and therefore a net deferred tax liability has been disclosed in the balance sheet.

Deferred tax assets

	2025 $'000	2024 $'000
Amounts recognised in Comprehensive Operating Statement		
Doubtful debts	293	386
Employee benefits	2,173	2,105
Tax losses	16,789	16,740
Other	325	323
Total deferred tax assets	**19,580**	**19,554**
Movements:		
Opening balance at 1 July	**19,554**	**19,137**
Credited to the Comprehensive Operating Statement	26	417
Closing balance at 30 June	**19,580**	**19,554**
Deferred tax asset to be recovered after more than 12 months	2,786	2,772
Deferred tax asset to be recovered within 12 months	5	42
Tax losses	16,789	16,740
Closing balance at 30 June	**19,580**	**19,554**

Deferred tax liabilities

	2025 $'000	2024 $'000
Amounts recognised in Comprehensive Operating Statement		
Other deferred tax liabilities	24	18
Amounts recognised directly in equity	**24**	**18**
Revaluation of infrastructure, property, plant and equipment	170,994	178,123
Total deferred tax liabilities	**171,018**	**178,141**
Movements:		
Opening balance at 1 July	178,141	185,103
Debited to the net result	(7,123)	(6,962)
Closing balance at 30 June	**171,018**	**178,141**
Deferred tax asset to be recovered after more than 12 months	171,018	178,141
Closing balance at 30 June	**171,018**	**178,141**
Total net deferred tax liability	**(151,438)**	**(158,587)**

NOTES ACCOMPANYING FINANCIAL STATEMENTS

9. Other disclosures

Introduction

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

9.1 Other economic flows included in net results

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

	2025 $'000	2024 $'000
Net loss on non-financial assets		
Net loss on disposal of infrastructure, property plant and equipment (including intangible assets)	(231)	(46)
Total net loss on non-financial assets	**(231)**	**(46)**
Net gain on financial instruments		
Net gain arising from derivatives for ZEW transactions	122	-
Total net gain on financial instruments	**122**	**-**
Total other losses from other economic flows	**(109)**	**(46)**

Gain/(Loss) on the fair value of derivative financial instrument represents the movement in the fair value of the financial instrument compared to initial recognition. This net gain/loss reflects a positive/negative fair value movement in Lower Murray Water's electricity derivative in the PPA as a result of higher/lower floating electricity prices. Any gain/loss is recognised as an other economic flow included in net result.

9.2 Events occurring after the balance date

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of Lower Murray Water, the results of those operations, or the state of affairs of Lower Murray Water in future financial years.

9.3 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period, as required by AASB 124 *Related Party Disclosures*. The names of persons who held the positions of Ministers and Accountable Officers in Lower Murray Water are as follows:

Name	Title	Period of appointment
The Hon Harriet Shing	Minister for Water	Since June 2022 - 18 December 2024
The Hon Gayle Tierney	Minister for Water	Since 19 December 2024 - 30 June 2025
Mr Paul Northey	Managing Director / Accountable Officer	1 August 2023 - 30 June 2025
Sharyon Peart	Director - Chair	Since October 2017 Chair Since 1 October 2021
Michelle Oates	Director	Since October 2017 - 30 June 2025
Warren Lloyd	Director	Since October 2017 - 30 June 2025
Kate Hughes	Director	Since October 2021 - 30 June 2025
Domenic Isola	Director	Since October 2021 - 30 June 2025
Dr Anne Maree Boland	Director	Since October 2023 - 30 June 2025
Adam Christou	Director	Since October 2023 - 30 June 2025
Paul Thompson	Director	Since October 2023 - 30 June 2025
Marcus Horwood	Independent Aboriginal Delegate	Since November 2024 - 30 June 2025

Remuneration
Remuneration represents the expenses incurred by the entity in the current reporting period for the employee, in accordance with AASB 119 *Employee Benefits*. Remuneration includes non-monetary benefits such as motor vehicles, private health care, relocation or accommodation allowances and free or subsidised goods or services. The prior period remuneration and non-monetary benefits included in the below table for the Accountable Officer is calculated on the pro rata period of appointment.

Remuneration received or receivable by the Responsible Persons in connection with the management of Lower Murray Water during the reporting period was in the range: $490,001 – $500,000 in 2024 - 2025 ($390,001 – $400,000 in 2023 - 2024).

	2025 number	2024 number
$1 - $10,000	-	3
$20,001 - $30,000	1	3
$30,001 - $40,000	7	5
$50,001 - $60,000	1	1
$390,001 - $400,000	-	1
$490,001 - $500,000	1	-
Total	**10**	**13**

9.4 Related parties

Lower Murray Water is a wholly owned and controlled entity of the State of Victoria.

Related parties of Lower Murray Water include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Lower Murray Water, directly or indirectly, comprising independent Directors and the Managing Director. Key management personnel (as defined in AASB 124 *Related Party Disclosures*) includes the Portfolio Minister and all Directors listed under responsible persons in Note 9.3 and members of the executive leadership team who have the authority and responsibility for planning, directing and controlling the activities of Lower Murray Water directly or indirectly, during the financial year.

Remuneration of key management personnel
The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State of Victoria's Annual Financial report.

	2025 $'000	2024 $'000
Compensation of KMPs		
Short-term employee benefits	770	651
Post-employment benefits	66	55
Long-term benefits	10	7
Total remuneration	**846**	**713**

NOTES ACCOMPANYING FINANCIAL STATEMENTS

Significant transactions with government-related entities
Lower Murray Water received funding from and made payments to government related entities of $37.64 million (2024: $50.70 million) and $31.38 million (2024: $27.35 million) respectively.

During the year, Lower Murray Water had the following government-related entity transactions:

Government-related entity receipts

Entity name	Brief description of main activity	2025 $'000	2024 $'000
Department of Energy, Environment and Climate Action	Victorian Murray Floodplain Restoration Project	23,800	7,500
Department of Energy, Environment and Climate Action	Sunraysia Water Efficiency Project	-	23,500
Department of Families, Fairness and Housing	Pensioner concession reimbursements (less Administration fees)	2,378	2,286
Department of Families, Fairness and Housing	Utility Relief Grants Scheme	148	93
Mildura Base Public Hospital	Property rates and charges	82	106
State Revenue Office	Not for profit - Concession claim	213	211
Treasury Corporation Victoria	Borrowings drawn	11,000	17,000
Zero Emissions Water Limited	Emissions Reduction	14	7
Total revenue		**37,635**	**50,703**

Government-related entity receivables

Entity name	Brief description of main activity	2025 $'000	2024 $'000
Department of Families, Fairness and Housing	Pensioner concession reimbursements (less Administration fees)	27	51
State Revenue Office	Concession claim	55	53
Zero Emissions Water Limited	Emissions Reduction	1	1

Government-related entity payments

Entity name	Brief description of main activity	2025 $'000	2024 $'000
Bendigo Tafe	Employee training	5	3
Coliban Water	Other	-	2
Country Fire Authority	Fire Service	-	6
Department of Energy, Environment and Climate Action	Environmental contribution	2,239	2,251
Department of Energy, Environment and Climate Action	VMFRP (includes property valuations)	39	154
Department of Energy, Environment and Climate Action	Annual fees water shares	18	14
Department of Energy, Environment and Climate Action	Monitoring Costs	87	79
Department of Energy, Environment and Climate Action	Other including water supply, trades and searches	590	274
Department of Premier & Cabinet	VMFRP	-	159
Department of Transport	Other	1	1
Department of Transport	VMFRP	109	8
Department of Treasury and Finance	Financial Accommodation Levy	573	530
Department of Treasury and Finance	Other	57	57
Environmental Protection Authority	License renewals	47	7
Goulburn Murray Rural Water Corporation	Bulk Water and storage charges	4,396	3,863
Goulburn Murray Rural Water Corporation	Transfer employee LSL	-	65
Goulburn Murray Rural Water Corporation	VMFRP	-	62
Greater Western Water	Contractor fees	-	71
GWM Water	Property water charges	1	1
Mallee Catchment Management Authority	Salinity Fees collected on behalf of MCMA	2,997	3,371
Mallee Catchment Management Authority	VMFRP	1,603	579
Mildura Base Public Hospital	Medical Expenses	1	1
Northern Central Catchment Management Authority	VMFRP	450	178
Parks Victoria	VMFRP	1	-
State Revenue Office	Payroll tax	517	209
Sunraysia Institute of TAFE	Employee training	3	4
Treasury Corporation Victoria	Repay loans	14,110	12,047
Treasury Corporation Victoria	Interest on borrowings	3,142	3,099
Vic Roads	Vehicle and plant registrations	116	113
Victorian Auditor General's Office	External Audit	124	94
Zero Emissions Water Limited	Emissions Reduction	158	50
Total expenses		**31,384**	**27,353**

Government-related entity payables

Entity name	Brief description of main activity	2025 $'000	2024 $'000
Department of Treasury and Finance	Financial Accommodation Levy	157	147
Mallee Catchment Management Authority	VMFRP	529	43
State Revenue Office Victoria	Payroll tax	41	37
Treasury Corporation of Victoria	Interest	699	664

Transactions with key management personnel and other related parties

Given the breadth and depth of Lower Murray Water's activities, 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. Further employment of 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. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their related parties.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

Director Sharyon Peart was also a Director (resigned 30 September 2023) of the Mallee Catchment Management Authority (MCMA). The transactions with MCMA were in respect of an arrangement with Department of Energy,

NOTES ACCOMPANYING FINANCIAL STATEMENTS

Environment and Climate Action to collect the salinity levy on behalf of the MCMA as part of Lower Murray Water's billing cycle. The value of these transactions in 2025 was $4.60 m (2024: $3.95 m). The MCMA is also a partner in the Victorian Murray Floodplain Restoration Project, refer to note 10.1 for further details on the project.

Director Dr Anne Maree Boland was also a Principal of RM Consulting Group (RMCG). The transactions with RMCG were in respect of consulting on various water and wastewater projects. The value of these transactions in 2025 was $0.14 m (2024: $0.06 m).

All other transactions that have occurred with KMP and their related parties have been trivial or domestic in nature. In this context, transactions are only disclosed when they are considered of interest to users of the financial report in making evaluation decisions about the allocation of scare resources.

Zero Emissions Water (ZEW) transactions
Zero Emissions Water (ZEW) is a related party of Lower Murray Water. Below is a summary of transactions and holdings with ZEW.

	2025 $'000	2024 $'000
Power purchase agreement (PPA) settlements (Revenue)/Expenditure	134	30
Large-scaled generator certificates (LGC's)	14	8
Loan to ZEW	5	5
Recognition of PPA contract derivative	122	-

9.5 Remuneration of auditors

	2025 $'000	2024 $'000
Victorian Auditor-General's Office		
Audit of the financial statements and performance statements	124	94
Other non-audit services		
Internal Audit	93	156
Essential Services Commission Audit	30	28
Department of Health Services - Safe Drinking Water	20	20
Other non-audit services	167	18
Total remuneration of auditors	**434**	**316**

9.6 Changes in accounting policies

Lower Murray Water applied for the first-time certain standards and/or amendments, which are effective for annual periods beginning on or after 1 July 2024 (unless otherwise stated). The impact has been disclosed in the table below.

Title	Key requirements	Impact	Effective date*
Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities (AASB 2022-10)	AASB 2022-10 amends AASB 13 *Fair Value Measurement* to modify the application of AASB 13 in relation to non-financial assets of NFP public sector entities not held primarily for their ability to generate net cash inflows. The highest and best use is presumed to be the asset's current use unless it is classified as held for sale or highly probable the asset will be used for an alternative purpose. A use is financially feasible if market participants would be willing to invest in an asset's service capacity. Lower Murray Water is allowed to use its own assumptions as a starting point when measuring the fair value of the asset if both the market selling price of a comparable asset and market data are unobservable. The standard also provides guidance on the nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence.	*Impact is still under review. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).*	1 January 2024

9.7 Australian Accounting Standards issued that are not yet effective

The following AASs become effective for reporting periods commencing after the operative dates stated:

AASB 17 Insurance Contracts, AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments and AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector

AASB 17 replaces AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts* for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

Lower Murray Water is currently in the process of assessing the potential impact of these standards and amendments.

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

Certain new Australian Accounting Standards (AAS) have been published that are not mandatory for the 30 June 2025 reporting period. DTF assesses the impact of all these new standards and advises Lower Murray Water of their applicability and early adoption where applicable.

Topic	Key requirements	Effective date	Estimated impact
AASB2014-10	*Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* - Amendments to AASB10 and AASB128	1 January 2025	No material impact
AASB2022-8	*Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments*	1 January 2027	No material impact
AASB2022-9	*Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*	1 January 2027	No material impact
AASB2014-10	*Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* - Amendments to AASB10 and AASB128	1 January 2025	No material impact
AASB2020-1	*Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current* - Amendments to AASB101	1 January 2024	No material impact
AASB2022-5	*Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback* - Amendments to AASB16	1 January 2024	No material impact
AASB2022-10	*Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*	1 January 2024	We have been unable to assess impact if any at this time
AASB2022-6	*Non-current Liabilities with Covenants*	1 January 2024	No material impact
AASB2023-1	*Supplier Finance Arrangements*	1 January 2024	No material impact

NOTES ACCOMPANYING FINANCIAL STATEMENTS

10. Financial impacts of projects

This section provides the high level financial impact of projects that have been ring fenced on Lower Murray Water's financial statements. These projects should be considered separate from the core business of Lower Murray Water.

10.1 Background: Victorian Murray Floodplain Restoration Project (VMFRP)

Lower Murray Water was appointed by the Hon. Lisa Neville MP, then the Minister for Water, as the lead agency for the delivery of the Victorian Murray Floodplain Restoration Project in 2019. The VMFRP is part of Victoria's commitment for Sustainable Diversion Limits Adjustment Supply and Constraints Measures in the Murray-Darling Basin working in partnership with Goulburn Murray Water, Mallee CMA, North Central CMA, Parks Victoria and the Victorian Department of Energy, Environment and Climate Action. The VMFRP is funded by the Commonwealth Government as represented by the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

As lead agency, Lower Murray Water is currently facilitating the planning and environmental approvals. The original agreement, which was signed by the Hon. Lisa Neville MP, Minister for Water on 15 July 2019 for $27.4m, was increased to $111.7m by the Minister to address the additional project approvals requirements of both the state and federal agencies. In August 2024, a variation to the funding agreement was executed, granting an additional $43.2m to finalise approvals and all works associated with Stage 1.

Throughout 2024-2025, Lower Murray Water has received Stage 1 funding of $23.8m. The expenses incurred and accrued for the project work for FY2024-2025 were $13.4m and remains on budget with the projected cashflow.

Lower Murray Water continues to use the existing implemented controls to ring fence all aspects of the VMFRP to ensure it is managed separately to our core business and has no negative impact on customers. There remains no cost burden imposed on our urban or rural customers arising from Lower Murray Water's lead agency role with the VMFRP.

10.2 Impact on the Operating statement

	VMFRP		Core business		Consolidated	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial impact on the Comprehensive Operating Statement						
Revenue						
Service and usage charges	-	-	81,468	74,120	81,468	74,120
VMFRP funding	24,061	7,677	-	-	24,061	7,677
Government grants and contributions	-	-	3,050	5,535	3,050	5,535
Other income	-	-	4,647	3,993	4,647	3,993
Total revenue	**24,061**	**7,677**	**89,165**	**83,648**	**113,226**	**91,325**
Expenses						
Depreciation and amortisation	-	-	(42,856)	(41,376)	(42,856)	(41,376)
Direct operational expenses	-	-	(20,719)	(15,149)	(20,719)	(15,149)
Employee benefits	-	-	(25,621)	(23,794)	(25,621)	(23,794)
Repairs and maintenance	-	-	(11,946)	(13,579)	(11,946)	(13,579)
VMFRP expenditure	(13,411)	(10,245)	-	-	(13,411)	(10,245)
Environmental contribution	-	-	(2,254)	(2,251)	(2,254)	(2,251)
Other expenses	-	-	(8,773)	(7,357)	(8,773)	(7,357)
Total expenses	**(13,411)**	**(10,245)**	**(112,169)**	**(103,506)**	**(125,580)**	**(113,751)**
Interest income	-	-	504	711	504	711
Finance expense	-	-	(3,906)	(3,700)	(3,906)	(3,700)
Net finance costs	**-**	**-**	**(3,402)**	**(2,989)**	**(3,402)**	**(2,989)**
Net gain/(loss) on non-financial assets	-	-	(231)	(47)	(231)	(47)
Net gain/(loss) on financial instruments	-	-	122	-	122	-
Total other economic flow included in net result	**-**	**-**	**(109)**	**(47)**	**(109)**	**(47)**
Net result before tax	**10,650**	**(2,568)**	**(26,515)**	**(22,894)**	**(15,865)**	**(25,462)**

VMFRP funding is recognised as revenue when Lower Murray Water receives or obtains control of the contribution in accordance with AASB 1058 *Income of not for profit entities*.
VMFRP expenditure reflects the costs associated to the project incurred during the year for both Lower Murray Water and the partnership agencies, Goulburn Murray Water, Mallee CMA, North Central CMA and Parks Victoria. The project

costs are facilitating the designs and environmental approvals required to take the previously approved business cases through to being ready for construction.

10.3 Impact on the Balance sheet

	VMFRP		Core business		Consolidated	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial impact on the Balance Sheet						
Assets						
Cash and deposits	13,998	2,065	8,773	21,952	22,771	24,017
Other current assets	-	-	22,628	22,476	22,628	22,476
Total current assets	13,998	2,065	31,401	44,428	45,399	46,493
Total non-current assets	-	-	1,072,850	1,086,448	1,072,850	1,086,448
Total assets	**13,998**	**2,065**	**1,104,251**	**1,130,876**	**1,118,249**	**1,132,941**
Liabilities						
Trade and other payables	1,635	251	6,461	10,782	8,096	13,441
Other current liabilities	-	-	12,553	16,243	12,553	13,835
Total current liabilities	1,635	251	19,014	27,025	20,649	27,276
Total non-current liabilities	-	-	225,290	224,139	225,290	224,139
Total liabilities	**1,635**	**251**	**244,304**	**251,164**	**245,939**	**251,415**
Net assets	**12,363**	**1,814**	**859,947**	**879,712**	**872,310**	**881,526**
Equity						
Contributed capital	-	-	670,524	671,024	670,524	671,024
Physical asset revaluation reserves	-	-	362,144	362,144	362,144	362,144
Accumulated surplus /(deficit)	12,363	1,814	(172,721)	(153,456)	(160,358)	(151,642)
Total equity	**12,363**	**1,814**	**859,947**	**879,712**	**872,310**	**881,526**

Cash held relating to the project is held in a separate bank account exclusively for the delivery of this project.

10.4 Impact on the Cash flow statement

	VMFRP		Core business		Consolidated	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial impact on the Cash Flow Statement						
Net cash flows from/(used in) operating activities	11,933	(2,857)	6,103	22,399	18,036	19,542
Net cash flows used in investing activities	-	-	(25,672)	(34,490)	(25,672)	(34,490)
Net cash flows from financing activities	-	-	6,390	27,452	6,390	27,452
Net increase/(decrease) in cash and cash equivalents	**11,933**	**(2,857)**	**(13,179)**	**15,361**	**(1,246)**	**12,504**
Cash at the beginning of the financial year	2,065	4,922	21,953	6,592	24,017	11,513
Cash at the end of the financial year	**13,998**	**2,065**	**8,774**	**21,953**	**22,771**	**24,017**

Financial Management Compliance Attestation Statement

I, Adam Christou, on behalf of the Responsible Body, certify that Lower Murray Urban and Rural Water Corporation has no Material Compliance Deficiencies with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Adam Christou
Acting Chair, Finance and Audit Committee
Lower Murray Urban and Rural Water Corporation
Mildura

Dated this day, 3 October 2025

Declaration in the Financial Statements

The attached financial statements for Lower Murray Urban and 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, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of Lower Murray Water at 30 June 2025.

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 statements for issue on 3 October 2025.

Hannah Yu
General Manager Business Services
Lower Murray Urban and Rural Water Corporation
Mildura

Paul Northey
Managing Director
Lower Murray Urban and Rural Water Corporation
Mildura

Sharyon Peart
Board Chair
Lower Murray Urban and Rural Water Corporation
Mildura

Section 5.
Appendices

Disclosure Index

The annual report of Lower Murray Water is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of Lower Murray Water's compliance with statutory disclosure requirements.

Legislation	Requirement	Page No.
Year In Review		
FRD 22	Manner of establishment and the relevant Ministers	10
FRD 22	Purpose, functions, powers and duties	12-15
FRD 22	Key initiatives and projects	6-7
FRD 22	Nature and range of services provided	9-13
FRD 22	Summary of financial results for the year	106
FRD 22	Five-year financial summary	92
FRD 22	Significant changes in financial position during the year	91-99
FRD 22	Major changes of factors affecting performance	91-99
Government and Organisational Structure		
FRD 22	Organisational structure	17
FRD 22	Governing Board	18-23
FRD 22	Board Committees	24-27
FRD 22	Audit Committee	24-27
Workforce Data		
FRD 10	Disclosure index	147-148
FRD 12	Disclosure of major contracts	88
FRD 15	Executive Officer disclosure	62
FRD 22	Employment and conduct principles	58-78
FRD22, 29	Workforce data	63-64
FRD 22	Workforce inclusion policy	71
FRD 22	Occupational health and safety policy	77-78
Other Disclosures		
FRD 22	Subsequent events	Refer to financial reporting
FRD 22	Application and operation of the *Freedom of Information Act 1982*	84
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993*	88
FRD 22	Statement on National Competition Policy (Competitive Neutrality Policy)	88
90FRD 22	Application and operation of the *Public Interest Disclosures Act 2012*	85
FRD 22	Details of consultancies over $10,000 (consultancy expenditure)	84
FRD 22	Details of consultancies under $10,000 (consultancy expenditure)	84
FRD 22	Disclosure of government advertising expenditure	84

FRD 22	Disclosure of ICT expenditure	84
FRD 22	Disclosure of review and study expenses	86
FRD 22	Disclosure of procurement complaints	87
FRD 22	Disclosure of asset maturity assessment	N/A
FRD 22	Disclosure of emergency procurement	87
FRD 22	Statement of availability of other information	89
FRD 24	Reporting of environmental data by government entities	28-40
FRD 25	Local Jobs First	86
FRD 27	Performance Reporting	96-99
SPF	Social Procurement Framework	87
SPF and FRD 22	Social Procurement Activities	87
Ministerial Reporting Directions – Letter of Expectation Priority Policy Areas		
MRD 01	Climate Change and Energy	28-40
MRD 02	Customer, Community and Engagement	41-47
MRD 03	Recognise Aboriginal Values	48
MRD 04	Recognise Recreational Values	49-50
MRD 05	Resilient and Liveable Cities and Towns	51-57
MRD 06	Leadership, Diversity and Culture	58-78
MRD 07	Performance and Financial Management	91-95
MRD 08	Compliance and Enforcement	79-83
Compliance Attestation and Declaration		
SD 5.1.4	Attestation for Financial Management Compliance of Attestation for Compliance with Ministerial Standing Directions	145
SD 5.2.3	Responsible Body Declarations in report of operations or Declaration in report of Operations	8
Legislation		
Building Act 1993		14, 88
Financial Management Act 1994		8, 14, 99, 100
Freedom of Information Act 1992		14, 84
Local Jobs First Act 2003		14, 86
Public Interest Disclosures Act 2012		14, 85
Water Act 1989		10, 12, 14, 24, 80

Consultancies over $10,000

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
AFS and Associates Pty Ltd	**27,340**	**13,795**	**13,545**
Review Of Procurement Governance	-	13,795	-
Aither Pty Ltd	**488,905**	**335,436**	**153,470**
Rural Masterplan Consultancy	-	335,436	-
Anastasia Kailis	**247,170**	**228,508**	**18,662**
Change Management Consulting	-	228,508	-
Avocado Consulting	**219,000**	**162,000**	**57,000**
TUP Test and Release Manager Services	-	57,750	-
TUP Test Strategy Review and Uplift	-	104,250	-
Blue Platinum Solutions Pty Ltd	**294,469**	**166,072**	**128,397**
BTP/TUP Project Analysis	-	17,325	-
BTP/TUP Project Business Analysis	-	92,675	-
BTP/TUP Project Finance	-	22,413	-
BTP/TUP Services	-	13,750	-
Business Analysis andConsulting Services	-	19,910	-
CMP Consulting	**-**	**35,928**	**-**
Consulting Project Management	-	35,928	-
Dale Family Trust - Brillco	**338,802**	**224,740**	**114,063**
BTP/TUP Business Analysts Services	-	167,478	-
TUP Training Lead Services	-	45,162	-
TUP Ttraining Lead Services	-	12,100	-
DM Engineering Consultants	**20,167**	**11,960**	**8,207**
Consultants 21/03-9/04	-	5,880	-
Consulting April May	-	6,080	-
Edwards and Associates Environmental Services	**66,849**	**53,099**	**13,750**
Soil Sampling	-	53,099	-
Engeny Australia Pty Ltd	**614,271**	**598,137**	**16,134**
Contract Payment CN0590	-	409,862	-
Contract Payment CN0629	-	188,275	-

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
Enzen Australia Pty Ltd	**1,678,593**	**543,669**	**1,134,924**
Architecture Services	-	32,450	-
Data Migration Consultant Services	-	167,957	-
Ion Integration Architecture	-	34,650	-
Ion Integration Services	-	236,412	-
Project Management Services	-	72,200	-
Galaxy 42 Pty Ltd	**786,509**	**581,873**	**204,636**
TUP Implementation Services	-	456,507	-
TUP Professional Services	-	125,366	-
GHD Pty Ltd	**1,415,323**	**985,342**	**429,981**
Contract Payment CN0464	-	15,272	-
Contract Payment CN0591	-	730,446	-
Contract Payment CN0605	-	4,867	-
Contract Payment CN0606	-	104,004	-
LMW Misc Modelling and Planning	-	43,222	-
LMW RMMP	-	6,470	-
LMW Secondment	-	44,957	-
Project Management Sewer Rehabilitation Project Delivery	-	14,550	-
Sewer Rehab Secondment	-	15,180	-
Swan Hill Urban Water	-	6,374	-
Global Integration Technology Pty Ltd	**-**	**22,839**	**-**
Configuration Of Zephyr and Jira	-	14,000	-
Jira Premium	-	6,839	-
TUP Consulting	-	2,000	-
GML Heritage Victoria Pty Ltd	**107,970**	**21,594**	**86,376**
Kings Billabong Pump Station	-	21,594	-
Heil Engineering Consultants	**53,448**	**50,400**	**3,048**
Contract Payment CN0643	-	43,450	-
Water Replacement Nolan St	-	6,950	-
Hellofuture Tv	**-**	**34,445**	**-**
SWEP Project Consultants	-	34,445	-

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
Hunter H2O Holdings Pty Ltd	**209,026**	**170,712**	**38,314**
Contract Payment CN0589	-	170,712	-
Infor Global Solutions (ANZ) Pty Ltd	**2,161,481**	**1,237,687**	**923,794**
Additional Cloud Environment	-	103,157	-
Asset Migration Review	-	11,875	-
Assets to the Cloud	-	280,173	-
IPS Upgrade	-	5,074	-
Project Director/Manager	-	11,338	-
Project Management	-	107,653	-
Services Work On Integration	-	2,360	-
TechOne Uplift	-	539,697	-
TUP Consulting	-	76,904	-
TUP Horizon1 Review	-	61,908	-
TUP Project Manager	-	37,548	-
Integrity Governance	**-**	**16,322**	**-**
Board Review	-	8,138	-
Koondrook Hemp	-	8,185	-
James Goldsworthy Consulting Pty Ltd	**-**	**14,333**	**-**
SWEP Consultants Vegetation Offset Reconciliation		14,333	
Jamnet Pty Limited	**353,450**	**169,400**	**184,050**
TechOne Project Consulting	-	169,400	-
Jane Naughton Consulting Services	**-**	**25,200**	**-**
Executive Work Value Assessment	-	25,200	-
Kapish Services	**84,994**	**24,900**	**60,094**
SharePoint Integration Upgrade	-	24,900	-
KPMG	**60,668**	**18,113**	**42,555.03**
KPMG Arm Modeling	-	18,113	-
KPMG Australia	**-**	**10,000**	**-**
KCat Licencing May 25	-	10,000	-

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
Maddocks	**55,988**	**16,089**	**39,899**
Employment Advice	-	10,550	-
Legal Advice Merbein Water Booster Pump Station	-	1,044	-
Procurement Policy Review	-	2,732	-
Workcover Query	-	1,764	-
Mjndpac Pty Ltd	**275,417**	**193,129**	**82,288**
TUP Program Director	-	193,129	-
Noble Business Systems Consulting	**328,860**	**180,120**	**148,740**
Configuration of Budget Models	-	7,280	-
Consulting Services TechOne Software System	-	172,840	-
NTT Australia Digital Pty Ltd	**546,130**	**357,604**	**188,526**
BTP/TUP Strategic Initiative Services	-	357,604	-
Pinion Advisory	**-**	**18,086**	**-**
Native Vegetation Due Diligence	-	18,086	-
Pressure System Solutions Pty Ltd	**24,780**	**19,500**	**5,280**
Kings Billabong SPS Option Study	-	15,000	-
Nichols Point Pressure Sewer Modelling	-	4,500	-
Project Genetics Pty Ltd	**745,342**	**446,102**	**299,240**
TUP Consulting	-	446,102	-
RM Consulting Group	**140,021**	**138,821**	**1,200**
2025/26 Pricing	-	8,314	-
Decommission Plan Update Merbein WWTP	-	4,720	-
Develop RMMPS For Lagoon Based WWTP	-	51,674	-
GHG Accounting	-	11,100	-
Koondrook Hemp	-	9,600	-
LMW Pricing and Regulation Plan	-	16,200	-
Presentation to Board Regulatory	-	6,000	-
Water Balance Assessment	-	18,758	-
WTTP RMMP	-	12,456	-
RM Engineering Solutions	**43,995**	**31,000**	**12,995**

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
Consultancy Scada Renewal	-	14,960	-
Contract Payment CN0631	-	16,040	-
RPS Consulting	**65,840**	**43,000**	**22,840**
Erp Assurance Health Check Stage 1	-	36,520	-
RPS Consulting Assurance Check	-	6,480	-
RSM Bird Cameron	**141,951**	**114,400**	**27,551**
Superannuation Guarantee Remediation Assistance	-	114,400	-
Rubicon Systems Aust Pty Ltd	**82,135**	**16,310**	**65,825**
Scoping of Ordering System	-	16,310	-
Sequana Partners Pty Ltd	**-**	**901,651**	**-**
LMW Procurement Support	-	2,169	-
SWEP Project Management Services	-	899,482	-
SMEC Australia Pty Ltd	**36,777**	**17,429**	**19,348**
Contract Payment CN0522	-	17,429	-
Southern Cross Business Advisers	**49,530**	**25,230**	**24,300**
Accounting Review	-	1,800	-
Consultancy and Advisory Services	-	680	-
FBT Consultancy	-	1,350	-
Tax Effect Accounting Review	-	21,400	-
Sun Dog Consulting	**23,636**	**13,600**	**10,036**
Consulting and Mentoring LMW Strategy Sessions	-	13,600	-
Sunraysia Rural Water Authority	**-**	**18,000**	**-**
Orthophotography 2024	-	18,000	-
Technology One Limited	**167,826**	**95,250**	**72,576**
Ams Program Uplift	-	95,250	-
Tonkin Consulting Pty Ltd	**469,629**	**396,991**	**72,638**
17th St and Deakin Ave Thrust Restraint	-	9,020	-
Assessment of Bridge Sandilong Av	-	3,000	-
Consultants Wheel Sculpture	-	2,000	-
Contract Payment CN0393	-	1,275	-
Contract Payment CN0550 UV Stage 2 and 3	-	24,052	-
Contract Payment CN0577	-	6,050	-
Contract Payment CN0585	-	279,510	-

Consultancy Name and Project Reference	Total Project Fees Approved Ex Gst $	Expenditure Fy2024-25	Future Expenditure Ex GST $
Contract Payment CN0587	-	6,615	-
Contract Payment CN0610	-	13,880	-
Contract Payment CN0664	-	17,900	-
Contractor Design Phase	-	1,890	-
Cultural Heritage Du Diligence Assessment Kerang WWTP	-	3,517	-
Inspection Of Clarifiers	-	1,250	-
Kerang Wastewater Treatment Plant	-	6,175	-
Meridian Rd Crossing Design	-	7,335	-
Meridian Rd Revised Design	-	962	-
New Clarifier Gear Box	-	540	-
Pedestrian Crossing Review	-	1,700	-
Project Engineering Services	-	540	-
Structural Assessment Central Pumps	-	1,800	-
Superintendency Services Stage 2 and 3	-	1,275	-
Tenth St Tower Remediation Works	-	6,705	-
Triplex Acies Consulting Pty Ltd	**-**	**60,200**	**-**
Annual Emergency Management Training	-	10,500	-
Risk Management and Business Resilience Ready Project Phase	-	40,950	-
Strategic and Enterprise Risk Register	-	8,750	-
U2b Pty Ltd T/A Resilient Futures	**40,759**	**37,633**	**3,126**
Executive Coaching	-	6,259	-
Initiating Strategy in Action	-	17,950	-
Strategy Capability Uplift	-	13,424	-
Utilities Regulation Advisory	**42,915**	**28,610**	**14,305**
Water Planning Framework	-	28,610	-
Victorian Water Industry Association	**-**	**28,197**	**-**
Carbon Offset Projects	-	27,197	-
Puddle Model Financial 25	-	1,000	-
Votar Partners Pty Ltd	**29,600**	**22,200**	**7,400**
Consulting Services IT Governance	-	22,200	-
Grand Total	**-**	**8,975,655**	**4,735,569**

Abbreviations

Acronym	Description
ABA	Allocation Bank Account
AEE	Annual Employee Equivalent
ACCC	Australian Competition and Consumer Commission
Mallee CMA	Mallee Catchment Management Authority
CSAC	Customer Strategic Advisory committee
DEECA	Department of Energy, Environment and Climate Action
ELT	Executive Leadership Team
EPA	Environment Protection Authority
ESC	Essential Services Commission
EWOV	Energy and Water Ombudsman (Victoria)
FOI	Freedom of Information
FMIT	First Mildura Irrigation Trust
GEA	Gender Equality Act
GEAP	Gender Equality Action Plan
IWM	Integrated Water Management
JWS	JWS Research
MPSG	Major Project Skills Guarantee
MSAU	Mallee Sexual Assault Unit
MRCC	Mildura Rural City Council
MDSV	Mallee Domestic Violence Services
PINs	Penalty Infringement Notices
SAC	Strategic Advisory committee
VMFRP	Victorian Murray Floodplain Restoration Project
VPIP	Victorian Industry Participation Policy
WWTP	Waste Water Treatment Plant

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