

Water Services Association of Australia Ltd

ACN 117 907 285

Annual Report - 30 June 2024

Water Services Association of Australia Ltd

Directors' report

30 June 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Roch Cheroux (Chair)
Neil Brennan (retired May 2024)
Nicole Davis
Pat Donovan
Jon Lamonte (departed December 2023)
Lara Olsen
Djuna Pollard
David Ryan
Shaun Cumming
Adam Lovell (Executive Director)

Principal activities

The principal activity of the company during the financial year was as follows.

The Water Services Association of Australia (WSAA) is the peak body of the Australian and New Zealand urban water industry. Its members provide water and wastewater services to approximately 24 million customers in Australia and New Zealand and to many large industrial and commercial enterprises.

Based around our vision of 'customer driven, enriching life', WSAA facilitates collaboration, knowledge sharing, networking and cooperation within the urban water industry through a number of Committees, Networks and Communities of Practice. The collegiate attitude of our members continues to lead to industry-wide approaches to national water issues.

WSAA continues its work in the standardisation of industry performance monitoring and benchmarking, as well as research. The WSAA Executive retains strong links with policy makers and legislative bodies and their influencers, to monitor emerging issues of importance to the urban water industry.

Information on directors

Name:	Roch Cheroux
Title:	Director, WSAA
Qualifications:	Masters Degree in Engineering and Business Management.
Experience and expertise:	Roch Cheroux was first appointed to the WSAA Board in August 2016. Mr Cheroux has significant experience in the water industry in design, construction, financing, operating and customer service activities in both line management and executive management positions. He was Chief Executive of South Australia Water Corporation, Chief Executive Officer of SUEZ for the South East Asia region and SUEZ-Degrémont Australia and New Zealand, Managing Director of United Utilities Asia and Pacific (TRILITY), and Chief Executive and Chairman of Tallinn Water in Estonia. Mr Cheroux is Managing Director of Sydney Water Corporation which supplies water, wastewater, recycled water and some stormwater services to Sydney, the Illawarra and the Blue Mountains.
Special responsibilities:	Chair

Name:	Neil Brennan
Title:	Director, WSAA (retired May 2024)
Qualifications:	GradDipMgt, MBL
Experience and expertise:	Neil Brennan was first appointed to the WSAA Board in November 2021. Mr Brennan had a 40 year career in the Victorian water industry, before joining Seqwater in 2018. Neil was Managing Director of Western Water, Interim Managing Director of Goulburn Murray Water, Managing Director at Central Highlands Water and held various Ministerial appointments to industry committees. Mr Brennan is Chief Executive Officer of Seqwater which is the bulk water supply authority across South East Queensland.
Special responsibilities:	Member, Audit and Risk Committee

Water Services Association of Australia Ltd

Directors' report

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Name: Pat Donovan
Title: Director, WSAA
Qualifications: B Eng (BA BAI) Mech Eng, FIEAust
Experience and expertise: Pat Donovan was appointed to the WSAA Board in January 2019. Mr Donovan has more than 25 years' experience in the gas utility sector in Australia and Ireland. He was previously President of ATCO Gas Australia and previously held senior executive roles at ATCO and Alinta. Mr Donovan is Chief Executive Officer of the Water Corporation which provides water, wastewater and drainage services in Western Australia.
Special responsibilities: Chair, Liveable Communities Committee

Name: Nicole Davis
Title: Director, WSAA
Qualifications: BASc; Ph.D. (Philosophy); GAICD
Experience and expertise: Nicole Davis was first appointed to the WSAA Board in November 2021. Dr Davis has a 25-year career spanning both private and public arenas, in the infrastructure and operational fields. Nicole has also previously worked in executive level roles as: Director of Operations at SEQ Water Grid Manager; at Mackay Regional Council as Chief Operating Officer, Water and Waste; and has also spent time in the private sector as a consultant. Dr Davis is the General Manager, Infrastructure & Operations at Redland City Council which provides facilities and services for Redlands in Queensland including the delivery of water and sewerage services.
Special responsibilities: Regional Member

Name: Djuna Pollard
Title: Director, WSAA
Qualifications: BBus (Finance and Economics); FFIN; MAICD
Experience and expertise: Djuna Pollard was first appointed to the WSAA Board in November 2021. Ms Pollard held a number of senior leadership positions in Power and Water Corporation over two decades before being appointed CEO in 2020. These roles included Executive General Manager Power Services, General Manager Retail, and Senior Executive Manager Strategy, Economics, Regulation and Transformation. Djuna was also CEO of Jacana Energy. Djuna Pollard is the Chief Executive Officer of Power and Water Corporation which transmits and distributes electricity, and provides water and sewerage services, across the Northern Territory. Djuna is also a Director of Energy Networks Australia.
Special responsibilities: Member, Audit and Risk Committee

Name: Shaun Cumming
Title: Director, WSAA
Qualifications: PhD, MA, BSc(Hons), CCMI, CMath, CDir, FRICS, FIOD, FIMA, FRIN, FCILT, RAF(retd)
Experience and expertise: Shaun Cumming was first appointed to the WSAA Board in June 2023. Mr Cumming has extensive experience in the water industry and has worked across both public and private sectors. Mr Cumming has extensive experience in strategy, transformation, operations, construction, business development, IT and large-scale multiple party project development and has a passion for renewable energy, climate change and the environment. Mr Cumming is the Managing Director of Barwon Water and Barwon Asset Solutions which provides water, sewerage and recycled water services in Victoria's south west.
Special responsibilities: Chair, Utility Excellence Committee

Water Services Association of Australia Ltd

Directors' report

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Name: Jon Lamonte (departed December 2023)
Title: Director, WSAA
Qualifications: PhD, MA, BSc(Hons), CCMI, CMath, CDir, FRICS, FIOD, FIMA, FRIN, FCILT, RAF(retd)
Experience and expertise: Jon Lamonte was first appointed to the WSAA Board in March 2021. Mr Lamonte is a former senior officer in the Royal Air Force in the UK, flying operationally before tours in the Ministry of Defence (logistics and procurement). After leaving the Service, he became Chief Executive of Tube Lines, running the engineering and upgrade of London's busiest underground lines before taking over all modes of transport in the Greater Manchester region as Chief Executive for TfGM. More recently, he led Sydney Metro through the opening of their first driverless line, whilst constructing three more lines in Australia's largest public transport project. Mr Lamonte is Chief Executive of Watercare which provides water and wastewater services to the city of Auckland in New Zealand.

Special responsibilities: Chair, Audit and Risk Committee

Name: Lara Olsen
Title: Director, WSAA
Qualifications: BEng (Chem) (Hons), Barts, MBA, GAICD
Experience and expertise: Lara Olsen was appointed to the WSAA Board in February 2020. Ms Olsen has extensive experience in the utility sector, focused on customer experience and innovation. She is a former Global Head of Business Development and Industrial Products at Tesla Energy based in the USA and also led the Business Development and Industrial Products team for Tesla Australia. Previous roles also include head of strategy for CitiPower PowerCor and the Australian Renewable Energy Agency (ARENA), Project Leader with the Boston Consulting Group and co-founding Billcap. Ms Olsen is Managing Director of South East Water which supplies water, wastewater and recycled water services to an area from Port Melbourne to Portsea in Victoria. She is also a Director of Iota Services Pty Ltd, a wholly-owned subsidiary of South East Water.

Special responsibilities: Chair, Customer and Industry Leadership Committee

Name: David Ryan
Title: Director, WSAA
Qualifications: B.Env.Sc, MBA, MCorp Env & Sus Mgt, GAICD
Experience and expertise: David Ryan was first appointed to the WSAA Board in November 2019. Mr Ryan has significant experience in the water industry in operations and capital delivery, waterway management and customer solutions. Mr Ryan was CEO at City West Water in Melbourne from 2016 and prior to this held executive level roles at bulk water company, Melbourne Water including being the Executive General Manager, Service Delivery. He is a former president of the Institute of Water Administration and has been a Board Director for VicWater. Mr Ryan is Chief Executive of SA Water which provides water and wastewater services in South Australia.

Special responsibilities: Deputy Chair, Chair - People and Capability Committee, Chair – Audit and Risk Committee

Name: Adam Lovell
Title: Executive Director, WSAA
Qualifications: BSc Hons (Chem), MES Environmental Engineering Science
Experience and expertise: Adam Lovell was first appointed to the WSAA Board when he became Executive Director of WSAA in June 2011. Mr Lovell has over 20 years experience in the water industry and leading strategy and policy development across a broad range of areas. He was Manager, Science and Sustainability at WSAA and part of the Science and Technology group at Sydney Water.

Special responsibilities: N/A

Water Services Association of Australia Ltd
Directors' report
30 June 2024

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board Attended	Held
Roch Cheroux	5	5
Neil Brennan	4	4
Nicole Davis	2	5
Pat Donovan	4	5
Jon Lamonte	3	3
Lara Olsen	4	5
Djuna Pollard	3	5
David Ryan	4	5
Shaun Cumming	3	4
Adam Lovell	5	5

Held: represents the number of meetings held during the time the director held office.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each. Honorary members are not required to contribute.

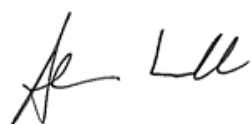
The total amount that members of the company are liable to contribute if the company is wound up is \$850, based on 85 current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Adam Lovell, Executive Director



Roch Cheroux, Chair

Date: 30/09/2024

**AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024**

As lead auditor for the audit of Water Services Association of Australia Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Water Services Association of Australia Ltd.

LOWE LIPPMANN
CHARTERED ACCOUNTANTS
LEVEL 7, 616 ST KILDA ROAD
MELBOURNE, VICTORIA 3004



LOREN DATT
Audit Partner
Signed at Melbourne on 15 October 2024

Partners

Joseph Franck Mark Saltzman
Danny Lustig Joseph Kalb
Gideon Rathner Daniel Franck
Loren Datt Richard Horvath
Michael Scholefield

Water Services Association of Australia Ltd

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General information

The financial statements cover Water Services Association of Australia Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Water Services Association of Australia Ltd's functional and presentation currency.

Water Services Association of Australia Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 8
401 Docklands Drive
Docklands VIC 3008

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 October 2024. The directors have the power to amend and reissue the financial statements.

Water Services Association of Australia Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	3	9,384,855	7,970,890
Interest revenue		199,400	120,035
Expenses			
Corporate and administrative expenses		(1,080,537)	(900,445)
Employee benefits expense		(3,689,916)	(3,370,803)
Depreciation and amortisation expense		(327,446)	(253,025)
Consultants & contractors		(514,821)	(590,838)
Subscription projects		(3,603,505)	(2,506,629)
Dues & subscriptions		(192,330)	(157,577)
Loss on disposal of plant and equipment		(2,166)	(8,229)
Finance costs		(107,801)	(34,749)
Surplus before income tax expense		65,733	268,630
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Water Services Association of Australia Ltd		65,733	268,630
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Water Services Association of Australia Ltd		<u>65,733</u>	<u>268,630</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Water Services Association of Australia Ltd
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	4	4,501,003	4,229,225
Trade and other receivables	5	1,175,710	709,457
Contract assets	6	64,126	39,974
Other financial assets	7	765,850	731,032
Other	8	155,270	78,281
Total current assets		<u>6,661,959</u>	<u>5,787,969</u>
Non-current assets			
Property, plant and equipment	9	49,497	55,638
Right-of-use assets	10	1,247,681	1,534,728
Intangibles	11	136,720	-
Other	12	91,762	91,762
Total non-current assets		<u>1,525,660</u>	<u>1,682,128</u>
Total assets		<u>8,187,619</u>	<u>7,470,097</u>
Liabilities			
Current liabilities			
Trade and other payables	13	617,789	135,124
Lease liabilities	14	1,078,225	223,396
Employee benefits	15	856,562	686,796
Other	16	2,882,413	2,623,560
Total current liabilities		<u>5,434,989</u>	<u>3,668,876</u>
Non-current liabilities			
Lease liabilities	18	252,233	1,330,458
Employee benefits	19	39,744	75,843
Total non-current liabilities		<u>291,977</u>	<u>1,406,301</u>
Total liabilities		<u>5,726,966</u>	<u>5,075,177</u>
Net assets		<u>2,460,653</u>	<u>2,394,920</u>
Equity			
Retained surpluses		<u>2,460,653</u>	<u>2,394,920</u>
Total equity		<u>2,460,653</u>	<u>2,394,920</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Water Services Association of Australia Ltd
Statement of changes in equity
For the year ended 30 June 2024

	Retained profits \$	Total equity \$
Balance at 1 July 2022	2,126,290	2,126,290
Surplus after income tax expense for the year	268,630	268,630
Other comprehensive income for the year, net of tax	-	-
	<u>268,630</u>	<u>268,630</u>
Total comprehensive income for the year	<u>268,630</u>	<u>268,630</u>
Balance at 30 June 2023	<u>2,394,920</u>	<u>2,394,920</u>
	Retained profits \$	Total equity \$
Balance at 1 July 2023	2,394,920	2,394,920
Surplus after income tax expense for the year	65,733	53,241
Other comprehensive income for the year, net of tax	-	-
	<u>65,733</u>	<u>53,241</u>
Total comprehensive income for the year	<u>65,733</u>	<u>53,241</u>
Balance at 30 June 2024	<u>2,460,653</u>	<u>2,448,161</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Water Services Association of Australia Ltd
Statement of cash flows
For the year ended 30 June 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers		9,151,351	8,206,780
Payments to suppliers		<u>(8,539,814)</u>	<u>(7,523,062)</u>
		611,537	683,718
Interest received		164,582	120,035
Interest and other finance costs paid		(107,801)	(34,749)
Payments for security deposits		<u>-</u>	<u>(91,762)</u>
Net cash from operating activities		<u>668,318</u>	<u>677,242</u>
Cash flows from investing activities			
Payments for property, plant and equipment	9	(19,710)	(17,833)
Payments for intangibles	11	(153,973)	-
Net movement in other financial assets		-	(16,087)
Proceeds from disposal of property, plant and equipment		<u>539</u>	<u>-</u>
Net cash used in investing activities		<u>(173,144)</u>	<u>(33,920)</u>
Cash flows from financing activities			
Repayment of lease liabilities		<u>(223,396)</u>	<u>(255,784)</u>
Net cash used in financing activities		<u>(223,396)</u>	<u>(255,784)</u>
Net increase in cash and cash equivalents		271,778	387,538
Cash and cash equivalents at the beginning of the financial year		<u>4,229,225</u>	<u>3,841,687</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>4,501,003</u></u>	<u><u>4,229,225</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Comparatives

When required, comparative information has been restated in line with current year presentation

Revenue recognition

The company recognises revenue as follows:

Product sales

Revenue from the product sales is recognised when the performance obligation is satisfied, generally at the time of delivery.

Members fees

Membership revenue is recognised over time, when performance obligations have been satisfied to members. Membership obligations are satisfied within the financial year and therefore no amounts are recognised as income in advance.

Subscription Project Revenue

Funding is received by the Company for past or future delivery of contractual requirements relating to projects run by the Company. Subscription revenue of this nature is recognised over time based on the input method. The company has made the decision that expenses are a good indicator of performance obligations being performed over time. If performance obligations are not satisfied by the reporting date, amounts received are deferred and reflected in the statement of financial position as a current liability (Refer to Note 16).

When funds are received for projects that are subsequently cancelled, a credit note is raised as the company is obligated to refund the funding or offset it against future project funding (Refer to Note 13).

Income tax

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Right-of-use assets

The company applies a single recognition and measurement approach for all leases, except short term leases and leases of low value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The company recognises a right of use asset at the commencement date of the lease. Right of use assets are measured at cost, less any accumulated depreciation and adjusted for any remeasurement in lease liabilities. Right of use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful life of assets.

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of the lease payments to be made over the term of the lease. Lease payments comprise of fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the company uses an incremental borrowing rate at the lease commencement date because of the interest rate implicit in the lease may not be readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of the lease liabilities is remeasured if there is a modification, a change in the lease term or change in lease payments.

Employee benefits

Liabilities for employee benefits where the company does not have an unconditional right to defer settlement for at least 12 months after the reporting date are presented as current. Liabilities for employee benefits where the company has an unconditional right to defer settlement for at least 12 months after the reporting date are presented as non-current.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2024 \$	2023 \$
<i>Revenue from contracts with customers</i>		
Product sales	615,386	476,489
Members fees	5,038,040	4,864,299
Subscription projects	3,611,931	2,514,260
	<u>9,265,357</u>	<u>7,855,048</u>
<i>Other revenue</i>		
Other revenue	<u>119,498</u>	<u>115,842</u>
Revenue	<u><u>9,384,855</u></u>	<u><u>7,970,890</u></u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 4. Current assets - cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank and deposit	<u>4,501,003</u>	<u>4,229,225</u>

Note 5. Current assets - trade and other receivables

	2024	2023
	\$	\$
Trade receivables	1,179,521	722,256
Less: Allowance for expected credit losses	<u>(3,811)</u>	<u>(12,799)</u>
	<u>1,175,710</u>	<u>709,457</u>

Note 6. Current assets - contract assets

	2024	2023
	\$	\$
Contract assets	<u>64,126</u>	<u>39,974</u>

Note 7. Current assets - other financial assets

	2024	2023
	\$	\$
Term deposits (with an original maturity of more than 3 months)	<u>765,850</u>	<u>731,032</u>

Note 8. Current assets - other

	2024	2023
	\$	\$
Prepayments	<u>155,270</u>	<u>78,281</u>

Note 9. Non-current assets - property, plant and equipment

	2024	2023
	\$	\$
Leasehold improvements - at cost	15,689	15,689
Less: Accumulated depreciation	<u>(9,219)</u>	<u>(8,989)</u>
	<u>6,470</u>	<u>6,700</u>
Computer equipment - at cost	76,803	69,392
Less: Accumulated depreciation	<u>(48,269)</u>	<u>(37,484)</u>
	<u>28,534</u>	<u>31,908</u>
Fixtures and fittings - at cost	98,751	98,751
Less: Accumulated depreciation	<u>(84,258)</u>	<u>(81,721)</u>
	<u>14,493</u>	<u>17,030</u>
	<u>49,497</u>	<u>55,638</u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 9. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Leasehold improvements \$	Computer equipment \$	Fixtures and fittings \$	Total \$
Balance at 1 July 2023	6,700	31,908	17,030	55,638
Additions	-	19,710	-	19,710
Disposals	-	(2,705)	-	(2,705)
Depreciation expense	(230)	(20,379)	(2,537)	(23,146)
Balance at 30 June 2024	<u>6,470</u>	<u>28,534</u>	<u>14,493</u>	<u>49,497</u>

Note 10. Non-current assets - right-of-use assets

	2024 \$	2023 \$
Land and buildings - right-of-use	1,604,362	1,604,262
Less: Accumulated depreciation	(363,888)	(78,950)
	<u>1,240,474</u>	<u>1,525,312</u>
Plant and equipment - right-of-use	10,646	10,646
Less: Accumulated depreciation	(3,339)	(1,230)
	<u>7,307</u>	<u>9,416</u>
	<u>1,247,681</u>	<u>1,534,728</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and equipment \$	Land and buildings \$	Total \$
Balance at 1 July 2023	9,416	1,525,312	1,534,728
Depreciation expense	(2,109)	(284,938)	(287,047)
Balance at 30 June 2024	<u>7,307</u>	<u>1,240,474</u>	<u>1,247,681</u>

Note 11. Non-current assets - intangibles

	2024 \$	2023 \$
Website - at cost	284,259	130,286
Less: Accumulated amortisation	(147,539)	(130,286)
	<u>136,720</u>	<u>-</u>
Software - at cost	22,968	22,968
Less: Accumulated amortisation	(22,968)	(22,968)
	<u>-</u>	<u>-</u>
	<u>136,720</u>	<u>-</u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 11. Non-current assets - intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Website
	\$
Balance at 1 July 2023	-
Additions	153,973
Amortisation expense	<u>(17,253)</u>
Balance at 30 June 2024	<u><u>136,720</u></u>

Note 12. Non-current assets - other

	2024	2023
	\$	\$
Security deposits	<u>91,762</u>	<u>91,762</u>

Note 13. Current liabilities - trade and other payables

	2024	2023
	\$	\$
Trade payables	55,321	22,024
Provision for credit notes	240,000	-
Other payables	<u>322,468</u>	<u>113,100</u>
	<u><u>617,789</u></u>	<u><u>135,124</u></u>

Note 14. Current liabilities - lease liabilities

	2024	2023
	\$	\$
Lease liability	<u>1,078,225</u>	<u>223,396</u>

Note 15. Current liabilities - employee benefits

	2024	2023
	\$	\$
Annual leave	291,466	251,715
Long service leave	<u>565,096</u>	<u>435,081</u>
	<u><u>856,562</u></u>	<u><u>686,796</u></u>

Note 16. Current liabilities - other

	2024	2023
	\$	\$
Subscription and third party funded project income received in advance	2,618,213	2,369,560
Membership income received in advance	<u>264,200</u>	<u>254,000</u>
	<u><u>2,882,413</u></u>	<u><u>2,623,560</u></u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 16. Current liabilities - other (continued)

Included in Subscription and third party funded project income received in advance in the 2024 and 2023 financial years respectively are the following:

	2024	2023
	\$	\$
Innovative Pipe Linings	101,730	130,265
Visitor Centre Concepts	-	2,456
W Lab	107,323	371,466
AM Customer Value Project	-	19,453
CX maturity framework	-	7,694
Customer Perceptions Survey	23,953	161,862
Australian Water Partnership	15,808	(35,303)
National Guidelines for LEL (Gas) Management	29,428	32,190
AC Pipes: Stage 2 - Condition Assessment	117,337	133,446
Australian Sewage Quality Management Guidelines Update	2,000	2,000
IoT Guidelines for the Australian Water Industry	-	6,713
Pride in Water	10,517	21,357
2021 Health & Safety & People & Productivity Benchmarking	91,042	91,042
TOTEX cost benchmarking	393,574	635,349
Nutrient Offsets	-	4,763
Drinking Water Tank Design Code of Practice and Drawings	6,285	10,215
Water Literacy	-	98,032
Water Utilities Asset Model Builds	19,600	34,300
Wastewater Source Management Guideline Values – Stage 1	17,810	17,810
Urban Water Resource Planning Framework review	19,200	49,600
LINKA – Evaluation of CIPP performance with IKT	90,922	29,333
AMCV 2024	582,424	169,013
AMCV Qualtrics Software	* 115,023	-
Development of a digital platform	(4,500)	190,000
Modern Slavery Platform	14,980	12,840
Non-residential water efficiency benchmarking	265,884	-
Cyber Security Training	7,679	-
RD&I Ecosystem	320,480	-
Bidet Seat Water Quality Risk Assessment	14,560	-
First Nations Program	105,313	-
Financial Viability	60,000	-
Smart Approved Watermark	71,862	104,721
PARMS	17,980	68,943
	<u>2,618,213</u>	<u>2,369,560</u>

* AMCV 2024 Qualtrics software (\$115,023) is associated with the AMCV 2024 project, which has been capitalised to the balance sheet as the nature of the spend related to professional services for the development of a benchmarking and survey platform that WSAA will utilise going forward.

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 17. Non-current liabilities - borrowings

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	2024	2023
	\$	\$
Total facilities		
Credit card	120,000	120,000
Used at the reporting date		
Credit card	32,858	49
Unused at the reporting date		
Credit card	87,142	119,951

Note 18. Non-current liabilities - lease liabilities

	2024	2023
	\$	\$
Lease liability	252,233	1,330,458

Note 19. Non-current liabilities - employee benefits

	2024	2023
	\$	\$
Long service leave	39,744	75,843

Note 20. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2024	2023
	\$	\$
Aggregate compensation	650,943	602,966

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Lowe Lippmann, the auditor of the company:

	2024	2023
	\$	\$
<i>Audit services - Lowe Lippmann</i>		
Audit of the financial statements	19,575	18,000

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2024

Note 22. Contingent liabilities

	2024 \$	2023 \$
Bank guarantee	<u>91,762</u>	<u>91,762</u>

Note 23. Commitments

	2024 \$	2023 \$
<i>Commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Operating and research commitments	174,703	225,478
Project commitments	<u>192,687</u>	<u>360,102</u>

Note 24. Related party transactions

The directors are also board members of various water service-related companies which are members of Water Services Association of Australia Limited. These transactions between related parties are on normal commercial terms and conditions are no more favourable than those available to other parties unless otherwise stated.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Consolidated Disclosure Statement

Water Services Association of Australia Ltd has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.


Water Services Association of Australia Ltd
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- The information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Adam Lovell, Executive Director



Roch Cheroux, Chair

Date: 30/09/2024

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
WATER SERVICES ASSOCIATION OF AUSTRALIA LTD**

Opinion

We have audited the financial report of Water Services Association of Australia Ltd (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of Water Services Association of Australia Ltd, is in all material aspects, in accordance with *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the company, would be in the same terms, if given to the Directors at the time of this audit report.

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

Emphasis of Matter-Basis of Accounting

We draw your attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Company's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of Water Services Association of Australia Ltd are responsible for the preparation and fair presentation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement)
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement whether due to fraud or error.

Partners

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing the applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We 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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

We have communicated with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LOWE LIPPMANN
CHARTERED ACCOUNTANTS
LEVEL 7, 616 ST KILDA ROAD
MELBOURNE, VICTORIA 3004



LOREN DATT
Audit Partner
Signed at Melbourne on 15 October 2024