

Water Services Association of Australia Ltd

ACN 117 907 285

Annual Report - 30 June 2022

Water Services Association of Australia Ltd

Directors' report

30 June 2022

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

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 (appointed November 2021)
Nicole Davis (appointed November 2021)
Pat Donovan
Jon Lamonte
Lara Olsen
Djuna Pollard (appointed November 2021)
David Ryan
Tracey Slatter (appointed November 2021)
Jason Devitt (Term ended Nov 2021)
Louise Dudley (Term ended Nov 2021)
Andrew George (Term ended Nov 2021)
Patrick McCafferty (Term ended Nov 2021)
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 urban water industry. Its 83 members provide water and waste water services to approximately 16 million Australians and to many of our largest industrial and commercial enterprises.

Urban water service providers have a critical role in ensuring that Australians have access to adequate and high quality water services. As Australia's population continues to grow, with most of this growth occurring in cities, that role becomes increasingly important.

WSAA's vision is for Australian urban water utilities to be valued as leaders in the innovative, sustainable and cost effective delivery of water services. WSAA strives to achieve this vision by promoting knowledge sharing, networking and cooperation amongst members. WSAA identifies emerging issues and develops industry-wide responses. WSAA is the national voice of the urban water industry, speaking to government, the broader water sector and the Australian community.

Information on directors

Name:	Roch Cheroux
Title:	Director, WSAA
Qualifications:	Masters Degree in Engineering and Business Management.
Experience and expertise:	<p>Roch Cheroux was first appointed to the WSAA Board in August 2016.</p> <p>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.</p> <p>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</p>
Special responsibilities:	Chair

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- Name: Neil Brennan
Title: Director, WSAA
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
- Name: Nicole Davis
Title: Director, WSAA
Qualifications: B BASc; Ph.D. (Philosophy); GAICD
Experience and expertise: Nicole Davis was first appointed to the WSAA Board in November 2021.

Ms 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.

Ms 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: 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: Jon Lamonte
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

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Name:	Lara Olsen
Title:	Director, WSAA
Qualifications:	BEng (Chem) (Hons), Barts, MBA, GAICD
Experience and expertise:	<p>Lara Olsen was appointed to the WSAA Board in February 2020.</p> <p>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</p> <p>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.</p>
Special responsibilities:	Chair, Customer and Industry Leadership Committee
Name:	Djuna Pollard
Title:	Director, WSAA
Qualifications:	BBus (Finance and Economics); FFIN; MAICD
Experience and expertise:	<p>Djuna Pollard was first appointed to the WSAA Board in November 2021.</p> <p>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.</p> <p>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..</p>
Special responsibilities:	Member, Audit and Risk Committee
Name:	David Ryan
Title:	Director, WSAA
Qualifications:	B.Env.Sc, MBA, MCorp Env & Sus Mgt, GAICD
Experience and expertise:	<p>David Ryan was first appointed to the WSAA Board in November 2019.</p> <p>Mr Ryan has significant experience in the water industry in operations and capital delivery, waterway management and customer solutions.</p> <p>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 previous president of the Institute of Water Administration and has been a Board Director for VicWater.</p> <p>Mr Ryan is Chief Executive of SA Water which provides water and wastewater services in South Australia.</p>
Special responsibilities:	Deputy Chair Chair, People and Capability Committee

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Name:	Tracey Slatter
Title:	Director, WSAA
Qualifications:	MCom, GAICD, FIPPA
Experience and expertise:	<p>Tracey Slatter was first appointed to the WSAA Board in November 2021.</p> <p>Ms Slatter has extensive executive public sector leadership experience including as Chief Executive Officer at the City of Port Phillip, Head of Claims at the Transport Accident Commission, Chief Executive Officer at Colac Otway Shire and Director of Primary and Community Health with the Victorian Department of Health and Human Services.</p> <p>Tracey Slatter is the Managing Director of Barwon Water and Barwon Asset Solutions which provides water, sewerage and recycled water services in Victoria's south west. She is also a Board Director of the Institute of Public Administration Australia (Victoria), and Zero Emissions Water, and the Deputy Chair of the Barwon Regional Partnership.</p>
Special responsibilities:	Chair, Utility Excellence Committee
Name:	Jason Devitt
Title:	Director, WSAA
Qualifications:	B Eng
Experience and expertise:	<p>Jason Devitt was appointed to the WSAA Board in November 2018.</p> <p>Mr Devitt has approximately 25 years' experience in local government where he began his career in the water industry. He has held a number of management positions in water, waste and roads management.</p> <p>Mr Devitt is Director of Engineering and Commercial Infrastructure at Mackay Regional Council which provides facilities and services for Mackay in North Queensland including the delivery of water and sewerage services.</p>
Special responsibilities:	N/A
Name:	Louise Dudley
Title:	Director, WSAA (term ended November 2021)
Qualifications:	B.Com, CA, GAICD, ComplEAustEngExec
Experience and expertise:	<p>Louise Dudley was first appointed to the WSAA Board in February 2013 and was Chair from November 2013 to November 2016.</p> <p>Ms Dudley has extensive leadership and management experience through her work at advisory firm KPMG and in her role in creating Urban Utilities. She was also in senior executive roles at Brisbane City Council.</p> <p>Ms Dudley is Chief Executive Officer of Urban Utilities which delivers drinking water, recycled water and sewerage services to customers in South East Queensland. She is also President of the Australian Water Association and Chair of the Australian Water Association Governance and Audit Committee, a Director of Waterstart (US) and a member of the Committee for Economic Development in Australia (CEDA) Queensland State Advisory Council.</p>
Special responsibilities:	N/A

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Name:	Andrew George
Title:	Director, WSAA (term ended November 2021)
Qualifications:	BE (Hons), FIEAust, CPEng, EngExec
Experience and expertise:	<p>Andrew George was first appointed to the WSAA Board in May 2020.</p> <p>Andrew has held a number of Executive positions in WaterNSW since its inception in 2015, where he was part of the inaugural executive team. Andrew has over 10 years' experience in bulk water supply utilities with extensive experience in regulatory and market strategy, government relations, engineering, asset management, and major Infrastructure delivery.</p> <p>Andrew George is the Acting CEO of WaterNSW which is the bulk water supplier for NSW, river operator and provides licenses, water trades and water information.</p>
Special responsibilities:	N/A
Name:	Patrick McCafferty
Title:	Director, WSAA (term ended November 2021)
Qualifications:	B. Bus (Acc), EMBA, GAICD, FWCLP
Experience and expertise:	<p>Patrick McCafferty was first appointed to the WSAA Board in November 2015 and appointed as Chair of the WSAA Board in November 2016, finishing in November 2020. Mr McCafferty is a member of WSAA's Audit Committee and Strategic Priorities Committee.</p> <p>In a career spanning over 30 years in the water industry, Mr McCafferty has had significant experience in strategic leadership positions, including planning, regulation, finance and operations. He has also worked in the USA water sector and advised the Australian Federal Government as part of the National Water Initiative.</p> <p>Mr McCafferty is Managing Director of Yarra Valley Water which provides water and sanitation services across Melbourne's eastern and northern suburbs. He is Chair of the Thriving Communities Partnership (a cross sector collaboration to improve support for vulnerable customers of essential services), is a member of the Monash Infrastructure Advisory Council and also a member of the Victorian Government's Women in Water Leadership Program Oversight Committee</p>
Special responsibilities:	N/A
Name:	Adam Lovell
Title:	Executive Director, WSAA
Qualifications:	BSc Hons (Chem), MES Environmental Engineering Science
Experience and expertise:	<p>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.</p>
Special responsibilities:	N/A

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Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Roch Cheroux (Chair)	5	5
Neil Brennan (appointed November 2021)	2	2
Nicole Davis (appointed November 2021)	2	2
Pat Donovan	5	5
John Lamonte	4	5
Lara Olsen	5	5
Djuna Pollard (appointed November 2021)	2	2
David Ryan	4	5
Tracey Slatter (appointed November 2021)	2	2
Jason Devitt (Term ended November 2021)	2	3
Louise Dudley (Term ended November 2021)	3	3
Patrick McCafferty (Term ended November 2021)	3	3
Adam Lovell (Executive Director)	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 \$830, based on 83 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



Roch Cheroux

26 September 2022

**AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2022**

As lead auditor for the audit of Water Services Association of Australia Limited for the year ended 30 June 2022, 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 Limited.

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



LOREN DATT
Audit Partner

Signed at Melbourne on 26 September 2022

Liability limited by a scheme approved Professional Standards Legislation

Partners

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

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 26 September 2022. 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 2022

	Note	2022 \$	2021 \$
Revenue	3	8,310,059	9,669,226
Interest revenue calculated using the effective interest method		7,459	25,066
Expenses			
Corporate and administrative expenses		(660,239)	(460,203)
Employee benefits expense		(2,960,882)	(3,265,561)
Depreciation and amortisation expense		(210,055)	(274,182)
Consultants & contractors		(534,016)	(449,426)
Subscription projects		(3,090,326)	(4,367,063)
Dues & subscriptions		(606,459)	(558,025)
Finance costs		(21,458)	(40,868)
Surplus before income tax expense		234,083	278,964
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Water Services Association of Australia Ltd		234,083	278,964
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>234,083</u>	<u>278,964</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 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	3,841,687	3,387,791
Trade and other receivables	5	667,449	545,824
Contract assets	6	1,321	11,149
Other financial assets	7	714,945	712,451
Other	8	48,014	23,301
Total current assets		<u>5,273,416</u>	<u>4,680,516</u>
Non-current assets			
Property, plant and equipment	9	75,897	75,341
Right-of-use assets	10	142,982	330,168
Intangibles	11	-	60
Other	12	-	13,750
Total non-current assets		<u>218,879</u>	<u>419,319</u>
Total assets		<u>5,492,295</u>	<u>5,099,835</u>
Liabilities			
Current liabilities			
Trade and other payables	13	169,543	177,438
Lease liabilities	14	194,730	231,519
Employee benefits	15	629,284	859,724
Other	16	2,307,009	1,717,220
Total current liabilities		<u>3,300,566</u>	<u>2,985,901</u>
Non-current liabilities			
Lease liabilities	18	-	194,729
Employee benefits	19	65,439	26,998
Total non-current liabilities		<u>65,439</u>	<u>221,727</u>
Total liabilities		<u>3,366,005</u>	<u>3,207,628</u>
Net assets		<u>2,126,290</u>	<u>1,892,207</u>
Equity			
Retained surpluses		<u>2,126,290</u>	<u>1,892,207</u>
Total equity		<u>2,126,290</u>	<u>1,892,207</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 2022

	Retained profits \$	Total equity \$
Balance at 1 July 2020	1,613,243	1,613,243
Surplus after income tax expense for the year	278,964	278,964
Other comprehensive income for the year, net of tax	-	-
	<u>278,964</u>	<u>278,964</u>
Total comprehensive income for the year	<u>278,964</u>	<u>278,964</u>
Balance at 30 June 2021	<u>1,892,207</u>	<u>1,892,207</u>
	Retained profits \$	Total equity \$
Balance at 1 July 2021	1,892,207	1,892,207
Surplus after income tax expense for the year	234,083	234,083
Other comprehensive income for the year, net of tax	-	-
	<u>234,083</u>	<u>234,083</u>
Total comprehensive income for the year	<u>234,083</u>	<u>234,083</u>
Balance at 30 June 2022	<u>2,126,290</u>	<u>2,126,290</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 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers		8,788,051	9,492,490
Payments to suppliers		<u>(8,076,529)</u>	<u>(9,139,494)</u>
		711,522	352,996
Interest received		7,459	25,066
Interest and other finance costs paid		(21,458)	(40,868)
Receipts from refund of security deposits		<u>13,750</u>	<u>-</u>
Net cash from operating activities		<u>711,273</u>	<u>337,194</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(23,365)	(18,791)
Net movement in other financial assets		<u>(2,494)</u>	<u>1,489,438</u>
Net cash from/(used in) investing activities		<u>(25,859)</u>	<u>1,470,647</u>
Cash flows from financing activities			
Repayment of lease liabilities		<u>(231,518)</u>	<u>(261,576)</u>
Net cash used in financing activities		<u>(231,518)</u>	<u>(261,576)</u>
Net increase in cash and cash equivalents		453,896	1,546,265
Cash and cash equivalents at the beginning of the financial year		<u>3,387,791</u>	<u>1,841,526</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>3,841,687</u></u>	<u><u>3,387,791</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 2022

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, 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'), 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, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

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

Members fees and subscription projects

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.

Note 1. Significant accounting policies (continued)

Subscription Project Revenue

For each Project an expenditure budget is prepared prior to commencement and revenue contributions required by participants to cover the budget determined. Participants are invoiced their share of contributions in advance and funds received held as a current liability - Subscription and third party funded project income received in advance until recognised as revenue.

Subscription Project Revenue is recognised in accordance with AASB 15. Subscription Project Revenue for enforceable contracts with sufficiently specific performance obligations are recognised over time based on an input method. The company has made a decision that expense is a good indicator of performance obligations being performed over time. If conditions are attached to Subscription Project Revenue that must be satisfied before the company is eligible to receive the contribution, recognition of the revenue will be deferred until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Contract assets

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Note 1. Significant accounting policies (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	Life of lease
Plant and equipment	5 years
Fixtures & Fittings	13.33 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 1. Significant accounting policies (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 1. Significant accounting policies (continued)

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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.

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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

	2022	2021
	\$	\$
<i>Revenue from contracts with customers</i>		
Product sales	473,470	516,154
Members fees	4,719,811	4,659,413
Subscription projects	3,114,953	4,436,931
	<u>8,308,234</u>	<u>9,612,498</u>
<i>Other revenue</i>		
Other revenue	<u>1,825</u>	<u>56,728</u>
Revenue	<u><u>8,310,059</u></u>	<u><u>9,669,226</u></u>

Note 4. Current assets - cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and deposit	<u><u>3,841,687</u></u>	<u><u>3,387,791</u></u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

Note 5. Current assets - trade and other receivables

	2022	2021
	\$	\$
Trade receivables	680,492	553,625
Less: Allowance for expected credit losses	<u>(13,043)</u>	<u>(7,801)</u>
	<u><u>667,449</u></u>	<u><u>545,824</u></u>

Note 6. Current assets - contract assets

	2022	2021
	\$	\$
Contract assets	<u>1,321</u>	<u>11,149</u>

Note 7. Current assets - other financial assets

	2022	2021
	\$	\$
Term deposits (with an original maturity of more than 3 months)	<u>714,945</u>	<u>712,451</u>

Note 8. Current assets - other

	2022	2021
	\$	\$
Prepayments	<u>48,014</u>	<u>23,301</u>

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

	2022	2021
	\$	\$
Leasehold improvements - at cost	30,689	30,689
Less: Accumulated depreciation	<u>(23,758)</u>	<u>(23,529)</u>
	<u>6,931</u>	<u>7,160</u>
Plant and equipment - at cost	180,353	156,988
Less: Accumulated depreciation	<u>(131,401)</u>	<u>(112,330)</u>
	<u>48,952</u>	<u>44,658</u>
Fixtures and fittings - at cost	98,751	98,751
Less: Accumulated depreciation	<u>(78,737)</u>	<u>(75,228)</u>
	<u>20,014</u>	<u>23,523</u>
	<u><u>75,897</u></u>	<u><u>75,341</u></u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

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 \$	Plant and equipment \$	Fixtures and fittings \$	Total \$
Balance at 1 July 2021	7,160	44,658	23,523	75,341
Additions	-	23,365	-	23,365
Depreciation expense	(229)	(19,071)	(3,509)	(22,809)
Balance at 30 June 2022	<u>6,931</u>	<u>48,952</u>	<u>20,014</u>	<u>75,897</u>

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

	2022 \$	2021 \$
Land and buildings - right-of-use	1,442,912	1,442,912
Less: Accumulated depreciation	<u>(1,299,930)</u>	<u>(1,112,744)</u>
	<u>142,982</u>	<u>330,168</u>

Reconciliations

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

	Right of use \$	Total \$
Balance at 1 July 2021	330,168	330,168
Depreciation expense	<u>(187,186)</u>	<u>(187,186)</u>
Balance at 30 June 2022	<u>142,982</u>	<u>142,982</u>

Note 11. Non-current assets - intangibles

	2022 \$	2021 \$
Website - at cost	130,286	130,286
Less: Accumulated amortisation	<u>(130,286)</u>	<u>(130,286)</u>
	-	-
Software - at cost	22,968	22,968
Less: Accumulated amortisation	<u>(22,968)</u>	<u>(22,908)</u>
	-	60
	<u>-</u>	<u>60</u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

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 \$	Software \$	Total \$
Balance at 1 July 2021	-	60	60
Amortisation expense	-	(60)	(60)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2022	<u>-</u>	<u>-</u>	<u>-</u>

Note 12. Non-current assets - other

	2022 \$	2021 \$
Security deposits	-	13,750
	<hr/>	<hr/>

Note 13. Current liabilities - trade and other payables

	2022 \$	2021 \$
Trade payables	68,359	29,734
Other payables	101,184	147,704
	<hr/>	<hr/>
	<u>169,543</u>	<u>177,438</u>

Note 14. Current liabilities - lease liabilities

	2022 \$	2021 \$
Lease liability	194,730	231,519
	<hr/>	<hr/>

Note 15. Current liabilities - employee benefits

	2022 \$	2021 \$
Annual leave	260,519	210,714
Long service leave	368,765	649,010
	<hr/>	<hr/>
	<u>629,284</u>	<u>859,724</u>

Note 16. Current liabilities - other

	2022 \$	2021 \$
Membership Income received in Advance	246,600	-
Subscription and third party funded project income received in advance	2,060,409	1,717,200
	<hr/>	<hr/>
	<u>2,307,009</u>	<u>1,717,220</u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

Note 16. Current liabilities - other (continued)

Included in Subscription and third party funded project income received in advance in the 2022 and 2021 financial years respectively are the following:

	2022	2021
	\$	\$
W Lab	353,492	311,688
Visitor Centre concept	3,124	3,124
Australian Sewage Quality Management Guidelines Update	14,500	-
IoT Guidelines for the Australian Water Industry	64,528	-
Pride in Water	28,693	-
AM Customer Projects	235,168	253,457
SCADA Guidelines Edition 2	-	23,705
2021 Health & Safety & People & Productivity Benchmark	49,209	-
CX Maturity Framework	8,744	19,529
Australian/New Zealand Wet Weather Sewer Overflow Management	87,490	-
Dam Owners Benchmarking	22,827	2,791
AC Pipe Research	-	21,959
Totex 2022 cost benchmarking	90,000	-
Nutrient Offsets	22,544	-
Innovative Pipe Linings	156,089	230,720
PARMS	71,583	-
Opex Benchmarking	-	(30)
2020 Operating Cost Benchmarking	307,583	325,487
Customer Perceptions 2021	14,862	79,862
Australian Water Partnership 2020	(22,547)	6,974
National Guidelines for LEL (Gas) Management	74,857	47,000
AC Pipes: Stage 2 - Condition Assessment	150,203	63,000
Making Waves podcast	10,665	20,000
Smart Approved Watermark	316,795	251,584
Water Main Renewal Planning	-	56,370
	<u>2,060,409</u>	<u>1,717,220</u>

Note 17. Non-current liabilities - borrowings

Financing arrangements

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

	2022	2021
	\$	\$
Total facilities		
Credit card	<u>120,000</u>	<u>120,000</u>
Used at the reporting date		
Credit card	<u>-</u>	<u>-</u>
Unused at the reporting date		
Credit card	<u>120,000</u>	<u>120,000</u>

Note 18. Non-current liabilities - lease liabilities

	2022	2021
	\$	\$
Lease liability	<u>-</u>	<u>194,729</u>

Water Services Association of Australia Ltd
Notes to the financial statements
30 June 2022

Note 19. Non-current liabilities - employee benefits

	2022 \$	2021 \$
Long service leave	<u>65,439</u>	<u>26,998</u>

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:

	2022 \$	2021 \$
Aggregate compensation	<u>567,017</u>	<u>613,848</u>

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:

	2022 \$	2021 \$
<i>Audit services - Lowe Lippmann</i> Audit of the financial statements	<u>15,750</u>	<u>15,000</u>

Note 22. Contingent liabilities

	2022 \$	2021 \$
Bank guarantee	<u>82,500</u>	<u>82,500</u>

Note 23. Commitments

	2022 \$	2021 \$
<i>Commitments</i> Committed at the reporting date but not recognised as liabilities, payable: Operating and research commitments	<u>357,323</u>	<u>982,538</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 2022 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.

Water Services Association of Australia Ltd
Directors' declaration
30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, and 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 2022 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.

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



Roch Cheroux

26 September 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WATER SERVICES ASSOCIATION OF AUSTRALIA LIMITED**

Opinion

We have audited the financial report, of Water Services Association of Australia Limited, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the 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 significant accounting policies and the director's declaration.

In our opinion, the accompanying financial report presents fairly, is in all material respects, in accordance with Corporations Act 2001, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Simplified Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

We have conducted our audit in accordance with the 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.

Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

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.

Partners

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 26 September 2022

Liability limited by a scheme approved Professional Standards Legislation