

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD

ABN: 83 123 468 422

**Financial Report For The Year Ended
31st December 2023**

Water Industry Operations Association of Australia Ltd

ABN: 83 123 468 422

Financial Report For The Year Ended 31st December 2023

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WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
DIRECTORS' REPORT

The entity changed its name from Water Industry Operators Association of Australia Ltd, to Water Industry Operations Association of Australia Ltd, on the 22nd January 2024.

Your directors present this report on the company for the financial year ended 31st December 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

- George Wall resigned (28/07/2023)
- Ron Bergmeier appointed (17/03/2021)
- Mark Samblebe appointed (17/03/2021)
- Heidi Josipovic resigned (31/05/2023)
- John Harris appointed (18/03/2020)
- Kayleen White resigned (8/05/2023)
- Matthew Greskie appointed (8/05/2023)
- Dean Barnett appointed (28/07/2023)
- Sally Shepherd nee Taylor appointed (31/05/2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Information on Directors

George Wall	—	(resigned 28/07/2023)**
Qualifications	—	B.Tech (Env), GAICD
Experience	—	33 years experience as senior manager, 29 yrs WIOA Secretary.
Special Responsibilities	—	**WIOA Ltd Company Secretary, **WIOA Ltd Managing Director
Ron Bergmeier	—	Director
Qualifications	—	Water Treatment Consultant
Experience	—	40 years experience in the Water Industry and business operations
Special Responsibilities	—	Budget & Finances, Corporate Governance and business development
Mark Samblebe	—	Director
Qualifications	—	B.Science (Aquatic with Honours), Dip Frontline Mgmt;
Experience	—	25 years experience in water industry, 6 yrs Director Private Enterprise
Special Responsibilities	—	Technical & strategic advice, Past President WIOA Inc
Heidi Josipovic	—	Director (Resigned 31/05/2023)
Qualifications	—	B. Env Management & Ecology, Master in Env Engineering
Experience	—	16 years experience in Tech roles in Water Industry & Snr Mr 5 yrs
Special Responsibilities	—	Technical & strategic advice,
John Harris	—	Director - Chair
Qualifications	—	Water Treatment Technologist (retired)
Experience	—	45 years exp in Tech roles in Water Industry & 20 years Credit Union
Special Responsibilities	—	Technical & strategic advice
Kayleen White	—	Director - (Resigned 08/05/2023)
Qualifications	—	BE Civil
Experience	—	Over 40 years as a consulting engineer in the water industry
Special Responsibilities	—	Technical & strategic advice
Matthew Greskie	—	Director (Appointed 08/05/2023)
Qualifications	—	Bachelor of Engineering, Civil, Hons, GAICD
Experience	—	Chair NAMS Canada, Deputy Chair TWRRB, Dir Cradle Coast
Special Responsibilities	—	WIOA Board Chair, Technical and strategic advice
Dean Barnett	—	Chief Executive Officer / Company Secretary (Appointed 28/07/2023)
Qualifications	—	Dip Proj Mgt, Dip Wat Ops, Dip Eng Tech, Dip Bus Mgt, Dip Bus Aud
Experience	—	33 years water industry with executive experience
Special Responsibilities	—	WIOA Ltd Company Secretary, WIOA Ltd Chief Executive Officer

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DIRECTORS' REPORT

Sally Shepherd nee Taylor	—	Director (Appointed 31/05/2023)
Qualifications	—	B.Science (Marine), Dip Aquaculture, AdvCert Aquaculture Production
Experience	—	12 yrs water industry, 11 yrs biotech industry, 4 yrs MD & Coy Sec Priva
Special Responsibilities	—	Technical & Strategic Advice, President WIOA Inc

Principal Activities

The principal activity of the company during the financial year was:

The Water Industry Operations Association is a not-for-profit membership association with a Mission of developing and supporting people in operational roles in the water industry.

The purpose of the Association is to disseminate knowledge and information; foster research; and provide services of an educational and training nature throughout Australia in relation to and for the benefit of the water industry. The Association has guiding principles of seeking to preserve clean waterways and protect public health and the environment as well as promoting the sustainable management of water.

The Association's constitution contains the following objects:

- (a) To accumulate and disseminate knowledge and information in relation to any aspect of the water industry.
- (b) To increase participation in research by persons engaged in the water industry.
- (c) To increase the knowledge and skills of persons engaged in the water industry.
- (d) To promote standards of education and training to ensure the competency of persons engaged in the water industry.
- (e) To develop key partnerships to deliver high quality education and training in a cost efficient manner.
- (f) To ensure that the Company's educational focus reflects priorities and needs for the water industry.
- (g) To improve equity of access to educational resources regardless of location.
- (h) To provide training and facilitate professional development for supervisors and mentors.
- (i) To integrate continuous quality improvement processes into all aspects of the management and delivery of programmes.
- (j) To do all such things as are incidental and conducive to the attainment of the above objectives throughout Australia.

Short-term and Long-term Objectives

The company's short term objectives are to:

- To enhance and support all members involved in the water industry;
- To operate in an environmentally and financially sustainable manner, whilst minimising risks to the organisation;
- To be recognised as the Peak Body for the operational bandwidth of the water industry nationally.

The company's long term objectives are to:

- Expand the capacity and scope of Water Industry Operations Association of Australia Limited (WIOA) to allow a wider range of services and events to be offered on an Australia wide basis, for the betterment of all members and stakeholders in the water industry.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Directors have developed, updated and implemented a Strategic Plan designed to allow the organisation to grow and deliver all its services in a sustainable manner;
- Directors review the financial and operational performance of the company, in conjunction with key operational staff.
- A governance framework containing a broad range of policies and procedures has been developed and implemented to assist staff
- Appropriate insurance policies such as Directors and Company Insurance, Professional Indemnity, Public & Products Liability; Volunteer cover, Event Cancellation and other relevant insurances are in place

Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Four major conferences were delivered in 2023 in addition to Interest and Charity Days.

The Board revisited the Strategic Plan with a restructure of the long-term Managing Director position, to a new Chief Executive Officer appointment in late July. This continued with the restructure of a Management Team that will align with the delivery of the new Strategic Plan.

The One WIOA Project was a key focus with the ambition of merging WIOA Incorporated into WIOA Limited to optimise the governance arrangements.

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DIRECTORS' REPORT

Events After the Reporting Period

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly alter the operations of the company, the results of those operations or the state of affairs of the company, in future years.

Meetings of Directors

During the financial year, 7 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	No. eligible to attend	No. attended
George Wall	5	5
Ron Bergmeier	7	7
Mark Samblebe	6	6
Heidi Josipovic	2	2
John Harris	7	7
Kayleen White	2	2
Matthew Greskie	5	5
Dean Barnett	2	2
Sally Shepherd nee Taylor	4	4

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31st December 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$40 (2021 \$40).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31st December 2023 has been received and can be found on page 4 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Secretary / CEO *Dean Barnett*
Dean Barnett

Dated this 22nd day of February 2024

Director / Board Chair *Matthew Greskie*
Matthew Greskie

Dated this 22nd day of February 2024

**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
WATER INDUSTRY OPERATORS ASSOCIATION OF AUSTRALIA LTD**

ABN 83 123 468 422

FOR THE YEAR ENDED 31 DECEMBER 2023

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



Adam Purtil RCA 419507

Date: 15 April 2024

160 Welsford Street Shepparton, VIC 3630

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER
2023

	Note	2023 \$	2022 \$
Revenue and other income	2	1,985,883	1,863,315
Employee benefits expense	3	(846,068)	(509,187)
Depreciation and amortisation expense	3	(36,837)	(45,763)
Administration and other expenses		(334,586)	(228,035)
Conferences and events		(939,357)	(714,220)
		<u>(170,965)</u>	<u>366,110</u>
Current year surplus/(deficit) before income tax		(170,965)	366,110
Tax expense	1(h)	-	-
Net current year surplus/(deficit)		<u>(170,965)</u>	<u>366,110</u>
Other comprehensive income		-	250,000
Total comprehensive income/(loss) for the year		<u>(170,965)</u>	<u>616,110</u>
Net current year surplus/(deficit) attributable to members of the entity		<u>(170,965)</u>	<u>366,110</u>
Total comprehensive income/(loss) attributable to members of the entity		<u>(170,965)</u>	<u>616,110</u>

The accompanying notes form part of these financial statements.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	5	643,639	870,528
Accounts receivable and other debtors	6	414,906	6,150
Other current assets	7	1,775	17,407
TOTAL CURRENT ASSETS		<u>1,060,320</u>	<u>894,085</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	741,003	683,300
TOTAL NON-CURRENT ASSETS		<u>741,003</u>	<u>683,300</u>
TOTAL ASSETS		<u>1,801,323</u>	<u>1,577,385</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	640,199	174,050
Provision for Annual Leave	1(e)	29,189	32,027
Provision for RDOs	1(e)	1,479	1,597
Provision for Long Service Leave	1(e)	30,689	98,979
TOTAL CURRENT LIABILITIES		<u>701,556</u>	<u>306,653</u>
TOTAL LIABILITIES		<u>701,556</u>	<u>306,653</u>
NET ASSETS		<u>1,099,768</u>	<u>1,270,732</u>
EQUITY			
Retained earnings		825,905	996,869
Reserves		273,863	273,863
TOTAL EQUITY		<u>1,099,768</u>	<u>1,270,732</u>

The accompanying notes form part of these financial statements.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2023

Note	Retained Surplus \$	Revaluation Surplus \$	Total \$
Balance at 1st January 2022	630,760	23,863	654,623
Balance at 1st January 2022	630,760	23,863	654,623
Comprehensive Income			
Surplus/(deficit) for the year attributable to members of the entity	366,110		366,110
Other comprehensive income		250,000	250,000
Total comprehensive income attributable to members of the entity	366,110	250,000	616,110
Balance at 31st December 2022	996,870	273,863	1,270,733
Balance at 1st January 2023	996,870	273,863	1,270,733
Comprehensive Income			
Surplus/(deficit) for the year attributable to members of the entity	(170,965)	-	(170,965)
Other comprehensive income		-	-
Total comprehensive income/(loss) attributable to members of the entity	(170,965)	-	(170,965)
Balance at 31st December 2023	825,905	273,863	1,099,768

The accompanying notes form part of these financial statements.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		18,229	3,864
Cash receipts in the course of operations		1,910,503	1,398,281
Cash payments in the course of operations		<u>(2,068,826)</u>	<u>(1,469,902)</u>
Net cash generated from operating activities	13	<u>(140,094)</u>	<u>(67,757)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		22,454	25,454
Payment for property, plant and equipment		<u>(109,248)</u>	<u>(99,377)</u>
Net cash used in investing activities		<u>(86,794)</u>	<u>(73,923)</u>
Net increase in cash held		(226,888)	(141,680)
Cash on hand at beginning of the financial year		870,527	1,012,207
Cash on hand at end of the financial year	5	<u><u>643,639</u></u>	<u><u>870,527</u></u>

The accompanying notes form part of these financial statements.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

The financial statements cover Water Industry Operations Association of Australia Ltd as an individual entity, incorporated and domiciled in Australia. Water Industry Operations Association of Australia Ltd is a company limited by guarantee.

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 Corporations Act 2001 and Australian Accounting Standards - Simplified Disclosure Requirements and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 22/02/2023 by the directors of the company.

Accounting Policies

(a) Revenue and Other Income

Water Industry Operations Association of Australia Ltd receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset any related amounts are recognised, being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

Income is recognised immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Operating Grants, Donations and Bequests

On receipt of operating grant revenue, donations or bequests, an assessment is made as to whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15,

When both these conditions are satisfied, Water Industry Operators Association of Australia Ltd:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, Water Industry Operations Association of Australia Ltd:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, income is recognised in profit or loss when or as it satisfies its obligations under the contract

Capital Grant

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

Income is recognised in profit or loss when or as the obligations under terms of the grant are satisfied.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

Membership fees

Membership fees are recognised as revenue when received.

Interest Income

Interest income is recognised using the effective interest method.

All revenue and other income is stated net of the amount of goods and services tax.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses. Land and buildings are carried at fair value, buildings not depreciated.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost, or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Land and buildings	0%
Plant and equipment - Purchased before 12/05/2015	8% - 67%
Plant and equipment - Purchased on or after 12/05/2015	10% - 100%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

(d) Employee Provisions

Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Provision for Leave	2023	2022
	\$	\$
— provision for annual leave	29,189	32,027
— provision for rostered day off	1,479	1,597
— Provision for long service leave	<u>30,689</u>	<u>98,979</u>
Total provision for leave	<u>61,357</u>	<u>132,603</u>

(e) Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(f) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(h) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(j) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding comparative period in addition to the minimum comparative financial statements must be disclosed.

(k) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

(I) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

Useful lives of property, plant and equipment

As described in Note 1(b), the company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* requires measurement of long-term employee benefits using a number of estimated inputs. These include probable length of service by employees, rates of wage inflation and future interest rates used for discounting the liability to present value. The inputs used represent the best estimate of the probable liability.

Valuation of freehold land and buildings

The freehold land and buildings were independently valued at 20 January 2023 by Kevin Hicks Real Estate. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

At 31 December 2022, the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions adopted by the valuers and do not believe there has been a significant change in the assumptions at 31 December 2022. The directors therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs of disposal at 31 December 2022.

Key Judgements

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

Note 2 Revenue and Other Income

	2023	2022
	\$	\$
Revenue		
— Operating Activities		
— - event income	1,406,348	1,178,536
— - publications	58,596	77,279
— - sponsorship	369,130	303,855
— - services	6,258	66,684
Other income		
— - subsidies & other	10,744	35,809
— - other revenue	22,992	19,866
	<u>1,874,068</u>	<u>1,682,029</u>
— Non-operating Activities		
— - management fees received from related party	93,585	177,422
— - interest received	18,229	3,864
Total other income	<u>111,814</u>	<u>181,286</u>
Total revenue and other income	<u><u>1,985,883</u></u>	<u><u>1,863,315</u></u>

Note 3 Expenses

	2023	2022
	\$	\$
(a) Expenses		
Employee benefits expense:		
— contributions to defined contribution superannuation funds	80,573	42,119
— wages & salaries	805,745	455,981
— workers compensation costs	18,164	9,261
— admin trainee	10,935	10,935
— other costs	(69,349)	(9,109)
Total employee benefits expense	<u>846,068</u>	<u>509,187</u>
Depreciation and amortisation:		
— motor vehicle	35,420	24,375
— plant and equipment	1,417	21,388
Total depreciation and amortisation	<u>36,837</u>	<u>45,763</u>

Note 4 Auditors' Remuneration

	2023	2022
	\$	\$
Audit Fees	5,100	4,950
Other Services provided by Audit Firm	-	-
	<u>5,100</u>	<u>4,950</u>

Note 5 Cash on Hand

	2023	2022
	\$	\$
CURRENT		
Cash at bank	643,327	870,385
Cash float	272	103
Cash on Hand	40	40
Total cash and cash equivalents as stated in the statement of financial position	<u>643,639</u>	<u>870,528</u>

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

Note 6 Accounts Receivable and Other Debtors

	2023	2022
	\$	\$
CURRENT		
Trade Debtors	414,906	6,150
Total current accounts receivable and other debtors	414,906	6,150

Note 7 Other Current Assets

	2023	2022
	\$	\$
Prepayments	1,775	17,407
	1,775	17,407

Note 8 Property, Plant and Equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Buildings at fair value:		
— Directors valuation 2022	600,000	600,000
Less accumulated depreciation	-	-
Total buildings	600,000	600,000
Total land and buildings	600,000	600,000
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	288,797	255,747
Less accumulated depreciation	(147,794)	(172,447)
	141,003	83,300
Total plant and equipment	141,003	83,300
Total property, plant and equipment	741,003	683,300

Year	Asset Type	OWDV	Additions	Disposals	Depreciation	CWDV
2022	Motor Vehicles	41,127	78,395	14,645	24,375	80,502
	Plant & Equipment	3,204	20,982	-	21,388	2,798
2023	Motor Vehicles	80,502	98,018	14,709	35,420	128,391
	Plant & Equipment	2,798	11,231	-	1,417	12,612

The building was revalued by the directors in 2022 to \$600,000.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

Note 9 Accounts Payable and Other Payables

	Note	2023 \$	2022 \$
CURRENT			
Other current payables		98,580	12,635
GST payable		39,431	18,576
Contract liability		502,188	142,839
		<u>640,199</u>	<u>174,050</u>

(a) Contract Liability

Opening Balance		142,839	599,920
Amounts received for unfulfilled performance obligations		502,188	142,839
Revenue recognised included in opening balance		<u>(142,839)</u>	<u>(599,920)</u>
Closing Balance		<u>502,188</u>	<u>142,839</u>

Note 10 Contingent Liabilities and Contingent Assets

There were no contingent liabilities at the date of this report to affect the financial statements.

Note 11 Events After the Reporting Period

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly alter the operations of the company, the results of those operations or the state of affairs of the company, in future years.

Note 12 Related Party Transactions

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	2023 \$	2022 \$
Key Management Personnel Compensation		
— Salaries and fees	438,402	267,292
— Superannuation	41,187	22,890
Total key management personnel compensation	<u>479,589</u>	<u>290,182</u>

Other Related Party Transactions

— Management fee received from Water Industry Operators of Australia Inc	<u>93,585</u>	<u>177,422</u>
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WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

Note 13 Cash Flow Information

Reconciliation of Cashflow from Operating Activities with Current Year Surplus	2023	2022
	\$	\$
Profit after income tax	(170,965)	366,110
Non cash flows		
Depreciation and amortisation expense	36,837	45,763
Gains on disposal of property, plant and equipment	(7,746)	(10,809)
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	(408,756)	6,720
Increase/(decrease) in accounts payable and other payables	85,945	92
Increase/(decrease) in accrued income	359,349	(457,081)
Increase/(decrease) in provisions for employee benefits	(71,246)	(28,066)
Increase/(decrease) in GST Payable	20,855	(5,943)
(Increase)/decrease in prepayments	15,632	15,457
	(140,094)	(67,757)

Note 14 Entity Details

The registered office of the entity is:

Water Industry Operations Association of Australia Ltd
24-26 New Dookie Rd, Shepparton Vic 3630

The principal place of business is:

Water Industry Operations Association of Australia Ltd
24-26 New Dookie Rd, Shepparton Vic 3630

Note 15 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the entity. At 31 December 2023 the number of members was 4.

WATER INDUSTRY OPERATIONS ASSOCIATION OF AUSTRALIA LTD
ABN: 83 123 468 422
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Water Industry Operations Association of Australia Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 16, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the company as at 31st December 2023 and its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Dean Barnett

Dean Barnett

Dated this **22nd** day of **February** 2024

Director

Matthew Greskie

Dated this **22nd** day of **February** 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Water Industry Operators Association of Australia Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Water Industry Operators Association of Australia Ltd. (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income for the period then ended, statement in changes in equity, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Water Industry Operators Association of Australia Ltd., is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2023 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards 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 auditor independence requirements of the *Corporations Act 2001* and 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 ethical responsibilities in accordance with the 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 as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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, as applicable, matters related 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.

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.



Adam Purtill RCA 419507

Date: 15 April 2024

160 Welsford Street Shepparton, VIC 3630