



# AUSTRALIAN WATER

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ASSOCIATION

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Australian Water Association Limited  
Annual Report 2022-23

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The directors of Australian Water Association Limited (“the company”) submit herewith the annual report of the company for the financial year ended 30 June 2023.

## Information about the Directors

The names of the directors of the company during or since the end of the financial year are:

<b>Peter Dennis</b>	<b>Jim Athanas</b>	<b>Daniel Sullivan</b>
<b>Louise Dudley</b>	<b>Dr Sandra Ridge (Hall)</b>	<b>Eric Vanweydeveld</b>
<b>Chris Bulloch</b>	<b>Clare Porter</b>	<b>Kevin Werksman</b>
<b>Karlene Maywald</b>	<b>Shelley Shepherd</b>	

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



### Louise Dudley

**Immediate Past President** (from May 2023)

**President** (May 2021-2023)

#### Qualifications

BCom CA, GAICD, PMAWA, CompIEAustEngExec

#### Position

Strategic Water Advisor, Aurecon  
Trustee, LMD Holdings  
Director, WaterAid Australia  
Director, WaterStart (Australia and Nevada)  
Policy Committee & Audit Committee, Chief Executive Women

#### Special Responsibilities

Governance & Audit Committee  
Succession Planning, People & Culture Committee



### Peter Dennis

**President** (since May 2023-present)

**President Elect** (May 2022-2023)

#### Qualifications

BE (Hons) Chemical Engineering, MEnvStud, GradDipMgmt, Corporate Directors Diploma

#### Position

General Manager Water, BecaHunterH2O  
Director, Beca Pty Ltd (Australia)  
Director, Icon Water Limited  
Director, Icon Retail Investments Limited  
Director, Icon Distribution Investments Limited  
Director, Local Government Procurement NSW  
Adjunct Professor, University of Newcastle

#### Special Responsibilities

Succession Planning, People & Culture Committee  
Governance & Audit Committee  
International, Regional & Remote Programs Committee (formerly International Programs Committee)





**Jim Athanas**

**Director**

(until 9 May 2023)

**Qualifications**

BE (Hons) Chemical Engineering, MMgmt Finance and Marketing, GAICD

**Position**

Vice President, Product Management & Strategy Emerging Markets, Xylem

**Special Responsibilities**

Member Experience Committee

International Programs Committee



**Chris Bulloch**

**Director**

(since 9 May 2023)

**Qualifications**

MEng (Civil), MEng (Env), MEng (EngMgt)

**Position**

Executive Leader, Integrated Solutions, Urban Utilities

Board Member, Water for Lockyer

**Special Responsibilities**

Governance & Audit Committee

International, Regional & Remote Programs Committee (formerly International Programs Committee)



**Karlene Maywald**

**Director**

(until 9 May 2023)

**Qualifications**

Honorary Doctor of Laws

Grad Dip Malting & Brewing

**Position**

Managing Director, Maywald Consultants Pty Ltd

Chair, CSIRO Advisory Panel (Land and Water Business Unit)

Chair, Peter Cullen Environment & Water Trust

Chair, WaterAid Australia Director/Trustee, WaterAid International

Chair, WaterEd Australia Pty Ltd Irrigation Australia – ICID Congress 2022

Organising Committee South Australian Government

Water Ambassador Shareholder, Hydro-Dis International Ltd

**Special Responsibilities**

Succession, Planning, People & Culture Committee

International Programs Committee





**Clare Porter**

**Director**

(since 9 May 2023)

**Qualifications**

BSc, GradCert Sustainability, MBA

**Position**

Head of Strategic Communications and Corporate Social Responsibility, Sydney Water

**Special Responsibilities**

Member Experience Committee

Succession Planning, People & Culture Committee



**Dr Sandra Ridge (Hall)**

**Director**

**Qualifications**

BAppSc Biotechnology, PhD

**Position**

General Manager, Australian Centre for Water and Environmental Biotechnology at The University of Queensland

**Special Responsibilities**

Member Experience Committee

Governance & Audit Committee

Succession Planning, People & Culture Committee



**Shelley Shepherd**

**Director**

**Qualifications**

BSc Zoology, MBA, GAICD

**Position**

Managing Director, Urbaqua Ltd

Committee Member, Stormwater WA

Program Manager, New Water Ways Inc

**Special Responsibilities**

Member Experience Committee

Governance & Audit Committee

Succession Planning, People & Culture Committee





## Daniel Sullivan

### Director

#### Qualifications

BCom, MBA, GAICD

#### Position

General Manager, Research, Innovation & Commercialisation, South East Water  
CEO, Iota Services

Member, International Development Advisory Board to Monash University for the RISE Program

Senior Fellow Faculty of Engineering and IT, University of Melbourne

#### Special Responsibilities

International, Regional & Remote Programs Committee (formerly International Programs Committee)

Governance & Audit Committee



## Eric Vanweydeveld

### Director

(since 9 May 2023)

#### Qualifications

BEng, MEng

Diploma of Project Management

Certificate IV in Responding to Project Complexity

#### Position

Director and Principal Consultant, Aquanex

Churchill Fellow

Peter Cullen Trust Fellow

Fellow, Institution of Engineers Australia

#### Special Responsibilities

Member Experience Committee

International, Regional & Remote Programs Committee



## Kevin Werksman

### Director

#### Qualifications

BE Chemical Engineering, BComm, GradCertEnvMgmt. Harvard Leadership Program

#### Position

Global Water Leader, Aurecon

#### Special Responsibilities

Governance & Audit Committee

Member Experience Strategy





## President's Message

The 2023 financial year has been a highly successful year for the AWA. As an Association, we closed out Strategy'22 and developed Strategy'25, delivered a record-breaking Ozwater'23, grew our membership and have improved our members' experience. Through our International Program, we made an impact and have moved to formalise our commitment to reconciliation by submitting our Reflect Reconciliation Action Plan (RAP) to Reconciliation Australia.

After setting our Financial Strategy and ensuring that we are a sustainable business, we have built up our reserves and, after another successful year, we are investing in the Association's digital capability and programs that will enable us to continue to deliver value for our members.

### Strategy'25

Over the past year, we progressed delivery of our Strategy'25 through our three focus areas: Member Experience; Water for Sustainable and Resilient Communities; and Indigenous and Community Collaboration, supported by enablers - People and Culture; and Data and Digital.

With a renewed focus on member engagement over the past few years, we've been able to enhance and diversify the Association's offerings to create greater value for our members. With the development of a range of new digital content and over 90 events run across the year, our members have embraced the various avenues to connect, share and inspire positive change. Members have also enjoyed improved recognition across the industry, with opportunities to showcase their contributions and the significant value they provide to communities across the country.

On the international front, our 'Partnerships for a Resilient and Climate Smart Water Program' has driven collective impact for a resilient and climate smart future through partnerships in Vietnam, Indonesia, and the Pacific. The Program is also developing strategies and actions for achieving gender equity and social inclusion outcomes in the water sector, both in Australia and across the Asia-Pacific region, and provided opportunity for our international partners to attend Ozwater'23 and host an Australian trade delegation to Vietwater'22.

Inroads have been made to deliver a stronger voice for water to the community and students. Our new National Water Week website drove a 60% increase in users and the updated National Water Week Ambassadors Toolkit was produced for use by teachers and Ambassadors to help facilitate learning. The formation of our Reconciliation Action Plan (RAP) Advisory Committee, in collaboration with the Water Services Association of Australia (WSAA), as well as the establishment of our internal RAP working group, led to the creation of our Reflect RAP, which was conditionally endorsed by Reconciliation Australia.

### Ozwater'23 United by Water

Our flagship conference and exhibition Ozwater was held in Sydney and once again raised the bar with an outstanding range of keynote speakers, industry and technical streams, and a record 5,133 attendees from both Australia and 35 countries represented from across the globe.

As part of our commitment to inclusion of Indigenous perspectives, delegates experienced Yarning Circles, led by First Nations people, with several running concurrently; our Aboriginal keynote speaker – Cara Peek – set it up well, compelling us to understand the way that we view the world and to build our cultural intelligence so that we genuinely engage with First Nations people in the work we do.

The Ozwater'23 Exhibition provided a highly successful platform for key business to business connections with 226 exhibitors and 2,328 trade visitors.

Ozwater remains the premiere water exhibition and conference, serving as the central event for exploring, discussing, and deliberating on the significant challenges and opportunities that will shape a sustainable water future.

### Experienced and Talented Board Directors

In May 2023, Louise Dudley concluded her tenure as President and Chair of our Association. At Ozwater'23, we formally thanked Louise for her exceptional leadership and contributions in her role as President and Chair of our Association. It was also appropriate to express our gratitude and acknowledge the substantial efforts of our departing Directors, Karlene Maywald and Jim Athanas, during Ozwater'23.

The Board elections were held in November 2022, and we extend our congratulations to the re-elected Directors: Dr Sandra Hall, Shelley Shepherd, Daniel Sullivan and Kevin Werksman. In May 2023 we warmly welcomed our new directors Chris Bulloch, Clare Porter and Eric Vanweydeveld to the Board, and we eagerly anticipate their valuable contributions. It is certainly a strength to have such a diverse Board in terms of gender, experience, skills and expertise, and geography.

### Acknowledgments

I extend my deepest gratitude to my Board colleagues, our CEO Corinne Cheeseman, the AWA team, our Strategic Advisory Council, Branch Committees, Young Water Professionals, Specialist Network Committees, Water e-Journal Editorial Committee, and the many volunteers for their respective contributions this year. Your tireless efforts, innovative ideas, and collaborative spirit support our members to connect, share and inspire as we drive towards a sustainable water future.

**Peter Dennis**  
President



## CEO's Message



The past year saw significant strides in our pursuit to inspire and drive a sustainable water future. We continued to stimulate innovation and collaboration across the sector, providing valuable opportunities for our members to connect, share and inspire with the innovative solutions needed to address the evolving challenges in our sector and communities.

We embarked on the implementation of Strategy'25, which was launched at last year's AGM with our 10-year aspiration 'water is recognised by all as essential to economic prosperity, health, the environment and Indigenous connection to Country'.

Our member engagement has been high, and we have seen member growth and higher attendance at our events including Ozwater'23. We have reported another surplus this year of \$984K, which ensures our sustainability and enabled us to invest in the Association's capability, move to our new office in Chatswood (Sydney), and provide value to our members as we work to achieve the outcomes set out in Strategy'25.

### Member Experience

This year's financial results were excellent, insights from our Member Survey in 2022 show that our members value the opportunities the Association provides to gain and share knowledge and build on their networks and connectedness. This was confirmed by the record attendance at Ozwater'23, with over 5,000 people attending the conference and exhibition in Sydney, including 79 international delegates. There were 92 other events held across the year and record submissions (236) for our Australian Water Awards.

As we continue to focus on member engagement and strengthening our value proposition through our member-centric transformation, we saw net growth in both our Corporate Members (+16) and Individual Members (+322). We have seen new members from IT/software, regional locations and, healthcare and beauty this year. Our member experience was also favourable, with an overall Net Promoter Score (NPS) of +21.

### Water for Sustainable and Resilient Communities

Our International Program continues to build momentum post-pandemic, connecting our members expertise with need and opportunity to drive a sustainable water future internationally. Through our partnerships with the Australian Government, we delivered the 'Partnerships for a Resilient and Climate Smart Water Program', connecting six Australian water utilities with six water utilities across Southeast Asia and the Pacific. We also delivered an intensive Wastewater Knowledge Exchange Workshop in Cambodia, brought our International Partners to Ozwater'23 and led an Australian trade delegation to Vietwater'22.

### Indigenous and Community Collaboration

Over the past year, AWA has undertaken efforts to promote and develop activities that improve our understanding of First Nations cultures and connection to water and Country. A great example of the work we do to connect members to First Nations culture and people was the Voices for the Bush conference held in Alice Springs. The event brought together 240 people in the centre of Australia across government agencies, utilities, engineering, consultancies, universities, environmental services, and professional services companies to provide a national platform to listen, reflect and discuss water issues that affect regional, rural, remote, and Indigenous communities.

As the National host of National Water Week (NWW), we reintroduced the NWW Ambassadors Program, with 17 Ambassadors and 7 schools participating. The theme for NWW 2022 – Our Water Stories – invited the community to explore their own stories and imagination through past, present, and future lenses and the new NWW website received almost 10,000 page views in October.

### Our People

The Board approved 4 new roles to enable us to build greater content creation capability inhouse, progress our Member Experience (MX) program, develop our Outbound Trade Program, and establish an Enterprise Program Management Office to deliver our Strategy'25 Program. Other staff moved into new roles, including some promotions, advancing the acquirement of new skills and career development.

A continued focus on the health, safety and wellbeing of our people ensured staff felt aligned to AWA's values and culture. Through our Employee Survey, 97% of staff strongly agreed that 'AWA cares about the safety and wellbeing of the team'. Our overall score for Employee Engagement was 83%, with the top-rated areas by staff: Company Reputation (97%); Inclusion, Diversity and Work Life Balance (96%), AWA Values (92%); Wellbeing (86%); and Leadership (86%).

Our committees and volunteers add huge value to the Association, providing expert knowledge, recommendations and guidance to our events and programs. Our 11 Specialist Networks, Branch Committees and various event committees remain highly engaged and active, and their importance cannot be understated. We are an Association built on the effort and generosity of our volunteers and it is wonderful to see this continue.

### Towards the Future

Looking ahead, we will support our members in the face of ongoing challenges, such as climate change, population growth, skills shortages and aging infrastructure. These challenges present opportunities for innovation, collaboration, and continued leadership from the Australian water community. I would like to express my heartfelt appreciation to our members, partners, and dedicated staff for their unwavering support and commitment to our shared vision. Together, we have achieved remarkable progress in the past year, and I have no doubt that our collective efforts will continue to drive positive change in the years to come.

**Corinne Cheeseman**  
Chief Executive Officer



Strategy'25

Focus Areas

Focus Area 1  
Member Experience

By 2025, our members will be more diverse, connected and included, have impact and influence, have developed as professionals and celebrated success together.

Focus Area 2  
Water for Sustainable & Resilient Communities

By 2025, we will be recognised for our thought leadership and programs in Australia, South-East Asia and the Pacific that promote and deliver sustainable water outcomes for all.

Focus Area 3  
Indigenous & Community Collaboration

By 2025, National Water Week will deliver a stronger voice for water to the community and students. We will create a culturally safe space for the sharing of Indigenous water management practices and celebrate collaborations that deliver positive change.

Enablers

Enabler 1  
People & Culture

By 2025, we will have reinforced a culture for people who care about a sustainable water future. Our people are connected, collaborative, innovative, commercial & entrepreneurial. We embrace inclusivity for a sustainable water future.

Enabler 2  
Data & Digital

By 2025, we will deliver a personalised member experience, valued online library, data-driven decisions and the team will be supported through our digital capabilities.



## Our Purpose

### **Inspire and drive a sustainable water future**

As Australia's biggest water network, the Australian Water Association aims to drive prosperity and sustainability by providing individuals with career enrichment and organisations with business opportunities as we:



**information and  
knowledge**



**members with industry  
and stakeholders**



**positive  
change**

Our members come from across the water sector, including utilities, scientists, government, research and academia, energy and resources, manufacturing and agriculture.



## Financial Performance

We had another successful year and achieved a surplus of \$984K in the financial year 2022-23. It is largely contributed by the outstanding Ozwater'23 conference held in Sydney and other conferences such as Voices for the Bush. The operating surplus generated has brought our net assets to \$7.5M. The strong financial result has set the Association in an even more sustainable position to allow investment in new technology, staff capability, culture and strategic programs in the coming years.

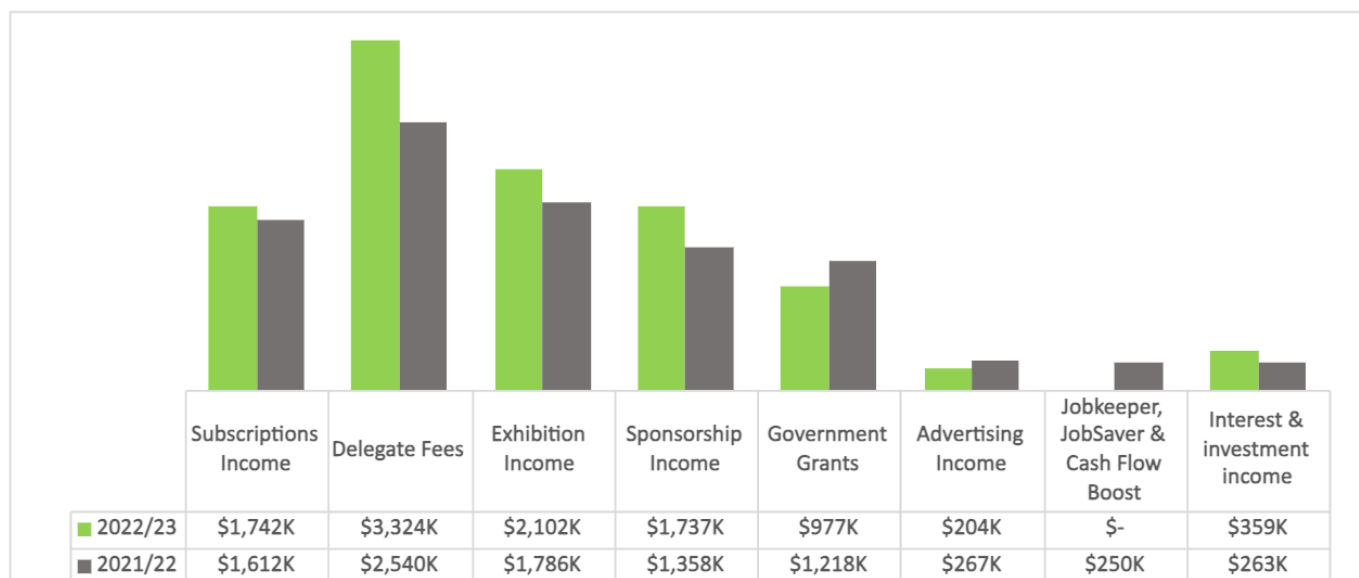
Our 5-year financial performance summary is detailed below:

\$'000	2018/19	2019/20	2020/21	2021/22	2022/23
Revenue	\$8,507	\$5,317	\$7,638	\$9,292	<b>\$10,445</b>
Operating Expenses	\$7,792	\$6,332	\$6,006	\$8,192	<b>\$9,461</b>
Operating Surplus	\$715	<b>\$(1,015)</b>	\$1,632	\$1,100	<b>\$984</b>

While our Operating Surplus was down 11% compared to 2021/22 our Revenue was up 12% compared to the previous year.

## Revenue Summary

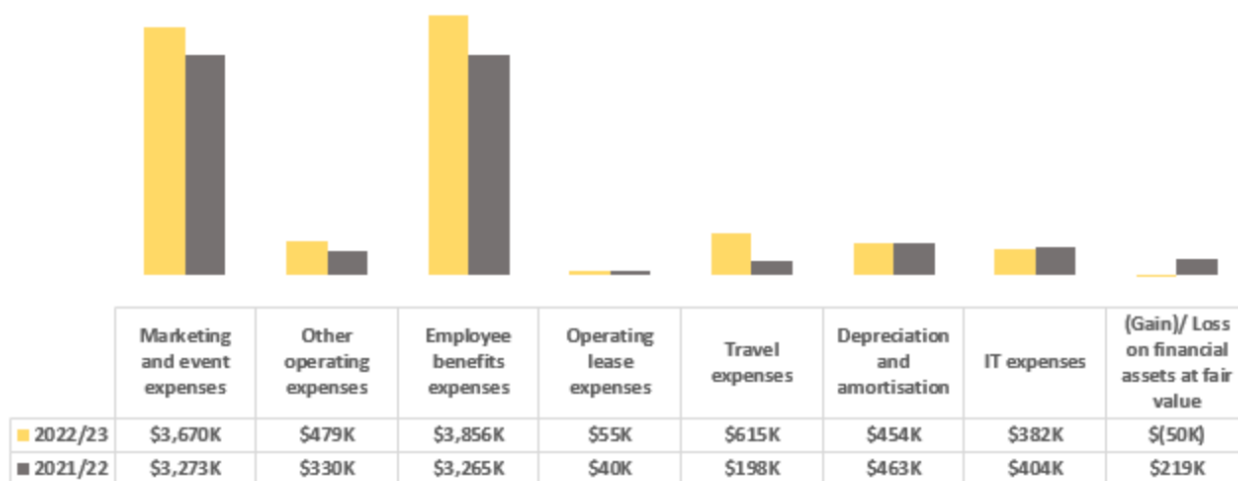
Total revenue for the year was \$10,445K, up 12% on the previous year. Our primary sources were membership subscriptions, international programs, and event-generated delegate, exhibition and sponsorship revenue. Our member engagement has improved since the launch of our new CRM platform last year and it has driven an increase in membership revenue by 8% in this year. Event-generated revenue has also increased by 26% due to another successful Ozwater conference and other state-based events. The International Program income, however, has declined by 20%. This is mainly because we are in a rebuild phase as our major government grant funding programs concluded in the last financial year.





## Operating Expense Summary

Total operating expenses for the year were \$9,461K, up 15% on the previous year. This is mainly driven by the increased event-related expenses and travel expenses. Our employee costs have increased as we are investing in staff capability. The Sydney office relocation has also driven an increase in the other operating expenses.



## Key Performance Measures

Our financial performance and financial sustainability are presented through the following industry accepted ratios.

Key performance measures	Type	2022/23	2021/22
<sup>1</sup> Return on assets ( <i>Net Profit/Total Assets</i> )	Profitability	7%	12%
<sup>2</sup> Return on equity ( <i>Net profit/ Total Equity</i> )	Profitability	13%	17%
<sup>3</sup> Current ratio ( <i>Current Assets/ Current Liability</i> )	Liquidity	2.4	2.4

1.Return on assets is an indicator of how profitable our Association is relative to our total assets.

2.Return on equity measures profitability by comparing the profit generated against the capital investments.

3.Current ratio indicates the extent to which current liabilities can be paid off through current assets.



## **Australian Water Association Limited**

ABN: 78 096 035 773

## **Directors' Report** **30 June 2023**

The directors present their report on Australian Water Association Limited for the financial year ended 30 June 2023.

### **Introduction**

The financial statements are general purpose - simplified disclosure financial statements which have been prepared in accordance with the Australian Charities and Not-for-Profit Commission Act 2012 and Australian Accounting Standards Reduced Disclosure Requirements and comply with other requirements of the law.

This guide has been prepared to assist readers understand and analyse the Financial Report.

### **What is included in the Financial Report?**

The Financial Statements report on how Australian Water Association performed financially during the 2022/2023 financial year and the overall financial position at the end of the financial year (30 June 2023).

The Financial Statements include:

- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

The Financial Statements are prepared by management, reviewed by the Governance and Audit SubCommittee who make a recommendation to the Australian Water Association Board for approval, and audited by Bentleys Sydney Audit Pty Ltd.

### **Statement of Profit or Loss and Other Comprehensive Income**

The Statement of Profit or Loss and Other Comprehensive Income itemises income earned and expenditure incurred in delivering Australian Water Association's services during the year, to give the total consolidated result for the year.

The operating expenses includes depreciation and amortisation, which is a provision for the value of assets 'used up or consumed' during the year. The statement is prepared on an accruals basis and includes both cash and non-cash items. All income and expenses for the year are reflected in the statement, even though some revenue may not yet be received and some expenses may not yet be paid (where the goods and services are received but the suppliers' invoices are not yet paid).

The key figure to assess financial performance for the year is the profit for the year, which is calculated by deducting the total operating expenses for the year from total operating revenue. It is important to note however, that the profit for the year is not necessarily a 'cash' surplus due to the recognition of non-cash items as explained above.

Australian Water Association is a Not-for-profit entity and generates an annual profit in order to ensure future financial sustainability.



## Australian Water Association Limited

ABN: 78 096 035 773

## Directors' Report

30 June 2023

### Statement of Financial Position

The Statement of Financial Position is also known as a Balance Sheet and is a snapshot of our financial position as at 30 June. It outlines what we control as assets (such as cash and property), what we owe as liabilities (such as amounts owed to creditors) and the equity or net worth at the end of the year.

The assets and liabilities are separated into current and non-current sections. 'Current' generally means those assets that will be received, or liabilities that will be paid, within the next 12 months. 'Non-current' refers to those assets and liabilities that are held for a longer term. The net current assets or working capital is an important measure of our ability to meet our debts as and when they fall due.

The equity section of the Statement of Financial Position shows the contributed equity from the registration of Australian Water Association on 27 February 2001, the total of the retained earnings (profits) that have accumulated and the amount by which the assets have been revalued since establishment. The total of the equity section represents our net financial worth.

### Statement of Changes in Equity

The Statement of Changes in Equity summarises the change in our net financial worth during the financial year. Net worth can change as a result of a profit or loss as recorded in the Statement of Profit or Loss and Other Comprehensive Income or a change in the net value of non-current assets resulting from a revaluation or an impairment of those assets.

### Statement of Cash Flows

The Statement of Cash Flows shows all cash amounts received and all cash payments made during the year that make up the change in our bank balance during the financial year.

The cash flows are separated into three different types of activities:

- Operating activities are those cash receipts and payments arising from delivery of our services. The net cash provided by operating activities is an important result in the statement, as it shows our ability to generate a cash surplus, which can then be used to fund the purchase, construction or renewal of long-term assets, such as property and infrastructure and to repay borrowings. This should be a positive amount.
- Investing activities are those cash receipts and payments arising from the purchase, renewal, upgrade, expansion and sale of non-current assets.
- Financing activities are those relating to the lease liability outflows for the rental lease due to the implementation of AASB 16: Leases.

### Notes to the Financial Statements

The notes to the Financial Statements provide greater detail to support the figures used in the four main statements and should be read in conjunction with the statements to obtain a clearer picture of our finances. The notes give the details behind the summary line items contained in the statements, showing what makes up each of the accumulated amounts.

The notes also provide information on the accounting policies and assumptions used to prepare the financial statements, advise the reader about any changes to the Australian Accounting Standards, policy, or legislation, which may affect the way the statements are prepared and disclose other information that cannot be incorporated into the statements and provide analysis if there has been a significant change from the previous year's comparative figures.



## **Australian Water Association Limited**

ABN: 78 096 035 773

## **Directors' Report**

**30 June 2023**

### **Independent Auditor's Report**

The Independent Auditor's Report is the external and independent opinion of Bentleys Sydney Audit Pty Ltd to provide the reader with an independent view about Australian Water Association's compliance with the statutory and professional requirements, as well as, the fairness aspects of the report.

### **Other items**

### **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Company during the financial year.

### **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.



## Australian Water Association Limited

ABN: 78 096 035 773

## Directors' Report

30 June 2023

### Meetings of directors

The following table sets out the number of directors' meetings (including meetings of subcommittees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or subcommittee member).

During the financial year, 23 meetings of directors (including subcommittees of directors) were held. Attendances by each director during the year were as follows:

	Board meetings		Governance and Audit SubCommittee		Succession Planning, People and Culture SubCommittee		Member Experience SubCommittee		International, Regional & Remote Programs SubCommittee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Peter Dennis	7	7	6	6	4	4	-	-	3	3
Daniel Sullivan	7	5	5	4	-	-	-	-	3	3
Dr Sandra Ridge (Hall)	7	6	3	1	3	3	3	3	-	-
Louise Dudley	7	7	6	4	4	2	-	-	-	-
Jim Athanasopoulos	6	5	1	-	-	-	3	-	2	-
Shelley Sheperd	7	7	6	5	3	3	3	3	-	-
Hon. Karlene Maywald	6	6	1	1	4	4	-	-	3	2
Kevin Werksman	7	7	6	4	-	-	3	3	-	-
Chris Bulloch	1	1	1	1	-	-	-	-	-	-
Clare Porter	1	1	1	-	-	-	-	-	-	-
Eric Vanweydeveld	1	1	1	-	-	-	-	-	-	-

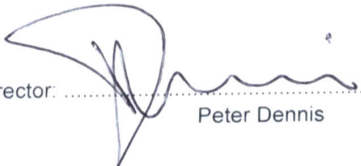
In accordance with the Company's constitution, each member is liable to contribute \$20 in the event that the Company is wound up.

The total amount that members of the company are liable to contribute if the company is wound up is up to \$108,520 for 5,426 members (2022: \$101,760 for 5,088 members)

### Auditor's independence declaration

The auditor's independence declaration is included on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:  Peter Dennis

Director:  Louise Dudley

Dated this 25th day of October 2023



Australian Water Association Limited

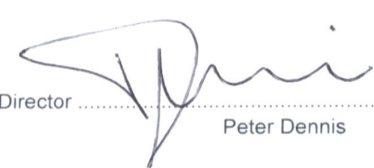
ABN: 78 096 035 773

Directors' Declaration

The Directors of the Australian Water Association Limited declare that, in the Director's opinion:

- i. there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and
- ii. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director  Peter Dennis

Director  Louise Dudley

Dated this 25th day of October 2023





**Bentleys Sydney Audit Pty Ltd**

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Australia

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**Australian Water Association Limited**

ABN: 78 096 035 773

**Auditor's Independence Declaration under Section 60-40 of the  
Charities and Not-for-profits Commission Act 2012 to the Directors  
of Australian Water Association Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

**Kevin Cranfield**  
Director  
Sydney

**Bentleys Sydney Audit Pty Ltd**  
Chartered Accountants

Date: 25 October 2023



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**Australian Water Association Limited**

ABN: 78 096 035 773

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2023**

		<b>2023</b>	<b>2022</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue	4	10,445,112	9,291,882
Marketing and event expenses		(3,669,714)	(3,272,916)
Occupancy expenses	5	(55,386)	(40,033)
Employee benefits expense		(3,856,349)	(3,265,172)
IT expense		(381,748)	(403,583)
Depreciation and amortisation expense	5	(454,185)	(462,740)
Travel expenses		(615,007)	(197,884)
Net gain/(loss) on financial assets at fair value through profit or loss		50,090	(219,384)
Other operating expenses		(478,763)	(329,851)
<b>Profit before income tax</b>		<b>984,050</b>	<b>1,100,319</b>
Income tax expense		-	-
<b>Profit for the year</b>		<b>984,050</b>	<b>1,100,319</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>984,050</b>	<b>1,100,319</b>



**Australian Water Association Limited**

ABN: 78 096 035 773

**Statement of Financial Position**
**As At 30 June 2023**

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	5,872,540	5,767,355
Trade and other receivables	7	1,425,704	868,036
Other financial assets	8	472,900	201,995
Other assets	11	121,831	156,893
<b>TOTAL CURRENT ASSETS</b>		<b>7,892,975</b>	<b>6,994,279</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	8	1,920,701	1,823,190
Property, plant and equipment	9	378,839	142,298
Intangible assets	10	258,228	196,104
Right-of-use assets	12	3,272,106	257,409
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,829,874</b>	<b>2,419,001</b>
<b>TOTAL ASSETS</b>		<b>13,722,849</b>	<b>9,413,280</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	2,735,427	2,385,893
Lease liabilities	12	115,586	319,677
Employee benefits	15	153,587	153,600
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,004,600</b>	<b>2,859,170</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	12	3,143,678	-
Employee benefits	15	55,593	63,073
Long-term provisions	14	50,000	-
Other financial liabilities		-	6,109
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,249,271</b>	<b>69,182</b>
<b>TOTAL LIABILITIES</b>		<b>6,253,871</b>	<b>2,928,352</b>
<b>NET ASSETS</b>		<b>7,468,978</b>	<b>6,484,928</b>
<b>EQUITY</b>			
Retained earnings		7,468,978	6,484,928
<b>TOTAL EQUITY</b>		<b>7,468,978</b>	<b>6,484,928</b>



**Australian Water Association Limited**

ABN: 78 096 035 773

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2023**

**2023**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2022</b>	<b>6,484,928</b>	<b>6,484,928</b>
Profit attributable to members of the parent entity	<b>984,050</b>	<b>984,050</b>
<b>Balance at 30 June 2023</b>	<b>7,468,978</b>	<b>7,468,978</b>
<b>Balance at 1 July 2021</b>	5,384,609	5,384,609
Profit attributable to members of the parent entity	1,100,319	1,100,319
<b>Balance at 30 June 2022</b>	<b>6,484,928</b>	<b>6,484,928</b>



## Australian Water Association Limited

ABN: 78 096 035 773

### Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		10,840,498	7,736,466
Payments to suppliers and employees		(9,738,828)	(5,895,923)
Dividends and interest received		148,738	74,848
Finance costs		(21,219)	(26,524)
Receipt from grants		-	249,686
Net cash provided by/(used in) operating activities	21	1,229,189	2,138,553
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payment for intangible asset		(135,649)	(158,602)
Purchase of property, plant and equipment		(362,445)	(8,489)
Purchase of financial assets		(465,679)	(349,063)
Proceeds from sale of investment		141,090	193,916
Net cash (used in) investing activities		(822,683)	(322,238)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of lease liabilities		(301,321)	(310,968)
Net cash (used in) financing activities		(301,321)	(310,968)
Net increase in cash and cash equivalents held		105,185	1,505,347
Cash and cash equivalents at beginning of year		5,767,355	4,262,008
Cash and cash equivalents at end of financial year	6	5,872,540	5,767,355



## **Australian Water Association Limited**

ABN: 78 096 035 773

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

The Australian Water Association is a membership association for all professionals and organisations in the water sector and is a not-for-profit entity. The principal and registered address is Suite 801, 9 Help Street, Chatswood, NSW 2067. The financial report covers Australian Water Association Limited as an individual entity. Australian Water Association Limited is a not-for-profit Company, registered and domiciled in Australia. The entity is a company limited by guarantee.

The functional and presentation currency of Australian Water Association Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 25 October 2023.

Comparatives are consistent with prior years, unless otherwise stated.

### **1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### **2 Summary of Significant Accounting Policies**

#### **(a) Revenue and other income**

The Entity is first required to determine whether amounts received are accounted for as Revenue per AASB 15: *Revenue from Contracts with Customers* or Income per AASB 1058: *Income of Not-for-Profit Entities*.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058; where upon initial recognition of an asset, the Association is required to consider whether any other financial statement elements should be recognised (eg financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

#### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(a) Revenue and other income**

**Revenue from contracts with customers**

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

**Specific revenue streams**

The revenue recognition policies for the principal revenue streams of the Company are:

**Membership Fees / event income**

Revenue from the membership and events is recognised when the services are delivered and have passed at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the service;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Grant revenue**

When the Entity receives operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15. When both these conditions are satisfied, the Entity identifies each performance obligation relating to the grant and recognises revenue as it satisfies its performance obligations.

**Other income**

Other income is recognised on an accruals basis when the Company is entitled to it.



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(b) Income tax**

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(c) Goods and services tax (GST)**

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**(d) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

**Plant and equipment**

Plant and equipment are measured using the cost model.

**Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Furniture, Fixtures and Fittings	10%
Office Equipment	17% - 33%
Leasehold improvements	Lease term
Right-of-Use - Buildings	Lease term

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements  
For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(e) Financial instruments**

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

*Classification*

On initial recognition, the Company classifies its financial assets into those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

*Amortised cost*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

*Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(e) Financial instruments**

**Financial assets**

available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

*Trade receivables*

Where a trade receivable is considered impaired, the amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

*Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

**Financial liabilities**

The Company measures all financial liabilities initially at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and lease liabilities.

**(f) Impairment of non-financial assets**

At the end of each reporting period the Company determines whether there is any evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(f) Impairment of non-financial assets**  
generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

**(g) Intangibles**

**Amortisation**

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

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

**Software**

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and six years.

**(h) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**(i) Leases**

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**2 Summary of Significant Accounting Policies**

**(i) Leases**

**Lessee accounting**

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

*Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**(j) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

**(k) Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 30 June 2023. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

**3 Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

**Key estimates - useful lives of property, plant and equipment**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**Key estimates - receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectable. The impairment provision is based on the best information at the reporting date.



## Australian Water Association Limited

ABN: 78 096 035 773

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 4 Revenue and Other Income

#### Revenue from continuing operations

	2023	2022
	\$	\$
Operating Activities		
- Advertising revenue	204,125	267,109
- Delegate income	3,323,635	2,539,652
- Trade displays and exhibition income	2,102,062	1,786,206
- Government grants	977,275	1,217,638
- Sponsorship income	1,737,088	1,357,529
- Subscriptions	1,742,292	1,611,554
	<u>10,086,477</u>	<u>8,779,688</u>
Interest, investment and other revenue		
- Financial assets	90,487	98,788
- Cash	51,988	1,337
- Other income	216,160	162,383
- Government income	-	249,686
	<u>358,635</u>	<u>512,194</u>
<b>Total Revenue</b>	<u><b>10,445,112</b></u>	<u><b>9,291,882</b></u>

### 5 Result for the Year

The result for the year includes the following specific expenses:

Depreciation and amortisation	171,989	181,932
Right-of-Use depreciation expense	<u>282,196</u>	<u>280,808</u>
	454,185	462,740
Occupancy expense	55,386	40,033
Bad debt expense / (recovery)	(18,860)	21,099

### 6 Cash and Cash Equivalents

Cash at bank and in hand	<u>5,872,540</u>	<u>5,767,355</u>
	<u><b>5,872,540</b></u>	<u><b>5,767,355</b></u>

### 7 Trade and Other Receivables

#### CURRENT

Trade and other receivables	1,197,019	780,365
Provision for impairment	<u>(5,000)</u>	<u>(30,000)</u>
	<u>1,192,019</u>	<u>750,365</u>
Deposits	204,828	117,671
GST receivable	28,857	-
<b>Total current trade and other receivables</b>	<u><b>1,425,704</b></u>	<u><b>868,036</b></u>



## Australian Water Association Limited

ABN: 78 096 035 773

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 8 Other Financial Assets

	2023	2022
	\$	\$
CURRENT		
Other financial assets		
Term deposit	472,900	201,995
	<u>472,900</u>	<u>201,995</u>
NON-CURRENT		
Financial assets at fair value through profit or loss	1,920,701	1,823,190
<b>Total</b>	<u><b>2,393,601</b></u>	<u><b>2,025,185</b></u>

### 9 Property, Plant and Equipment

#### PLANT AND EQUIPMENT

##### Furniture, fixtures and fittings

At cost	73,802	26,725
Accumulated depreciation	(18,321)	(22,101)
<b>Total furniture, fixtures and fittings</b>	<u><b>55,481</b></u>	<u><b>4,624</b></u>

##### Office equipment

At cost	450,264	266,521
Accumulated depreciation	(241,525)	(219,833)
<b>Total office equipment</b>	<u><b>208,739</b></u>	<u><b>46,688</b></u>

##### Leasehold Improvements

At cost	160,074	313,020
Accumulated depreciation	(45,455)	(222,034)
<b>Total leasehold improvements</b>	<u><b>114,619</b></u>	<u><b>90,986</b></u>

<b>Total property, plant and equipment</b>	<u><b>378,839</b></u>	<u><b>142,298</b></u>
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**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**
**For the Year Ended 30 June 2023**
**9 Property, Plant and Equipment**
**(a) Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	<b>Furniture, Fixtures and Fittings</b>	<b>Office Equipment</b>	<b>Leasehold Improvements</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2023</b>				
Balance at the beginning of year	4,624	46,688	90,986	142,298
Additions	55,948	193,999	112,497	362,444
Disposals	(3,831)	(2,981)	(18,021)	(24,833)
Depreciation expense	(1,260)	(28,967)	(70,843)	(101,070)
<b>Balance at the end of the year</b>	<b>55,481</b>	<b>208,739</b>	<b>114,619</b>	<b>378,839</b>

**10 Intangible Assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Intangible assets		
Cost	910,181	782,592
Accumulated amortisation and impairment	(651,953)	(586,488)
<b>Total Intangibles</b>	<b>258,228</b>	<b>196,104</b>

**(a) Movements in carrying amounts of intangible assets**

	<b>Computer software</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2023</b>		
Balance at the beginning of the year	196,104	196,104
Additions	135,649	135,649
Disposals	(2,606)	(2,606)
Amortisation	(70,919)	(70,919)
<b>Closing value at 30 June 2023</b>	<b>258,228</b>	<b>258,228</b>

**11 Other Assets**

CURRENT		
Prepayments	121,831	156,893
	<b>121,831</b>	<b>156,893</b>



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**12 Leases**

**Company as a lessee**

The Company has leases over land and buildings.

*Terms and conditions of leases*

**Buildings**

The Company leases a building for its head office. The lease is for a 6 year period with a renewal option to allow the Company to renew for up to 5 years once the non-cancellable lease term has finished. It is intended that the option will be taken up.

The lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Leases for IT equipment are generally considered to be for low value assets.

**Right-Of-Use Assets**

	<b>Buildings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2023</b>		
Right-of-Use - Buildings	257,409	257,409
Depreciation charge	(282,196)	(282,196)
Additions to right-of-use assets	3,296,893	3,296,893
<b>Balance at end of year</b>	<b>3,272,106</b>	<b>3,272,106</b>
<b>Year ended 30 June 2022</b>		
Right-of-Use - Buildings	538,217	538,217
Depreciation charge	(280,808)	(280,808)
<b>Balance at end of year</b>	<b>257,409</b>	<b>257,409</b>

**Statement of Profit or Loss and Other Comprehensive Income**

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Interest expense on lease liabilities	(21,219)	(26,524)
Right-of-Use depreciation - buildings	(282,196)	(280,808)
	<b>(303,415)</b>	<b>(307,332)</b>

**Statement of Cash Flows**

Total cash outflow for leases	<b>322,540</b>	<b>337,492</b>
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**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**13 Trade and Other Payables**

	2023	2022
	\$	\$
CURRENT		
Trade payables	227,799	329,232
GST payable	-	67,822
Sundry payables and accrued expenses	230,071	300,717
Deferred membership income	897,435	847,829
Other deferred income	1,380,122	840,293
	<u>2,735,427</u>	<u>2,385,893</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**14 Provisions**

NON-CURRENT		
Provisions - Leasehold Make Good	50,000	-

**15 Employee Benefits**

Current liabilities		
Employee benefits: annual leave	153,587	153,600
	<u>153,587</u>	<u>153,600</u>
Non-current liabilities		
Employee benefits: Long service leave	55,593	63,073
	<u>55,593</u>	<u>63,073</u>

**16 Financial Risk Management**

**Financial assets**

Held at amortised cost

Cash and cash equivalents	6	5,872,540	5,767,355
Trade and other receivables	7	1,425,704	868,036
Other financial asset	8	472,900	201,995

Fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss	8	1,920,701	1,823,190
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**Total financial assets**

9,691,845      8,660,576

**Financial liabilities**

Trade and other payables	13	457,870	697,771
<b>Total financial liabilities</b>		<u>457,870</u>	<u>697,771</u>



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2023**

**17 Key Management Personnel Remuneration**

The total remuneration paid to key management personnel of the Company is \$ 1,074,641 (2022: \$ 953,542).

The above remuneration has increased due to the split of the Head of Strategy, Member Engagement & Innovation position during the current financial year.

**18 Auditors' Remuneration**

Remuneration of the auditor, for:

- Audit of financial statements	<b>34,300</b>	33,000
- Other services	<b>2,395</b>	2,415
<b>Total</b>	<b>36,695</b>	35,415

**19 Related Parties**

**The Company's main related parties are as follows:**

Water Australia Solutions Limited, which has 0 directors in common, was de-registered during the year to 30 June 2023.

Key management personnel - refer to Note 17.

**20 Contingencies**

**Contingent Liabilities**

Australian Water Association Limited had the following contingent liabilities at the end of the reporting period:

(a) Amounts guaranteed, relationship and nature of guarantee

The Company has issued a letter of set off in the amount of \$201,995 (2022: \$201,995) with respect to an agreement for the leased premises at Level 6, 655 Pacific Highway St Leonards. During the year to 30 June 2023 an additional letter of set off in the amount of \$270,904 was issued with respect to an agreement for the leased premises at Suite 801, 9 Help Street, Chatswood.

(b) Unused bank facility

The company has an unused auto pay facility in the amount of \$350,000 with Australia and New Zealand Banking Group (2022: \$220,000) with respect to payroll and a BCCL facility of \$50,000 with Australia and New Zealand Banking Group (2022: \$100,000).



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**21 Cash Flow Information**

**Reconciliation of result for the year to cashflows from operating activities**

Reconciliation of net income to net cash provided by operating activities:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Profit for the year	<b>984,050</b>	1,100,319
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	<b>70,919</b>	80,200
- depreciation	<b>101,070</b>	101,731
- depreciation of ROU asset	<b>282,196</b>	280,808
- net loss on disposal of property, plant and equipment	<b>24,833</b>	-
- loss on disposal of intangibles	<b>2,606</b>	-
- gain on disposal of lease	<b>(5,985)</b>	-
- net loss on disposal of investments	<b>6,263</b>	25,276
- fair value movements on investments	<b>(50,090)</b>	219,384
Changes in assets and liabilities:		
- increase in trade and other receivables	<b>(528,811)</b>	(141,805)
- increase in other assets	<b>(61,617)</b>	(112,079)
- increase in trade and other payables	<b>411,248</b>	556,962
- decrease/(increase) in provisions	<b>(7,493)</b>	27,757
Cashflows from operations	<b>1,229,189</b>	2,138,553



**Australian Water Association Limited**

ABN: 78 096 035 773

**Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**22 Events occurring after the end of the reporting period**

The financial report was authorised for issue on 25 October 2023 by the Board of Directors.

Other than the above, no matter or circumstance has arisen in the interval between the end of the financial year and the date of this report that has significantly affected, or may significantly affect the operations of the Company, the results of those operations or the state of the affairs of the Company in the future financial years.

**23 Statutory Information**

The registered office and principal place of business of the company is:

Australian Water Association Limited  
Suite 801  
9 Help Street  
Chatswood NSW 2067





**Bentleys Sydney Audit Pty Ltd**

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bentleys.com.au

**Australian Water Association Limited**

**ABN: 78 096 035 773**

**Independent Audit Report to the Members of Australian Water Association Limited**

**Report on the Audit of the Financial Report**

We have audited the financial report of Australian Water Association Limited (the Company), which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act) including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year then ended; and
- ii. complying with Australian Accounting Standards, General Purpose – Simplified Disclosure, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

**Basis of 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 ACNC Act, 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 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 Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards, General Purpose – Simplified Disclosure Requirements, and the ACNC Act, 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 management either intends to liquidate the Company or to cease operations, or has 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 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 the financial report.



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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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 communicate 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.

A handwritten signature in black ink, appearing to read "Kevin Cranfield".

**Kevin Cranfield**  
Director  
Sydney

A handwritten signature in black ink, appearing to read "Bentleys Sydney Audit Pty Ltd".

**Bentleys Sydney Audit Pty Ltd**  
Chartered Accountants

Dated: 25 October 2023





# AUSTRALIAN WATER

ASSOCIATION

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