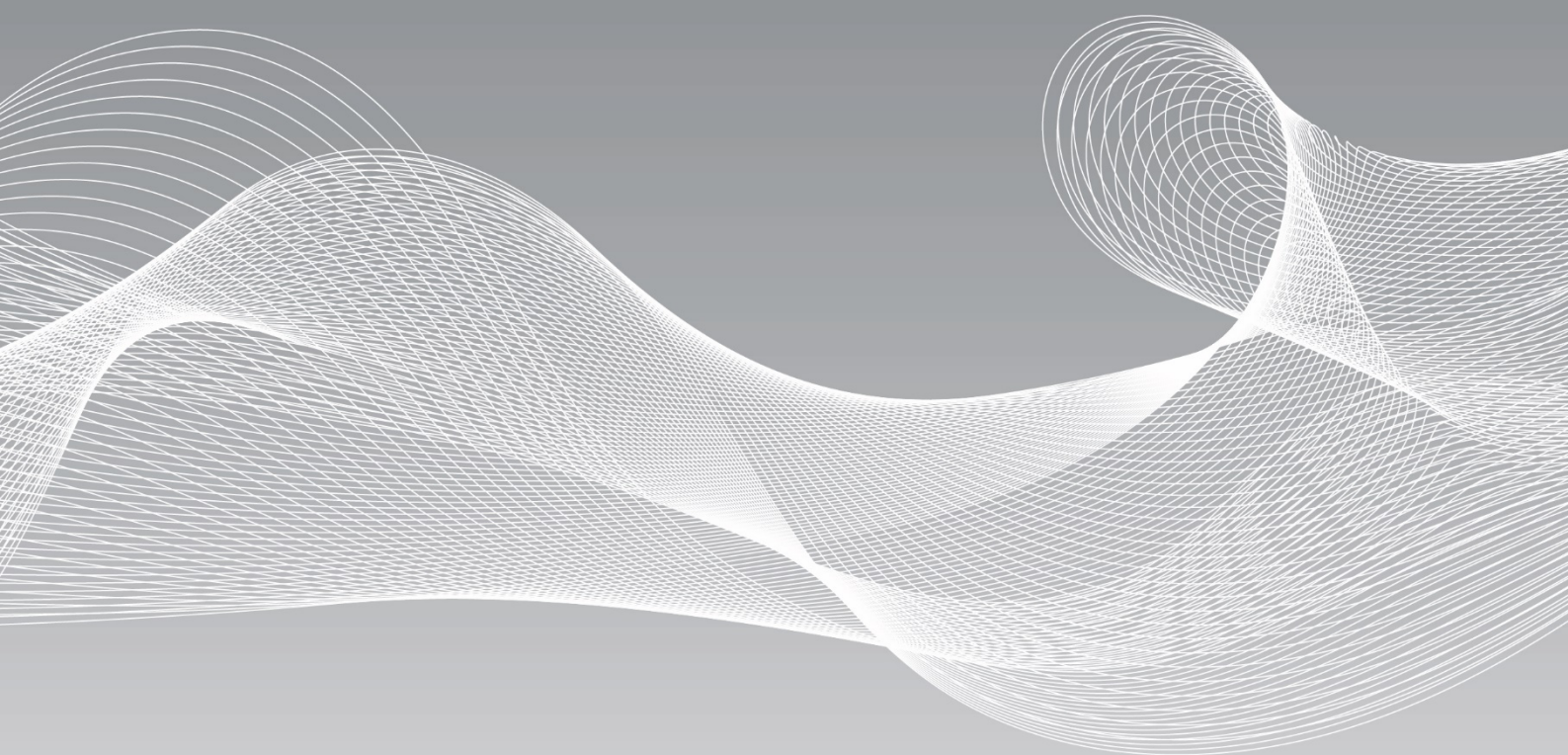


Mount Isa Water Board

# ANNUAL REPORT 2022–2023



This annual report provides information about MIWB's financial and non-financial performance during 2022–23.

The report describes MIWB's performance in meeting the bulk water needs of existing customers and ensuring the future bulk water needs of North West Queensland are identified and met.

The report has been prepared in accordance with the *Financial Accountability Act 2009*, which requires that all statutory bodies prepare annual reports and table them in the Legislative Assembly each financial year; the Financial and Performance Management Standard 2019, which provides specific requirements for information to be disclosed in annual reports; other legislative requirements and the Queensland Government's Annual report requirements for Queensland Government agencies for 2022–23.

This report has been prepared for the Minister for Regional Development and Manufacturing and the Minister for Water to submit to Parliament. It has also been prepared to inform stakeholders including Commonwealth, state and local governments, industry and business associations and the community.

MIWB is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact MIWB on 0434 094 743 and an interpreter will be arranged to effectively communicate the report to you.



Mount Isa Water Board proudly acknowledges Australia's Aboriginal and Torres Strait Islander communities and their rich culture and pays respect to their Elders past, present and emerging. We acknowledge Aboriginal and Torres Strait Islander peoples as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

#### Contact us for further information:

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ISSN 1837-3097

# Chair's letter to Minister



7 September 2023

The Honourable Glenn Butcher MP  
Minister for Regional Development and  
Manufacturing and Minister for Water  
PO Box 15009  
City East QLD 4002

Dear Minister,

I am pleased to present the Annual Report 2022–23 and financial statements for Mount Isa Water Board.

I certify that this annual report complies with:

- the requirements of the *Water Act 2000*
- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*
- the detailed requirements set out in the Annual Report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found on pages 61 and 62 of this Annual Report or accessed at [www.mountisawater.qld.gov.au](http://www.mountisawater.qld.gov.au).

Yours sincerely



**Steve de Kruijff**

Chair

Mount Isa Water Board

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# About Mount Isa Water Board

Mount Isa Water Board (MIWB) supplies bulk water to three major customers in our region.

Mount Isa is situated on the traditional lands of the Kalkadoon people in North West Queensland on the banks of the Leichhardt River, about 340 kilometres south of the Gulf of Carpentaria with the Coral Sea coast about 750 kilometres to the east.

Situated in the heart of the North West Minerals Province, Mount Isa harnesses one of the world's richest mineral resources and is set amongst the brilliance of the Selwyn ranges.

The Leichhardt River catchment covers around 33,000 square kilometres. The river rises in the Selwyn Ranges, 40 kilometres south-east of Mount Isa, flowing in a northerly direction through the city and Lake Moondarra, before passing through to the Lake Julius Dam.

MIWB pumps from the Leichhardt River Dam, which forms Lake Moondarra, as the primary source of local water. We distribute and treat bulk water from Lake Moondarra, which has a capacity of 106,800 megalitres, and from Lake Julius, which has a capacity of 107,500 megalitres. Together both lakes assure the region's total water demand.

Lake Julius is a higher quality water source, however MIWB pumps from Lake Moondarra due to the additional operating costs of transporting water from Lake Julius. We continue to invest in engineering system improvements to reduce these costs to ensure our region continues to enjoy a sustainable water supply, now and into the future.

In an average year, Lake Moondarra can supply all water demand, however lower than usual rainfall can result in the need to pump from Lake Julius to mitigate exhausting Lake Moondarra. Nonetheless, the combined capacity of Lake Moondarra and Lake Julius can provide several years' supply based on typical rainfall and consumption.

MIWB constructs, operates, and maintains the bulk water transport and treatment infrastructure that transports bulk water from storages at Lake Moondarra and Lake Julius in accordance with term contracts with three major customers:

- **Mount Isa City Council** which reticulates potable water to approximately 20,000 people
- **Mount Isa Mines Ltd** a Glencore company, which uses non-potable water in extraction, concentration and smelting processes.
- **Incitec Pivot Ltd** which uses non-potable water for manufacturing acid.

We pride ourselves in treating water that consistently achieves a water quality which meets or exceeds our legislative and commercial obligations. We are also committed to conducting ongoing investigations and planning for future infrastructure requirements for our operations, and proud of the many achievements we have delivered in this space.

In addition to providing bulk water transport and treatment services, we also provide high voltage electricity infrastructure services to the North West Queensland Water Pipeline Pty Ltd (NWQWP), a subsidiary of SunWater Limited. This role highlights the strategic role MIWB plays in driving growth in North West Queensland.

MIWB is proudly the Trustee of Mount Isa's largest water catchment and recreation reserve, the R48 Reserve. The R48 Reserve is situated around Lake Moondarra, which provides a sanctuary for wildlife and popular leisure areas. We maintain recreational facilities including picnic and play areas and water sports facilities which are enjoyed by thousands of people each year, including residents and visitors to the region.

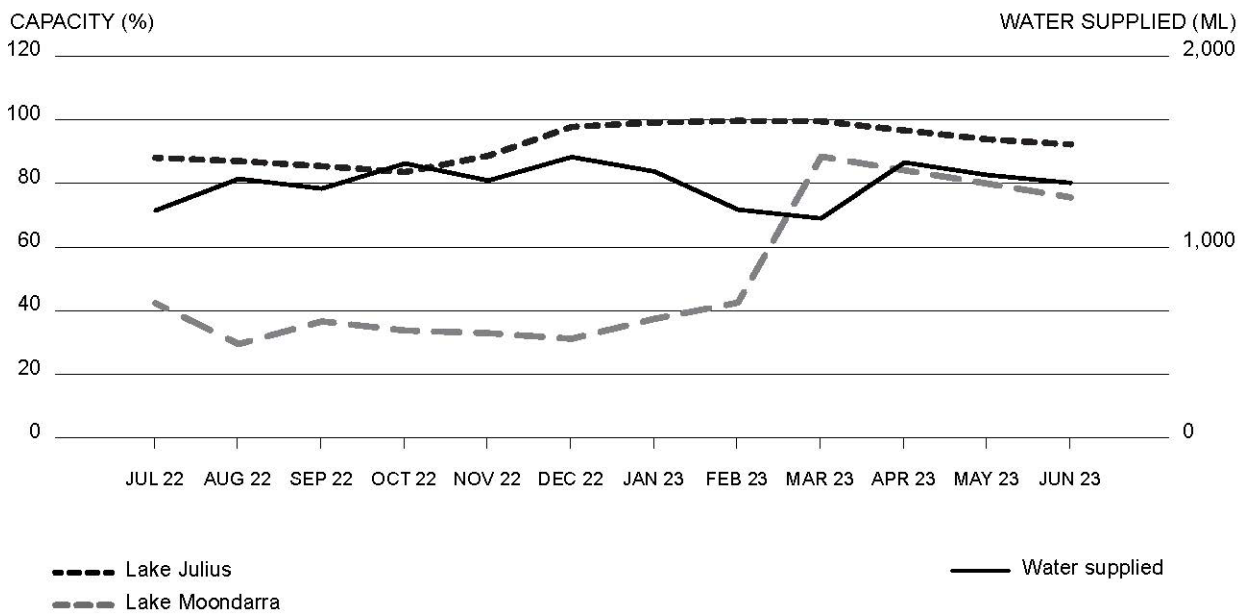
## Regional rainfall

Mount Isa district's rainfall can vary from less than 250 mm one year to more than 500 mm the following year. During the 2022–23 reporting period, Mount Isa received 760 mm of rainfall, substantially above the long-term historical average.

Pleasingly, the rainfall intensity was significantly higher than 2021-22, and as a result, inflows into both Lake Moondarra and Lake Julius were highly favourable.

With favourable rainfall and the "big wet" in January, February and March of 2023, Lake Moondarra reached a capacity of 88.58 per cent on 31 March 2023. Lake Moondarra finished the year at 75.49 per cent. Water allocations for both schemes were announced at 100 per cent at the start of the 2022–23 water year, the official water volume accounting period.

## Lake capacity and water supplied



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# Role and functions

MIWB is accountable to the Minister for Regional Development and Manufacturing and the Minister for Water, and our practices are subject to the regulating principles of the Water Act including autonomy, accountability and competitive neutrality.

MIWB is a Category 1 Water Authority under the *Water Act 2000* and operates as a commercialised statutory authority. Our core business activities include:

- undertaking activities necessary as a registered Water Service Provider under the *Water Supply (Safety and Reliability) Act 2008*
- managing the infrastructure required to transport bulk water from storages at Lake Moondarra and Lake Julius to customers and applying appropriate water treatment processes to comply with MIWB's legislative and commercial requirements
- conducting ongoing investigations and planning for future infrastructure requirements relevant to MIWB operations
- constructing, operating, and maintaining the bulk water transport and treatment infrastructure, core to MIWB operations.

Prior to the start of the Financial Year, MIWB submits a Performance Plan to the Minister for Regional Development and Manufacturing and the Minister for Water for approval, which details how MIWB will meet its responsibilities to its owner, the Queensland Government. These responsibilities are to:

- conserve, store, and supply bulk water to local and industrial customers
- take appropriate measures to protect the quantity and quality of present and future water supplies
- investigate and plan for future infrastructure requirements
- construct, operate and maintain water infrastructure necessary to meet customer demands
- administer and manage property under MIWB's control
- act as trustee for R48 Recreational Reserve, a major catchment area around Lake Moondarra and one of the region's primary water sources.

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# Strategy and objectives

Mount Isa Water Board's vision is to be a respected leader in regional water distribution and treatment.

## Mission

Our mission is to provide efficient and reliable distribution and treatment of bulk water to meet our customers' needs, in line with government policy, by performing as a profitable, proactive, highly competent and engaged organisation.

## Values



### Customers first

- Know your customers
- Deliver what matters
- Make decisions with empathy



### Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries



### Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback



### Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



### Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you

## Government objectives for the community

The Queensland Government has set objectives for the community including safeguarding our health, supporting jobs, backing small business, making it for Queensland, building Queensland, growing our regions, investing in skills, backing our frontline services, and protecting the environment.

MIWB uses a local workforce to deliver frontline services which assures the bulk water needs of Mount Isa, and provides safe and reliable drinking water to the community. MIWB's services are essential to safeguarding the health of our community, and ensuring that existing industrial businesses are sustained, and emerging businesses have access to this essential, enabling resource which is critical to the economic growth of our region.

MIWB supports jobs in the region by procuring and buying local wherever possible, and we have a strong commitment to developing the skills of the MIWB team. We put considerable effort into promoting the conservation of fauna, flora, ecosystems and genetic diversity through the maintenance, preservation, and enhancement of the R48 Reserve environment.

## MIWB strategy objectives

In implementing government and MIWB statutory objectives for the community, and in order to advance the achievement of the vision, the Board has set out a strategy to:

**Assure:** ensure our governance and business management practices are of the highest standard.

**Optimise:** improve the long run service output of the asset base and secure service quality and reliability at the lowest sustainable cost.

**Engage:** participate in respectful dialogue with our stakeholders, including our local community to develop strategic, mutually beneficial relationships.

**Innovate:** seek out opportunities to add value for new and existing customers, creating value for our shareholder.



---

# From the Chairman & CEO

We are pleased to present the 2022-23 Annual Report for the Mount Isa Water Board.

In the year that was, MIWB has celebrated several unprecedented achievements that will provide the foundation for sustainable outcomes for our customers and the community over the coming years as the business continues to deliver its vision – “to be a respected leader in regional water distribution and treatment.”

## **Transformation**

We are honoured to present this year's annual report, a testament to the extraordinary triumphs of our organisation. Through a meticulously executed restructure into three distinct divisions - Capital Projects, Corporate and Governance, and Operations - we have achieved unparalleled success.

This strategic realignment stands as a pivotal milestone, propelling us forward on our path to sustainability and operational excellence. The results of our efforts have been nothing short of remarkable.

As we reflect on the achievements of this year, we recognise that our success is not a standalone event but a result of a collective effort. It is the culmination of strong leadership, the tireless dedication of our employees, the unwavering support of our strategic partners, and the invaluable trust placed in us by our customers and the community.

## **Sustainable and fit-for-purpose infrastructure**

In the Capital Projects Division, we have witnessed tremendous advancements in our ability to deliver large-scale infrastructure initiatives. Through disciplined thought and action, and the strengthening of our internal technical capabilities through strategic partnerships, we have successfully completed several landmark projects under very exceptional circumstances.

As a stand out, advancement of the Fred Haigh Pump Station Project to enhance the reliability and longevity of the Lake Julius Water Distribution Scheme by carrying out extensive upgrades to high voltage switching, earthing, transmission, and hardware systems was a milestone achievement.

Recognising the unique challenges and opportunities regional remote Queensland presents, we are particularly proud that we have invested significant resources and expertise to ensure the successful completion of projects in this geographically diverse and economically vital region.

By engaging closely with local suppliers and stakeholders, we have fostered strong relationships built on trust and collaboration. This approach has enabled us to navigate through specific regional complexities such as remote logistics, scarcity of resources, extreme weather, and cultural sensitivities.

Moving forward, we remain dedicated to undertaking projects that will have a positive impact on North West Queensland. We understand the importance of infrastructure development in fostering economic prosperity and improving the quality of life for the residents. With our track record of successful project delivery and our deep understanding of the unique challenges in the region, we are well-positioned to continue making a significant difference and leaving a lasting positive imprint on the communities we serve.

## **Corporate and commercial success**

This year, we are particularly proud of exponential improvement in our internal service functions and commercial successes, delivered by our newly established Corporate and Governance Division. By implementing robust systems and policies, including the refresh of our board and committee governance practices, we have safeguarded our organisation against risks and ensured compliance with the highest industry standards. Moreover, our transparent and accountable practices have strengthened stakeholder confidence, opened doors to new partnerships and created opportunities for growth which were realised in FY2022-23.

The Corporate & Governance Division's enduring pursuit of excellence has propelled MIWB towards sustainable growth, enabling us to navigate complex regulatory landscapes and emerge as a corporate leader. Importantly, we're delighted to announce significant achievements in our journey towards commercial maturity. First and foremost, our refreshed Energy Transmission Agreement with the North West Queensland Water Pipeline (a subsidiary of SunWater Limited) showcases our commitment to the energy sector and highlights our credibility and standing as a contributor to energy markets in North West Queensland.

## Our focus for 2022-23 and beyond

Mount Isa Water Board's vision is to be a respected leader in regional water distribution and treatment. To deliver on this vision, the Executive Team and Board will undertake a refresh of our values, strategy, and objectives to develop a Five-Year Strategic Plan. The Strategic Plan will guide our cultural, asset management, operational, and capital objectives over the next five years to ensure we are well positioned to deliver on our community's expectations.

Our priorities will include the development of our five-year pricing model, refresh of our asset and capital plans and investment in technology to drive productivity and service excellence in our processes.

We can confidently say that our success this year extends to every corner of our organisation. Our dedicated team members, with their unwavering passion and relentless pursuit of excellence, have played an instrumental role in our accomplishments. Their hard work and commitment have truly set us apart, and we extend our deepest gratitude to each and every member of our team.

We are immensely proud of what we have accomplished together this year. The journey towards excellence and sustainability continues, and we're confident that our organisation will rise to new heights, set new standards of success and make a lasting impact in the years to come.

As we look ahead, we remain committed to driving further growth and delivering exceptional value to our stakeholders. The successful restructuring into three divisions has laid a solid foundation for our continued success, and we are confident that by harnessing the expertise and synergies within each division, we will seize new opportunities, overcome challenges, and propel MIWB to even greater heights.

Moving forward, we're filled with confidence and excitement. The foundations we have laid through our strategic realignment and the remarkable achievements of this year have positioned us for even greater success in the future. We remain steadfast in our commitment to driving innovation, reducing our environmental impact, embracing sustainability, and bringing costs down to deliver unparalleled value to our stakeholders.

## Acknowledgements

We extend our heartfelt gratitude to all employees, partners, and our primary shareholder for their unwavering support and contribution to our achievements. Together, we will continue to build a brighter future for our organisation and the communities we serve.

On behalf of the Board of Directors and Executive Leadership Team, we sincerely thank our staff and contractors for their dedication, professionalism, and perseverance during a year of rapid change and unprecedented success.

We would also like to express gratitude to our shareholders, customers, partners and the community of Mount Isa for their unwavering support and trust in MIWB. Together, we will forge ahead, building a brighter and prosperous future for all.



**Steve de Kruijff**  
Chair

### Mount Isa Water Board



**Bill Esteves**  
Chief Executive Officer

### Mount Isa Water Board

## Year in review

In 2022–23, MIWB delivered on the key responsibilities to the Queensland Government, set out in our Performance Plan. Financial, health, safety and environmental and operational performance measures for the financial year are agreed with the Minister in MIWB's Performance Plan.

The table below summarises MIWB's financial performance during the reporting period.

**Table 1. Financial performance overview 2022–23**

Performance	Measures	Target 30 June 2023	Actual outcomes 30 June 2023	Variance to Target
<b>Financial results</b>				
<b>Revenue</b>	Operating Revenue	\$29.21m	\$28.97m <sup>(1)</sup>	Note 1
<b>Expenditure</b>	Operating Expenditure	\$21.93m	\$22.91m <sup>(2)</sup>	Note 2
<b>Profitability</b>	Earnings before interest and tax (EBIT)	\$7.3m	\$6.07m <sup>(3)</sup>	Note 3
<b>Liquidity</b>	Current ratio	≥1.9	2.1	Nil
<b>Assets</b>	Total Assets	\$173.43m	\$205.82m	Nil
<b>Return</b>	Return on Total Assets (ROA)	4.3%	3.0% <sup>(4)</sup>	Note 4
<b>Dividend</b>	Dividend Payable	\$4.4m	\$3.6m	Note 5

Variance Notes (Table 1)

- (1) Water revenue was impacted by pricing adjustments at year end as a result of the completion of the five-year bulk water customer reconciliation (i.e., true-up), resulting in a variance to target of 0.5 per cent.
- (2) Expenditure was 0.7 per cent above target due to marginally higher operational costs during the year.
- (3) EBIT was 2.6 per cent below target due to the impact of <sup>(1)</sup> and <sup>(2)</sup>.
- (4) ROA was 30.2 per cent below target due to marginally lower profitability compared to the increased asset base caused by a revaluation at year end.
- (5) The Dividend Payable was affected by the impact of <sup>(3)</sup>.

Financial results for 2022–23 were marginally below target due to fixed charge pricing adjustments at year end. This reduction in revenue and marginally higher than target expenditure had a corresponding reduction in Net Profit After Tax (NPAT) and the actual Dividend Payable for 2022–23.

**Table 2. Health, safety, and environment performance in 2022–23**

Performance	Measures	Target 30 June 2023	Actual outcomes 30 June 2023	Variance to target
<b>Commercial results</b>				
<b>Safety</b>	Lost Time Injury (LTI)	0 incidents	0 incidents	Nil
<b>Environment</b>	Reportable Environmental Incidents	0 incidents	0 incidents	Nil
<b>Community</b>	Recreation Area (R48) Stakeholder Meetings	100%	100%	Nil

**Table 3. Operational performance in 2022–23**

Performance	Measures	Target 30 June 2023	Actual outcomes 30 June 2023	Variance to target
<b>Operational results</b>				
<b>Reliability of supply</b>	Watermain / Pipe Leaks	≤3	1	Nil
	Supply Interruption Duration – Industrial	≤6 hrs	4.7 hrs	Nil
	Supply Interruption Duration – MICC	≤24 hrs	13.3 hrs	Nil
<b>Water Quality</b>	Non-complying tests for E.coli (municipal)	0	0	Nil
	Non-complying tests for other health parameters (municipal)	0	0	Nil
	Non-complying tests for other health parameters ADWG Table 10.6	0	0	Nil

Performance	Measures	Target 30 June 2023	Actual outcomes 30 June 2023	Variance to target
Operational efficiency	Operational costs against budget	+/-5.0%	2.7%	Nil
	Operation & maintenance costs per ML supplied	≤\$822	\$601	Nil

MIWB reported strong operational delivery results against the Performance Plan Targets for 2022-23, achieving or exceeding the target for all operational performance measures. Through continued improvements in operations and maintenance processes, MIWB achieved a cost-effective operation and maintenance cost per megalitre of water supplied of \$601 during the period.

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# Operations update

MIWB carries out extensive engineering, operations and maintenance work each year to support the region's bulk water supply infrastructure and plan for future requirements.

We also manage a substantial water quality and compliance program to ensure fit-for-purpose water is supplied to customers.

## Meeting water quality standards

Ensuring our commercial customers and community receive treated water in accordance with the National Health and Medical Research Council's Australian Drinking Water Guidelines (2011) is the key priority for MIWB. During 2022-23 MIWB achieved 100% compliance with our Drinking Water Quality Management Plan (DWQMP). MIWB also undertook a review of our DWQMP and updated it to reflect system changes and planned improvements for the Risk Management Improvement Program (RMIP). MIWB continues to invest in research projects and innovation trials to improve water quality aesthetics for our customers and the community of Mount Isa.

## Asset resilience and reliability

MIWB investigates and plans for future infrastructure requirements to maintain the water infrastructure necessary to meet customer demands. During the year MIWB began a project to develop an asset strategy for the next 5 years based on criticality to align project decisions with business drivers. MIWB made strategic investments totalling \$10.5 million towards infrastructure improvements, despite facing challenges due to supply chain disruptions.

## Operational minor works

During the fiscal year 2022-23, the Mount Isa Water Board (MIWB) made strategic investments totalling \$400,000 in asset reliability and improvements, leading to several notable achievements:

### 1. Lake Julius Power Infrastructure Improvements.

Adverse weather events and aging infrastructure had caused damage to power poles and the network, affecting the reliability of service to customers. In response, MIWB undertook the critical task of replacing the damaged power infrastructure, ensuring a dependable power supply to customers.

### 2. Repairs and Enhancements to Lake Julius Road and Pipeline.

The region experienced an increase in rain events, necessitating significant investments in repairing Lake Julius Road. MIWB took this opportunity to improve drainage around the Lake Julius Pipeline, reducing scouring effects and ensuring a reliable water supply in case of increased water demand from Lake Julius.

### 3. Installation of a New Flocculent System.

Heavy rain events in Mount Isa raised the possibility of increased turbidity in the water. To address this concern, MIWB invested in the installation of a new flocculent system at Clear Water Lagoon. This system equipped MIWB to treat water efficiently even if it surpassed advised turbidity levels, ensuring a continuous and reliable water supply to customers.

### 4. Completion of HV Switchyards repairs.

Another significant accomplishment during this period was the assessment and repair of critical High-Voltage (HV) infrastructure. MIWB made dedicated investments in the repairs and monitoring of critical HV infrastructure, including HV switchyards and transformers. These measures not only enhanced reliability but also ensured compliance with HV safety standards.

### 5. Completion of Critical Flow Meters.

Another notable accomplishment during this period was the successful installation and implementation of critical and revenue flow meters. These meters play a vital role in accurately monitoring and managing water flow, enabling us to optimise our operations effectively.

These achievements reflect MIWB's commitment to providing reliable and high-quality water and power services to its customers, even in the face of challenging weather events and infrastructure issues. The strategic investments made during the fiscal year 2022-23 have fortified MIWB's operations and strengthened its ability to meet the region's water and power needs effectively.

MIWB's infrastructure investments and the completion of these significant projects underscore our commitment to continuous improvement and resilience. We remain dedicated to delivering essential services while adapting to changing circumstances in the ever-evolving landscape of water management.

## Managing water supply

Lake Moondarra ended the water year on 30 June 2023 at 75.5%, an increase of 30.7% from the previous year. This was predominantly due to nearly 300mm of rainfall over February and March 2023. Lake Julius remains an important drought proofing water source and remains high at 92.2%, as at 30 June 2023. During the period, MIWB continued further consideration of water security, recognising the strategic importance of ensuring reliability of infrastructure, effectiveness of delivery, robustness of storage, and the role it plays with other stakeholders. MIWB routinely undertakes modelling to assess water availability for our customers to mitigate any risks in supply shortages. This enables us to more effectively utilise all MIWB's storage options.

## Supplying Our Customers

MIWB supplied 16,008 megalitres (ML) of water in 2022-23 to meet our customer's bulk water demand.

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# Capital projects update

During the fiscal year 2022–23, MIWB demonstrated its commitment to enhancing infrastructure and ensuring reliable water supply.

Despite facing challenges, including supply chain disruptions and internal restructuring, MIWB strategically invested \$8.4 million in infrastructure improvements. This commendable effort contributed significantly to the progress of the organisation, and its dedication to continuous improvement and resilience in water management.

MIWB's strategic investments of \$8.4 million in infrastructure improvements during 2022–23 was a testament to the organisation's commitment to enhancing water management capabilities. While this figure fell slightly short of the initially planned investment of \$9.3 million, these prudent investments laid the groundwork for improved infrastructure and ensure sustainable and reliable water supply for the community of Mount Isa.

The MIWB Capital Projects Division achieved remarkable milestones during 2022–23, accomplishing capitalisation of \$10.2 million of new assets, a significant increase from the previous year's \$1.0 million. This achievement demonstrates the division's efficiency in managing and utilising resources to enhance MIWB's infrastructure, despite the challenges posed by supply chain disruptions.

MIWB successfully completed several critical projects during the fiscal year 2022–23, showcasing the organisation's dedication to delivering essential services. Notable achievements include:

1. Completion of Stage 1: Fred Haigh Pump Station (FHPS) Switchyard and Switch Room Upgrade.

During the fiscal year, MIWB concluded the first stage of the Fred Haigh Pump Station project, involving the upgrading of the switchyard and switch room. This milestone represents a significant step towards enhancing overall infrastructure and ensuring the availability of the Lake Julius system when needed.

2. Completion of the Emergency Diesel Pump Project at Clear Water Lagoon.

MIWB's dedicated efforts led to the successful completion of the emergency diesel pump project at Clear Water Lagoon. This project plays a crucial role in providing reliable backup water supply during emergencies, especially during extended power outages, which Mount Isa occasionally faces. The project's completion underscores MIWB's commitment to ensuring water security for the community.

3. Completion of Stage 1: MICC Diesel Backup Project

MIWB achieved another vital milestone with the completion of the first stage of the MICC Diesel Backup Project. This accomplishment reaffirms MIWB's dedication to maintaining reliable and efficient operations, even during emergency situations. The project enhances MIWB's capacity to handle unexpected challenges, further strengthening water supply resilience.

4. Completion of Critical Flow Meters

During the fiscal year, MIWB successfully installed and implemented critical and revenue flow meters. These meters play a crucial role in accurately monitoring and managing water flow, enabling MIWB to optimise operations effectively. This accomplishment improves the organisation's ability to conserve water resources while delivering high-quality service to the community.

5. Completion of Stage 1: Clean water segregation.

The Clean water segregation project significantly improved our water management system's integrity, mitigating risks of contamination and enhancing the overall quality of the potable water supplied to Mount Isa city. By addressing these critical points, MIWB continues to prioritise the well-being of our customers and the community we serve.

Despite the challenges faced during 2022-23, MIWB's infrastructure investments and the completion of significant projects underscore our commitment to continuous improvement and resilience. We remain dedicated to delivering essential services, while adapting to changing circumstances in the ever-evolving landscape of water management.

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# Community

The R48 Reserve is a vital asset to the community of Mount Isa, covering approximately 11,000 hectares (110 square kilometres) in and around Lake Moondarra. MIWB is the trustee for the R48 Reserve, managing the water and recreation reserve on behalf of the Queensland Government.

The R48 Reserve is home to a thriving eco-system of flora and fauna, with over 238 species of birds found across the reserve.

Our role as trustee includes managing the operation and maintenance of public amenities, regulating use of the land, and supporting the viability of flora and fauna through various environmental initiatives including pest and weed management. The primary public amenities we manage incorporate walking tracks, public bathrooms, barbecues, and shade huts in and around Transport Bay, Blackrock, Warrina Park, and Kingfisher Point.

The 2022-23 wet season was slow to start and the Lake Moondarra level reduced to below 30% in late December 2022. As more land areas became exposed, the aquatic weed (including river couch) was able to spread in the shallows. Unfortunately, the large weed harvester had difficulty in manoeuvring in these areas and weed harvesting was reduced to utilise the amphibious harvester only. Coupled with the low lake levels, discussions were held with Maritime Safety Queensland (MSQ) regarding the potential introduction of safety measures for water craft such as speed restrictions in shallow areas.

The Transport Bay boat ramp was closed during the low lake period as it no longer reached the water. Luckily a good rain event late in the season allowed Lake Moondarra to fill to 89% capacity.

In the previous year, MIWB commenced several large capital projects, including the installation of shade structures at Blackrock and bathroom upgrades for the Kingfisher Point. Both projects were successfully completed during the 2022-23 period. Further design works for the Kingfisher Point beautification project continued during the year with footpaths and BBQ huts design being finalised. The pontoon portion of the project is still working through challenges brought about by the large lake level changes during flood events, which has caused significant delays.

Our role as trustee includes managing 11 community user groups that operate on the reserve, including the North West Canoe Club, Mount Isa Ski Club and the Mount Isa District Bow Hunters Club.

Despite the impact of COVID-19, some clubs still managed to hold community events. The second "Pulverise at Peacock Park" event was successfully held to raise funds for community groups, and the Isa Rats held their first race meet after the pandemic.

Engagement with registered user groups remained strong, with 100% engagement achieved for annual meetings across all registered user groups. Our management team continue to work closely with the Lake Moondarra Advisory Committee, in developing a Strategic Master Plan for Lake Moondarra. A joint risk assessment was also held with the Mount Isa City Council, evaluating their proposal for a fishing pontoon at Lake Moondarra.



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# Our people

People are at the centre of MIWB's vision to be a leader in regional water supply. Our philosophy is that staff should take pride, and receive satisfaction from, delivering value to customers by achieving their goals.

We will continue to actively encourage staff to live the corporate values – doing what matters, challenging historic practices and taking initiative to achieve continuous improvement.

We empower our highly-skilled and specialist team through training and feedback and encourage them to embrace responsibility and challenge the status quo. Continuous improvement has seen us become an outcome-focused team dedicated to fulfilling our customers' needs.

MIWB has adopted the Queensland Government's Leadership Competencies Framework to set the foundation for what good and highly effective leadership looks like, and what behaviour is expected in the workplace. MIWB will be incorporating a bespoke development plan, in line with the Leadership Competencies Framework, that is tailored to the individual to ensure all staff are provided with the opportunity to further develop their skill set. Employees are encouraged to participate in a range of webinars and seminars, held by affiliated water associations and other professional associations, to promote upskilling and keep up to date with the current market. In addition to this, mandatory training and inductions, facilitated by the Corporate & Governance Division, have been a major focus this financial year – designed to help staff members become familiar with their workplace and ensure compliance with legislation and policy.

## Staff profile

MIWB completed phase one of its organisational restructure in September 2022, resulting in the creation of three distinct divisions. These divisions are:

1. Operations Division
2. Capital Projects Division
3. Corporate and Governance Division

The General Manager – Corporate & Governance, and General Manager – Capital Projects were appointed in July and August 2022, respectively. Following an extensive executive search, the General Manager – Operations commenced with MIWB in June 2023. All General Managers report to the Chief Executive Officer (CEO), and collectively comprise the Executive Leadership Team.

On 30 June 2023, MIWBs workforce comprised 21.8 full time equivalent (FTE) workers (not including contractors).

Contractors are engaged predominately within Operations and Capital Projects. The number of contractors engaged depends on the type of projects or work assigned and the duration of time needed. MIWB continues to engage with its third-party Operations & Maintenance Contractor to assist delivery on our water and electricity obligations.

## Workforce planning, attraction and retention

The Executive Leadership Team has worked hard to promote a positive, sustainable work culture, increase employee engagement, and reduce voluntary turnover. As at 30 June 2023, the annual turnover rate is 18%. This is a significant reduction from the long-term historical average of over 30%.

At the start of this year, MIWB invested in developing and promoting its employee value proposition to attract and retain highly skilled staff. This incorporated a rebrand of our employee benefits, the people PLUS Program, which outlines the range of benefits accessible by our employees.

MIWB has also engaged their workforce to establish the MIWB Wellness Committee, offering employees the opportunity to voice their feedback on improving our work environment for all MIWB staff.

In FY2023-24, MIWB will begin partnering with education and training institutions to promote living and working in regional Queensland. This partnership and brand awareness will support a robust pipeline of talent as the organisation continues to identify and seize business opportunities.

## Public sector ethics

The MIWB Code of Conduct contains the principles and values we expect of our employees in the way they perform their work. Our principles are:

- Act with honesty and integrity
- Abide with legislation and act professionally
- Protect our reputation, assets and information
- Do the right thing by our regional community

MIWB periodically reviews our policies and the Code of Conduct (Codes) to ensure they align with the current ethics, principles and values of the *Public Sector Ethics Act 1994* (Qld).

MIWB is committed to ongoing education and continual review of processes and procedures to ensure both staff and management have proper regard for the Codes and appropriate behaviours.

Through a comprehensive induction program, facilitated by our Corporate & Governance Division, staff, directors and senior officers are aware of their roles, responsibilities and obligations in relation to the Code of Conduct.

## Key workforce policies

Key MIWB workforce policies, along with the Codes of Conduct, are governed by the Board-approved Policy Framework and are actively promoted inside the organisation:

- Employee Leave Policy
- Parental Leave Policy
- Recruitment and Selection Policy
- Alcohol and Drugs Policy
- Discrimination, Bullying, Harassment and Grievance Policy
- Corrupt Conduct and Fraud Policy
- Corporate Procurement Policy and Procedures
- Corporate Credit Card Policy
- Delegations of Human Resources Policy
- Financial Delegations Policy
- Flexible Work Arrangements Policy
- Training and Development Policy
- Higher Duties Policy
- Flexible Work Arrangements Policy
- Gifts and Conflicts of Interest Policy
- ICT Acceptable Use Policy
- Travel Policy
- Work Health and Safety Policy, and
- Workplace Injury Rehabilitation Policy.

Ongoing refinements to workforce policies took place throughout the year to ensure they are appropriate and reflect the needs of the organisation.

## Human rights

Throughout the period, all staff successfully completed training with respect to MIWB's obligations under the Human Rights Act.

Human rights training is now a permanent part of MIWB's induction process for new employees.

MIWB received no human rights complaints in 2022-23.

## Supporting carers

MIWB recognises carers and the important contribution they make to the people they care for and to the community generally. MIWB has a copy of the Carers Charter accessible to all staff, as set out in the Schedule to the *Carers (Recognition) Act 2008* (Qld).

During 2022-23, MIWB had no carers on staff.

## Health and safety

MIWB is committed to facilitating zero harm and therefore, safety is identified as a key success factor for the organisation. MIWB complies with Queensland's *Work Health and Safety Act 2011* and *Work Health and Safety Regulations 2011*. We continue to invest significant effort to ensure the effectiveness and relevance of our Safety Management Standards and Procedures within a framework of continuous improvement.

During 2022-23, MIWB continues to see positive engagement from staff in relation to its incident reporting and tracking processes. All incidents, however minor, are assessed as improvement opportunities that are individually investigated to determine what can be learned. Safety initiatives such as the Positive Attitude Safety System, seek to engage and include all parties carrying out activities on MIWB sites in a positive safety culture, which underpins a safe workplace for all.

MIWB has leveraged the transition of the operations and maintenance contract to achieve a step change in the rigour of safety management practices in frontline activities. MIWB is committed to providing a safe work environment for employees and contractors, and to drive safety culture into all the activities of the business.

MIWB will continue to apply this approach to ensure that:

- Safety management standards and procedures accurately reflect the activities undertaken, and are effective in controlling the risks of the activities and the environment in which we operate.
- Periodic safety audits in the field are conducted including using independent specialists.
- MIWB sites are monitored to ensure they are safe workplaces for all parties entering the site.
- Opportunities to eliminate or isolate risks are identified wherever possible including by reassessing the need for tasks to be undertaken.

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# Governance and risk management

MIWB is committed to ensuring our governance and business management are of the highest standard. This is essential to MIWB's vision to be a respected leader in regional water distribution and treatment. MIWB will be a sustainable, commercialised and outcome-focused business which is engaged with our community. We will manage risks appropriately to ensure water delivery is safe, reliable, and cost efficient.

## MIWB governance framework

### Board operations and membership

The Board is responsible for overseeing MIWB's corporate governance, including setting the strategic direction, establishing goals for management and monitoring performance against these goals.

The Board is accountable to the Minister for MIWB's efficient and effective performance. Each Board member is required to act in MIWB's best interests and ensure MIWB acts in accordance with its Performance and Corporate Plans.

Under the *Water Act 2000* (Qld), the MIWB Board of Directors consists of five directors appointed by the Governor in Council. During the period, there was one continuing vacancy that was filled in March 2023.

### **Mr Steve de Kruijff OAM, MAusIMM**

**Director and Board Chair since May 2016**

Steve de Kruijff's career spans almost four decades in the mining industry, predominantly in North West Queensland. Mr de Kruijff was previously the Chief Operating Officer for Glencore's Australian Copper Assets until February 2014. Prior to this role, Mr de Kruijff was General Manager of Xstrata's Mount Isa Copper Operations until December 2006 and Chief Operating Officer of Xstrata Copper's North Queensland division to May 2013. Mr de Kruijff has been a director of several of Xstrata's subsidiary companies and is a past President of the Queensland Resources Council. He was awarded the 2008 AusIMM Jim Torlach Health and Safety Award, and an OAM in the 2016 Australia Day Honours List for his contribution to the mining industry and communities. Mr de Kruijff is a member of MIWB's Finance, Audit and Compliance Committee.

### **Cr George Fortune**

**Director since September 2016**

George Fortune is a long-term resident and an active community advocate, including as former secretary of the Mount Isa Fish Stocking Group and former Event Manager for the Lake Moondarra Fishing Classic. Mr Fortune has been a Councillor with Mount Isa City Council since 2012. Mr Fortune became a director of MIWB by nomination of the elected City Council<sup>1</sup>. Mr Fortune is also a member of MIWB's Finance, Audit and Compliance Committee.

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<sup>1</sup> Under the *Water Act*, notwithstanding a person is a nominee of an entity, they are required to act in the best interests of the MIWB.

**Ms Karen Read****B.Bus, FCPA, GAICD, MAMI****Director since August 2019****Chair of Finance, Audit and Compliance Committee**

Karen Read is a senior finance and commercial executive and has extensive experience within the mining and resources sector with a career spanning 30 years.

Ms Read worked for Glencore Xstrata group for much of this time, including several years in Mount Isa from 1995.

From 2014 – 2017, she was employed as CFO for a consulting engineering and project practice business.

Ms Read has extensive Board experience including as Director Queensland Country Bank, Director Queensland Country Health Fund, Director of Wesley Medical Research Institute, and a group member of the Copper String 2032 Regional Reference Group. Ms Read is a Fellow of CPA Australia, a Graduate of the Australian Institute of Company Directors and a member of Australasian Mutual Institute. She is the Deputy Chair of NQ Branch Regional Council of CPA Australia.

**Ms Janice Wilson****CPEng, MIEAust, RPEQ, MIPWEAQ, MAIPM,****BEng, MASc****Director since December 2021**

Janice Wilson is a water and wastewater engineer with over 18 years of experience in infrastructure delivery and the utilities sector, paired with a Master of Applied Science, Bachelor of Engineering, Professional Certificate in Asset Management and Certificate III in Water Treatment. She is the Managing Director and founder of an engineering consulting firm, and serves as Board member with the Whitsunday River Improvement Trust and the Wide Bay Water and Waste Advisory Committee. Ms Wilson is the Regional Liaison and Regional Subcommittee Chair for the Australian Water Association Queensland Committee.

**Ms Leonie Davey****B.Bus, GAICD, LLB****Director since March 2023**

Leonie Davey has lived and worked in regional Queensland since 1994. She has extensive experience in community development and corporate governance, holding the positions of CEO for the Federal Government's North Queensland regional development body from 2004-2007. From 2008 to 2016, she held the position of Director for the North Queensland GP Training Organisation. Since 2019 she has been a practicing solicitor in Queensland and from January 2021 the Managing Partner in a private law firm.

**Ms Lisa Clancy****Director since August 2019 Ceased 9 March 2023****Board meetings**

Director	Meetings attended	Meetings eligible to attend	Last appointed	Expiry
<b>Steve de Kruijff (Chair)</b>	14	14	Appointed 27 May 2016	8 March 2026
<b>George Fortune</b>	12	14	Appointed 15 September 2016	28 June 2024
<b>Lisa Clancy</b>	8	9	Appointed 29 August 2019	Ceased 9 March 2023
<b>Karen Read</b>	14	14	Appointed 29 August 2019	8 December 2024
<b>Janice Wilson</b>	14	14	Appointed 9 December 2021	8 December 2024
<b>Leonie Davey</b>	3	5	Appointed 9 March 2023	8 March 2026

## Finance, Audit and Compliance Committee

The Board has established and maintains the Finance, Audit and Compliance Committee to assist in the execution of its responsibilities.

This committee is responsible for the review and oversight of MIWB's financial performance and financial regulatory compliance, including the integrity of its accounting and financial reporting, monitoring compliance with applicable accounting standards, appointment of internal auditors, appointment of significant consultancies (e.g. legal advisors and insurance brokers) and overseeing the integrity of the accounting and financial reporting.

During 2022–23, all sitting Directors were members of the Finance, Audit and Compliance Committee under the chairpersonship of Karen Read. Chief Executive Bill Esteves, General Manager – Corporate and Governance Blake Nicolson and Finance Manager Bruce Galbraith attended all committee meetings as standing invitees.

The committee meets as required each financial year and assists the Board by ensuring financial reports are prepared in accordance with Australian Accounting Standards (including Australian equivalence to International Financial Reporting Standards) and other prescribed statutory requirements.

During 2022–23, the committee advised the Board on the efficacy of internal and external audit functions and preparation of a budget for the next financial year.

Attendance is shown in the table below.

The Finance, Audit and Compliance Committee has observed the terms of its charter and has had due regard for Queensland Treasury's Audit Committee Guidelines. During 2022–23, the committee's achievements include the internal audit program, ensuring compliance with legislation and robust corporate governance.

#### Finance and Audit meetings

Director	Meetings attended	Meetings eligible to attend
Karen Read (Chair)	12	12
Steve de Kruijff	12	12
George Fortune	11	12
Lisa Clancy	7	8
Janice Wilson	12	12
Leonie Davey	2	4

## R48 Reserve Committee

The Board has established and maintains the R48 Committee to assist in oversight and monitoring of its duties as Trustee for the R48 Reserve.

As Trustees, MIWB manages the Reserve with the State's interests in mind, for the benefit of the people of Queensland by having regard to the principles of sustainability, protection, consultation, and community purpose. In addition, MIWB has a statutory duty of care to manage the land to which it acts as Trustee. The R48 Committee supports MIWB's role as Trustee, and has regard to the following key functions:

- Strategic planning
- Land management and maintenance
- Prudent financial and resource management
- Secondary and community uses
- Due diligence

During 2022–23, all sitting Directors were members of the R48 Committee under the chairpersonship of Steve de Kruijff. Chief Executive Bill Esteves, General Manager – Corporate and Governance Blake Nicolson, Finance Manager Bruce Galbraith, and General Manager Capital Projects Nick Tsikleas attended all committee meetings as standing invitees.

#### R48 meetings

Director	Meetings attended	Meetings eligible to attend
Steve de Kruijff (Chair)	10	10
George Fortune	9	10
Lisa Clancy	5	6
Karen Read	9	10
Janice Wilson	9	10
Leonie Davey	4	4

## Disclosure of directors' remuneration

Remuneration of the directors is made in accordance with current Queensland Government policy as set out in Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies.

During 2022-23, the total remuneration paid was \$97,794. Related additional costs paid during the period (primarily for airfares and accommodation) totalled \$46,331.

## Executive team

MIWB's executive team is responsible for overall day-to-day operational and financial performance of the organisation, and for participating in senior management groups and/or committees.

### Role and responsibilities of the Chief Executive

The Chief Executive, Bill Esteves, reports directly to the Board and is charged with, and is accountable for, the overall performance and leadership of the organisation.

The Chief Executive is responsible for the management of MIWB financial and non-financial performance, ensuring its conformity with statutory and accountability requirements. He implements the Board's policy decisions, reflecting the Board's approved strategy as reported in the Performance Plan, Corporate Plan and Annual Budget.

In addition, the Chief Executive is responsible for organisational leadership and maintaining effective business relationships with directors, customers, other stakeholders and interested parties.

### William Esteves

GCLP, GC.Bus, LLB, MA, MBA

William (Bill) has accumulated more than two decades of valuable experience overseeing areas such as prosecutions, litigation, government inquiries, transformation, change and performance management, policy development, and health and safety. He has held various executive roles and led many milestone projects such as Queensland's Greyhound Commission of Inquiry, Queensland's Independent Review of Passenger Transport, and recently the Northern Territory (NT) Work Health Authority, Electrical Safety Regulator, Chief Inspector of Radio Active Ores and Concentrates, and head of NT WorkSafe. Bill is a former member of Safe Work Australia, the NT Public Service Strategic Workforce Board, Injured Workers Family Committee, Workers Rehabilitation and Compensation Advisory Council, and Chair of the Return-to-Work Scheme Monitoring Committee.

**Blake Nicolson**

LLB, BComm (Acc), GradDipLegPrac  
General Manager Corporate & Governance

Blake was appointed to the role of General Manager – Corporate & Governance in 2022. Blake leads the organisation's corporate service function, encompassing finance, human resources, procurement, risk, governance, economic modelling, corporate technology, and customer contracts. Blake has a background in providing advice to state, federal and private sector entities on risk, finance and governance matters, with a specific focus on supporting executive teams in highly regulated industries. His current priorities involve driving sound decision making, sustainable commercial outcomes and people enablement initiatives across the organisation. Prior to his appointment to General Manager – Corporate & Governance, Blake held the position of Compliance Manager at MIWB.

**Nicholas Tsikleas**

General Manager Capital Projects

Nicholas joined MIWB in April 2021 as a Construction Superintendent and has since assumed the role as General Manager Capital Projects. With over 15 years experience in leadership and project management, Nicholas is responsible for overseeing the management and execution of MIWB's capital portfolio. His extensive expertise spans various industries including construction, tunnelling, oil and gas, and mining. Nicholas brings a wealth of knowledge and a proven track-record of successful project delivery to his current position.

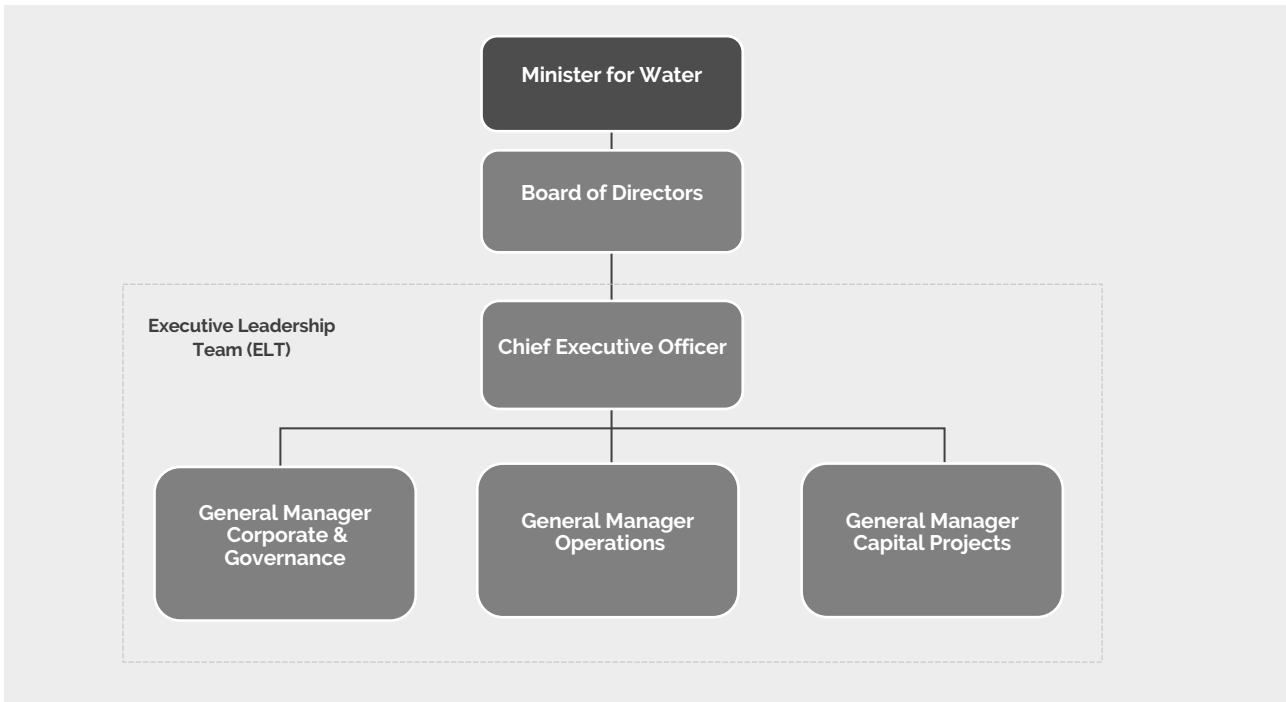
**Scott Collinge**

GradDip (Biology), PgDip(Management Studies)  
General Manager Operations

Scott joined MIWB as General Manager Operations in June 2023. Scott is responsible for the overall management of MIWB's water treatment, compliance, power network and the R48 Reserve. Scott brings more than 25 year's experience in the water industry across commercial, local government and consultancy organisations.

# Organisation structure

As at 30 June 2023, our organisation structure was as follows:



## Reporting requirements

MIWB is required to regularly review and report on a range of statutory and regulatory obligations, both as a water authority and as a government business entity.

The documents produced include:

- Annual Report
- Quarterly reports
- Financial statements
- Department of State Development, Infrastructure, Local Government and Planning monthly capital reports
- Corporate Plan
- Performance Plan
- State Infrastructure Plan and Regional Action Plan update
- Water Service Provider Annual Performance Report
- Special Approval No SA05/97 Annual Report to the Regulator (*Electricity Act 1994*)
- Water Supply and Sewerage Services Survey (*Census and Statistics Act 1905*)
- Drinking Water Quality Management Plan Regulatory Review
- DWQMP Annual Report.

MIWB completed all its reporting responsibilities during 2022-23, which included providing the Minister with a summary of information and events for the year, forecasts for the year ahead and assessments of status and performance to date. MIWB also provided the Department of Regional Development, Manufacturing and Water with financial and non-financial performance reports for each quarter according to a regular timetable.

### Corrections to previous annual report

MIWB advises that there are no corrections to be notified from the previous annual report.

## Information systems and recordkeeping

MIWB's information systems support effective corporate governance and the delivery of accurate information for decision-making. With a view to satisfying the accountability requirements of the *Public Records Act 2002*, MIWB maintains a secure recordkeeping system.

MIWB's recordkeeping policy, which is aligned to the Queensland Government Records Governance Policy (RGP) is currently under review. MIWB manage records at all levels of the business, in order to:

- Create complete and reliable records
- Make records discoverable and accessible for use and re-use
- Adhere to the six policy requirements of the RGP.

Detailed financial reports with analysis are prepared each month and presented to the Board at its regular meetings.

## Risk management

MIWB has various risk management policies and procedures in place for local, portfolio and enterprise levels. During the period, MIWB maintained a robust enterprise risk management framework, defining the roles, responsibilities, and processes for risk management from information gathering and action tracking, through to Management and Board reporting. MIWB has further enhanced the risk management framework by reviewing and documenting business standards.

MIWB is committed to a structured approach to risk management to reduce exposure to operational and strategic risks, and pursue opportunities to enhance our performance. This includes fostering a culture where risk management is recognised as the responsibility of every employee. MIWB's enterprise risk management framework is based on AS/NZS ISO 31000:2018 Risk Management Principles and Guidelines, and meets the requirements of section 23 of the *Financial and Performance Management Standard 2019* (Qld). The framework includes the following:

- Risk Management Policy
- Risk Management Procedure
- Risk Assessment Plan
- Risk Matrix (Model).

## Compliance management

In FY2021-22, we implemented a Compliance Management Framework that systematised our approach to regulatory compliance.

In FY2022-23, we continued to embed the Compliance Framework, with a particular focus on uplifting and monitoring training compliance. During the period, there were no reportable regulatory breaches.

## Investments

MIWB is committed to investments that conform to government prudential standards. It continually reviews its infrastructure investment strategy and prioritises projects that will enhance the reliability and quality of water supplied to customers.



## Audit functions

### External auditor – financial

The Auditor-General is the auditor of all Queensland public sector entities. The Queensland Audit Office engaged Crowe Australasia to conduct MIWB's 2022–23 external audit. This is the third year Crowe Australasia has conducted the audit.

The external audit is conducted through visits to MIWB's office with the auditor working closely with the Chief Executive, Finance Manager, and finance staff. The auditor's report is considered by the Finance, Audit and Compliance Committee. A close-out interview is held between the auditor and the committee, and the committee makes recommendations to the Board concerning the adoption of the financial statements.

### External auditor – non-financial

All audit recommendations of the Queensland Audit Office are considered by the Finance, Audit and Compliance Committee, which ensures MIWB has due regard for these recommendations.

### Internal auditor

MIWB's internal audit function is a key component of our corporate governance framework, providing independent assurance on the effectiveness of our risk management, control and governance processes. MIWB's internal audit function is outsourced. Internal audit reviews are independent and conducted with impartiality and integrity in accordance with relevant professional standards.

## Right to information

As a statutory authority, MIWB supports the right of access to government information to promote transparency, openness, and accountability and will provide this access unless it is commercial-in-confidence or contrary to the public interest to release such information.

MIWB did not process any RTI applications between 1 July 2022 and 30 June 2023 and was not processing any RTI applications at the end of the reporting period.

Any enquiries about obtaining information held by MIWB should be made by contacting 0434 094 743 or emailing [info@mountisawater.qld.gov.au](mailto:info@mountisawater.qld.gov.au).

Right to Information correspondence has been placed on the MIWB website at [www.mountisawater.qld.gov.au](http://www.mountisawater.qld.gov.au) under the 'Our Data' tab.

## Open data

Several annual reporting requirements are addressed through publication of information on the Queensland Government Open Data Portal (the Open Data Portal) (<https://data.qld.gov.au>), in lieu of inclusion in the annual report.

The following information requirements are reported online:

- Consultancies – expenditure released on the Queensland Government's Open Data Portal.
- Overseas travel – nil expenditure.

MIWB is committed to the Queensland Government's Open Data strategy and has adopted the government's strategy, policy and principles to ensure all relevant data is published in the appropriate manner.

MIWB releases procurement and contract management expenditure on the Open Data Portal on a monthly basis. Data on other activities, such as historical lake levels, is available at [www.mountisawater.qld.gov.au/ourdata](http://www.mountisawater.qld.gov.au/ourdata).

# Financial performance

To achieve our vision of being a respected leader in regional water distribution and treatment, MIWB seeks to create and deliver value to our stakeholders. Efficiently and effectively delivering and maintaining bulk water infrastructure that meets customers' individual needs is critical to this value creation. MIWB has a statutory commercial imperative which drives our capital investment to be prudent and recoverable, our operational expenditure to be cost effective, and our actions transparent.

MIWB delivered sound financial performance for the 2022-23 financial year, achieving Operating Profit from continuing operations of \$6.07 million and recommending a dividend payable to the Queensland Government for the period of \$3.6 million.

MIWB has identified several financial performance objectives in the Corporate and Performance Plans, which are consistent with a commercially chartered government business. MIWB's current period performance against previous years is shown in Table 2.

**Table 2. Financial performance during 2022-23**

	2022-23	2021-22	2020-21
<b>Financial performance</b>			
Operating revenue	\$28.97m <sup>(1)</sup>	\$27.67m	\$27.22m
Operating expenses	\$22.91m	\$20.43m	\$20.42m <sup>(3)</sup>
Operating profit	\$6.07m	\$7.23m	\$6.8m
<b>Profit from ordinary activities (after tax)</b>	<b>\$4.54m</b>	<b>\$6.14m<sup>(2)</sup></b>	<b>\$6.11m<sup>(4)</sup></b>
<b>Financial position</b>			
<b>Total assets</b>	<b>\$205.82m</b>	<b>\$177.93m</b>	<b>\$174.29m</b>
<b>Total liabilities</b>	<b>\$37.46m</b>	<b>\$31.34m</b>	<b>\$32.34m</b>
<b>Net assets</b>	<b>\$168.36m</b>	<b>\$148.59m</b>	<b>\$141.95m</b>
<b>Cash flow</b>			
<b>Net cash provided by operating activities</b>	<b>\$11.65m</b>	<b>\$10.00m</b>	<b>\$10.80m</b>
<b>Cash at end of financial year</b>	<b>\$21.07m</b>	<b>\$23.24m</b>	<b>\$22.90m</b>
<b>Ratios</b>			
<b>Current ratio</b>	<b>2.00</b>	<b>2.20</b>	<b>1.98</b>
<b>Liabilities/assets ratio</b>	<b>18.20%</b>	<b>17.42%</b>	<b>18.56%</b>
<b>Liabilities/equity ratio</b>	<b>22.2%</b>	<b>21.09%</b>	<b>22.85%</b>

(1) Operating revenue was higher than previous year but was subject to end of year pricing adjustments

(2) The tax rate change from 26.0% to 25.0% has given rise to a one-off credit against the tax expense for 2021-22.

(3) During the period MIWB incurred an impairment expense for an unpaid customer invoice in the value of \$1.04 million.

(4) The tax rate change from 27.5% to 26.0% has given rise to a one-off credit against the tax expense for 2020-21.

## Financial performance

MIWB's sound financial performance in 2022-23 resulted from a slight increase in revenue and a minor increase in costs.

EBIT from ordinary activities excluding abnormal items for 2022-23 was \$6.1 million, which is lower than \$7.3 million in 2021-22 and the \$6.9 million reported in 2020-21.

Revenue for 2022-23 was \$29.0 million which was higher than the \$27.7 million for the 2021-22 financial year.

Total operating costs were \$0.45 million over budget. This was mainly due to unplanned (reactive) maintenance. Payroll expenses were \$0.59 million over budget as a result of an increased staff compliment to deliver on MIWB's strategic plans.

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# Financial report and accounts

Mount Isa Water Board ABN 97 761 284 021

For the year ended 30 June 2023

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## General information

These financial statements cover the Mount Isa Water Board.

The Mount Isa Water Board ("MIWB") is a statutory body constituted under the *Water Act 2000* as a Category 1 Water Authority and registered provider under the *Water Supply (Safety and Reliability) Act 2008*.

MIWB is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of MIWB is:

31 Carbonate Street  
Mount Isa QLD 4825

A description of the nature of MIWB's operations and its principal activities is included in the Annual Report.

For information in relation to MIWB's financial statements please call 0434094743, email [info@mountisawater.qld.gov.au](mailto:info@mountisawater.qld.gov.au) or visit MIWB's internet site [www.mountisawater.qld.gov.au](http://www.mountisawater.qld.gov.au).

# Statement of Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>INCOME FROM CONTINUING OPERATIONS</b>			
<b>Revenue</b>			
Revenue from contracts with customers	2	28,334,578	27,495,848
Interest earned from contracts with clients		475,489	89,431
Other revenue		161,607	9,630
<b>TOTAL REVENUE</b>		<b>28,971,674</b>	<b>27,594,909</b>
Gain on sale of property, plant and equipment		–	71,479
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>		<b>28,971,674</b>	<b>27,666,388</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>			
Employee expenses	3a	(3,333,967)	(3,065,133)
Supplies and services	3c	(12,464,943)	(10,840,088)
Depreciation	7	(6,231,156)	(5,875,101)
Depreciation – right-of-use asset	8	(1,507)	(1,617)
Finance and borrowing costs		(21,041)	(34,456)
Lease interest		(2,712)	(2,917)
Write off of non-current assets		(281,884)	–
Other expenses		(569,443)	(613,408)
<b>TOTAL EXPENSES</b>		<b>(22,906,653)</b>	<b>(20,432,721)</b>
<b>PROFIT FOR THE YEAR BEFORE INCOME TAX</b>		<b>6,065,021</b>	<b>7,233,667</b>
Income tax expense	4	(1,523,168)	(1,090,772)
<b>PROFIT FOR THE YEAR</b>		<b>4,541,853</b>	<b>6,142,895</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Increase (decrease) on revaluation of property, plant and equipment	13	18,867,732	5,409,645
		18,867,732	5,409,645
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>23,409,585</b>	<b>11,552,540</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	21,073,354	23,235,026
Receivables	6	2,214,662	1,537,594
Other current assets		71,099	31,666
<b>TOTAL CURRENT ASSETS</b>		<b>23,359,115</b>	<b>24,804,286</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	182,343,528	155,002,994
Right-of-use asset	8	114,474	124,512
<b>TOTAL NON-CURRENT ASSETS</b>		<b>182,458,002</b>	<b>155,127,505</b>
<b>TOTAL ASSETS</b>		<b>205,817,117</b>	<b>179,931,792</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	11,332,153	10,885,606
Accrued employee benefits		262,277	166,291
Other financial liabilities	10	253,127	321,080
Tax liabilities		(142,224)	(107,442)
Other liabilities	12	586	614
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,705,919</b>	<b>11,266,149</b>
<b>NON-CURRENT LIABILITIES</b>			
Accrued employee benefits		77,027	54,732
Other financial liabilities	10	–	253,903
Deferred tax liabilities	11	25,437,051	19,515,260
Other liabilities	12	239,208	254,347
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>25,753,287</b>	<b>20,078,242</b>
<b>TOTAL LIABILITIES</b>		<b>37,459,206</b>	<b>31,344,391</b>
<b>NET ASSETS</b>		<b>168,357,911</b>	<b>148,587,401</b>
<b>EQUITY</b>			
Contributed equity		30,430,390	30,430,390
Accumulated surplus		42,225,594	41,322,816
Asset revaluation surplus	13	95,701,926	76,834,194
<b>TOTAL EQUITY</b>		<b>168,357,911</b>	<b>148,587,401</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Accumulated surplus \$	Asset revaluation surplus \$	Contributed equity \$	Total \$
			Note 13		
<b>Balance at 1 July 2021</b>		<b>40,094,598</b>	<b>71,424,550</b>	<b>30,430,390</b>	<b>141,949,538</b>
Operating result from continuing operations		6,142,895	–	–	6,142,895
<i>Other comprehensive income</i>					
• Increase/(decrease) on revaluation of property, plant and equipment	13	–	5,409,644	–	5,409,644
Total comprehensive income for the period		6,142,895	76,834,194	–	11,552,540
<i>Transactions with owners</i>					
• Dividend accrued		(4,914,678)	–	–	(4,914,678)
• Dividends paid		–	–	–	–
<b>Balance at 30 June 2022</b>		<b>41,322,816</b>	<b>76,834,194</b>	<b>30,430,390</b>	<b>148,587,401</b>
<b>Balance at 1 July 2022</b>		<b>41,322,816</b>	<b>76,834,194</b>	<b>30,430,390</b>	<b>148,587,401</b>
Operating result from continuing operations		4,541,853	–	–	4,541,853
<i>Other comprehensive income</i>					
• Increase/(decrease) on revaluation of property, plant and equipment	13	–	18,867,732	–	18,867,732
Total comprehensive income for the period		4,541,853	18,867,732	–	23,409,586
<i>Transactions with owners</i>					
• Dividends accrued		(3,639,075)	–	–	(3,639,075)
• Dividends paid		–	–	–	–
<b>Balance at 30 June 2023</b>		<b>42,225,594</b>	<b>95,701,926</b>	<b>30,430,390</b>	<b>168,357,911</b>

The accompanying notes form part of these financial statements.

# Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Inflows:</i>			
Receipts from customers		27,392,258	28,149,456
Interest received		374,420	71,306
Other Revenue		–	2,599
GST Input Tax Credits from ATO		1,973,108	1,606,093
GST received from customers		102,342	117,447
<i>Outflows:</i>			
Employee expenses		(3,215,686)	(3,094,999)
Supplies and services		(10,326,531)	(12,014,437)
Finance/borrowing costs		(21,640)	(34,991)
Other expenses		(569,443)	(613,408)
GST paid to suppliers		(2,026,498)	(1,579,049)
GST remitted to ATO		(102,256)	(119,579)
Income taxes paid		(1,925,403)	(2,494,574)
<b>Net cash provided by operating activities</b>	<b>14</b>	<b>11,654,671</b>	<b>9,995,864</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Inflows:</i>			
Proceeds from sale of property, plant and equipment		–	105,855
<i>Outflows:</i>			
Payments for property, plant and equipment		(8,579,875)	(4,567,110)
<b>Net cash provided by investing activities</b>		<b>(8,579,875)</b>	<b>(4,461,255)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Outflows:</i>			
Repayment of loans		(321,790)	(308,102)
Dividends paid		(4,914,678)	(4,887,325)
Payment of lease liability		–	–
<b>Net cash provided by financing activities</b>		<b>(5,236,467)</b>	<b>(5,195,427)</b>
Net (decrease) increase in cash and cash equivalents		(2,161,672)	339,182
Cash and cash equivalents at beginning of financial year		23,235,026	22,895,844
<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>21,073,354</b>	<b>23,235,026</b>

The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

For the year ended 30 June 2023

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# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## Objectives and Principal Activities of MIWB

Mount Isa Water Board (MIWB) is a statutory body constituted under the *Water Act 2000* and is a Category 1 Water Authority and registered service provider under the *Water Supply (Safety & Reliability) Act 2008 (QLD)*. MIWB is domiciled in Australia. The address of MIWB's principal place of business is 31 Carbonate Street, Mount Isa, Queensland. MIWB is a for-profit entity and is primarily involved in the supply of bulk water.

## 1. Summary of Significant Accounting Policies

### (a) Statement of Compliance

The financial statements have been prepared in compliance with Section 39 of the *Financial and Performance Management Standard 2019*. The financial statements are General Purpose Financial Statements that have been prepared on an accrual basis, in accordance with Australian Accounting Standards and Interpretations. All applicable accounting standards and policies have been consistently applied unless otherwise stated. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the period ending 30 June 2023, and other authoritative pronouncements to the extent they are considered relevant.

MIWB is a "for-profit" entity for the purposes of financial reporting.

Except where stated, the historical cost convention is used. Cost is based on the fair value of the consideration given in exchange for assets.

### (b) Revenue from Contracts with Customers

MIWB is in the business of bulk water transportation and treatment, bulk water sales (through on-sale of entitlements, and electricity distribution services and electricity sales. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which MIWB expects to be entitled in exchange for those goods or services. MIWB has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 1(p).

### Water delivery services

Revenue from water delivery is recognised over time because the customer simultaneously receives and consumes the benefits provided by MIWB. The complete performance obligation in a contract is viewed as a series of promises to deliver water. Notwithstanding the number of distinct time periods the contract is broken down into, this meets the criteria to be treated as a series of distinct services under AASB 15 and consequently treated as one performance obligation.

With regards to measuring progress towards satisfaction of the performance obligation (the performance obligation to deliver water as and when required over the life of the contract), a time based measure of progress is considered to be the most appropriate basis upon which to recognise revenue as the total volume of water to be delivered is not known. This measure is also used when determining whether each distinct service (the promise to deliver water in a given period) has been provided.

In determining the transaction price for the sale of water, MIWB considers the effects of variable consideration and the existence of significant financing components.

#### (i) Variable consideration

The transaction price in the contract is comprised of fixed charges, which change over the course of the contract depending on a number of factors (and consequently are, at least in part, variable), and consumption charges, which vary depending on the quantity of water delivered.

MIWB estimates the amount of consideration to which it will be entitled in exchange for transferring the services to the customer. The variable consideration is only recognised if it is highly probable it will not be reversed. As the variable revenue is being recognised on a year-by-year basis, MIWB considers whether the revenue in relation to a particular year will reverse.

#### (ii) Significant financing component

Generally, the fixed charges under the contract are set for a period of between one and five years (until the next review date). Under the contract, the true-up adjustment then adjusts the fixed charges over the next review period. Consequently, the true-up adjustment relating to any year may not be payable (or, conversely, refundable) until several years after the related services were provided.

MIWB does not consider this as a significant financing component as the reason for the time lapse is for other than the provision of finance, and the difference between those amounts, is proportional to the reason for the difference.

### Sale of water

Revenue from sale of water is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the water (each quantity of water delivered is a separate performance obligation).

In determining the transaction price for the sale of water, MIWB considers the effects of variable consideration.

#### Variable consideration

Generally, the contract requires the customer to pay for the water whether or not it takes up its water allocation (provided it is available). The fixed fee is subject to indexation each year and is repriced (to market price) after three years. The fixed fee cannot go down. Consequently, there is both a fixed and a variable element to the consideration. (Both the fixed and variable consideration are allocated across the performance obligations.)

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (b) Revenue from Contracts with Customers (continued)

#### Sale of electricity

Revenue from sale of electricity is recognised over time because the customer simultaneously receives and consumes the benefits provided by MIWB. The complete performance obligation in a contract is viewed as a series of promises to supply electricity. Notwithstanding the number of distinct time periods the contract is broken down into, this meets the criteria to be treated as a series of distinct goods under AASB 15 and consequently treated as one performance obligation.

In determining the transaction price for the sale of electricity, MIWB considers the effects of variable consideration.

#### Variable consideration

MIWB estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is only recognised if it is highly probable it will not be reversed. As the variable revenue is being recognised on a year-by-year basis, MIWB considers whether the revenue in relation to a particular year will reverse. The variable consideration is attributed to each distinct good (not to the performance obligation as a whole).

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If MIWB performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Refer to Note 1(f) for impairment of contract assets.

##### Trade Receivables

A receivable represents MIWB's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to Note 1(f) for initial recognition and subsequent measurement.

##### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which MIWB has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before MIWB transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when MIWB performs under the contract.

### (c) Grants and Contributions

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, (which it is intended to compensate), are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. MIWB did not receive any government grants in 2022-23.

### (d) Taxation

MIWB is subject to the National Tax Equivalents Regime (NTER).

#### Current Income Tax Equivalents (Current Tax)

Current tax is calculated by reference to the amount of equivalent income tax payable or recoverable in respect of the taxable profit or loss for the period. It is calculated using taxation rates and taxation laws that have been enacted or substantively enacted by the reporting date. Current tax for the current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable). Current tax assets and liabilities for the current and prior period are measured at the amount expected to be received from or paid to the Queensland Treasury based on the current period's taxable income.

#### Deferred Income Tax Equivalents (Deferred Tax)

Deferred tax equivalents are accounted for using the liability method in respect of temporary differences, arising from differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base of those items.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and offsets can be utilised.

Deferred tax assets and liabilities are offset when they relate to the income taxes levied by the same taxation authority, and MIWB intends to settle its current tax assets and liabilities on a net basis.

#### Current and Deferred Income Tax Equivalents for the Period

Current and deferred tax equivalents are recognised as an expense or income in profit or loss, except when it relates to items credited or debited to other comprehensive income or directly to equity, in which case the deferred tax is recognised in other comprehensive income or directly in equity.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (e) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand, at bank, money market investments readily convertible to cash (i.e. with a term to maturity less than 3 months and bank overdrafts). Cash assets includes all cash and cheques receipted but not banked at 30 June 2023.

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

### (f) Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days from the invoice date and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. MIWB holds the trade receivables with the objective to collect the contractual cash flows and therefore, measures them subsequently at amortised cost using the effective interest method.

#### Impairment of trade receivables and contract assets

MIWB applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. MIWB has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2023, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The disclosures of significant accounting judgements, estimates and assumptions relating to expected credit losses are provided in Note 1(p).

### (g) Acquisition of Assets

Actual cost is used for the initial recording of all non-current physical asset and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the asset ready for use, including architects' fees and engineering design charges. However, any training costs are expensed as incurred.

### (h) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

	\$
Land	1
Buildings	10,000
Infrastructure	10,000
Plant and Equipment	5,000

Items with a lesser value are expensed in the year of acquisition. Land improvements undertaken by MIWB are included with buildings.

MIWB has a comprehensive annual maintenance program for its infrastructure assets. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc) is expensed.

### (i) Depreciation of Property, Plant and Equipment

Land is not depreciated as it has an unlimited useful life.

Property, plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to MIWB.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete, and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes with property, plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to MIWB.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (i) Depreciation of Property, Plant and Equipment (continued)

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the term of the lease, which ever is shorter.

For each class of depreciable asset the following useful lives are used:

Class of Fixed Asset	Life (Years)
Buildings	70
Infrastructure – Pipeline	15-85
Infrastructure – Other	2-110
Plant and Equipment	3-20

### (j) Impairment of Non-Current Assets

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, MIWB determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value, less costs of disposal and value in use.

An impairment loss is recognised immediately as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus to the extent available.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

When an asset is revalued using either a market or income valuation approach, any accumulated impairment losses at that date are eliminated against the gross amount of the asset prior to restating for the revaluation.

### (k) Revaluation of Non-Current Physical Assets

Land, buildings and infrastructure assets are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement*, and Queensland Treasury's *Non-Current Asset Accounting Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable. In respect of these asset classes, the cost of the items acquired during the financial year has been judged by management of MIWB to materially represent their fair value.

Plant and equipment is measured at cost in accordance with the Non-Current Asset Policies.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Property, plant and equipment classes measured at fair value (refer above) are revalued on an annual basis either by appraisals undertaken by an independent professional valuer or internal expert, or by the use of appropriate and relevant indices. For financial reporting purposes, the revaluation process is managed by the Finance Manager, who determines the specific revaluation practices and procedures. The Finance, Audit and Compliance Committee oversees the revaluation processes that are undertaken each year, and reports to the MIWB Board regarding the outcomes of, and recommendations arising from, each annual review.

Revaluations using independent professional valuers or internal expert appraisals are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. This is arranged by the Finance Manager after consultation with the Finance, Audit and Compliance Committee.

Materiality concepts (according to the *Framework for the Preparation and Presentation of Financial Statements*) are considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

The fair values reported by MIWB are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (refer to Note 1(l)).

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. MIWB ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. The professional valuer recommended the use of a range of indices used for the various types of assets.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (k) Revaluation of Non-Current Physical Assets (continued)

Such indices are either publicly available, or are derived from market information available to the valuer. The indices used are also tested for reasonableness by comparing the results of indexation to assets that have been valued by an independent professional valuer or internal expert, and analysing the trend of changes in values over time. Through this process, which is undertaken from time to time, management assesses and confirms the relevance and suitability of the indices provided by the professional valuer, based on MIWB's own particular circumstances.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class in equity, except to the extent it reverses a revaluation decrement of the same asset previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to the same asset.

On revaluation:

- for assets revalued using a cost valuation approach (e.g. depreciated replacement cost) – accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'; and
- for assets revalued using a market or income-based valuation approach – accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for valuation. This is generally referred to as the 'net method'.

#### Infrastructure Revaluations

On revaluation, accumulated depreciation is re-stated proportionately, with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. Separately identified components of assets are measured on the same basis as the assets to which they relate.

#### Building Revaluations

On revaluation, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the valued amount of the asset.

### (l) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) – regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by MIWB include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by MIWB include, but are not limited to, subjective adjustments made to observable data to take into account of the characteristics of MIWB assets/liabilities, internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities of MIWB for which fair value is measured or disclosed in the financial statements, are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisal:

- level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

None of MIWB's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

More specific fair value information about MIWB's Property, Plant and Equipment is outlined in Note 7.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (m) Employee Benefits

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Payroll Tax and Worker's Compensation Insurance are a consequence of employing employees but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

### Wages, Salaries and Personal Leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

As MIWB expects such liabilities to be wholly settled within twelve months of reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, personal leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused personal leave entitlements is recognised.

As personal leave is non-vesting, an expense is recognised for this leave as it is taken.

### Annual Leave

Annual leave is expected to be taken within twelve months. Annual leave owing at 30 June 2023 is recognised at undiscounted values.

### Long Service Leave

MIWB has estimated the liability for long service leave at 30 June 2023. A liability for long service leave is measured as the present value of the estimated future cash outflows to be made, in respect of services provided by employees up to the reporting date. The liability has been included in the financial statements as at 30 June 2023.

### Superannuation

Employer superannuation contributions are made by MIWB to employee superannuation funds and are charged as expenses when they are incurred.

### Key Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with FRR3C of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury and AASB124: Related Party Transactions. Refer to Note 3(b) for the disclosures on key management personnel and remuneration.

### (n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for:

- When the GST incurred on a purchase of goods and services is not recoverable from the ATO, in which case the GST is recognised as part of the cost of acquisition of the asset, or as part of an item of expense.
- Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows 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 ATO is classified as part of operating cash flows.

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

### (o) Payables

Trade creditors are recognised when goods are received or services performed and are measured at the agreed purchase/contract price, net of applicable trade and other discounts. Usually payment is settled within thirty (30) days, the amounts owing are unsecured. The carrying amount at 30 June 2023 approximates fair value.

### (p) Significant Accounting Estimates and Judgments

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Significant accounting judgements, estimates and assumptions that have a potentially significant effect are outlined in the following financial statement notes:

- Revenue from Contracts with Customers – Note 2
- Valuation of Property, Plant and Equipment – Note 7
- Contingencies – Note 16
- Impairment provision on trade receivables and contract assets – Note 15

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 1. Summary of Significant Accounting Policies (continued)

### (q) Financial Instruments

#### Recognition

Financial instruments are initially recognised in the Statement of Financial Position when MIWB becomes a party to the contractual provisions of the financial instrument.

#### Measurement

Financial instruments are measured as follows:

- Receivables – held at amortised cost (refer Note 1(f))
- Payables – held at amortised cost (refer Note 1(o))
- Borrowings – held at amortised cost

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Borrowings are classified as non-current liabilities to the extent that MIWB has an unconditional right to defer settlement until at least twelve months after reporting date.

MIWB does not enter into transactions for speculative purposes, nor for hedging. MIWB holds no financial assets classified at fair value through profit or loss.

All other disclosures relating to the financial risk management of financial instruments held by MIWB are included in Note 15.

### (r) Finance Costs

Finance costs include interest on bank overdrafts and short-term and long-term borrowings.

Finance costs attributable to qualifying assets are capitalised as part of the assets. All other finance costs are expensed in the period in which they are incurred.

### (s) Insurance

MIWB's non-current physical assets and other risks are insured through Willis Australia Limited Insurance Brokers, premiums being paid on a risk assessment basis. In addition, MIWB pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

### (t) Authorisation of Financial Statements for issue

The financial statements are authorised for issue by the Chair at the date of signing the Management Certificate.

### (u) New and Revised Accounting Standards

Any Australian Accounting Standards and Interpretations issued or amended and applicable for the first time in the 2022-23 financial year have been implemented and applied accordingly. Also, MIWB has not voluntarily changed any of its accounting policies, nor has it adopted any Australian Accounting Standards and Interpretations that have been issued but are not yet effective for the 2022-2023 period. MIWB will apply these standards and interpretations in accordance with their respective commencement dates.

#### New and amended standards and interpretations effective during the year.

*Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*

The amendments that are relevant to MIWB follow:

#### 1. AASB 9 Financial Instruments

Clarifies which fees an entity includes when it applies the '10 percent' test to assess whether there has been a modification or substantial modification to a financial liability.

#### 2. AASB 137 Provisions, Contingent Liabilities and Contingent Assets

Costs of fulfilling a contract need to be considered when assessing whether a contract is onerous. The amendment clarifies that costs of fulfilling a contract are costs that relate directly to the contract.

The above amendments had no material impact on the financial statements.

#### Australian Accounting Standards Issued But Not Yet Effective

The following new/amended accounting standards and interpretations have been issued but are not mandatory for financial year ended 30 June 2023. They have not been adopted in preparing the financial statements for the period ended 30 June 2023 and MIWB intends to apply these standards from application date as indicated in the table below.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## Application date

- AASB 2020-1 (issued March 2020) Amendments to AASB 101- Classification of Liabilities as Current or Non-current; Amendments to Australian Accounting Standards
- AASB 2020-6 (issued December 2022) Non-current Liabilities with Covenants Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

The amendments to AASB 101 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The main changes to the classification requirements:

1. The requirement for an 'unconditional' right has been deleted from paragraph 69(d) because covenants in banking agreements would rarely result in unconditional rights;
2. The right to defer settlement for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period;
3. Classification is based on the right to defer settlement, and not intention (paragraph 73); and
4. If the right to defer settlement of a liability arising from a loan arrangement is dependent upon the entity complying with specified conditions (covenants) in that loan arrangement, such covenants only affect the entity's right to defer settlement for at least twelve months after the reporting period if the entity must comply with the covenants on or before the end of the reporting period (reporting date). This applies even if compliance with the covenant is assessed only after reporting date (for example, if compliance is assessed based on audited financial statements authorised after the end of the reporting period).
5. If a liability could be settled by an entity transferring its own equity instruments prior to maturity (e.g. a convertible bond), classification is determined without considering the possibility of earlier settlement by conversion to equity, but only if the conversion feature is classified as equity under AASB132. If the conversion feature is classified as a liability or a derivative liability, the entity must consider the existence of any early conversion options when determining the classification as current or non-current.

Annual reporting periods beginning on or after 1 January 2024

- Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

Introduces a definition of 'accounting estimate', i.e. monetary amounts in financial statements that are subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value.

The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.

Annual reporting periods beginning on or after 1 January 2023

- Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that the 'initial recognition exemption' does not apply to transactions where an entity recognises an asset and a liability which give rise to equal taxable and deductible temporary differences. This could occur, for example, where lessees recognise a right-of-use asset and lease liability for lease transactions, or where an entity recognises decommissioning, restoration and other similar obligations, which form part of a related asset.

Annual reporting periods beginning on or after 1 January 2023

These amendments to the accounting standards will likely have no material impact on the financial statements.

## (v) Other Presentation Matters

**Currency and Rounding** – Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest dollar.

**Comparatives** – Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

**Current/Non-Current Classification** – Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or MIWB does not have an unconditional right to defer settlement beyond 12 months after the reporting date. All other assets and liabilities are classified as 'non-current'.

## (w) Commercialisation

Pursuant to the *Water Act 2000*, MIWB was commercialised on 1 October 2000. Commercialisation had a significant impact on MIWB, principally through the implementation of National Competition Policy Reforms.



# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 2. Revenue from Contracts with Customers

	2023 \$	2022 \$
<b>Water delivery services</b>		
Sale of water	27,311,153	26,426,828
Sale of electricity	1,023,425	1,069,020
	<b>28,334,578</b>	<b>27,495,848</b>
<b>(a) Timing of revenue recognition</b>		
Transferred at a point in time	4,275,510	4,101,203
Transferred over time	24,059,069	23,394,645
	<b>28,334,578</b>	<b>27,495,848</b>
<b>(b) Contracts with customers</b>		
Glencore Mount Isa Mines Ltd	12,367,178	12,180,003
Mount Isa City Council	11,691,891	11,214,642
Incitec Pivot Ltd	3,237,019	2,992,721
Other	15,065	39,462
North West Queensland Water Pipeline Pty Ltd	1,023,425	1,069,020
	<b>28,334,578</b>	<b>27,495,848</b>
<b>(c) Assets and Liabilities Related to Contracts with Customers</b>		
Trade receivables – refer to Note 6		

### Significant judgements in recognising revenue from contracts with customers

MIWB applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

#### (i) Water delivery services

##### Identifying performance obligations

There are two types of charges generally detailed in customer contracts, a fixed charge (“stand ready”) and consumption charges. MIWB considered whether, from the perspective of the customer, these relate to two separate types of performance obligation (a promise to stand ready to deliver water as and when required and a promise to deliver water) or only one (a promise to deliver water as and when required).

In the case of MIWB’s customer contracts, MIWB considered that, from the perspective of the customer, they do not ‘benefit’ from MIWB standing ready to deliver water, they ‘benefit’ when water is delivered. Consequently, MIWB considered there is only one type of performance obligation, that of delivering water as and when required.

##### Determining the timing of satisfaction of delivery of water

MIWB considered how many of this type of performance obligation (to deliver water over the life of the contract) there are (i.e. whether there are multiple performance obligations or a single performance obligation). MIWB considered that the delivery of water meets the criteria to be satisfied overtime as the customer simultaneously receives and consumes the benefits of water supplied as MIWB performs. As this is the case, the delivery of water is a provision of a series of goods that is treated as a single performance obligation.

MIWB determined that a time-based measure of progress is considered to be the most appropriate basis upon which to recognise revenue given the total volume of water to be delivered is not known.

##### Determining transaction price

The transaction price in the contract comprise fixed charges, which change over the course of the contract depending on a number of factors (and consequently are, at least in part, variable), and consumption charges, which vary depending on the quantity of water delivered.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2023

## 2 Revenue from Contracts with Customers (continued)

MIWB considered whether the consideration needs to be allocated based on relative standalone selling prices. Whilst this allocation method is generally required, MIWB considered the exception for the allocation of variable consideration. In MIWB's case, the fees are linked to the costs to fulfil the obligation through the formulae used to derive the fixed and consumption charges. Consequently, the fees charged (adjusted for the true-up adjustment) meets the allocation objective. Therefore, the variable consideration allocated to each service period is the fixed charges (adjusted for the true-up adjustment (considering the reversal constraint)) plus the consumption charges charged in relation to that period.

### (ii) Sale of water

#### *Identifying the contract*

In addition to providing water delivery services, MIWB also supplies water to Incitec Pivot Ltd under a separate agreement. There are three contracts with the same counterparties and MIWB considered that these are linked contracts and accounted for as if they were one contract.

#### *Identifying performance obligations*

MIWB considered the nature of its performance obligation. In this situation, Incitec Pivot Ltd could not benefit from the supply of water without the delivery services nor could it benefit from the delivery services without the supply of water. Consequently, there is only one type of performance obligation, being the supply of water to the delivery point.

#### *Determining the timing of satisfaction of sale of water*

Unlike in a contract for water delivery services, the supply of water is a supply of goods. Each quantity of water is a separate performance obligation. As each performance obligation is satisfied at a point in time, the performance obligations would not meet the criteria to be treated as a series under AASB 15. The transaction price is therefore allocated across the multiple performance obligations.

#### *Determining transaction price and allocating consideration to the separate performance obligations*

The consideration payable under the linked contracts includes fixed fee for the supply of water (this is subject to indexation each year and is repriced (to market price) after three years); fixed charges (as in the water delivery contract); consumption (of water delivery services) charges (as in the water delivery contract).

The fixed fee for the supply of water cannot go down. Consequently, there is both a fixed and a variable element to the consideration. Both the fixed and variable consideration are allocated across the performance obligations.

In relation to allocating the variable consideration to the separate performance obligations, the variable element of the fixed fee (indexation and market reviews) and the 'fixed' charge under the water delivery contract (formula driven) do not relate specifically to the volume of water delivered. Consequently, the variable consideration is allocated based on relative standalone selling prices. It is therefore necessary for MIWB to estimate the variable consideration that is highly probable to be received (i.e. limited by the reversal constraint) over the life of the contract. This consideration is then allocated across the performance obligations.

### 3. Expenses from Continuing Operations

#### 3a. Employee Expenses

	2023 \$	2022 \$
Wages and salaries	2,689,589	2,597,743
Annual leave expense*	94,796	(5,160)
Long service leave expense*	24,849	(23,817)
Board member fees	97,794	87,744
Employer's superannuation contributions*	305,811	293,208
<b>Employee Related Expenses</b>		
Worker's compensation premium*	18,978	14,837
Payroll tax*	102,150	100,578
	<b>3,333,967</b>	<b>3,065,133</b>

\* Refer to Note 1(m)

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:	21.8	20.5
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#### 3b. (a) Key executive management personnel and related party disclosures

The directors of MIWB and the key executive management personnel, described as KMP, that had authority and responsibility for planning, directing and controlling the activities of the agency during the 2022-23 and during the 2021-22 financial year (for comparative purposes) were outlined in the table below.

##### Board of Directors

The MIWB Board of Directors are responsible for the way in which the authority performs its functions and exercises its powers, including but not limited to: deciding the objectives, strategies, and policies to be followed by MIWB, and ensuring MIWB performs its functions in a proper, effective, and efficient way. Specific Director KMPs and their roles are outlined below:

Position	Responsibilities	Appointment authority	Date initially appointed to position (Date appointment ceased)
Chairperson – Mr Steve de Kruijff	Responsible for leading and directing the board, presiding at all meetings attended, for governing the operations of MIWB and reporting and continuous disclosure to the Minister under the <i>Water Act 2000</i> .	<i>Water Act 2000</i> section 600,601 and 604	Chairperson: 27/05/2016
Director – Ms Lisa Clancy	Responsible for governing the operations of MIWB and reporting and continuous disclosure to the Minister under the <i>Water Act 2000</i> .	<i>Water Act 2000</i> section 600 and 604	29/08/2019 Replaced 9/03/2023
Director – Ms Leonie Davey			9/03/2023
Director – Mr George Fortune			15/09/2016
Director – Ms Karen Read			29/08/2019 (was Independent Chair of Finance, Audit and Compliance Committee from 23/07/2014)
Director – Ms Janice Wilson			9/12/2021

### 3. Expenses from Continuing Operations (continued)

#### 3b. (a) Key executive management personnel and related party disclosures (continued)

##### Key Executive Management Personnel

The following details for KMP, which include Directors and Executive Management, reflect those positions that had authority and responsibility for planning, directing, and controlling the activities of MIWB during 2022-23 and 2021-22. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities
Chief Executive Officer	Accountable to the MIWB Board of Directors for the overall management and operation of MIWB, as well as ensuring the successful delivery of MIWBs strategic direction.
General Manager - Corporate & Governance	Responsible for the organisation's corporate service function, encompassing finance, human resources, procurement, risk, governance, economic modelling, corporate technology, and customer contracts.
General Manager - Operations	Responsible for managing all aspects of the day-to-day operation and maintenance of the water treatment, storage, and distribution network, as well as high-voltage infrastructure, including drinking water quality monitoring, testing and assurance and community operations at the R48 Reserve (Lake Moondarra).
General Manager - Capital Projects	Responsible for the planning and delivery of MIWBs portfolio of capital projects, including managing engineering services and external contractors.
Finance Manager/Board Secretary	Responsible for the efficient and effective financial administration of MIWB, cost control and compliance with budgetary, government and compliance requirements.

#### 3b. (b) Shareholding Ministers

MIWB's responsible Minister is identified as part of MIWB's key management personnel (KMP), and this is the Minister for Regional Development and Manufacturing and Minister for Water. Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. MIWB does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Service Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP in the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland Government and Whole of Government Financial Statements for 2023, which are published as part of Queensland Treasury's Report on State Finances.

#### 3b. (c) Remuneration

The Remuneration Policy for Executive Management KMPs is set and approved by the MIWB Board of Directors, while the compensation for each Director is set by the Minister in accordance with Section 624 of the *Water Act 2000 (Qld)*. Individual remuneration and other terms of employment (including motor vehicle entitlements) are specified in employment contracts. Remuneration expenses for those KMP comprise the following components:

- Short term employee benefits which include:
  - Base – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income
  - Non-monetary benefits – consisting of provision of vehicle as a tool of trade together with fringe benefits tax applicable to the benefit
- Long term employee benefits include long service leave accrued
- Post employment benefits include superannuation contributions
- Termination benefits include payments in lieu of notice on termination and other lump sum separation
- No Executive Personnel KMP remuneration packages provide for performance or bonus payments in 2021-22 or 2022-23.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long-term employee benefits and post-employment benefits.

### 3. Expenses from Continuing Operations (continued)

#### 3b. (b) Remuneration (continued)

##### Board of Directors' compensation

1 July 2022 – 30 June 2023

Position	Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base <sup>(1)</sup>	Non- Monetary Benefits				
	\$	\$	\$	\$	\$	\$
Chairperson – Mr Steve de Kruijff	37,000	–	–	3,885	–	40,885
Director – Ms Lisa Clancy	14,250	–	–	1,496	–	15,746
Director – Ms Karen Read	20,000	–	–	2,100	–	22,100
Director – Ms Janice Wilson	19,500	–	–	2,048	–	21,548
Director – Ms Leonie Davey	6,675	–	–	701	–	7,376
<b>Total Remuneration</b>	<b>97,425</b>	<b>–</b>	<b>–</b>	<b>10,230</b>	<b>–</b>	<b>107,655</b>

1 July 2021– 30 June 2022

Position	Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non- Monetary Benefits				
	\$	\$	\$	\$	\$	\$
Chairperson – Mr Steve de Kruijff	37,000	–	–	3,700	–	40,700
Director – Ms Lisa Clancy	19,500	–	–	1,950	–	21,450
Director – Ms Karen Read	20,000	–	–	2,000	–	22,000
Director – Ms Janice Wilson	10,800	–	–	1,080	–	11,880
<b>Total Remuneration</b>	<b>87,300</b>	<b>–</b>	<b>–</b>	<b>8,730</b>	<b>–</b>	<b>96,030</b>

### 3. Expenses from Continuing Operations (continued)

#### 3b. (b) Remuneration (continued)

##### Key Executive Management Personnel compensation

1 July 2022 – 30 June 2023

Position	Contract commencement date / (termination date)	Benefits					Total Remuneration
		Base	Non-Monetary Benefits	Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	
		\$	\$	\$	\$	\$	\$
Chief Executive	30/05/2022	363,680	5,223	735	27,400	–	397,038
General Manager – Capital Projects	24/08/2022	208,217	25,125	1,044	19,768	–	254,154
General Manager – Corporate & Governance	25/07/2022	235,469	–	710	24,010	–	260,189
General Manager – Operations	19/06/2023	6,865	–	6	721	–	7,592
Finance Manager	12/02/2009	200,402	–	7,770	20,989	–	229,161
Former Commercial Manager	(5/09/2022)	63,369	–	–	12,789	112,176	188,335
Former Capital Works Manager	(7/10/2022)	71,282	–	–	6,731	–	78,013
<b>Total Remuneration</b>		<b>1,149,285</b>	<b>30,348</b>	<b>10,266</b>	<b>112,408</b>	<b>112,176</b>	<b>1,414,483</b>

1 July 2021 – 30 June 2022

Position	Contract commencement date / (termination date)	Benefits					Total Remuneration
		Base	Non-Monetary Benefits	Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	
		\$	\$	\$	\$	\$	\$
Chief Executive	30/05/2022	25,769	–	23	2,577	–	28,369
Finance Manager	12/02/2009	189,478	–	3,540	18,948	–	211,965
Commercial Manager	30/04/2019	219,178	–	1,684	21,918	–	242,780
Capital Works Manager	22/02/2021	228,310	–	465	22,831	–	251,606
Interim Chief Executive	8/12/2021 / (29/05/2022)	177,108	–	109	16,938	–	194,154
Former Chief Executive	(31/01/2022)	183,290	7,862	–	33,683	209,798	434,633
<b>Total Remuneration</b>		<b>1,023,133</b>	<b>7,862</b>	<b>5,820</b>	<b>116,894</b>	<b>209,798</b>	<b>1,363,507</b>

#### 3b d) Transactions with Directors' and Director related entities

In the ordinary course of business (under normal terms and conditions and excluding Director remuneration, during the financial year), MIWB has dealt with the following entities, which are Director related entities:

- Mount Isa City Council, of which Mr George Fortune was a councillor.

MIWB entered into 13 transactions for the supply of goods and services to director related entities during the year (2021-22: 13 transactions) and 9 transactions for the purchase of goods and services (2021-22: 15 transactions).

### 3. Expenses from Continuing Operations (continued)

#### 3b d) Transactions with Directors' and Director related entities (continued)

The aggregate amounts recognised in profit or loss during the year relating to Directors and Director related entities, other than Directors' remuneration, comprise:

	2023 \$	2022 \$
<b>Revenue</b>		
Water Charges	12,032,611	11,540,595
<b>Expenditure</b>		
Other expenses	6,479	2,391
Supplies & Services – Other	–	530

Amounts receivable from, and payable to, directors and their director related entities at the reporting date comprise:

<b>Receivables</b>		
Trade receivables	1,003,460	959,221
<b>Payables</b>		
Trade creditors	–	–

#### 3b (e) Transactions with Key Executive Management Personnel and Key Executive Management Personnel Related Entities

The terms and conditions of the transactions with Key Executive Management Personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Key Executive Management Personnel related entities on an arm's length basis.

From time to time, Key Executive Management Personnel of MIWB or their related entities, may purchase goods from MIWB. These purchases are on the same terms and conditions as those entered into by other employees of MIWB or customers and are trivial or domestic in nature. There are no transactions with Key Executive Management Personnel and their related entities during the period.

#### 3c Supplies and Services

	2023 \$	2022 \$
Accounting and secretarial	28,056	32,441
Audit fees – External audit*	59,000	56,000
Audit fees – Internal fees	75,182	50,173
Doubtful debts	–	–
Professional Services	304,601	78,327
General repairs and maintenance	1,776	1,506
Insurance	331,722	294,401
Legal fees	172,821	130,963
Recruitment and relocation	92,190	195,257
Water testing	125,494	128,647
SunWater – Lake Julius	573,422	510,925
Power costs	5,213,532	4,926,810
Technical services	214,575	11,294
Operating and maintenance	4,606,850	3,981,954
Filtration costs	588	(1,045)
Other	665,135	444,834
	<b>12,464,943</b>	<b>10,840,088</b>

\* Total audit fees paid to the Queensland Audit Office relating to the 2022-23 financial statements are estimated to be \$59,000 (2022: \$56,000). There are no non-audit services included in this amount.

#### 4. Income Tax Expense

	2023 \$	2022 \$
<b>(a) Income tax equivalents expense</b>		
Current income tax charges	1,885,528	2,070,403
Deferred income tax relating to origination and reversal of temporary tax differences	(367,945)	(260,806)
Under/(over) provision in prior years	5,585	–
Tax rate change	–	(718,712)
<b>Income tax expense</b>	<b>1,523,168</b>	<b>1,090,885</b>
Deferred income tax (revenue) expense included in income tax expense comprises:		
Decrease/(Increase) in deferred tax assets	(26,528)	8,537
(Decrease)/Increase in deferred tax liabilities	(341,417)	(269,343)
	<b>(367,945)</b>	<b>(260,806)</b>
<b>(b) Numerical reconciliation of income tax expense and tax expense calculated per statutory income tax rate</b>		
Profit from operations before income tax expense	6,065,021	7,233,667
Tax at the rate of 25.0% (2021: 26.0%)	1,516,255	1,808,417
Permanent tax differences	1,328	1,067
Under/(over) provision in prior years	5,585	–
Change to corporate tax rate	–	(718,712)
<b>Income tax equivalents expense</b>	<b>1,523,168</b>	<b>1,090,772</b>
<b>(c) Tax expense relating to items of other comprehensive income</b>		
Deferred Tax		
Net gain/loss on revaluation of property, plant & equipment	6,289,244	1,808,255
	<b>6,289,244</b>	<b>1,808,255</b>

#### 5. Cash and Cash Equivalents

	2023 \$	2022 \$
Cash at Bank	20,729,970	22,901,497
Deposits at Queensland Treasury Corporation, at call	343,384	333,529
	<b>21,073,354</b>	<b>23,235,026</b>

#### 6. Receivables

	2023 \$	2022 \$
<b>Current</b>		
Trade Debtors	2,945,068	2,422,373
Provision for impairment	(1,042,489)	(1,042,489)
Accrued Interest	133,490	32,421
GST Receivable	178,594	125,290
	<b>2,214,662</b>	<b>1,537,594</b>



## 7. Property, Plant & Equipment

	2023 \$	2022 \$
Land		
At fair value	94,877	94,877
	94,877	94,877
Leasehold Land:		
At cost	568,986	568,986
	568,986	568,986
Buildings:		
At fair value	1,522,525	1,320,271
Less: Accumulated depreciation	(953,130)	(804,033)
	569,396	516,238
Infrastructure: Pipelines		
At fair value	209,060,710	171,138,861
Less: Accumulated depreciation	(125,064,589)	(100,016,156)
	83,996,121	71,122,705
Infrastructure: Other		
At fair value	171,796,361	153,948,094
Less: Accumulated depreciation	(81,436,467)	(79,631,648)
	90,359,894	74,316,445
Plant and Equipment Infrastructure:		
At cost	2,884,462	2,332,394
Less: Accumulated depreciation	(1,419,784)	(1,258,565)
	1,464,679	1,073,829
Capital work in progress		
At cost	5,289,576	7,309,913
<b>Total</b>	<b>182,343,528</b>	<b>155,002,994</b>

## 7. Property, Plant & Equipment (continued)

### Movement in Carrying Amounts

The movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the financial year is summarised as follows:

	Balance at beginning of year	Adjustments Additions	Disposals	Revaluation increments/ (decrements)	Depreciation expense	WIP Written-off to expense	Transfers	Carrying amount at end of year
30 June 2023	\$	\$	\$	\$	\$	\$	\$	\$
Land (at fair value)	94,877	—	—	—	—	—	—	94,877
Leasehold improvements on Land (at cost)	568,986	—	—	—	—	—	—	568,986
Buildings (at fair value)	516,238	—	—	73,076	(19,919)	—	—	569,396
Infrastructure: Pipelines (at fair value)	71,122,705	—	—	14,851,670	(2,178,151)	—	199,897	83,996,120
Infrastructure: Other (at fair value)	74,316,445	—	(153,937)	10,232,229	(3,865,306)	—	9,830,462	90,359,893
Plant and Equipment (at cost)	1,073,830	—	—	—	(167,781)	—	558,631	1,464,680
Capital WIP (at cost)	7,309,913	8,696,599	—	—	—	(127,947)	(10,588,989)	5,289,576
<b>TOTAL</b>	<b>155,002,994</b>	<b>8,696,599</b>	<b>(153,937)</b>	<b>25,156,976</b>	<b>(6,231,156)</b>	<b>(127,947)</b>	<b>—</b>	<b>182,343,528</b>

	Balance at beginning of year	Adjustments Additions	Disposals	Revaluation increments/ (decrements)	Depreciation expense	WIP Written-off to expense	Transfers	Carrying amount at end of year
30 June 2022	\$	\$	\$	\$	\$	\$	\$	\$
Land (at fair value)	91,228	—	—	3,649	—	—	—	94,877
Leasehold improvements on Land (at cost)	568,986	—	—	—	—	—	—	568,986
Buildings (at fair value)	455,992	—	—	36,007	(16,889)	—	41,127	516,238
Infrastructure: Pipelines (at fair value)	70,245,739	—	—	2,962,371	(2,085,405)	—	—	71,122,705
Infrastructure: Other (at fair value)	73,073,401	1,228	(15,121)	4,250,142	(3,613,270)	—	620,065	74,316,445
Plant and Equipment (at cost)	887,021	—	(34,376)	—	(159,537)	—	380,722	1,073,830
Capital WIP (at cost)	3,719,458	4,632,368	—	—	—	—	(1,041,913)	7,309,913
<b>TOTAL</b>	<b>149,041,826</b>	<b>4,633,596</b>	<b>(49,497)</b>	<b>7,252,169</b>	<b>(5,875,101)</b>	<b>—</b>	<b>—</b>	<b>155,002,994</b>

### Land & Buildings – fair value hierarchy level 2 both 2022 and 2023

As at 30 June 2023, MIWB completed an independent valuation of its Land and Buildings in accordance with AASB 116 Property Plant and Equipment and AASB 13 Fair Value Measurement. A market-based approach has been applied. MIWB engaged AssetVal to undertake an independent valuation of the Land assets.

The valuation of 31 Carbonate Street Office Building used the Direct Comparison Approach as the Primary method, and the Cost Approach as the Secondary/Check method to determine Fair Value, therefore utilising Level 2 inputs as per AASB 13. The Direct Comparison method involved researching a number of sales in the Mount Isa area, these sales were selected as evidence in determining a fair value. The selection criteria for these sales considered Location, Site Area, Topography, Zoning, Access and Potential Demand.

After determining Fair Value using the Direct Comparison Approach the Cost Approach was used as a secondary/check methodology to the Direct Comparison Approach. The Cost Approach adds the Depreciated Replacement Cost of the site improvements (office building) to a determined land value to arrive at Fair Value. To accomplish this, a number of vacant land sales were selected as evidence to determine the land value of the site, allowing for adjustments for factors such as size, location shape and topography. The building replacement cost was obtained from the application of unit rates obtained from cost guides such as Rawlinsons Australian Construction Handbook while the Depreciation Rate was determined based on age and functionality of the subject building.

## 7. Property, Plant & Equipment (continued)

### Land & Buildings – fair value hierarchy level 2 both 2021 and 2022 (continued)

After considering both methods side by side, the valuation from the Primary Methodology was adopted for Fair Value of 31 Carbonate Street Office Building. The AASB 13 framework provides multiple methodologies to conduct level 2 and level 3 valuations and sets out that the methodology that allows the most observable data to be utilised in producing the valuation should be adopted as the preferred methodology. As stated above, for the case of 31 Carbonate Street Office Building the methodology was the Direct Comparison Approach.

### Leasehold Improvement on Land

Leasehold improvement on land is held under perpetual leases and is valued at cost.

### Infrastructure: Pipelines & Other – fair value hierarchy level 3 both 2022 and 2023

As at 30 June 2023, MIWB completed an independent valuation of its pipeline and other infrastructure assets in accordance with AASB 116 Property Plant and Equipment and AASB 13 Fair Value Measurement. Other infrastructure and pipeline assets have been valued using a cost approach. In undertaking the valuation of the other infrastructure assets, due consideration has been given to the degree of obsolescence (physical, function/technical and economic) associated with each of these assets. MIWB engaged AssetVal to undertake an independent valuation of the fair value of the other and pipeline infrastructure assets. In doing this, the valuer adopted the written down current replacement cost approach. Other infrastructure assets revalued included pump stations, storages, treatment facilities, buildings (including laboratories), electrical facilities and R48 facilities. Plant was excluded from the revaluation as were assets at the end of their useful life.

Due to the predominantly specialised nature of water infrastructure assets, the valuations have been undertaken on a Cost Approach. The cost approach is deemed a Level 3 input. Under this approach, the following process has been adopted.

### Level 3 Significant valuation inputs and relationship to fair value

Pipeline infrastructure assets have been assessed utilising valuation techniques that maximise the use of observable data where possible. Typically, the methodology applied will be determined based on the AASB 13 Input Decision tree. Standard valuation principles dictate that a cost approach method (generally incremental Greenfield) is a suitable primary methodology when assessing assets that have no active market nor has directly applicable income. The major steps in using the cost approach for these assets include:

- Where there is no market, the net current value of an asset is the gross value less accumulated depreciation to reflect the consumed or expired service potential of the asset. Published/available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost (gross value) of the asset, including allowances for preliminary and professional fees. This is considered a Level 2 input.
- A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the Valuer during inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied.
- In determining the level of accumulated depreciation for major assets, the Valuer has disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.

## 7. Property, Plant & Equipment (continued)

### Level 3 Significant valuation inputs and relationship to fair value (continued)

To calculate the appropriate amount of accumulated depreciation, assets were either subject to a site inspection or an assessment to determine remaining useful life. Where site inspections were conducted (i.e. for sampled visible assets), the assets were allocated a condition assessment, which was used to estimate remaining useful life as tabled below:

Condition rating	Description explanation	Percentage of Life Remaining
1	Near new with no visible deterioration	90-100%
2	Excellent overall condition early stages of deterioration	80-90%
3	Very good overall condition with obvious deterioration evident	70-80%
4	Good overall condition, obvious deterioration, serviceability impaired very slightly	60-70%
5	Fair overall condition, obvious deterioration, some serviceability loss	50-60%
6	Fair to poor overall condition, obvious deterioration, some serviceability loss	40-50%
7	Poor overall condition, obvious deterioration, some serviceability loss, high maintenance costs	30-40%
8	Very poor overall condition, severe deterioration, very high maintenance costs. Consider renewal	20-30%
9	Extremely poor condition, severe serviceability problems, renewal required immediately	10-20%
10	Failed asset, no longer serviceable, should not remain in service	0-10%

The valuation techniques used in the determination of fair values maximise the use of observable data where it is available and relies as little as possible on entity specifics. The disclosure of valuation estimates is designed to provide users with an insight into the judgements that have been made in the determination of fair values.

### Calculation of Gross Replacement Cost

The replacement cost of the water infrastructure assets was determined by applying the unit rates to each individual asset.

The unit rates applied include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, direct quotations from suppliers, unit rate databases, indices and Rawlinsons' Construction Handbook.

### Accumulated Depreciation

An assessment of remaining useful life was made using data supplied by Mount Isa Water Board. An assessment of remaining useful life was made by the Valuer taking into consideration the construction date, evidence of recent repairs or capital works and the surrounding environmental factors.

### Impact of Unobservable Inputs

The Valuer has undertaken a sensitivity analysis to observe the impact of unobservable inputs to Fair Value. The analysis is summarised in the following table:

Significant unobservable input	Range of inputs	Relationship of unobservable inputs to fairvalue
Number of labour hours	5-100 hr/m <sup>2</sup>	The higher the labour hours, the higher the fair value
Raw material usage quantities	Varies dependent of type and applications	The higher the usage quantities, the higher the fair value
Condition rating	1-10 as specified	The lower the condition rating, the higher the fair value
Remaining useful life	1-200 years	The longer the remaining life, the higher the fair value

## 7. Property, Plant & Equipment (continued)

### Carrying Amount of Assets Recognised at Fair Value

The Carrying Amount of Property, Plant and Equipment which has been revalued, that would have been recognised had the assets been carried at cost, is set out below:

	2023 \$	2022 \$
Land	32,500	32,500
Buildings	775,460	775,460
Infrastructure – Pipelines	38,582,829	38,382,932
Infrastructure – Other	91,289,917	81,459,455
<b>Total</b>	<b>130,680,706</b>	<b>120,650,347</b>

## 8. Leases

MIWB has a perpetual lease of a piece of land from the Department of Resources that is used for a pipeline. As the arrangement is perpetual, MIWB determined the estimated useful life of the pipeline as a reasonable basis of lease term which is 80 years.

MIWB does not have lease contracts with lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

### Accounting policy

From 1 July 2019, a right-of-use asset and a corresponding liability was recognised by MIWB.

#### Lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by MIWB under residual value guarantees
- the exercise price of a purchase option if MIWB is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects MIWB exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases that relate to properties, MIWB's incremental borrowing rate is used, which is based on Queensland Treasury Corporation's fixed loan borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

MIWB's right-of-use asset is depreciated over the lease term on a straight-line basis.

<b>Reconciliation of movement of right-of-use asset</b>	<b>\$</b>
Opening balance – 1 July 2021	126,357
Depreciation expense	(1,617)
Re-assessments	(228)
<b>Closing balance – 30 June 2022</b>	<b>124,512</b>
Opening balance – 1 July 2022	124,512
Depreciation expense	(1,507)
Re-assessments	(8,531)
<b>Closing balance – 30 June 2023</b>	<b>114,474</b>

## 9. Payables

	2023 \$	2022 \$
<b>Current Liabilities</b>		
Trade creditors	2,291,613	927,300
Other creditors	88,737	83,768
Accruals*	5,312,727	4,959,861
Dividends payable**	3,639,075	4,914,678
	<b>11,332,153</b>	<b>10,885,606</b>

\* Included in Payables (Accruals) is a historic sum payable to Mount Isa Mines for the purchase of electricity and electricity distribution services. Negotiations with Mount Isa Mines to finalise the quantum of the payable and timing of the actual payment will continue beyond 2022-23 and were not finalised at 30 June 2023.

\*\* On 11 May 2023, MIWB wrote a letter to the Minister for Regional Development and Manufacturing and Minister for Water recommending the payment of a dividend to the State for the financial year ended 30 June 2023 based on 80% of NPAT as per section 660(3) of the *Water Act 2000* (Qld). The Minister approved dividend recommendation in a letter dated 29 May 2023.

## 10. Other Financial Liabilities

	2023 \$	2022 \$
<b>Current</b>		
Loans – Queensland Treasury Corporation	253,127	321,080
	<b>253,127</b>	<b>321,080</b>
<b>Non-current</b>		
Loans – Queensland Treasury Corporation	–	253,903
	<b>–</b>	<b>253,903</b>
<b>Total Financial Liabilities</b>	<b>253,127</b>	<b>574,982</b>

No assets have been pledged as security for any liabilities.

All borrowings are in \$AUD denominated amounts and carried at amortised cost. No interest has been capitalised during the current or comparative reporting period. The repayment date for the QTC loan is March 2024. There have been no defaults or breaches of the loan agreements during the period.

Principal and interest repayments are made quarterly in arrears, with interest rates being 4.676%.

Queensland Treasury Corporation advises that the amount to be repaid is the market value of the debt which is \$252,036 (2022: \$583,987). Market Value at a relevant time reflects the remaining cash flows required to repay the debt, valued at the current market rate of interest at the time which equates to the amount that would be required at any point in time to be repaid, to extinguish the debt outstanding at that time.

It is the intention of MIWB to hold all its borrowings for their full term and as such, there is no fair value adjustment required to be made to the carrying amount of the borrowings.

## 11. Current and Deferred Tax

	2023 \$	2022 \$
<b>ASSETS</b>		
<b>Non-current</b>		
Deferred tax asset comprises:		
Employee benefits	84,826	55,256
Accrued expenses	14,750	14,000
Provisions: Other	260,622	260,623
Legal fees	2,081	2,081
Lease liability	29,637	31,912
Deferred income	30,312	31,828
Deferred tax asset	<b>422,228</b>	<b>395,700</b>
<b>LIABILITIES</b>		
<b>Non-current</b>		
Deferred tax liability comprises:		
Accrued income	33,373	-
Business expenditure	(6,867)	-
Property, Plant & Equipment	25,832,773	19,910,960
Deferred tax liability	<b>25,859,279</b>	<b>19,910,960</b>
Net deferred tax liability	<b>25,437,051</b>	<b>19,515,260</b>

## 12. Other Liabilities

	2023 \$	2022 \$
<b>Current</b>		
Lease liability	586	614
<b>Non-current</b>		
Grants received in advance	121,249	127,311
Lease liability	117,960	127,036
	<b>239,208</b>	<b>254,347</b>
	<b>239,794</b>	<b>254,961</b>

## 13. Asset Revaluation Surplus

The asset revaluation surplus represents the net effect of upward and downward revaluations of property, plant and equipment to fair value.

	Balance at beginning of year	Revaluation Increments	Revaluation Decrements	Impairment Losses through equity	Impairment reversals through equity	Balance at end of year
30 June 2023	\$	\$	\$	\$	\$	\$
Land	43,953	-	-	-	-	43,953
Buildings	36,833	54,807	-	-	-	91,640
Infrastructure	76,677,155	18,812,925	-	-	-	95,490,080
Plant & Equipment	76,253	-	-	-	-	76,253
<b>Total</b>	<b>76,834,194</b>	<b>18,867,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,701,926</b>

	Balance at beginning of year	Revaluation Increments	Revaluation Decrements	Impairment Losses through equity	Impairment reversals through equity	Balance at end of year
30 June 2022	\$	\$	\$	\$	\$	\$
Land	41,216	2,737	-	-	-	43,953
Buildings	9,828	27,005	-	-	-	36,833
Infrastructure	71,297,253	5,379,903	-	-	-	76,677,155
Plant & Equipment	76,253	-	-	-	-	76,253
<b>Total</b>	<b>71,424,550</b>	<b>5,409,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,834,194</b>

Revaluation increments and decrements above are disclosed net of tax.

## 14. Cashflow Information

	2023 \$	2022 \$
<b>Reconciliation of Profit to Net Cash from Operating Activities</b>		
Profit after income tax	4,548,845	6,142,895
<b>Non-cash items</b>		
Depreciation	6,231,046	5,854,724
Depreciation – Right-Of-Use Asset	1,617	1,617
Loss on write off	170,079	–
Revaluation decrement	–	–
Profit on Sale of Asset	–	(71,479)
<b>Movement in Operating Assets and Liabilities</b>	<b>10,951,587</b>	<b>11,927,757</b>
Receivables	(1,096,901)	653,608
Interest Receivable	(101,069)	(18,125)
GST Receivables	(53,304)	24,912
Prepayments	(39,433)	(2,576)
Payables	2,396,982	(1,121,670)
Annual Leave	95,986	15,751
Long Service Leave	22,295	(45,617)
Deferred Income	(6,062)	–
Deferred Tax including tax effect of revaluations	(367,945)	(1,013,893)
Provision for Taxes	(147,465)	(424,283)
Net cash from operating activities	<b>11,654,671</b>	<b>9,995,864</b>

### Changes in Liabilities Arising from Financing Activities

	Closing Balance 2022 \$	Non-Cash Charges			Cash Flows		Closing Balance 2023 \$
		Transfers to/ (from) other Queensland Government Entities	New Leases Acquired	Other	Cash Received	Cash Repayments	
<b>2023</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Borrowings	574,982	–	–	65	–	321,790	253,128
Lease liability	127,650	–	–	9,104	–	–	118,546
Dividends Payable	4,914,678	–	–	3,639,075	–	4,914,678	3,639,075
<b>Total</b>	<b>5,617,310</b>	<b>–</b>	<b>–</b>	<b>3,629,907</b>	<b>–</b>	<b>5,236,467</b>	<b>4,010,749</b>

	Closing Balance 2021 \$	Non-Cash Charges			Cash Flows		Closing Balance 2022 \$
		Transfers to/ (from) other Queensland Government Entities	New Leases Acquired	Other	Cash Received	Cash Repayments	
<b>2022</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Borrowings	883,084	–	–	–	–	308,102	574,982
Lease liability	128,266	–	–	616	–	–	127,650
Dividends Payable	4,887,325	–	–	4,914,678	–	4,887,325	4,914,678
<b>Total</b>	<b>5,898,675</b>	<b>–</b>	<b>–</b>	<b>4,914,061</b>	<b>–</b>	<b>5,195,427</b>	<b>5,617,310</b>



## 15. Financial Instruments

### Financial Risk Management

Financial risk management is implemented pursuant to MIWB's Risk Management Policies, and the requirements of the Queensland Government. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of MIWB. All financial risk is managed by the Corporate & Governance Division. MIWB's financial instruments consist primarily of cash and cash equivalents, accounts receivable and payable, and loans from Queensland Treasury Corporation. Consequently, MIWB has exposure to credit risk, liquidity risk, interest rate risk and capital management risk from its use of financial instruments. Pursuant to its obligations under the *Water Act 2000* (Qld), the MIWB Board of Directors has overall responsibility accountability for the establishment and oversight of the risk management framework, including financial risk management. MIWB manages its exposure to key financial risks, including credit risk, liquidity risk and interest rate risk, in accordance with its financial policies, approved by the MIWB Board of Directors.

MIWB does not have any derivative instruments at financial year end.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

#### i) Financial Risk Measurement Strategies

MIWB's activities expose it to a variety of financial risks – interest rate risk, credit risk, liquidity risk and market risk. All financial risks are managed by the Corporate & Governance Division under policies approved by the MIWB Board of Directors. MIWB provides written principles for overall risk management, as well as policies covering specific areas.

MIWB measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Cash flow analysis
Market risk	Interest rate sensitivity analysis

#### ii) Credit Risk Exposure

Credit risk exposure refers to the situation where MIWB may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation. MIWB's credit risk arises from cash and cash equivalents, and trade receivables.

The maximum exposure to credit risk at reporting date in relation to each asset class of recognised financial assets is the gross carrying amount of those assets (inclusive of any provision for impairment) as disclosed in the Statement of Financial Position.

There is concentration of credit risk with respect to receivables as MIWB has a small number of customers. MIWB policy is that water sales are only made to eligible customers.

MIWB has four key customers which operate in the West Queensland region. As such there is some concentration of trade receivables. The individual most material trade receivable balance at 30 June 2023 is \$2,092,278, which represents 69.4 per cent of the total trade receivables at reporting date (2022 \$2,092,278 and 59.8 per cent).

No collateral is held as security and no credit enhancements relate to financial assets held by MIWB.

MIWB manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that MIWB invests in secure assets and monitors all funds owned on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

#### *Trade receivables and contract assets*

MIWB uses a provision matrix to calculate expected credit losses for trade receivables and contract assets. The provision rates are based on days past due for customers that have similar loss patterns.

The provision matrix is initially based on MIWB's historical observed default rates. MIWB will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions.

No provision for expected credit losses has been recognised on the basis of historical default rates, forward looking information and materiality as at 30 June 2022 and 30 June 2023.

## 15. Financial Instruments (continued)

### iii) Liquidity Risk

Liquidity risk refers to the situation where MIWB may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

MIWB is exposed to liquidity risk in respect of its payables and borrowings from Queensland Treasury Corporation for capital works. The borrowings are based on Queensland Government's gazetted floating rate.

MIWB manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring MIWB has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risk of financial liabilities held by MIWB. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities and the repayment of the principal amount outstanding at reporting date. The undiscounted cash flows in these tables differ from the amounts in the Statement of Financial Position.

	Note	2023 Payable in			Total
		< 1 year	1 - 5 years	> 5 years	
Financial Liabilities		\$	\$	\$	\$
Payables	9	11,332,153	–	–	11,332,153
Other financial liabilities – QTC Borrowings	10	253,127	–	–	253,127
<b>Total</b>		<b>11,585,280</b>	<b>–</b>	<b>–</b>	<b>11,585,280</b>

	Note	2022 Payable in			Total
		< 1 year	1 - 5 years	> 5 years	
Financial Liabilities		\$	\$	\$	\$
Payables	9	10,885,606	–	–	10,885,606
Other financial liabilities – QTC Borrowings	10	321,080	253,903	–	574,982
<b>Total</b>		<b>11,206,686</b>	<b>253,903</b>	<b>–</b>	<b>11,460,589</b>

### iv) Market Risk

MIWB does not trade in foreign currency and is not materially exposed directly to commodity price changes or other market prices. MIWB is exposed to interest rate risk through its borrowings from Queensland Treasury Corporation and cash deposits in interest bearing accounts. MIWB does not undertake any hedging in relation to interest risk.

### v) Interest Rate Risk

MIWB has limited exposure downside financial implications associated with interest rate risk, as a result of its limited borrowings (\$253,127). Notwithstanding this, analysis and reporting, including sensitivity analysis, is undertaken by the Corporate & Governance Division and presented to the MIWB Board of Directors throughout the year to monitor the implications of interest rate fluctuations and its effects on cash flows.

## 16. Contingencies

At the date of this report, there are no known contingent liabilities.

## Certificate of the Mount Isa Water Board

These general purpose financial statements have been prepared pursuant to section 62 (1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- b) The statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Mount Isa Water Board for the period 1 July 2022 to 30 June 2023, and of the financial position of the Mount Isa Water Board as at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



**Steve de Kruijff** OAM, MAusIMM  
Chairperson



**Bill Esteves** GCLP, GC.Bus, LLB, MA, MBA  
Chief Executive Officer

Dated 28th day of August 2023

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

To the Board of Mount Isa Water Board

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Mount Isa Water Board.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in the entity's annual report. The Board is responsible for the other information.

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

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

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

## Independent Auditor's Report (continued)



### **Responsibilities of the entity for the financial report**

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

### **Auditor's responsibilities for the audit of the financial report**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

## Independent Auditor's Report (continued)



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### Report on other legal and regulatory requirements

#### Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

#### Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the *Financial and Performance Management Standard 2019*. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.

*Jacques Coetzee*

30 August 2023

Jacques Coetzee  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

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# Glossary

<b>ADWG</b>	Australian Drinking Water Guidelines (2011)	<b>Glencore</b>	Glencore completed a merger with Xstrata in May 2013 and the local mining operator is now known as Mount Isa Mines, a Glencore Company
<b>ANZECC</b>	Australian and New Zealand Environment and Conservation Council	<b>Lake Julius</b>	Owned and operated by SunWater, a government-owned corporation.
<b>Blue-green algae</b>	A naturally occurring type of bacteria known as “Cyanobacteria” found in rivers, lakes, damp soil, tree trunks and hot springs. Some species of BGA have the potential to produce toxins.	<b>Lake Moondarra</b>	Owned by Mount Isa Mines Limited as resource operations licence holder.
<b>Board</b>	The Board of Directors of Mount Isa Water Board	<b>MIWB</b>	Mount Isa Water Board, as the Statutory Corporate entity
<b>DRDMW</b>	Department of Regional Development, Manufacturing and Water	<b>MICC</b>	Mount Isa City Council
<b>DWQMP</b>	Drinking Water Quality Management Plan	<b>ML</b>	Megalitre (one million litres)
<b>EBIT</b>	Earnings before Interest and Tax	<b>R48 Reserve</b>	R48 Water and Recreation Reserve
<b>FTE</b>	Full Time Equivalent (employee)	<b>RTI</b>	Right to Information relating to the <i>Right to Information Act 2009</i>
		<b>SunWater</b>	The government-owned corporation operating under that name.
		<b>Water Act</b>	<i>Water Act 2000 (Qld)</i> as amended.

# Government Body Summary

## Mount Isa Water Board

<b>Act or instrument</b>	<i>Water Act 2000 (Qld)</i>
<b>Functions</b>	Principally the ownership, management, operation and maintenance of treatment plants, pipelines and other bulk water distribution infrastructure and dam recreational areas and any other occupation incidental thereto.
<b>Achievements</b>	Delivered a safe and reliable supply of water, sustaining life and industry in the Mount Isa Region. Invested over \$9 million in capital projects to sustain the long-term reliability of the water distribution and treatment systems. Delivered on our commercial imperative with a dividend return for the Queensland Government to reinvest in Queensland and in the community of Mount Isa.
<b>Financial reporting</b>	Financial results are presented in the financial statements. MIWB is not exempt from a financial statement audit by the Auditor-General

## Remuneration

Position	Name	Meetings/ sessions attendance	Approved annual, sessional or daily fee	Approved sub- committee fees if applicable	Actual fees received <sup>(1)</sup>
<b>Chair</b>	Steven de Kruijff	Board: 14 Audit Committee: 12	\$35,000	\$2,000	\$40,885
<b>Director</b>	Karen Read	Board: 14 Audit Committee: 12	\$17,500	\$2,500	\$22,100
<b>Director</b>	George Fortune	Board: 12 Audit Committee: 11	Nil	Nil	Nil
<b>Director</b>	Leonie Davey	Board: 3 <sup>(2)</sup> Audit Committee: 2 <sup>(2)</sup>	\$17,500	\$2,000	\$7,376
<b>Director</b>	Janice Wilson	Board: 14 Audit Committee: 12	\$17,500	\$2,000	\$21,548
<b>Director</b>	Lisa Clancy	Board: 8 <sup>(3)</sup> Audit Committee: 7 <sup>(3)</sup>	\$17,500	\$2,000	\$15,746
<b>No. scheduled meetings/ sessions</b>		Board: 14 Audit Committee: 12			
<b>Total out of pocket expenses</b>		\$46,331 (primarily airfares and accommodation)			

(1) Actual fees received include approved fees plus superannuation

(2) Ms. Leonie Davey was appointed as a Director to the Board of Directors and a Member of the Finance, Audit and Compliance Committee (FACC) on 9 March 2023.

(3) Ms. Lisa Clancy ceased being a Director to the Board of Directors and a Member of the Finance, Audit and Compliance Committee (FACC) on 9 March 2023.



# Annual report compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7	(ii)
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> </ul>	ARRs – section 9.1	(iii)
	<ul style="list-style-type: none"> <li>Glossary</li> </ul>		59
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	(i)
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	(i)
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4	(i)
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5	(i)
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10.1	1 - 4
	<ul style="list-style-type: none"> <li>Machinery of Government changes</li> </ul>	ARRs – section 10.2, 31 and 32	N/A to MIWB
	<ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>	ARRs – section 10.2	3
	<ul style="list-style-type: none"> <li>Operating environment</li> </ul>	ARRs – section 10.3	5 - 8
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community</li> </ul>	ARRs – section 11.1	4
	<ul style="list-style-type: none"> <li>Other whole-of-government plans / specific initiatives</li> </ul>	ARRs – section 11.2	N/A to MIWB
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.3	7 - 8
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.4	7 - 8
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	22
Governance – risk management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	19
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	17 - 18
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	60
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	13
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5	14
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	4
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	20
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	16
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	21
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	21
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5	20

Summary of requirement		Basis for requirement	Annual report reference
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	13
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	N/A to MIWB
Open Data	• Statement advising publication of information	ARRs – section 16	21
	• Consultancies	ARRs – section 33.1	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
	• Overseas travel	ARRs – section 33.2	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
	• Queensland Language Services Policy	ARRs – section 33.3	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	55
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	56

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

This annual report is available for viewing or download from [www.mountisawater.qld.gov.au/ourdata/corporate-documents](http://www.mountisawater.qld.gov.au/ourdata/corporate-documents)

