

Seqwater Annual Report 2023–24

29 August 2024

The Honourable Cameron Dick MP
Deputy Premier, Treasurer and
Minister for Trade and Investment
GPO Box 611
BRISBANE QLD 4001

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

Dear Ministers

I am pleased to submit for presentation to the Parliament the Annual Report 2023–24 and financial statements for the Queensland Bulk Water Supply Authority, trading as Seqwater.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements is provided at page 79 of this annual report.

Yours sincerely



The Honourable Dr Anthony Lynham
Chairperson, Seqwater Board

About this report

This report records Seqwater's achievements in 2023–24. Performance is measured against the objectives and targets established in the Strategic Plan 2023–27 and Operational Plan 2023–24 and details financial performance for the year. This report is to be read in conjunction with Seqwater's Corporate Governance Statement 2023–24.

This report has been produced in accordance with the standards detailed in the following Queensland legislation and Government guidelines:

- *Financial Accountability Act 2009*
- *Financial and Performance Management Standard 2019*
- *South East Queensland Water (Restructuring) Act 2007*
- *Annual report requirements for Queensland Government agencies (2023–24 reporting period)*
- *Corporate Governance Guidelines for Government Owned Corporations, Version 2.0 (Queensland Treasury: February 2009).*

This report and Seqwater's Corporate Governance Statement 2023–24 are available on Seqwater's website www.seqwater.com.au.

A printed copy of the report is available on request.

Translation and interpreting assistance



Seqwater is committed to providing accessible services to people from all culturally and linguistically diverse backgrounds.

If you have difficulty understanding this annual report, please contact Seqwater to arrange an interpreter to share the report with you.

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Acknowledging the first Australians

Seqwater acknowledges the Traditional Custodians of the land, catchments and waterways on which we live, work and play. We pay our respects to Elders past, present and emerging; and acknowledge their continued connection to the land, water and culture of South East Queensland.

Seqwater Annual Report 2023–24

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About Seqwater

Seqwater's purpose is to provide a safe, sustainable and valued water supply on behalf of the South East Queensland community.

Seqwater is proud to deliver a safe, sustainable and valued bulk water supply for more than 3.6 million people across South East Queensland (SEQ). It also provides essential flood mitigation services, supports the management of catchment health, offers community recreation facilities and supplies water to irrigators and industry.

Seqwater is one of the most geographically diverse water businesses in Australia with its operations extending from the New South Wales border, north to Gympie and west to the base of the Toowoomba ranges. Wivenhoe Dam is also connected by pipeline to Cressbrook Dam near Toowoomba, and in the future the network will connect further west to Warwick via the delivery of the Toowoomba to Warwick Pipeline.

A critical part of the urban water supply chain, Seqwater sources, stores, treats and supplies bulk water to its five retailer customers — Unitywater, Urban Utilities and the water businesses of the Logan, Redland and Gold Coast city councils — who in turn deliver drinking water to residents and businesses through their distribution networks across the region. Seqwater works with its retailer customers to achieve the best whole-of-system solutions and also has arrangements in place to supply water to power stations operated by Stanwell Corporation and CleanCo.

Seqwater also supplies water to Gympie Regional Council, and around 1,200 irrigation and other customers who hold water entitlements in seven water supply schemes, supporting communities, agriculture and other industries.

Seqwater is responsible for planning for future water security for the region's growing population, investing in and operating its assets to achieve desired Level of Service objectives for the region.

Seqwater provides access to diverse recreation opportunities on its land and water storages to support the SEQ lifestyle and operates its dams to mitigate flood events and reduce the impacts for downstream communities.

OUR VISION

Water for Life

An innovative leader, delivering our most precious resource for generations to come.

Chief Executive Officer report

Through its five retailer customers, in 2023–24 Seqwater delivered 330,353 ML of safe, reliable drinking water to more than 3.6 million people across SEQ, 4,988 ML to Seqwater’s three commercial customers, 33,585 ML of raw water to 1,200 irrigator customers and welcomed more than 2.8 million recreational users to its lakes and parks.

The 2023–24 year has not been without its challenges. The SEQ Water Grid entered drought readiness phase in late 2023 after the region experienced a 16% decline in the combined SEQ Water Grid storage levels over 2023 and drought responses were enacted for off-grid communities at Canungra, Dayboro and Kenilworth at the end of 2023.

Frontline workers rapidly mobilised to an entirely different set of operational challenges following a series of extreme weather events in late December 2023 through to March 2024 which brought high rainfall to parts of South East Queensland, boosting dam levels to above 80% by the end of March 2024.

Over the next decade, Seqwater will deliver a significant capital program to expand and enhance the SEQ Water Grid and ensure its dams comply with the latest standards and continue to function safely during weather events in line with regulatory requirements. Alongside the Queensland Government, Seqwater launched its Water Security Program 2023, setting out a 30-year strategy to ensure safe, reliable water supply for South East Queensland and have undertaken planning to connect Wyaralong Dam to the SEQ Water Grid, expand the Gold Coast Desalination Plant and to investigate an additional desalination plant in the north of the network.

This year, significant progress has been made planning for major upgrades to Lake Macdonald, North Pine, Somerset and Wivenhoe dams. Investment approval has been secured for Lake Macdonald Dam Improvement Project, North Pine Dam Staged Strengthening, and Somerset Dam Early and Enabling Works — all of which have programs of work underway.

The new Mount Crosby vehicle bridge was opened in late March 2024, providing a more resilient river crossing for the local community. Major works on the South West Pipeline were substantially completed, with the pipeline improving the performance of the Beaudesert Water Treatment Plant, with water from the Logan supply network being gravity-fed through 27-kilometres of pipeline to supplement local supply. This is a crucial addition to the SEQ Water Grid to support the growing Beaudesert community, which previously was not connected to the network.

A new Bulk Water Service Agreement with CleanCo presents a positive step for water security in SEQ as all water supplied under the agreement will be Purified Recycled Water, reducing raw water taken from the SEQ Water Grid.

Seqwater continued to drive a high performance culture during 2023–24 with a strong focus on leadership effectiveness and alignment. Recognising the critical role its people play in its success, Seqwater continued to provide opportunities for recognition, engagement and capability uplift. Harnessing the diversity of its workforce and ensuring inclusive practices was also a key area of focus during the year.

On behalf of myself and the Seqwater Board, appreciation goes out to Seqwater employees for their support and dedication throughout the year.

Will Harpham

Interim Chief Executive Officer

Queensland Government objectives for the community

Seqwater contributes to the Queensland Government objectives for the community in the following ways:

Good jobs: good, secure jobs in our traditional and emerging industries

SEQ's water resources and infrastructure are a key foundation for economic growth and regional development.

- **Making it for Queensland and backing small business:** Seqwater's prudent and efficient investment in the SEQ Water Grid and other water infrastructure support a strong economy and ensures water now and for future generations.

Its procurement policy and procedures embrace the principles of the Queensland Procurement Policy 2023 and provide a fair and reasonable opportunity for businesses across the region, including local suppliers and small to medium enterprises.

- **Supporting jobs and investing in skills:** Seqwater is committed to creating a great employment experience and opportunities in an adaptive, attractive organisation so its people can provide a great customer and community experience.

Investing in its workforce, Seqwater provides pathways for apprentices and graduates to grow their skills in an innovative environment.

Better services: deliver even better services right across Queensland

Water is fundamental to public health. A bulk water supply that is safe, sustainable and valued supports communities and underpins a strong and healthy economy.

- **Connecting Queensland, backing our frontline services and keeping Queenslanders safe:** Seqwater carries out its responsibility for water security through planning and making the best use of all its bulk water assets, including its dams, the SEQ Water Grid, the Gold Coast Desalination Plant and the Western Corridor Recycled Water Scheme.

Seqwater is committed to providing access to diverse recreation opportunities on its land and water storages without compromising its ability to provide safe, sustainable and valued water and catchment services.

Great lifestyle: protect and enhance our Queensland lifestyle as we grow

Seqwater collaborates with government, industry and its communities to protect and improve SEQ's drinking water supply catchments and uphold a positive culture of environmental responsibility and recognition of cultural heritage values.

- **Protecting the environment:** Seqwater recognises that climate change is a significant challenge for long-term water security and will progress towards its target of net zero carbon emissions by 2050, aligning its Sustainability and Environment, Social and Governance (ESG) responses to Queensland's whole-of-government approach, reflected in the Queensland Sustainability Report 2023 (February 2024).
- **Building Queensland and growing our regions:** Investment in the SEQ Water Grid and other water infrastructure is required to support dam safety programs and build resilience by securing sustainable sources of water now and for future generations.

Seqwater's approach to major investments and asset upgrades support the region's economy and employment opportunities through its demand for a skilled and talented workforce.

- **Honouring and embracing our rich and ancient cultural history:** Seqwater's Reconciliation Action Plan provides strategic direction on how it contributes to the national reconciliation movement between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians.

Delivering on strategy

Seqwater's five strategic objectives are outlined in its Strategic Plan 2023–2027.

Seqwater's undertakings and opportunities in its Operational Plan 2023–24 contribute to achieving those objectives. Progress made in 2023–24 is set out below.

Improve safety and organisational culture

Seqwater has a People, Culture and Safety strategy to enable a high-performance organisation through its health, safety and wellbeing, talent and culture programs and employment governance.

Health, safety and wellbeing

Seqwater is committed to its **Safe for Life** promise and understands that leadership is key to delivering on this promise. Seqwater drives performance and culture through the use of lead indicators for leaders in relation to conducting quality **Water for Life** conversations, which are intentional risk-based conversations and critical control checks which are designed to focus on the core controls Seqwater has in place to prevent serious injury or death, as drivers of a strong safety culture.

In 2023–24, 97.7% of **Water for Life** conversations and 98.6% of critical control checks were conducted to expectations.

A high potential incident is any incident that has the potential to result in an employee being seriously injured or killed. Seqwater recorded a High Potential Injury Frequency Rate (HPIFR) of 0.9 in 2023–24 against a target of $\leq 3.0^1$. This result is industry leading.

In 2023–24, Seqwater saw a decrease in its Lost Time Injury Frequency Rate (LTIFR). At the end of 2023–24, Seqwater's LTIFR was 2.2 which is below the target of $\leq 3.5^2$ and 45% lower than the 2022–23 result.

Due to Seqwater's safety performance its WorkCover premium continues to be significantly better than industry standard with average claim costs declining.

In 2023–24, Seqwater:

- implemented its Health and Wellbeing Strategy which included a continued focus on mental health through initiatives such as the Mental Health First Aid network and program based approaches to address key areas of injury such as manual handling
- continued to embed and mature its Critical Control Management Program addressing 13 critical risk areas
- implemented a new Enterprise Risk Management solution to improve Seqwater's capability to proactively manage safety risks and response to incidents
- made improvements to Seqwater's fatigue management systems and practices.

Seqwater's
Safe for Life
promise reflects
our commitment to
keeping ourselves,
each other and
our communities
healthy, safe and
well at work and
at home.

¹ Seqwater's target for injuries of any type is always zero with an upper maximum HPIFR of ≤ 3.0 for 2023–24.

² Seqwater's target for injuries of any type is always zero with an upper maximum LTIFR of ≤ 3.5 for 2023–24.

Talent and culture

At Seqwater, we do good work with great people in beautiful places.

Our Values matter to us and are at the core of everything we do. We know that strong relationships are built on shared values. Whether it be how we assess our performance or how we make decisions, our Values are a key part of life at Seqwater.

Seqwater seeks to foster a high-performing, inclusive and collaborative culture that enables its people to build on their day-to-day work, finding better and smarter ways of working.

In recognition of the importance of organisational design in fostering high performance, Seqwater undertook a restructure to enable clearer focus on the key priority areas of operations and capital delivery. In standing up the new structure, leadership capability was a focus with significant investment in the attraction and retention of high quality leaders with the necessary skills to deliver on strategic goals.

Seqwater has continued to focus on the attraction and retention of other key talent segments with 13 new trainees and five graduates commencing as part of Seqwater's NextGen program. Frontline resourcing approaches have also been strengthened particularly in relation to water treatment operator and dam operator positions.

Seqwater continues to drive a high performance culture through the implementation of initiatives to support improved employee engagement, recognition and leadership effectiveness. The inaugural family day was held at Wivenhoe Dam which provided employees and their families with the opportunity to connect and engage, bringing to life Seqwater's Employee Value Proposition – *At Seqwater, we do good work with great people in beautiful places*. Over 260 employees and their family attended the event.

The annual Excellence Awards were held recognising exemplary achievements in customer, stakeholder and community, innovation, leadership, planning and delivery, safety and wellbeing, values and exhibiting the spirit of Seqwater.

Leadership effectiveness was a key focus for the organisation with the delivery of fit-for-purpose Senior Management development, alignment and support initiatives as well as the delivery of a frontline leadership development program.

Seqwater is committed to developing an inclusive work environment where its people thrive and it is well positioned to deliver the innovative solutions required for the complex challenges it faces now, and in the future.

Seqwater became the first Queensland partner of WaterAble, a network for employees with a disability and their allies. Seqwater continues to support its BYouNetwork a purposeful network for its people who identify as LGBTQ+ and their allies to connect, support and to discuss LGBTQ+ issues and personal wellbeing in the workplace. Seqwater launched the Women in Water Network providing women across the business with the opportunity to network and engage in a variety of forums. In 2023–24 Seqwater participated in an early-career development program aimed at supporting women in roles traditionally held by males.

Seqwater recognises that employees may face domestic and family violence that affects their attendance or performance at work and may have a significant impact on their lives. Seqwater continued to partner with a specialist provider in the delivery of domestic and family violence awareness sessions.

Seqwater Values:

- Respect
- Care
- Courage
- Integrity

Industrial relations and remuneration practices

Seqwater is committed to compliance with employment obligations which includes employment security. Seqwater has implemented a range of strategies to improve employment governance and address historical remuneration practice issues that have been identified.

Seqwater continues to work closely with internal and external stakeholders including the Fair Work Ombudsman, employees and unions as part of the industrial relations and remuneration practices review process. The Enforceable Undertaking commitments include an independent audit regime.

In 2023–24 Seqwater’s collaborative and consultative approach to employment and industrial relations resulted in the successful negotiation of Seqwater’s Staff Enterprise Agreement 2023.

Improve processes, systems and planning

Contemporary capital planning and delivery

To deliver a safe, secure and valued water supply to SEQ now and into the future, Seqwater will deliver significant investment in upgrading its current assets and building new climate resilient assets over the next decade.

To ensure it has the capability to respond to the significant growth in its infrastructure capital program, Seqwater embarked on a Capital Delivery Transformation Program. In 2023–24 Seqwater established a Portfolio Office that is driving maturity and consistency across Seqwater’s capital investment program.

In 2023–24 the Capital Delivery Transformation Program delivered:

- program and project management standards to provide a disciplined, consistent and scalable approach to delivering programs and projects
- comprehensive portfolio, program and project management controls documentation including frameworks, procedures, manuals and quality standards guidelines
- program and project controls operating manuals focusing on improved scheduling capability across Seqwater programs and projects
- defined portfolio, program and project governance and management responsibilities providing clarity on decision-making requirements
- ongoing refinement of procurement, contracting and delivery models for Seqwater programs, augmented by building internal capacity and capability.

Seqwater implemented structural changes to its organisational design to better align functional capability to ensure it is well positioned to deliver on its core business and manage the significant capital program into the future.

Asset information and management

During the year Seqwater continued to develop Integrated Asset Management Plans. Plans are in place for all water treatment plants, network assets and referable dams. Workshops have been held for the irrigation Integrated Asset Management Plans development and the recreation water treatment plant Integrated Asset Management Plans are in progress.

Core processes and systems uplift

Seqwater has invested in new system capability and improved processes to drive significant improvement in:

- corporate compliance and risk management
- asset management
- capital program management and reporting.

Implementation of the new Asset Management Work system included infield mobility solutions to support streamlined processes.

Strengthen financial sustainability

As the bulk water supplier for South East Queensland, Seqwater's revenue is predominantly derived from bulk water sales, with Seqwater financially reliant on bulk water pricing to recover prudent and efficient operating and capital investment expenditure. Seqwater remains committed to financial sustainability.

Over the past year, it achieved a substantial increase in net profit after tax increasing by \$46 million over the previous year. Return on equity has grown to 5.9%, reflecting improved returns on investments and effective capital management.

Additionally, Seqwater has made significant progress in managing its financial liabilities by paying down \$289 million in debt, strengthening the balance sheet and reducing both interest expenses and financial risk. As a result, the gearing ratio has also improved from 82% to 80%.

Table 1 – Comparison of actuals 2023–23 to 2023–24

Operational performance	2022–23 Actual	2023–24 Actual
EBIT \$000	506,996	554,880
NPAT \$000	57,916	104,091
Return on equity	3.71%	5.90%
Return on assets	0.52%	0.94%

Increase water supply certainty

Seqwater released the Water Security Program 2023 which sets out Seqwater's plan to ensure SEQ communities have access to a safe, secure and valued water supply now, and for future generations.

The Water Security Program 2023 builds on the strengths and opportunities offered by SEQ's existing bulk water infrastructure, outlining several major strategies for future water security including:

- reviewing SEQ Water Grid operations to ensure they are continuously optimised
- planning the connection of supplies from the Logan River, including Wyaralong Dam, to the SEQ Water Grid, and a new water treatment plant
- working with power station customers to update projected water demands and ensure optimised supply and best use of the SEQ Water Grid
- progressing the development of a business case to investigate the proposed upgrade of the existing Gold Coast Desalination Plant
- exploring opportunities for a new desalination plant for the northern region
- exploring further opportunities to utilise the Western Corridor Recycled Water Scheme to supply to industry and agricultural customers to offset some potable demand
- working with SEQ Retailer Customers to refine water demand forecasts to inform ongoing planning and ensure timely and efficient investment.

Capital program

During 2023–24 Seqwater progressed planning for key projects that form part of the critical dam improvement and water security programs and support water supply certainty for a growing SEQ community in a changing climate.

Seqwater's responsible Ministers approved investment to deliver the \$427.7 million upgrade to Lake Macdonald Dam in December 2023. The final design concept was released in January 2024 and a construction contract was awarded in February 2024.

Business cases were completed for Government investment decision for the North Pine Dam Staged Strengthening Project and Somerset Dam Improvement Project Early and Enabling Works in preparation for 2024–25. In June 2024, the responsible Ministers approved investment to deliver the \$69.6 million North Pine Dam Staged Strengthening Project and \$514.9 million to deliver the Somerset Dam Improvement Project Early and Enabling Works.

Planning has advanced for the Somerset Dam Improvement Project with a business case in development, and options analysis is underway for the Wivenhoe Dam Improvement Project and for the North Pine Dam Improvement Project, building on the North Pine Dam Staged Strengthening Project.

Business cases were completed for the proposed expansion of the Gold Coast Desalination Plant and the proposed Wyaralong Water Treatment Plant.

Seqwater invested \$268.0 million in capital projects in 2023–24, including:

- \$45.8 million in planning and early works for Lake Macdonald, Wivenhoe, Somerset and North Pine dam improvement projects
- \$31.7 million in investigatory work on water security improvements for augmenting existing and investigating options for a new desalination plant and progressing planning for a proposed water treatment plant to connect Wyaralong Dam into the SEQ Water Grid
- \$23.6 million on completing the new vehicle bridge at Mount Crosby weir, improving the flood resilience of the precinct
- \$19.3 million towards the latter stages of the South West Pipeline
- \$15.2 million in digital initiatives to sustain digital platforms, business and operating systems and hardware.

Increase customer, community and stakeholder support and satisfaction

Engaging with the community

Throughout 2023–24, Seqwater continued to inform and engage with the community on topics of interest including how Seqwater's gated dams work, flood mitigation, water security, the capital works program and the network's diverse recreation opportunities.

Seqwater continued its education program hosting 28 tours of its sites with school students and the community including the desalination plant and Hinze Dam on the Gold Coast and South East Queensland's largest dam — Wivenhoe.

Dam education remained a focus with Seqwater attending the Brisbane and Samford Emergency Services Expos and partnering with its retail customers to promote water literacy and operational topics at Beaudesert Marketfest, Greenheart Fair, Logan Eco Action Festival and The Guzzler trail running event.

Seqwater also supported the World Science Festival, providing aspiring scientists and community members a hands-on experience with field water quality, water treatment process and hydrometric tools at the Mount Crosby Water Treatment Plant and provided the backdrop to SWELL Sculpture's inaugural '*Waterlines*' event at Hinze Dam.

In support of its annual *Play it Safe* campaign, Seqwater also hosted pop-up events at Enoggera Dam and Lake Wivenhoe in the lead up to the summer months and Easter long weekend to promote on-water safety at recreation sites.

Key engagement and educational priorities in 2023–24 included promoting safe behaviour at recreation sites, informing and engaging the community regarding upcoming capital works, informing the community of dam operations in response to wet weather events and communication and engagement on the announcement of the Water Security Program 2023.

In 2023–24 Seqwater:

- launched the *We think of every drop* campaign to build community awareness around water security as the combined SEQ Water Grid storage levels reached pre-drought conditions and supported the release of the Water Security Program 2023
- rolled out its annual *Play it Safe* community campaign which reached 1.8 million people across the region through a range of campaign activities
- continued its Dam Education series through in-person events and online resources.

Seqwater continued to work with impacted communities on water infrastructure projects to build awareness and understanding and foster positive relationships with the communities it serves. In 2023–24 Seqwater engaged 30,307 stakeholders through 38 project communications.

Working with customers

Seqwater works in close partnership with its retailer customers to achieve improved outcomes.

In 2023–24 Seqwater:

- implemented the South East Queensland (SEQ) Drought Response Plan including delivering water wise media campaigns, maintaining supply to off-grid communities, and preparing for potential implementation of water restrictions
- worked with Urban Utilities to respond to and recover from storm activity on 25 and 26 December 2023 which caused widespread power outages and impacted local water assets in Beaudesert, Kooralbyn, Rathdowney and Canungra
- worked with Urban Utilities to increase monitoring of the water catchments and treatment processes specifically in parts of the Lockyer Valley and Somerset regions following an increase in naturally occurring organic compounds in the raw water supply to the Lowood Water Treatment Plant
- worked with government and its five retailer customers to implement the Queensland Government rebate to provide relief to SEQ households facing large water bills as a result of a concealed leak.

Seqwater worked collaboratively with irrigation customers through customer reference groups in developing Seqwater's submission to the Queensland Competition Authority's review of irrigation prices with a view to achieving aligned successful outcomes in terms of cost targets and price outcomes. Seqwater received positive feedback from members of the customer reference groups on the openness and transparency of the engagement process.

Seqwater and CleanCo have agreed to terms for a new Bulk Water Service Agreement. The agreement presents a positive step for water security in SEQ as all water supplied under the agreement will be Purified Recycled Water, reducing raw water taken from the SEQ Water Grid and establishing CleanCo as the first customer for sole purified recycled water supply paying commercial rates.

Performance

Financial performance

The 2023–24 budget was prepared based on ‘fair weather’ conditions. In 2023–24 revenue was below budget due to lower than forecast demand for water.

Operating expenditure was slightly above the budget in response to dirty water resulting from heavy rain. Seqwater’s capital expenditure for 2023–24 was \$268.0 million, demonstrating significant delivery of investment into the SEQ Water Grid, water security and planning for future dam upgrades.

Table 2 – Financial performance

KPI	Budget	Actual
Operating revenue \$000	1,188,431	1,176,901
Operating expenditure \$000	355,828	359,321
Depreciation and amortisation \$000	265,666	262,700
EBIT \$000	566,937	554,880
Net profit after tax (NPAT) \$000	114,458	104,091
Cash and cash equivalents \$000	200,000	209,546
Total current assets \$000	374,689	392,581
Capital expenditure \$000	226,700	267,972
Debt to equity ratio	4.90	4.59
FFO Interest coverage	1.41	1.38
Current ratio	0.92	0.89

Non-financial performance

Table 3 – Strategic performance

KPI	Target	Actual
Community trust (score) ³	7.3	7.3
Shareholder sentiment (rating) ⁴	Very good	Satisfactory
Retailer customer net promoter score ⁵	1	-23
Irrigator customer net promoter score ⁶	10	-1

3 Based on a survey of a sample of the South East Queensland community. Average of trust based questions on a score of 1-10.

4 Based on responses to independent interviews using a rating scale: 1 = Unsatisfactory, 2= Satisfactory, 3= Good, 4= Very Good, 5 = Excellent.

5 Based on independent survey. Net promoter score is a metric for customer experience with the organisation through a survey response to a single question.

6 Based on survey of irrigators undertaken by Seqwater. Net promoter score is a metric for customer experience with the organisation through a survey response to a single question.

Table 4 – Operational performance

KPI	Target	Actual
Retailer Water Quality Service standard performance	Schedule 2 ⁷ : 100%	100%
	Schedule 3 ⁸ : 98%	97%
Continuity of Supply	Zero outages >5 hours	0
Significant Projects — 2023–24 Schedule (top 10)	85% planned milestones achieved ⁹	50%
Significant Projects — 2023–24 Budget (top 10)	\$115.07m – \$134.24m	\$107.48m
EBITDA	\$832.6m	\$817.6m
Interest Coverage	2.06 times	2.03 times

⁷ Australian Drinking Water Guidelines (ADWG) requirements.

⁸ Additional quality parameters negotiated between the retailer customer and Seqwater, including non-ADWG requirements such as taste and odour.

⁹ Reported against milestones (+ / - 1 month) set in September 2023.

Sustainability including Environment, Social and Governance (ESG)

Seqwater's approach to Sustainability including Environment, Social and Governance (ESG) risks and opportunities is targeted towards potential opportunities to transition asset management and operations to a sustainable future. Its approach is aligned with the Queensland Government's framework reflected in the Queensland Sustainability Report 2023 (February 2024).

The risks and opportunities for Seqwater to become sustainable are synonymous with Seqwater's social licence to operate and achievement of its *Water for Life* vision. This aligns with Seqwater's key strategic objective to increase stakeholder, customer and community satisfaction and support.

Environment

As the custodian of a range of natural and built assets across South East Queensland, Seqwater is committed to a positive culture of environmental responsibility and recognition of cultural heritage values. Seqwater's Environment and Sustainability Policy Statement¹⁰ provides that Seqwater will comply with environmental performance requirements set by legislation, monitor environmental performance and continually improve environmental management practice and performance through Seqwater's Environmental Management System.

To support its commitment to sustainability, in 2023–24 Seqwater commenced foundational work on the Sustainability and ESG Framework and is developing an approach to apply sustainability principles across all organisational activities to enhance and protect environmental, cultural, economic and social values.

Seqwater recognises the science supporting the risk of climate change, and the response required in climate adaptation and climate mitigation. The SEQ Water Grid is in of itself a drought resilient network created in response to the SEQ Millennium Drought water supply crisis and provides sustainable options to make drinking water available around the region to manage drought and the growing population.

The main components of Seqwater's climate adaptation are:

- the Water Security Program 2023 – incorporating science-based impacts of climate change on water source modelling and design of water security augmentation accordingly
- the Dam Improvement Program – incorporating future climate conditions in the engineering design improving dam safety.

The main component of Seqwater's climate mitigation is Seqwater's Net Zero Roadmap 2050 identifying scope 1, 2 and 3 greenhouse gas emissions and providing a pathway for the achievement of Net Zero emissions by 2050, in line with both the Queensland Government policy and community expectations.

¹⁰ Seqwater Policy Statements can be found on its website: <https://www.seqwater.com.au/corporate-publications>.

Social

As the provider of drinking water to more than 3.6 million people and the owner of significant green space and recreational areas, Seqwater has an important role in offering services to the people of SEQ. Seqwater's Water Quality Policy Statement states that Seqwater is committed to providing safe, high-quality and fit-for-purpose water. It does this by complying with or exceeding water quality requirements, monitoring performance and seeking to continually improve its water quality provision through auditing, review and industry benchmarking.

Seqwater owns and operates dams across SEQ. In addition to supplying drinking water, these dams provide essential flood mitigation services to the community. Seqwater manages these dams in accordance with the *Water Supply (Safety and Reliability) Act 2008*, and Queensland Government's Queensland Dam Safety Management Guidelines and Guidelines on Safety Assessments for Referable Dams (Department of Regional Development, Manufacturing and Water), to ensure the community is protected from the risks associated with dam failure.

Seqwater's Recreation Policy Statement establishes how it will provide access to diverse recreation opportunities on Seqwater's land and water storages without compromising its ability to provide safe, sustainable and valued water and catchment services.

As an employer, Seqwater is committed to creating a great employment experience so its employees can provide a great customer experience, as set out in the People Policy Statement. Seqwater further supports its employees through a commitment to diversity, inclusion and equal access to employment opportunities.

During 2023–24, Seqwater completed its first Reflect Reconciliation Action Plan, first launched during NAIDOC week in 2022. The Action Plan provides strategic direction on how Seqwater contributes to the national reconciliation movement between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians. This is the first step in demonstrating Seqwater's commitment to move forward on this journey of reconciliation with Aboriginal and Torres Strait Islander peoples.

Governance

Corporate governance

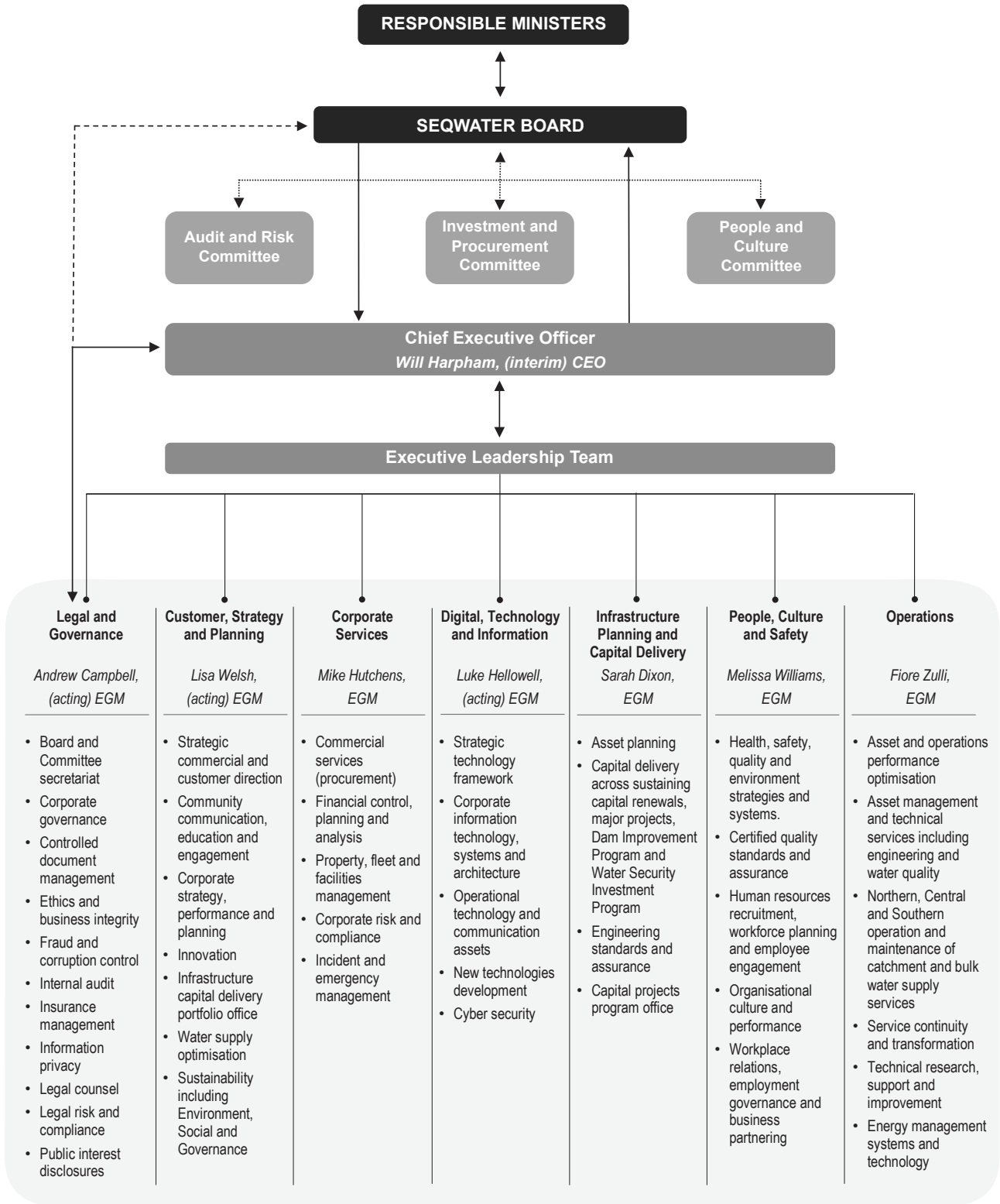
Seqwater has developed a Corporate Governance Statement 2023–24 (the statement).

The statement contains general corporate governance information and explains how Seqwater complies with the expectations for statutory authorities as set out in the *Corporate Governance Guidelines for Government Owned Corporations*, Version 2.0 (Queensland Treasury: February 2009), relevant legislation and government guidelines.

This annual report is to be read in conjunction with the statement. Specific corporate governance disclosure required under *Annual report requirements for Queensland Government agencies* is set out below.

Management and structure

Organisational Structure



Seqwater Board

General information related to the Board is in the Corporate Governance Statement 2023–24.

Government bodies reporting summary

The Seqwater Board met every month in 2023–24 except January 2024.

Table 5 – Government bodies reporting summary

Name of Government body	Seqwater Board
Act or instrument	<i>South East Queensland Water (Restructuring) Act 2007</i>
Functions	Accountable to its responsible Ministers for overall governance, the Board sets the strategic and policy direction, overseeing the performance of Seqwater and the CEO, directs and monitors the affairs of Seqwater on behalf of its responsible Ministers.
Achievements	During 2023–24 the Board's key achievements included: <ul style="list-style-type: none"> oversight of Seqwater's general business operations and strategic planning oversight of Seqwater's capital program involving approval of major dam and water infrastructure development and upgrade projects approval of Seqwater's Operational Plan 2024–25 and Strategic Plan 2024–28
Financial reporting	The Board, through the Audit and Risk Committee, oversees financial reporting. The audited 2023–24 financial statements and related disclosures were approved by the Board on 15 August 2024.

Table 6 – Board member remuneration

Position	Name	Meetings/ sessions attendance	Approved annual fee ^{11, 12}	Approved sub-committee fees if applicable
Chairperson	Hon. Dr Anthony Lynham (1–30 June 2024)	1 Board	\$100,000 p.a.	\$4,500 per committee p.a. (Committee member)
Chairperson	Hon. Dr David Hamill (1 July 2023 – 31 May 2024)	14 Board 13 Committee	\$100,000 p.a.	\$4,500 per committee p.a. (Committee member)
Board member	Penny Tovey	14 Board 10 Committee	\$50,000 p.a.	\$8,000 p.a. (Committee Chair) \$4,500 per committee p.a. (Committee member)
Board member	Marita Corbett (1 July 2023 – 30 September 2023)	4 Board 3 Committee	\$45,000 p.a.	\$8,000 p.a. (Committee Chair) \$4,500 per committee p.a. (Committee member)

¹¹ Excludes superannuation contributions and committee fees.

¹² The Board member fee was \$45,000 p.a. until 30 September 2023 and was increased to \$50,000 p.a. thereafter.

Table 6 – Board member remuneration continued

Position	Name	Meetings/ sessions attendance	Approved annual fee ^{13, 14}	Approved sub-committee fees if applicable
Board member	John McEvoy	14 Board 11 Committee	\$50,000 p.a.	\$8,000 p.a. (Committee Chair) \$4,500 per committee p.a. (Committee member)
Board member	Catherine Mickel	15 Board 10 Committee	\$50,000 p.a.	\$4,500 per committee p.a. (Committee member)
Board member	Gail Ker	13 Board 7 Committee	\$50,000 p.a.	\$4,500 per committee p.a. (Committee member)
Board member	Neville Ide (1 October 2023 – 30 June 2024)	10 Board 9 Committee	\$50,000 p.a.	\$8,000 p.a. (Committee Chair) \$4,500 per committee p.a. (Committee member)
No. scheduled meetings/ sessions	<ul style="list-style-type: none"> • Board meetings: 15 • Audit and Risk Committee meetings: 5 • Investment and Procurement Committee: 6 • People and Culture Committee meetings: 4 			
Total out of pocket expenses	Nil			

¹³ Excludes superannuation contributions and committee fees.

¹⁴ The Board member fee was \$45,000 p.a. until 30 September 2023 and was increased to \$50,000 p.a. thereafter.

Board member profiles

Members of the Board are non-executive (independent) appointees and are not directors for the purposes of the Corporations Act 2001. The following reflects Seqwater's Board on 30 June 2024.

The Honourable Dr Anthony Lynham (Chairperson)

Appointed 1 June 2024. His term ends 31 May 2027.

The Honourable Dr Anthony Lynham is a maxillofacial surgeon with extensive experience in ministerial and policy oversight of Queensland's major publicly owned utilities and key infrastructure projects.

Dr Lynham began his surgical career in Queensland and became recognised here and internationally for his work in the surgical management and prevention of maxillofacial trauma.

Dr Lynham also offers extensive experience within the water industry, having overseen the water portfolio from 2015 – 2020 as Queensland Minister for Natural Resources and Mines.

Dr Lynham is active in the corporate and not for profit sectors having had diverse Board roles, including as the former Chair of Gladstone Ports Corporation, Chair of WorkCover Queensland, Director of Aboriginal and Torres Strait Islander Community Health, Director of Toowoomba and Surat Basin Enterprise and a member of the Cell and Tissue Engineering Advisory Board.

Ms Penny Tovey

Appointed 1 October 2018; reappointed on 1 October 2021 and 1 June 2024. Her term ends 31 May 2027.

Ms Tovey has more than 25 years of experience in organisational leadership, legal compliance, industrial relations, human resources management, resource utilisation and organisational development.

She is currently Executive Manager People and Culture at Southport Sharks Club. Among her former roles, Ms Tovey was the Director of the Association of Professional Engineers Scientists and Managers Australia, owner/director of her own company Workplace Knowhow and has worked for both employer and employee organisations. She was also Chair of the Industrial Relations Committee for CleanCo.

Ms Catherine Mickel

Appointed 1 October 2020 and reappointed on 1 October 2023. Her term ends 30 September 2026.

Ms Mickel is a physiotherapist with more than 30 years' experience across public, private and community health sectors. She is the former National President of the Australian Physiotherapy Association and was the APA's national spokesperson for 7 years. She has a special interest in policy development in Aged Care and Palliative Care and has served on numerous national committees and advisory boards.

Ms Mickel was the owner and director of Mickel Consulting, providing strategic advice to companies and organisations wanting to engage with Australian governments — local, state and federal. Her expertise in the not-for-profit community sector has seen her develop successful advocacy campaigns for many organisations.

As an experienced Director on national and state-based Boards, she has a keen interest in implementing best-practice corporate governance. Ms Mickel is currently a Director on the Nursing and Midwifery Board of Australia (Queensland), Diego & Co Pty Ltd and South Brisbane Medical Corporation Pty Ltd.

Ms Gail Ker

Appointed 1 October 2020 and reappointed on 1 October 2023. Her term ends 30 September 2026.

Ms Ker is currently a Board member on the Queensland Government Gambling Community Benefit Fund and provides consultancy services to the Migration Council Australia.

She formerly was CEO of Access Community Services Ltd and served on a number of Boards and advisory committees including Settlement Services Advisory Council and Community Advisory Committee of SBS. Ms Ker has more than 20 years' experience in the Australian multicultural, humanitarian and community sectors.

Renowned for her expertise in innovative service solutions for newly arrived migrants and humanitarian entrants, Ms Ker is a recognised thought leader in needs-based community planning, innovative business models, social cohesion, strategic partnerships, employment pathways, funding opportunities and strategic direction.

Mr John McEvoy

Appointed 1 October 2020 and reappointed on 1 October 2023. His term ends 30 September 2026.

Mr McEvoy is a Fellow of the Australian Institute of Company Directors, with 40 years' experience in the mobilisation and delivery of major capital investment programs and megaprojects within Australia and internationally. In the past 20 years, Mr McEvoy has focussed on using proven capital investment governance practices to successfully plan and implement major economic, social and environmental infrastructure schemes ranging from \$100 million to over \$7 billion.

His earlier engagements in South East Queensland's water supply assets include Project Director of the Western Corridor Recycled Water Scheme as well as broader involvement in the delivery of a range of dams, water treatment plants and trunk mains across the region.

Mr Neville Ide

Appointed 1 October 2023. His term ends 30 September 2026.

Mr Ide has more than 40 years' experience in finance and treasury management having held executive roles in the government, finance and banking sectors, including Queensland Treasury Corporation for 12 years and as Group Treasurer at Suncorp Metway Limited.

His industry knowledge and experience covers banking, insurance, infrastructure and corporate treasury management, including debt and equity capital markets, balance sheet structuring and financial risk management. Mr Ide has served as a Non-Executive Director on several public and private company Boards since 2006, including appointments to Queensland Motorways Limited, RACQ Insurance, RACQ Bank, Retech Technology Limited, QBank and SunWater Limited. He is currently Director of QTC and Advisory Board Chair of Cryptoloc Technology Group.

Performance evaluation

The Seqwater Board engaged an external service provider to facilitate the review of its performance and function in February 2024. This process involved a workshop which enabled the Board members to consider their individual and collective performance in their various Board and Committee roles over the past 12 months, in the context of the current business environment, Seqwater's progress against its Corporate Strategy and with reference to the Board's Skill Matrix. At its March 2024 meeting, the Board discussed the workshop outcomes. In summary, the Board agreed that it is operating at a high level and in a diligent way.

Standing committees of the Board

The Board has three standing committees that meet periodically.¹⁵

- **Audit and Risk Committee** – the committee’s role, functions and responsibilities are outlined in the Audit and Risk Committee Charter
- **Investment and Procurement Committee** – the committee’s role, functions and responsibilities are outlined in the Investment and Procurement Committee Charter
- **People and Culture Committee** – the committee’s role, functions and responsibilities are outlined in the People and Culture Committee Charter.

In 2023–24 the Audit and Risk Committee considered audit reports, prepared by the Queensland Audit Office which outlined all audit recommendations made by the Queensland Audit Office.

The membership and meeting record of the Board and its committees in 2023–24 is outlined in the table below. All Board members are entitled to attend committee meetings.

Table 7 – Board committees – membership and meetings

Investment and Procurement Committee			
Period	1 July 2023 – 30 September 2023	26 October 2023 – 31 May 2024	13 June – 30 June 2024
Membership	<ul style="list-style-type: none"> • John McEvoy (Chairperson) • Dr David Hamill • Marita Corbett • Gail Ker • Catherine Mickel 	<ul style="list-style-type: none"> • John McEvoy (Chairperson) • Dr David Hamill • Neville Ide • Gail Ker • Catherine Mickel 	<ul style="list-style-type: none"> • John McEvoy (Chairperson) • Dr Anthony Lynham • Neville Ide • Gail Ker • Catherine Mickel
Meetings held in 2023–24: August, October, December, February, April and June			
Achievements summary			
<ul style="list-style-type: none"> • Delivered strategic guidance in the adoption of an enhanced portfolio-based approach for oversight of Seqwater’s expanding capital works program. • Monitored delivery of projects contained in the 2023–24 infrastructure improvement program, including consideration of Seqwater’s dam safety upgrades and water grid system augmentations, with a focus on efficient and effective outcomes. • Consideration of major capital investment and maintenance business cases, and critical supply contracts and recommendation for approval by the Board. • Critical review and optimisation of priority strategic projects undergoing investment and procurement planning within the Dam Improvement Program and the Water Security Investment Program. • Ongoing oversight of Management’s development of investment governance and the Capital Delivery Transformation Program. • Oversight of the planned procurement of the collaborative asset maintenance partnership. • Ongoing oversight of the implementation of the information technology strategy, with an increased focus on improving cyber-security. • Review of and compliance with the requirements of the Committee’s Charter. 			

¹⁵ General information related to the Board’s standing committees is in the Corporate Governance Statement 2023–24. Committee charters can be found on Seqwater’s website: <https://www.seqwater.com.au/governance>.

Table 7 – Board committees – membership and meetings

Audit and Risk Committee			
Period	1 July 2023 – 30 September 2023	26 October 2023 – 31 May 2024	13 June – 30 June 2024
Membership	<ul style="list-style-type: none"> • Marita Corbett (Chairperson) • Dr David Hamill • John McEvoy • Penny Tovey 	<ul style="list-style-type: none"> • Neville Ide (Chairperson) • Dr David Hamill • John McEvoy • Penny Tovey 	<ul style="list-style-type: none"> • Neville Ide (Chairperson) • Dr Anthony Lynham • John McEvoy • Penny Tovey
Meetings held in 2023–24: July, August, October, February and May			
Achievements summary			
<p>Oversight and consideration of:</p> <ul style="list-style-type: none"> • annual budget process and financial reporting • external audit function and consideration of associated reporting • Queensland Treasury Corporation’s management of Seqwater’s Debt Pool • the internal audit function and consideration of associated reporting, including recommendation to the Board of the Annual Internal Audit Work Plan • fraud and corruption control activities, including recommendation to the Board of the Annual Fraud and Corruption Control Plan • Enterprise Risk Management Framework and consideration of associated reporting • Annual Report and Corporate Governance Statement 2022–23 • Strategic Plan 2024–28 and Operational Plan 2024–25 • Sustainability, Environment, Social and Governance (ESG) updates • the Payment Times Reporting Scheme Report • Modern Slavery Statement • Queensland Government Chief Information Officer Information Standard 18 Reporting • Critical Infrastructure Risk Management Plan • regulated pricing reviews • annual insurance program renewal • review of and compliance with the requirements of the Committee’s Charter. 			

Table 7 – Board committees – membership and meetings

People and Culture Committee			
Period	1 July 2023 – 31 May 2024	1 – 13 June 2024	13 June – 30 June 2024
Membership	<ul style="list-style-type: none"> • Penny Tovey (Chairperson) • Dr David Hamill • Gail Ker • Catherine Mickel 	<ul style="list-style-type: none"> • Penny Tovey (Chairperson) • Gail Ker • Catherine Mickel 	<ul style="list-style-type: none"> • Penny Tovey (Chairperson) • Dr Anthony Lynham • Gail Ker • Catherine Mickel
Meetings held in 2023–24: August, October, February and June			
Achievements summary			
<ul style="list-style-type: none"> • Oversight of the annual Chief Executive Officer and Senior Executives Performance and Remuneration review processes. • Recommended Board noting or approval of: <ul style="list-style-type: none"> ◦ the annual performance and remuneration reviews for the Executive and Common Law Contract employees. ◦ Board-approved documents within the remit of the Committee: <ul style="list-style-type: none"> – the Committee Charter – <i>The Way We Work</i> (Our Code of Conduct) – Board Code of Conduct – Remuneration Policy – Health Safety and Wellbeing Policy Statement – People Policy Statement. • Oversight of: <ul style="list-style-type: none"> ◦ review of the Health, Safety and Wellbeing Framework and associated risk management ◦ Management’s investigation and response to emergent people and culture issues ◦ Management’s development of Seqwater’s succession planning program ◦ finalisation of the Enterprise Agreement negotiation processes. • Review of and compliance with the requirements of the Committee’s Charter. 			

Executive management¹⁶

Executive profiles

In December 2023, a Seqwater organisational restructure resulted in Executive title changes. On 30 June 2024 Seqwater's Executive Leadership Team comprised:

Will Harpham, Interim Chief Executive Officer

Will is an accomplished leader with a proven track record of success spanning more than two decades. With leadership and advisory experience across corporate and government entities, including in the areas of major projects, transport and logistics, infrastructure and water supply, he brings a wealth of knowledge and experience to the role. Joining Seqwater in 2013, Will has been instrumental in guiding Seqwater through complex challenges and periods of change and delivering value for stakeholders.

In addition to his extensive legal and management background, Will recently completed the Oxford Advanced Management and Leadership Programme at the University of Oxford.

Will has acted in this role since 23 April 2024.

Andrew Campbell – Acting Executive General Manager, Legal and Governance

Andrew is an experienced corporate governance professional with more than 20 years' experience in the bulk water and financial services sectors. His experience also includes provision of the secretariat function to Boards and Executive groups, management of business insurance and working with governance, risk and compliance frameworks.

Andrew joined Seqwater in 2013. Prior to his current role, Andrew was the Assistant Company Secretary at LinkWater.

Andrew has acted in this role since 23 April 2024.

Fiore Zulli – Executive General Manager, Operations

Fiore is an accomplished engineer with more than 30 years' experience across a wide range of roles spanning operations, production and management. After more than 20 years in the petroleum industry in a number of key management positions, Fiore joined Seqwater in 2016 as Manager, Operations (Northern Region) before becoming Executive General Manager, Operations.

Lisa Welsh – Acting Executive General Manager, Customer, Strategy and Planning

Lisa has been in the water industry for more than 15 years, working in the public and private sector in Queensland and New South Wales. Lisa is an experienced executive working in a range of roles including corporate affairs, regulation, water security, policy, commercial and customer experience. Before joining Seqwater, Lisa was the General Manager, Customer Experience at Sunwater.

Lisa has acted in this role since 15 January 2024.

¹⁶ General information related to the Executive is provided in Seqwater's Corporate Governance Statement 2023–24.

Melissa Williams – Executive General Manager, People, Culture and Safety

Melissa is a results-oriented executive with extensive experience in a broad range of disciplines including human resources, safety, customer experience and general business management. She has successfully worked across public, private and not-for-profit sectors holding senior roles in a diverse range of industries including utilities, transportation, consulting, education and health/aged care. Known for her transformational leadership, Melissa is a seasoned executive that brings a unique blend of strategic vision and hands-on expertise. Her previous role before joining Seqwater was the General Manager People and Culture at Powerlink Queensland.

Sarah Dixon – Executive General Manager, Infrastructure Planning and Capital Delivery

Sarah's career demonstrates a track record in strategy implementation, organisation and culture change and capability development. Having worked across a number of different industries, she combines experience in large scale change and transformation programs with operational and capital delivery success through leading geographically dispersed teams to achieve significant outcomes. Her previous role before joining Seqwater was as Executive General Manager South East Queensland Assets at Queensland Rail.

Mike Hutchens – Executive General Manager, Corporate Services

Mike is an experienced leader and Chartered Accountant with more than 30 years of experience working in a range of businesses including regulated Government Owned organisations in the energy industry, publicly listed multi-national mining companies and financial and professional services firms. Before joining Seqwater, Mike was the General Manager Financial Control with Energy Queensland. Prior to this, he was the Chief Financial Officer at Ergon Energy.

Luke Hellowell – Acting Executive General Manager, Digital, Technology and Information

Luke has more than 25 years' experience across technology consultancy and owners, engineering roles in resources, utilities and manufacturing markets in Australia and internationally. Since joining Seqwater more than 10 years ago, Luke has led engineering, energy and technology teams. Prior to his current role, Luke was Digital, Technology and Information Performance Manager, responsible for technology strategy, architecture, customer experience and assurance.

Luke has acted in this role since 29 April 2024.

Performance evaluation

General information related to the Executive performance evaluation process is in Seqwater's Corporate Governance Statement 2023–24.

A performance evaluation of the Executive occurred during the reporting period 2023–24 in accordance with the Government Owned Corporation Policy for Chief and Senior Executive Employment Arrangements and the entity's performance management process.

Executive committees

The Executive has two sub-committees:

- Investment Management Committee
- Health, Safety, Wellbeing and Environment Steering Committee.

Details of the roles and responsibilities, membership and structure of the executive committees is in Seqwater's Corporate Governance Statement 2023–24.

Public sector ethics

General information related to Seqwater's approach to ethical and responsible decision making is detailed in section 5 of Seqwater's Corporate Governance Statement 2023–24 and includes:

- Seqwater's code of conduct, culture and values approach to compliance with the *Public Sector Ethics Act 1994* and its principles and values
- fraud and corruption governance (i.e., conflict of interest, human rights and modern slavery risk, ethical supplier mandate and public interest disclosure controls).

Human rights

Seqwater respects, protects, and promotes human rights in decision-making and actions.

To further the objectives of the *Human Rights Act 2019*, Seqwater conducted a review of its Board approved governance documents and Board approved policy statements for compliance with Seqwater's policy framework requirements, including their compliance with human rights.

Seqwater received no human rights complaints in 2023–24.

Risk management and accountability

General information related to Seqwater's approach to risk management, internal audit and external scrutiny is detailed in the Corporate Governance Statement 2023–24.

Risk management

Supporting Seqwater's Enterprise Risk Management Framework is its Corporate Compliance Management System, which is aligned in accordance with ISO 37301:2021 and designed to facilitate Seqwater's compliance with legal and regulatory obligations.

In 2023–24 Seqwater:

- continued to identify, assess and manage risks that are material to the achievement of Seqwater's business and corporate objectives
- implemented a new governance, risk and compliance software to increase oversight across all business groups to ensure that risk management activities are embedded into business practices.

Business resilience also plays an integral role within Seqwater's overarching risk management strategy. It seamlessly integrates emergency response, business continuity and disaster recovery. This holistic approach is a fundamental component of Seqwater's enterprise-wide risk management efforts. These strategies aim to safeguard and enhance value while aligning with Seqwater's strategic planning, business objectives and overall strategic vision.

Internal audit

General information related to Seqwater's internal audit function is outlined in Seqwater's Corporate Governance Statement 2023–24.

In 2023–24 Internal Audits focussed on:

- Major Projects
- Operational Technology Systems
- Workforce Management
- Contract Management
- Fleet Management
- Chemicals Management
- Compliance Obligation – Deep Dive.

External scrutiny

External scrutiny undertaken in 2023–24 included:

Fair Work Ombudsman Enforceable Undertaking Independent Audit

In accordance with obligations under the Enforceable Undertaking an independent audit was implemented in July/August 2023. The outcomes of this independent audit were submitted to the Fair Work Ombudsman with the Fair Work Ombudsman confirming that Seqwater has complied with the first audit obligations set out in the Enforceable Undertaking.

Seqwater continues to work closely with the Fair Work Ombudsman to ensure that all Enforceable Undertaking actions are met in accordance with designated due dates or dates agreed with the Fair Work Ombudsman.

Human resources governance

General information related to Seqwater’s human resources governance is in Seqwater’s Corporate Governance Statement 2023–24.

Workforce profile

Table 8 – Workforce profile data

	FTE
Total FTE for Seqwater at 30 June 2024	825.49

Information systems, record keeping and cyber security

General information related to Seqwater’s management and compliance with its information management, record keeping and cyber security obligations is in Seqwater’s Corporate Governance Statement.

Information management and record keeping

Seqwater has approved policies, processes and procedures that govern the management of records from creation to disposal, resulting in a total of 4.1 million electronic records held in its Electronic Document and Records Management System.

Seqwater’s records are retained and disposed of in accordance with Queensland State Archives, General Retention and Disposal Schedule as authorised under section 26 of the *Public Records Act 2002*. To maintain its statutory requirements, 565 boxes containing administrative records were appraised and approved for destruction.

Seqwater is committed to the delivery of technology that will improve the digital landscape capability across the business. This is achieved through a continuous improvement program and application of lifecycle management practices which provides improved system functionality, system integration, mobility, document collaboration and governance.

Cyber security

Seqwater experienced no reportable cyber security incidents in 2023–24 (as defined in the *Security of Critical Infrastructure Act 2018*).

Seqwater assesses its information security posture and compliance of Seqwater's Information Security Management Systems against:

- Queensland Government Information Security Policy (IS18) and annually reports compliance to Seqwater's Audit and Risk Committee
- *Security of Critical Infrastructure Act 2018*.

In 2023–24, Seqwater enhanced its cyber security position by:

- establishing a dedicated cyber security function, bolstering Seqwater's capability and capacity to manage cyber risks with additional specialist resources
- undertaking an external security review of Seqwater's new email protection uplift and email system
- implementing Security Information and Event Management (SIEM) technology
- progressing the transition to a 24 hour a day 7 day a week Security Operation Centre for continuous monitoring of cyber threats
- introducing cyber security awareness training for Seqwater staff
- conducting a cyber security desktop exercise with the Emergency Management Team to test response to a cyber event
- completing the Information Security Annual Return, summarising Seqwater's cyber security position and assurance activities.

Open data

Corporate entertainment

There was no corporate entertainment in 2023–24.

Overseas travel

This information is on the Queensland Government open data website (<https://data.qld.gov.au>).

Consultancies

Information about consultancies is available online in lieu of inclusion in the annual report. This information is on the Queensland Government open data website (<https://data.qld.gov.au>).

Government directions

There were no directions issued to Seqwater by the responsible Ministers under section 61 of the *South East Queensland (Restructuring) Act 2007* in 2023–24.



Audited Financials

**Queensland Bulk Water Supply Authority
(Trading as Seqwater)**

**Annual Financial Report
For the year ended 30 June 2024**

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Statement of comprehensive income

for the year ended 30 June 2024

	Notes	2024 \$000	2023 \$000
Revenue			
Water sales	B1-1	1,143,208	1,083,316
Grants and other contributions	B1-2	14,643	15,581
Other revenue	B1-3	18,631	11,589
Total operating revenue		1,176,482	1,110,486
Revaluation increment	C3-7	-	2,260
Other gains - net		419	-
Total revenue		1,176,901	1,112,746
Expenses			
Employee benefit expenses	B2	124,837	120,964
Supplies and services	B3	217,037	201,498
Depreciation and amortisation	C3-7, C4-5, C10-1	262,700	265,077
Finance/borrowing costs	B4	403,030	417,487
Other expenses	B5	17,447	18,211
Total operating expenses		1,025,051	1,023,237
Operating result before income tax		151,850	89,509
Income tax expense	B6	47,759	31,593
Profit after tax		104,091	57,916
Other comprehensive income			
Item that will not be reclassified subsequently to operating profit or loss:			
Increase/(decrease) in asset revaluation surplus net of tax		-	94,777
Total other comprehensive income/(loss)		-	94,777
Total comprehensive income/(loss)		104,091	152,693

The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2024

	Notes	2024 \$000	2023 \$000
Current assets			
Cash and cash equivalents	C1	209,546	229,562
Trade and other receivables	C2	160,625	160,202
Inventories	C12	14,798	13,407
Other current assets		7,612	8,258
Total current assets		392,581	411,429
Non-current assets			
Property, plant and equipment	C3-7	10,495,892	10,487,432
Right-of-use assets	C10-1	4,432	3,531
Intangible assets	C4-5	135,033	139,101
Other non-current assets		1,692	266
Total non-current assets		10,637,049	10,630,330
Total assets		11,029,630	11,041,759
Current liabilities			
Trade and other payables	C5	67,084	56,780
Employee benefits	C6	26,768	25,057
Interest bearing liabilities	C7	336,032	322,371
Lease liabilities	C10-1	859	547
Other current liabilities	C9	11,790	11,734
Total current liabilities		442,533	416,489
Non-current liabilities			
Employee benefits	C6	2,800	2,980
Interest bearing liabilities	C7	8,275,399	8,579,530
Lease liabilities	C10-1	4,375	3,704
Deferred tax liabilities	C8-1	189,003	142,275
Other non-current liabilities	C9	236,617	247,999
Total non-current liabilities		8,708,194	8,976,488
Total liabilities		9,150,727	9,392,977
Net assets		1,878,903	1,648,782
Equity			
Contributed equity		(570,888)	(695,888)
Asset revaluation surplus	C11	2,551,811	2,554,216
Accumulated deficit		(102,020)	(209,546)
Total equity		1,878,903	1,648,782

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2024

	Accumulated deficit \$000	Asset revaluation surplus \$000	Contributed equity \$000	Total \$000
Balances as at 1 July 2022	(268,519)	2,460,179	(715,888)	1,475,772
Operating profit from continuing operations	57,916	-	-	57,916
Total other comprehensive income:				
Increase/(decrease) in asset revaluation surplus	-	135,395	-	135,395
Transfer revaluation surplus as a result of disposal of non-current asset	1,057	(41,358)	-	(40,301)
Transaction with owners as contributed equity	-	-	20,000	20,000
Balances as at 30 June 2023	(209,546)	2,554,216	(695,888)	1,648,782
Balances as at 1 July 2023	(209,546)	2,554,216	(695,888)	1,648,782
Operating profit from continuing operations	104,091	-	-	104,091
Total other comprehensive income:				
Increase/(decrease) in asset revaluation surplus	-	-	-	-
Transfer revaluation surplus as a result of disposal of non-current asset	3,435	(2,405)	-	1,030
Transaction with owners as contributed equity	-	-	125,000	125,000
Balances as at 30 June 2024	(102,020)	2,551,811	(570,888)	1,878,903

The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2024

	Notes	2024 \$000	2023 \$000
Cash flows from operating activities			
<i>Inflows:</i>			
Receipts from water services		1,143,734	1,071,104
Grants received		3,404	4,274
Interest received		12,412	7,181
Other revenue		6,161	2,726
GST collected		47,394	38,842
<i>Outflows:</i>			
Payments to suppliers and employees		(359,208)	(340,083)
Finance and borrowing costs		(403,927)	(419,457)
GST paid		(48,402)	(38,113)
Other		(2,834)	(2,466)
Net cash provided by operating activities	CF-1	398,734	324,008
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds from sale of plant and equipment		2,044	3,224
<i>Outflows:</i>			
Payments for property, plant and equipment		(255,303)	(158,876)
Payments for intangibles		(282)	(1,113)
Net cash used in investing activities		(253,541)	(156,765)
Cash flows from financing activities			
<i>Inflows</i>			
Contributed equity		125,000	20,000
<i>Outflows:</i>			
Borrowing redemption		(289,279)	(275,321)
Lease payments		(930)	(746)
Net cash provided by financing activities		(165,209)	(256,067)
Net increase/(decrease) in cash and cash equivalents		(20,016)	(88,824)
Cash and cash equivalents at the beginning of the financial year		229,562	318,386
Cash and cash equivalents at the end of the financial year	C1	209,546	229,562

The accompanying notes form part of these financial statements.

Notes to the statement of cash flows

CF – 1 Reconciliation of profit for the period to net cash provided by operating activities

	2024 \$000	2023 \$000
Operating profit	104,091	57,916
Non-cash items included in operating result:		
Depreciation and amortisation expense	261,956	264,485
Losses/(gains) on sale of property, plant and equipment	(419)	2,661
Lease	1,011	849
Income tax expense	47,759	31,593
Revaluation increment	-	(2,260)
Doubtful debts expenses	(109)	12
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	694	(12,680)
(Increase)/decrease in inventories	(1,391)	(2,316)
(Increase)/decrease in GST receivable	(1,062)	704
(Increase)/decrease in other current assets	(778)	(1,442)
Increase/(decrease) in trade and other payables	(2,165)	6,509
Increase/(decrease) in employee benefits	1,531	(8,416)
Increase/(decrease) in other liabilities	(11,247)	(11,382)
Increase/(decrease) in loan interest payable	(1,191)	(2,250)
Increase/(decrease) in GST payable	54	25
Net cash provided by operating activities	398,734	324,008

CF – 2 Changes in liabilities arising from financing activities

	Non-cash changes			Cash flows			
	Opening balance \$000	Transfers to / (from) QTC \$000	New lease acquired \$000	Other \$00	Cash received \$000	Cash repayments \$000	Closing balance \$000
2024							
Leases	4,251	-	1,647	235	-	(899)	5,234
Borrowings	8,868,809	-	-	-	-	(289,279)	8,579,530
Total	8,873,060	-	1,647	235	-	(290,178)	8,584,764
2023							
Leases	4,741	-	-	256	-	(746)	4,251
Borrowings	9,144,130	-	-	-	-	(275,321)	8,868,809
Total	9,148,871	-	-	256	-	(276,067)	8,873,060

Section 1 - About the entity and this financial report

A1 Basis of financial statement preparation

A1-1 Reporting entity

The Queensland Bulk Water Supply Authority trading as Seqwater (the Entity) is a statutory body under the *Financial Accountability Act 2009*, the *Statutory Bodies Financial Arrangements Act 1982* and has been established under the *South East Queensland Water (Restructuring) Act 2007*. The Entity expires at the end of 99 years from when it was established on 16 November 2007. The Queensland Government is the successor in law at the expiry date. The Entity is controlled by the Queensland Government which is its ultimate parent.

The head office and principal place of business of the Entity is Level 8, 117 Brisbane Street, Ipswich QLD 4305.

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Entity.

A1-2 Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB)
- the *Financial and Performance Management Standard 2019*
- Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2023
- other authoritative pronouncements.

A1-3 Going concern

The financial statements have been prepared on a going concern basis as the Board considers that there is a reasonable expectation that the Entity will be able to pay its debts as and when they fall due. Further, the Entity will remain a going concern for at least twelve months from the date of signing these financial statements for the following reasons:

- The Board relies on the Queensland Government's commitment to ensuring the solvency and ongoing viability of the Entity. This commitment was affirmed in a letter from the Hon. Glenn Butcher MP, Minister for Regional Development and Manufacturing and Minister for Water, and the Hon. Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment issued to the Entity on 26 June 2024;
- The Government's support for the Entity will include facilitating the provision of funding facilities through Queensland Treasury Corporation (QTC) to ensure the availability of funds to meet:
 - the working capital and capital works requirements of the Entity;
 - the financial commitments of the Entity under bulk water supply agreements with its customers; and
 - the financial commitments and obligations incurred by the Entity as a result of the pricing structure, including any variations to funding requirements arising from the bulk water price path.
- The Government's commitment is provided on the basis that any funding made available to the Entity is consistent with arrangements agreed under the Entity's Operational and Strategic Plans, or as otherwise approved by the responsible Ministers under the *South East Queensland Water (Restructuring) Act 2007* or other applicable legislation (notably, the *Statutory Bodies Financial Arrangements Act 1982* (SBFA Act));
- The Entity's borrowings from QTC obtain the benefit of a State guarantee under section 21 of the SBFA Act; and
- As at 30 June 2024, the Entity has an approved working capital facility from QTC amounting to \$200 million (refer to Note C7-2) of which nil has been drawn at 30 June 2024 and has a cash balance of \$210 million at 30 June 2024 (refer to Note C1).

A1-4 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates 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 any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are found in the following notes:

Fair value	C3-3	Valuation of property, plant and equipment including key estimates and judgements
Depreciation and amortisation expenses	C3-4 and C4-2	Including estimated useful life and assessment on asset conditions
Employee benefits	C6	Including estimates related to long service leave and remuneration review
Income tax and utilisation of tax losses	C8	Recoverability of deferred tax assets and recognition of deferred tax liabilities
Contingencies	D2	Litigation in progress

A1-5 Basis of measurement

Historical cost is used as the measurement basis in the financial report except for the following:

- Land, building and infrastructure assets which are measured at fair value (Note C3-3); and
- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value (Note C6).

A number of the Entity's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

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. exit price) regardless of whether the 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 the Entity include, but are not limited to, published sales data for land, general office buildings and residential houses.

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 the Entity include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Entity's 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.

All assets and liabilities of the Entity 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 appraisals:

- 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; and
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

Except for cash and cash equivalents, none of the Entity'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.

A1-6 Presentation

Currency and rounding

The financial statements are presented in Australian dollars. Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2022-23 financial statements except where restated for identified prior period adjustments.

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 the Entity does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

A1-7 Authorisation of financial statements for issue

The financial statements were authorised for issue by the Board 15 August 2024.

A2 Objectives of the Entity

The Entity is primarily involved in the supply of water services and carrying out water activities.

As set out in the *South East Queensland Water (Restructuring) Act 2007*, the Entity must carry out its functions as a commercial enterprise. The Entity meets the definition of a for profit entity for the purposes of the accounting standards.

Section 2 – Notes about our financial performance

B1 Revenue

Recognition occurs when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Entity and specified criteria have been met for each of the Entity's activities as described below. The Entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

B1-1 Water sales

Revenue from contracts with customers is recognised when the Entity transfers control over a good or service to the customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for the Entity's water sales revenue from contracts with customers.

Type of good or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Bulk water sales to distributor-retailers (DRs)	<ul style="list-style-type: none"> The Bulk Water Supply Agreements (BWSA) between the Entity and the DRs set out the terms and conditions for the monthly water billing. The unit price per megalitre is in accordance with the Ministerial set price. Based on the Entity's past experience, all the DR invoices are paid within the payment terms, no impairment indicator exists for the monthly billing to the DRs. 	The Entity recognises bulk water revenue monthly based on the actual megalitres supplied to the grid customer during the calendar month.
Bulk water sales to Stanwell Corporation, CleanCo Queensland and Toowoomba Regional Council	<ul style="list-style-type: none"> The bulk water supply agreements between the parties set out the terms and conditions for the monthly water billing. There are fixed and variable charges in the agreement. The charge rates are listed in the agreement and subject to annual review. Meter reading points and water supply calculation methodologies are clearly documented in the agreement. Based on the Entity's past experience, all the Stanwell Corporation, CleanCo Queensland and Toowoomba Regional Council invoices are paid within the agreed payment terms, no impairment indicator exists for the monthly billing to them. 	The Entity recognises bulk water revenue, including both fixed and variable charges monthly, based on the agreement price and water supply allocation methodology.
Water sales to irrigation	<ul style="list-style-type: none"> Section 146 of the <i>Water Act 2000</i> requires a standard supply contract to be in place when water entitlements are converted to water allocations. Irrigation customers have various supply contracts with the Entity. Charges for rural irrigation water are largely calculated based on two-part tariff charges. Part A relates to fixed costs based on water allocation volume and is applied quarterly in advance and Part B represents the charge for water use based on meter readings for the previous quarter. The charges for Part A and Part B are in accordance with the Ministerial set prices. 	The Entity recognises irrigation water sales revenue monthly, the fixed component is as per set charges and the variable component is based on the actual meter reading.

Revenue recognised over time

	2024 \$000	2023 \$000
Bulk water sales – water grid	1,139,499	1,079,830
Water sales – irrigation	3,709	3,486
Total	1,143,208	1,083,316

B1-2 Government grants and other contributions

Government grants related to assets, including non-monetary grants at fair value, are presented in the Statement of Financial Position either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

In 2010, the Entity received \$408 million in capital grants from the Commonwealth department for the construction of Western Corridor Recycled Water assets. The \$408 million was recognised initially as unearned income and is recognised in the Statement of Comprehensive Income (\$11 million) on a systematic basis over the useful life of the asset (refer to Note C9).

Government grants, including non-monetary grants at fair value, are not recognised until there is reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

The Entity receives Community Service Obligation (CSO) payments from the Queensland Government in two parts. The rural water payment is for the provision of rural irrigation water to rural irrigators. The water planning development payment is for the activities to ensure compliance with regulatory and policy areas of resource management.

	2024 \$000	2023 \$000
CSO	1,789	1,708
Government grant	12,854	13,873
Total	14,643	15,581

B1-3 Other revenue

	2024 \$000	2023 \$000
Interest	12,536	7,713
Insurance claims	395	4
Other	5,700	3,872
Total	18,631	11,589

B2 Employee benefit expenses

	2024 \$000	2023 \$000
Employee benefits		
Wages and salaries	90,737	91,747
Annual leave expenses	9,153	7,807
Long service leave expenses	2,718	1,210
Employer superannuation contributions	12,259	11,466
Employee related expenses		
Workers' compensation premium	83	126
Payroll tax	5,870	5,894
Other employee related expenses	4,017	2,714
Total	124,837	120,964

Employee benefits

Employee benefits are expensed as the related service is provided.

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

Employee related expenses

Payroll tax and workers' compensation insurance are a consequence of employing employees and are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Superannuation schemes

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

Defined contribution plans – Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan – The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Entity at the specified rate following completion of the employee's service each pay period. The Entity's obligations are limited to those contributions paid.

The Entity contributes to LGIASuper for employees under both defined benefit scheme and accumulation superannuation scheme. The Entity has no liability to or interest in LGIASuper other than the payment of the statutory contribution. Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the Entity at reporting date. Accordingly, there is no recognition in the financial statements of any over-or-under funding of LGIASuper.

The Entity also contributes to various superannuation funds as nominated by employees under superannuation choice of fund. The Entity has no liability to or interest in these funds other than the payment of the statutory contribution.

Superannuation contributions are expensed in the period in which they are paid or payable.

Full time equivalent employees

The number of employees including both full time and part time employees measured on a full-time equivalent basis as at 30 June are:

	2024	2023
Number of employees		
Permanent employees	748	659
Fixed term employees	77	126
Total	825	785

Key management personnel and remuneration disclosures are detailed in Note E1.

B3 Supplies and services

	2024 \$000	2023 \$000
Labour hire	2,810	904
Consultancies and contractors [^]	28,799	25,967
Operational contracts	34,536	31,350
Energy	25,120	22,998
Information technology and communications	15,098	13,418
Repairs and maintenance – dams and weirs	6,171	7,914
Repairs and maintenance – water treatment plants	12,789	10,564
Repairs and maintenance – pipelines and other	19,174	18,515
Chemicals and treatments	43,014	42,178
Legal	2,155	4,241
Suppliers and consumables	21,378	17,879
Bulk water service purchase payment	3,653	3,629
Other expenses	2,340	1,941
Total	217,037	201,498

[^]includes specialists for engineering, project management, environmental and asset management, accounting and economic advice.

B4 Finance/borrowing costs

	2024 \$000	2023 \$000
Interest paid or payable to QTC	402,736	417,207
Interest on lease liabilities	266	257
Other financial costs	28	23
Total	403,030	417,487

Finance/borrowing costs comprise:

- interest expense on bank overdrafts, short-term and long-term borrowings;
- unwinding of the discount on provisions; and
- ancillary administration charges.

Finance/borrowing costs are expensed in the Statement of Comprehensive Income using the effective interest method.

Finance/borrowing costs that are not settled in the period in which they arise are added to the carrying amount of the borrowing.

Finance/borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

No borrowing costs are capitalised into qualifying assets.

B5 Other expenses

	2024 \$000	2023 \$000
Insurance	13,030	11,673
External audit fees [^]	406	353
Rates and taxes	2,939	2,716
Losses on disposal - net	-	2,661
Other	1,072	808
Total	17,447	18,211

[^] Total audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial statements are \$370k (2023: \$345k)

B6 Income tax equivalents

The difference between income tax expense provide in the Statement of Comprehensive Income and the prima facie income tax expense is reconciled as follows:

	2024 \$000	2023 \$000
Profit before income tax*	151,850	89,509
Prima facie income tax thereon at 30% (2023: 30%)	45,555	26,853
Add:		
Recognition of under/over tax provision	(96)	1,914
Tax impact of revaluations on disposals	1,030	317
Recognition of capital losses	-	1,241
Depreciation difference on transferred council assets	1,261	1,261
Non-deductible expenses	9	7
Total	47,759	31,593

The Entity is a State body as defined under the *Income Tax Assessment Act 1936* and exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Service Tax (GST). The Entity has been a participant in the Australian Taxation Office (ATO) National Tax Equivalent Regime (NTER) from the date of establishment.

As a result, an “equivalent” or “notional income tax” liability is payable to Queensland Treasury for payment into the consolidated fund. Income tax expense comprises current and deferred tax. Income tax expense/(benefit) is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

GST credit receivable from, and GST payable to the ATO, are recognised. (Note C2).

Section 3 – Notes about our financial position

C1 Cash and cash equivalents

	2024 \$000	2023 \$000
Cash at bank	36,557	42,049
Short-term deposits	172,989	187,513
Total	209,546	229,562

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. There are no bank overdrafts at reporting date.

C2 Trade and other receivables

	2024 \$000	2023 \$000
Trade debtors – retail	153,235	151,855
Trade debtors – other	2,636	4,710
Less: loss allowance	(244)	(353)
Total	155,627	156,212
GST receivable	5,222	4,160
GST payable	(224)	(170)
Total	4,998	3,990
Total	160,625	160,202
Receivables arising from contracts with customers		
Balance at 1 July	151,855	140,874
Increase / (decrease)	1,380	10,981
Balance at 30 June	153,235	151,855

Trade and other receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of those amounts are required within 30 days from invoice date. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Loss allowance

An allowance for impairment of receivables reflects lifetime expected credit losses. No allowance for impairment of receivables is recorded for receivables owing from local water distributor-retailers, local councils and power stations in relation to water sales, due to its near zero risk. Where there is no reasonable expectation of recovering amounts owed by debtors, the debt is immediately written off.

The collectability of receivables is assessed periodically with provision being made for impairment. The calculations reflect future cash flows with consideration to historical observed default rates calculated based on expected credit losses experienced on sales transactions in the past three years preceding 30 June 2024. Movements in expected credit losses are written-off as at 30 June.

No financial assets had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amount as indicated.

Individually impaired receivable position (aged)

	2024			2023		
	Gross receivables \$000	Loss rate	Expected credit losses \$000	Gross receivables \$000	Loss rate	Expected credit losses \$000
Receivables						
1 to 30 days overdue	303	30%	92	414	33%	138
31 to 60 days overdue	83	30%	25	91	34%	31
61 to 90 days overdue	49	30%	15	219	34%	75
>90 days overdue	371	30%	112	322	34%	109
Total overdue	806		244	1,046		353

Movement in allowance for impairment for impaired receivables

	2024 \$000	2023 \$000
Balance at 1 July	(353)	(341)
Decrease/ (increase) in allowance recognised in operating result	109	(12)
Amount written-off during the year in respect of bad debts	-	-
Total	(244)	(353)

C3 Property, plant and equipment and related depreciation expense

C3-1 Recognition and acquisition

Cost of acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to acquisition, plus all other costs incurred in getting the assets ready for use.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

Costs incurred subsequent to the initial asset purchase are capitalised when the expenditure improves the condition of the asset beyond its originally assessed standard of performance or capacity. Outlays that do not meet the criteria for recognition as an asset are expensed in the financial year.

Basis of capitalisation and recognition thresholds

Items of property, plant and equipment with a historical 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
Building	\$10,000
Infrastructure assets	\$10,000
Plant and equipment	\$5,000 [^]

[^] Computer network includes all IT equipment individually below \$5,000 but are connected to the Entity's IT network, i.e. laptops, tablet etc.

Items with a lesser value are expensed in the year of acquisition.

Land improvements are included in either the building, or the infrastructure asset class based on their proximity to the asset to which they relate.

Componentisation of complex assets

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset. Components whose value exceeds 10% of the complex asset's total cost are separately recorded only where a material difference in depreciation expense would occur.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) are capitalised when it is probable that future economic benefits from the significant component will flow to the Entity in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives of components, is disclosed in Note C3-4.

C3-2 Measurement using historical cost

Plant and equipment is measured at historical cost in accordance with the *Non-Current Assets Policies for the Queensland Public Sector*. The carrying amount for plant and equipment is not materially different from their fair value.

C3-3 Measurement using fair value

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 Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation.

Valuation of property, plant and equipment including key estimates and judgements

The fair value of land, buildings and infrastructure is measured as follows:

- where there is an active and liquid market for assets similar in type and condition, the fair value of an asset is its price in that market; and
- where there is no market price for the assets, fair value is either the depreciated replacement cost or the net present value of the cash flows from the asset.

The Board has adopted the following policies in respect of the measurement of fair value:

Class	Method of measurement of fair value	Frequency of measurement*
Land	Professional valuation – market value	5 years
Buildings	Professional valuation – market value/ current replacement cost	5 years
Infrastructure assets	Board adopted valuation – income approach	5 years

* Valuations are more frequent where the Board considers that there are indicators that period-end carrying values materially differ to their fair values.

The Entity has an established control framework with respect to the measurement of fair values. This includes a valuation team that oversees all significant fair value measurements, including Level 3 fair values, and reports directly to the Executive General Manager Corporate Services. Discussions of valuation processes and results are held between the Executive General Manager Corporate Services and the Audit and Risk Committee at least once a year in line with the Entity's annual reporting dates.

Land and buildings

The Board approved the no remeasurement of land and buildings for 30 June 2024.

The Entity engaged Colliers, as an external independent valuer, to provide desktop indices valuation services for the Entity's land and building assets during the reporting period. The Entity ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date.

Land with a total value of \$35,284,715 (2023: \$35,284,715) representing reserve land is not included in the carrying value of land. As the land is retained by the Queensland Government, however, the economic benefit of the land accrues to the Entity and the land is administered by the Entity on behalf of the Department of Resources (held in their Statement of Financial Position).

Comprehensive revaluation by a professional valuer is undertaken every 5 years. The last comprehensive valuation was performed in 2020.

Infrastructure assets

An income-based approach to fair value (adopting market participant principles as required by accounting standard AASB13 *Fair Value Measurement*) was undertaken as at 30 June 2024. The income approach converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

The following key estimates and judgements have been applied in adopting the income-based approach for valuation:

- a demand forecast for physical sale projections and ongoing levels of service requirements that is considered 'most likely' given current trends;
- estimated future cash flows, based on management's estimate, have been projected over 5 years and discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset;
- the Weighted Average Cost of Capital (WACC) discount rate of 6.6% (2023: 6.6%) has been used to discount cash flows and has been developed from a market participant perspective;
- future capital expenditure and related revenues relating to restructuring or improving asset performance have been included in the cash flows;
- revenue and pricing, fixed and variable operational expenditure derived from the Board approved 2024-25 Budget and 5 year forecast;
- the projected regulatory asset base value (at range of 1-1.3) has been used to compute the terminal value of the valuation; and
- drought likelihood probability has been factored into valuation inputs by the inclusion of a drought overlay scenario weighting, the drought and fair-weather blended profile is used when it is applicable.

The occurrence of drought materially changes key estimates and inputs. As at reporting date, the combined dam level is above 82%, and the drought trigger probability of combined dam level below 50% is 0%. As a result the impact from drought on a blended model is not applicable on the asset valuation. The 2024 asset valuation has been prepared under the fair-weather assumption.

Valuation profile	Profile assumptions	2024	2023
Fair-weather	Base assumptions for demand, operational and capital expenditure and pricing.	100%	100%
Drought	Drought overlay assumptions factor in water restrictions, increased operational and capital expenditure, and pricing impacts.	0%	0%

Level 3 significant valuation inputs and relationship to fair value

The following summarises the quantitative information on significant unobservable inputs (level 3) used in measuring fair value.

Unobservable inputs	Nature and range of inputs	Relationship of unobservable input to fair value
Revenue forecast	Bulk Water Pricing reflects the Minister-approved bulk water price Financial year 2022-26 as confirmed in his letter dated 10 June 2022. The indicative price path beyond Financial year 2026 is based on a 3.5% annual increase adopted in the Board approved 2024-25 Budget and 5 year forecast.	A higher allowed rate of return increases the fair value. A higher demand forecast increases the fair value.
Operating expenditure	Operating expenditures are based on the corporate plans of management reflecting the expenditure required to operate and maintain the assets.	A lower operating expenditure increases the fair value.
Capital expenditure	Future capital expenditure required to ensure the security and reliability are based on the current Board approved Asset Portfolio Master Plan.	A lower future capital expenditure increases the fair value.
Terminal value	Terminal value is based on the QCA accepted regulated asset base and a range of 1-1.3 terminal value multiple (2023: 1.00).	A higher terminal value and multiple increases the fair value.
WACC discount rate	A post tax nominal WACC of 6.6% with a range of 6.1% - 7.1% (2023: 6.6% with a range of 5.8% - 6.8%) has been applied in the valuation. The WACC discount rate used is based on professional valuation advice and management's assessment, it is considered the best estimate of a long-term view of the market cost of capital. It includes a non-asset specific risk premium to reflect the current market environment.	The higher the nominal WACC, the lower the fair value.

A fair value assessment for the Entity was undertaken as at 30 June 2024 using the income approach methodology which determined the fair value to be \$10.6B (2023: \$10.6B).

Inherent uncertainty

The current methodology, and management estimates used as part of the income approach fair value calculation, contain inherent uncertainty derived from:

- pricing regulation post 2026;
- impacts of unforeseen droughts and floods to management estimates;
- impacts of unforeseen future population and consumption projections;
- the level of service obligations of a market participant in relation to expected capital augmentation outlays; and
- the restricted freedom of utilisation of the infrastructure asset base.

The Entity considered:

- the likely expectations from Queensland Government in a hypothetical sale of the assets, particularly avoidance of price shock/volatility for consumers and providing certainty to a purchaser regarding the ability to earn an adequate return on investment;
- domestic and international precedents in regard to the sale of public assets; and
- the application of a regulated pricing framework.

Management have used the most reasonable assumptions and estimates available at this time, as the basis for the fair value modelling.

The income-based valuation calculates the value of the Entity as a whole. From this value other non-current assets (land, buildings, plant and equipment, and intangible assets) are deducted, and the remaining value is apportioned to individual infrastructure assets on the basis of their depreciated replacement cost or cost.

Accounting for changes in fair value

Any revaluation increment arising on the revaluation of an asset is credited to the revaluation surplus of the individual asset, except to the extent it reverses a revaluation decrement for the individual 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 that individual asset.

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 the revaluation. This is generally referred to as the 'net method'.

C3-4 Depreciation

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

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

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.

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

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

Depreciation rates

The estimated useful lives applied for the current and comparative periods are as follows:

Class of fixed asset	Useful life
Buildings	5 – 40 years
Infrastructure	
Dams and Weirs	10 – 150 years
Water treatment plants	5 – 100 years
Pipelines and others	5 – 150 years
Plant and equipment	
Motor vehicle and boats	3 – 15 years
Other equipment	3 – 15 years

C3-5 Capital expenditure commitments

Capital expenditure commitments inclusive of non-recoverable GST input tax credits if any, contracted for at reporting date but not recognised in the accounts are as follows:

	2024 \$000	2023 \$000
Property, plant and equipment		
Within one year	145,329	98,179
One year and no later than five years	307,373	17,619
More than five years	21,740	490
Total	474,442	116,288

C3-6 Impairment

Indicators of impairment and determining recoverable amount

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the Entity determines the asset's recoverable amount under AASB 136 *Impairment of Assets*.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Accounting for impairment

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the asset to the extent available. Where no asset revaluation surplus is available in respect of the asset, the loss is expensed in the Statement of Comprehensive Income as a revaluation decrement to the extent the original decrease was expensed through the Statement of Comprehensive Income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the asset through asset revaluation surplus.

For assets measured at cost, the impairment loss is recognised immediately in the Statement of Comprehensive Income. Where an impairment loss subsequently reverses, impairment losses are reversed through income.

C3-7 Property, plant and equipment – balances and reconciliation of carrying amount

2024	Land \$000	Buildings \$000	Infrastructure			Plant and equipment \$000	Work in progress \$000	Total \$000
			Dams and weirs \$000	Water treatment plants \$000	Pipelines and other \$000			
Basis of measurement	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	Cost	
Fair value category	Level 2	Level 2	Level 3	Level 3	Level 3	N/A	N/A	
Amount	900,063	15,933	3,194,523	2,573,473	3,234,695	63,864	547,616	10,530,167
Less: accumulated depreciation	-	-	-	-	-	(34,275)	-	(34,275)
Carrying amount at 30 June 2024	900,063	15,933	3,194,523	2,573,473	3,234,695	29,589	547,616	10,495,892
<i>Represented by movements in carrying amount:</i>								
Balance at 1 July 2023	901,489	12,984	3,234,933	2,661,967	3,301,091	26,782	348,186	10,487,432
Acquisitions	-	-	-	-	-	-	267,972	267,972
Transfer between classes	90	3,483	10,751	34,765	8,311	11,425	(68,542)	283
Valuation increments/(decrements) to P&L	-	-	-	-	-	-	-	-
Valuation increments/(decrements) to equity	-	-	-	-	-	-	-	-
Disposal	(1,516)	-	-	-	-	(110)	-	(1,626)
Depreciation for the year	-	(534)	(51,161)	(123,259)	(74,707)	(8,508)	-	(258,169)
Carrying amount at 30 June 2024	900,063	15,933	3,194,523	2,573,473	3,234,695	29,589	547,616	10,495,892
Carrying amount under cost model at 30 June 2024	504,567	14,138	1,689,411	1,792,232	3,067,708	29,589	547,616	7,645,261

C3-7 Property, plant and equipment – balances and reconciliation of carrying amount

2023	Land \$000	Buildings \$000	Infrastructure			Plant and equipment \$000	Work in progress \$000	Total \$000
			Dams and weirs \$000	Water treatment plants \$000	Pipelines and other \$000			
Basis of measurement	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	Cost	
Fair value category	Level 2	Level 2	Level 3	Level 3	Level 3	N/A	N/A	
Amount	901,489	12,984	3,234,933	2,661,967	3,301,091	64,674	348,186	10,525,324
Less: accumulated depreciation	-	-	-	-	-	(37,892)	-	(37,892)
Carrying amount at 30 June 2023	901,489	12,984	3,234,933	2,661,967	3,301,091	26,782	348,186	10,487,432
<i>Represented by movements in carrying amount:</i>								
Balance at 1 July 2022	765,626	11,471	3,267,673	2,739,077	3,364,473	27,602	264,347	10,440,269
Acquisitions	-	-	-	-	-	-	173,934	173,934
Transfer between classes	1,648	4,633	14,155	49,570	11,546	8,543	(90,095)	-
Valuation increments/(decrements) to P&L	3,077	(817)	-	-	-	-	-	2,260
Valuation increments/(decrements)to equity	134,802	592	-	-	-	-	-	135,394
Disposal	(3,664)	(2,285)	-	-	-	(199)	-	(6,148)
Depreciation for the year	-	(610)	(46,895)	(126,680)	(74,928)	(9,164)	-	(258,277)
Carrying amount at 30 June 2023	901,489	12,984	3,234,933	2,661,967	3,301,091	26,782	348,186	10,487,432
Carrying amount under cost model at 30 June 2023	505,057	11,100	1,702,691	1,835,691	3,128,557	26,782	348,186	7,558,064

C4 Intangible assets

C4-1 Recognition of intangible assets

Intangible assets that are acquired by the Entity are initially measured at cost.

Items of intangible assets 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 easement	\$1
Software purchased	\$100,000
Other intangible	\$100,000

Items with a lesser value are expensed in the year of acquisition.

Where there is an active and liquid market, intangible assets are carried at a revalued amount; otherwise they are carried at cost after initial recognition. If revalued, the same rules apply as to those for property, plant and equipment.

It has been determined that there is not an active market for any of the Entity's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses, where applicable.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the profit or loss.

Intangible assets are subject to amortisation and impairment testing.

C4-2 Amortisation

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

The estimated useful lives applied for the current and comparative periods are as follows:

Class of intangible asset	Useful life
Land easement	70 – 150 years
Software purchased	5 years
Other intangible	40 years

C4-3 Capital commitments

All intangible capital expenditure commitments are within one year, the commitments as at 30 June are \$806K (2023: \$1.1M).

C4-4 Impairment

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Entity 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.

Intangible assets are principally assessed for Impairment by reference to the actual and expected continuing use of the asset by the Entity, including discontinuing the use of software and land easements. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

C4-5 Intangible assets – balances and reconciliation of carrying amount

2024	Land easements [^] \$000	Software purchased \$000	Other intangibles \$000	Software work in progress \$000	Total \$000
Gross	153,035	13,088	557	579	167,259
Less: accumulated amortisation	(22,299)	(9,370)	(557)	-	(32,226)
Carrying amount at 30 June 2024	130,736	3,718	-	579	135,033
<i>Represented by movements in carrying amount:</i>					
Balance at 1 July 2023	132,699	2,870	-	3,532	139,101
Acquisitions	-	-	-	1	1
Transfer between classes	-	2,671	-	(2,954)	(283)
Disposal	-	-	-	-	-
Amortisation for the year	(1,963)	(1,823)	-	-	(3,786)
Carrying amount at 30 June 2024	130,736	3,718	-	579	135,033

[^]The remaining amortisation period for land easements is 67 Years.

2023	Land easements \$000	Software purchased \$000	Other intangibles \$000	Software work in progress \$000	Total \$000
Gross	153,035	12,449	557	3,532	169,573
Less: accumulated amortisation	(20,336)	(9,579)	(557)	-	(30,472)
Carrying amount at 30 June 2023	132,699	2,870	-	3,532	139,101
<i>Represented by movements in carrying amount:</i>					
Balance at 1 July 2022	134,663	3,744	2,671	3,878	144,956
Acquisitions	-	-	-	353	353
Transfer between classes	-	699	-	(699)	-
Disposal	-	-	-	-	-
Amortisation for the year	(1,964)	(1,573)	(2,671)	-	(6,208)
Carrying amount at 30 June 2023	132,699	2,870	-	3,532	139,101

C5 Trade and other payables

	2024 \$000	2023 \$000
Current		
Trade and other payables	67,084	56,780
Total	67,084	56,780

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

C6 Employee benefits

	2024 \$000	2023 \$000
Current		
Salaries and wages accrued	2,565	2,937
Liability for long service leave	13,517	12,128
Liability for annual leave	10,686	9,992
Total	26,768	25,057
Non-current		
Liability for long service leave	2,800	2,980
Total	2,800	2,980

Long service leave movement

	2024 \$000	2023 \$000
Balance at 1 July	15,108	15,737
Additional provision made	3,000	2,129
Provision utilised through payments	(1,619)	(1,971)
Changes in discount rate / passage of time	(172)	(787)
Balance at 30 June	16,317	15,108

Wages, salaries, annual leave and sick leave

Liabilities for short-term employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided up to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Entity expects to pay as at the reporting date, including applicable related on-costs.

For those entitlements not expected to be paid within 12 months, the liabilities are recognised at their present value, calculated using yields on fixed rate high quality corporate bonds of similar maturity.

Non-vesting sick leave is recognised as an expense as it is taken.

Other employee entitlements

Other employee entitlements are payments due to a group of current and former employees that are on individual employment contracts that have been identified to be also covered by the Seqwater Enterprise Agreement and have not received their full entitlement at the reporting date.

Long service leave

The long service leave provision represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to balance date. The provision is calculated using the "shorthand measurement techniques" whereby 95% (2023:96%) valuation factor is applied to the aggregate accrued long service leave liability. The valuation factor is reviewed periodically by Mercer Consulting (Australia) Pty Ltd, an independent actuarial firm, to ensure that it remains appropriate. The last valuation date was 30 June 2024.

C7 Interest bearing liabilities

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, and then subsequently held at amortised cost using the effective interest method.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are split between current and non-current liabilities using the principles set out in the foreword and preparation information section of this financial report.

On 30 June 2024, QTC issued a letter confirming that the debt owing by the Entity under its long-term debt facility is not repayable within one year from 30 June 2024.

No assets have been pledged as security for any liabilities.

All borrowings are in Australian dollar denominated amounts with interest being expensed as it accrues, except for assets under construction (refer to Note B4). There have been no defaults or breaches of the loan agreement during the financial years. There is no early debt repayment planned.

Loan interest is payable monthly in arrears on the first day of the new month.

Carrying amount of outstanding loans were as follows:

	2024 \$000	2023 \$000
QTC – Water grid debt	1,349,270	1,639,687
QTC – Core debt	6,620,326	6,620,379
QTC – Long debt	641,835	641,835
Total	8,611,431	8,901,901
Loans interest payable – current	31,901	33,092
Loans principal - current	304,131	289,279
Loans principal – non-current	8,275,399	8,579,530
Total	8,611,431	8,901,901

The Weighted Average Borrowing Rate for QTC borrowings as at 30 June 2024 is 4.69% (2023: 4.63%). Interest payments are made monthly in arrears at rates ranging from 4.21% to 5.04% (2023: 4.21% to 5.02%). Refer to Note D1-2 for sensitivity analysis.

C7-1 Funding facilities

The State Borrowing Program funding application is submitted annually by the Entity and is approved by the Queensland Government. The funding facility is maintained by QTC. The Entity did not apply for the State Borrowing Program funding for 2023-24.

C7-2 Credit standby arrangement

	2024 \$000	2023 \$000
Drawn	-	-
Unused	200,000	200,000
Total	200,000	200,000

The credit standby facility remains fully undrawn at 30 June 2024 and is available for use in the next reporting period. The current overdraft interest rate is 4.47% (2023: 3.85%)

C7-3 Fair value disclosures for financial assets and liabilities measured at amortised cost

The Entity does not recognise any financial assets or financial liabilities at fair value, except for cash and cash equivalents.

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings which is determined for disclosure purposes is notified by QTC and calculated using discounted cash flow analysis and the effective interest rate. The fair value is determined by reference to published price quotations in an active market and reflects the value of the debt if the Entity repaid it in full at balance date. As it is the intention of the Entity to hold its borrowing for their full term, no adjustment provision is made in these accounts.

2024	Carrying amount \$000	Fair value \$000
QTC borrowings – loans	8,611,431	8,429,661
Total	8,611,431	8,429,661

2023	Carrying amount \$000	Fair value \$000
QTC borrowings – loans	8,901,901	8,867,671
Total	8,901,901	8,867,671

C8 Deferred tax assets and liabilities

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that that it is probable that they will not reverse in the foreseeable future. Deferred income tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset (DTA) is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. DTAs are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

C8-1 Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

2024	Assets \$000	Liabilities \$000	Net \$000
Property, plant and equipment	-	(1,111,743)	(1,111,743)
Lease liability	240	-	240
Provision for employee benefits	8,914	-	8,914
Tax losses	839,880	-	839,880
Government grant	74,400	-	74,400
Inventory	-	(837)	(837)
Accrued expenses	143	-	143
Total deferred tax assets/(liabilities)	923,577	(1,112,580)	(189,003)

2023	Assets \$000	Liabilities \$000	Net \$000
Property, plant and equipment	-	(1,139,831)	(1,139,831)
Lease liability	216	-	216
Provision for employee benefits	7,719	-	7,719
Tax losses	911,539	-	911,539
Government grant	77,815	-	77,815
Inventory	-	(808)	(808)
Accrued expenses	1,075	-	1,075
Total deferred tax assets/(liabilities)	998,364	(1,140,639)	(142,275)

C8-2 Movement in temporary difference during the year

	2024 \$000	Recognised in profit or loss \$000	Acquired in equity \$000	2024 \$000
Property, plant and equipment	(1,139,831)	27,058	1,030	(1,111,743)
Lease liability	216	24	-	240
Provision	7,719	1,195	-	8,914
Tax losses	911,539	(71,659)	-	839,880
Government grant	77,815	(3,415)	-	74,400
Inventory	(808)	(29)	-	(837)
Accrued expenses	1,075	(932)	-	143
Total	(142,275)	(47,758)	1,030	(189,003)

	2023 \$000	Recognised in profit or loss \$000	Acquired in equity \$000	2023 \$000
Property, plant and equipment	(1,121,358)	21,829	(40,302)	(1,139,831)
Lease liability	185	31	-	216
Provision	8,313	(594)	-	7,719
Tax losses	958,551	(47,012)	-	911,539
Government grant	81,229	(3,414)	-	77,815
Inventory	(607)	(201)	-	(808)
Accrued expenses	3,307	(2,232)	-	1,075
Total	(70,380)	(31,593)	(40,302)	(142,275)

C8-3 Tax losses

A DTA is recognised for unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilised. DTAs are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

During the year ended 30 June 2024, \$234M of tax losses were utilised (2023: \$161M) with tax losses carried forward at 30 June 2024 amounting to \$2,799M (2023: \$3,034 million). A DTA of \$839M has been recognised in relation to these carry forward tax losses as it is considered probable that future taxable profits will be generated against which the tax losses could be utilised.

C9 Other liabilities

	Notes	2024 \$000	2023 \$000
Current			
Unearned revenue – government grant	B1-2	11,517	11,382
Other		273	352
Total		11,790	11,734
Non-current			
Unearned revenue – government grant	B1-2	236,617	247,999
Total		236,617	247,999

C10 Right of use assets and lease liabilities

C10-1 Leases as Lessee

Right-of-use assets

	2024 \$000	2023 \$000
Building lease		
Opening balance at 1 July	3,531	4,123
Additions	1,647	-
Depreciation charge	(746)	(592)
Disposals/Derecognition	-	-
Other adjustments	-	-
Closing balance at 30 June	4,432	3,531

Lease liabilities

	2024 \$000	2023 \$000
Current		
Lease liabilities	859	547
Non-current		
Lease liabilities	4,375	3,704
Total	5,234	4,251

The Entity measures right-of-use assets at cost subsequent to initial recognition. The Entity has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Where a contract has both lease and non-lease components such as cleaning services, the Entity allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, the Entity has elected not to separate lease and non-lease components and instead accounts for them as a single lease component.

When measuring the lease liability, the Entity uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined. To determine the incremental borrowing rate, the Entity uses loan rates provided by QTC that correspond to the commencement date and the term of the lease.

Details of leasing arrangements as lessee

Office accommodation with non-related party	The Entity has 2 leases. A 10-year commercial lease was signed on June 2019, and another 5.5 year signed on January 2024 for office accommodation in Brisbane City. Lease payments for these leases are initially fixed and are subject to market rent review at the fifth year and fixed rent increments in other years, nil option to extend. Refer to Note C10-1 for further details.
Office accommodation lease with QLD Government	In March 2014, The Entity entered a 15-year office accommodation arrangement with the Department of Housing, Local Government, Planning and Public Works for the Ipswich office. As this arrangement is under the Government-wide frameworks and categorised as procurement of services rather than as leases because the Department of Housing, Local Government, Planning and Public Works has substantive substitution rights over the assets. The related expenses are included in Note B3.
Leasehold land	The Entity leases land from the Department of Regional Development, Manufacturing and Water. The total annual leasehold land payments are less than \$20,000. Due to the immaterial payment amount, the Entity is treating these leases under the low value exemption of AASB 16. The related payments are recognised as supplies and consumables in Note B3 when incurred.

	2024 \$000	2023 \$000
(i) Amount recognised in profit or loss		
Interest expense on lease liabilities	266	256
Expenses relating to office accommodation with QLD Government	2,770	2,669
Expenses relating to leasehold lands	18	27
(ii) Total cash outflow for leases	930	746

C10-2 Leases as Lessor

Details of leasing arrangements as lessor

The Entity receives revenue from various parties for the exclusive right-to-use of the assets.

Grazing leases	Amounts receive for the exclusive use of land areas for cattle grazing. These leases are registered on title and can be re-assigned to new landowners. In this instance, the underlying asset is catchment land which has an enduring life and is an integral component of water allocation, hence, the land cannot be sold without restrictions that ensure the quality of catchment water.
Property / Facility Lease	The Entity leases residential properties and commercial facilities in various catchment areas to third parties. Due to the nature of these assets and significance to the Entity's core business, none of these assets will be sold to the lessees.

Lease income from operating lease is reported as other revenue in Note B1-3. The Entity does not have any financial leases.

The following table sets out a maturity analysis of future undiscounted lease payments receivable under the Entity's operating leases.

	2024 \$000	2023 \$000
Less than one year	835	741
Between one and five years	1,796	2,088
More than five years	8,756	8,433
Total	11,387	11,262

C11 Asset revaluation surplus by asset class

2024	Land \$000	Building \$000	Infrastructure \$000	Total \$000
Balance at 1 July 2023	288,871	3,822	2,261,523	2,554,216
Revaluation increments	-	-	-	-
Asset revaluation on disposal	(1,023)	-	(2,412)	(3,435)
Deferred tax liabilities	307	-	723	1,030
Balance at 30 June 2024	288,155	3,822	2,259,834	2,551,811

2023	Land \$000	Building \$000	Infrastructure \$000	Total \$000
Balance at 1 July 2022	194,509	4,147	2,261,523	2,460,179
Revaluation increments	134,803	592	-	135,395
Asset revaluation on disposal	-	(1,057)	-	(1,057)
Deferred tax liabilities	(40,441)	140	-	(40,301)
Balance at 30 June 2023	288,871	3,822	2,261,523	2,554,216

The asset revaluation surplus represents the net effect of upwards and downwards revaluation of assets to fair value.

C12 Inventories

Stores and chemicals are valued at the lower of cost and net realizable values. Cost have been assigned to individual items on the basis of weighted average cost.

	2024 \$000	2023 \$000
Stores	12,148	10,714
Chemicals	2,544	2,408
Renewable energy certificates	106	285
Total	14,798	13,407

Section 4 – Notes about risk and other accounting uncertainties

D1 Financial risk disclosure

D1-1 Financial instrument categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Entity becomes party to the contractual provision of the financial instrument. The Entity has the following categories of financial assets and financial liabilities:

	Notes	2024 \$000	2023 \$000
Financial assets			
Cash and cash equivalents	C1	209,546	229,562
Trade and other receivables	C2	160,625	160,202
Total		370,171	389,764
Financial liabilities			
Trade and other payables	C5	67,084	56,780
Interest bearing liabilities – QTC borrowing	C7	8,611,431	8,901,901
Lease Liabilities	C10-1	5,234	4,251
Total		8,683,749	8,962,932

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

D1-2 Financial risk management

The Entity's activities expose it to a variety of financial risks including credit risk, liquidity risk, and interest rate risk. Exposure to financial risks is managed in accordance with the Entity's approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Entity. The Entity measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement Method
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Market risk – interest rate	Sensitivity analysis

Credit risk exposure

Credit risk exposure refers to the situation where the Entity may incur a financial loss as a result of another party to a financial asset failing to discharge their obligations.

The Entity is exposed to credit risk through its customers, investments with QTC and deposits held with banks. The Entity has a concentration of credit risk from receivables due from its customers. The QTC cash fund is an asset management portfolio that invests with a wide variety of high credit rating counterparties. Deposits are capital guaranteed. Other investments are held with highly rated and regulated financial institutions and whilst not capital guaranteed the likelihood of a credit failure is considered remote.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross amount of those assets inclusive of any provisions for impairment. The carrying amount of receivables represents the maximum exposure to credit risk (refer to Note C2).

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

The following table represents the Entity's maximum exposure to credit risk based on contractual amounts net of any allowances:

	Notes	2024 \$000	2023 \$000
Financial liabilities			
Guarantee	D2	1,536	1,455
Total		1,536	1,455

Liquidity risk

Liquidity risk refers to the situation where the Entity may encounter difficulty in meeting obligations associated with financial liabilities. The Entity is exposed to liquidity risk through its trading in the normal course of business and borrowings from the QTC for asset acquisitions and capital works. The Entity manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long-term, to cater for unexpected volatility in cash flows.

80% (2023: 82%) of QTC borrowings are interest only with no fixed repayment date for the principal component. For the purposes of producing the maturity analysis, only the principal amount has been allocated to the over five-year time band.

The following tables set out the liquidity risk of financial liabilities held by the Entity. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to the repayment of the principal amount outstanding at balance date.

2024	Payable in			Total \$000
	<1 year \$000	1-5 years \$000	>5 years \$000	
Financial liabilities				
QTC borrowings - loans	699,329	2,465,276	7,235,703	10,400,308
Lease liabilities	859	4,375	-	5,234
Trade and other payables	67,084	-	-	67,084
Total	767,272	2,469,651	7,235,703	10,472,626

2023	Payable in			Total \$000
	<1 year \$000	1-5 years \$000	>5 years \$000	
Financial liabilities				
QTC borrowings - loans	693,206	2,773,042	7,266,094	10,732,342
Lease liabilities	547	2,849	855	4,251
Trade and other payables	56,780	-	-	56,780
Total	750,533	2,775,891	7,266,949	10,793,373

Market risk – interest rate

The Entity is exposed to interest rate risk through its borrowings from QTC and cash deposited in interest bearing accounts. The risk in borrowing is effectively managed through QTC's capacity to issue securities with variable terms allowing an appropriate duration for debt. The Entity manages its loan portfolio by setting, monitoring and adjusting the terms and duration as allowed under its commercial financing contract with QTC.

The Entity does not trade in foreign currency and is not materially exposed to commodity price ranges.

Interest rate sensitivity analysis

The following sensitivity analysis depicts the outcome to the Statement of Comprehensive Income if interest rates change by +/- 1% from the year-end rates applicable to the Entity's financial assets and liabilities. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. This is mainly attributable to the Entity's exposure to variable interest rates on its borrowings from QTC.

2024	Net carrying amounts \$000	-1%		+1%	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
Cash and cash equivalents	209,546	(2,095)	(2,095)	2,095	2,095
QTC borrowings – loans	8,611,431	3,366	3,366	(2,756)	(2,756)
Overall effect on profit and equity		1,271	1,271	(661)	(661)

2023	Net carrying amounts \$000	-1%		+1%	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
Cash and cash equivalents	229,562	(2,296)	(2,296)	2,296	2,296
QTC borrowings – loans	8,901,901	3,408	3,408	(2,788)	(2,788)
Overall effect on profit and equity		1,112	1,112	(492)	(492)

D1-3 Capital management

Entity manages its capital to ensure that it will be able to continue as a going concern. The Board relies on the Queensland Government's commitment to ensuring the solvency and ongoing viability of the Entity. This commitment was affirmed in a letter from the Hon. Glenn Butcher MP, Minister for Regional Development and Manufacturing and Minister for Water, and the Hon. Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment issued to the Entity on 26 June 2024.

The Entity must give the responsible Ministers an estimate of its net profit for the year, and a recommendation on the amount of annual return to be paid. The recommendation is to be provided to Ministers between 1 and 15 May prior to the end of the financial year. Before the end of the financial year, the responsible Ministers must either approve the recommendation or direct the Entity to pay another amount (though not more than the estimated net profit previously advised) as decided under section 53 of the *South East Queensland Water (Restructuring) Act 2007*. The return must be paid within 6 months after the end of the financial year.

Annual return payable in 2024 is \$0 (2023: \$0).

	Notes	2024 \$000	2023 \$000
Total borrowings	C7	8,611,431	8,901,901
Total assets (excluding cash and cash equivalents)		10,820,084	10,812,197
Gearing ratio		80%	82%

D2 Contingencies

Insurance claims

The Entity has the following insurance claims in progress as at 30 June 2024:

- in relation to the Entity property damage (operational assets) caused by the late February/ early March 2022 extreme weather event;
- in relation to an employment practices matter; and
- in relation to a personal injury matter involving a sub-contractor employee.

Financial guarantees and associated credit risk

	2024 \$000	2023 \$000
A guarantee provided to Stanwell Corporation Limited, in respect of the operation and maintenance agreement of the Wivenhoe Hydro Plant. The guarantee was returned on 27 November 2023.	-	200
A guarantee provided to Sandhurst Trustees Ltd, in relation to the lease premises at 200 Creek Street, Brisbane	806	525
A guarantee provided to Department of Transport and Main Road, in relation to the Canungra sewer main replacement project	720	720
A guarantee provided to Australian Energy Market Operator limited as a market participant to comply with certain prudential requirements	10	10
Total	1,536	1,455

No defaults have occurred and the Entity does not expect that the guarantee will be called upon. The guarantees are not recognised on the Statement of Financial Position as the probability of default is considered remote.

As financial guarantee contracts are measured in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, the Entity has disclosed the details of the guarantee in this note, in addition to Note D1-2 for full transparency purposes.

Litigation in progress

As at 30 June 2024, the following cases were filed in the courts:

- A claim against the Entity in respect of damages for personal injury allegedly incurred by a person carrying out works for a contractor engaged on the Leslie Harrison Dam Upgrade Project.

As at 30 June 2024, the Entity has joined six native title claims as a respondent in areas with Entity assets.

It is not possible to make a reliable estimate of the final amounts payable, if any, in respect to the litigation before the courts at this time.

D3 First year application of new accounting standards or change in accounting policy

Accounting standards applied for the first time

No new accounting standards or interpretations that apply to the Entity for the first time in 2023-24.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2023-24.

D4 Future impact of accounting standards not yet effective

All Australian accounting standards and interpretations with future effective dates are either not applicable to the Entity's activities or have no material impact on the Entity.

E1 Key management personnel (KMP) disclosures

E1-1 Details of Ministerial KMP and remuneration policies

The Entity's responsible Ministers are identified as part of the Entity's KMP, consistent with additional guidance included in the revised version of *AASB 124 Related Party Disclosures*. These Ministers are the Hon. Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment and the Hon. Glenn Butcher MP, Minister for Regional Development and Manufacturing and Minister for Water, commenced on the 19 November 2020.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Entity 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 Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

E1-2 Details of non-Ministerial KMP and remuneration policies

The following details for non-ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of the Entity during 2023-24. Further information on these positions can be found in the body of the Annual Report under the section relating to Governance.

Board Members remuneration

Board members' fees include fees paid for membership of the Audit and Risk Committee, the Investment and Procurement Committee and the People and Culture Committee. The Board members who were paid, or were due to be paid directly or indirectly from the Entity were:

	2024		2023	
	Salary and fees \$	Superannuation contribution \$	Salary and fees \$	Superannuation contribution \$
David Hamill	104,042	13,265	113,500	14,684
Anthony Lynham	5,675	724	-	-
Penny Tovey	61,250	7,809	57,500	7,439
Marita Corbett	16,208	-	60,823	-
Neville Ide	46,035	5,869	-	-
John McEvoy	61,250	7,809	57,500	7,439
Catherine Mickel	57,750	7,363	54,000	6,986
Gail Ker	61,039	-	60,913	-
Total	413,249	42,839	404,236	36,548

Hon Dr D Hamill appointed as Chairman of the Board on 1 October 2018, his appointment ended on 31 May 2024.

Hon Dr A Lynham appointed as Chairman of the Board on 1 June 2024.

P Tovey appointed as Member of the Board on 1 October 2018.

M Corbett appointed as Member of the Board on 13 December 2019, her appointment ended 30 September 2023.

N Ide appointed as Member of the Board on 1 October 2023.

G Ker appointed as Member of the Board on 1 October 2020.

J McEvoy appointed as Member of the Board on 1 October 2020.

C Mickel appointed as Member of the Board on 1 October 2020.

Key executive management personnel

Position	Responsibilities
Chief Executive Officer (CEO)	Ensure the efficient, effective and economic administration of the Entity.
Executive General Manager Operations*	Lead asset management and technical services including asset information, engineering and water quality. Operation and maintenance of catchment and bulk water supply services to meet customer service requirements and regulatory obligations. Report on, and optimise, asset and operations performance.
Executive General Manager Infrastructure Planning & Capital Delivery*	Undertake the delivery of projects including the design and construction of upgrades and renewals on the Entity's infrastructure. Set and implement the strategy and framework for planning and delivery of the Entity's high value capital projects across the bulk water supply network. Through dynamic multidisciplinary teams' plan and deliver large-scale capital projects.
Executive General Manager Corporate Services	Provide bulk water supply service support functions including financial, commercial services, risk and compliance. Align corporate services to business requirements. Manage and report on corporate performance. Manage corporate assets including property, fleet and facilities.
Executive General Manager People, Culture and Safety	Establish strategies and systems for human resource, health, safety, quality and environment. Provide human resource, health and safety leadership including recruitment, training, investigations, standards, and assurance. Lead culture development, organisational change management and employee engagement.
Executive General Manager Digital Technology & Information	Develop and implement the Entity's strategic technology framework to maximise the value of technology related business investments that assist the Entity to achieve corporate and operational goals. Implement energy management systems and technologies. Support the development of new technologies that deliver efficiency and connectivity.
Executive General Manager Customer, Strategy and Planning	Work directly with customers to manage service delivery, service regulation and water supply planning. Undertake research, regional and local area planning with a focus on water security. Manage pricing and regulatory frameworks. Develop and manage strategic direction, corporate planning, stakeholder engagement, community engagement, communications and education. Coordinate strategic relationships.
Executive General Manager Legal and Governance*	Provide legal support services and carry out corporate administration of the Entity with a focus on compliance to statutory and regulatory requirements. Align and report on requirements of the Board including internal audit, governance and control, fraud and corruption.

* The following positions were transferred effective 09 December 2023:

- Chief Operating Officer to Executive General Manager Operations
- General Manager Major Projects to Executive General Manager Infrastructure Planning & Capital Delivery
- General Counsel and Company Secretary to Executive General Manager Legal and Governance

Key executive management remuneration policies

Remuneration policy for the Entity's key executive management is managed by the Board in accordance with the Queensland Government Policy for Chief and Senior Executive Employment Arrangements. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

Remuneration expenses for key executive management personnel comprise the following components:

- short-term employee expenses which include:
 - salary, allowances and leave entitlements earned and expensed for the entire year, or for the part of the year during which the employee was a key management person;
 - performance payments recognised as an expense during the year; and
 - non-monetary benefits - consisting of provision of a living-away-from-home allowance (LAFHA) with fringe benefits tax applicable to the benefit.
- long-term employee expenses include amounts expensed in respect of long service leave entitlements earned;
- post employee expenses include amounts expensed in respect of employer superannuation obligations;
- termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

1 July 2023 – 30 June 2024						
Position	Short-term employee expenses		Long-term employee expenses*	Post employment expenses	Termination benefits	Total expenses
	Monetary expenses \$	Performance Payments^ \$				
W Harpham – Interim CEO	344,929	9,397	(12,211)	27,500	-	369,615
M Hutchens - EGM	351,296	10,200	9,554	27,500	-	398,550
F Zulli - EGM	325,672	7,144	30,053	35,565	-	398,434
S Dixon - EGM	47,796	-	1,066	3,173	-	52,035
M Williams – EGM	347,827	11,055	9,477	27,500	-	395,859
N Brennan – CEO	552,131	17,842	(68,995)	24,327	-	525,305
R Muir – EGM	350,299	13,148	(71,684)	22,212	-	313,975
B Linaker – EGM	304,142	-	(31,479)	25,385	-	298,048
B van Heerden – EGM	63,417	-	(32,532)	6,663	47,232	84,780
Total	2,687,509	68,786	(166,751)	199,825	47,232	2,836,601

*Long-term employee benefits are accrued annually, when an employee leaves or takes long service leave the resulting entry is a reversal.

^Performance payments during 2023-24 with respect to 2022-23 year.

N Brennan appointed as CEO on 20 August 2018, left on 10 May 2024.

S Dixon appointed as EGM on 20 May 2024.

R Muir appointed as EGM on 18 September 2017, left on 26 April 2024.

M Hutchens appointed as EGM on 11 April 2022.

B Linaker appointed as EGM on 21 October 2019, left on 14 June 2024.

M Williams appointed as EGM on 4 November 2019.

B van Heerden appointed as EGM on 4 November 2019, left on 23 August 2023.

F Zulli acting as EGM from 21 March 2023, appointed on 25 March 2024.

W Harpham appointed as EGM on 27 September 2019, acting as CEO from 23 April 2024.

1 July 2022 – 30 June 2023						
Position	Short-term employee expenses		Long-term employee expenses*	Post employment expenses	Termination benefits	Total expenses
	Monetary expenses \$	Performance Payments^ \$				
N Brennan – CEO	626,276	-	14,181	27,500	-	667,957
S Cassie – COO	424,363	23,700	(27,671)	27,500	-	447,892
F Zulli - A/COO	77,640	-	1,832	12,419	-	91,891
R Muir – GM	372,378	65,267	11,010	26,442	-	475,097
M Williams – GM	342,609	54,709	9,215	27,500	-	434,033
B van Heerden – GM	342,585	55,164	9,554	27,500	-	434,803
B Linaker – GM	351,085	52,951	9,225	27,500	-	440,761
M Hutchens - GM	325,188	34,000	7,813	27,500	-	394,501
W Harpham – GC	288,757	45,454	4,633	27,500	-	366,344
Total	3,150,881	331,245	39,792	231,361	-	3,753,279

*Long-term employee benefits are accrued annually, when an employee leaves or takes long service leave the resulting entry is a reversal.

^ Performance payments during 2022-23 with respect to 2021-22 and an addition one off payment to accommodate cessation of the bonuses scheme from 1 July 2023.

S Cassie appointed as COO on 11 November 2019, left on 13 June 2023.

E2 Related party transactions

Board members' transactions

Ms Marita Corbett was appointed as a Board member on 13 December 2019 and re-appointed on 24 October 2022. On 28 January 2020 the Board appointed Ms Corbett as Chair of the Audit and Risk Committee and Member of the Investment and Procurement Committee. Ms Corbett has arranged for her employer, BDO Service Pty Ltd (BDO) to invoice the Entity in respect of her Board and Committee remuneration, refer to Note E1-2. BDO provided professional and financial advisory services to the Entity, total amount paid \$786,212 (2023: \$700,039), and commitment at reporting date is \$570,117 (2023: \$814,229). Ms Corbett has no involvement in the provision of these services. Ms Corbett appointment as Member of the Board ended 30 September 2023.

Transactions and outstanding balance with State of Queensland controlled entities

The Entity is controlled by the Queensland Government and as a result there are a significant number of interactions with other entities controlled by the same parent. The Entity procures services from a number of Queensland Government departments on normal commercial terms.

The following entities have the same controlling entity as the Entity and therefore are considered to be related parties. Transactions with these entities during the year are:

- QTC, a Queensland Government owned corporation, provided loan debt funding to the Entity under normal commercial terms and conditions, refer to Note C7.
- QCA - investigation and recommendation on the price practices as per the Minister's Referral Notice, total amount paid for the bulk water price review in 2023-24 is \$125,400 (2023: \$nil) and \$89,161 commitment at reporting date;
- Department of Housing, Local Government, Planning and Public Works – Lease of premise, total amount paid \$3,585,987 (2023: \$3,534,071), and commitment at reporting date is \$3,730,063;
- CS Energy – electricity energy supplier for the Entity, refer to Note B3; and
- Department of Regional Development, Manufacturing and Water provided CSO payments to the Entity for the provision of rural irrigation water, refer to Note B1-2.

E3 Climate risk disclosure

Whole-of-Government climate-related reporting

The State of Queensland, as the ultimate parent of the Entity, has published a wide range of information and resources on climate change risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>

Accounting estimates and judgements – climate-related risks

The Entity considers specific financial impacts relating to climate-related risks when assessing material accounting judgements and estimates in preparing the financial report. Key estimates and judgements identified includes the potential for changes in operations and cashflow, changes in the fair value of assets, and financing.

The Entity acknowledges that the climate is changing and that historic climate conditions are unlikely to represent conditions that will be experienced in the future. In recognition of this position, the Entity notes the most up to date, relevant climate change projections applying to operations and operating environments (currently Queensland Department of Environment and Science's future climate projections).

The financial statements have been prepared acknowledging the Entity's Climate Adaptation Strategy and the Queensland Government Climate Transition Strategy, Climate Action Plan 2020-30 and Built Environment and Infrastructure Sector Adaptation Plan.

Operations and cashflow

The Entity's Climate Adaptation Strategy acknowledges the need for adaptation activity advancement in areas impacting water security, assets and infrastructure, research, communication, insurances, emergency management and catchment resilience, with each of these having the potential to impact financial resources.

Under the current regulatory framework, the Entity is able to recover expenditure that is prudent and efficient, with specified review events for drought, flood and other emergency responses. Given the regulatory ability to recover expenditure for these items, as well as variances in demand, it is palpable that any loss of financial resources associated with climate risk is temporary, with no permanent shortfall impacting on medium to long-term financial sustainability.

Asset valuation

The Entity considers climate change risk in the valuation of assets through the inclusion of drought associated scenario overlay, with the drought overlay valuing the impact that drought has on revenue, operations and investment.

At 30 June 2024 the drought overlay probability is 0% (2023: 0%) and is reflected in current year asset valuation.

Financing

The solvency of the Entity is guaranteed by written commitment from the Queensland Government, including the provision of funding facilities.

In the event of climate change related risks transpiring, short-term funding needs will be met under this commitment, with medium to long-term requirements assumed to be met via the pricing recovery mechanisms of the regulatory framework.

Management certificate for year ended 30 June 2024

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 40 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.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; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Queensland Bulk Water Supply Authority for the financial year ended 30 June 2024 and of the financial position at the end of that year.

We acknowledge responsibility under s.7 and s.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.

The Hon Dr Anthony Lynham
Chairman



Signature

Date 15/8/2024

William Harpham
Interim Chief Executive Officer



Signature

Date 15/8/2024

Mike Hutchens
Executive General Manager Corporate
Services



Signature

Date 15/8/2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Bulk Water Supply Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Bulk Water Supply Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended; and
- 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 2024, 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 (including independence standards)* (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.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of property, plant and equipment (infrastructure assets)

Refer to Note C3-3 of the financial statements

Key audit matter	How my audit addressed the key audit matter
<p>Management has estimated the fair value of the entity's infrastructure assets to be \$9,002.7 million as at 30 June 2024. The fair value measurement is based on an estimation of future cash flows discounted to a present value.</p> <p>The valuations are dependent on certain key assumptions that require significant management judgement including the following in respect of:</p> <ul style="list-style-type: none"> • Revenue forecast: uncertainty of price structure post 2028 and estimation of population growth and consumption rates • Discount rate: a nominal post-tax discount rate reflecting what a market participant would use. • Capital expenditure: estimating future capital required to meet demand, comply with legislative obligations and maintain service levels. • Terminal value: a projected regulatory asset base value to compute the terminal value. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the discounted cash flow model, and assessing its design, integrity and appropriateness with reference to common industry practices. • Checking, on a sample basis, the accuracy and relevance of the input data used, including by reconciling input data to supporting evidence such as approved budgets. • Assessing the reasonableness of cash flow forecasts and terminal value estimates relative to the regulator-approved determination, board approved budgets, historical growth trends, long-term asset management plans and other relevant internal and external evidence. The reasonableness of board approved budgets was assessed with reference to their historical accuracy and the budget preparation process. • Evaluating whether the discount rate applied was within a reasonable range, with reference to market data and industry research. • Challenging the reasonableness of key assumptions based on our knowledge of the entity and industry. • Performing a sensitivity analysis to assist in considering the potential impact of reasonably possible changes (downside/upside) in these key assumptions. • Verifying the mathematical accuracy of the net present value calculations.

Useful lives estimated for depreciation expense

Refer to Note C3-4 of the financial statements.

Key audit matter	How my audit addressed the key audit matter
<p>The straight-line depreciation method used required significant judgements for:</p> <ul style="list-style-type: none"> • Identifying the significant parts of infrastructure that have different useful lives • Forecasting the remaining useful lives of those significant parts. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Evaluating management's approach for identifying the parts of infrastructure that have different useful lives, having regard to recent replacement projects and long-term asset management plans. • Evaluating remaining useful life estimates for reasonableness with reference to management's documented assessments, historical disposal rates, condition assessments for older assets, and long-term asset management plans and budgets.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year 30 June 2024:

- 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.

Irshaad Asim

16 August 2024

Irshaad Asim
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Annual report requirements for Queensland Government agencies compliance checklist

Summary of requirement		Basis for requirement	Report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Annual report – inside front cover
Accessibility	Table of contents	ARRs – section 9.1	Annual report – Table of contents
	Glossary		Annual report – Glossary
	Public availability	ARRs – section 9.2	Annual report – About this report
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Annual report – About this report
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Annual report – About this report
	Information licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Not applicable to Seqwater
General information	Introductory information	ARRs – section 10	Annual report – Chief Executive Officer report, Seqwater’s role, and Community awareness Corporate Governance Statement – About Seqwater – Corporate Profile
Non-financial performance	Government’s objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	Annual report – Commitment to Queensland Government Objectives
	Agency objectives and performance indicators	ARRs – section 11.2	Annual report – Delivering on strategy
	Agency service areas and service standards	ARRs – section 11.3	Annual report – About Seqwater, Performance, and Delivery on strategy
Financial performance	Summary of financial performance	ARRs – section 12.1	Annual report – Financial performance, and Strengthen financial sustainability

Summary of requirement		Basis for requirement	Report reference
Governance – management and structure	Organisational structure	ARRs – section 13.1	Annual report – Management and structure
	Executive management	ARRs – section 13.2	Annual report – Executive management Corporate Governance Statement – Executive committees
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Annual report – Government bodies reporting summary
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Annual report – Public sector ethics Corporate Governance Statement – Ethical and responsible decision making
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	Annual report – Human rights
	Queensland public service values	ARRs – section 13.6	Not applicable to Seqwater
Governance – risk management and accountability	Risk management	ARRs – section 14.1	Annual report – Risk Management, and Standing committees of the Board Corporate Governance Statement – Board committees
	Audit committee	ARRs – section 14.2	Annual report – Standing committees of the Board Corporate Governance Statement – Board committees
	Internal audit	ARRs – section 14.3	Annual report – Internal audit Corporate Governance Statement – Internal auditor
	External scrutiny	ARRs – section 14.4	Annual report – External scrutiny
	Information systems and recordkeeping	ARRs – section 14.5	Annual report – Information systems, record keeping and cyber security Corporate Governance Statement – Information systems, cyber security and record keeping
	Information security attestation	ARRs – section 14.6	Not applicable to Seqwater

Summary of requirement		Basis for requirement	Report reference
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Annual report – Industrial relations and remuneration practices review Corporate Governance Statement – Diversity and inclusion
	Early retirement, redundancy and retrenchment	Directive No. 04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Not applicable to Seqwater
Open data	Statement advising publication of information	ARRs – section 16	Annual report – Open data https://data.qld.gov.au
	Consultancies	ARRs – section 31.1	Annual report – Open data https://data.qld.gov.au
	Overseas travel	ARRs – section 31.2	Annual report – Open data https://data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 31.3	Not applicable to Seqwater
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Annual report – Financial statements
	Independent auditor's report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Annual report – Financial statements

Glossary


AASB	Australian Accounting Standards Board	Hon.	Honourable
ADWG	Australian Drinking Water Guidelines	HPIFR	High Potential Injury Frequency Rate
APA	Australian Physiotherapy Association	ISSN	International Standard Serial Number
ARR	<i>Annual Report Requirements for Queensland Government Agencies</i>	KMP	Key Management Personnel
ATO	Australian Taxation Office	KPI	Key Performance Indicator
BDO	BDO Services Pty Ltd	LAFHA	Living-away-from-home allowance
CEO	Chief Executive Officer	LGBTQ+	Lesbian, gay, bisexual, transgender or queer
COO	Chief Operating Officer	Ltd	Limited
A/COO	Acting Chief Operating Officer	LTIFR	Lost Time Injury Frequency Rate
CSO	Community Service Obligation	M	Million
Dr	Doctor	ML	Megalitres (Million litres)
DRs	distributor-retailers	MP	Member of Parliament
DTA	Deferred Tax Asset	NPAT	Net Profit After Tax
EBIT	Earnings Before Interest and Tax	NTER	National Tax Equivalent Regime
EGM	Executive General Manager	Pty Ltd	Proprietary Limited
ESG	Environment, Social and Governance	QAO	Queensland Audit Office
FAA	<i>Financial Accountability Act 2009</i>	QCA	Queensland Competition Authority
FBT	Fringe benefits tax	QLD	Queensland
FFO	Funds from Operations	QTC	Queensland Treasury Corporation
FPMS	<i>Financial and Performance Management Standard 2019</i>	SBFA	<i>Statutory Bodies Financial Arrangements Act 1982</i>
FTE	Full Time Equivalent	SBS	Special Broadcasting Service
GC	General Counsel	SEQ	South East Queensland
GM	General Manager	SIEM	Security Information and Event Management
GST	Goods and services tax	WACC	Weighted Average Cost of Capital


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