

2023-2024 Annual Report



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Pioneer Valley Water (Business Structure)

From 24 March 2016 Pioneer Valley Water has operated under a dual co-operative business structure comprising Pioneer Valley Water Mutual Co-operative Limited (PVMutual) and Pioneer Valley Water Co-operative Limited (PVWater).

PVMutual

Pioneer Valley Irrigation Scheme assets (pump stations, pipelines, balancing storages, meter outlets, SCADA network, etc.) associated property (depot land and buildings, pipeline easements etc.), and renewals reserves are owned by PVMutual. Infrastructure is licensed to PVWater for operational purposes. Please note the [2023-2024 Annual Report for PVMutual](#) is a separate document.

PVWater

Distribution of supply to allocation holders falls to PVWater as the service provider and distribution operations license (DOL) holder under the relevant legislation. To this end PVWater engages employees, and owns operations assets (vehicles, tools, office furniture and equipment etc.).

You are currently reading the [2023-2024 Annual Report for PVWater](#).

CHAIRMAN'S REPORT 2024 AGM

Pioneer Valley Water celebrates its twenty-sixth year of operation and I would like to recap on some of the issues we have faced over that period. We started in 1997 with nothing, borrowed a lot of money and built an irrigation water supply scheme.

We had all the systems operating by the end of 1998 but that then saw the start of a very bad run not only for the irrigation scheme but for the sugar industry in general. Heavy rain in August 1998, orange rust in 1999 and low sugar price from 2000 placed a heavy toll on all associated with sugar cane in Mackay.

2002 and 2003 were particularly dry years and we were very encouraged by the performance of the scheme in delivering very high volumes of water in those years. Our available water was severely diminished with Announced Allocations of 30% in 2003/04, and zero in both 2004/05 and 2005/06. In 2006 Teemburra Dam dropped to its lowest level of 18.5% or 27,400 megalitres. Since 2007 -2008 we have had 100% allocation available and this year is the seventeenth consecutive year.

For the past four years particularly, we have enjoyed intermittent rain across much of the year and many water allocation holders have complained that they are holding allocation that they do not need. Our water usage for 2023 - 24 was 3260 ML or 6.9% of the available allocation. This was about 60% more than the previous year but still one of the lowest annual usage rates since the scheme was established in 1997.

We are all aware that last years weather prediction for an El Nino climate pattern in the Pacific Ocean did not eventuate, but the weather as we all know is cyclical and the dry years will come. Those of you who have been in the scheme from the outset will remember the dry years between 2003 and 2008 and I am sure you will appreciate having access to the scheme in the coming years.

Water allocations were originally viewed as an asset, now unfortunately, many view their allocation as a liability and in many cases as a deterrent to farm transfers. There is no doubt however, irrigators who embrace irrigation and use their allocation to its potential are benefiting from higher production especially through this period of high sugar prices. Unfortunately, poor mill performance is negating the benefits of this higher production.

For the past seven years, we have endeavoured to maintain the water charges at much the same rates with very small changes each year. As you will see in the financial report for 2023-24 we made a small profit due mostly to higher interest rates on our term deposits. We have been able to pass this profit on to you in reduced water charges for 2024-25.

In these times of escalating costs and uncertainty largely exacerbated by a government out of touch with agriculture and particularly irrigation schemes, it is crucial that your Board remains focused on the need to balance the costs to irrigators for maintenance and renewal of scheme infrastructure against the potential for rendering the *use* of that infrastructure unaffordable.

In-line with our Co-operative Vision to maintain a cost effective and technologically sustainable infrastructure and water distribution service for our customers into the future, we recognize the need to replace and upgrade some assets, that have passed their useful performance life. For this purpose, we reviewed the value of our assets and resolved to keep an asset refurbishment fund (an annuity) rather than imposing an additional levy every time we have to upgrade or replace an asset.

Over the last 12 months PVWater have increased advocacy efforts around energy and water pricing issues. I would like to thank those irrigators who have taken up PVWater's on-going invitation to participate in direct approaches to local MP's as we all strive to get the affordability message across to decision makers.

In 2023 - 24, PVWater has:

- provided information to, sought meetings with and extended invitations for scheme inspection to the relevant Ministers and to government bodies at both the state and federal levels.
- We have actively contributed to the very large number of submissions made to various inquiries, prepared by the Agriculture Industries Energy Taskforce and Queensland Farmers Federation;
- We have consulted with the Australian Energy Regulator, and with government owned corporations at both the Queensland electricity network (Energy Queensland), and electricity retail (Ergon Energy) level about appropriate electricity tariff design for agriculture.
- We have been part of the Qld Hydro Stakeholder Reference Group to ensure we have a say in how this project moves forward. The plan is to have three new dams at the head of the Valley, that would not impact on our water allocations in any way. In light of the election result it remains to be seen how this will progress from here.
- The Board and staff met with water allocation holders at different shed venues this year to discuss issues of concern and ways to improve our performance.
- We have had several allocation holders who did not actually read their meters when asked to. We have had some colourful discussions when they received a bill for the whole year, rather than quarter by quarter. Darren and Harley will read the meters twice and we will ask irrigators to send in the meter reads for the other two quarters. It is definitely better to read the meter each quarter and send in the photo as they requested.

I would like to thank our small team who work well together and are very effective in their individual roles.

I would like to thank my fellow Directors for their time and contribution throughout the year and to wish Byron all the best in his future endeavours.

Thank you all for attending this year's AGM as members of PV Water and PV Mutual.

Joseph Borg
Chairman

PVWater at a Glance (As at 30th June 2024)

Organisation Details	
Co-operative name:	Pioneer Valley Water Co-operative Limited
Business name:	Pioneer Valley Water
Co-operative Registration Number:	QC 0278 (established 16 June 2005)
Australian Business Number:	55 322 373 770
Service Provider Registration Number:	SPID 582
Distribution Operations Licence:	Pioneer River Water Supply Scheme
Address Details	
Principal Business Address:	Level A, Canegrowers' Building 120 Wood Street Mackay QLD 4740
Postal Address:	PO Box 275 Mackay QLD 4740
Electronic Mail:	pvwater@pvwater.com.au
Web-site:	www.pvwater.com.au
Telephone Details	
General	
Enquiries:	(07) 4957 8481
Staff Mobiles	
General Manager / Co-operative Secretary – Steven Ford:	0447 655 566
Water Services Officer – Darren Roberts:	0417 789 165
Operations Assistant – Harley Kruse:	0424 192 830
Water Orders	
Place an order ...	Tyeware Telemex Account
	Office (and <i>urgent</i> calls 24hrs): (07) 4957 8481
Cancel/amend an order ...	
	Only between 8am – 5pm: (07) 4957 8481
Statistics	
Total service area:	22,000 hectares (approx.)
Total pipeline length:	35 kilometres
Total channel and watercourse length:	105 kilometres
Total customers:	250 (approx.)
Total water allocations distributed:	375 (approx.)
Directors:	4
Staff:	4

PVWater in 2023-2024

Pioneer Valley Water Co-operative Limited (PVWater) is a small, locally owned and managed co-operative, with offices located in the tropical North Queensland coastal city of Mackay. PVWater distributes irrigation water and maintains irrigation infrastructure on a non-profit-making basis for the benefit of member and non-member irrigators in the Pioneer River Water Supply Scheme (PRWSS), which extends westward and inland from Mackay.

PVWater is currently responsible for annual distribution of up to 47,390 megalitres of water for irrigation purposes and is also engaged through a service agreement with Pioneer Valley Water Mutual Co-operative Limited (PVMutual) to maintain the irrigation infrastructure through which the allocation is distributed. The Pioneer River Irrigation Scheme infrastructure is owned by water allocation holders through their membership in PVMutual.

Distribution Network

PVWater distributes to irrigation customers in the riparian areas of Palm Tree Creek, Cattle Creek (below Gargett), Pioneer River and to four reticulation supply areas, being Palm Tree Creek (including Cattle Creek below Tannalo), Palmyra, Septimus and Silver McGregor.

Water for irrigation within PVWater's distribution area is sourced from natural stream flow in the Pioneer Valley, supplemented as required from Teemburra Dam. Distribution is achieved by various means including diversion through pump stations, pipelines, earth channels and existing natural watercourses. Major PVWater diversion points for reticulated schemes are located at Gargett and Septimus (from Cattle Creek) and near Pleystowe (from Dumbleton Rocks Weir on the Pioneer River). PVWater also operates a gravity-fed high-pressure pipeline reticulation scheme directly from Teemburra Dam near Pinnacle.

The 375 (approx..) water allocations which fall within PVWater's distribution area are devoted in a very large part to the production of sugar by PVWater's 250 (approx..) customers, although opportunities for diversification into alternative crops are increasingly under scrutiny. There has also been significant conversion of traditional sugar cane farming land to beef cattle production over recent years.

Management Structure

Directors

The Board of PVWater consists of 3 Member Directors elected by PVWater's members, and 1 Independent Directors appointed by the Board. The Board Chair and Deputy Chair are appointed by the directors.

One member director retires annually on a rotational basis but may be eligible to be nominated for re-election/re-appointment. If the number of nominees for election to the Board exceeds the number of Member Directors retiring, a postal ballot is accordingly held. If an Independent director has retired in the rotation, the Board may nominate the same or another qualified person to fill the vacated seat. This process is ordinarily completed by ratification at the Annual General Meeting for PVWater.

Directors for the 2023-2024 Water Year included:

Joseph Borg

Chairman; Member Director (appointed as Chairman 21st January 2021)

Joseph is a sugar cane grower, accessing his water entitlement in the PRWSS from the Pioneer River in the Riparian irrigation area. He was initially elected to the board of PVWater in 2016. Re-elected 2023

Joseph holds a Diploma of Agriculture and occupies positions in several industry bodies including:

Director on the Board of Mackay CANEGROWERS Limited,
Chairman of CANEGROWERS Mackay Area Committee.

Kevin Ross

Member Director (elected 2019, appointed as Deputy Chairman 21st January 2021)

Member Director (first elected 2019 re-elected 2022)

Kevin is a third-generation cane farmer, farming at Te Kowai. He accesses his water entitlements in the PRWSS via the Palmyra Irrigation Area (Bakers Creek).

Kevin has extensive practical experience in irrigation processes and has served on the Boards of Mackay Taxis and several sporting organizations.

Kevin also has other off-farm interests.

Byron Nicholson

Member Director (elected 2021)

Byron is a 4th generation sugarcane and grain grower in the Mirani and Benholme areas sourcing water from the riparian scheme above Mirani weir. He has completed a trade in Mechanical fitting and machining, and worked in maintenance operations in both coal mining and sugar milling and refining.

William (Bill) Cooper

Independent Director (re-appointed 2023)

Bill was initially appointed as an Independent Director to the Boards of Pioneer Valley Water Board and PVWater simultaneously in 2009. He holds a Bachelor of Business Accounting, a Bachelor of Law, and Diploma in Legal Practice and has a demonstrated depth and breadth of experience across wide ranging financial and legal interests. Bill provides the Board with valued guidance, particularly in legal matters

Personnel

PVWater employs a compact team of dedicated personnel, to provide a reliable and sustainable irrigation water supply to PVWater members. Staff over the 2022-2023 Water Year included:

Administration



Steven Ford - General Manager / Co-operative Secretary (October 2019)



Sadeta Jakupovic – Administration Officer (started March 2022)

Operations



Darren Roberts – Operations Manager (September 2021)



Harley Kruse – Water Services Officer August 2022

Administrative Arrangements

There is a **Service Agreement**, between PVMutual as the owner of Pioneer River Irrigation Scheme infrastructure, and PVWater as the Distribution Operations Licence (DOL) holder for the Pioneer River Water Supply Scheme. Under the **Service Agreement**, PVWater is engaged to maintain PVMutual's irrigation infrastructure, and to perform administrative functions on PVMutual's behalf.

Water Allocation holders are party to a deemed **Distribution Contract** with PVWater as the Distribution Operations Licence (DOL) holder for the Pioneer River Water Supply Scheme. The **Distribution Contract** was developed in consultation with the state government as part of the final round of legislative changes required to enable conversion from the statutory authority (PVWB) to the dual co-operative structure

(PVMutual / PVWater) in March of 2016. One of the impacts of the *Distribution Contract* is that it enables simplification of the rules and administration for both co-operatives.

2023-2024 Operations Overview

2023-24 - General

Throughout the financial year PV Water carried out several repairs and upgrades across all schemes. Regarding the repairs, if we are working in your area myself and Harley appreciate any advice growers may have and in the past advice, we have received we have taken on board and has been very helpful. At the same time, we do ask that everyone understand there are different ways to carry out tasks. The team is very approachable and if the repair is in your area, please come and speak with us as we are setting up and we are more than happy to discuss how we intend to carry out the repair and lay down areas for excavations to avoid any problems during the repair.

Tyeware made upgrades to our watering ordering and control system Telemex. The upgrades make it easier to track the flow and percentage of water delivered. The Pioneer Valley Water website and database also had upgrades, which thanks to Harley were conducted in house.

We had higher than average rainfall during the end of 2023 into the first few months of 2024. With the low demand for water, we used this time to make changes to review and update our internal SOP's and SWI's.

After the rain period we pressure washed all our substations due to mould build up on the external walls and footings.

Palm Tree Creek Pipeline

We have major servicing of the bermad pressure valves coming up, we used the rain period to have the valves inspected so we know what is required when we do have the system down for servicing to avoid the unknown and the system being down longer than required. We know from the inspections that two pressure valves will be getting replaced which in theory should help limit the number of repairs required in the future.

Septimus

Ergon had an unplanned outage which cut supply to our Relift pump station, once power was reinstated to the area it was discovered that we couldn't start our pumps. After fault finding we found that the transformer supplying the pump station had blown. Ergon had no initial time frame on a replacement, so with advice from the sub-contractor we had to get supply back to our pumps we hired a generator large enough to start up and run the Relift pumps when required and by passing the transformer. Unfortunately, this couldn't be remotely controlled so we had to manually start and stop the generator when storage levels needed to be topped up. Ergon

replaced the transformer after approximately a week, we only lost supply to the system for about 12 hours. We also took advantage of the outage to replace a non-return valve at the Relift pump station when ergon isolated everything to instal the new transformer. We also carried out a number or repairs to joins in the main line over the year.

Silver McGregor

A carry over from the flood event in early 2023 the rock and earth retaining wall between the substation and river needed so repair and earth works conducted to level the area behind and below our subroom. We also repaired a leak in one of the concrete joins in the main line during this time.

Palmyra

We had the channel cleared with an excavator again this year to help with the flow and weed build up. As a trail we had a free demonstration from a company who do drone spraying, and the channel was sprayed to help with the weed build up the start of the channel and will continue to clear this over time section by section. This method of weed control works but doesn't eliminate the need to excavate entirely. We had repairs and upgrades carried out on the pumpstation control system during the year as well.

Riparian

Several pumping pools required some maintenance during the year.

Water Usage and Charges by Irrigation area

Zone		Nominal Allocation	ML Used 23-24	Usage %	Access Charge \$/ML	Usage Charge \$/ML	Member Usage \$/ML
PTC Cattle Creek	22	2824	126	1.6%	\$44.84	\$2.11	\$2.01
PTC Pipeline	30	4889	886	4.5%	\$60.20	\$5.75	\$5.48
Palmyra	55	6216	270	18.1%	\$56.01	\$35.67	\$33.97
Riparian	196	24325	1349	4.3%	\$42.97	\$2.10	\$2.00
Septimus	33	4157	467	5.5%	\$60.83	\$70.23	\$66.89
Silver McGregor Creek	36	4852	156	3.2%	\$52.94	\$55.89	\$52.23
Silver McGregor Pipeline	3	127	6	4.7%	\$54.68	\$55.89	\$52.23
Total	375	47390	3260	6.9%			

Environmental Monitoring

Under the Pioneer Valley Resource Operations Plan (ROP), Pioneer Valley Water Co-operative Limited (PVWater) as the Distribution Operations Licence (DOL) holder has a responsibility to monitor bank condition and fish stranding in streams where supply is supplemented by irrigation infrastructure. PVWater also has an obligation under the *Environmental Protection Act 1994* to take “...all reasonable and practicable measures to prevent or minimise ... environmental harm (the *general environmental duty*)”.

Weeds of National Significance were identified in the riparian habitat at Cattle Creek and Bakers Creek. These species should be addressed by the landholder, as this is a breach of the landholders’ general biosecurity obligations. Future projects that aim to rehabilitate the section of Bakers Creek Channel are again recommended.

Regulatory Environment

On 24 March 2016, the *Water Amendment Regulation (No.1), 2016* dissolved Pioneer Valley Water Board (PVWB) and converted the statutory body to alternative institutional structures – Pioneer Valley Water Mutual Co-operative Limited (PVMutual) and Pioneer Valley Water Co-operative Limited (PVWater).

Under the *Water Act, 2000*, PVMutual became the “water infrastructure owner” for infrastructure associated with the Distribution Operations Licence (DOL) for the Pioneer River Water Supply Scheme. As the “approved nominee” of PVMutual, PVWater now holds the DOL.

As the DOL holder, PVWater is

- party to a *Distribution Arrangement* pursuant to s691A of the *Water Act, 2000* with the holder of each water allocation distributed under PVWater’s DOL; and
- responsible for implementing rules and requirements of the Pioneer Valley Resource Operations Plan that relate to the water allocations PVWater distributes.

Under the *Water Supply (Safety and Reliability) Act, 2008*, PVMutual became the “relevant infrastructure owner” of the relevant infrastructure. As the “prescribed related entity” of PVMutual, PVWater is registered as a service provider under the *Water Supply (Safety and Reliability) Act, 2008*.

Arrangements between PVMutual and PVWater are set out in a *Service Agreement*.

Following a Special Postal Ballot, at the end of 2019-2020 financial year, all members of PVWater are also members of PVMutual. The requirement for reciprocal membership of co-operatives ensures that all water allocation holders under PVWater’s DOL have the opportunity to become members and have a say in how PVWater and PVMutual are conducted, and to support voting agreement on issues impacting both co-operatives.

The Service Agreement between PVWater and PVMutual was endorsed by 82% of members who voted at the Special Postal Ballot. PVWater will continue to operate and maintain PVMutual’s irrigation assets in the Pioneer Valley Irrigation Scheme, provide administration and secretarial services to PVMutual and license the irrigation assets in the Scheme from PVMutual.

Pioneer Valley Water Co-operative Ltd

ABN 55 322 373 770

Annual Report - 30 June 2024

Pioneer Valley Water Co-operative Ltd
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30 June 2024

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Pioneer Valley Water Co-operative Ltd
Directors Report
30 June 2024

The directors present their report, together with the financial statements, on the Co-operative for the year ended 30 June 2024.

Meetings of directors

The number of meetings of the Co-operative's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	No. of Eligible Meetings	No. of Meetings Attended
Joseph Borg	9	9
Kevin Ross	9	9
Byron Nicholson	9	9
Bill Cooper	9	9

Principal activities

The principal activity of Pioneer Valley Water Co-operative Ltd during the financial year was to act as a service provider in distributing water for irrigation purposes to water allocation holders in the Pioneer Valley Water Supply Scheme, and to maintain irrigation infrastructure owned by Pioneer Valley Water Mutual Co-operative Ltd.

No significant changes in the nature of the Co-operative's principal activity occurred during the financial year.

Review of operations for the year

The net profit for the financial year was \$6,466. This is the eighth full financial year of trading. We note the profit for the year is largely attributed to our adherence to our non-for-profit objectives.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Co-operative during the year.

Future developments and results

Likely developments (if any) in the operations of the Co-operative and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Co-operative.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the board of directors



Joseph Borg
Chairman

12 November 2024

**Pioneer Valley Water Co-operative Ltd
Auditors Independence Declaration-
30 June 2024**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pioneer Valley Water Co-operative Ltd. As the lead audit partner for the audit of the financial report of Pioneer Valley Water Co-operative Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm: Tait's Accountants Pty Ltd

Auditor's
Signature:



Stephen Amos (Director)

Address Level 1, City Plaza,
45 Wood Street,
Mackay QLD 4740

Dated this 10TH day of November 2024

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E: office@shtaitco.com.au
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Liability limited by a scheme approved under Professional Standards Legislation

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Pioneer Valley Water Co-operative Ltd
Statement of profit or loss and other comprehensive income
30 June 2024

Revenue			
Interest revenue		20,454	11,566
Charges (capital, maintenance and distribution) revenue		2,329,839	2,121,318
Services revenue	3	394,595	499,961
Other revenue	4	24,463	77,376
Total revenue		<u>2,769,351</u>	<u>2,710,221</u>
Expenses			
Administration expenses	5	(137,941)	(161,517)
Distribution expenses		(1,079,016)	(978,842)
Services expenses		(1,059,827)	(1,083,536)
Employee costs		(471,504)	(434,202)
Depreciation		(14,597)	(12,046)
Total expenses		<u>(2,762,885)</u>	<u>(2,670,143)</u>
Profit before income tax expense		6,466	40,078
Income tax expense		<u>-</u>	<u>-</u>
Profit after income tax expense for the year attributable to the members of Pioneer Valley Water Co-operative Ltd		6,466	40,078
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of Pioneer Valley Water Co-operative Ltd		<u><u>6,466</u></u>	<u><u>40,078</u></u>

Pioneer Valley Water Co-operative Ltd
Statement of Financial Position
30 June 2024

Assets

Current assets

Cash and cash equivalents	6	612,504	561,914
Trade and other receivables	7	64,718	96,077
Total current assets		<u>677,222</u>	<u>657,991</u>

Non-current assets

Property, plant and equipment	8	66,727	38,331
Total non-current assets		<u>66,727</u>	<u>38,331</u>

Total assets

<u>743,949</u>	<u>696,322</u>
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Liabilities

Current liabilities

Trade and other payables	9	347,561	322,518
Employee benefits	10	52,325	36,207
Total current liabilities		<u>399,886</u>	<u>358,725</u>

Total liabilities

<u>399,886</u>	<u>358,725</u>
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Net assets

<u>344,063</u>	<u>337,597</u>
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Equity

Retained earnings		<u>344,063</u>	<u>337,597</u>
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Total equity

<u>344,063</u>	<u>337,597</u>
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Pioneer Valley Water Co-operative Ltd
Statement of changes in equity
30 June 2024

	Members interest \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2022	-	-	297,519	297,519
Profit after income tax expense for the year	-	-	40,078	40,078
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	40,078	40,078
Balance at 30 June 2023	-	-	337,597	337,597
	Members interest \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	-	-	337,597	337,597
Profit after income tax expense for the year	-	-	6,466	6,466
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	6,466	6,466
Balance at 30 June 2024	-	-	344,063	344,063

The above statement of changes in equity should be read in conjunction with the accompanying notes

Pioneer Valley Water Co-operative Ltd
Statement of Cash Flows
30 June 2024

Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,783,327	2,641,687
Payments to suppliers and employees (inclusive of GST)		<u>(2,727,438)</u>	<u>(2,673,799)</u>
Interest received		55,889	(32,112)
		<u>17,383</u>	<u>10,356</u>
Net cash from/(used in) operating activities		<u>73,272</u>	<u>(21,756)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	8	(47,727)	-
Proceeds from disposal of property, plant and equipment		<u>25,045</u>	<u>-</u>
Net cash used in investing activities		<u>(22,682)</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		50,590	(21,756)
Cash and cash equivalents at the beginning of the financial year		<u>561,914</u>	<u>583,670</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>612,504</u></u>	<u><u>561,914</u></u>

The above statement of cash flows should be read in conjunction with the accompanying not

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information

The accounting policies that are material to the Co-operative are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Basis of preparation

In the director's opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

The financial statements are special purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Co-operatives National Law Act 2020 and Corporations Act 2001. The directors have determined the accounting policies adopted are appropriate to meet the needs of the members of Pioneer Valley Water Co-operative Ltd. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The Australian Accounting Standards require accounting policies that will result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Revenue recognition

The Co-operative recognises revenue as follows:

Charges representing water access fees are recognised when earned on a straight-line basis across the financial year. All revenue is stated net of the amount of goods and services tax (GST).

Rendering of services

Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

Interest

Interest is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue

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

Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Cash and cash equivalents

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

Trade and other receivables

Trade and other receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision of impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is assessed periodically with provision being made for impairment.

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Expenditure is only capitalised if it increased the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc.) is expensed.

Property, plant and equipment depreciated on a straight-line basis over the assets useful life to commencing when the asset is ready for use. Depreciation is recognised in profit and loss.

Where assets have separate 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.

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

Plant and equipment	7.5% - 50%
Motor vehicles	25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Profits or losses on disposals are determined by comparing proceeds with the carrying amount. These profits or losses are included in the statement of comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Trade and other payables

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

Employee benefits

Short-term employee benefits

Provision is made for the Co-operative's liability for short term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be wholly settled within one year after the end of the annual reporting period in which the employee render the related service, including wages and salaries. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

The Co-operative classifies employee's long service leave and annual leave entitlements as other short-term employee benefits, as they are expected to be settled wholly within twelve months after the end of the annual reporting period in which the employees render the related service. Provisions are made for the obligation for other short-term employee benefits, which is measured at the nominal value to employees.

Obligations for employee benefits are presented as current provisions in the statement of financial position.

Financial instruments

Financial instruments are recognised initially on the date that Co-operative becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Financial assets and liabilities

Significant receivables and payables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default. The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Impairment of financial assets

At the end of the reporting period the Co-operative assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Impairment of non-financial assets

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

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

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

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

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

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

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

Note 2. Critical accounting judgements, estimates and assumptions

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key estimates - impairment of property, plant and equipment

The Co-operative assesses the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or other events. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technical obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 3. Services revenue

	2024	2023
	\$	\$
Corporate services revenue	302,938	426,285
Asset repairs and maintenance services revenue	91,657	73,676
	394,595	499,961

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 4. Other revenue

	2024	2023
	\$	\$
Sundry revenue	21,241	429
ETAS - Electrical Rebate	-	73,322
Consultancies	3,222	3,625
	24,463	77,376
	24,463	77,376

Note 5. Administration expenses

	2024	2023
	\$	\$
Directors expenses	32,415	31,724
Insurance	24,878	23,659
Rent	22,480	22,022
Professional services	15,974	16,719
Other expenses	42,194	67,393
	137,941	161,517
	137,941	161,517

Note 6. Cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank	382,303	337,740
Cash on deposit	230,201	224,174
	612,504	561,914
	612,504	561,914

Note 7. Trade and other receivables

	2024	2023
	\$	\$
Trade receivables	65,057	99,487
Less: Provision for bad debts	(5,000)	(5,000)
	60,057	94,487
Interest receivable	4,661	1,590
	64,718	96,077
	64,718	96,077

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 8. Property, plant and equipment

	2024	2023
	\$	\$
Plant and equipment - at cost	84,042	84,042
Less: Accumulated depreciation	<u>(74,994)</u>	<u>(72,543)</u>
	9,048	11,499
Motor vehicles - at cost	137,233	163,210
Less: Accumulated depreciation	<u>(79,554)</u>	<u>(136,378)</u>
	57,679	26,832
	<u>66,727</u>	<u>38,331</u>

Reconciliations

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

	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$
Balance at 1 July 2023	11,499	26,832	38,331
Additions	-	47,727	47,727
Disposals	-	(4,734)	(4,734)
Depreciation expense	<u>(2,451)</u>	<u>(12,146)</u>	<u>(14,597)</u>
Balance at 30 June 2024	<u>9,048</u>	<u>57,679</u>	<u>66,727</u>

Note 9. Trade and other payables

	2024	2023
	\$	\$
Trade payables	105,096	141,759
Prepayments by farmers	220,568	170,350
BAS payable	<u>21,897</u>	<u>10,409</u>
	<u>347,561</u>	<u>322,518</u>

Note 10. Employee benefits

	2024	2023
	\$	\$
Annual leave	<u>52,325</u>	<u>36,207</u>

Note 11. General information

The financial statements cover Pioneer Valley Water Co-operative Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Pioneer Valley Water Co-operative Ltd's functional and presentation currency.

Pioneer Valley Water Co-operative Ltd is a non-distributing co-operative without share capital domiciled in Australia. Its registered office and principal place of business are:

Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

Note 11. General information (continued)

Registered office

Pioneer Valley Water Co-operative Ltd
PO Box 275
Mackay QLD 4740

Principal place of business

Pioneer Valley Water Co-operative Ltd
Ground Floor, 120 Wood Street
Mackay QLD 4740

A description of the nature of the Co-operative's operations and its principal activities are included in the directors' report, which is not part of the financial statements.


Pioneer Valley Water Co-operative Ltd
Notes to the financial statements
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001 and Co-operatives National Law Act 2020 and complying Australian Accounting Standards - Reduced Disclosure Requirements as required by the Co-operatives National Law Act 2020;
- the attached financial statements and notes give a true and fair view of the Co-operative's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the board of directors



Joseph Borg
Chairman

12 November 2024

Pioneer Valley Water Co-operative Ltd
Independent auditor's report to the members of Pioneer Valley Water Co-operative Ltd
30 June 2024

Opinion

We have audited the financial report of Pioneer Valley Water Co-operative Ltd, which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-operative is in accordance with the *Co-operatives National Law Act 2020* and *Corporations Act 2001*, including:

- i. giving a true and fair view of the Co-operative's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. that the financial records kept by the Co-operative are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Co-operative in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Co-operative, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Co-operative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Pioneer Valley Water Co-operative Ltd
Independent auditor's report to the members of Pioneer Valley Water Co-operative Ltd
30 June 2024

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Co-operative to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Co-operative audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Name of Firm: Tait's Accountants Pty Ltd

Auditor's Signature:



Stephen Amos (Director)

Address

Level 1, City Plaza,
45 Wood Street,
Mackay QLD 4740

Dated this *12TH* day of November 2024

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