



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.

You are currently reading the 2023 - 2024 Annual Report for PVMutual.

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.).

Please note the [2023 - 2024 Annual Report for PVWater](#) is a separate document.

PVW Mutual Chairman's Report 2023-24

For the 2023-24 Water year, as a non-trading co-operative with no employees, Pioneer Valley Water Mutual Co-operative Limited (PVMutual) maintained its *Service Agreement* with Pioneer Valley Water Co-operative Limited (PVWater) for the provision of administrative and infrastructure maintenance services.

PVMutual's irrigation infrastructure, now in the 27th year across the reticulation schemes, performed well in 2023-24 with routine maintenance and repairs. The failure of an Ergon transformer at Septimus caused some downtime and resulted in an insurance claim to repair and rewire one of the re-lift control cabinets.

In these times of escalating costs and uncertainty largely influenced 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 *use* of that infrastructure unaffordable.

As we move into our 27th year, in order to maintain a cost effective and efficient operation, we recognize the need to replace and upgrade some assets 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.

On 1st July 2021 Pioneer Valley Water transferred its demand management to Tyeware's Telemex Smart Irrigation System. This system allows allocation holders to better monitor their water usage and place water orders via an app on their phone.

The Telemex system:

- Improves water order visibility
- Views remaining allocation based on previous usage and current orders.
- Views current demand and remaining capacity on the whole distribution
- Views the status of orders
- Improves the ability to cancel orders even if partially delivered.
- Tyeware have recently added further improvements to Telemex. The main difference will be that, when logging in, you will see the new map-based interface and have access to network rules and functionality you did not have before.

Water orders will still be accepted by phoning the office during office hours but the app will allow you to put orders into the system from wherever you are, in the office or out in the paddock!. Whichever scheme you are on we encourage you to use the ordering system as this means our operations people know when a system is in use and don't shut it down for maintenance because it was showing that there were no users.

Tyeware Telemex Smart Irrigation is locally developed and supported by skilled technicians based in Mackay

On behalf of the Board, I thank you for your ongoing support, and look forward to a productive 2024-25.

JOHN WERNER - CHAIRMAN

PVMutual at a Glance ... (As at 30th June 2024)

Organisation Details	
Co-operative name:	Pioneer Valley Water Mutual Co-operative Limited
Co-operative Registration Number:	QC 0326 (established 21 August 2013)
Australian Business Number:	57 189 584 723
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	
<i>General</i>	
Enquiries:	(07) 4957 8481
<i>Officer Mobiles</i>	
Co-operative Secretary – Steven Ford	0447 655 566
Statistics	
Total service area:	22,000 hectares (approx.)
Total pipeline length:	35 kilometres
Total channel and watercourse length:	105 kilometres
Total customers:	250 (approx.)
Directors:	3

PVMutual in 2023 - 2024

Management Structure

Directors

The Board of PVMutual consists of 2 Member Directors elected by PVMutual's members, and 1 Independent Director appointed by the Board. The Board Chair is appointed by the directors.

One 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 the 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 PVMutual. Directors for 2023 - 2024 were:

John Werner



Chairman; Member Director (re-elected 2022)

John is a fourth-generation sugar-cane farmer, accessing his water allocation in the PRWSS via the Septimus irrigation area. John was initially elected to the Board of PVMutual in 2014. He has previous experience in directorship through roles as a director of Mackay Fibre Producers Pty Ltd and Advanced Nutrient Solutions Pty Ltd.

Joseph Borg



Member Director (re-elected 2023) 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. Joseph holds a Diploma of Agriculture and occupies positions in several industry bodies including: Chairman of PVWater Board, Director on the Board of Mackay CANEGROWERS Limited, Chairman of CANEGROWERS Mackay Area Committee.

David Said



Independent Director (re-appointed 2022)

David holds a B.Bus FCPA and was appointed as an Independent Director to the board of PVWater in 2016.. David brings his considerable corporate financial expertise to help guide PVWater in financial matters.

Personnel

PVMutual has no employees:

Administration

Steven Ford Co-operative Secretary

Administrative Arrangements

A *Service Agreement* exists between PVMutual as the owner of Pioneer River Irrigation Scheme infrastructure, and PVWater as the Distribution Operations License (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 License (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 Infrastructure Overview**Performance**

PVMutual's irrigation schemes were operational in 1997-1998 and have now completed 26 years in service. The infrastructure performed reasonably in the 2023-2024 water year with moderate levels of corrective maintenance required particularly in regard to pumping control and system monitoring equipment.

Preventive Maintenance

Routine preventive maintenance of scheme infrastructure was once again carried out under contract by PVWater.

Corrective Maintenance

There has been a slight increase of infrastructure failures with fittings across the scheme due to age, however we are moving away from the process of addressing the replacement of existing fittings on an as-fails basis and looking more at preventative and predictive maintenance but with such a small team this continues to be a work-in-progress.

Asset Renewals Strategy

PVMutual relies on Asset Value adjustment in accordance with Rawlinson's' *Construction Cost Guide* published building price index as used by consulting engineers GHD..

- The Board of PVMutual recognizes that Water Allocation holders have a reasonable expectation through the annuity process, that Pioneer Valley Irrigation Scheme infrastructure will be maintained into the future, and this expectation places an onus on PVMutual to make provision for the timely maintenance and renewal of the infrastructure. This is the core objective of PVMutual and is embedded within the rules of the co-operative. Establishment of the dual co-operative structure has already gone some way to achieving a key element of this objective, being the provision of financial security and a separate legal structure to protect reserves, and the ass

Pioneer Valley Water Mutual Co-operative Ltd

ABN 57 189 584 723

Annual Report - 30 June 2024

Pioneer Valley Water Mutual Co-operative Ltd
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Pioneer Valley Water Mutual Co-operative Ltd
Auditor's independence declaration
30 June 2024


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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 Mutual Co-operative Ltd. As the lead audit partner for the audit of the financial report of Pioneer Valley Water Mutual 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 18th day of November 2024

ABN 86 828 375 105
1st Floor, City Plaza, 45 Wood St, Mackay Q 4740 | P.O. Box 16, Mackay Q 4740
P: 07 4957 2231 | F: 07 4951 4382
E: office@shtaitco.com.au
www.shtaitco.com.au

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Pioneer Valley Water Mutual Co-operative Ltd
Directors' report
30 June 2024

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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
John Werner	9	9
Joseph Borg	9	9
David Said	9	9

Principal activities

The principal activity of Pioneer Valley Water Mutual Co-operative Ltd during the financial year was to own and maintain irrigation infrastructure assets located in the Pioneer Valley Water Supply Scheme.

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

Review of operations

The net loss for the financial year was \$252,896. This is the eighth full financial year of trading. We note that the loss for the year is after allowing for \$1,001,707 being depreciation expense on the Co-operative's significant infrastructure assets.

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

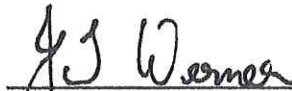
Likely developments (if any) in the operations of the Co-operative and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Co-operative.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set 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 directors



John Werner
Chairman

8 November 2024

Pioneer Valley Water Mutual Co-operative Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue			
Insurance recoveries		10,385	-
Interest revenue		248,893	118,064
Charges (capital and maintenance) revenue		1,059,827	1,083,536
Expenses			
Administration expenses	3	(175,699)	(193,601)
Service expenses	4	(394,595)	(499,961)
Depreciation expense		<u>(1,001,707)</u>	<u>(948,560)</u>
Loss before income tax expense		(252,896)	(440,522)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the year attributable to the members of Pioneer Valley Water Mutual Co-operative Ltd	10	(252,896)	(440,522)
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 Mutual Co-operative Ltd		<u><u>(252,896)</u></u>	<u><u>(440,522)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Pioneer Valley Water Mutual Co-operative Ltd
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	5	5,665,296	5,042,102
Trade and other receivables	6	255,714	190,001
Total current assets		<u>5,921,010</u>	<u>5,232,103</u>
Non-current assets			
Property, plant and equipment	7	33,453,125	32,565,049
Total non-current assets		<u>33,453,125</u>	<u>32,565,049</u>
Total assets		<u>39,374,135</u>	<u>37,797,152</u>
Liabilities			
Current liabilities			
Trade and other payables	8	30,751	72,176
Total current liabilities		<u>30,751</u>	<u>72,176</u>
Total liabilities		<u>30,751</u>	<u>72,176</u>
Net assets		<u>39,343,384</u>	<u>37,724,976</u>
Equity			
Reserves	9	9,091,991	7,220,687
Retained earnings	10	30,251,393	30,504,289
Total equity		<u>39,343,384</u>	<u>37,724,976</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Pioneer Valley Water Mutual Co-operative Ltd
Statement of changes in equity
For the year ended 30 June 2024

	Members interest \$	Asset revaluation reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2022	-	2,381,351	30,944,811	33,326,162
Loss after income tax expense for the year	-	-	(440,522)	(440,522)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(440,522)	(440,522)
Transfers to / from reserves	-	4,839,336	-	4,839,336
Balance at 30 June 2023	-	7,220,687	30,504,289	37,724,976

	Members interest \$	Asset revaluation reserves \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	-	7,220,687	30,504,289	37,724,976
Loss after income tax expense for the year	-	-	(252,896)	(252,896)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(252,896)	(252,896)
Transfers to / from reserves	-	1,871,304	-	1,871,304
Balance at 30 June 2024	-	9,091,991	30,251,393	39,343,384

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

Pioneer Valley Water Mutual Co-operative Ltd
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,053,118	1,090,795
Payments to suppliers and directors fees (inclusive of GST)		(611,719)	(671,940)
		441,399	418,855
Interest received		189,889	42,633
Other revenue		10,385	-
Net cash from operating activities		<u>641,673</u>	<u>461,488</u>
Cash flows from investing activities			
Payments for property, plant and equipment	7	(18,479)	-
Net cash used in investing activities		<u>(18,479)</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		623,194	461,488
Cash and cash equivalents at the beginning of the financial year		<u>5,042,102</u>	<u>4,580,614</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>5,665,296</u></u>	<u><u>5,042,102</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

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

ote 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 Mutual 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

Charges representing infrastructure maintenance and refurbishment 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 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.

Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense on taxable income at the applicable rate for the year.

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. For the statement of cash flow presentation purposes, cash and cash equivalents also include bank overdrafts, which are shown within borrowings in current liabilities.

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 Mutual 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 a revaluation decrease if the impairment losses relate to a revalued asset.

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

Land is not depreciated as it has an unlimited life.

Buildings and water supply plant, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life and plant and equipment is depreciated on a diminishing value over the asset's useful life, commencing when the asset is ready for use. Depreciation is recognised in profit or loss.

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

Buildings	0.0% - 2.5%
Plant and equipment	7.5% - 50.0%
Water supply plant	2.0% - 10.0%

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

Financial instruments

Financial instruments are recognised initially on the date that the 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).

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 or payable.

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.

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

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Co-operative during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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

Note 1. Material accounting policy information (continued)

Goods and Services Tax ('GST')

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

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.

The significant estimates and judgements made have been described below.

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 some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 3. Administration expenses

	2024 \$	2023 \$
Directors expenses	22,859	22,442
Insurance	134,748	149,851
Other expenses	18,092	21,308
	<u>175,699</u>	<u>193,601</u>

Note 4. Service expenses

	2024 \$	2023 \$
Corporate services expenses	302,938	426,285
Asset repairs and maintenance expenses	91,657	73,676
	<u>394,595</u>	<u>499,961</u>

Note 5. Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank	717,045	670,543
Cash on deposit	4,948,251	4,371,559
	<u>5,665,296</u>	<u>5,042,102</u>

Note 6. Trade and other receivables

2024
\$2023
\$

**Pioneer Valley Water Mutual Co-operative Ltd
Directors' declaration
30 June 2024**

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In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001 and Co-operatives National Law Act 2020 and the Australian Accounting Standards - Reduced Disclosure Requirements, as required by the Co-operatives National Law Act 2020; and
- 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 directors



John Werner
Chairman

8 November 2024

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

Opinion

We have audited the financial report of Pioneer Valley Water Mutual 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.

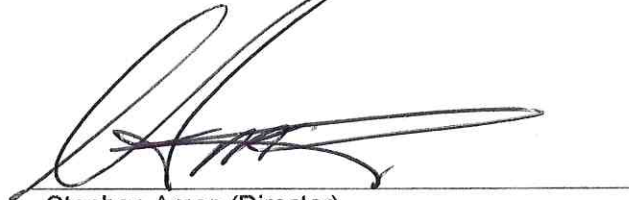
Pioneer Valley Water Mutual Co-operative Ltd
Independent auditor's report to the members of Pioneer Valley Water
Mutual Co-operative Ltd
30 June 2024

- 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 association'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: Taits 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

ABN 86 828 375 105
1st Floor, City Plaza, 45 Wood St, Mackay Q 4740 | PO, Box 16, Mackay Q 4740
P: 07 4957 2231 | F: 07 4951 4382
E: office@shtaitco.com.au
www.shtaitco.com.au

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